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PROCEEDINGS AND DEBATES OF THE 86th CONGRESS
FIRST SESSION

VOLUME 105—PART 11

JULY 17, 1959, TO JULY 30, 1959
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SENATE

FRIDAY, JULY 17, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, as in reverence we say, hallowed be Thy name, so in Thy sight may we hallow our own names, keeping our honor bright, our hearts pure, our ideals untarnished, and our devotion to the Nation's welfare deep and true.

May we know no glory but the supreme satisfaction of rendering to the Nation, and to the world, our utmost service, unsullied by base motives of self-interest or by the lure of personal ambition.

Amid the tensions of these terrific days, in Thy presence we seek a saving experience of inner quiet and certainty. Unworthy though we are, Thou hast made us keepers of the holy flame of freedom the fathers kindled with their lives.

We pray for Thy guidance in this solemn day of responsibility and opportunity, that as a nation we may use the vast power committed to our fallible hands in such manner as may cause all the peoples of the earth to rise up and call us blessed.

We pray in the spirit of our Lord and Master, redeemer of the world. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 16, 1959, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H.R. 7634) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 7634) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, was read twice by its title and referred to the Committee on Public Works.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without reservation:

Executive D, 86th Congress, 1st session: The International Sugar Agreement of 1958 (Exec. Rept. No. 6).

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

ARMY OF THE UNITED STATES

The Chief Clerk read the nomination of Maj. Gen. Robert Wesley Colglazier, Jr., O223653, Army of the United States (brigadier general, U.S. Army Reserve), to be lieutenant general, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CHIEF, NATIONAL GUARD BUREAU

The Chief Clerk read the nomination of Maj. Gen. Donald Wilson McGowan C179512, a Reserve commissioned officer of the Army, member of the National Guard of the United States, to be Chief of the National Guard Bureau for a period of 4 years to date from date of acceptance under the provisions of title 10, United States Code, section 3015.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the Air Force.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Air Force nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the Air Force nominations will be considered en bloc; and, without objection, they are confirmed.

THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Navy be considered en bloc.

The VICE PRESIDENT. Without objection, the Navy nominations will be considered en bloc; and, without objection, they are confirmed.

THE AIR FORCE, THE NAVY, AND THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Air Force, the Navy, and the Marine Corps, which had been placed on the Vice President's desk.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that all these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORT ON BILL FOR ESTABLISHMENT OF YOUTH CONSERVATION CORPS—MINORITY VIEWS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the adjournment of the Senate the Committee on Labor and Public Welfare

be permitted to file a report on the bill (S. 812) to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; and that minority views on the bill may be filed during the adjournment of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO TUESDAY AT 10 A.M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until Tuesday, July 21, at 10 o'clock a.m.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED SUPPLEMENTAL APPROPRIATIONS AND OTHER AUTHORIZATIONS, FOR VARIOUS AGENCIES (S. DOC. NO. 38)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting proposed supplemental appropriations and other authorizations, for the fiscal year 1960, for various agencies, relating to the use of foreign currencies under section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended, which, with the accompanying papers, was referred to the Committee on Appropriations, and ordered to be printed.

FOREIGN ECONOMIC AID—RESOLUTION OF MILWAUKEE ASSOCIATION OF COMMERCE

Mr. WILEY. Mr. President, today I received from the Milwaukee Association of Commerce a resolution on foreign economic aid. The resolution concludes as follows:

Be it therefore

Resolved, That the Milwaukee Association of Commerce recommends and urges that the U.S. Government should henceforth make it a condition that where the U.S. tax dollar is used for making foreign economic aid, loans, or grants, such dollars must be spent in the United States for procurement of goods and services made in this country.

My understanding is that approximately 80 cents of each dollar so given is spent in the United States; but I ask unanimous consent that the entire resolution be printed in the RECORD and be appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

RESOLUTION ON FOREIGN ECONOMIC AID

Whereas American commerce and industry approved the so-called Marshall plan during the period of its inception as an American contribution toward a revival of the economies of the countries of the free world—principally the countries of Western Europe; and

Whereas it approved the declaration of U.S. policy as spelled out in section 413(a) of the Mutual Security Act. This section opened the way to the use of U.S. tax dollars for the procurement of goods and services outside the United States, thereby providing production that was badly needed at the time in the plants of Western Europe, many of which are our normal competitors in world markets; and

Whereas the Marshall plan's economic aid did its job well, and both our friends and our former enemies in Western Europe are today restored to sound economic health fully capable of actively competing once more with us in the world markets. They are today capable of carrying out their full share in financing the development of the world's economically underdeveloped areas; and

Whereas the success of the Marshall plan and the unfortunate continuation of the cold war has caused emphasis on economic aid to be shifted from Europe into other areas with large scale aid continuing. Economic aid programs have been established by other countries, such as the Colombo plan of the British Commonwealth of Nations, and the recent German program. These programs call for the procurement of goods and services from within their own country, while those of the United States, such as, for example, the IGA and DIF, still provide that the U.S. taxpayer's dollar can be spent anywhere in the free world; and

Whereas we firmly believe the time has come when the United States should embark upon a policy of using its foreign economic aid tax dollars to provide goods and services solely from the United States; and

Whereas we believe friendly nations that have benefited by our policies of aid, when aid was desperately needed, will bear us no ill will because we now propose doing what they are doing; and

Whereas we do not believe procurement abroad seriously helps free countries any longer to reduce their dependence on the Communist bloc. Most of the free nations now encourage their trade with the Communist bloc; and

Whereas statistics no longer support the thesis that these dollars spent abroad return to the United States solely in the form of orders for U.S. goods and services, but are helping to build up short-term obligations in this country, that are placing an increasingly great potential strain on our gold resources; and

Whereas we do not believe that procurement abroad provides our lending agencies with any seriously important competitive weapon against Soviet economic blandishments, since in the end, if it suits their political purpose, the Soviets can so arrange their aid loans until they are in effect nothing but free grants; and

Whereas we firmly believe U.S. funds, loaned under already existing favorable conditions and backed by the high quality of U.S.-made equipment and U.S. services, will always be eagerly sought. The Soviets will also not find it difficult to find buyers abroad when they make their terms attractive: Be it therefore

Resolved, That the Milwaukee Association of Commerce recommends and urges that the U.S. Government should henceforth make it a condition that where the U.S. tax dollar is used for making foreign economic aid, loans, or grants, such dollars must be spent in the United States for procurement of goods and services made in this country.

July 15, 1959.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

S. 2220. A bill to strengthen the Commissioned Corps of the Public Health Service through revision and extension of some of the provisions relating to retirement, appointment of personnel, and other related personnel matters, and for other purposes (Rept. No. 535).

EXCHANGE OF CERTAIN MORTGAGES FOR GOVERNMENT BONDS—REPORT OF A COMMITTEE—MINORITY AND INDIVIDUAL VIEWS

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably, without amendment, the resolution (S. Res. 130) to express the sense of the Senate on an exchange of mortgages held by FNMA for Government bonds, and I submit a report (No. 534) thereon. I ask unanimous consent that the report be printed, together with minority and individual views.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Alabama.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938, RELATING TO COVERAGE FOR CERTAIN EMPLOYEES—AMENDMENT

Mr. PROUTY. Mr. President, I submit an amendment intended to be proposed by me, to the bill (S. 1046) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes. I ask that the amendment be printed and referred to the Committee on Labor and Public Welfare.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Labor and Public Welfare, as requested by the Senator from Vermont.

Mr. PROUTY. Mr. President, this amendment, which I plan to offer, would authorize the Secretary of Labor, by agreement with appropriate State officials, to exempt employees in industries—other than mining, manufacturing, communications, and transportation, except where predominantly local in character—from the application of the Fair Labor Standards Act.

Before exempting these employees, the Secretary would have to make a determination that they are receiving minimum wage, overtime, and child labor protection under a State law which is in substantial accord with that provided in the Federal law. He would also be required to impose such conditions as he may find necessary to assure their continued protection under State laws.

One of the chief purposes of this amendment is to reduce the cost of administering and enforcing the Fair Labor Standards Act. At the present time, some States now provide standards

which are comparable to those contained in the Federal law. If an increasing number of State legislatures enact legislation comparable to the Federal fair labor standards statute, a proposal such as mine could make possible the avoidance of a great deal of duplication of effort.

I call the attention of the Senate to the fact that the Labor Subcommittee recently reported to the full Committee on Labor and Public Welfare a measure which would extend the dollar minimum wage to any retail establishment whose gross annual volume of sales is less than $750,000.

If this measure is enacted without the amendment which I am proposing, it will result in a good deal of administrative duplication, because some States, like Vermont, for example, provide at the present time similar protection for retail employees.

At the last meeting of the Vermont Legislature a statute was enacted which guarantees to all retail employees in the State a minimum wage of $1 per hour.

I think it is in the interest of sound public policy to let State agencies, whenever possible, supervise the enforcement of safeguards to protect employees in their State, because these agencies are likely to be more familiar with the problems of industries and employees in their area.

The amendment which I intend to propose would encourage States to enact better labor standards, because they would know that in so doing they would not be duplicating a Federal effort, and they could, by such action, preclude Federal interference in types of commerce which are predominantly local in character.

CIVIL RIGHTS ACT OF 1959—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (S. 2391) to extend the Commission on Civil Rights, and to provide further means of securing and protecting the right to vote, which was referred to the Committee on the Judiciary, and ordered to be printed.

IMMIGRATION AND CITIZENSHIP ACT OF 1959—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the senior Senator from Pennsylvania [Mr. CLARK] be added as a cosponsor to Senate bill 2358, the Immigration and Citizenship Act of 1959, which I introduced on July 9, 1959, and which is cosponsored by Senators MORSE, MCNAMARA, PASTORE, GREEN, HART, MURRAY, NEUBERGER, MCCARTHY, WILLIAMS of New Jersey, and GRUENING.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts of address delivered by him at Superior, Wis., relating to St. Lawrence Seaway.

Statement by him on Chicago water diversion and excerpts from proceedings in the House of Commons.

By Mr. SALTONSTALL:

Statement by Hon. Arthur S. Flemming, Secretary of Health, Education, and Welfare, relating to education proposals of the administration.

THE DIXON-YATES CASE

Mr. DIRKSEN. Mr. President, I submit, for inclusion in the RECORD, an editorial entitled "This One Dies Hard." The editorial deals with the findings of the Court of Claims in the Dixon-Yates case, and was published in the Washington Star on July 16.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THIS ONE DIES HARD

The so-called conflict of interest in the Dixon-Yates case has been one of the hardiest issues of these times. Whenever it seemed to be breathing its last, some politician would rush forward and revive it—generally as a weapon with which to belabor a political target, as, for example, in the recent case of Lewis L. Strauss.

At last, however, this Dixon-Yates issue, about which so many people who know so little have talked so much, may have been finally laid to rest. The Court of Claims, in a 3-to-2 decision, has held that there was "not the slightest conflict of interest" in the activities of Adolphe Wenzell in this matter, and that the Federal Government must pay over $1.8 million in damages to the Dixon-Yates combine for unjustly canceling a contract to build a power station in the Memphis area.

There is not space here to review the tangled history of the Dixon-Yates affair. The essential point is, however, that the Government engaged Wenzell as a consultant, knowing perfectly well that he was employed by a Boston firm which might market some of the financing bonds if the power station should be built. Nevertheless, when the city of Memphis decided to build its own power station, thereby wiping out any need for the Government plant, the latter sought to cancel the contract on the ground that Wenzell's activities, of which it was fully aware, amounted to conflict of interest.

The majority opinion was written by Judge Madden and joined in by Judge Laramore, also of the Court of Claims, and Federal District Judge Bryan of Alexandria, who was sitting by designation. It was sharply critical of the Government, as indicated by the following excerpts:

"There is, it seems to us, something essentially cynical about the Government's * * * defense. The Government urges, in effect, that the doctrine which it calls to its defense is a prophylactic generalization which must be applied in cases of honest transactions in order to keep it available and effective in cases of dishonest transactions. In this case the actor for the United States was the Director of the Budget, acting immediately under and on behalf of the President of the United States. What he did was done legally, honestly and with complete fidelity to the interests of the Government. * * * We do not see in this case before us an instance in which the Government needs, as additional protection against the honest acts of its highest officials, a diaphanous cloak of immunity woven from an asserted vague and undefined public policy."

In short, said the court, the Government at all stages knew what it and Wenzell were doing, and it cannot now tear up its contract and make the Dixon-Yates combine take the rap.

From this ruling, of course, the Government has a right of appeal to the Supreme Court. The strong dissents by Chief Judge Marvin Jones, of the Court of Claims and retired Supreme Court Justice Reed, also sitting by designation, may persuade it to do so. In the meantime, however, there should be less irresponsible shouting about this alleged conflict of interest. For now that the Court of Claims has given Mr. Wenzell a clean bill of health, such talk becomes a little risky.

IKE'S POPULARITY FIRM DESPITE CRITICS

Mr. DIRKSEN. Mr. President, I also submit for inclusion in the RECORD an article from the Washington Post of July 17. The article is the Gallup poll, under the title "Ike's Popularity Firm Despite Critics."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IKE'S POPULARITY FIRM DESPITE CRITICS

PRINCETON, N.J., July 16.—During a period in which he has come under increasing fire from congressional Democrats, President Eisenhower's personal popularity with voters has held firm.

In the most recent check on the President's popularity by the Gallup poll, 62 voters in every 100 say they approve of the way Mr. Eisenhower is handling his job.

The President's standing with voters is thus unchanged from what it was 1 month ago. During this period, the Washington political front has reverberated with explosions from Democratic leaders in Congress over the President's vetoes of bills sponsored by them—in particular, his veto of the housing bill.

Today's score represents an increase of 10 percentage points in Mr. Eisenhower's popularity since the 1958 election when the Democrats greatly increased their seat margins in both Houses of Congress.

The increase in the President's popularity is of particular significance when it is considered against what was, at least until a month ago, a generally declining pattern of GOP strength at the congressional level.

Gallup poll reporters measured voters' feelings about the current occupant of the White House with this question: Do you approve or disapprove of the way Eisenhower is handling his job as President?

Here is today's vote compared with that recorded in the wake of the November 1958, congressional election:

[Percent]

	Today	November 1958
Approve	62	52
Disapprove	22	30
No opinion	16	18

APPEAL IS WIDESPREAD

Mr. Eisenhower's popularity today is one based on a widespread appeal to most major segments of the population.

Perhaps one of the best measures of the appeal that Eisenhower currently has is seen in the vote of confidence he gets from persons in the major occupation groups.

On the one hand, the President has a substantial majority approving his handling of

office among manual workers—a group traditionally Democratic in their voting preference.

On the other, he maintains a high degree of popularity among groups such as professional and business people and white-collar workers.

Here is the President's popularity score today among major segments of the population:

[Percent]

	July 1959		
	Approve	Disapprove	No opinion
National	62	22	16
Republicans	86	6	8
Democrats	46	36	18
Independents	63	18	19
Professional and business	67	22	11
White collar	68	20	12
Farmers	60	22	18
Manual workers	59	23	18
Men	60	26	14
Women	64	19	17
21 to 29 years	64	20	16
30 to 49 years	62	22	16
50 years and over	62	24	14

HOUSING BILL VETO

Mr. SPARKMAN. Mr. President, I have read with interest an article by Mr. Arthur Krock, as published in this morning's issue of the New York Times. In an adjoining column, the Times has printed a letter to the editor by Senators CLARK, PROXMIRE, BYRD of West Virginia, DOUGLAS, and WILLIAMS of New Jersey. I congratulate these Senators upon their initiative in attempting to refute the misleading public impression that has been created by the President's veto of the housing bill.

I note with regret that Mr. Krock, although he admits certain imperfections in the President's message, still maintains that the veto was merited. In an effort to stimulate Mr. Krock's further thinking on this subject, I have mailed to him a copy of a statement I made on the floor of the Senate late on the afternoon of Wednesday, July 15. Unfortunately, the account of this statement was not widely covered in the press, and perhaps it has not come to Mr. Krock's attention

Mr. President, I ask unanimous consent that at this point in the RECORD there may be printed a copy of the article by Mr. Krock, a copy of the letter to the editor of the New York Times, and a copy of my letter to Mr. Krock.

There being no objection, the article and the letters were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 17, 1959]

A DISSENT BY SIX DEMOCRATIC SENATORS

(By Arthur Krock)

WASHINGTON, July 16.—Senator JOHNSON, the majority leader, and five Democratic colleagues who include critics of his leadership policy have united in dissenting to a recent favorable analysis in this space of the reasons given by the President for vetoing the housing bill. The protest of the five was that "half truths and distortions in the veto message were repeated here as though they were fact."

Senator JOHNSON made his comment in an amiable exchange on the floor with Senator BUSH, Republican, of Connecticut, who endorsed the message and its analysis here, as accurate. Senators CLARK, of Pennsylvania; BYRD, of West Virginia; DOUGLAS, of Illinois; PROXMIRE, of Wisconsin; and WILLIAMS, of New Jersey, presented their views in a letter. The following gives the gist of the several assertions:

Senator JOHNSON: 1. The analysis published here, repeating the President's estimate that the cost of the 45,000 new public housing units authorized in the bill would be a minimum of $1 billion, stated that this extra impost on the budget would come "in the next few years." This statement created a wrong impression, because the probable cost cannot be firmly estimated since it will be spread over 40 years, and the new units may never be built at all. [This complaint is justified.]

2. Though in his veto message the President employed this "Madison Avenue gimmick" of calling a wild guess an estimate, it is significant that he did not do so in the 1956 recommendation for housing construction. And "I do not think anyone is wise enough to say that if the bill we passed had become law an additional $1 billion would be spent, because we do not know what the President would have done under that authority. * * * We know (for instance) that more than $1 billion which we appropriated (for defense) last year has not yet been used." So the President's contention that, to the $1,375.4 million authorized to be spent by the housing bill sent to him by Congress, another cost potential of $1 billion should be added, is using an "Amos and Andy figure * * * to hoodwink the * * * people."

The letter of the five Senators: 1. This makes the same point against the extra $1 billion estimate. It also states that "estimates based on data from the Housing and Home Finance Agency were that" the 1960 budget expenditures for all housing programs authorized in the Democratic bill "would have been only $24 million more than the President's budget, and those for the following year would have been scarcely higher."

2. The fact that of the 387 municipalities presently participating in urban renewal "well over half have populations under 50,000" repudiates the President's assertion in his veto message "that the big cities, because their plans were further along, could usurp all the funds" authorized for urban renewal.

3. The President asserted that the Democratic bill would actually authorize 190,000 housing units in addition to "over 100,000 * * * as yet unbuilt." But these 100,000 are already committed "and in various stages of completion." In a separate letter Senator CLARK expanded this as follows: "Units under construction in one city will not help the need in another. * * * A city whose urban renewal depends upon public housing and which does not happen to have a project underway will simply have to forget all about urban renewal."

4. "The President opposes all new public housing and wishes to confine urban renewal grants to a maximum of $250 million a year" with a larger cost share to States and cities than "most of them" can afford. Yet projects "ready to proceed" total $500 million, "with many hundreds more in preparation. * * * The President's program would drastically reduce retarded urban renewal * * * and bring it to an absolute standstill in many localities."

"Lack of space," the letter concluded, "does not permit a full analysis of the 'major innovations' which (a New York Times editorial) suggests were the President's real reason for vetoing the bill." This "full analysis," incidentally, would require the five Senators to justify such new inflationary stimulants as the $50 million item to start a public housing program for the elderly and $37.5 million to be fed into the private mortgage market.

After respectful consideration of the dissents above, this department finds nothing to alter the judgment that the President's veto was merited.

[From the New York Times, July 17, 1959]

HOUSING VETO CRITICIZED—SENATORS SEE SETBACK FOR PROGRAM OF URBAN RENEWAL

To the EDITOR OF THE NEW YORK TIMES:

May we comment on your July 9 editorial and Arthur Krock's column of the same date on the President's veto of the housing bill.

Your editorial comments that "it is doubtful that the President would have vetoed the bill simply because it contained slightly more spending authority for slum clearance than he asked, or even because of its provision reauthorizing the unused portion of the 1949 public housing law."

Yet in his veto message the President made much of the alleged "excessive" and "extravagant" and "inflationary" nature of the bill. As members of the Senate Banking and Currency Committee we have seen no evidence that the President would find acceptable any authorization beyond that contained in his original recommendations submitted in January. In his veto message he reiterated those quite inadequate proposals, with no suggestion of compromise.

Mr. Krock repeats certain assertions in the message as though they were fact. Yet the message is full of distortions and half truths.

PROJECTED COSTS

For example, Mr. Krock states that "the public expenditures (the bill) authorized tripled those proposed by the administration." This is based on the estimates in the message of $2.2 billion as against $810 million. Yet in order to arrive at these unsubstantiated figures, the authors of the message apparently projected the costs of the public housing program 40 years into the future, and then implied that the expenditures would be immediate.

Mr. Krock went on to say that the expenditures "would have lengthened the road to a balanced budget." But estimates based on data from the Housing and Home Finance Agency were that the expenditures under the bill in the 1960 fiscal year would have been only $24 million more than the President's budget, and those for the following year would have been scarcely higher. The effect on the budgetary balance would thus have been negligible.

Another distortion was the assertion in the President's message that the big cities, because their plans were further along, could usurp all of the funds provided for urban renewal in the bill. The fact is that of 387 cities presently participating in the program well over half have populations under 50,000.

Perhaps the most deceptive half-truth was the President's statement that "even though we have over 100,000 previously authorized public housing units as yet unbuilt, the bill would authorize 190,000 more." The full truth is that all 100,000 unbuilt public housing units are committed and in various stages of completion. The bill reauthorized additional units originally authorized in the Housing Act of 1949 and restricted the annual rate of authorization by the President to 35,000 units a year.

STATE CONTRIBUTIONS

In brief, the President opposes all new public housing, and wishes to confine urban renewal grants to a maximum of $250 million a year, with States and municipalities eventually paying a larger share of the cost than at present—which most of them could not afford. Yet projects now ready to proceed amount to over $500 million, with many hundreds of millions more in preparation.

Urban renewal projects cannot by law proceed unless housing is available for the displaced families. In many, if not most cities, public housing is essential to rehouse the

lowest-income families who are displaced. Thus the President's program would drastically retard urban renewal everywhere and in many localities bring it to an absolute standstill.

Space does not permit a full analysis of the major innovations which your editorial suggests were the President's real reason for vetoing the bill. We can only say that most of them—for example, the proposed program of housing for the elderly—represent an application in new areas of devices and methods of assistance which are well established. The criticisms in the veto message were, in many cases, strained and exaggerated if not actually distorted.

The President asked for a sound and constructive housing bill. That is exactly what the Congress sent him. The ranking Republican on our committee, Senator CAPEHART, of Indiana, considered the bill a good one, urging the President to sign it.

We cannot escape the feeling that the bill was vetoed not on its merits but because the leadership of the Republican Party, on the eve of a Presidential campaign, felt that they would rather have a political issue than a law that would help build houses for Americans.

JOSEPH S. CLARK,
WILLIAM PROXMIRE,
ROBERT C. BYRD,
PAUL H. DOUGLAS,
HARRISON A. WILLIAMS, Jr.

WASHINGTON, *July 13, 1959.*

JULY 17, 1959.

Mr. ARTHUR KROCK,
The New York Times,
New York, N.Y.

DEAR MR. KROCK: Enclosed for your information is a statement which I made on the floor of the Senate today calling attention to your article in this morning's issue of the New York Times. I am also enclosing a copy of the statement which I made on the afternoon of Wednesday, July 15.

I urge you to review this statement and I hope that you will agree that the President's action in vetoing the housing bill was not responsive to the domestic needs and welfare of the Nation.

Sincerely,

JOHN SPARKMAN.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. JOHNSON of Texas. Yesterday I had the pleasure of a visit with this widely known and much respected columnist, Mr. Krock, who is one of the deans of the Washington press corps.

I believe it fair to say that the first question he raised in his first article was whether the Congress had made a reasonable effort to meet the President halfway. After a good deal of discussion, at least I felt that I had convinced Mr. Krock that the Congress had done so.

Second, after our conversation, someone apparently brought to Mr. Krock's attention the 40-year estimates of the public housing feature, anticipated that all the units would be built, anticipated the possible cost over 40 years, and got an Amos and Andy figure of $1 billion out of it.

I replied to that figure, in a discussion I had with the Senator from Connecticut [Mr. BUSH], and it will be observed that that came to Mr. Krock's attention, and I think Mr. Krock was willing to admit that there was some merit to the position the Senator from Texas took.

I doubt that we are going to get Mr. Krock to support the position of the Congress, instead of the position of the President, because I think Mr. Krock is more in sympathy with the viewpoint expressed in the veto message. But I am very proud of the fact that Mr. Krock has been willing to hear our viewpoint, and, after he has heard it, has been willing to admit that there is merit to it, at least in these two specific instances.

I think that after the hearings on the housing bill are conducted——

Mr. SPARKMAN. They will begin next Thursday, July 23, by the way.

Mr. JOHNSON of Texas. Yes. I hope that every Member of the Senate who desires to make an appearance and present his views on the subject of the hearings will be prepared to do so. At the conclusion of the hearings, not only do I hope that Mr. Krock will be convinced that Congress acted prudently, wisely, and with foresight, but I think the American people will feel the same way.

I congratulate the Senator on the steps he has taken. I applaud his progressive efforts in this field. I tender him the support of any efforts I may be able to make.

Mr. SPARKMAN. I thank the Senator from Texas. May I say this with reference to Mr. Krock. We hold him in great esteem because he is one of the great newspapermen in America. The pathetic part is that he has accepted some views that have been presented which do not agree with the facts.

Mr. JOHNSON of Texas. I think we must say that when we brought to his attention our viewpoint he admitted the merit of it, as he did in the column this morning.

Mr. SPARKMAN. Let me again refer to Mr. Krock's column of this morning. This may be a relatively unimportant matter, but it illustrates the misinformation and misimpression being disseminated to the public. He refers in his column of this morning to $50 million worth of public housing for elderly persons. This provision does not call for public housing for the elderly—not in any sense of the word. The housing proposed for elderly people was to be built in the same way that college housing was to be built, at the same rate of interest, on the same principle. It would be privately owned and operated. The President recognized college housing as being necessary, and yet found objection to housing for elderly persons. Where Mr. Krock got the idea public housing for elderly persons was provided for in the bill I have not the slightest idea. It can be seen that a misimpression has been spread. It is unfortunate that it has happened.

I thank the Senator from Texas.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. SPARKMAN. Yes, I shall be glad to yield, so long as the Vice President will let me stand here and talk.

Mr. President, I ask unanimous consent that my time may be extended sufficiently to allow the Senator from Minnesota to propound an inquiry.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCARTHY. I merely wished to make a commentary on what has been said, which I think the Senator from Alabama would appreciate.

I appreciate the majority leader's efforts to discover what the administration wants, not only as to housing, but about many issues which we face. I think the Senator will recall that the ultimate in confusion was reached when we had a school bill up for consideration a year or two ago, and the President said that the bill was all right as a starter, but that it went too far. [Laughter.]

Mr. SPARKMAN. I thank the Senator for his contribution.

Mr. GRUENING. Mr. President, earlier this week as he did earlier today the distinguished junior Senator from Alabama [Mr. SPARKMAN] delivered on the floor of the Senate a masterful analysis of the issues involved in the President's veto of the housing bill. His speech cut through the attempt by those advising the President to clothe the bill, in true Madison Avenue style, with garments described as "excessive," "extravagant," and "inflationary."

Over a quarter of a century ago, a truly great President of the United States, Franklin Delano Roosevelt, called the attention of the Nation to the plight of the millions of Americans who were ill clad, ill housed, and ill fed. Under his inspiring leadership, great strides forward were made toward remedying this deplorable situation.

But, Mr. President, much remains to be done. Our population—and consequently our needs in this field—is growing—at a rate which has been termed not without warrant as "explosive."

The statistics introduced into the RECORD by the able junior Senator from Alabama during the course of his speech the other day, set forth clearly what needs to be done to aid those who are still "ill housed."

It is unfortunate that some of those who should know better were entrapped by the Madison Avenue approach of those who wrote the President's veto message and immediately adopted as their own the labels appended to the bill by the veto message.

Mr. President, it has been clearly demonstrated that what the Nation needs is a vastly expanded housing program in all areas. It does not need an issue. It does not need labels. It does not need catchwords. It needs housing.

It is my belief that those advising the President on this matter did him a disservice when they indicated that he should, for example, label the request of the city of Anchorage for an urban renewal grant of $255,700 as "excessive," "extravagant," and "inflationary." These funds are needed—and badly needed. But more than that, Mr. President, they are needed now.

Characterizing such a request as "inflationary" is to overlook the need for economic progress by our Nation if it is to continue to carry its full measure of responsibility with respect to the course it is destined to play in world affairs.

To me it makes no economic sense to label housing programs for the United States as "extravagant" while threatening to call the Congress into special session if additional funds for foreign aid—including housing programs in foreign lands—are not voted by this Congress.

As the distinguished junior Senator from Alabama has so ably pointed out, one of those who has adopted the slogans of the President's veto writers is the veteran and able columnist, Mr. Arthur Krock. In his column on July 9 and again in his column this morning, he has taken up the cudgels in defense of the administration's characterizations of the housing bill.

I am pleased therefore that my colleague, the Senator from Alabama [Mr. SPARKMAN], has already introduced into the RECORD the refutation of Mr. Krock's arguments as prepared by the senior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Wisconsin, [Mr. PROXMIRE], the junior Senator from West Virginia [Mr. BYRD], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from New Jersey [Mr. WILLIAMS].

The case for the housing legislation enacted by the 86th Congress seems to me clear and overwhelming. That President Eisenhower vetoed the bill is highly deplorable. The contrast between the actions of the legislative and executive branch illustrates a profound difference in the philosophy and outlook of the Democratic and Republican Parties.

CONFIRMATION OF HON. LANE DWINELL AS ASSISTANT SECRETARY OF STATE FOR ADMINISTRATION

Mr. PROUTY. Mr. President, I am very happy that my life-long friend, the former Governor of New Hampshire, Lane Dwinell, was this week confirmed by the Senate as Assistant Secretary of State for Administration.

He and I were born and grew up in the beautiful Vermont community of Newport. We went to public school together, participated in the same boyish pranks, played baseball and football together, and, if memory of those far-off days still serves me, I think we were even smitten by some of the same lovely young girls.

Governor Dwinell was graduated from Dartmouth in 1928, and from the Amos Tuck School of Business Administration the following year, with a degree of master of commercial science. In 1955 he received an LL.D. from the University of New Hampshire, and 2 years later the degree of doctor of civil law from New England College. He also has been awarded an honorary master of arts from Dartmouth and an honorary doctor of commercial science from Amos Tuck School.

The long list of executive and administrative responsibilities successfully fulfilled by Mr. Dwinell in both public and private life would seem to me to provide the very best kind of preparation and training for the position for which he has been nominated by the President.

I can, of course, only touch on the highlights, but I would like to simply list some of those: From 1929 through 1935 he was the financial analyst in New York for the General Motors Corp.

In 1936 he joined his father in the business of manufacturing winter sports clothing in Lebanon, N.H. He remained a partner in this firm—Carter & Churchill Co.—until 1949, when he became the principal owner. He has served as general manager of the business since 1941.

He has also been a vice president and director of the National Bank of Lebanon and a director of the Lebanon Realty Co.

During the year 1946–47 he was president of the New Hampshire Manufacturers Association.

This background adds up to a solid record of successful business operation. He knows the value of a dollar because he has had the responsibility of meeting a payroll.

Now, let us look at Governor Dwinell's record of public service, for he was never one to be selfishly satisfied with personal financial success. Without being a "do-gooder," in the officious or obnoxious sense, he has always been conscious of his responsibilities as a citizen and as a man of religious conscience.

He assumed his first public duties as a special justice of the Lebanon municipal court in 1944, and remained a special justice for 10 years.

From 1949 to 1952 he was a member of the House of Representatives of New Hampshire, and during that period served as speaker, as chairman of the committee on ways and means and of the interim fiscal committee.

During 1953 and 1954 he was president of the New Hampshire Senate.

He was elected Governor of New Hampshire in 1955 and finished his second term last year. In 1956 his fellow Governors elected him a member of the executive committee of the national Governors' conference.

He also has served as a member of the New Hampshire Constitutional Convention in 1948; a member of the New Hampshire State Board of Education from 1949 to 1952; a trustee of Dartmouth College and of the University of New Hampshire.

By this combination of private business enterprise and public service he has, as I have said before, fitted himself to assume the duties and responsibilities of Assistant Secretary of State for Administration. Some of those duties and responsibilities are as follows: To direct the administration of the personnel program of the Department and the Foreign Service; to direct preparation of budget estimates and the allocation of funds made available to the Secretary or the Department; to establish relative program priorities for budgetary purposes and supervise the use of appropriated funds in accordance with congressional limitations, program objectives, and policies of the President and the Secretary; to direct the development and operation of administrative management controls including fiscal controls, reporting systems, and manuals of regulations and procedures, designed to promote efficient, economical, and effective operation in all areas of the Department and the Foreign Service, and to enforce compliance with established policies and instructions; to direct and provide for the acquisition, maintenance, and operation of buildings, grounds, and other facilities required for use in connection with the Department's operations abroad; and to direct and provide procurement, communication, transportation, fiscal, and other administrative services.

I believe the President was wise in nominating him. I believe the Senate was wise to confirm the nomination. And I believe the country will be fortunate to have his services.

TAX PRIVILEGE FOR DIVIDENDS

Mr. PROXMIRE. Mr. President, I have recently received a letter from Mr. G. Keith Funston, president of the New York Stock Exchange, expressing disappointment in my support for the McCarthy amendment that would have knocked out the 4 percent dividend tax exclusion. The letter goes on to suggest that the dividend exclusion should be increased by 1½ times, or to a 10 percent exclusion.

President Funston's letter and a series of phone calls I have received from prominent stockbrokers, to the same effect as the letter, indicate that there is likely to be a strenuous and influential lobbying campaign on Members of Congress to protect, and if possible, extend the tax advantage that dividend recipients won in 1954 over those relying on other forms of income.

Mr. President, I think Mr. Funston is wrong. He is wrong because his entire claim for a tax privilege for dividends relies on the assumption that the corporation income tax is an indirect burden that falls exclusively on stockholders. This is simply not true. I can prove it. In general, the consumer probably bears a heavier share of the incidence of the corporation income tax than the stockholder, and the employee of the corporation also carries some of the burden of the corporation income tax. For this reason it would be far fairer and more just to work to reduce the corporation income tax than to give a privileged treatment to one of the groups which are adversely affected by the tax on corporation net income.

Mr. President, I ask unanimous consent that the letter from Mr. Keith Funston, together with the letter from me in reply to Mr. Funston in which I set forth why I think consumer and corporation employees bear a large part of the corporation income tax, be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEW YORK STOCK EXCHANGE,
New York, N.Y., July 13, 1959.

The Honorable WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: I was surprised and disappointed by your recent vote to reimpose an unfair tax burden on 14 million shareowners who in 1954 were partially relieved by Congress from double taxation of their dividend income. I cannot think that you had the full facts. Accordingly, I am

enclosing a new booklet which tells, briefly and clearly, why the dividend tax credit is both a proper step toward tax equity and a vital incentive for sound growth of the national economy.

The booklet will be especially interesting to you, for it undoubtedly presents the viewpoint of the approximately 212,000 voters in Wisconsin who share the burden of grievously unfair double taxation of part of their income. I have been impressed by the fact that there are now nearly as many shareowners as labor union members, and that their rate of growth in the last 7 years has been 12 times as great.

Briefly, the situation is this: As a holdover from the Nation's experiment with taxation of undistributed corporate income in the thirties, shareowners for more than 20 years have paid two income taxes on their corporate earnings while every other form of personal income has been taxed only once. The first tax is paid through the 52-percent corporation income tax before distribution to shareowners, and the second at the individual's personal rate on his own tax return.

The $50 dividend exclusion and 4-percent dividend credit were enacted by Congress in 1954 as a small first step to remedy the situation. This approach favors lower income taxpayers. Since over three-fourths of all shareowners have incomes below $10,000, a broad cross section of average taxpayers has been granted at least some relief. Tax revenues from dividend income have actually increased since 1954, while shareownership has grown from about 8.8 to 14 million, and financing through ownership capital has been stimulated.

Taxation of dividends which makes possible a progressive surtax on individual income but does not result in double taxation is a complex and highly technical subject. While there are several different methods of accomplishing this, notably the English and Canadian systems, Congress in 1954, after careful study, elected to follow the Canadian plan. Certainly no change should be made now hastily and without careful study and public hearings. Such study would clearly indicate that rather than reimposing full double taxation Congress should increase the dividend exclusion to at least $100 and the credit to at least 10 percent.

I hope that the enclosed booklet will put the matter in a different perspective, and that shareowners in the future may hope for your support of a fair system of dividend taxation.

Sincerely yours,

G. KEITH FUNSTON.

JULY 16, 1959.

Mr. G. KEITH FUNSTON,
President, New York Stock Exchange,
New York, N.Y.

DEAR MR. FUNSTON: In reply to your letter of July 13, may I suggest that the course for those who contend that the corporation income tax results in a double tax on dividend income because dividend recipients are required to pay income tax on their dividends is to work to reduce the corporation income tax.

I say this in all sincerity. I have seen no evidence to support the contention that the full incidence of the corporation income tax is borne by the dividend recipient. As a matter of fact I doubt, on the basis of a careful study of this matter over a number of years, that the dividend recipient in many cases bears even half the incidence of the corporation income tax. Certainly in the case of regulated public utilities, whose rates are calculated by regulatory commission to yield a fixed return on investment, the corporation income tax is borne entirely by the consumer, and not at all by the stockholder. Furthermore, in the case of stock held in companies which have a monopolistic or even an oligopolistic position in their industry, and who are free to increase prices, at least in part, in response to increased costs, it is also true that the consumer bears a big share of the corporation income tax.

As a matter of fact, even in fully competitive industries, wherever the corporate form is predominant, and where prices are generally determined by competitors who pay a 52 percent corporation income tax, competing firms adjust themselves to costs, whether they be labor costs, interest costs, or tax costs, and the price structure reflects these costs. It is true that there are a few corporations in industries in which noncorporate competitors predominate. Here the stockholder and the employees of the company are required to bear virtually the full share of the corporate income tax.

What is more, the evidence is pretty clear that the stockholders and customers are not the only persons affected by the corporation income tax. It would seem to me that people who work for corporations also bear in part the incidence of the corporation income tax. If anything has become apparent in recent years, it is that both wages of workers and salaries of executives are likely to reflect the profit position of the company that employs them. Therefore, to the extent that a corporation income tax reduces profits, it tends to exert a depressing effect on wages and salaries. In this way workers too bear part of the incidence of the corporation income tax.

For these reasons, it seems to me just as sensible to argue that consumers are doubly taxed, or that workers and executives are doubly taxed, as it is to argue that stockholders are doubly taxed, by the corporation income tax.

In view of the diversity of incidence of the corporation income tax, therefore, the sensible move would be to reduce this tax, and hence relieve the double taxation on all of those affected. I am hoping that this will be one of the objectives of the Ways and Means Committee under Chairman MILLS, when they revise our tax structure next year.

As to your political argument that 212,000 voters in Wisconsin might share your viewpoint, I am in the course of receiving replies from questionnaires I sent out recently to several thousand voters in my State, which directly asked for a response on this particular issue. All the replies have not been received as yet, but of the many hundreds that have come in, opinion is running more than 4 to 1 for reducing or eliminating the present dividend exclusion privilege.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. PROXMIRE. I am happy to yield.

Mr. LONG. The Senator is familiar with the fact, I assume, that we are told we have to keep raising interest rates on Government bonds, which, of course, is playing havoc with the national debt, because Government bonds cannot be sold in competition with stocks, with all the profits people are making these days on stocks sold on the stock exchanges. We are told by the authorities that this is one of the big problems of Government. With the profits being made on stocks, the investors need no tax privileges on dividends.

Mr. PROXMIRE. The Senator is correct. If we were to accept the suggestion of Mr. Funston and increase the tax exclusion to 10 percent, and permit that 10 percent of dividend income instead of the present 4 percent to be subtracted from the personal income tax of the recipient, obviously stocks would be made even more attractive. More common stocks would be bought. More bondholders would sell their bonds so they could buy stocks and take advantage of the greatly increased tax privilege. As Government bonds were sold bond prices would fall even lower. Interest rates on Government bonds would therefore go even higher. The Federal Government would be in an even tighter financial trap than it is at present. With interest rates higher the Federal Government would of course have to saddle an even heavier burden of interest on the American taxpayer in order to service the national debt. Today the American taxpayer is paying more than $8 billion a year in interest cost on the national debt. Only national defense costs more. No cost of Government is rising nearly as fast as this interest cost. The Senator from Louisiana is eminently right in pointing out that this dividend exclusion loophole is responsible in driving up Government debt servicing cost for every American taxpayer.

CONSEQUENCES OF INVESTMENT OF AMERICAN PRIVATE CAPITAL ABROAD

Mr. PROXMIRE. Mr. President, the International Finance Subcommittee of the Banking and Currency Committee has recently held several hearings on the consequences of the investment of American private capital abroad. The hearings were provoked by a resolution I submitted calling for a study of this problem. It is my understanding that these hearings will be resumed soon to relate this inquiry to specific proposals to solve some of the serious problems raised by the vast increase in investment by American companies in foreign countries.

Recently Editorial Research Reports, which is affiliated with the Congressional Quarterly, engaged in a study of this subject. This study is reported in a brilliant monograph written by William McIntyre.

One of the startling revelations of the study is that the increase in American private investment abroad has been far more significant than the increase in American exports. Since 1945, direct private investment abroad has soared from $8.3 billion to $25.3 billion. It has more than doubled since 1950 when it stood at $11.8 billion. This compares with a far more modest increase in American exports.

The situation can be shown most dramatically by comparing the exports of nonmilitary goods as contrasted with the sales of goods produced abroad by American companies. Ten years ago each amounted to $12 billion. By 1958 U.S. exports had risen to $16.3 billion, while American companies producing in foreign countries rang up sales nearly twice as high, or about $30 billion.

Now, of course, there is a vast difference between the jobs made available in this country by American exports on the one hand and the jobs not made available in this country but provided abroad by foreign investment.

This is not to say that private investment abroad is necessarily bad national policy. As I have repeatedly pointed out, it provides an impressive number of advantages. But it raises serious problems which the Congress has a duty to consider.

Because of the vital significance of this issue, and the remarkably competent insight into it afforded by Mr. McIntyre's study for the Congressional Quarterly, I ask unanimous consent that this monograph be printed in the RECORD following these remarks.

There being no objection, the monograph was ordered to be printed in the RECORD, as follows:

AMERICAN MANUFACTURING IN FOREIGN COUNTRIES

(By William R. McIntyre)

Interest among American manufacturers in market potentialities for their products in foreign countries has been growing steadily since World War II. More and more companies have expanded exports from their plants at home, licensed patents and processes to foreign producers in exchange for royalties or a share of profits, or established subsidiary companies or branch factories abroad. The last-named of the three main ways of penetrating foreign markets has attained special importance in the past decade. The huge dollar investment poured into foreign production facilities by American business has forged strong private economic ties with many countries.

Ten years ago exports of nonmilitary goods and foreign sales of goods produced abroad by American companies each amounted to about $12 billion. By 1958 U.S. exports had risen to $16.3 billion, while American companies producing in foreign countries rang up sales estimated at $30 billion. Net earnings of American business from operations abroad exceeded $3.3 billion in 1957, latest year for which the figures are available.

These earnings were derived from direct private investments valued by the Department of Commerce at $25.3 billion. Actually, direct private investments abroad—as distinct from indirect or portfolio investments, i.e., investments in foreign securities [1]—are worth much more. Department of Commerce figures are based on book value, or original cost of plant and equipment, rather than current market value, and the totals do not include those American holdings abroad which represent less than 25 percent ownership in a foreign enterprise. Business Week recently hazarded the statement that total direct private investment "in foreign branches, subsidiaries, and affiliates may be worth $50 billion." [2]

The Commerce Department total for direct American investment in foreign countries has tripled since 1945, when it neared $8.3 billion, and more than doubled since 1950, when it stood at $11.8 billion. Most of the huge dollar investment abroad in the past decade has gone into (1) facilities for production of basic industrial materials (chiefly petroleum, but also iron, copper, and other materials in demand here and abroad) and (2) manufacturing plants whose products have been sold mainly in foreign markets. More than 3,000 U.S. companies are now engaged in foreign production; they include 99 of the Nation's 100 largest industrial corporations. Working alongside American companies producing abroad are a growing number of American management and consulting firms, engineering and contracting outfits, and foreign branches of U.S. banks and insurance companies. Business Week reported on January 3: "Many executives now predict a doubling in sales from foreign operations in the next 10 years. At the same time, they doubt that exports will increase by as much as 50 percent in the next decade."

Share of manufacturing in investment growth

A substantial share of the increase in direct investment abroad will go into manufacturing. Many forces are at work to make it attractive for American manufacturers to build or expand facilities in other lands. One is the rising cost of manufacturing at home for export. Another is the existence of trade barriers whose effect is to make it more profitable for American business to operate within a foreign market than to try to penetrate it from the outside. Most important is the rise of income in many countries of the free world; markets are expanding for everything from toasters to pharmaceuticals, from bulldozers to modern business machines.

Direct investment in manufacturing today constitutes about one-third of all American private investment abroad. In 1957, $7.9 billion of the $25.3 billion directly invested in other countries was in manufacturing facilities; it has been estimated unofficially that the dollar totals rose in 1958 to around $8.5 billion and $28 billion, respectively. The total for manufacturing would be much higher—perhaps up to $11.5 billion—if the Commerce Department included in that category the part of petroleum investment of American companies that is devoted to refining and marketing.

Direct U.S. investments in manufacturing enterprises abroad

[In millions of dollars]

	All areas	Canada	Latin America	Western Europe	Other
1929	1,813	820	231	629	134
1936	1,709	799	192	611	108
1940	1,925	943	209	639	133
1950	3,831	1,897	780	933	222
1953	5,224	2,418	1,149	1,294	363
1957	7,918	3,512	1,693	2,077	636

Source: U.S. Department of Commerce.

Manufacturing investment has grown, since World War II, at approximately the same rapid rate as total direct investment abroad. The sums put into manufacturing facilities since 1950 have at least doubled in each of the traditional strongholds of American foreign investment—Canada, Latin America, Western Europe. In 1957, 92 percent of the capital of American industry invested in manufacturing abroad was in these regions—44.4 percent in Canada, 21.3 percent in Latin America, 25.3 percent in Western Europe. Of the $1.7 billion laid out by American manufacturers to build and equip plants in Latin America, more than one-third was invested in Brazil, another third in Argentina and Mexico. Well over one-half of the $2.1 billion directly invested by U.S. manufacturers in Western Europe in 1957 was expended in the United Kingdom; one-fourth in France and West Germany.

Examples of expansion of oversea operations

Hardly a week passes without new announcements by American corporations of plans to commence or expand manufacturing in foreign countries. In the chemical and allied products industry, for example, the Du Pont Co. has jumped its foreign business to a point where 8 cents of each sales dollar is earned outside the United States. Du Pont recently completed a new orlon plant in the Netherlands. It is building neoprene and polyethylene plants in Canada and Northern Ireland; a paint plant under construction in Belgium will serve the growing European automobile industry. Monsanto Chemical is establishing a European Common Market base in Italy in partnership with an Italian firm. Dow Chemical formed subsidiaries in Switzerland and Venezuela last year. Union Carbide spent $29 million in 1958 setting up or enlarging facilities in Austria, Belgium, Brazil, England, India, Italy, Mexico, and Scotland.

The Ford Motor Co. is preparing, via Ford of Canada, to produce an all-Australian car to compete with the Holden, turned out by General Motors down under. Chrysler acquired an interest in the French Simca last year and announced in April of this year that Simca cars would be assembled in a Mexico City plant to meet the rising demand for automobiles in Latin America.

The Underwood Corp. recently set up Underwood Italiana to manufacture office machines; Smith-Corona completed acquisition of a calculating machine company in West Germany; Burroughs is getting ready to meet increased demand in the Common Market area by expanding productive facilities in France. Ex-Cell-O recently took over a German machine tool concern. Timken is constructing a $10 million roller-bearing plant in France and is considering an additional plant in Brazil. Container Corp. has acquired a majority interest in a large German papermaking firm.

Reynolds Aluminum, in partnership with a British company, captured control of British Aluminium, Ltd., earlier this year. Kaiser Engineering recently joined an Indian company in plans to build an aluminum plant in India. Goodyear has announced plans to build a $7 million tire factory in France. Firestone soon will complete a tire plant in Portugal and plans to enlarge operations in India and in Argentina, Brazil, and Venezuela. L. C. Boos, vice president of United States Rubber Co.'s international division, said in May that "Future competition for foreign tire and tube markets will be on the basis of local manufacturing, not domestic exports."

ATTRACTIONS IN FOREIGN MANUFACTURING

Underlying every decision by an American company to produce abroad has been the desire to expand its markets and thus add to its profits. Henry Kearns, Assistant Secretary of Commerce for International Affairs, told a House subcommittee last December 1: "American business will, of course, support our national foreign policy. But, in the strictly economic sense, American companies invest abroad for just one reason—to make money by doing an efficient production job." Kearns pointed out that "There are other considerations, of course, but each is directly related to the profit motive." It is obvious that increasing numbers of American concerns are finding it more profitable to supply foreign markets with goods produced abroad instead of exporting goods produced in the United States.

Particular inducements in the case of Canada

The case of Canada is in many ways unique. What makes it so is that American corporations have built plants and facilities in the Dominion almost as if it were another State of the American Union. The proximity of Canada, plus fundamental likenesses in political climate, economic traditions, tax laws, corporate and financial structure, and popular tastes have put direct U.S. investments in that country in a special category.

For many years, but particularly since the end of World War II, American industry has been attracted by Canada's great natural wealth and potentialities for growth. At the present time, four-fifths of all foreign capital invested in Canada is owned in the United States. This contrasts with the position at the end of World War I when the greater part was supplied by the United Kingdom.

[1] American investments in foreign securities stood at $8.3 billion in 1957.

[2] "U.S. Industry Migrates Abroad To Tap Markets of the World," Business Week, Jan. 3, 1959, p. 29.

U.S. corporations now control about half of Canada's manufacturing industries and a little more than half of Canadian industry as a whole. Attaining a dominant position was facilitated by the fact that American companies moved in on the ground floor after World War II. O. J. Firestone, economic adviser to Canada's Department of Trade and Commerce, cited figures on May 21 to demonstrate that "a comparatively small amount of capital will suffice to establish control of an enterprise in its early state." Fifty-five percent of Canada's industry was controlled by American corporations in 1957, he said, although only 31 percent of all investment funds came from the United States and 67 percent from Canadian sources.

Canada's rates of economic growth and population increase since the war have been among the highest in the free world. Huge mineral, forest, and power resources still wait to be tapped. Canadian markets for both basic materials and consumer goods are expanding rapidly. Canadian resentment over the practices of some American corporations has become a problem in recent years, but Canada is eager for capital and large-scale investment north of the border is expected to continue.

Postwar dollar shortage and other influences

The postwar dollar shortage was not among the considerations that triggered the great flow of American capital to Canada, but in other countries the so-called dollar gap offered direct encouragement to location of American plants abroad. The demand for dollars with which to buy American goods was enormous in Europe, Latin America, and most other parts of the free world after World War II, but the dollar resources of these countries, gained through exports or through assistance from Washington, were far from adequate to satisfy demands. As a result, most countries used dollars mainly to meet imperative import needs and to build up reserves.

Scores of American manufacturers found established or potential export markets cut off by inability of oversea customers to get dollars. They concluded that the way to sell abroad was to produce abroad. Governments in Western Europe and Latin America welcomed the new enterprises; in addition to reducing dollar needs, they would help to create jobs, boost living standards, and increase the country's ability to export. In the United Kingdom, for example, American subsidiaries or Anglo-American companies now provide more than 375,000 jobs for Britishers and account for more than 10 percent of all exports from Britain. More than 30 percent of Latin America's exports are produced by American-controlled corporations, and the proportion is even higher for Canada.

Although the worldwide dollar gap is no longer a problem,[3] most leading countries of Europe and Latin America continue to follow certain policies which make it tempting for American producers seeking foreign sales to locate within their borders. On the one hand, direct investment has been encouraged by positive measures—tax incentives and investment guarantees. Among the tax incentives used to attract foreign capital have been high depreciation allowances, rates on corporation income that are lower than in the United States, arrangements for deferral of payments, and liberal deduction provisions. Antoine Pinay, French Finance Minister, said in New York on May 26 what holds true for many countries in addition to his own: "We offer every desirable guarantee to foreign investors. The transfer of profits is guaranteed, as is the repatriation of investments in the event of liquidation."

Import quotas, tariff barriers, and exchange restrictions have been on the decline in Western Europe, but American manufacturers still find some obstacles of this kind along the path to foreign markets. The preferential tariff system which is part and parcel of the European Common Market represents a new hurdle in the way of American exports to the Continent.

Opportunities in new European Common Market

The European Economic Community or Common Market, instituted on January 1, 1958, is expected to boost direct American investment in Western Europe substantially. The Common Market is intended to promote coalescence of the economies of Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany over a period of 12 to 15 years.[4] The plan provides for reduction and ultimate elimination of tariffs and quotas on trade among the six member countries and for a common tariff on imports from the outside.

First tangible steps toward the ultimate goal were taken on January 1, 1959, when an overall 10-percent reduction of tariff duties and an overall 20-percent enlargement of import quotas were put into effect with respect to trade within the Community.[5] A British proposal to create a free trade area which would embrace all 17 European countries in the Organization for European Economic Cooperation, including the Common Market countries, bogged down last year.[6] But a stopgap plan limited to Austria, Denmark, Great Britain, Norway, Portugal, Sweden, and Switzerland—the so-called outer seven—is currently under consideration. Further action on it is expected at a meeting in Stockholm around the middle of July.

Such radical developments are bound to concern American firms interested in selling in the affected markets. In the first place, it is much tougher for U.S. exports to penetrate a preferential tariff area than an individual country, at least in the short run, because of competition from producers within the whole area. Many enterprises in Common Market countries already are drawing up merger plans, and more efficient use of Western Europe's labor and capital is expected to bring sharp pickups in productivity and output. But the Common Market offers attractions to American companies which establish manufacturing facilities within its borders. The Community has 165 million inhabitants, representing a market potential nearly as great as that of the United States, and eventually it will be similarly unencumbered by internal trade restrictions. Free movement of goods, labor, and capital across national borders within the area will enable American companies to reach the entire market if they manufacture in a single country.

The impact on American industry of the Common Market is graphically demonstrated by what has happened recently in the Netherlands. In the 3-year period 1955–57, 21 American branch plants were established in that country; in 1958, after the Common Market had come into existence, 23 additional American companies set up shop there. Comparable figures are not yet available for the other countries in the Community, but a Department of Commerce official wrote recently: "It may be assumed that a similar situation prevails in most other Common Market countries and that the influx of U.S. investment there has also been considerable."[7]

Walter Hallstein, chief executive of the Common Market, pointed out on a visit to New York, June 16, that American investment in the Community still amounted to only about 1 percent of the total capital investment. He said the opportunities for U.S. private investors were "practically unlimited." Hallstein told reporters: "We need new capital and 'know-how' from all sources. American industrial capital is particularly welcome." He added that American branch plants, and partnerships with enterprises in the Community, would be of special help in developing mass production and marketing in Western Europe.

Success of the European Common Market may strengthen the hand of persons who want to set up regional common markets in Latin America. Although supporters of that idea admit that its realization may be some years away, they have been working diligently to overcome opposition in business and industrial circles and opposition on the part of leaders preoccupied with the difficult economic problems of their separate countries. A move toward economic integration below the Rio Grande came on May 19, when the trade committee of the United Nations Economic Commission for Latin America unanimously approved a resolution setting forth common market principles and establishing a group of experts to frame a draft agreement.

Production cost advantages in Western Europe

Much has been said about lower labor costs abroad in tariff debates extending back more than a century. Ernest R. Breech, board chairman of the Ford Motor Co., said earlier this year: "Traditionally, American industry has been able to meet and beat wage competition because of its greater capital investment, its superior plant, equipment, management methods, and economies of scale." Breech added, however, that in Europe, we have now largely lost this advantage, particularly in industrial production.

The National Industrial Conference Board recently published a study on the comparative costs of producing in the United States and abroad. The study disclosed that, on the whole, labor costs were lower in foreign countries and overhead costs slightly lower; material costs, on the other hand, were considerably higher. Balancing out the labor, overhead, and material costs, it was found that only in Great Britain and Western Europe was there a pattern of lower production costs than those that prevail in the United States. In Canada, Latin America, and Australia production costs were usually higher than in the United States.

The N.I.C.B. study noted "the absence of correlation between countries in which production costs are low and those in which American capital investment is high." It said the decision to manufacture in a country to which exports have been limited by transportation costs, trade barriers, or currency

[3] Easing of British restrictions, June 8, on importation of a long list of consumer goods from dollar countries marked virtual elimination of the discrimination against dollar imports that had been effective in the United Kingdom in varying degrees since the start of World War II in 1939.

[4] The European Economic Community was established by the Treaty of Rome, signed Mar. 25, 1957, by the six member countries and later ratified by all of them. See "European Economic Union," E.R.R., 1957, vol. I, pp. 225–242.

[5] The six countries agreed, late in 1958, to extend a part of the 20-percent quota enlargement to imports from the 11 other nations belonging to the Organization for European Economic Cooperation. At the same time, they agreed to extend the initial tariff cut to imports from countries signatory to the General Agreement on Tariffs and Trade.

[6] Under the original British proposal, countries in the free trade area would exchange goods among themselves and with Common Market countries on the same basis as that on which the latter trade with one another, but they would retain the right to fix their own tariffs on trade with outside countries.

[7] Walter Buchdahl, "European Common Market: A Progress Report," Foreign Commerce Weekly, Apr. 6, 1959, p. 6.

restrictions may be quite divorced from production cost consideration. "There are other motives besides low production costs that lead firms to locate abroad. One is the promise of increased sales in local and adjacent markets." [8]

In big American manufacturing industries, where competition is keen, each company puts great stress on holding or enlarging its share of the market. Thus when one industrial giant has made a sizable direct investment in a foreign country, its chief competitors usually have felt compelled to do likewise. Although it is impossible to assess the prominence of this factor in company decisions, it is generally taken as a matter of course that a company risks impairment of profits if it fails to cultivate a developing market. A company's foreign operations are not necessarily more profitable than its domestic operations; for manufacturing as a whole, in fact, the annual profit yield on direct American investment abroad has generally run a little lower than the yield at home. But, as pointed out by Business Week last January 3, "a 5 percent addition to consolidated gross sales that comes from [a company's] overseas operations often builds up the overall profit margin by a much larger percentage."

ASPECTS OF AMERICAN PRODUCTION ABROAD

Examination of some of the characteristics of direct U.S. investment abroad suggests that American manufacturers are in good position to retain or expand their foreign operations. In the first place, corporations eager to tap foreign markets have, in the main, steered clear of less developed countries. Although this has been due primarily to profit considerations, it has been caused also by political instability; American manufacturers have been inclined to keep out of countries where they considered confiscation or harassment a threat. Statistics for 1957 show that only about $130 million, or less than 2 percent of total private American investment in manufacturing abroad, is found in the underdeveloped (and in many cases unstable) countries of Southeast Asia, Africa, and the Middle East.[9]

In the second place, the favorable position of American corporations operating abroad is attested by the fact that the billions of dollars they have put into manufacturing facilities in foreign countries since World War II have gone mostly for production of goods in high demand. Capital of U.S. companies is not invested in depressed industries. In Western Europe, for example, the postwar investment has been concentrated where U.S. manufacturers had a development lead, either in the product itself or in production methods. Examples are business machines, automobiles, and oil-refining equipment. More recently the big push has been in electronics and chemicals and allied products. J. H. Dunning, a British expert on direct investment, wrote recently of American industrial operations in the United Kingdom: "At present * * * the U.S. representation is almost entirely confined to industries supplying those products which, if they were not actually discovered in the United States, were first exploited on any scale in that country." [10]

Adaptability of companies to foreign conditions

The willingness shown by American corporations to vary the form of foreign investments according to conditions prevailing in other countries has itself become one of the reasons direct investments have continued to mount. Appearing before a House subcommittee last December 1, Assistant Secretary of Commerce Kearns outlined seven major forms taken by direct private investment: (1) Wholly owned subsidiaries or branches of American companies managed by Americans; (2) establishments in which there is American majority ownership and management; (3) American-managed establishments where ownership is equally divided with foreign interests; (4) foreign-managed establishments where ownership is equally divided; (5) U.S. minority ownership with American management; (6) U.S. minority ownership with foreign management; and (7) contractual investment with fixed procedures for retiring the U.S. investor's interest.

In recent years there has been a definite tendency for the American manufacturer to team up with a company in the host country. Foreign participation in ownership of U.S. manufacturing operations abroad is estimated to have risen from about 20 percent in 1950 to about 25 percent today. A variety of reasons are responsible for the increase. Canada and some Latin American countries offer added tax incentives to encourage joint ventures. Partnership arrangements have become more common in Western Europe—as American corporations have shown increased disposition to "spread the risk," take advantage of the growing supply of private foreign capital, and acquire the option of branding the product with a foreign label or an American label depending on public attitudes.

Most American corporations have settled on that form of direct investment which suits their interests and is as little likely as possible to provoke the ill will of the people or government of the host country. In the case of the United Kingdom, Dunning reported that two-thirds of the American-controlled manufacturing operations there have adopted "the principles of U.S. management." However, "only 15 percent employ American managing directors and an even smaller proportion of their U.S. personnel." He concluded that "In the great majority of cases a realistic blending of American ideas adapted to a British environment would appear to have been achieved." [11]

In Canada, many American corporations have been trying to develop more of a Canadian outlook. A Royal Commission observed in a report on "Canada's Economic Prospects" in 1957 that "Many Canadians are worried about such a large degree of economic decision-making" lodged in the hands of non-Canadians. Referring to the large share of Canada's industry owned by U.S. interests, the commission said that "Canadians should have more tangible assurance" that foreign-owned companies "make decisions that are in the best interests of Canada." Robert C. Heim, vice president of the Empire Trust Co., of New York, said on May 22 of this year that a 1958 survey conducted by that bank disclosed a trend toward increased Canadian managerial representation in U.S. subsidiaries in Canada and a growing awareness of the political advantages of Canadian participation in the ownership of these subsidiaries.[12]

Financial strength of companies active abroad

Two other characteristics of direct investments abroad point to a strengthening of U.S. operations in foreign countries. First, a great many companies have set up foreign operations, but the biggest share of direct investment has been undertaken by strong corporations with long experience and backed by large financial resources. In the United Kingdom, for example, where more than half of American direct investment in Western Europe is located, about 400 U.S. subsidiaries or Anglo-American firms are currently engaged in manufacturing. The 35 largest of these control 80 percent of total U.S. manufacturing capital in the United Kingdom. Nearly 60 percent is controlled by the 10 largest companies.

Secondly, many corporations have found it increasingly easy to expand foreign operations as sales of goods produced abroad have grown. In 1957, 40 percent of the funds invested in productive ventures in foreign countries came from retained profits generated by existing overseas enterprises. Only 19 percent came from parent companies or from other U.S. sources.[13]

DOMESTIC EFFECTS OF FOREIGN INVESTMENT

Some concern has been voiced about adverse effects on the American economy of direct private investment abroad. Senator WILLIAM PROXMIRE, Democrat, of Wisconsin, submitted a resolution, April 21, calling for a Senate investigation of the full consequences of the investment of American capital abroad. He said the investigation should have the dual purpose of recognizing the massive values of the investment of American capital abroad and getting the facts on some of the very grave problems it provokes.

PROXMIRE explained that his proposal had been inspired by the fact that "in at least two industries vital to employment in my State—machine tools and tractors—American companies have recently, in effect, transferred part of their production from Wisconsin to foreign countries." This meant that jobs formerly held by Wisconsin workingmen are now held by working people in other countries.

The Wall Street Journal reported, March 19, that growing numbers of American machine tool firms were "trying to regain lost business, and to head off future losses, by producing abroad, either by purchasing foreign companies or by setting up new plants overseas." The same paper reported on April 20 that earlier that month International Harvester, world's largest maker of farm machinery, had imported a shipment of tractors produced in one of its foreign plants for sale in the United States. Ford Motor Co.'s tractor division for some time has been an importer of Ford tractors manufactured abroad. The list of farm equipment companies contemplating similar action is on the increase. Moreover, International Harvester expects to bring in other types of equipment; plans call for hay balers from the company's plant in France and grain planters from its Swedish unit.

Concern over foreign production by U.S. manufacturers for the American market usually has been discussed in the context of rising competition from foreign producers in general. This country's merchandise export surplus fell from $7.9 billion in 1957 to $5.1 billion in 1958, due largely to a sharp decline in exports.[14] For a variety of reasons, exports of coal, steel, mill products, cotton, vegetable oils, foodstuffs, industrial and textile machinery, construction and mining equipment, tractors and automobiles declined. At the same time, imports of such manufactured

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[8] Theodore R. Gates, "Production Costs Here and Abroad" (1958), pp. 21–22.

[9] Ninety-two percent of the manufacturing investment is in Canada, Latin America, and Western Europe, and 6 percent in industrialized or more developed countries like Australia and Japan. For discussion of current proposals to encourage private investment in underdeveloped countries, see Congressional Quarterly, Weekly Report, June 19, 1959, p. 826.

[10] J. H. Dunning, "The American Stake in British Industry: I," London Times, Apr. 22, 1959.

[11] J. H. Dunning, "The American Stake in British Industry: II," London Times, Apr. 23, 1959.

[12] See "Relations with Canada," E.R.R., 1957, vol. I, pp. 393–398.

[13] About 17 percent came from foreign sources and 24 percent from depreciation allowances.

[14] Exports dropped from $20.9 billion in 1957 to $17.9 billion in 1958; imports remained almost unchanged at $13 billion in 1957 and $12.8 billion in 1958.

products as agricultural machinery, petroleum products, foodstuffs, sugar, sawmill products, electrical items, and, most notably, automobiles increased in 1958. Senator PROXMIRE said on April 21: "Reliable reports indicate that this export of American jobs has just begun. The combination of available American capital, American automation and know-how, fused with lower foreign wages, is not only cutting a terrible swath in the export market for American factories; it is beginning to cost them some of their domestic U.S. markets."

During the first quarter of 1959, exports continued to fall and imports to rise at a faster rate than last year. The country's export surplus in the first quarter of 1959 was less than one-third of what it had been in the first 3 months of 1958. Imports have risen most sharply in oil, machinery, and vehicles. The biggest reductions in exports this year have been in crude materials and finished manufactured goods. Such developments have swelled protectionist sentiment among many American producers. The Office of Civil and Defense Mobilization, the Tariff Commission, the President, and the Congress have been subjected to strong pressure to clamp down on imports of everything from heavy electrical power equipment to mink skins.

Continued backing of liberal U.S. tariff policy

The administration, numerous business establishments, and most labor unions nevertheless strongly oppose any general increase in tariffs. Assistant Secretary of Commerce Kearns said on May 20: "It is axiomatic that international trade, for the benefit of all, must be a two-way exchange unencumbered by artificial barriers or restrictions." He noted that "our purchases from other countries in 1958 continued to provide American consumers with goods and commodities which they desire for better living" and "our world customers with the dollars they need to buy American exports." He pointed out that 1958 was a recession year in many industrial countries and said that "taking a second look at our exports in 1958, we find they were greater than in any other year in our history, with the exceptions of 1956 and 1957."

The AFL–CIO has long been a supporter of the reciprocal trade program. Its executive council said on February 24: "We recognize that removal of the barriers to trade among the free nations of the world contributes to the economic progress and political stability of our own country and to the welfare and strength of the entire free world." The council urged American efforts to raise labor standards all over the world so that American workers and employers "will not be faced by unfair competition from foreign imports based on unduly low wages and labor standards in the exporting country." [15]

Business Week observed on January 3: "The kind of tough foreign competition that American industry now faces in its home market would once have produced a sharp increase in American tariff rates. That has not happened and isn't likely to, largely because so many companies realize that a broad move to raise U.S. tariffs would limit their opportunities for doing profitable business abroad." If American imports were restricted by higher duties, it would be harder to transfer the profits earned by American companies producing abroad. Moreover, it stands to reason that foreign companies hurt by higher U.S. tariffs would be tempted to urge their governments to discriminate against the foreign operations of American firms.

Senator PROXMIRE, in proposing his investigation, acknowledged the massive values of direct American investment abroad and said: "I emphatically prefer private investment to Government investment abroad. It is more efficient. It is subject to the iron discipline of the profit system, so it will not be wasteful. And, of course, it is to the great interest of America and the free world to assist other free countries to grow strong economically. This kind of investment does that." But he urged Congress to find a way to encourage private American investment abroad while providing some kind of proper safeguards for American jobs.

[15] Walter P. Reuther, president of the United Automobile Workers, on May 12 gave general endorsement to this view but said he favored some kind of penalty on imports of foreign cars manufactured by underpaid workers. Reuther did not spell out the difference between a penalty and a tariff quota restriction.

SCHOOL DESEGREGATION

Mr. KEATING. Mr. President, I ask unanimous consent that I may proceed for a total of 5 minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. KEATING. Mr. President, in New York City yesterday, a former Governor of New York, Averell Harriman, made the astonishing statement that President Eisenhower "has not stood up" on the issue of school segregation.

Now, I know that our ex-Governor has been doing a considerable amount of wandering about the world of late, but I find it hard to believe that he has really become so divorced from reality, so little informed on the facts, that he could have made such a statement without some inner qualms.

Nor can I believe that his audience, those who attended the annual convention of the National Association for the Advancement of Colored People, accepted this political-cartoon version of the facts at face value. This was an audience which has been following the struggle for civil rights legislation with close attention. I am certain this audience was not one-tenth as unsophisticated as the ex-Governor's remarks would seem to indicate he thought it was.

We have a President of the United States who has done more administratively to advance the cause of equal rights for all Americans than any other President in our history. And the Congress now has before it an administration program, including an explicit endorsement of the integration decision of 1954 as the supreme law of the land.

Furthermore, the administration has proposed Federal aid to schools in achieving integration, as well as extension of the life of the Civil Rights Commission. I shall in a moment discuss the administration proposals more fully.

First, however, I should like to point out that the build-up now is under way for the notion that if we can only slip something through the Congress with a civil rights label on it, no matter how skeletal, ineffective, and evasive of the real issues the bill might happen to be, we shall have a troublesome matter out of the way for at least another year or two and all will be well.

Mr. President, I completely reject this notion.

We are dealing with the rights of human beings, with the rights of loyal and decent Americans. And we are dealing specifically in one very vital area of this whole problem with wholly undeserved hurts visited upon little children, with wholly unwarranted handicaps and limitations placed upon their rights to share in the equal opportunity which we Americans like to boast about.

This is no issue to be dealt with by evasion, or by circuitous logic, or with the despairing idea that one should be content with crumbs.

As the President himself has observed—this President who is accused of not having stood up on the segregation issue—the issue is a moral one. As the President remarked, it is morally wrong to deny an American citizen's equality of opportunity because of the color of his skin.

Mr. President, those who claim to be for civil rights but who expend their energies on criticizing the President would do far more to advance the cause of civil rights were they to study the administration program and to use their influence with their friends to get behind a program which means something—rather than an illusion of a civil rights program.

I wish to remind anybody whose memory may be hazy on the subject exactly what the President has proposed to implement the school desegregation decision. I shall enumerate the proposals, without expanding upon them.

First, an amendment to the law which would make it a Federal crime punishable by a $10,000 fine or 2 years imprisonment to use force or threats of force to interfere with court orders on school desegregation.

Second, money grants to be matched by the States or communities for a 2-year program to help provide additional nonteaching professional services required by desegregation programs.

Third, authorization to the Government to provide schools for children of military personnel in areas where regular schools are closed by the desegregation issue.

Fourth, to make it a Federal crime punishable by a $5,000 fine or 5 years' imprisonment for a person to flee across State lines to avoid prosecution for or testifying about bombing or burning of a school or church.

These steps to punish interference with enforcement of desegration orders, to help economically those who are attempting in good faith to comply with such orders, to guarantee the availability of nonsegregated schools to the children of military personnel, and to punish those who would destroy our school structures, cannot be scoffed at. They are concrete suggestions for dealing with real problems, not hand-waving gestures which will make solutions of these problems more difficult.

I am grateful that the Committee on the Judiciary will be able to meet on Monday without being confronted with the usual noon deadline for action. This should give the committee a full opportunity to discuss these vitally needed measures to implement the Court's desegregation ruling.

When this subject is before the Committee on the Judiciary, I will propose as amendments to the inadequate bill reported by the Subcommittee on Constitutional Rights each feature of the President's recommendations.

The ground has been laid for pushing a token bill through Congress. Any such measure would be a fraud on the American people who look to Congress for meaningful action to assure to each child in this country the rights vouchsafed by the Supreme Court's school decision. I ask the former political leader of the opposition party in my State whether he will support the President in his determination to do something constructive and progressive about these problems, or whether he intends to continue to hurl verbal roadblocks in the way of action.

H.R. 7650, VETERANS' PENSION BILL, IS SUPPORTED AND OPPOSED BY VETERANS' ORGANIZATIONS

Mr. NEUBERGER. Mr. President, on June 15, 1959, the House of Representatives passed a far-reaching pension bill, H.R. 7650, by decisive margin of 226 to 34. This legislation, since it has passed the House, has now been referred to the Senate Finance Committee for study and consideration prior to its being reported to the Senate. Hearings on this legislation have not as yet been scheduled by the Finance Committee.

Since this bill has been before Congress, I, and I am sure other Members of the Senate likewise, have received a great deal of mail both in support of and in opposition to the bill.

FAIR TREATMENT FOR WAR VETERANS

I am sure that all Members of the Senate want to do the right thing by World War I, World War II, and Korean conflict veterans, widows, and dependents, who would be covered under the provisions of this bill. Our country owes a great amount of gratitude to all of those who went to her defense in time of need. Certainly veterans are entitled to fair treatment from our Government and from Congress. It is my belief that veterans who are in severe or dire economic need are entitled to financial security. This is particularly true of World War I veterans, whose average age is now over 60 years.

Those who served their country during wartime had to experience the sacrifices and hardships of active military service, with World War I military pay averaging only $33 per month, while those who stayed at home did not meet these sacrifices.

Over the last 25 years the Government has spent $94.5 billion for veterans. During the present fiscal year, 6.6 percent of the 1960 budget expenditures, totaling $5 billion, will be spent on veterans services and benefits.

H.R. 7650 deals solely with veterans with non-service-connected disabilities and their widows and dependents. It, of course, does not deal with veterans who are injured in active and battlefront defense of their country and who are entitled to first claim for need because they were injured while on active military service.

VETERANS GROUPS DIFFER

Mr. President, the major veterans organizations have taken opposing stands regarding this bill. The largest veterans organization, the American Legion, comprised of close to 3 million members, including veterans of World War I, World War II, and the Korean conflict, is supporting H.R. 7650.

Mr. President, I ask unanimous consent to include at this point in my remarks a letter I recently received from Mr. Preston J. Moore, national commander of the American Legion, and telegrams I have received from Mr. George Nelson, Department of Oregon commander of the American Legion, and Mrs. Grover Francis, Department of Oregon secretary of the American Legion Auxiliary.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Washington, D.C., July 14, 1959.

Hon. RICHARD L. NEUBERGER,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NEUBERGER: As you know, H.R. 7650 is now pending in the Senate. This bill, which would modify the pension programs for veterans of World War I, World War II, and the Korean conflict and their widows and children, passed the House on June 15 and is now before the Senate Finance Committee.

While the American Legion is disappointed in that the bill does not meet all of the recommendations of our organization, as presented by me to the House Veterans' Affairs Committee on June 5, 1959, I am glad to say it does contain a number of suggestions tendered by our organization.

The bill effects several resolutions of the American Legion, some of which have been mandates for a long time. In addition, the bill provides increased pension rates for the great majority of veterans, widows, and children now on the rolls, particularly the most needy. It increases the income limitations, making thousands of persons eligible for pension benefits for the first time; and it fulfills the American Legion's long-sought objective of equalization of the death pension requirements for World War II and Korean conflict dependents. For these reasons the American Legion supports H.R. 7650, as passed by the House.

I sincerely hope that you will support the bill.

Thanking you for your consideration, I am,
Sincerely yours,

PRESTON J. MOORE.

PORTLAND, OREG., *June 22, 1959.*

Senator RICHARD NEUBERGER,
Senate Office Building,
Washington, D.C.:

The American Legion, Department of Oregon, urges you to contact members of the Senate Finance Committee requesting them to make an early and favorable report on H.R. 7650 pension bill passed by House on June 15.

GEORGE NELSON,
Department Commander, American Legion, State of Oregon.

PORTLAND, OREG., *June 23, 1959.*

Senator RICHARD NEUBERGER,
Senate Building, Washington, D.C.:

Request you contact members of Senate Finance Committee urging them to make early and favorable report on H.R. 7650 pension bill supported by the American Legion and passed by the House June 15. Will appreciate your support of this bill and any information regarding it. Thanks.

Mrs. R. GROVER FRANCIS,
Department Secretary, American Legion Auxiliary.

Mr. NEUBERGER. Mr. President, the national legislative bulletin of the American Legion has contained an analysis of H.R. 7650. The bulletin, dated June 12, 1959, states:

On Wednesday, June 10, H.R. 6432 went into the waste basket. In its place a new proposal was introduced. It is H.R. 7650. Yesterday the new bill was reported by the House Veterans' Affairs Committee and may pass the House of Representatives on Monday, June 15. This speedy action is not to be misconstrued as a sneak method of getting the bill on its way to avoid opposition. Actually, the new bill is the culmination of months of conferences—proposals and counter proposals, in which the American Legion took a most active part. While we are disappointed that all our points could not be gained, we are pleased that the total first year's value of the bill is about three times greater than the administration's initial proposal in H.R. 6432—$308 million against a little over $100 million.

In addition, the bill would accomplish death pension parity for the widows and orphans of veterans of World War II and the Korean conflict on the same basis as authorized for widows of World War I. The American Legion has sought this legislation for many years and we are delighted that finally such inequity appears headed for erasure. This in itself is most desirable legislation.

The bulletin points out that the bill provides increased benefits for substantial numbers of veterans and their dependents and widows, and I ask unanimous consent to place these further statements from the legislative bulletin in the RECORD at this point in my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

As we discuss the provisions of the new bill keep in mind that statistics indicate that over 1,100,000 veterans and dependents will be aided, either by increased rates or by coming on the rolls for the first time such as those previously denied because of incomes greater than $1,400 or $2,700 per year, and the potentially eligible widows and orphans of veterans of World War II and the Korean conflict. A breakdown follows: 854,406 beneficiaries now on rolls would get increases, 72,039 now barred by income ceilings would be added, plus 205,684 widows and children of deceased World War II and Korean conflict veterans.

Important, too, are the facts that the proposed bill is not designed to be effective until July 1, 1960, and that it does contain a savings clause which provides that those now on the rolls, or those coming on the rolls by virtue of disability or death occurring prior to July 1, 1960, are not affected unless it is to their advantage to elect the benefits in the new bill.

Mr. NEUBERGER. Opposing views on this bill have been ably presented by the Veterans of World War I of the United States of America. This is a group comprised entirely of World War I veterans, for whom I successfully sponsored legislation last year in order to give them a Federal charter of incorporation.

Mr. President, it is my hope that the members of the Senate Finance Committee can carefully consider the views of this organization, together with the views

of the American Legion and other veterans groups on this important legislation.

Mr. President, I ask unanimous consent to include at this point in my remarks a letter representing the views of the Veterans of World War I from its national commander, Mr. Fred J. Hollenbeck, together with a letter from the Department of Oregon commander, Mr. Roy Carnathan.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VETERANS OF WORLD WAR I
OF THE USA, INC.,
Washington, D.C., July 1, 1959.

Hon. RICHARD L. NEUBERGER,
U.S. Senate.

DEAR SENATOR NEUBERGER: I wish to thank you for your interest in the veterans of all wars particularly that of World War I. Your stand in establishing a standing Senate Committee on Veterans' Affairs in the Senate is commendable.

I wish to bring your attention to conditions now existing in the passing of H.R. 7650, lower House of the Congress, which is now before the Senate Finance Committee, that the veterans of World War I are utterly opposed to this bill. We would urge you, with all sincerity, to study this bill carefully and support us in our fight to have it defeated in the Senate or amended to give consideration to the Veterans of World War I in some way, shape, or form.

This bill definitely causes us to have two classes for the veterans who served during World War I. Those who would be on the rolls prior to July 1, 1960, and those after July 1, 1960. Those veterans of World War I who are now on the rolls would receive if they are 65 years of age $78.75 as a veteran without dependents providing their income is under $1,400. Under H.R. 7650 if their income is over $1,200 they would only receive $40 per month, which would make a difference of $38.75. A veteran who served during the same war there are various comparisons throughout these tables as set up by the Committee of Veterans' Affairs, which I know if you will study carefully that you will see a lot of discrepancies in this bill for all veterans of all wars not only veterans but widows likewise. Where a widow of World War I now receives $50.40 under this bill, H.R. 7650, if her outside income was between $1,200 and $1,800 she would only receive $25, so you can see that there is quite a bit of reduction for a World War I widow as under the present law. She would be entitled to the amount of $50.40 if her income was under $1,400.

I sincerely hope that you can see your way in assisting us in combating H.R. 7650 and perhaps sponsor some sort of a bill that would be beneficial to the veterans of World War I and their widows comparable to H.R. 1181.

Sincerely yours,
FRED J. HOLLENBECK,
National Commander.

VETERANS OF WORLD WAR I,
DEPARTMENT OF OREGON,
Portland, Oreg., July 1, 1959.

Hon. RICHARD L. NEUBERGER,
Senator from Oregon,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NEUBERGER: I was very pleased to receive your letter of June 25, 1959, congratulating me upon my election to the office of department commander, Department of Oregon, Veterans of World War I of the U.S.A. I was also pleased to have a copy of your Senate address of June 18, 1959, urging the creation of a Senate Committee on Veterans' Affairs.

Such a committee would be most welcome at this time, when the so-called pension bill, H.R. 7650, recently passed by the House, is to come up for consideration in the Senate. I know you are thoroughly familiar with the views of the Veterans of World War I of the U.S.A., so ably expressed in Mr. JAMES VAN ZANDT'S H.R. 1181. Mr. TEAGUE'S bill, H.R. 7650, is definitely a welfare bill, which would put the U.S. Government in the most gigantic relief setup in the world. Dispensing of a so-called pension, or any other form of charity on a sliding scale or individual case basis, is bound to increase the administrative costs by billions of dollars, since the Government would be forced to hire thousands of trained social workers to determine the need in accordance with this law, and set up a file on every case. I spent about 10 years in this type of work, and I can tell you frankly, you have no idea what the ramifications of one simple investigation can be, or develop. And don't forget, the case continues with the widow and the minor children in the family, following the death of the veteran. Can't you just see the millions and millions of reels of redtape and needless expense that would be introduced in the administration of such a bill?

On the other hand, Mr. VAN ZANDT'S H.R. 1181 is simple and to the point:

(a) It provides for an award of $100 per month by the Government, to destitute and aging veterans of World War I, who in the days of their youth made sacrifices in opportunities and health to be of service to our country in time of war. (I recall many cases where an ill or injured soldier deliberately refrained from reporting his condition, because it might involve considerable delay to him in mustering out and getting his discharge. They are among the nonservice-connected disability cases today.)

(b) The award is on the basis of need since it would be available only to those veterans over 62 years of age, who make an affidavit to the effect that their income does not exceed the limitations of the law as to income. The pension award is available only upon application, and is not a general pension. The exclusion of a large segment of World War I veterans, because of income limitations attached to the bill, allows payments of a generous ($100 per month) pension to those who actually need it, and would cost the Government far less in the long run, than the costly, inadequate, and unpatriotic dole system recommended in Mr. TEAGUE'S H.R. 7650.

(c) Practically no increase in administrative personnel would be required in the Veterans' Administration for processing claims, since no radical changes would be necessary. H.R. 1181 is, therefore, the most sensible and most economical bill that could be devised to assist those aging and deserving veterans of World War I, who receive neither a service-connected compensation, nor income in excess of the limitations of the bill.

Surely a pension of $100 per month (with the purchasing power of $1 being only 49 cents today) is not too much to award to the needy and aging veterans of World War I, who defended our country in time of peril, that we might enjoy the beauties and richness of life as we know it today.

With kindest personal regards to yourself and Mrs. Neuberger, I am,

Sincerely yours,
ROY CARNATHAN,
Department Commander.

Mr. NEUBERGER. Mr. President, one of the best friends of veterans, who himself served actively as a member of the U.S. Marine Corps in World War I, is my good friend, W. W. Bill Campbell, who serves as treasurer of Multnomah County, Oreg. I ask unanimous consent that his thoughtful letter to me of June 26, 1959, be included at this point in my remarks in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *June 25, 1959.*

Hon. RICHARD L. NEUBERGER,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR DICK: As you no doubt know, H.R. 7650, purporting to be a modernized veterans pension bill and grossly misrepresented as having the approval of the major veterans organizations, was recently railroaded through the House under strange and unusual procedures that permitted little or no study of the bill and denied some 100 Members who had introduced pension legislation the opportunity to be heard either before the Veterans' Affairs Committee or on the floor.

Perhaps, as regards material benefits, this bill is some slight improvement over existing pension provisions, but its vicious philosophy of need (implying charity) violates the historic principle that the veteran has earned the dignity and right of pension in old age by reason of sacrifice and services rendered the Nation in time of grave danger—above and beyond that required of his homeside brethren permitted to carry on substantially normal lives and civilian pursuits at high wages or fat war profits—the veteran being denied equal opportunity to live normally and gain economically because of service in the Armed Forces. Fairness and justice proclaim that this creates a debt to the veteran no less valid than any other part of the national debt, and no more, in honesty, subject to repudiation in the name of economy than would be the interest debt, for instance.

DICK, I think you know that I firmly believe veterans pension in disability and old age to be a matter of right; but that I also believe that common sense concern for the fiscal welfare of the Nation, and more-distressed veterans, demands that the veteran accept modification of his pension right to the extent of reasonable income limitation. That, I believe, is substantially the thinking of most World War I veterans today, and of the major veterans groups. It does not imply willingness to accept pension provisions based on charity-need philosophy, or pauperizing the veteran.

I think that you will agree, that considering the wide differences between conditions of service, rates of pay, Government help to wives and dependents, particularly the hugely vast difference in postwar benefits, it would be a practical impossibility to write a pension bill covering World War I, World War II, and Korea, on an identical basis that would be fair to World War I veterans. Yet, H.R. 7650 would blanket all together without distinction or attempt at adjustment.

I would therefore, respectfully suggest and hope that effort will be made in the Senate to amend H.R. 7650 to include a separate pension program for veterans of World War I similar to the proposals contained in H.R. 1181. Otherwise it is to be hoped that the Senate will not permit H.R. 7650 to become law, at least not without considerably more palatable modification of "needs" provisions.

With best regards and all good wishes,

Sincerely,

BILL.

Mr. NEUBERGER. Mr. President, one of the other active organizations in support of veterans' legislation is AMVETS, American Veterans of World War II, and the Korean conflict. This organization has forcefully testified in support of H.R. 7650 and perhaps represents the views of the new generation of war veterans.

I ask unanimous consent to place at this point in my remarks in the RECORD the able statement by Dr. Winston E. Burdine, national commander, AMVETS.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMVETS' position has been in direct opposition to that of the veterans' groups which have urged increased pensions. In fact, the pension scales which we proposed to the House Veterans' Affairs Committee were even more restrictive than those established in the House approved bill (H.R. 7650). In particular, AMVETS feel that only $1,000 of the wife's earned income should be exempted in computing the veterans' base income for pension, whereas the present bill exempts from family income 50 percent of the wife's income. Considering the spouse's income is a matter of simple equity among the veterans affected. Why should one veteran receive minimum pension payments because he has a limited amount of independent income, while another receives maximum payments because he had put his liquid assets and income-producing property in his wife's name?

AMVETS' urging that non-service-connected pensions be based on genuine financial need dates back to 1957 when we adopted a policy statement that "the present non-service-connected pension programs is deficient in that it fails to distinguish between various levels of need, thus resulting in thousands of veterans and widows being denied benefits or having to exist on a small pension with no other income, when many other fortunate individuals having considerable income and resources receive the same pension payment."

As a veterans' organization, we have walked alone. And we were the only organization to steadfastly support the philosophy of pensions based on need. I am pleased to note, however, that two other major organizations are now supporting the House approved bill.

I want to make crystal clear the difference between pensions and compensation, a difference not clearly understood by many. Pension relates to non-service-connected disability. Compensation relates to injuries or illness incurred as a result of military service. The House approved pension bill will in no way adversely affect the compensation paid to veterans with service-connected ailments. However, unless a pension system based on need is enacted, the whole veterans' benefit system could topple because of unreasonable burdens on the national economy.

In proposing a realistic non-service-connected pension system, which will provide adequate pensions for those who need them, AMVETS are motivated by a desire to perfect a sound, enduring structure of benefits without milking the taxpayers. We are citizens with a stake in the national economy, as well as veterans.

WINSTON E. BURDINE, M.D.,
National Commander, AMVETS.

Mr. NEUBERGER. Mr. President, I have, in some detail, outlined the conflicting stands of three of the major national veterans organizations with respect to pensions for non-service-connected disability veterans. It is my hope that the views of these organizations can be carefully considered by the Senate Finance Committee and by the Members of the Senate, and that fair and just legislation for the veterans can be enacted into law. I hope that the views of these organizations will be of benefit to the Members of the Senate.

SENATE VETERANS COMMITTEE NEEDED

Because of the controversial and complicated nature of this and other veterans legislation, there is an urgent need for a Senate committee which can devote its full time to veterans affairs and legislation. It is for this reason that I have sponsored and testified in favor of proposals to establish a Senate Committee on Veterans' Affairs. No better argument for such a committee can be made because the Finance Committee must necessarily devote a major portion of its time to such crucial legislation as taxes, finances, social security, and other subjects. All the major veterans organizations favor the establishment of a standing Committee on Veterans' Affairs.

EXTENSION OF ORPHAN IMMIGRATION PROGRAM

Mr. NEUBERGER. Mr. President, I wish to commend the distinguished chairman of the Senate Judiciary Committee [Mr. EASTLAND] and the Senate in its action Wednesday in passing favorably on H.R. 6118, the orphan immigration program which expired on June 30, 1959.

I was further pleased by the action of the House of Representatives yesterday in amending H.R. 6118 to provide for additional safeguards for the protection of orphan children. The provisions added by the House are identical to those recommended by me in S. 1532. These provisions require a home check for children lawfully adopted abroad as well as for children to be adopted in the United States. This is a very worthwhile addition and will go far, I am sure, toward eliminating the abuses which have existed and have been brought to light under the previous programs. I hope the Senate will concur in the amendment adopted by the House of Representatives.

The orphan immigration legislation will continue the program for 1 year, until June 30, 1960, and will give the committee and all interested parties the opportunity to develop a program so that a limited number of abuses which have taken place might be eliminated. Under the orphan immigration programs as contained in Public Law 85–316, which I cosponsored, and predecessor laws, some 12,000 orphan children have been admitted to the United States and adopted by American families. Particularly, children from the Orient, Korea, Japan, Okinawa, Formosa, and Hong Kong have been given the opportunity to lead a meaningful life in our country. Almost 70 percent of the orphans admitted under Public Law 85–316 have been from the Orient and 40 percent of all orphans admitted have been Korean. The surest protection for a Korean and oriental orphan child is in speedy placement with a suitable family in the United States.

We cannot lose sight of the fact that, despite the abuses that have been shown to exist, thousands of orphan children have found good homes with adoptive parents in the United States. Well over 90 percent of the children admitted under the program are leading happy, fruitful lives in our country.

Mr. President, I would like to take this opportunity to commend Mr. and Mrs. Harry Holt and the Holt family for their devoted efforts on behalf of Korean orphan children. This family, which has expended freely of their time, money, and good health has been responsible for placing almost 1,500 Korean orphans—most of whom were fathered by American military personnel—in homes in the United States. It is my opinion that if it had not been for Harry Holt and his efforts, substantial numbers of Korean orphan children would not have been admitted to our country. Almost 80 percent of all Korean orphan children admitted have been brought in under the auspices of the Holts. Korean orphan children constitute, by far, the largest number of orphans admitted to the United States.

Mr. President, I ask unanimous consent to place at the conclusion of my remarks a telegram I received from Mrs. Bertha Holt, a telegram from Jocelyn S. Ames, president, and Pearl S. Buck, honorary president, Adoptive Parents Committee, 210 Fifth Avenue, New York City, and a fine article by A. Robert Smith which appeared June 30, 1959, in the Oregonian telling of the hearings held by the Senate Immigration Subcommittee on the orphan immigration program.

There being no objection, the telegrams and article were ordered to be printed in the RECORD, as follows:

NEW YORK, N.Y., *July 2, 1959.*

Hon. RICHARD L. NEUBERGER,
U.S. Senate, Washington, D.C.:

Urge support H.R. 6118 granting special visas children overseas adopted by American citizens. Proxy adoptions have been abused. But abolition of proxies punishes needy children as well as unscrupulous intermediaries. Throwing out baby with bath water. Remedial legislation better agency procedures needed. Meanwhile H.R. 6118 needed.

ADOPTIVE PARENTS COMMITTEE,
JOCELYN S. AMES, *President.*
PEARL S. BUCK,
Honorary President.

[From the Oregonian, Portland, Oreg., June 30, 1959]

WITNESSES BACK BABY LIFT

(By A. Robert Smith)

WASHINGTON.—Perhaps it is good that Harry Holt wasn't present the other day when the Senate Immigration Subcommittee finished hearings on oversea orphan legislation. Surely his temperature would have mounted at the manner in which officials of established social agencies damned his Korean orphan airlift with everything from the faintest of praise ("he's well meaning") to innuendoes, hesitantly voiced, about his paying corrupt Korean authorities for babies.

Holt has never been secretive about his dislike for International Social Service, whose field personnel he claims drive around in big cars overseas and perpetuate themselves with bureaucratic finesse. International Social Service has been campaigning to get Congress to end proxy adoptions, which Holt has employed to bring in over 1,000 children to waiting families in America.

While the Creswell farmer wasn't there to defend his laudable humanitarian effort others were. Representing no one but themselves, they exercised their constitutional right of petition by urging Congress to continue the orphan immigration program under which they had all been able to adopt orphans.

A California clergyman, proud as any new poppa, pulled out photos of his three Korean-born children adopted through the Holt program. He said members of his church have adopted 10 of Holt's waifs.

A Virginia housewife, with exhibit A squirming around in her lap as she testified, told of her long frustration in trying to adopt a child through regular channels before successfully getting a Greek baby.

She and a New York lawyer, who adopted two Korean children, mocked the rigid rules of local social agencies which made it impossible for them to adopt children except through the orphan immigration program.

"Go home and try harder to have more children of your own," the New Yorker said he was told by social workers who were "worried whether I was being fair to my natural born son," whether "I am too old (age 46)," whether "there will be an inheritance problem," and "is the adopted child going to fit in."

He didn't meet their criteria, he lamented, and was the victim of the illusion that the social worker knows best.

The housewife's husband was the victim of a numbers game. He was over 35, so he was considered too old for an infant but OK for a school age child. But they couldn't have a school age child until they had been married as many years as the child is of age—and by that time her husband would be 45, which they were told would be too old to adopt any child.

At issue is legislation to continue the program but to require home studies before parents are approved for adoption of foreign orphans. The administration and various Senators, including Oregon Senators RICHARD L. NEUBERGER and WAYNE MORSE, favor tightening the law in this way. So does ISS.

The New Yorker dissented: "I'm opposed to legislation that would allow social workers to license parents. I want their advice, but I want to make the decision to adopt."

The housewife hugged her child and took the opposite tack: "I'd be willing to be checked by anyone, or even take my child to the post office or any Federal office once a week just so they could see he was all right. I would do anything under the sun."

CRESWELL, OREG., *June 29, 1959.*

Senator RICHARD NEUBERGER,
Senate Office Building,
Washington, D.C.:

There is joy and thanksgiving at our home today. The extension will allow time to study failures of the past, and ways to correct them. We are most grateful to you and your office and know that children whose lives you have saved will grow up to thank you.

BERTHA HOLT.

AREA VOCATIONAL EDUCATION PROGRAMS

Mr. BUSH. Mr. President, in title III of the National Defense Education Act of 1958, which is concerned with area vocational education programs, there appears language limiting funds made available under the title for use "exclusively for the training of individuals designed to fit them for useful employment as highly skilled technicians in recognized occupations requiring scientific knowledge, as determined by the State board for such State, in fields necessary for the national defense."

That language appears in the act as a result of amendments I offered on the Senate floor when the matter was under discussion last year.

An attempt was made this year to weaken the limitation and make the funds in question available for vocational training in other fields through language inserted in the bill appropriating funds for the Department of Health, Education, and Welfare. Upon a point of order which I raised and which the Presiding Officer sustained, the language was stricken from the bill.

Shortly after that event, I was visited by representatives of AFL–CIO unions, contractors' associations and of the American Vocational Association who urged the need of amendment of the Defense Education Act in line with the language stricken from the appropriations bill. I advised them that the point of order was made because it is improper and not in order to legislate on an appropriations bill, and that if the Defense Education Act needs amendment a case should be made before the committee with legislative jurisdiction, the Committee on Labor and Public Welfare.

Following my conference with this delegation, I wrote to Dr. William J. Sanders, commissioner of education of the State of Connecticut, in which I summarized the above history and requested his opinion whether the language of the act was in need of change.

Dr. Sanders has advised me that he believes my action in sponsoring the amendments to the act was right, and that the language should not be changed.

Mr. President, I ask unanimous consent that this exchange of correspondence may be printed in the RECORD at this point in my remarks.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JULY 2, 1959.

Commissioner WILLIAM J. SANDERS,
State Board of Education, Hartford, Conn.

DEAR COMMISSIONER SANDERS: I would appreciate your objective advice on an educational problem which has recently confronted me.

Last year, when the National Defense Education Act of 1958, was before the Senate, I sponsored an amendment to limit the use of funds made available under the area vocational education title "exclusively for the training of highly skilled technicians." Recently, when the appropriations bill for the Department of Health, Education, and Welfare was under consideration, I made a point of order which eliminated from the bill language which would have permitted the use of these funds for vocational training in other fields.

Representatives of AFL–CIO unions, contractors' associations and of the American Vocation Association called on me last week to urge the need of amendment of the Defense Education Act in line with the language stricken from the appropriations bill. I advised them that the point of order was made because it is improper to legislate on an appropriations bill, and that if the Defense Education Act needs amendment a case should be made before the Labor and Public Welfare Committee, which has legislative jurisdiction.

In sponsoring the amendment to the Defense Education Act, I was influenced by my strong feeling that funds made available under this act should be used exclusively in fields of education of great importance to the national defense. I was also mindful of information obtained from publications issued by your Department disclosing the great need in Connecticut for highly skilled technicians in our defense industries.

Would you kindly advise me what have been the results, so far as Connecticut is concerned, of the area vocational title of the Defense Education Act, and whether, in your judgment, adequate funds are available to our State under the Smith-Hughes and George-Barden Acts for training in the fields in which my visitors are interested? If you care to express your personal opinion on whether the Defense Education Act is in need of amendment to loosen the restrictive language on vocational training, I would be glad to have it.

With kindest personal regards, I am,

Sincerely yours,

PRESCOTT BUSH,
U.S. Senator.

STATE OF CONNECTICUT,
Hartford, Conn., July 8, 1959.

HON. PRESCOTT BUSH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUSH: I have your letter of July 2 relative to the National Education Act of 1958 and I am glad to give you my opinion.

I believe you are absolutely right in having sponsored the amendment to limit the use of funds made available under the area vocational education title of the National Defense Education Act of 1958 "exclusively for the training of highly skilled technicians." I am enclosing a mimeographed statement indicating what we are doing in this State, to take advantage of the provisions of the NDEA of 1958. You will notice that we are not only moving ahead with the training of engineering technicians but also, on page 2, we are concerned with the training of industrial technicians in such fields as tool and die making, industrial electronics, etc. This mimeographed document is somewhat premature and we may not call the program for these people an industrial institute program. Perhaps it will be called simply the 13th year.

It is my firm belief that as trades become more complicated, greater skills are necessary and that every effort should be made to upgrade vocational education in accord with your amendment, rather than merely to increase vocational education. I think that your amendment is even more needed for other States than for Connecticut where we have been already moving in the direction you have foreseen. Other States that are not moving in this direction should be stimulated to do so.

I hope this answers your question and I would be very happy to furnish you with any further information that might be helpful to you. We certainly appreciate what you are doing, not only for vocational education, but for education in general.

Kindest regards.

WILLIAM J. SANDERS,
Commissioner of Education.

Mr. BUSH. Mr. President, I express the hope that the Appropriations Committee will resist any future efforts which may be made to amend the National Defense Education Act through language inserted in an appropriation bill, and that changes in the act will be recommended to the Senate only after full hearings by the appropriate legislative committee have been held and all interested persons have been given an opportunity to express their views.

THE REPUBLICAN RECORD

Mr. CASE of South Dakota. Mr. President, the Republican administration has been keeping the party's 1956 platform pledges.

A record of successful achievement has been made in the face of pressures for greater Federal spending, expansion of Federal powers, and inflationary policies. Republicans generally have voted to curb Federal spending, to curb expansion of

Federal activities except where a clear necessity was presented, and to avoid inflationary policies.

On agriculture, the 1956 platform pledged to work for improved farm prices and income.

Farmers' gross and per capita income for 1958 were at the highest levels in history. Farmers' net equities, after deducting all debts, were the highest ever. The standard of living on farms was at an all-time high. Farm ownership reached an all-time high, and farm foreclosures were near the all-time record low. Although the cost-price ratio continues to be a serious problem, the 1958 parity ratio was 85, the highest in 4 years.

Exports of farm products were at a record high for the 1957 and 1958 fiscal years. One of the most significant programs leading to a significant reduction in the Nation's stocks of surplus commodities has been the Republican-sponsored Public Law 480 program. This program has done double duty—while reducing the surpluses by putting them into the hands of overseas consumers, it has made available foreign currencies to finance economic, military, and technical grant aid to those countries.

In foreign affairs, the platform pledged to help friendly countries maintain their strength to provide a first bulwark against Communist aggression or subversion.

Perhaps at no time has the conduct of foreign affairs been under more perilous conditions. Under the shadow of a hydrogen holocaust, the Republican administration's policy has maintained peace, uneasy as it is, but no American men are in a shooting war anywhere over the globe.

Our policy has been one of willingness to negotiate on matters of difference without sacrificing principle.

The 1956 platform pledged extension of programs providing health, educational, and employment opportunities for Indians.

In its public health program for American Indians, the administration has launched a campaign for controlling trachoma, a serious eye disease, reduced the tuberculosis toll, and provided new clinics and additional medical personnel.

Employment opportunities for Indians have been opened on several fronts through vocational education, attracting industry to areas accessible to Indian labor supply and by assisting Indians to settle in employment areas.

Some of the most dramatic actions have occurred in the field of civil rights. The 1956 Republican platform pledged to support the President's civil rights legislation. The first civil rights legislation enacted in 82 years established a bipartisan Commission on Civil Rights with broad power to enforce right to vote laws.

The pledge of maintenance and improvement of our military forces as a deterrent to aggression and as a guardian of peace has been kept in full measure.

Our military forces are the strongest ever developed to guard peace, to defend the free world, and, if need be, to strike a devastating retaliatory blow against any attacker. In the field of missiles, the newspapers daily report of missile launchings and of new scientific achievements as we reach further and further into space.

The Northwest Passage has been rediscovered with the pioneering under icecap voyage of the *Nautilus* from the Pacific Ocean to the Atlantic Ocean by way of the North Pole.

The party platform pledged a sound, free, and creative economy, ever building new wealth and new jobs for all the people. The record shows that personal income of all Americans reached an all-time high of $372.7 billion in April 1959. Average earnings of factory workers reached a record high in December 1958.

The Republican administration refused to panic over the 1957 business recession, but instead put into operation constructive, well-planned operations, such as a stepped up urban renewal program, extension of unemployment compensation benefits and accelerated Defense Department contracts to distressed areas.

The small business aid pledge has been carried out through the Small Business Administration. A record high of 150,268 new business incorporations was reached, indicating a favorable economic climate for American small business.

The Republican platform pledged to provide positive assistance to those who have served in the Armed Forces and have suffered hardship, injuries, and handicaps. Numerous actions have been taken including strengthening and extending survivors' benefits and improvement of hospital service for veterans.

The record of performance in these selected areas is representative of the many outstanding achievements of the Republican administration. It is a record of which all Americans can be proud.

VISIT BY FOREIGN EXCHANGE STUDENTS

Mr. McCARTHY. Mr. President, the Capitol of the United States is being visited today by several hundred exchange students from other countries.

These students, generally of high-school age, have spent a year in the United States, living in American homes throughout this land. They are now on their way back to the port of embarkation to return to their own countries and to their own families.

Mr. President, I believe that the families of this country which have recognized their responsibility as good citizens and taken these visitors into their homes, as well as the families in the European and other countries of the world which have taken the American exchange students, should be particularly commended. So should the various religious and civic organizations which have taken the primary responsibility for this program, which is working out so well.

Just a day or two before the departure of these young people, in the name of the Senate I wish them well, and express the hope that their visit in the United States was an enjoyable and a profitable one; that in the years to come their own countries and our country will profit from this great exchange program in the cause of peace and justice, and that common understanding will be advanced throughout the world.

WASHINGTON MASS TRANSPORTATION SURVEY

Mr. BIBLE. Mr. President, the completion of the Washington area mass transportation survey climaxes 4 years of effort by the National Capital Regional Planning Council and the National Capital Planning Commission. To the Washington area, and those of us in Congress who are concerned with it, it marks the beginning of a comprehensive long-range program of coordinated action in dealing with these problems.

The Joint Committee on Washington Metropolitan Problems has followed closely the development of the mass transportation survey. Transportation is one of our major metropolitan problems. It was so recognized in the committee's initial report—Senate Report No. 1230, 85th Congress, 2d session. It has been given a correspondingly large place in our program of studies. Prior to the publication of the survey report, the joint committee's hearings last June and July were the major source of interim information on its progress and tentative conclusions.

While the survey report itself is a large and complex document, I am happy to inform the Senate that a handsome exhibit describing its essential proposals has been prepared by the National Capital Planning Commission and we hope it will shortly be put on display by the Architect of the Capitol. We will all be able to see in brief compass the result of successive appropriations by Congress amounting to a total of $460,000, and of substantial additional local contributions. Members of Congress, their families, and their staffs are inescapable victims of Washington's traffic and transportation conditions, and I am sure all will be interested in these proposals for their relief.

Our joint committee's final report—Senate Report No. 38, 86th Congress, 1st session—declared that "in the field of transportation, some regional agency will clearly be required, but its character will be better determined following the committee's review of the forthcoming report of the Washington metropolitan area mass transportationg survey." The joint committee recommended, and the Senate has now adopted, a policy resolution establishing the orderly development of the Washington metropolitan region as an objective of our National Government and names transportation as one of the metropolitan problems whose solution on a unified metropolitan area basis should be given priority. I anticipate favorable concurrence of the House in this resolution, which has received the unanimous approval of all area local governments and private interests.

The joint committee now anticipates studying the mass transportation survey report. We are interested both in the factual data contained in the report, and in the conclusions and recommendations of the report. The com-

mittee will hold public hearings on the report during October and November. We shall look for the assistance of the Federal agencies, local and State governments, civic and business organizations, and other groups and individuals, in reaching our conclusions.

The recommendations of the mass transportation survey have not, as yet, been put into legislative form. That should be one of the objectives of our committee's work, both to give greater definition to the proposals themselves, and to prepare for action by Congress.

Major questions of governmental organization are posed by the survey's recommendations. These we shall thoroughly explore, both as they reflect transportation requirements, and as they involve coordination with other committee proposals for regional action.

Financing the recommended system, and distributing its cost among the various beneficiaries, are further major problems. This will involve a close scrutiny of the economics of mass transportation, and the proposed fare structure and other sources of income to the system. It may require employing the powers of taxation to help create the needed system. And it will require some practical formula for dividing these extra costs among the Federal Government and local governments, and a shrewd plan to assess the costs and benefits of the system as a whole among the various local jurisdictions served.

Our deliberations on transportation cannot exclude larger questions of the city itself, both now and in the future. The present transportation proposals are designed to fit the needs of the city we know today. They will also play a very large part in shaping the metropolitan region of tomorrow. The urban structure may make mass transportation easier, or it may make it impossible. Transportation, in turn, may help powerfully in creating the city we want, or it may result in a wastefully disorganized, sprawling, decaying national Capital City.

It is apparent that the joint committee must now face the very largest questions in Washington's future. Its decisions on transportation are intertwined with its earlier conclusions on water supply, sewage disposal, land use, and economic development. These matters of great consequence will require not only our efforts, but the closest cooperation of all interests, whether Federal or local, urban or suburban, public or private. I hope we shall concentrate upon them. Let us not allow ourselves to be diverted, while dealing thus with the fundamentals, into the premature and divisive factionalism which invariably surrounds the debate on the merits of specific transportation measures, particular routes, isolated projects, and which many Members of Congress have painfully experienced. What has been shown by the arguments which have raged in recent months over Route 240, Route 66, the Glover Archbold Parkway, except the impossibility of wisely deciding these matters when a comprehensive plan for regional transportation is lacking? We have now the opportunity to create such a plan. If we succeed, it will go far toward solving, or at least putting in proper perspective, not only such difficult past decisions as those involving the location of bridges and expressways, but the still more difficult future decisions our swelling population and the changing times will present.

The mass transportation survey has taken a long look ahead. Congress has been fortunate that a regional planning agency was available to direct this work. In consequence, it has yielded a far more comprehensive result than would have been the case if some special transportation survey commission had been formed for the purpose. It has also illustrated the supreme advantage of a survey which comes to Congress bearing the endorsement of all parts of the metropolitan region. That unity is as precious as it has been difficult to attain. I congratulate the managers of the survey on this accomplishment.

Mr. President, I ask unanimous consent that a very timely editorial entitled "Transit Followup," taken from the Evening Star of Wednesday, July 15, 1959, be incorporated at this place in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRANSIT FOLLOWUP

An excellent start is being made on several fronts to follow up the recommendations of the Washington area's mass transportation survey.

There is no question that the Federal Government must play a vital role in the picture if anything is to come of the ambitious proposals, and encouraging steps have been taken both by administration and congressional leaders in this respect. President Eisenhower has gone out of his way to express a large measure of interest and support regarding the aims of the survey report. Furthermore, his directive that all Federal agencies study the report's recommendations should provide a critical analysis which will be invaluable in considering legislation that will be required to carry out the proposals.

On Capitol Hill, the Senate has passed a resolution which recognizes a direct Federal interest in and responsibility for the entire National Capital area, and this could well be the framework within which hearings should be held on the transportation report next September or October, as promised by Senator BIBLE. In order for this to happen, however, Congress will have to approve a simple resolution, now pending, extending the life of Senator BIBLE's Joint Committee on Washington Metropolitan Problems. This should be done immediately, for no other committee is nearly so well qualified to consider the difficult problems of regional transportation.

Meanwhile, local governing officials have begun the most critical job of all—to mobilize public understanding and support for coordinated transportation program throughout the metro region. It is not likely, or necessary, that such a program follow the precise form of the survey report. Indeed, its $2.5 billion proposals are certain to be scaled down to some level more consonant with financial resources. In order for the local community even to hope for the Federal assistance that will be needed, however, it must first develop a program of areawide agreement. That is the job of the committee of area leaders which has been set up under the capable leadership of State Senator Charles R. Fenwick, of Arlington County.

READJUSTMENT ASSISTANCE TO CERTAIN VETERANS

Mr. YARBOROUGH. Mr. President, on Tuesday next the Senate will proceed to vote on the bill S. 1138, the cold-war GI bill. This bill will extend to our present veterans, for the duration of compulsory military service, educational and other readjustment benefits that will in part help these young men who are securing our country's safety to make up the disadvantages they suffer relative to their civilian contemporaries. These young men now go into the service for a period of 2 or more years, serving at low pay, dislocated from their families in posts of solitude, hardship, and danger, unable to advance themselves in the career of their choice. This bill would be but a small attempt by the Government to repay them the burdens they are carrying for all the free world.

What are the characteristics of these boys leaving the military service after their obligation is fulfilled? They will have completed an average of 25 months' active service, 1 month longer than comparable Korean veterans. They will be under 25, and will have some high school but no college training. Specifically, 16 percent will have at least some elementary schooling, but no higher; 29 percent will have had only some high-school training; 35 percent will have a high-school education but no higher, while some 20 percent will have at least some college training. These veterans have not attained the educational level which they should, and I do not want it to be their military service which has prevented them from attaining it.

The bill S. 1138 provides a system of small tuition and subsistence allowances to enable these veterans to finance the schooling they deserve and need to complete their education, or even to take a competitive place in the labor market. The tremendous help that this bill would give them in this field is illustrated by the great success of the World War II and Korean GI bills, of which this is an extension. I know of no laws more widely acclaimed as truly great and beneficial legislation than those, and similar conditions today compel their rebirth.

But after the great successes of these tried and true precedents, it is today proposed that we change this program to a mere loan concept; that we loan the veteran the same amount but then insist that he repay it to the penny. But, in effect, the veteran already repays the educational allowances he receives; his education increases his earning power and income so that he will repay his allowance in full through taxes. The World War II veterans are now paying an extra $1 billion per year in taxes because of their GI bill training, according to the Veterans Administration, and the Census Bureau. There is no need for a loan device to assure the Government's repayment—it will happen inevitably.

The World War II veterans are now paying an extra $1 billion a year in taxes because of their GI law training, according to the Veterans' Administration and the Census Bureau, because this training has raised their earning power and

their actual earnings and on them they are paying an extra $1 billion in taxes. There is no need for a loan device to assure the Government's repayment; it will happen inevitably under the forces of ecoomics and the tax laws.

But what will happen to the educational program if the loan concept is introduced? The educational program will be utterly destroyed. It is clear that that will happen.

How can we expect a young man, perhaps with family responsibilities, to undertake vocational programs in industrial skills or business management, or particularly in farm management when he must go deeper into debt at every step?

I point out that this educational bill covers high school, college, and vocational education, and on-the-job training in business, industry, and on the farms.

Young men are not skilled in business. They cannot be expected to accumulate large debts to acquire future gains through increased earnings.

Although students who have had some college work might see the benefits, how can someone on a lesser educational level see the benefit in making perhaps slight gains in income at a great cost in debts? Remember that this is the time of life when young men are forming families, incurring other debts to pay for furniture, automobiles, and the next baby. After years at the low wage scale of the Armed Forces, should we invite them to go further into debt? Should not the young farmer, for example, be investing in land and stock and farm machinery, rather than in schooling in the science of modern agriculture?

I cannot see in good conscience why we should invite the veteran to commit himself to such large mortgages on his future. Can I convince him that the one or two or three thousand dollar debt will be worthwhile in future benefits? I would question that I could—I think too many young men will not take the vital step to higher education.

Mr. President, to illustrate the importance of the vocational and below college training under this program, which training would in effect be largely eliminated by changing the allowance system to a loan concept, I ask unanimous consent that two tables showing the extent of participation in vocational and below-college training under the World War II and Korean GI bills be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 5.—*Number of veterans of World War II who entered training in each State* [1]

State or Territory	Veterans of World War II [2]	Total entered training [3]	Type of training				State or Territory	Veterans or World War II [3]	Total entered training [3]	Type of training			
			Institutions of higher learning	Schools below college level	Institutional on-farm	On-the-job				Institutions of higher learning	Schools below college level	Institutional on-farm	On-the-job
Total [4]	15,411,000	7,800,000	2,200,000	3,500,000	700,000	1,400,000	Missouri	387,000	227,500	51,500	95,200	35,700	45,100
							Montana	59,000	28,900	7,600	8,800	5,000	7,500
Alabama	253,000	171,000	32,300	70,000	30,000	38,700	Nebraska	119,000	65,500	16,500	17,600	12,100	19,300
Alaska	9,000	5,700	1,000	4,000	400	300	Nevada	18,000	7,700	2,200	3,700	400	1,400
Arizona	79,000	39,200	11,700	17,800	2,100	7,600	New Hampshire	55,000	23,300	5,400	8,800	1,000	8,100
Arkansas	156,000	102,500	17,500	33,300	32,700	19,000	New Jersey	555,000	209,600	56,600	123,300	2,700	27,000
California	1,253,000	580,800	216,500	261,600	13,900	88,800	New Mexico	72,000	37,400	11,000	15,200	3,800	7,400
Colorado	140,000	87,000	37,000	25,000	7,000	18,000	New York	1,598,000	790,000	263,000	426,000	9,000	92,000
Connecticut	205,000	87,600	28,700	34,700	500	23,700	North Carolina	338,000	197,900	34,300	65,700	49,100	48,800
Delaware	29,000	14,200	3,600	6,100	400	4,100	North Dakota	48,000	22,800	6,600	4,600	5,300	6,300
District of Columbia	105,000	99,100	39,300	49,300	0	10,500	Ohio	858,000	383,100	123,900	170,800	19,500	68,900
Florida	308,000	171,200	38,300	88,800	11,400	32,700	Oklahoma	214,000	135,000	40,000	38,000	28,000	29,000
Georgia	290,000	191,000	34,400	77,400	28,000	51,200	Oregon	166,000	77,000	27,000	31,000	5,000	14,000
Hawaii	39,000	16,600	3,500	11,300	300	1,500	Pennsylvania	1,164,000	587,700	134,500	327,800	13,200	112,200
Idaho	55,000	33,000	7,000	11,000	7,000	8,000	Puerto Rico	54,000	43,600	5,100	36,000	1,200	1,300
Illinois	935,000	442,600	140,800	207,300	31,800	62,700	Rhode Island	94,000	32,800	12,300	12,800	300	7,400
Indiana	398,000	161,400	54,600	66,400	16,200	24,200	South Carolina	163,000	102,000	16,400	49,400	25,200	11,000
Iowa	220,000	111,000	31,200	30,200	21,000	28,600	South Dakota	57,000	25,500	6,600	6,500	6,500	5,900
Kansas	185,000	87,700	29,700	23,900	10,600	23,500	Tennessee	299,000	203,000	37,000	80,000	41,000	45,000
Kentucky	245,000	114,000	24,000	38,500	27,500	24,000	Texas	774,000	453,000	137,300	200,400	47,200	68,100
Louisiana	239,000	155,000	30,700	90,600	16,400	17,300	Utah	72,000	46,000	19,300	13,500	4,000	9,200
Maine	83,000	38,700	6,200	14,300	2,400	15,800	Vermont	32,000	16,000	4,000	4,200	1,800	6,000
Maryland	242,000	121,900	35,500	59,900	2,700	23,800	Virginia	302,000	116,300	27,600	42,500	15,600	30,600
Massachusetts	527,000	246,400	92,100	101,800	500	52,000	Washington	230,000	110,900	39,000	51,600	5,000	15,300
Michigan	681,000	275,000	88,500	140,800	12,000	33,700	West Virginia	190,000	73,600	18,400	28,200	6,600	20,400
Minnesota	297,000	142,700	44,500	51,300	18,800	28,100	Wisconsin	307,000	131,600	45,200	40,400	12,800	33,200
Mississippi	162,000	119,000	26,000	44,000	30,000	19,000	Wyoming	28,000	14,400	4,000	4,600	3,000	2,800

[1] Totals and other data rounded.
[2] March 1955.
[3] April 1955; source data show VA regional office having current jurisdiction of veterans' records. Distribution by State estimated from foregoing.
[4] Includes veterans residing in foreign countries, not identified below.

TABLE 6.—*Number of Korean veterans who entered training in each State cumulative through June 17, 1959*

State	Total	Institutions of higher learning	Schools below college level	Farm	Job	State	Total	Institutions of higher learning	Schools below college level	Farm	Job
Total	2,229,100	1,123,300	798,200	91,300	216,300	Continental United States, total—Continued					
Continental United States, total:						Nebraska	22,500	8,800	4,700	6,200	2,800
Alabama	57,400	20,600	32,200	1,000	3,600	Nevada	2,200	1,500	400	0	300
Alaska	1,300	400	900	(1)	(1)	New Hampshire	6,000	2,500	2,200	(1)	1,300
Arizona	14,100	9,400	3,200	100	1,400	New Jersey	51,100	26,300	18,100	(1)	6,700
Arkansas	22,000	9,000	6,000	4,100	2,900	New Mexico	12,300	6,300	4,700	200	1,100
California	218,500	151,000	49,400	1,000	17,100	New York	192,500	105,900	68,000	200	18,400
Colorado	26,200	16,600	5,400	1,000	3,200	North Carolina	58,800	21,000	19,700	8,200	9,900
Connecticut	27,700	13,800	8,500	(1)	5,400	North Dakota	10,200	5,400	2,600	1,300	900
Delaware	3,500	1,600	1,100	(1)	800	Ohio	89,700	49,600	28,800	1,500	9,800
District of Columbia	28,200	12,400	12,900	(1)	2,900	Oklahoma	39,300	24,400	11,000	1,500	2,400
Florida	60,800	23,600	31,800	700	4,700	Oregon	19,600	12,200	5,700	300	1,400
Georgia	61,600	22,100	32,100	2,100	5,300	Pennsylvania	134,300	59,800	59,600	500	14,400
Idaho	7,700	3,700	2,400	600	1,000	Rhode Island	10,300	3,500	5,400	(1)	1,400
Illinois	115,200	57,400	41,700	7,200	8,900	South Carolina	29,900	8,500	17,400	1,300	2,700
Indiana	46,500	27,200	12,600	2,900	3,800	South Dakota	12,000	5,400	1,600	4,000	1,000
Iowa	31,600	15,100	5,500	7,700	3,300	Tennessee	48,900	21,000	17,100	4,900	5,900
Kansas	22,900	15,800	3,700	2,300	1,100	Texas	130,100	74,200	47,300	3,800	4,800
Kentucky	32,600	13,400	12,000	3,800	3,400	Utah	19,300	13,000	4,600	400	1,300
Louisiana	43,700	16,000	24,000	1,200	2,500	Vermont	3,700	1,500	700	300	1,200
Maine	7,900	3,000	2,700	(1)	2,200	Virginia	31,800	11,700	10,500	3,000	6,600
Maryland	27,600	15,500	8,100	300	3,700	Washington	35,900	21,400	11,300	200	3,000
Massachusetts	72,400	35,800	26,600	(1)	10,000	West Virginia	21,300	11,100	5,900	400	3,900
Michigan	75,800	43,000	26,500	1,100	5,200	Wisconsin	40,500	22,800	8,900	3,100	5,700
Minnesota	49,800	22,200	15,000	6,200	6,400	Wyoming	3,300	2,100	400	400	400
Mississippi	26,700	17,300	6,500	1,400	1,500	Outside United States:					
Missouri	59,000	15,700	33,100	4,500	5,700	Territories and possessions, total	48,500	10,800	36,200	100	1,400
Montana	7,900	4,700	1,300	300	1,600	Foreign, total	6,500	6,300	200		(1)

[1] Less than 50.

Mr. YARBOROUGH. Mr. President, I see the GI bill as a means of persuading thousands and thousands of young men to raise their standards, and this country's standards, through education. I do not believe in crippling this program before it gets a chance to raise those standards, and fulfill our obligations to our cold war servicemen. Let us show we really care for the sacrifices they are making.

WITHIN-GRADE STEP PAY RATES OF FORMER MEMBERS OF CONGRESS IN EXECUTIVE BRANCH OF THE GOVERNMENT

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6134, which was read as follows:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 6134) entitled "An Act to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees for certain pay periods occurring in part in previous fiscal years", and concur therein with an amendment as follows:

At the end of the engrossed amendment of the Senate to the text of the bill, insert the following:

"SEC. 3. (a) The amendment made by section 2(a) of this Act shall become effective as of January 1, 1958.

"(b) The amendment made by section 2(b) of this Act shall become effective as of September 2, 1958.

"(c) Retroactive compensation or salary shall be paid, by reason of the amendments made by section 2 of this Act and the provisions of subsections (a) and (b) of this section, only to a former Member of the Senate or House of Representatives who, on the date of enactment of this Act, is in a position subject to the Classification Act of 1949 or the Postal Field Service Compensation Act of 1955, as the case may be, and with respect to whom appropriate administrative action is taken, pursuant to the amendments made by section 2 of this Act and the provisions of subsections (a) and (b) of this section, to advance such member to a higher step rate of the grade or salary level concerned, as the case may be; and, when such administrative action is taken, such retroactive compensation or salary shall be paid to such former member for all periods from and after the date of appointment of such former member to the position concerned."

Mr. JOHNSTON of South Carolina. Mr. President, on July 6, 1959, the Senate approved H.R. 6134, with an amendment. The amendment was designed to correct an oversight which affects the within-grade step pay rate to which former Members of Congress may be assigned if they accept a position in the executive branch of the Government.

All other employees, including legislative employees, may be assigned a within-grade step rate which is not above the salary they were previously receiving as a Federal employee. This is not the case insofar as Members of Congress are concerned. They must begin at the first step of the pay grade of the position to which they are assigned.

The Senate amendment would remove this obvious discrimination against Members of Congress.

Mr. President, the bill has been returned to the Senate with a House amendment to the Senate amendment. The House amendment provides an effective date for the Senate amendment. This is necessary in order that it may apply to former Members of Congress currently employed in the executive branch whose salary could not be fixed at the proper step rate of the grade to which they were appointed. The House amendment, by fixing an effective date to the Senate amendment, authorizes appropriate administrative correction to the situation.

Mr. President, as the House amendment simply makes sure that the purpose of the Senate amendment will be carried out, I move that it be concurred in by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

TEMPORARY COMMISSION ON COAL MINE SAFETY

Mr. COOPER. Mr. President, yesterday I introduced a bill which was referred to the Committee on Labor and Public Welfare, and which has been designated as S. 2403.

I had written a short statement in my own handwriting concerning the bill, but because I am certain that my handwriting is difficult to read, several typographical errors occurred in the printing of the remarks in the RECORD. Therefore, I wish to repeat today the statement I made yesterday on the purpose of the bill.

S. 2403 would establish a temporary Commission on Coal Mine Safety, which would conduct hearings on the factors relating to mine safety. The Commission would make recommendations to the President and Congress.

I am certain, from my study of mine safety legislation, that there is a necessity for a thorough review of mine safety statistics to determine their accuracy. There is an imperative necessity to have accurate information about the effectiveness of the present mine safety legislation and actual practices under both the Bureau of Mine Safety and State agencies. It is important to learn what should be done both at the Federal level and the State level by way of legislative enforcement to insure the best possible protection for those who risk their lives every day in the mines.

The Senate Committee on Labor and Public Welfare has scheduled hearings for July 21 and July 22 to consider the bills before it which deal with amendments to the Federal Mine Safety Act, and designed to provide fuller safety for those who labor in the mines.

One of the bills I introduced several months ago for myself and other Senators is S. 1562. A second bill was introduced by the senior Senator from Pennsylvania [Mr. CLARK] for himself and other Senators, S. 743. In all fairness, I must say that I will support S. 1562, which I introduced several months ago.

But I introduced the bill yesterday because I desire to secure from the appropriate agencies of the Federal Government an opinion as to its value and also an opinion as to the necessity of the procedures which are established in S. 2403 and, I may say, in the bill which I introduced, S. 1562.

One of my objections to S. 743 is that it does not go to the root of the problem of mine safety. It does not attempt to discover methods by which mine safety can be better assured.

The bill I introduced several months ago, S. 1562, would insure that all mines, including mines employing less than 14 miners, could be closed immediately whenever imminent danger was discovered.

It will also require the best study of mine safety measures that has been undertaken in many years. I hope the mine operators, the United Mine Workers of America, and all other mineworkers will give it their support.

THE MUTUAL SECURITY ACT

Mr. BARTLETT. Mr. President, I ask unanimous consent that I may speak for a few minutes exceeding the limitation fixed for remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. BARTLETT. Mr. President, when a Member of the Senate casts his vote, as I did, on important proposed legislation such as the Mutual Security Act of 1959, I believe it appropriate for him to indicate the reasons for his vote.

All of us know that the mutual security program has made many worthy projects possible. Its objectives are sound. No sound alternative to the mutual security concept has been proposed.

Moreover, Mr. President, I believe that the Committee on Foreign Relations, under the able leadership of the junior Senator from Arkansas, improved greatly the mutual security program proposed by the President. The committee gave greater emphasis to NATO, to the economic objectives of the mutual security program, to the desirability of limiting the secrecy which enwraps foreign aid, to curbing the use by dictators of American aid for the purpose of repressing aspirations for political freedom, and to the promotion of multilateral and regional programs. I supported the committee's efforts to finance the Development Loan Fund on a reasonable, long-term basis.

These emphases by the committee represented a wholesome influence upon mutual security. In my judgment, however, they did not go far enough toward the new directions which the program so badly needs. I cast my vote to express my conviction that the mutual security program should reflect America's affirmative belief in the principles of free government, and should not be a mere stopgap, negative counterpunch to any particular brand of totalitarianism. I cast my vote also to emphasize the necessity of bringing mutual security more closely under the control of the Congress, as representing the American people.

The provision in the bill that "internal security requirements shall not be the basis for military assistance programs to American Republics" is a good expression of sentiment, but an ineffective safeguard of one of the vital principles to which I refer. As long as we continue to offer military aid to totalitarian regimes—upon whatever basis we do so—we may be sure that our military assistance will be used to suppress popular discontent and democratic ferment. I believe that American foreign aid should offer the alternative of liberty and economic progress to people who would know—without such aid—only a choice between poverty and tyranny. I cannot support foreign aid that does not stimulate or protect free institutions, and which indeed reinforces dictatorships.

If it should be suggested that the senior Senator from Alaska desires to "police" the morals of the world, I would reply that it is possible to be neither a policeman, nor an abetter of wrong. Even in this age of cultural relativism, I am not ashamed or embarrassed to stand in the Senate and proclaim my belief in free government and my hope that freedom—adapted to local cultures and conditions, to be sure—will be a reality enjoyed by more and more of our fellow human beings all over the globe.

Moreover, Mr. President, I cannot reconcile the position taken by this administration—which underdefends vital areas of the United States—such as the State of Alaska—and which refuses to maintain a standing Army at the level desired by Congress—that the existence of less skilled, less reliable, and more poorly equipped ground troops in such areas as Central America is imperative to our national security.

Nor, Mr. President, can I believe that the provision in the bill which requires the President to "make public all information concerning the mutual security program not deemed by him to be incompatible with the security of the United States" is more than hollow phraseology. We can anticipate no change in the exercise of executive privilege, which has been taken always in the name of national security.

The basic issue—not only in respect to H.R. 7500, but in respect to America's present situation as a whole—is whether we believe democracy, as a way of life, is fit to do battle in the cold war, or whether—out of a vague fear that democracy may be an anachronism—we shall compromise it for the sake of "security" and "efficiency." The cardinal questions of our time are "security for what?" and "efficiency for what?" Parenthetically, surely those who know America as the citadel of liberty blinked in disbelief when this body voted to deny aid to nations which expropriate U.S. property, or property owned by U.S. nationals, and voted immediately thereafter to continue aid—and moreover, to reject even the suggestion of the advisability of restricting aid—to countries that deny human rights to American citizens.

Mr. President, at page 7 of its report, the Committee on Foreign Relations noted that foreign aid is a tool of foreign policy, and should not be confused with foreign policy itself. The committee did not make the point that should be kept uppermost in mind: foreign policy is a tool of democracy. It exists to make the world safe for democracy. When foreign policy departs from democracy, when the people lose control of foreign policy, then the people lose interest. And when the people lose interest, foreign policy loses the support, the vitality, and the ideas of the people. Our system will triumph over the Soviet system because of a greater involvement of our people in national policy, because out of our people come the humanity, the spiritual intangibles, of American policy.

I believe that the people of the United States—who would support eagerly a foreign aid program in which their participation as citizens was encouraged and the facts of which were made available frankly to the elected representatives—grow restive over the secrecy that clouds the program and, in fact, prevents Congress from exercising its constitutional prerogatives over the public purse. I agree with the committee that "much of the public misunderstanding of the mutual security program can be traced to the lack of information about it. Many of the recent criticisms of the program could be answered by a greater disclosure of the facts."

More detailed information, country-by-country, and greater control of mutual security by the Congress, would hearten the supporters of the mutual security program—and I am one of them—for we would be assured thereby that the people of the United States—who are the source of foreign aid—are apprised of the purposes and projects of the program. To be sure, fuller disclosure would bring to light both the good and the bad of mutual security policy. But our free Government has proceeded traditionally on the premise that the exposure of national policy to critical, informed, appraisal promotes better policy and wiser decisions. I see no reason to depart from this premise in 1959 or 1960, when it has served America well since 1789. Moreover, I am confident that in balance, the foreign aid concept would win friends as a result of fuller, more frank, disclosures and congressional supervision. Perhaps it is a paradox that the most ardent supporters of H.R. 7500 feared the results of greater knowledge of the program.

It has been said, Mr. President, that "the gift without the giver is bare." I am sure that American aid abroad would be more meaningfully received if other nations knew such aid to be the handiwork of the American people, not merely the product of an oligarchy of executive technicians.

Those of us in the Senate who desired to bring the foreign aid program closer to the people and who proposed mechanisms for closer congressional supervision were told that fuller information, on a country-by-country basis, about mutual security, would cause jealousies among foreign nations. Competitive countries, engaged in rivalries of their own, would compare the generosity of the United States in respect to each other. I submit, Mr. President, that the objection is not meaningful when one realizes that knowledge of our aid policy, country by country, is available often overseas before it is available in Congress—and sometimes, it is never available in Congress.

In the environment of a cold war, a democratic nation may slip—almost imperceptively and unknowingly — into breach of faith with its constitutional tradition. In our urgent concern for where we are headed, we may forget for a fatal, unretractable moment, where we have been. This terrible tendency is accelerated by an expanding bureaucracy. Therefore, we must be especially sensitive in these crucial times that we maintain our institutions and our heritage of popular control. Short-run inconveniences may accompany rigid adherence to our heritage of an informed populace involved in the policy function, but in the long run, we reap these advantages over our Soviet counterpart:

First. Our decisions, exposed to the light of self-criticism and popular sentiment, are better decisions.

Second. Our people remain alert, informed, and politically vigorous.

Third. Our policies are received abroad with greater appreciation of the good and greater tolerance of the bad, because other nations know that in America—even in respect to foreign policy—the people are sovereign.

But, Mr. President, my opposition to the mutual security program, as it was passed by the Senate, is far broader than the issue of democratic procedures that are responsive to the will of the people. I am concerned no less by policy aspects of the program which need rethinking. And if the specter of increased foreign jealousies is a relevant objection to the plea for country-by-country revelations and fuller congressional supervision, it is a relevant objection to vast military aid to countries like Pakistan, for example. The committee's report stated that—

> Pakistan, which devoted 30 percent of its budget to its armed forces, is unable even to produce enough food for its expanding population and could not, without outside help, avoid an absolute decline in living standards which are already among the lowest in the world.

Our aid to Pakistan causes concern and consternation in India and gives India apparent justification for the maintenance of substantial military forces, which strains the Indian economy which we are trying to assist. It seems to me that if the concern about the stimulation of world jealousies is applicable to suggestions that Congress retain its legislative responsibility for expenditures, we should look more closely at the practice of encouraging arms races in underdeveloped areas.

And if such assistance gives to our country a Machiavellian image, as we are seen in distant areas of the world, we should hardly be surprised that other nations receive our aid, on occasion, with equally Machiavellian cynicism. Nor, Mr. President, am I satisfied that the military largesse which we distribute around the world and which so patently creates tensions in many areas will always be used for proper causes in the interest of the United States.

Mr. President, the record will show that I supported every proposed reduction of military assistance, and opposed every reduction in grants for economic development.

I am fearful that our economic aid in the underdeveloped areas is operating—in terms of a metaphor used by the late Senator Vandenberg—like a 15-foot rope tossed to a struggling man who is 20 feet out to sea. The disparity between our standard of living and the standard of living in southeast Asia, for example, grows greater and more ominous.

Although we should recognize the existence of theoretical maximum levels of aid absorption which can be computed on a country-by-country basis, it is apparent that these levels are not reached, and that they are not fixed like stars in the heavens, but vary according to the skill with which aid is utilized by both the giver and the recipient, in cooperative effort.

Mr. President, at the end of 1956, a study printed by the Special Committee To Study the Foreign Aid Program of the U.S. Senate warned us that a "small aid program, like the present technical assistance and development assistance programs, more or less as a token of America's interest in the development of the poorer countries would be useless."

This same report—prepared at the University of Chicago—added that "an economic aid program must be conceived as a longrun enterprise and that some guarantee of its duration is as important as is the total magnitude of the program."

In my judgment, the mutual security bill—called a stopgap measure by a leading proponent—reveals that the Senate has ignored again these warnings by allowing our economic assistance to continue at insufficient levels—levels that on a per capita basis, in view of population growth in the underdeveloped areas, become smaller and smaller—and by refusing to endorse the committee's proposal for long-term financing of the Development Loan Fund.

Our present program of economic aid may serve to give us an illusion of altruism, a sense of self-satisfaction at a job well done. If that is the case, and nothing more, the so-called mutual security program is a Maginot line of our security, in reality. It may provide us with peace of mind, but not with peace itself.

In conclusion, Mr. President, I hope that these remarks have expressed my support for economic aid, my misgivings about military assistance on the present scale and on the present indiscriminate basis, and my conviction that the foreign policy of the United States should remain close to the people. If our foreign policy has remained stagnant since the days of the Truman administration, if among the people of our country there is an indifference in some quarters regarding candidates and issues and principles, none of us here should be surprised. The responsibility lies with us, for complacency in the face of mushrooming secrecy, executive encroachment, shortcut procedures, and stopgap legislation.

Perhaps this is the age of specialization in science and technology, but the art of free government must ever remain the art of all the people. No costs and no sacrifices are too great if they serve the cause of freedom and are adopted by the informed people, freely and knowingly. But no costs and no sacrifices, however small, can be justified if they compromise, confuse, or disregard the meaning of America.

AWARD TO LEO A. HOEGH

Mr. SALTONSTALL. Mr. President, Leo A. Hoegh, Director of the Office of Civil and Defense Mobilization, is a close friend of many of us here on the Hill, where we have long been aware of his ability and of the fine work he has been doing to create a better defense for our country.

Recently his work received recognition from a new direction, when he was awarded the Eloy Alfaro Grand Cross and Diploma by the Eloy Alfaro International Foundation of the Republic of Panama. The presentation was made by Dr. Herman Bayern, American Provost of the Foundation, who described Eloy Alfaro as the Abraham Lincoln of Latin America.

The award made to Governor Hoegh includes the motto, "Thus one goes to the stars," a most appropriate one in this case. The award itself is attached, and I ask leave to have it printed in the RECORD as part of my remarks.

There being no objection, the award was ordered to be printed in the RECORD, as follows:

Fundación International Eloy Alfaro—sic itur ad astra—La fundación International Eloy Alfaro reconociendo el especial valor de las servicios prestados par el Honorable Leo A. Hoegh, en orden a los fines de esta institucion, le ha concedido la cruz de la fundación International Eloy Alfaro en testimonio de lo expresado se extende el presento diploma con el sello de la fundación en la ciudad de Panamá, Republica de Panamá, a veintiocho de enero de mil novecientos cincuenta y nueve.

[Translation]

Eloy Alfaro International Foundation—"thus one goes to the stars"—recognizing the special value of the services rendered by the Honorable Leo A. Hoegh in support of the objectives of this institution, he has been awarded the Cross of the Eloy Alfaro International Foundation in witness whereof, this diploma with the seal of the foundation is presented in the city of Panama, Republic of Panama, on the 28th of January 1959.

KOZLOV'S VISIT AND THE CAPTIVE NATIONS

Mr. HUMPHREY. Mr. President, the recent visit of Soviet First Deputy Premier, Frol R. Kozlov, to open the Soviet Exhibition in New York City is a high point in the increased tempo of Soviet-American cultural relations. Mr. Kozlov is reported to be the heir apparent of Premier Khrushchev, that he should visit our country and meet our leaders both on the executive side and in Congress and in private life is, I believe, indeed significant. Mr. NIXON'S visit to Moscow, to open an American exhibit there, and his tour of the Soviet Union are also, I believe, going to be constructive. Let the Russian leaders see us for what we are; and let us seek to see them and their people for what they are.

A recognition of the talents of both peoples will arise from such encounters, which may well lay the foundation for greater mutual friendship and respect. This is all to the good, because it helps to lessen the tensions and helps to create a mood of understanding, if not conciliation.

Great danger is inherent in these exchanges only if they are not regarded in the proper light and in their proper place. Cultural relations, by their nature, lie on the periphery of international relations. At the vital center of these relations are the conflicts of power and interest. The cold war is not the result of cultural ignorance or misunderstanding. The cold war was initiated and is sustained by the Soviet Union's policies of expansion and international subversion.

While cultural interchange can play an important role in easing tensions between the Communist world and the free world—and, indeed, I feel that cultural interchange is very important—it would be dangerous to assume that profound conflicts of national interests can be melted away by greater cultural understanding. This is in no way to underestimate the importance and the significance of these exchange programs. I believe they do make very significant contributions to better understanding and to easing some of the tensions which beset us. But, Mr. President, should we as a nation come to believe that all is well in Soviet-American relations because we have great successes in cultural exchanges, we shall surely be sadly disillusioned. The Bolshoi Ballet may inspire the American people to new heights of esthetic appreciation of Moscow's artistry, and Van Cliburn may do likewise among the Russians, and in so doing may help correct the distorted Soviet image of America; but these cultural demonstrations can never change vital political differences that lie at the center of Soviet-American relations. They can never change the present power relationship in Europe. They cannot solve the Berlin crisis. They cannot free the captive peoples of Eastern Europe.

I make these remarks in submitting for the RECORD a copy of a letter addressed to President Eisenhower, which I received from the Assembly of Captive European Nations. I hope that my comments, as well as the thoughts set forth in the letter, will be sobering to those who may be inclined to expect too much from cultural relations in foreign affairs. I repeat that I support good cultural relations, and I believe in the good they can bring to international understanding. My point is that cultural relations or exchanges do not solve the problems.

The Assembly of Captive European Nations reminds us that a key point in the many outstanding differences between the U.S.S.R. and the United States is the refusal of the U.S. Government to recognize the status quo in Eastern Europe, in spite of the persistent demands of Moscow that we acquiesce in their conquest. The Assembly also calls

attention to the fact that this basic policy of the United States was not given public expression at the Geneva Conference of foreign ministers.

In my own reading of developments in the recent Geneva negotiations, the question of Eastern Europe did not arise directly; but certainly the broad underlying assumption of the United States expressed in position papers was our refusal to recognize the status quo in Eastern Europe. We effectively countered repeated efforts of the Soviet negotiators to compel recognition of the status quo in Germany and in the entire Soviet bloc. The main response of the West, as set forth in the Herter plan, was insistence upon the reunification of Germany in freedom, and the establishment of European security on a fair and reasonable basis. The central problem at Geneva is, was, and continues to be the German crisis.

So the principle of self-determination was applied only to Germany. This does not seem to me to be an abdication by the United States of the same principle of genuine self-determination for the captive peoples of Eastern Europe—a principle, I may add, that frequently has been voiced by the U.S. Government.

On this question of Eastern Europe, I should like to make my own position clear by quoting from an address I delivered before the Society of the Little Flower, in Chicago, the past January:

> We are bound in spiritual ties with those unfortunate people who remain behind the Iron Curtain. * * * The American people will never forsake them. The American people honor the peoples of Poland, Czechoslovakia, Hungary, the Baltic States, the Balkan States, and East Germany for their devotion to the cause of freedom.
>
> We must believe in their eventual emancipation and work toward this great goal with zeal chastened only by prudence.

At a meeting in May of the Polish National Alliance, in Chicago, I said:

> It is unthinkable that we in the West should abandon these great peoples behind the Iron Curtain. * * *
>
> We must never let the captive peoples nor their Soviet masters forget that we do not accept as right or final the imposition of Russian Communist rule in eastern and central Europe. * * * We must not permit ourselves to bargain with the freedoms of other peoples in order to maintain a conqueror's peace.

For the information of the Senate and the American people, I ask unanimous consent to have printed in the RECORD at this point the letter, dated June 26, 1959, sent by the Assembly of Captive European Nations, to the President of the United States. The letter was signed by the chairman of the Assembly, Stefan Korbonski.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSEMBLY OF CAPTIVE EUROPEAN NATIONS,
June 26, 1959.

To the PRESIDENT OF THE UNITED STATES:

In the name of the Assembly of Captive European Nations, the free voice of the Soviet-enslaved nations of central and eastern Europe, I respectfully submit for your consideration the following plea.

Ever since the visit of Soviet First Vice Premier Mikoyan to the United States, the Soviet propaganda machine has doubled its efforts to persuade the peoples of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania that the United States has ceased to support their aspirations to freedom and independence. The statements made to this effect by Mr. Mikoyan, upon his return from America, were not only given the widest possible circulation, but have been constantly repeated throughout the past months. More recently, Soviet Premier Khrushchev availed himself of the death of John Foster Dulles, the great statesman revered by our peoples, to reiterate the false assertion that, in his talk with Mr. Mikoyan, the then Secretary of State had indicated that he had renounced the policy of liberation.

We are aware that these assertions were promptly denied, the first by Vice President RICHARD M. NIXON, in his speech on January 27, 1959, the second by the Department of State, on May 27, 1959. Nevertheless, we have reason to believe that, because of the limited dissemination of these denials, the doubts generated by Soviet propaganda in the minds of our peoples have not been effectively dispelled. And the fact that the issue of the captive nations was not raised in any form whatsoever during the Geneva Conference of Foreign Ministers might even have lent new credibility to the tirelessly repeated assertions of the Soviet rules—as eager as ever to construe Western silence on this issue as acquiescence, if not condonement, of the status quo in the eastern half of Europe.

The hostility of our peoples to Communist rule and Soviet domination, combined with their spirit of resistance, have been and are still rightly regarded in the West as major deterrents to further Soviet aggression and expansion in Europe. The Soviets are demonstrably intent upon breaking down these obstacles to their forward march. The morale of the people of the captive nations is thus subjected to a severe test. We believe, Mr. President, that it is within your power to help them stand up successfully to this test, and we are convinced that in so doing you would at once uphold the principles which guide the international conduct of your great country and serve the vital interests of the free world. We therefore appeal to you to take advantage of the forthcoming visit of Vice President RICHARD M. NIXON to the Soviet Union, and of Soviet Vice Premier Frol R. Kozlov to the United States, in order to reiterate the position so forcefully expressed in your letter of January 1958, addressed to the Chairman of the Council of Ministers of the Soviet Union.

In this letter you reminded the Government of the Soviet Union that the heads of the Governments of the United States and the Soviet Union together with the Prime Minister of the United Kingdom agreed in 1945 that the peoples of these countries (of central and eastern Europe) should have the right to choose the form of Government under which these peoples would exercise their right of free choice and that the 1945 agreement has not yet been fulfilled. In recalling your action at the Geneva Conference of 1955 and the 1956 revolution of the people of Hungary, which is regarded throughout the world as much more than a matter of domestic scope, you proposed that this matter should now be discussed. Your reference to the issue of the captive peoples concluded with the statement that there is an intrinsic need of this in the interest of peace and justice which you declared to be compelling to you.

Our silenced peoples believe that the interest of peace and justice demands today more than ever before that the artificial division of Europe and the enslavement of its eastern half be made the subject of international discussion. It, therefore, behooves our assembly to appeal to you, Mr. President, to allay the anxiety of our peoples by raising the issue of their freedom and independence at the forthcoming American-Soviet conversations in Washington and Moscow.

Mr. HUMPHREY. Mr. President, I should like to call to the attention of the Senate the final and concluding paragraph, which reads:

> Our silenced peoples believe that the interest of peace and justice demands today more than ever before that the artificial division of Europe and the enslavement of its eastern half be made the subject of international discussion. It, therefore, behooves our assembly to appeal to you, Mr. President, to allay the anxiety of our peoples by raising the issue of their freedom and independence at the forthcoming American-Soviet conversations in Washington and Moscow.

I fully concur with the sentiment expressed in that concluding paragraph.

It has always seemed to me that at any of these international conferences, when the Soviet Union discusses the subject of agenda, we would be remiss in our responsibilities—and, indeed, not only remiss in our responsibilities, but foolish, in terms of the international tensions that beset us—not to insist that on every occasion the Soviet be brought to recognize the abrogation of their agreements relating to the Eastern European nations and the commitment of the United States to the cause of independence, freedom, and autonomy.

One of the reasons why I have supported the foreign-aid program, of course, is that I sincerely believe it affords some hope to nations today which are on the periphery of the Soviet Empire, the hope that they will maintain their freedom and that they will not be forgotten.

One of the reasons why I have insisted that there be conferences between ourselves and the Soviet Union is to give our Nation the opportunity to seize the initiative upon these fundamental problems which face us, and not to let the agenda and the program be set by Soviet caprice or Soviet propaganda domination.

Mr. KEATING. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I am very happy to yield to the Senator from New York.

Mr. KEATING. I am very glad the distinguished Senator has brought up this subject. It has been my privilege and honor to address the Assembly of Captive European Nations and to have had rather close ties with those dedicated men who are trying to preserve the free governments in exile, as one might say. They are performing a great service.

I agree emphatically with their position that Berlin is not an isolated problem. It is a part of the problem of the whole East European area. One cannot be divorced from the other. We should insist upon a discussion, if there is a summit conference, of this East European problem.

I personally am not in favor at the moment of any summit conference, because I do not feel that there has been any groundwork laid for such a meeting; but if there is later laid a groundwork, and if there is such a conference, I emphatically agree with the Assembly, the

leaders of the Assembly, and the Senator from Minnesota, that an item on the agenda should be the consideration of the East European problem, because we must never allow the people in those East European countries that now have the tyrant's heel on their neck to forget that we are thinking of them and that the free peoples throughout the world are their friends, and that we are all looking forward to the day when they may again bask in the sunlight of freedom.

Mr. HUMPHREY. I thank the Senator from New York.

Mr. President, we have been considering in conference, and will go back into conference this afternoon, the mutual security bill, as passed by the two Houses. My colleagues may recall that funds were provided in the bill by both Houses for libraries, schools, and hospitals abroad. There was also provision made to lift certain applications of the Battle Act.

There was a reason for doing this. It was done to give the Government and the people of the United States an opportunity, in a country such as Poland, to contribute to the building, under American auspices, of a children's hospital, a pediatrics hospital, as an example of Americans' continuing interest in the welfare of people—individuals.

I am delighted to note that both Houses of Congress saw fit to incorporate this type of provision in the mutual security bill. There was some difference as to the funds and language. That matter will all be clarified and reconciled in conference. But it is this sort of thing that keeps alive the hope of eventual liberation, freedom, and emancipation.

I laid down, I suppose in a rather inadequate manner, but sincerely, what I call a charter of hope for these peoples; and I believe that we must not only talk about it, not only make statements about it, but back it up by works or programs. This is what we are attempting to do. Every Member of this body, as I recall, as did every Member of the other body, voted to incorporate in the mutual security bill one of these tangible expressions of American concern for those who are less fortunate, not only in the underdeveloped and rising nations of Asia and Africa, but in European countries and East European countries, where the people are not Communists, but where they have been dominated by Communist political force.

Mr. President, I speak now on another item.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The Senator from Minnesota.

PROPOSED AGREEMENTS BETWEEN THE UNITED STATES AND SEVEN NATO COUNTRIES ON SHARING OF NUCLEAR WEAPONS DATA AND MATERIAL

Mr. HUMPHREY. Mr. President, this subject was essentially the purpose for my making remarks in the Senate today. I wish to call the Senate's attention to a matter, which will be culminated in but a few days, within the confines of our foreign policy. I refer to the proposed agreements between the United States and seven NATO countries on sharing of nuclear weapons data and material.

Mr. President, as my colleagues all know, these agreements will go into effect unless there is a resolution passed by the Congress to the contrary. This is very much the same procedure that has been utilized in terms of the Reorganization Act. The executive branch is empowered to act, and the congressional branch is empowered to exercise a veto.

I wish to address myself to this subject today. It has been one of genuine concern to me, both as an individual Senator and as chairman of the Subcommittee on Disarmament of the Senate Committee on Foreign Relations.

Mr. President, on Monday of this week I issued a statement in which I raised several questions regarding the proposed agreements between the United States and seven NATO countries on the transfer of nuclear weapons data and equipment. My questions were directed mainly to the foreign policy implications of these agreements.

On Tuesday, July 14, the Foreign Relations Committee held a lengthy hearing on the proposed agreements with officials from the Department of State as witnesses. I had an opportunity to raise many of the questions which troubled me. Some of my questions were answered satisfactorily; some were not.

On Wednesday, July 15, the Joint Committee on Atomic Energy issued its report on the proposed agreements. The committee concluded that the agreements conformed both with the letter and the spirit of the Atomic Energy Act which the Congress amended only last year to provide for a greater degree of sharing of nuclear information and materials by the United States with its allies.

The Joint Committee is to be commended for giving these agreements careful consideration to determine that the proposed agreements have been prepared according to the provisions and safeguards of the law. From my own understanding of the agreements, I am in complete accord with the Joint Committee that the law has been followed both in spirit and in letter.

Before I speak to the substance of the agreements I should like to make two comments about our procedures. The first concerns the 60-day review period. That review period was provided in the law; namely, that once the agreements were entered into by the executive branch with the NATO countries a 60-day period could elapse, during which time the Congress would have an opportunity to review the agreements. If Congress found it necessary, a resolution of objection could be introduced, upon which a vote could be had. If a majority sustained the resolution of objection, then the agreements would not be valid.

Mr. President, I address myself first to the 60-day review period. If it were not for the Joint Committee the Congress would have had no opportunity to review the proposed agreements. The executive branch, when it submitted in 1958 its suggested changes in the Atomic Energy Act, did not provide for congressional review of the agreements. It was only after the Joint Committee deemed such a review desirable that the law was amended to provide for a 60-day review period. Although 60 days appears to be a lengthy period, I believe it is questionable whether it is long enough when the executive branch submits several proposed agreements at the same time to the Joint Committee at the height of its busiest period. That was the case this year, and, therefore, the Joint Committee, working very hard and under great pressure, was able to issue its report on the agreements only 3 days before the first of the agreements goes into effect. My first comment as to procedure, therefore, which is in the form of a question to the Joint Committee, is whether the 60 days provides the Congress with ample time for both the committee and the Congress as a whole to study these agreements.

The second comment I raise regarding procedure concerns the matter of committee jurisdiction. The Atomic Energy Act specifies that the Joint Committee on Atomic Energy shall have jurisdiction over the proposed agreements. I believe that this is necessary in view of the great competence the committee has over the technical aspects of atomic energy—I underscore the term "technical aspects of atomic energy." The committee is, without doubt, in the best position to judge whether the agreements conform to the law.

The proposed agreements, however, also have important foreign policy implications which the Joint Committee properly has refrained from considering during the course of its review of the agreements. The report of the Joint Committee is primarily concerned with the point of their conformity to the law, although the report does contain an important judgment in its discussion of the proposed agreements with West Germany, Greece, Turkey, and the Netherlands, that they "would further help to give our NATO allies the necessary strength and confidence to overcome threats by Soviet nuclear weapons equipped forces."

In view of the important foreign policy considerations, I ask whether the Committee on Foreign Relations should not also be included automatically as a consulting body with respect to proposed agreements of the future. I would like the opinion of my colleagues on the Joint Committee, as to whether they think this is a good idea; and, if so, whether they think such consultation can be made on an informal basis or whether they would prefer to see the law amended to provide for joint consultation.

It is my considered judgment, Mr. President, that the joint consultation is necessary, would be helpful, and should be undertaken. It was for this reason that I addressed a letter to the chairman of the Senate Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT], and urged that there be hearings on the proposed agreements. I also urged that the technical experts and those who had negotiated the agreements be brought before the Senate Committee on Foreign Relations

for discussion and consultation. The chairman of the Committee on Foreign Relations did take the initiative and did invite to appear before our committee the representatives of the State Department, as well as the representatives of the Department of Defense and of other interested agencies.

I now wish to address myself to the substance of the agreements and the questions I raised in my earlier statement.

THE PROLIFERATION OF NUCLEAR WEAPONS

I asked, in regard to the proliferation of nuclear weapons, can it not be argued that the proposed agreements are in conflict with an important aspect of our foreign policy; namely, the prevention of the proliferation of nuclear weapons among many countries? Or, has the United States abandoned its policy of trying to restrict the membership of the nuclear club?

The answers of the State Department to this question and the report of the Joint Committee on Atomic Energy give me reasonable assurance that the information and equipment being supplied by the United States under the agreements with the Netherlands, the Federal Republic of Germany, Greece, France, Turkey, and Canada will "not"—I emphasize the word "not"—enable these countries to achieve a nuclear weapons capability of their own.

In other words, there would be no enlargement of the nuclear club or the nuclear family.

According to the witnesses who appeared before the Committee on Foreign Relations, the information and equipment being supplied to the countries would be helpful in achieving greater understanding of how to produce and use nuclear weapons, but this is not the same as our enabling these countries to become additional nuclear powers. The Department of State informs us that it is still the policy of the United States to try to restrict membership of the nuclear club and that one of the ways it plans to achieve this is through a successful outcome of the negotiations on an agreement for the controlled cessation of nuclear weapons tests to which all nations hopefully would adhere.

This is the subject being considered at the Geneva Conference currently underway, relating to nuclear tests, at which conference Mr. Wadsworth is our chief negotiator. I believe, however, that we must be careful not to contribute to the proliferation of nuclear weapons through separate and small steps, each of which moves the world toward a larger nuclear armed camp. When we look back 10 years we see that we started in NATO by committing ourselves to a treaty which bound us to come to the defense of the NATO countries in the event any of them became the victim of aggression. Then we found it necessary to commit troops to Europe, to show both our NATO friends and the Soviet Union that the NATO treaty was no meaningless scrap of paper—in other words, American troops on European soil, next to the Iron Curtain. This was to be our demonstration of solidarity with our NATO allies, and the commitment of the American people to common defense.

The next step was to embark on the rearming of West Germany. This was followed by a decision to base the defense of Europe on a strategy the main ingredient of which was the nuclear deterrent. And finally, in 1957, we decided that we must proceed with great haste to establish missile bases in Europe, stockpile nuclear warheads, help our allies to learn how to use nuclear weapons and share with them a greater degree of the knowledge as to how they are made and fitted together. I do not know what the next step will be, but I am absolutely convinced that unless we can achieve international agreements over the control of nuclear weapons and other armaments, there will be a next step. Each next step brings the world just a little closer to the day of ultimate war. The proposed agreements do not constitute an end as much as they constitute an acceleration in carrying the world farther along the path of preparing for the possibility of nuclear warfare.

RELATIONSHIP OF AGREEMENTS WITH ARMS CONTROL

A second question I raised regarding the proposed agreements was: Have the United States and its NATO allies satisfied themselves that these agreements, particularly the agreement with West Germany, will not jeopardize our efforts to make progress on the control and reduction of armaments?

I believe there is nothing in the agreements that interferes with the ability of the United States to conclude an agreement for the controlled cessation of nuclear weapons tests. I do not think it is inconsistent for the United States to try to negotiate on the question of disarmament and at the same time to take steps to strengthen its defenses and the defense of free nations allied with us.

The proposed NATO agreements could actually help chances for a test ban agreement by suggesting to the Soviet Union that it should stop balking over appropriate control measures.

I was pleased to read in the morning press that the Soviet Union had eased its attitude relating to control and inspection measures. The only hope for an effective agreement on the cessation of nuclear weapons tests lies in agreeing upon an adequate system of inspection and detection. The Soviet Union must understand this unmistakably. In my visits with leaders of the Soviet Union I have attempted to make it crystal clear, not only as one Member of the Senate, but as chairman of a subcommittee deeply involved in these negotiations, that we could conclude an agreement tomorrow if the Soviet Union would agree, and this would be welcome relief to the peoples of the world who so desperately want to see some degree of progress on arms reduction and control.

If the proposed NATO agreements do not hurt a test ban agreement, they may do some harm indirectly to the possibility of an atom-free zone in Europe. My reason for saying this is that these agreements are the result of a decision to stockpile nuclear weapons in NATO countries. If we are stockpiling nuclear weapons in Europe, the Soviet Union is undoubtedly doing the same. But according to testimony submitted to the Disarmament Subcommittee, any agreement to inspect to determine that stockpiles have been removed is not subject to verification and control because stockpiles may be easily concealed.

I think this needs to be emphasized. No matter what agreement we arrive at relating to nuclear weapons, once weapons are stockpiled there is no way to detect where they are located or the numbers involved. I do not see, therefore, how we can be sure, or how the Soviet Union can be sure, that an atom-free zone is indeed atom free, once nuclear weapons and warheads are stockpiled.

I repeat that if we do this, it can safely be assumed that the Soviet Union will be doing exactly the same thing. In fact, we have no proof that would indicate that the Soviet Union has not already done it. It is very possible that the Soviets have stockpiled weapons in the eastern zones of Europe at this very hour.

EFFECT OF PROPOSED AGREEMENTS ON THE SOVIET UNION

A third question I raised was: Will these agreements have the effect of causing the Soviet Union to share its nuclear weapons data and material with Communist China and the members of the Warsaw Pact in Eastern Europe?

The response of the State Department to this question is that the Soviet Union does not trust its satellites and allies and, therefore, the Soviet Union will not share nuclear weapons data and equipment with them. It seems to me this is probably true as far as it goes. But, there is little doubt in my mind that the Soviet military and political leaders will deem it necessary to take some action to show that it too is remaining strong in the nuclear weapons race. Such action need not include actual sharing of nuclear weapons data and equipment with Eastern European nations. It could include increased stockpiling of nuclear weapons in Eastern Germany, Poland, Hungary, and other Eastern European countries. It could include establishing missile bases in Eastern Europe. It could include strengthening the Soviet submarine fleet in the Mediterranean.

On the other hand, as I mentioned previously, the proposed agreements could have a salutary effect. They could induce the Soviet Union to be more receptive to arms control agreements which would reduce world tension and slow down the armaments race.

This is an outside chance. I do not wish to overestimate it, because I have not seen the Soviets respond in a more kindly, considerate fashion merely because we became stronger, or because we increased our military power.

If the agreements could have this effect, it would be necessary for the executive branch to be prepared to enter into negotiations. Unfortunately, the executive branch does not move as fast in the disarmament field as it ought to move. I regret, for example, that over 6 months after the temporary postponement of the surprise attack conference

the United States still does not have a policy on possible agreements covering measures to guard against surprise attack. The United States cannot propose a new conference to the Soviet Union because the United States does not know what it should advocate at such a conference. We will achieve little arms control at the pace the executive branch of this Government has set for itself in this field.

I do not make this statement idly or maliciously. This is testified to by the prominent witnesses of this Government. The conference has been temporarily suspended, but the policy of our country has not yet been laid down in clearcut outline, so that the negotiators may know what to do if another conference were called. One of my criticisms of current foreign policy is the failure to plan ahead, the failure to have genuine agreements within our own ranks as to what we should stand for at a conference.

I may add that, as one Member of the Senate, I have tried to obtain funds for further studies in the field of disarmament. In connection with the recent Defense Department appropriation bill I offered an amendment to provide $500,000 to be utilized for expert studies and research in the field of disarmament.

I pointed out that the Soviet Union had been doing a much better job in the field of research and seismology. I pointed out that that was one of the key sections of the Berkener report, which hardly saw the light of day in the press of America.

We were so interested in whether the Berkener report proved that the negotiations in Geneva were sound or unsound, whether or not nuclear explosions could be detected underground or in the higher altitudes, that we forgot, or those who were responsible for focusing attention upon this report forgot, to note that one of the most important passages of the Berkener report dealt with the inadequacy of our research, the inadequacy of our planning in the field of disarmament, in the field of inspection and control of nuclear weapons tests.

I can say with a clear conscience that the Senator from Minnesota has been advocating for years more activity in this area. I think it is the height of folly, and indeed a very dangerous policy, for this Government to enter into negotiations until it is fully prepared in terms of what it wants, of what are its objectives, and in terms of scientific and political data in hand which are necessary for a safe and sound agreement.

One of the reasons why we are ill prepared is that we have such a reluctance to confer. We are gripped with timidity, doubt, and confusion. We seldom think ahead. But we are confronted with an opponent or an adversary that is planning ahead not only for a year or 10 years, but for the conquest of the world.

We spend a good deal of our time trying to collect the Government's broken bits of yesterday's policy rather than being able to plan for the future.

Mr. President, we will achieve very little in arms control at the pace the executive branch of this Government has set for itself in this field.

POSSIBILITY OF NUCLEAR WEAPONS DATA TO OTHER COUNTRIES

What about the possibility of nuclear weapons data to other countries? Another question I raised was this: If the President believes that the strength of any alliance depends on the sense of shared mutual interests among its members, then will it not also be necessary to share nuclear weapons data with nations in the RIO Treaty, in the SEATO Pact, with the Republic of China, and with South Korea?

I remind my colleagues that we have mutual defense agreements and treaties of solemn obligation with all of these countries. The Department of State stated that there is nothing in theory preventing the United States from entering into agreements or sharing nuclear weapons data and equipment with other nations, but that as a practical matter at the present time only the countries of NATO will receive this information and equipment.

I am not convinced that other countries do not or could not in the near future argue that they should have nuclear weapons. This is a matter which I believe the executive branch and the Congress must watch very carefully. Do not forget, Mr. President, that practically every country in the world would like to be able to say it has a nuclear weapon. What a powerful threat this could be. It is imperative that this Government restrain itself and its allies in terms of the spread of nuclear technology for weapons purposes, and indeed in terms of weapons themselves already in being.

In the recent mutual security authorization I found, as did others of our colleagues, that very intricate, high-power planes are being sent to far-off places where there is little or no capability for their utilization; and I say, Mr. President, if we can start to send B–52's, the fastest of our fighter planes, the F–100 series, and B–47's, to countries which are ill-equipped to use them simply because their leaders want them and merely because we feel that this is a price we have to pay for certain concessions we are obtaining from them, then indeed there is reason to hold up a warning signal on the spread of nuclear weapons. I want to make sure that countries that have received bombers or fighter planes will not next ask for tactical nuclear weapons, and then ask for strategic nuclear weapons. Somewhere along the line the Congress has to draw a line to serve warning on the executive branch of the Government to caution one and all as to the dangers involved in this proliferation of nuclear weaponry.

I do not want to be misunderstood. I quizzed the State Department representatives in some detail and for some time about this matter, and they assured the members of the committee that there were no plans, at present or for the future, for the sharing of these weapons in areas such as I have indicated. Of course, I can well understand the executive branch's reluctance to give an absolute commitment as to no further sharing, because of the world situation in which we exist.

I think it is most important that in the discussion of these matters we be responsible to the point of cautious prudence. I have attempted to be so. This whole matter has weighed very heavily upon me, both as an individual citizen and as a public official. I felt some sense of responsibility in my chairmanship of the Subcommittee on Disarmament to discuss these matters with my colleagues. Our staff on that subcommittee has gone into the agreements in careful detail. I have spent a number of hours myself in preparation for this discussion, and indeed in discussion in the committee. All I am doing now is asking certain questions in public which have been asked in private, questions which do not violate any security, to be sure, but questions which I believe the American people ought to be asking and seeking answers to.

It is gratifying to me that the Department of State has, in most instances, given answers which are persuasive and reassuring. There are some areas, as I indicated in my opening remarks, in which I found the answers not to my liking, and I, of course, can only express my own personal views on these matters.

Now a few comments concerning the proposed agreements about NATO military strategy.

PROPOSED AGREEMENTS AND NATO MILITARY STRATEGY

The next question I raised in the committee discussion was this: "Do these agreements take us further down the road of a NATO defense policy consisting primarily of a reliance on nuclear weapons at the expense of a balanced defense policy capable of using either conventional or nuclear weapons?"

This question, Mr. President, is the one that has been with me all along during my service in the Senate. I have never voted on a defense bill in this body but what I asked, either privately or publicly, what the effect of this defense appropriation is upon the balance of forces in our defense structure. I have been deeply concerned for some time that we are placing all of our so-called defense eggs in one basket, the basket of massive deterrence, massive retaliation, the whole concept of nuclear strategic striking

I do not believe that that is a sound defense policy. I have said so from the public platform and in this body. I believe that if we are to have a defense structure which we must have, that it must be modern, mobile, capable of meeting the kind of aggression or attack that may well take place; namely, attacks on the periphery of the free world, brush fires, limited attacks.

As the Senator from Missouri [Mr. SYMINGTON], who has done so much in this field, and who is to be commended and honored by his colleagues for his work, said recently in the Senate, it is imperative that our Army be modernized and given the latest, most up-to-date equipment. The Senator from Missouri and other Senators, but he in particular, have attempted to bring to the attention of Congress the importance of a balanced defense structure.

I have been concerned about the proposed agreements which will go into effect very shortly. They add only to the imbalance of the defense structure, particularly the NATO defense. The hearing before the Committee on Foreign Relations did not deal with this matter in detail. This is a matter which the Committee on Armed Services ought to examine in detail, and, indeed, the Committee on Foreign Relations, as well, since the defense policy is an integral part of foreign policy and of the national security policy.

No defense spokesmen were present at our hearings; and NATO strategy was touched upon only briefly, and I suppose rather superficially. Therefore, I consider that this question remains unanswered.

I am critical of our present NATO defense strategy. This is a matter I discussed at length in a statement I made in the Senate on June 4. I remain critical of this policy. I am afraid it has become even more out of joint. I believe in NATO. I think it is an important alliance and an integral part of our total defense structure. But I see it being warped and distorted by a tremendous amount of emphasis upon the nuclear aspects of defense at the expense of modern and conventional defense materials and weapons. I can only hope that the other NATO countries will not make the mistake we have made, namely, to cut back our strength in conventional defense on the sole ground that nuclear defense is sufficient.

I do not believe there is any such thing as a limited nuclear war. We could say that we were committed to a limited nuclear war if a struggle were to break out and would use nuclear weapons only as a defensive measure, never as an offensive measure. But what assurance have we that the Soviet Union, if it were the adversary, would restrict itself to small, tactical nuclear weapons? It might decide that it wanted to win, and decide to use its large weapons while we were still debating the defense strategy and the ethics of the use of large weapons. I say it is imperative that we have a balanced defense posture, capable of dealing with all reasonable contingencies.

Mr. President, before I discuss the attitude of the NATO countries, I desire the RECORD to show that I, together with other members of the Committee on Foreign Relations, have submitted to the Department of State a series of questions. The questions are being answered by a communication from the Department of State. It was my view that the hearings we held should have been made public, with the exception of the very limited amount of detail and information—and it was exceedingly limited—which might bear upon or might fall within the confines of what are called security regulations. The matter of the proposed agreements on sharing nuclear information and materials is not something to be kept a secret among Government officials. It affects the lives of every human being. It affects the future of civilization. Obviously, it affects the health of the people in case such weapons have to be used, even persons who are not within the immediate range or firepower or destructive power as a result of explosions from the weapons.

It is my understanding that the Committee on Foreign Relations will issue as a report the response to the questions which were given to the Department of State relating to the proposed agreements. That report will merit considerable study on the part of the Members of the Senate and of the other body, as well.

ATTITUDES WITHIN NATO COUNTRIES

My final question was: What about the attitude within NATO countries? Are these agreements welcomed by the people and the political and military leaders of Western Europe?

I raised this question because at the time of the 1957 NATO meeting, press reports indicated that many European leaders and peoples had great misgivings about the emphasis of the United States on military matters. Many of the reports showed that European countries felt that the threat of the Soviet Union had altered slightly from predominantly a military threat to a challenge on the political and economic level.

The European countries apparently think the United States does not appreciate the shifts which are taking place in the cold war. I wish we could see that military pacts and military agreements are no substitute for a vigorous policy to be pursued imaginatively on other fronts.

The answer of the State Department to my question was that the governments and peoples of Europe do not oppose the proposed agreements. Rather, the people welcome them. That is the response of the Department of State.

In this respect, I wish to say a word about France and the French Government. The French agreement is more limited in scope than the agreements with West Germany, the Netherlands, Greece, and Turkey. I am sorry that this is so. I wonder if we cannot achieve a better understanding with France in the nuclear field. The United States should initiate serious and thorough talks with the French at the highest levels. I believe, in fact, that great good would result if President Eisenhower, officially, privately, and personally were to invite General de Gaulle to Washington, a move which I advocated last week.

This morning the American press carries a dispatch from Paris to the effect that the Soviet Ambassador to France, on the occasion of the celebration of Bastille Day, extended an invitation to President de Gaulle to come to Moscow and visit with Premier Khrushchev of the Soviet Union.

The dispatch I read, which was published in the Washington Post and Times Herald, indicated that the invitation was extended in a most cordial, friendly, and warm spirit. Apparently the Soviets are again attempting to divide France from the United States and her other allies. This is a long-term effort on the part of the Soviets.

I ask Senators to recall that prior to World War II, France and the Soviet Union had a mutual assistance pact, a treaty of friendship and common defense; that it is traditional in Russian and Soviet history, in Russia's relationships with France, to have military pacts. This is a part of the history of the 20th century. Sometimes we Americans are poor students of history. We forget the impact of history.

I am worried about the way our relationships with the French Republic are deteriorating. I again raise my voice in a respectful plea and request to the President of the United States to take the initiative to have a meeting with the President of the French Republic, General de Gaulle. General de Gaulle is a comrade in arms of the United States and of President Eisenhower. Regardless of any of the political differences which seem to be currently on the scene, this meeting is of basic importance.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1959

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The hour of 2 o'clock has arrived; and the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 1138) to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963.

KOZLOV'S VISIT AND THE CAPTIVE NATIONS

Mr. HUMPHREY. Mr. President, in spite of the questions I have outlined here today, I have concluded, from my limited study of these matters, that these agreements should not be rejected by the Congress. I say this because I do not think the agreements are so extensive as to jeopardize the attainment of our national objectives of peace and security or the effectiveness of our efforts to make progress on arms control.

I am sure my colleagues know that I have been saddened by the ever-continuing arms race. I am afraid we shall see no relaxation in that respect until we get a much more progressive, imaginative, and constructive foreign policy. I realize that the arms race is not of our making; it exists because of the expansionist and aggressive tendencies and activities of Soviet imperialism. Nevertheless, the mark of statesmanship in this period of human history is to pursue relentlessly with creative thought and practical and constructive ideas and proposals, every possible approach to a just and honorable peace. I am one of those who believe this will take a long time. But the time required should not in any way deter us; the importance of time is that it be used constructively.

During the years when there is this very tenuous and very delicate lack of hostilities, which I hesitate to call peace, let us use every moment we have and every resource we have to strengthen areas of freedom, to demonstrate our cooperation with the non-Communist areas of the world, to assure peoples everywhere of our partnership with them in the conquest of disease, poverty, misery, and illiteracy, and likewise to assure peo-

ples who aspire to freedom that we stand alongside them, to help and assist and guard.

Mr. President, we shall be lucky if we can inch forward along the path of peace, much less run along it. First, we must lay out the path. We must establish, so the world can clearly understand them, the many avenues and many means that we shall use to follow the course of peace. From time to time, as a Member of this body, I have spoken on these subjects, such as the strengthening of the United Nations, the development of a United Nations police force, and the strengthening of the so-called supplemental agencies or subsidiary agencies of the United Nations, such as the United Nations Special Fund, the World Health Organization, UNICEF, the Food and Agriculture Organization, UNESCO, and the other United Nations organizations. I wish to see our country add vitality to these instrumentalities that can help develop in the world conditions conducive to peace.

I have believed in, and have recommended the greater use of, the World Court, the extension of its jurisdiction, and the removal of impediments to its jurisdiction. I have recommended that at every conference in which we participate, we remind the Soviet Union of its abrogation of treaties, on the one hand, and of its responsibilities for the fulfillment of its commitments, on the other.

I also believe that our leadership should at all times propose to the Soviet Union, with initiative and with affirmation such constructive measures as greater economic development in the world, the pooling of capital resources for regional development, and encouraging and challenging the Soviet Union and the Iron Curtain countries and the other countries to make constructive efforts in connection with programs for the benefit of people. For example, I refer to the utilization of our food and fiber abundance as an economic and social instrumentality or program, and also the expansion of medical care and medical research to heal the sick; the expansion of education and educational facilities at home and abroad, to teach the illiterate; the constructive use of capital in the areas of the world that are starved for the capital required for industrialization and agricultural improvement and community improvement.

I wish to see our country become the living, the walking, and the working image of the builder, of the peacemaker, and the symbol of justice with freedom and opportunity.

These agreements, Mr. President, are not positive forces in the quest for peace; at best, they are forces to neutralize the power of the adversary. I am attempting to say that I do not believe that the arms race offers an answer to our problems. The best the arms race can do is offer time which we can use to apply such wonderful principles as love and understanding, education and health, food and compassion, the rule of law, the emphasis upon courts of law and justice, and the emphasis upon equality and human dignity.

Mr. President, this morning, in speaking to a group of young people who are in this country under the auspices of the American Field Service, and who are about to return to their native lands, I pointed out to them that I hope that when they return to their homes they will not remember us only as big, powerful, and rich, with all sorts of automobiles and modern gadgets and, even with fine houses and homes. I said that I hope they will not believe that the victory for free men and women is to be won only in terms of improved technology and advancements in science. After all, it is possible that some of the totalitarian societies will be able to surpass free societies in this field; as an example, I refer to the Soviet sputnik. Totalitarian countries can have fine scientific education, too. But something other than material things differentiates a democracy of free people from a totalitarian society. It may be that Khrushchev is correct; that he and his system may be able to equal our production of material things. I doubt that that will be for some time, but it could be. We need not let it be, but it could be.

The difference, therefore, is not in gross national product. The difference is not in the number of schools or the miles of highway or the tons of steel produced. The difference between a free society and a totalitarian society is a difference of the spirit. It is a spiritual matter, not just political. It is the relationship of man with his fellow man, the relationship of government to the citizens, a government to serve, and not to be served, a government to be the slave of the people, and not the master of the people. That is the difference between freedom and totalitarianism. It is the difference in attitude about humankind. In a free society there is this great spiritual principle of human dignity, a dignity that comes from man having been created in the image of his Maker, having a God-given soul, and the natural rights that come because man is man, and not because of edict or decree handed down from on high by a political spokesman.

I think we have to remember these things, Mr. President. Otherwise we are going to lose in the competition for men's loyalty and in the competition of ideas, because in the competition of ideas it is not merely economic or production figures, or even statistics of health or education, that count. The important idea is the idea of the individual, his betterment, his dignity, his freedom.

As I think our Founding Fathers so well characterized it, it is the idea of the natural rights of life, liberty, and the pursuit of happiness. Life can be a meaningless thing. It can be merely survival without liberty. Life without liberty makes impossible the pursuit of happiness. The great trilogy which was stated so beautifully and persuasively in the Preamble to the Declaration of Independence is still the best idea of the 20th century. It is the difference between the constructive and positive force of freedom and the destructive and negative force of tyranny. I wish we would remember that, and then, when we discuss matters like agreements on nuclear weapons, we would know that all we are doing, at best, is plugging holes in an already shaky dike, and that what we really need to do is almost to build anew and to think and dream in terms of a better world.

So, Mr. President, what the legal commitments of the agreements are do not disturb me as much as what they portend for the future. What we initiate and fight for in arms control is of greater importance than the limited nature of these agreements. What we do in the future regarding the economic and political challenge of the Soviet Union is also of greater importance.

By rejecting the agreements, we cannot compel progress on disarmament. We cannot force the administration to change its defense strategy. We cannot make the Soviet Union enter into serious negotiations. If, by rejecting the agreements, we could achieve arms control agreements for Europe and other areas—particularly in Asia, where the land mass and the mass of armies of Communist China are to be found—and if rejection meant the Soviet Union might be more conciliatory, then I would be standing here today advocating rejection.

But a rejection of the agreements would not, I believe, have this effect. I think they should be allowed to be implemented with caution and with prudence. I can only indicate, as I have done here today, my reservations to our defense and foreign policy in the areas I have mentioned, and express my impatience with the lack of balance exercised by this administration, the lack of balance in our Defense Establishment, which perturbs me, and, may I say, many others much better informed than is the senior Senator from Minnesota. I am greatly disturbed by the lack of balance in our efforts on arms control, because I see the inadequacy of preparations, and in this area I believe I have some competence, at least to a limited degree. I am also disturbed by the lack of balance in dealing with the Soviet threat on the political and economic front.

Mr. President, we just refuse to use our natural assets. We insist, apparently, on fighting the struggle with the Soviets on their terms—by sheer physical power, economic power, rather than by mobilizing the greatest power that is within the reach of man—the power of ideals, the power of principles, adhered to, loved, and defended, the power of the spirit and the power of an idealism put into practical application, which we have done in this country, and which the young people who visit us from abroad see, but which we ourselves somehow or other cannot see.

Acres of diamonds, as one writer, Mr. Bellamy, said, under our feet, and yet we look around and see nothing but dirt. The acres of diamonds which I refer to as a symbol or symbolic phrase are the tremendous assets of the people, of the different cultures in this great American mosaic of culture, the great assets of our tradition, our history, our religious experience, and, above all, our faith in the future.

Mr. President, the American people are not tired. They are not timid. They

are not worn out. What they hunger for today is leadership. What they call out for is a challenge and someone to lead them in the fulfillment of the challenge confronting them. What they want are goals they can work for. What they want more than anything else is to be known, not as a people who created an instrument of destruction, such as a nuclear weapon, but as the people who created an instrument of construction, of progress, of peace, and of freedom. And once the American people receive that kind of inspiration, they will perform miracles, and the struggle with the Soviet Union will be quickly and surely won, because we have great untapped reservoirs of strength lying idle, waiting to be used, and not to be abused or misused.

I ask unanimous consent to have printed at this point in the RECORD a copy of a letter and statement to which I referred previously.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

JULY 2, 1959.

The Honorable J. W. FULBRIGHT,
U.S. Senate, Washington, D.C.

DEAR BILL: There are now pending before Congress for a 60-day review period, the first of which ends July 18, seven agreements concerning the transfer of nuclear weapons materials and information to seven of our NATO allies.

In view of the many foreign policy ramifications of these agreements, I believe it would be most useful if the Foreign Relations Committee held hearings to review them, in addition to those which have been held before the Joint Committee on Atomic Energy.

The agreements have a very direct bearing on the future of the whole NATO alliance, the possibilities for a policy of "denuclearization" or disengagement in Europe, and the Geneva negotiations on the future of Berlin and Germany. They have a direct impact on our disarmament policy and the negotiations to end nuclear weapons tests.

These agreements are clearly in the nature of executive agreements, which the Foreign Relations Committee should, at the least, have an opportunity to take a look at during this 60-day period.

Sincerely,

HUBERT H. HUMPHREY.

[From the office of Senator HUBERT H. HUMPHREY]

SENATOR HUMPHREY ASKS SENATE DEBATE ON NUCLEAR WEAPONS AGREEMENTS WITH NATO

JULY 13, 1959.

Senator HUMPHREY, chairman of the Subcommittee on Disarmament, requested immediate and careful consideration by the Foreign Relations Committee and full Senate debate on the proposed agreements between the United States and seven NATO countries on the sharing of nuclear weapons information and parts.

The Senator stated:

"These agreements have serious and profound implications for the foreign policy of the United States and I believe that the Foreign Relations Committee should have an opportunity to review them as well as the Joint Committee on Atomic Energy. The Joint Committee has given careful scrutiny to the technical aspects of these agreements and has inquired as to whether or not they conform to the Atomic Energy Act. I am hopeful that the Joint Committee will make a report on the agreements in the very near future. In addition, I believe that the Foreign Relations Committee should have a complete understanding of what these agreements mean for the future of our relations with other countries and whether the proposed agreements are in conflict with certain foreign policy objectives.

"I have suggested that the Foreign Relations Committee might enter into discussion and consultation with the Joint Committee on Atomic Energy on this matter. Senator FULBRIGHT has informed me that he has been in communication with the Joint Committee, indicating the interest of the Senate Foreign Relations Committee in this subject. The Foreign Relations Committee in the past has invited the consultation of the Joint Committee on such matters as the statute of the International Atomic Energy Agency and more recently the Senate Resolution 96 on the cessation of nuclear weapons tests. I doubt that it is necessary for the Atomic Energy Act to be amended to provide for joint consultation. Usually committees of the Congress can make informal arrangements for consultation.

"Equally important to the consideration of the foreign policy aspects of the proposed agreements is the need to have a full Senate discussion of the agreements. Such discussion and debate can and should take place when the Joint Atomic Energy Committee files its report on the agreements with the Senate.

"I have a number of questions regarding the proposed agreements which I hope can be answered completely and satisfactorily. If they cannot, then perhaps a resolution is in order to direct the executive branch to refrain from entering into the agreements at this time. My major questions are as follows:

"1. Are these agreements welcomed by the people and the political and military leaders of Western Europe?

"2. Do these agreements take us farther down the road of a NATO defense policy consisting primarily of a reliance on nuclear weapons at the expense of a balanced defense policy capable of using conventional or nuclear weapons, depending on the nature of the emergency?

"3. Have the United States and its NATO allies satisfied themselves that these agreements, particularly the agreement with West Germany, will not jeopardize our efforts to make progress on the control and reduction of armaments?

"4. If the President's contention is true, i.e. that the strength of any alliance depends 'in the last analysis upon the sense of shared mutual interests among its members,' then to what extent will this be true of the Baghdad Pact, the SEATO Pact, the Rio Treaty, the pact with Nationalist China, and the treaty with South Korea?

"5. Will these agreements have the effect of causing the Soviet Union to share its nuclear weapons data and materials with Communist China and the members of the Warsaw Pact in Eastern Europe?

"6. Can it not be argued that the proposed agreements are in conflict with an important aspect of our foreign policy, namely, the prevention of the proliferation of nuclear weapons among many countries; or has the United States abandoned its policy of trying to restrict the membership of the nuclear club?

"Since it is the intention of the United States, according to the President's statement, to enter into additional agreements on the sharing of nuclear weapons information and equipment, I believe that the answers to the above questions should be given before the proposed agreements are consummated. The time for the Senate to examine the foreign policy and defense policy implications and commitments involved in these proposed agreements is now before they become operative and binding. This is far too important a subject to be allowed to drift into decisions by congressional inaction and indecision."

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Idaho.

Mr. CHURCH. I commend the Senator for the splendid address he has made this afternoon. I am only sorry it was not my privilege to hear all of it.

I have been disturbed by the disadvantage that handicaps Congress under the law with respect to our control over this very important matter of distributing atomic or nuclear materials abroad.

I am wondering whether the 60-day review period, which is now provided for in the law, is a sufficient period of time? I note with respect to the present agreements, those pertaining to Britain and France were submitted to the Congress on May 19, and were first placed in the RECORD on May 26. The agreements pertaining to Canada, West Germany, the Netherlands, and Turkey were first submitted to the Congress on May 26, and were first placed in the RECORD on June 9.

The congressional hearings were not concluded and a report was not issued by the Joint Committee until July 15, only 3 days before the British and French agreements are scheduled to go into effect.

I mention these dates not to be critical of the Joint Committee or of the Congress, because I appreciate the difficulties involved in reviewing agreements of this complexity, and in conducting the necessary executive and public hearings to explore them. I question, however, whether a 60-day review period is sufficient to apprise the people of the content of these agreements; of the possible ramifications they may have as to our future well-being, and of the profound implications they may have upon American foreign policy. That being the case, I ask the distinguished Senator from Minnesota if, in his view, it might not be beneficial to amend the law to provide that the 60-day review period be extended, let us say, to 120 days, so that the Congress will have an opportunity to make a more careful investigation, and so that the people will have an opportunity to review these agreements and to bring to the attention of Congress the arguments which might obtain against them?

Mr. HUMPHREY. I will answer the Senator in this manner: I, too, feel that the 60-day period seems to be inadequate. At least, it has been inadequate in this particular instance. Whether it would always be so one cannot say. However, there is no evidence of lack of attention on the part of the Joint Committee to these agreements. With no criticism at all of that committee, the reports have only recently been made available to us, yet two of the agreements go into effect next week.

One of the reasons I spoke today is that we have important legislation to come before us next week, and it is easier to use a day such as this, when there is no scheduled legislative activity.

I recommended, without any expert knowledge, a period of 90 days. Whether it be 120 days or 90 days, the point is that there surely ought to be sufficient time for the agreements to be

carefully analyzed not only by the committees of Congress but also by editors, columnists, educators, community representatives, and individual citizens. I do not believe there has been much of that.

One of the reasons why I have today discussed this matter, and one of the reasons why I issued a statement last Monday, was that I desire that there be a little more discussion of it. I will say, without attempting to appear as being overly friendly to my good friend from Idaho, that his interests in these matters, his knowledge of these matters, and his studious attention to these matters, represents one of the most reassuring developments in my political life and I think in the record of the Senate.

This is the kind of discussion which is needed. The Senator from Idaho has participated in all these discussions, and has done so with a freshness, with a vitality, and with an alertness which is most fortunate for the American people. I say that with all the conviction and sincerity at my command.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, I should like to associate myself with the remarks of the Senator from Idaho in regard to the desirability of requiring at least 120 days to elapse before these agreements are to go into effect.

The Senator from Idaho, as the Senator from Minnesota knows, has been performing a great service for the Senate as a member of the Committee on Foreign Relations, by raising his voice in protest time and time again about so much secrecy in the administration of America's foreign policy. This particular problem is related to that problem, as the Senator from Oregon sees it. We have the cold print of the agreements before us, but the public has available to it very little of the information it needs on which to judge these agreements.

I have many reservations about these agreements. I have so many reservations about the agreements that I am not sure, as of this moment, I will vote for them.

One of the reasons why I have so many reservations is that I think there must be growing protest on the part of Members of Congress and on the part of the American people against keeping us in the dark so much about policies which can very well place upon the history of the United States a condemnation which I would like to see the destiny of my country avoid.

I am far from convinced that we are very much different from Russia in respect to what is being done in creating a great danger of a nuclear war. We can clothe our course of action in all the nice-sounding language we wish, but the fact is that Russia and the United States are following courses of action in our time which may very well thrust mankind into a nuclear war. If these two nations do that, the history at least of that much of civilization which survives the war will condemn us, and rightly so, for thousands of years.

Irrespective of the criticism I may get for the statement—I have made it before, and I repeat it again today; and I will, again and again—a nuclear war is immoral and un-Christian and cannot be reconciled with the spiritual values to which the Senator from Minnesota so eloquently and rightly appealed in his notable speech today.

I think we had best be coming to grips with the fundamental question, rather than dealing with international agreements which might conceivably be conducive to increasing the danger of a nuclear war. Before it is too late, I should like to see my Government take a much more heroic course of action than it has been taking in respect to getting before the bar of world opinion, by way of the procedures of the United Nations, a course of action which would lead to an end of nuclear weapons, rather than a course of action which talks about spreading and sharing nuclear weapons among other nations.

Mr. MORSE subsequently said: Mr. President, following the speech of the Senator from Minnesota [Mr. HUMPHREY] with regard to the sharing of nuclear weapons, I engaged in colloquy with the Senator from Minnesota and the Senator from Idaho [Mr. CHURCH]. I now ask unanimous consent that there be printed in the RECORD as a part of my remarks in connection with that colloquy a statement setting forth in some detail my views on the proposed agreements.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

My distinguished colleague, Senator HUBERT H. HUMPHREY, on July 12 called for a full debate in the Senate before Congress permits the administration to agree on sharing of atomic weapons information and material with seven NATO allies of the United States. He has just spoken on this subject again today.

Although I am fully in favor of strengthening the North Atlantic Treaty Organization I am very doubtful about the wisdom of the proposed agreements. I fear for the sharing of atomic secrets with other nations, no matter which nations these are, lest we seriously jeopardize our negotiations with Russia at Geneva on the cessation of nuclear bomb testing, to say nothing of providing the temptation to completely forego disarmament proposals.

I cannot possibly give the benefit of the opinions of the widespread organizations and independent individuals who have vehemently expressed to me their opposition to such agreements, but I should like to take this opportunity to point out the views of some of the many thoughtful Oregonians who have written me on this vital issue.

The Reverend Tom Foster, minister of the Haines Methodist Church in Haines, Oreg., writes:

"I am opposed to the transfer of nuclear weapons and material to the seven countries as proposed by President Eisenhower. I feel that such a transfer might be valuable and beneficial with Great Britain and Canada but not with the other nations. There might be value in transferring nuclear information and material for peaceful use but not for military. Such military action will only add ice to the cold war. This transfer, if completed, will make the control of atomic weapons more difficult and hence further the dangers of nuclear war. The action appears to me to be in direct opposition to our efforts to ban nuclear testing and definitely jeopardizes the West's position in the Berlin crisis debate."

From Miss Mabel Downs of Portland: "I hope you do not favor our giving nuclear information to the NATO countries. In the face of the Geneva negotiations it seems to me most unwise and inconsistent. I thought we wanted rather to end all tests, as a step toward disarmament. Fallout is bad enough already, and after all, how can we be sure some of these nations may not turn against us some day?"

Mr. John W. Berg, a resident of Eugene, Oreg., insists that "sharing atomic weapons with other countries must not be permitted." He continues: "Spreading these weapons would aggravate the danger of atomic war and increase the difficulty of achieving disarmament. Our greatest danger is not from Russia, as I see it, but from the righteous, war-minded persons of the Western World. A congressional veto is needed to prevent the President from letting these weapons get to Germany, France, Canada, and other countries."

Mrs. Ruth P. Whitcomb of Corvallis warns: "This transfer seems to me very mischievous for several reasons. One is that it negates announced U.S. aims to end nuclear tests, and so increases suspicion by our rival, Russia. NATO's pledge to use nuclear weapons only for defense might too easily be sidestepped by accident or error. Very important and damaging to the United States is the fact that such nuclear transfer agreements require mutual consent for their termination. U.S. policy in Europe is in effect and in this regard handed over to the participating countries. Instead of initiating (with very scant discussion) a new step in the arms race, the United States should be working on a ban of all nuclear weapons."

Mr. A. J. Prideaux of Portland writes: "In my judgment it would be a sad mistake for our country to transfer nuclear information and material to the seven European countries. * * * My visit to France convinced me that that country is a mighty weak ally, and some of the others might be placed in the same category."

I wish to stress that these are only a few comments I have received from people throughout the country. There is a widespread fear and justifiably so, I believe, that this proposal, if agreed to, will be the beginning of a tremendous expansion of the "Nuclear Club." I appeal to you, let us use caution; let us look before we leap into what might possibly be the quicksand of a nuclear war.

Mr. HUMPHREY. Mr. President, I thank the Senator from Oregon. His statement is one not only of courage, but also of enlightenment.

The purpose of the senior Senator from Minnesota in speaking today was to generate some discussion on this subject. There is a habit forming in this body that when a Senator wishes to discuss foreign policy, he rises and makes a brief statement and then takes his seat, hoping to hit the headlines.

This is a deliberative body, a body for discussion and debate. If not, why do we not change the rules, and have a 5-minute limitation? That would surely expedite business. It seems to me that instead of having discussions behind the closed doors of the Foreign Relations Committee, they should be conducted in this Chamber, where representatives of the free American press, the radio, the television, and the press of the world, as well as the citizens of America and our visitors and guests in the gallery, would have an opportunity to hear at least what Members of the Senate feel and say and think.

This would compel us to do a little more thinking, too. It would compel us to do a little more homework. If there is anything this country is short of today, it is knowledge and debate.

We have a sickness in the Nation. We want everything on one page. I regret to say that there are some problems in life that are not susceptible to a one-page settlement. I know that the Gettysburg Address was brief and to the point, but I doubt that we could discuss all the atomic agreements or all the agreements between this Nation, the Soviet Union, and other countries, in the brief confines of one page, no matter how wise and prudent we might be.

I appeal for a resurgent spirit in this country, and for debate and discussion in this body. The Senator from Idaho comes from a State which gave to this body years ago a great Senator named Borah. Whether one agreed with his position or not, at least positions were hammered out on the anvil of public discussion, and not behind the "patsy" of closed doors.

I agree with the Senator from Oregon. Everything now is hush, hush, hush. We even got into the habit of not wanting people to know what we were paying our own employees. As a result of the efforts of men like the distinguished Representative from California [Mr. Moss], the Senator from Idaho [Mr. CHURCH], the Senator from Oregon [Mr. MORSE], and other Members of Congress, a constant effort is being made to have the reports of Government agencies and the testimony of Government and private witnesses made available for Members of the Senate, and for the public, unabridged.

When we get censored testimony, it is pretty flat stuff. We might just as well buy a paperbacked, "two-bit," less-than-interesting book. What we need is the testimony, alive, filled with the political vitamins and minerals that indicate some virility in this society of ours. We become timid, tired old men. Fortunately, there are only a few of those. Most people are neither timid nor tired, nor willing to recognize age, thank goodness.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Idaho.

Mr. CHURCH. I wish to pay a brief tribute to the distinguished Senator from Minnesota. It is my privilege to serve under him on the Disarmament Subcommittee of the Committee on Foreign Relations. I have been greatly impressed, from the time I first came to the Senate, with the interest he has consistently shown, and the leadership he has doggedly given to the cause of enforcible disarmament. Frequently this cause has not attracted the headlines, and at no time has it engendered organized political support.

Therefore, I think the distinguished Senator from Minnesota deserves exceptional credit for the time he has given, and for the work he has focused upon a subject which, by any standard of measurement, is the mortal subject of our times.

Also I should like to associate myself with the remarks of the distinguished senior Senator from Oregon [Mr. MORSE]. I am hopeful that through his efforts, and through those of other Senators, we can begin to unveil the excessive, unwarranted secrecy that now obscures the mutual security program and other aspects of our foreign policy, to the end that these telling matters may be debated fully on the floor of the Senate before all the American people as our judge. That is the only way I know of, in the long run, that free government can function and survive.

The distinguished Senator from Minnesota deserves the thanks and congratulations of the people of the United States for the address he has delivered on the floor of the Senate this afternoon.

Mr. HUMPHREY. I thank the Senator very much.

DISCRIMINATORY EMPLOYMENT POLICIES BY FOREIGN GOVERNMENTS

Mr. MORSE. Mr. President, yesterday the Senator from Minnesota [Mr. HUMPHREY] and the senior Senator from Oregon discussed for a few minutes on the floor of the Senate a notable decision handed down by Judge Epstein, of the New York Supreme Court a couple of days ago, in respect to the discriminatory policies practiced by Aramco in connection with its employment policies in New York.

The Senator from Minnesota and I said in effect yesterday that it was a most appropriate day for the restatement of great constitutional principles when Judge Epstein handed down that notable decision.

Several days ago, when the mutual security bill was before the Senate, I offered a restatement of the Lehman resolution of 1956, which it was my honor to take through the Foreign Relations Committee of the Senate and my privilege to bring to the floor of the Senate, and in connection with which I acted as floor leader when the resolution was debated by the Senate.

It was a resolution which, in effect, declared it to be the sense of the Senate that our Government should not yield further to a continuation of the discriminatory practices of Saudi Arabia in relation to Jewish-American citizens. The sad fact is, however, that there has been no change in American policy. So the Lehman resolution of 1956 is, for all practical purposes, a dead letter on the records of the Senate. I sought to breathe some life into it by offering a restatement of it in connection with the mutual security bill.

I was willing to and did accept some modifications in the language of the amendment I offered the other day.

When the Lehman resolution was agreed to in 1956 it was by a unanimous vote of the Senate. But when a restatement of it was offered by way of an amendment to the mutual security bill the other day, it failed of passage by the very close vote of 47 nays to 43 yeas.

As I said yesterday, Mr. President, I was satisfied, because the debate took place with so many Members of the Senate off the floor, that many Members who arrived after the rollcall bell had sounded were not fully aware of the import of the amendment. I am afraid that some of them were misinformed or inadequately informed by assistants or by other Senators, because several of them have come to me and so advised me. They have assured me that they hope to have an opportunity to vote on the principle of this amendment at another time, because they would have voted for it had they fully understood it.

The senior Senator from Oregon announced yesterday that he would seek to offer the amendment again when the appropriation bill for mutual security came to the floor of the Senate. Such is his intention, although he finds himself in some parliamentary difficulties and he is confronted with the problem of so presenting the amendment and of presenting it in such language that it will not be subject to a point of order in connection with an appropriation bill.

If he fails to obtain a direct vote on the amendment in connection with the appropriation bill, he serves notice that he will continue to offer the amendment time and time again, if necessary, to whatever bill he can with propriety attach it, until we can get a vote again on this issue directly and squarely, because, Mr. President, I consider this to be a matter of most serious import. I consider it to be of great importance that the Congress go on record in support of a historic policy of the United States.

In my previous speeches, I have referred to the fact that there have been Presidents in the past who have refused to let a foreign power discriminate against American citizens on the basis of religious faith or on the basis of nationality. We have recognized and must recognize the right of sovereigty of a foreign nation to do so in exercising its sovereign powers. I have never challenged that right on the part of Saudi Arabia or any other country, but what I have challenged, Mr. President, is our Government's bending its knee to such treatment and in fact creating second-class citizens among our own people. What I have protested is what amounts in fact to lowering the American flag by way of desecration to such a discriminatory policy, practiced by Saudi Arabia or any other foreign power.

Mr. President, as I said yesterday, this unfortunate situation cannot be sold to me on the grounds of national security, because we weaken the security of the United States around the world if we subject ourselves to that kind of diplomatic blackmail or to that kind of hijacking of precious American constitutional principles by any foreign power. For years I have said that there is no airbase in Saudi Arabia worth the sacrifice of this precious constitutional principle in defense of which I have been raising my voice, and we should get out of it. In fact, we should never have gone into the base when we realized that kind of a price would be exacted from us by Saudi Arabia; and I have no intention,

let me say, of ever voting in support of a trade of this precious constitutional principle and right for Arabian oil or Aramco oil.

Thank God that we have the Judge Epsteins who, true to the tradition of American judicial process, had the courage in the city of New York the other day to say in effect to Aramco, "You cannot trade on the basis of such un-American, discriminatory practices in New York State. If you want to follow that sort of discriminatory practice, you will have to do it outside of New York State." I think it is about time that Aramco be told that they will have to do it outside the United States too. It should understand that we are not going to tolerate a continuation of this un-American practice of Aramco just because it wants to make its millions of profit dollars. It ought to be told the Constitution of the United States is not for sale; nor is it on a Saudi Arabian auction block, as human lives are put on the auction block in Saudi Arabia.

Mr. President, in previous speeches I have spoken about precedents. At a later time I shall discuss from the precedents at some length our diplomatic history on this subject matter, but for future reference I would like to include in the CONGRESSIONAL RECORD at this point as part of my remarks out of a booklet entitled "The Arab Campaign Against American Jews," published by the American Jewish Congress, a chapter entitled "American Diplomatic Precedents." I ask unanimous consent that the material from page 9 to section 4 of the treatise, on page 43, be incorporated at this point in my remarks without my taking the time to read it.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Without objection, it is so ordered.

I. AMERICAN DIPLOMATIC PRECEDENTS

American diplomats have never been diffident in denouncing religious discrimination against any American nationals who travel abroad. Under the act of July 27, 1868 (15 Stat. 244), the President of the United States and the Department of State are required to take immediate action whenever the rights of any American citizen are violated or threatened by a foreign state. This right of protection admits of no religious limitation. As stated by Secretary of State Lewis Cass, the object of our foreign policy is "not merely to protect a Catholic in a Protestant country, a Protestant in a Catholic country, a Jew is a Christian country, but an American in all countries." (Quoted in J. B. Moore, "American Diplomacy" (1905), at p. 135.)

This diplomatic principle derives from the recognition by those charged with determining and administering our foreign policy that the defense of religious liberty is an inseparable aspect of all American undertakings. In a diplomatic note protesting Austro-Hungarian anti-Semitism directed at the family of an American minister-designate, Secretary of State Thomas F. Bayard declared in 1885:

"Religious liberty is the chief cornerstone of the American system of government, and provisions for its security are imbedded in the written charter and interwoven in the moral fabric of its laws.

"Anything that tends to invade a right so essential and sacred must be carefully guarded against, and I am satisfied that my countrymen, ever mindful of the sufferings and sacrifices necessary to obtain it, will never consent to its impairment for any reason or under any pretext whatsoever.

"It is not believed by the President that a doctrine and practice so destructive of religious liberty and freedom of conscience, so devoid of catholicity, and so opposed to the spirit of the age in which we live, can for a moment be accepted by the great family of civilized nations or be allowed to control their diplomatic intercourse.

Certain it is, it will never, in my belief, be accepted by the peoples of the United States nor by any administration which represents their sentiments." ("Foreign Relations" (1885), p. 50.)

A. Czarist Russia

Perhaps the most noteworthy of all of the interpositions by our Government to protect the rights of Jewish communities from the force and effect of foreign anti-Semitic decrees—if only because it is virtually on all fours, both in the character of the anti-Semitic discrimination and in its attempted rationale, with the discrimination currently practiced by the Arab governments—was that made over a period of years in protest against czarist Russia's expulsion and exclusion of American citizens of Jewish faith. This intercession with Russia is significant not only because it unequivocally fixed and defined American policy on this issue but also because it reflected the ardor with which American spokesmen insisted upon adherence to principle, even at the risk of commercial disadvantage, and in the enthusiasm and unanimity with which the people of this country endorsed that stand. We submit that neither the State Department nor the general community now should be content with any less zealous protection of fundamental rights.

In the 19th century, Russian anti-Semitism, like Arab anti-Semitism today, was intense and deeply rooted. The history of the Jews in Russia was a catalog of savage and bloody assaults upon them, attacks that were endorsed, either openly or tacitly, by the Russian Government itself. In addition, the Czar had promulgated a network of anti-Jewish legislation directed nominally at his own Jewish subjects but applied without distinction to Jews of any nationality who found themselves within Russian borders. Among these restrictions were rules forbidding the free entry, travel or residence of Jews in certain parts of the country outside the Pale of Settlement. As a result American Jews who dared to enter the proscribed areas were forcibly expelled by order of the Russian authorities, while other Americans, non-Jews, but otherwise of identical status, were permitted freely to reside, travel, and transact business throughout Russia.

The State Department was thus forced to decide, exactly as it is forced to decide now, whether it would submit passively to the demands of religious prejudice or instead would endeavor to enforce throughout the world, even in those areas where it might be difficult or embarrassing to do so, the rights of American citizens of every religious persuasion, without distinction or difference. The State Department did not a hundred years ago hesitate to assume responsibility for all Americans, including American Jews, and it would be unconscionable and delinquent for any agency of our Government now to do less.

When protests were made during the 1880's that American Jews were systematically expelled from certain parts of Russia, repeated attempts were made by American diplomats, first by exhortation and moral argument, to persuade the Russian Government to adopt a more humane attitude toward its own Jewish population and to extend to American Jews treatment equal in all respects to that accorded all other Americans. When these moral entreaties failed, this Government moved firmly and decisively and abrogated the longstanding and profitable commercial treaty of 1832 between this country and Russia. Because of the failure of the czarist regime to refrain from further anti-Semitic discrimination against American Jews, these treaty relations were never resumed.

The mere recital of the facts cannot fully disclose the high quality and courage of statesmanship, fully cognizant of all of its responsibilities, that culminated in this action. Some of the notes on this question prepared and dispatched by our highest diplomatic officers remain instructive in reminding us of the manner and context in which decisions affecting international behavior of this kind must be formulated.

Among those who were most forthright and uncompromising in demanding that the Russian Government deal with all Americans equally and fairly was John W. Foster, the American Minister to St. Petersburg and the grandfather of the late Secretary of State, John Foster Dulles.

In the late summer of 1880, Henry Pinkos, an American Jew who had assumed residence in St. Petersburg for several months with his wife and family and had established a small business there, was expelled from the city and the country as soon as his Jewish identity became known. Despite efforts by American officials to delay execution of his expulsion, Mr. Pinkos left Russia without awaiting further steps in his behalf. The chargé d'affaires of the American Legation thereupon was disposed to drop the whole matter, stating that "there now appears to be no necessity for my communicating with the Russian Government."

Mr. Foster who was then newly appointed U.S. Minister to St. Petersburg and the then Secretary of State William N. Evarts, were agreed however that there was a principle in issue that transcended Mr. Pinkos and whose significance in no way depended upon his physical presence in Russia. Rejecting an easy opportunity to evade a difficult and troubling issue and disregarding staff suggestions that we silently absorb the affront to our Jewish citizens because the issue had become moot, Mr. Foster wrote in clear and unmistakable terms to Baron Jomini, acting Russian Minister of Foreign Affairs:

"The Secretary of State instructs me to state to your excellency that in the presence of the fact that an American citizen has been ordered to leave Russia on no other ground than that he is the professor of a particular creed or the holder of certain religious views, it becomes the duty of the Government of the United States, which impartially seeks to protect all of its citizens of whatever origin or faith, solemnly, but with all respect to the Government of His Imperial Majesty, to protest. As this order of expulsion is understood to apply to all foreign Jews, in certain cities or localities, at least, of Russia, it is, of course, apparent that the same is not directed specially against the Government of which Mr. Pinkos is a citizen, and, indeed, the long standing amity which has united the interests of Russia with those of the Government of the United States would of itself forbid a remote supposition that such might be the case. Notwithstanding this aspect of the matter the United States could not fail to look upon the expulsion of one of its citizens from Russia, on the simple ground of his religious ideas or convictions, except as a grievance, akin to that which Russia would doubtless find in the expulsion of one of her own subjects from the United States, on the ground of his attachment to the faith of his fathers." ("Foreign Relations", 1880, p. 881, et seq.)

It is significant that Mr. Foster's intercession was not inhibited or deterred by the fact that the anti-Semitism practiced by the Russian Government was universal and "not directed specially against the Government of which Mr. Pinkos is a citizen." Mr. Foster

was aware that the larger interests of the United States dictate forthright opposition to all religious prejudice aimed at or affecting Americans whether our citizens are made to suffer indignity and insult as part of a general campaign of hatred and bigotry or directly in their capacity as American nationals. In either case our citizens are deprived of rights this country is committed to protect, and in either case this foreign conduct constitutes an encroachment upon American freedoms that must be requited and corrected.

Exactly as Arab extremists seek to manufacture an apology for their terrorism and to justify current anti-Jewish excesses as a security measure designed to protect them from supposed Zionist violence, so did the czarist regime strive to rationalize its anti-Semitic decrees as a protection against a supposed Jewish insurrection. To this Mr. Foster replied:

"It having been intimated to the Secretary of State by this legation that the reason of this order may be found in the supposed implication of Jews in the plots formed against the life of His Imperial Majesty, the Emperor, the Secretary directs me to say that insofar as this may be true, the Government of Russia has the entire sympathy of the Government of the United States, in all just preventive efforts, and if there existed any good evidence that Mr. Pinkos has been connected with any of these attempts, the Government of the United States could not object to this expulsion on that ground. But neither the police authorities, in the several communications which the members of the consulate-general and this legation have had with them, in their efforts to obtain relief for Mr. Pinkos, nor your excellency's department, in the notes addressed to this legation on the subject, have ever intimated the existence of such a charge. Nor does the character of citizens of the United States of Jewish faith afford ground for the supposition that they would be likely to engage in conspiracies or plots against the established government of the country. From the foundation of the United States as a nation, they have been entitled to full and unrestricted privileges of citizens, and have shown themselves to be peaceable and law observing in their conduct, quiet and industrious in their habits and are esteemed a valuable portion of the community, so that insofar as the regulation for the expulsion of foreign Jews from Russia affects American citizens, whatever may be the conduct of their coreligionists of this or other countries, it is an unjust reflection upon American Jews as a class and a discrimination which cannot be acquiesced in by my Government. Ibid.

When these notes were insufficient, Mr. Foster continued to press his demands with untiring vigor. In a letter to the Secretary of State on March 25, 1881, he was the first to suggest that this country base its demands for equal treatment for American Jews upon the treaty of 1832 and employ the influence and status we enjoyed as a signatory to that treaty as a means of enforcing our claim. ("Foreign Relations," 1881, at p. 1012.) This device, in fact, became the solution finally adopted.

Mr. Foster enjoyed the support and encouragement of his superiors in the State Department. As has already been noted, Secretary Evarts first directed Mr. Foster's intervention with the Russian Government. Upon Secretary Evarts' death, his successor James G. Blaine, shortly after his appointment, unreservedly ratified Foster's strong position. He wrote Foster as follows:

"Your course appears to have been discreet, and it is hoped that you will press your representations to the successful establishment of the principle of religious toleration for our citizens peacefully residing or traveling abroad, which we as a Nation have such a deep interest in maintaining.

"It would be, in the judgment of this Government, absolutely inadmissible that a domestic law restraining native Hebrews from residence in certain parts of the empire might operate to hinder any American citizen.

"I need hardly enlarge on the point that the Government of the United States concludes its treaties with foreign states for the equal protection of all classes of American citizens. It can make absolutely no discrimination between them, whatever be their origin or creed. So that they abide by the laws, at home or abroad, it must give them due protection and expect like protection for them. Any unfriendly or discriminatory act against them on the part of a foreign power with which we are at peace would call for our earnest remonstrance, whether a treaty existed or not." ("Foreign Relations," 1881, p. 1030.)

The American people were no less sensitive to these deprivations based upon religious affiliation. When diplomatic intercession alone failed to correct this anti-Semitic discrimination, the issue became one for general public notice and for more direct executive and legislative action. Indeed, it became a matter of such moment that in his speech of acceptance of the Republican nomination for the Presidency in 1908, William H. Taft noted that "in some countries * * * distinctions are made in respect to the treatment of our citizens traveling abroad and having passports of our executive, based on considerations which are repugnant to the principles of our Government and civilization." He committed his party and administration "to make every endeavor to secure the solution of such distinctions which in our eyes are both needless and opprobrious" (Adler and Margalith, "With Firmness in the Right" (1946), at pp. 281–282.)

On December 4, 1911, conclusively to dispose of this issue, Joint Resolution 166 was introduced in the House of Representatives by Representative, later Governor, William Sulzer of New York. The text of the resolution declared:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the people of the United States assert as a fundamental principle that the rights of its citizens shall not be impaired at home or abroad because of race or religion; that the Government of the United States concluded its treaties for the equal protection of all classes of its citizens, without regard to race or religion; that the Government of the United States will not be a party to any treaty which discriminates, or which by one of the parties thereto is so construed as to discriminate between American citizens on the ground of race or religion; that the Government of Russia has violated the treaty between the United States and Russia, concluded at St. Petersburg, December 18, 1832, refusing to honor American passports duly issued to American citizens, on account of race and religion; that in the judgment of the Congress the said treaty, for the reasons aforesaid, ought to be terminated at the earliest possible time; that for the aforesaid reasons the said treaty is hereby declared to be terminated and of no further force and effect from the expiration of 1 year after date of notification to the Government of Russia of the terms of this resolution, and that to this end the President is hereby charged with the duty of communicating such notice to the Government of Russia."

This resolution was adopted by a vote of 300 to 1 on December 13, 1911. On December 15, 1911, Mr. Sazanoff, then Russian Foreign Minister, was notified by Secretary of State Philander C. Knox that the United States had decided to abrogate the treaty of 1832.

Although this was perhaps the most extensive action yet undertaken to protect the rights of American Jews from foreign anti-Semitism it met with immediate and widespread popular approval. Thus, the Republican National Convention of 1912 adopted a plank declaring:

"We approve the action taken by the President and Congress to secure with Russia, as with other countries, a treaty that will recognize the absolute right of expatriation, and that will prevent all discrimination of whatever kind between American citizens, whether native born or alien, and regardless of race, religion, or previous political allegiance. The right of asylum is a precious possession of the people of the United States, and it is to be neither surrendered nor restricted. ("American Jewish Year Book," 1913–14, p. 442.)

Almost identical planks were adopted the same year by the Democratic and Progressive Party Conventions. The American people have consistently abjured any suggestion, whether by internal decree or foreign treaty, that there can be class distinctions among American citizens or that there are varying degrees of protection to which our citizens are entitled.

B. Switzerland

One of the earlier intercessions of this Government on behalf of American Jews abroad perhaps illustrates better than any other the personal zeal with which American statesmen have endeavored to combat foreign anti-Semitism.

In 1853 Theodore S. Fay, then U.S. Minister to Switzerland, was advised that Swiss cantons were denying visiting rights to American Jews. The Swiss Federal Council was willing to interpret liberally the treaty of 1850 between the United States and Switzerland and to extend to American Jews the same rights and privileges granted American Christians. Some of the cantons, however, persisted in their discrimination and refused to permit American Jews to establish themselves within their jurisdiction.

Mr. Fay became absorbed in the whole problem of anti-Jewish prejudices and made a detailed study of the condition of the Jews in Switzerland and neighboring countries, inquiring even into matters ranging far beyond those affecting American Jews. The Secretary of State encouraged Mr. Fay in this inquiry and notified him that the removal of oppressive restrictions upon the Jewish community was "a matter which the President (Buchanan) has much at heart." (See Ex. Doc. No. 76, House of Representatives, 36th Cong., 1st sess, p. 22.)

As a result of his extensive inquiry and investigation, Fay wrote the famous "Israelite note," which he circulated among the respective cantons. The then President of the Swiss Confederation, Dr. Furrer, wrote that as a result of Fay's note "an immense majority of the Council of Zurich is disposed to change the legislation respecting the Israelites in the interest of amity and progress." (Ibid., p. 77.) Many other cantons followed and gradually, one after another, removed all restrictions against the Jews. Thus, because of his personal concern over the oppression of religious minorities, an American Minister in Switzerland was able to play a decisive and crucial role in amending the Swiss constitutional system to eliminate all Swiss discrimination because of race and religion and, almost singlehandedly, was instrumental in restoring to American Jews the right to travel throughout that part of Europe without restraint or inhibition.

C. Other countries

Our deep attachment to the concept of religious freedom has motivated our Government to urge intercession even in instances of religious suppression and persecution that did not directly affect citizens of the protesting states and even if such protest entailed direct criticism of the internal

legislation of other states, a matter not ordinarily within the purview of any foreign power. Thus in the very first representation relating to Jews made by the United States to any foreign state, Secretary of State John Forsyth, at the direction of President Van Buren, in 1840 in a dispatch to the American consul at Alexandria, Egypt, urged intervention in behalf of Damascus Jews who had been accused of murder.

Since that time the diplomatic record is studded with instances of genuinely altruistic intervention by American officials on behalf of persecuted Jewish populations abroad. See the account of protests made by the U.S. Government because of local anti-Jewish persecution in Morocco in 1863 (Adler and Margalith, "With Firmness in the Right" (1946), at 11); in Persia in 1897 (ibid., at 16); in Syria and Palestine in 1915 (ibid., at 65); in Italy in 1938 (ibid., at 386); in north Africa in 1942 (ibid., at 410); and in Argentina in 1943 (ibid., at 430). This is not even to mention the strenuous protest made through every available diplomatic medium against the atrocities of Nazi Germany. Indeed, the sense of revulsion against the barbarities of the Nazis and their attempt to import racial doctrines into the United States was one of America's moral armaments in the days of President Franklin D. Roosevelt. (Ibid., at p. 348 et. seq.)

This brief review of American diplomatic practice indicates a continuing course of conduct by American foreign officers extending over 100 years to protest religious persecution by foreign states adversely affecting American citizens.

It is therefore both disappointing and disturbing that Secretary Dulles' recent testimony intimates that the United States in effect has acquiesced and yielded to the demands of current Arab anti-Jewish aggression, even to the point of sacrificing some of the protection legally due its citizens. We do not believe it an adequate justification that this retreat has been undertaken in the hope of finding a way in which the Arab countries and the United States may live together in a manner which presumably is to their mutual advantage. We do not believe that the American people will concur in this bargain or will endorse or accept any diplomatic approach that requires the United States to hold the rights of its citizens less dear than did our predecessors. We are convinced that the only reason this position could ever have been suggested is that the full measure of American concessions required to meet the demands of Arab bigotry has not been completely understood. It is in the hope of correcting this general lack of information that this paper has been compiled. We are convinced that once the facts are fully and publicly stated, the people of this country and those who have been appointed to guide its foreign relations will be in a better position to assess and evaluate those factors that must dictate our future conduct if the freedoms of all our citizens are to be assured.

II. CURRENT ARAB ANTI-JEWISH PRACTICES

The discriminatory actions practiced by the Arab countries under the direction of the Arab League fall into three categories: (A) The denial of entry or transit visas to American Jews; (B) the commercial boycott of American Jewish businesses; (C) the establishment and subvention of large-scale Arab propaganda centers to disseminate anti-Semitic literature in the United States. Each of these three practices is discussed below.

A. Denial of entry or transit visas to American Jews

In recent years various Arab countries including Iraq, Syria, Jordan, and Saudi Arabia have sought to extend and promote their programs of domestic anti-Semitism by promulgating a rule flatly prohibiting the issuance of entry permits and travel visas to American citizens who are Jews. This discrimination extends to Government officials and to members of the U.S. Armed Forces. A number of invidious consequences have flowed from this Arab policy: American State laws against discrimination in employment have been openly and repeatedly flouted, and recruiting for employment, even on defense contracts paid for by American taxpayers, has been conducted on a discriminatory basis because of Arab refusal to admit American Jewish workers. Thus, Arab bigotry has already forced its way across our own borders and infected our own domestic practices.

(1) Restrictions Against Military Personnel

On May 20, 1955, a chaplain serving in the U.S. Air Force wrote Senator Herbert H. Lehman:

"U.S. Air Forces Europe (USAFE) Manual 30-1, dated June 1953, deals with 'Clearance and Documentations for Leave and Duty Travel' for members of the U.S. Air Force. In section XXVI, paragraph 3, we read: 'Individuals of Jewish faith or descent are strictly barred entrance to or transit of Saudi Arabia. Further, any passport containing an Israeli visa will not be honored.'

"In section XIII, paragraph 3c, we read: 'Individuals of the Hebrew race will not be issued visas or admitted to Jordan.'

"By restricting the travels of a Jewish serviceman on military aircraft, the Military Air Transport Service (MATS), a lawful agency of the Government of the United States of America, subjects itself to the bigoted religious doctrines of a foreign power."

This letter elicited the following reply on June 20, 1955, from Harold E. Talbott, then Secretary of the Air Force, to whom it was forwarded by Senator Lehman:

"The countries of Saudi Arabia and Jordan for purposes of internal security will not issue a visa for persons of the Hebrew race. This restriction is not only applicable to American citizens, but applies to Jewish people of all nations. Further, Arabic countries, specifically Saudi Arabia and Jordan, will not issue a visa to any person regardless of race, if the passport of the individual is stamped with any marking which would indicate that the traveler had visited Israel prior to the application for entrance into Saudi Arabia and Jordan.

"These restrictions are promulgated and enforced by the Arabic countries and are not within the prerogative of the State Department or the military to change.

"The only exception to the above procedures is when the traveler receives special permission from the Arabic Government concerned to enter that country.

Senator Lehman wrote to Mr. Talbott on July 12, 1955:

"I have your letter of June 20th. I am aware of the practice of the Governments of Saudi Arabia and Jordan in barring entrance to persons of Jewish faith. I had hoped, however, that the appropriate departments of the U. S. Government would work ceaselessly against any such regulation insofar as it effects American citizens. I was especially shocked to know that American GI's who happen to be of the Jewish faith are likewise discriminated against. I hoped that far from simply taking cognizance of the matter, the Air Force would use its influence to the extent possible to see that this discrimination was not practiced against Americans who were serving their country in the Air Force."

Secretary Talbott's answer, dated July 20, 1955, exhibits an odd lack of concern:

"The Air Force is cognizant of the situation concerning restriction of travel to members of the Jewish faith to Saudi Arabia and Jordan. However, it must be recognized that we are dealing with a tradition of long standing, and in all probabilities, will take much effort and time on the part of all governmental agencies, including the Air Force, to try and work out a satisfactory solution with the countries concerned. The Air Force together with governmental agencies, has worked ceaselessly to abrogate regulations of this nature put into effect by foreign governments which affect American citizens. Unfortunately, as indicated in my previous letter, these restrictions or regulations are promulgated and enforced by foreign countries and are not within the prerogative of the Air Force to change."

When, on February 24 of this year Secretary Dulles was specifically asked by members of the Foreign Relations Committee whether, purusant to the terms of the mutual security agreement between this country and Saudi Arabia, American Army personnel of the Jewish faith were not permitted to be stationed at the Dhahran Air Base, the Secretary replied, "It may be." We question Mr. Dulles' apparent belief that his further statement "over a long period of years there has been a prohibition of Jews in Saudi Arabia" can be a sufficient explanation for this Government's tolerance of foreign disqualification of American military personnel because of their religious beliefs.

We submit that continued collaboration in the exclusion of Jewish servicemen invites manifold invasion of the rights of American citizenship. If we accept the principle that foreign states are to be permitted to pass upon the religious qualification of any American in military service stationed abroad, reaching down even to the level of private soldier, then we necessarily become party to the negation of the constitutional concept of religious freedom and religious privacy. We should then be required to screen and survey the religious convictions of prospective public officials who may otherwise be fully competent and qualified. We would then be able to employ as our representatives abroad, whether as ambassador, technician, soldier, or clerk, only those whose religious beliefs correspond favorably to those of some foreign ruler. In contravention of express constitutional prohibitions, we should inevitably be obliged to impose a religious test for public office. The logical extension of this approach would require, obviously, that any emissary of this country sent, for example, to Communist countries should be required to pass Communist tests of nonreligious fitness. The absurdity and inequity of this practice seems patent.

That the first amendment to the U.S. Constitution obligates this country to refrain from entering into any treaty or agreement that might serve as an instrument for discriminating against any group of American citizens by limiting their right freely to travel abroad because of their religious convictions, was plainly stated by Clifton R. Breckenridge, American Minister to St. Petersburg in 1895 in a note to the Russian Minister of Foreign Affairs. Replying to a Russian contention that the American Constitution could not apply to Russian domestic legislation and therefore could not be invoked to interfere with treaty arrangements between the two states, the American Minister declared:

"Our Constitution does not say that Congress shall not make a law simply 'prohibiting' or 'authorizing' a religious exercise or belief, as your excellency seems to understand.

"It says that 'Congress shall make no law respecting an establishment of religion, nor prohibiting the free exercise thereof.' Certainly if a law deprives any people or persons of a certain faith, because of that faith, of all or of any part of the rights, privileges, and immunities enjoyed by any other citizen, or class of citizens, it is made 'respecting' that religion, and it militates against the 'free exercise thereof' as much so as if the sect

had been mentioned in the title of the act and the consequences had been named as pains and penalties for the conscientious belief and observances entertained and practiced." ("Foreign Relations," 1895, p. 1066.)

We suggest that a proper attitude, one consonant with the requirements of our Constitution and with our own national temper, is reflected in the action of the United States in the one prior time in its history when one of its representatives was found unacceptable by a foreign country because of admittedly religious factors.

(a) The Keiley precedent

In May 1885 President Grover Cleveland appointed Mr. Anthony M. Keiley, of Virginia, Envoy Extraordinary and Minister Plenipotentiary of the United States at Vienna. The United States was informed, however, that Mr. Keiley would be unacceptable to the Austrian Government because "the position of a foreign envoy wedded to a Jewess by civil marriage would be untenable and even impossible in Vienna." ("Foreign Relations," 1885, p. 48.)

Secretary of State Bayard replied in unmistakable language:

"The supreme law of this land expressly declares that 'no religious test shall ever be required as a qualification to any office or public trust under the United States,' and by the same authority it is declared that 'Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.'

* * * * *

"It is not within the power of the President nor of the Congress, nor of any judicial tribunal in the United States, to take or even hear testimony, or in any mode to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily and a fortiori inadmissible."

"To suffer an infraction of this essential principle would lead to a disfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our Constitution of Government was intended to secure.

* * * * *

"The case we are now considering is that of an envoy of the United States, unquestionably fitted, morally and intellectually, and who has been duly accredited to a friendly government, toward which he is thoroughly well affected; who in accordance with the laws of this country, has long since contracted and has maintained an honorable marriage, and whose presence near the foreign government in question is objected to by its agents on the sole ground that his wedded wife is alleged to entertain a religious faith which is held by very many of the most honored and valued citizens of the United States.

"It is not believed by the President that a doctrine and practice so destructive of religious liberty and freedom of conscience, so devoid of catholicity, and so opposed to the spirit of the age in which we live can for a moment be accepted by the great family of civilized nations or be allowed to control their diplomatic intercourse.

"Certain it is, it will never, in my belief, be accepted by the people of the United States, nor by any administration which represents their sentiments." ("Foreign Relations," 1885, p. 48.)

The Austrian Government thereupon changed the ground of its opposition to a supposed "want of political tact evinced on his (Mr. Keiley's) part on a former occasion, in consequence of which a friendly power declined to receive him; and upon the certainty that his domestic relations preclude that reception of him by Vienna society, which we judge desirable for the representatives of the United States with which power we wish to continue the friendly relations existing between the two governments." ("Foreign Relations," 1885, p. 55.)

This country, however, was not deceived by these representations and refused to appoint an envoy in Mr. Keiley's stead. The position of this Government was that the acts of Austria and her ministers in this case would require this country to agree to permit Austria to reserve for herself the right to prescribe a religious test for office in the United States and that this could never be found acceptable by the people of this country. In his annual message to Congress, December 8, 1885, President Cleveland reviewed the entire case:

"Question has arisen with the Government of Austria-Hungary touching the representation of the United States at Vienna. Having, under my constitutional prerogative, appointed an estimable citizen of unimpeachable probity and competence as minister at that court, the Government of Austria-Hungary invited this Government to take cognizance of certain exceptions, based upon allegations against the personal acceptability of Mr. Keiley, the appointed envoy, asking that in view thereof, the appointment should be withdrawn. The reasons advanced were such as could not be acquiesced in, without violation of my oath of office and the precepts of the Constitution, since they necessarily involved a limitation in favor of a foreign government upon the right of selection by the Executive, and required such an application of a religious test as a qualification for office under the United States as would have resulted in the practical disfranchisement of a large class of our citizens and the abandonment of a vital principle in our Government. The Austro-Hungarian Government finally decided not to receive Mr. Keiley as the envoy of the United States, and that gentleman has since resigned his commission, leaving the post vacant. I have made no new nomination, and the interests of this Government in Vienna are now in the care of the Secretary of Legation, acting as chargé d'affaires ad interim." ("Foreign Relations," 1885, p. iv.)

(b) The Government plea of noninterference

Unquestionably the qualification of an ambassadorial appointee depends in considerable measure upon his standing in the country in which he is designated to serve. It is not diplomatic custom for any State to impose an unwelcome envoy upon another. The grant of diplomatic standing normally is regarded as the exclusive prerogative of the host state. This country nevertheless felt that the exercise of religious prejudice in the Keiley case was a matter of sufficient importance to override all considerations of diplomatic practice. How much greater an affront is it, therefore, for the Arab States to dictate to our Armed Forces with respect to the religious affiliations of our military personnel ordered to serve in our defense installations in Arab lands. The religious beliefs of members of the Armed Forces of the United States can be no business of the Arab countries and it is a gross invasion of the constitutional guarantees of religious freedom for any agency of this Government to agree to the exclusion of Jewish servicemen, or indeed Jewish public officials of any rank, from acting on behalf of their country anywhere in the world.

It is plainly no argument to allege, as Secretary Talbott alleges, that since these restrictions on the entry of Jewish military personnel are enforced by the Arab countries they are "not within the prerogative of the State Department or the military to change." Matters that impinge so directly upon the welfare and liberty of American citizens cannot thus be so immunized from American intervention. It should be remembered that upon proper occasion the United States has not been unwilling to instruct its diplomatic emissaries abroad to take action with respect to matters that entail criticism of the internal activities of another state, something that is not within the ordinary purview of normal diplomatic conduct. Thus, on November 22, 1881, in seeking to persuade Great Britain to join in protest against Russian anti-Semitic discrimination, Secretary of State Blaine wrote James Russell, then U.S. Minister at London:

"I am well aware that the domestic enactments of a state toward its own subjects is not generally regarded as a fit matter for the intervention of another independent power. But when such enactments directly affect the liberty and property of foreigners who resort to a country under the supposed guarantee of treaties framed for the most liberal ends, when the conscience of an alien owing no allegiance whatever to the local sovereignty, is brought under the harsh yoke of bigotry or prejudice which bows the necks of the natives, and when enlightened appeals made to humanity, to the principles of just reciprocity and to the advancing spirit of the age, in behalf of tolerance, are met with intimations of a purpose to still further burden the unhappy sufferers and so to necessarily increase the disability of foreigners of like creed * * * it becomes in a high sense a moral duty to our citizens and to the doctrines of religious freedom we so strongly uphold, to seek proper protection for those citizens and tolerance for their creed, in foreign lands, even at the risk of criticism of the municipal laws of other states." (Kohler, "The United States and German Jewish Prosecutions," pp. 40–41.)

It always will remain possible to search out reasons for not acting but the present prim and circumspect regard for every legalism that might justify American indifference must be contrasted with the attitude of former Secretary of State William N. Evarts. He did not hesitate to employ the power of his high office to instruct an American consul in Morocco that while intervention by this country in behalf of Jews who are Moorish subjects ordinarily might be considered improper, "still, there might be cases in which humanity would dictate a disregard of technicalities, if your influence would shield Hebrews from oppression." (Letters of Secretary Evarts, March 20, 1878, quoted in J. B. Moore, "American Diplomacy" (1905), p. 349.) We are forced to conclude that American diplomatic intervention against the Arab States is more likely deterred by lack of will than by lack of legal warrant.

(2) Restrictions Upon Private Travel

In the face of this official indifference toward limitations imposed upon the right to travel of military and Government personnel, it is hardly surprising that travel restrictions against American Jews who are merely private citizens should continue with almost no comment. The Passport Division of the Department of State expressly informs applicants for passports that persons of Jewish faith will be denied the right to visit Arab lands. Information supplied to passengers departing America aboard ships of the American Export Lines, which during cruises touch ports in Arab countries, declares that persons of Jewish faith or Jewish name [sic] will be denied certain cruise travel privileges in Arab countries freely available to other passengers. Airlines regularly traveling to Arab countries contain notations in their schedules indicating that Jewish passengers will not be allowed to disembark at Arab ports of entry.

This regular withholding of travel privileges by Arab officials in this country from American citizens of Jewish faith is demeaning and introduces a discordant and dissonant note in a free community. Thus, in 1895 Acting Secretary of State Alvey A. Adee reminded the American Minister at St. Petersburg that the refusal of Russian consuls to grant visas to American Jews was of continuing concern to this country if only

because of the impact and effect of this practice within our own borders, Mr. Adee wrote:

"Apart from the constitutional objections to the discrimination made by Russian consular officers against American Jews, this Government can never consent that a class embracing many of its most honored and valuable citizens shall within its territory be subjected to invidious and disparaging distinctions of the character implied in refusing to visé their passports. For, notwithstanding Prince Lobanow's suggestion that his Government's consular regulation upon the subject under consideration does not apply to all Israelites and therefore cannot be regarded as a discrimination against them on religious grounds, the fact remains that the interrogatories propounded to applicants for the consular visé relate to religious faith, and upon the response depends the consul's action.

"Viewed in the light of an invidious discrimination tending to discredit and humiliate American Jews in the eyes of their fellow citizens, it is plain that the action of Russian consular officers does produce its effect within American territory, and not exclusively in Russian jurisdiction." ("Foreign Relations," 1895, p. 1067.)

The denial of visas to Jews by Arab countries, moreover, frequently has a more serious consequence than the mere withholding of travel for pleasure. Arab anti-Semitism has been made the occasion and excuse for anti-Jewish discrimination in hiring practices in this country, in direct contravention of the purpose and policy of State fair employment practices legislation.

(a) SCAD and private employment

In 1950 a help-wanted advertisement inserted by a private employment agency in New York City newspapers sought welders for foreign service. When applicants for these positions were interrogated about their religious beliefs, a complaint was filed with the New York State Commission Against Discrimination charging that these inquiries constituted an unlawful employment practice.

The State commission reported:

"Investigation disclosed that the welders were being recruited by a subcontractor of the Arabian American Oil Co. for work on a pipeline in one of the Arabian countries, and that a visa from the Arabian Government was a prerequisite to employment.

"The investigating commissioner was informed by the Arabian American Oil Co. that the Arabian Government does not issue visas to persons of the Jewish faith. The company advised that it had an understanding with the Arabian Government to screen all prospective employees for work in Arabia before they applied for Arabian visas, for the purpose of excluding persons of the Jewish faith to whom visas will not be granted. The respondent urged the commission not to take any action which would jeopardize this agreement in view of considerations important to the international interests and security of the United States.

"Pursuant to commission policy to seek confirmation of the facts upon which the existence of a bona fide occupational qualification is predicated, the investigating commissioner communicated with the U.S. Department of State. He was advised by the Political Adviser for the Office of African and Near East Affairs that as a result of the recent conflict between the Arabian countries and Israel, the Arabian governments refuse to grant visas to persons of the Jewish faith for work in any of the Arabian countries. This representative of the Department of State stressed the importance of not having anything interfere with the existing relationship between the Arabian Government and Arabian American Oil Company, explaining that this relationship was the basis for the harmony between this Government and the Arabian Government and should it be disturbed in any way the international interests of the United States would be seriously affected. (Report of Progress, 1950, New York State Commission Against Discrimination, pp. 47–48.)

As a result of State Department intervention, the New York State Commission Against Discrimination found these employment practices not violative of State law. Two factors are worthy of note in this report. First, it is indicative of the contagious effect of religious bigotry that an American employer in New York should enter into an understanding with Arabian governments to screen American citizens who are candidates for employment "for the purpose of excluding persons of the Jewish faith." Thus, in direct contradiction of the intention and purpose of existing State fair employment practices legislation American employers are induced and even compelled to undertake religious inquiries and to fix religious standards as a qualification in hiring practices.

Secondly, it is shocking that a "representative of the Department of State (should have) stressed the importance of not having anything interfere with the existing relationship between the Arab Government and the Arabian American Oil Company." It should be remembered that the "anything" that might in this case have disturbed this relationship would have been a demand for the full and equal protection of the rights of American citizens. It is bad statesmanship as well as bad principle that our traditional concept of equal protection should be abandoned for the purpose of furthering certain commercial transactions, whether they be with the Arabian American Oil Company or with anyone else. It is not true that the American people are willing to maintain contractual arrangements for international exchange of commodities, whatever they may be, when such arrangements are made contingent upon implementing in our own community the religious or racial hatreds and prejudices of foreign governments. Private deals cannot be sanctioned when they are made at the cost of national ideals.

(b) Defense contracts abroad

It is even more disturbing that Arab anti-Semitism has been made the occasion for the practice of religious discrimination by U.S. Army contractors engaged in defense projects, projects paid for by all the American people. The New York Times of February 2, 1952 reported that Maj. Gen. G. J. Nold, Deputy Chief of Engineers, U.S. Army, testified before a Senate subcommittee that New York workers were not recruited by Army contractors for building military bases in Arab countries because the contractors believed a large number of New York applicants would be of Jewish origin and, if hired, would be resented by the Arabs and possibly be in personal danger. It is not surprising that this is precisely the argument advanced by Russian Foreign Minister Prince Lobanow in 1895 to justify his government's refusal to visé the passports of American Jews, explaining that his country's attitude was essentially philanthropic, serving to warn American Jews while they were still in the United States and thus save them from "difficulties and dangers which they would encounter later if they had not been advised." (Adler and Margalith, op. cit. supra, at 250.) In any event, either forgetful of SCAD's prior ruling or uncertain whether the Army would be granted the same special license to discriminate previously accorded the Arabian American Oil Co., the New York State Employment Service had informed the airbase contractors that they must operate in conformity with the State law against discrimination in employment and could not screen out Jewish applicants for the jobs. General Nold testified that the contractors thereafter simply avoided the New York labor market and recruited their entire work force in the Middle West.

In response to an inquiry by the chairman of the New York State Commission Against Discrimination, the then Secretary of the Army, Frank Pace, Jr., on March 3, 1952, wrote:

"The charge that the Army has refused to recruit workers from New York for construction work in Arab countries because New York law prohibits discrimination in the hiring of workers has resulted from the recent testimony of the Deputy Chief of Engineers before the Senate Preparedness Subcommittee. The Deputy Chief of Engineers there testified that a problem existed in recruiting people of the Jewish faith for work in Arab countries. Insofar as this testimony indicated that there were problems in recruiting Jewish workers for every country having an Arab population, the statements of the Deputy Chief of Engineers were broader than the facts justified. Although his testimony was not so limited, actually the Deputy Chief of Engineers was cognizant of the recruitment problem with respect to the country of Saudi Arabia. The situation there, however, is not one caused by Corps of Engineers contractors. These contractors have not discriminated against qualified Jewish workers for Saudi Arabian projects. They are willing to recruit workers of this faith; however, these workers are unable to obtain the required visas from Saudi Arabia.

This comment by Secretary Pace is characteristic of official nonchalance and indifference to this problem. It reflects the too frequently held view that mere reference to Arab anti-Semitism is all that is necessary to condone American collaboration in discriminatory acts. During the course of his letter to the chairman of the State commission, the Secretary claimed that contractors recruiting workers in the United States for military construction in North Africa by and large conform to the policies laid down by President Truman barring discrimination based on race, creed, color, and national origin; but he also admitted, somewhat coolly, that contractors do, in fact, discriminate against workers of Jewish faith in recruiting for military construction in Saudi Arabia. Government agencies as well as individual contractors usually disclaim any discrimanatory intent, even loudly assert that exclusion of Jewish employees is contrary to their own wishes and forced upon them because Jews are refused visas for entry into Saudi Arabia. But the net result is no less an instance of discrimination in Government contracts, in clear, open and undeniable violation of standing Executive orders.

(c) State Department passivity

More is required of the State and Defense Departments than mere passive recognition of existing facts. Regrettably, Secretary of State Dulles, like his associates, appears largely undisturbed by the Arab policy of discrimination against American Jews. During his testimony on February 24, 1956, before the Senate Foreign Relations Committee in response to a question relating to our endorsement of discrimination against American Jewish businessmen. Secretary Dulles found it appropriate to refer to the religious requirements of Moslem law and to indulge analogies concerning Moslem dietary customs. The general temper of Secretary Dulles' reply may perhaps be evident in his concluding comments that the Arabs "have some practices which we may think curious. * * * We, perforce, accommodate ourselves to certain practices they have which we do not like; they, perhaps, accommodate themselves to certain of our idiosyncrasies which they do not like, but on the whole, they have a pretty arbitrary rule largely dictated by the strict tenets of the Moslem faith."

It ordinarily might be supposed that the practice of religious discrimination against

American nationals is not a mere curious practice to be likened to exotic dietary habits, nor would it ordinarily be thought properly comparable by an American Secretary of State to folk idiosyncrasies of our own to which the Arabs might conceivably object. At issue are national policies that impose serious penalties upon many American citizens, and these cannot lightly be dismissed as quaint, almost charming eccentricities which we need not trouble to regard seriously.

The occasional objections made by the State Department to this practice of religious discrimination thus far have been palpably inadequate. For all of its perfunctory assurances, the State Department has never indicated the precise nature of its protests or whether those protests when conveyed were pursued with vigor and persistence. Nor has Secretary Dulles, or any other Department spokesman, ever suggested any further course of conduct should our protests, as seems inevitable at present, continue to go unheeded.

The right to travel and to go abroad is a right much treasured and desired, and if the Arab States were suddenly to close their doors to all Americans we should unquestionably deem it to be an affront and unfriendly act. We can properly be no less affronted when the Arab countries single out one group of Americans to whom they bar their borders solely because of religious affiliation. And it becomes doubly unconscionable when this practice, abetted by American participation, becomes the prelude and apology for imposing economic penalties against American Jewish citizens.

It would seem, at the very least, that if any American citizens are barred from entry to any Arab States for religious reasons, this Government, with the exception of necessary and authorized diplomatic personnel, should prohibit all citizens from Arab countries from entry here. There is ample precedent for such a move. Section 243(g)(7) of the McCarran-Walter Immigration and Nationality Act of 1952 authorizes this country to refuse any further immigration from those states who are unwilling to accept return of their nationals who are deported from the United States. Surely the crude religious discrimination practiced by the Arab countries is at least as significant a cause for invoking this reciprocal prohibition. There is no tenable reason for the United States to continue to receive immigration from countries who capriciously and arbitrarily deny an equivalent right to a considerable section of our own citizens. It is a well established principle that no foreign government can with impunity discriminate between one American passport and another. That principle needs now to be implemented.

III. BOYCOTT OF AMERICAN JEWISH BUSINESSES

It is generally conceded that pursuant to a directive of the Arab League there is at present an Arab boycott of businesses throughout the world that have representatives or branches in Israel or that maintain commercial relations with Israeli firms, however small these transactions may be. This is evidenced by a recent statement by the Iraqi consul in New York, Gen. A. K. Gailani asserting that "our policy is that all firms, be they Christian, Jew or Moslem, are not allowed to do business with the Arab countries if they have a subsidiary or branch in Israel. This was a decision of the Arab League, not of Iraq alone, and the reason is that Israel is at war with the Arab countries. (New York Post, Feb. 3, 1956.)

An article recently appearing in the Foreign Commerce Weekly, published by the U.S. Department of Commerce, further confirms this fact:

"Member states of the Arab League have agreed to take the following actions in implementation of their boycott against countries having relations with both Israel and the Arab countries, the Iraq Government has informed diplomatic missions in Baghdad.

"Imports of products from foreign countries will be banned if the companies have branches or assembly plants in Israel; if their general agents or regional offices in the Mideast are located in Israel; or if Israeli companies are granted the privilege of using trade names.

"Foreign companies, bodies and establishments, both public and private, having shares in Israeli firms or plants will be prohibited from carrying out business in the Arab countries.

"Regularly scheduled foreign steamships passing through Arab ports on both-way trips will not be allowed to anchor in an Israeli port on either journey. Exceptions are world tourist steamships, provided the Arab states through which they are to pass are notified in advance of their names and the dates of departure—Embassy Baghdad. (Foreign Commerce Weekly, vol. 51, No. 1, Jan. 4, 1956.)

There is irrefutable evidence, moreover, that this anti-Israel boycott has now been expanded into a blacklisting of all businesses throughout the world, whether or not they have branches in Israel that are owned by Jews, employ Jews, or even subscribe to Jewish philanthropic activities. According to the Economic Bulletin of the Arab League (Cairo), there are now 162 Jewish firms on the blacklist—45 are British, 44 American, 23 French, 14 Swiss; 11 are in Argentina, 10 in Canada, 8 in Belgium, 6 in Holland, and 1 in Australia. Despite the occasional camouflages that have been attempted, the character of this economic reprisal is now sufficiently clear as to leave no doubt whatever as to its anti-Semitic purposes.

The boycott is conducted by cooperation of a number of the member States of the Arab League. The Saudi Arabian Government has been the most active and consistent in this connection in the United States, although other Arab States have also participated with increasing frequency.

A. Saudi Arabian boycott

The American Jewish Congress has in its possession correspondence from Arab firms located in Saudi Arabia canceling contracts with American Jewish businesses because of a directive promulgated by the Saudi Arabian Chamber of Commerce, but unquestionably inspired by the Saudi Arabian Government, instructing Saudi Arabian firms to discontinue all relations with businesses abroad owned or controlled by Jews or that employ Jews. These letters state that any contract negotiated in violation of this directive will be subject to summary cancellation, and that any merchandise imported into Saudi Arabia from firms employing Jews abroad will run the risk of confiscation. The Saudi Arabian Government evidently requires its domestic import companies to obtain affirmative and positive assurances that their business associates abroad are free of all Jewish connections.

The claim has been adduced by representatives of the State Department among others that this boycott is not by any official agency in Saudi Arabia but only by private individuals. This contention must be weighed against the undisputed fact that Saudi Arabia is an absolute despotism without any semblance of representative government. It is unthinkable that any influential agency in that country could issue policy directives without the prior knoweldge and approval of reponsible officials. Moreover, no body other than the Government itself would possess authority to confiscate incoming shipments. The Government of Saudi Arabia has plenary authority to impose conditions on international transactions and it must be concluded that, despite the nominal denials glibly issued by their spokesmen and consular representatives in the United States, Saudi Arabian Government officials themselves have stipulated and directed the anti-Jewish restrictions now invoked.

The nature of the discrimination is clearly reflected in the following excerpts from letters in our files received by American firms owned by Jews from their Saudi Arabian customers. The names of the recipients and senders of these letters are not here disclosed in order not to disturb other commercial relations these firms may have. Photostatic copies of the letters, however, are in American Jewish Congress' possession.

January 3, 1952:

"We very much regret to inform you that our Government has duly published a notice announcing that any importers of Saudi-Arabia must not be permitted to import the goods, any kind of goods, from any Jewish firms of the world.

"Further, they have listed your name as being your firm is Jewish firm, as these steps are taken suddenly against you, we are obliged to cable you to stop the shipments of our orders, until we write you.

"However, we are obliged to ask you to let us have full particulars as to what faith your firm is belong, to Jewish or Christian? And until we have full particulars from you we are obliged to stop our business with you."

October 1, 1953: "In connection with our request for not effecting the shipment of our order by any steamer which belongs to any Jewish steamship company. This is in compliance of our Goverment's regulation announced recently, further this ordinance warns that any shipment by such steamers will not be allowed to enter Saudi Arabia."

September 7, 1953: "We have also to inform you that you are well aware we are quite prohibited to import any goods manufactured in any Jew factories. Now our Government has issued a new regulation warning all the importers that no goods may be brought by the steamers belonging to Jew Steamship Co. You are kindly requested to take this matter into consideration in order to avoid any sort of trouble arising by doing so."

September 22, 1953: "We hope that you have not shipped our order by now. We append the text of notification from our local government, for your kind information and perusal. Merchant or merchants established in Saudi Arabia intended to import goods from foreign countries should know that it is forbidden to deal with a Jewish company or with a company whose any of its workmen is Jewish or has branch in Israel, and if a merchant intended to deal with a company and knows that the same company is not Jewish, should also be asked to submit a letter of certificate issued by the chamber of commerce certifying that neither of its workmen is Jewish nor has branch in Israel. Therefore, we will request you to furnish us with a certificate issued by your local chamber of commerce to that effect."

November 27, 1955: "We refer to your letter dated March 8, 1955, addressed to our associates _____ from which we gather that you are desirous to establish business relations in Saudi Arabia.

"It may also be noted that according to Saudi Arabian Government's regulation all invoices for the goods supplied, must be legalized by Saudi Legation of your side. We are strictly prohibited to deal with Jew firms and therefore it will be appreciated if you can furnish us with a certificate duly legalized by the Saudi Legation stating that your firm is not Jews firm, otherwise we regret we shall not be able to enter into business with you."

January 7, 1956: "With reference to your letter No. IW:ek of the November 21, 1955, we have to inform you that you will have to get the original certificate attested and certified by the Saudi Arabian consulate in your country to the effect that firm which exports the machine is not a Jewish firm, without which we cannot have dealings with your firm."

One of the recipients of the letters quoted regularly exports wheat, flour, rice, and textiles to Saudi Arabia and prior to the boycott his business in that country amounted to about $2 million a year. No U.S. export license is required for shipment of these materials but under the terms of the International Wheat Agreement to which both the United States and Saudi Arabia are subject, the United States pays 70 cents for each bushel of wheat shipped as a subsidy to American exporters. The effect of this boycott therefore is that the U.S. Government may make grants to non-Jewish firms shipping wheat to Saudi Arabia, but because of American submission to Arab demands Jewish firms are excluded from comparable benefits.

The discontinuance of contracts by Saudi Arabia importers reflects not only an effort on the part of the Saudi Arabian Government to regulate the conditions of its internal economy, but to reach out far beyond its own borders to boycott what it regards as Jewish enterprise. American Jewish businessmen are flatly excluded from competition for a large segment of international trade. Certainly to the extent that funds used to subsidize this trade derive from taxpayments and other contributions on the part of all the people of this country, it would appear intolerable for any American national to be barred from participation because of religious considerations.

B. Boycotts by other Arab countries

Although the boycott carried out by Saudi Arabia has received the greatest attention in this country there are clear indications that other members of the Arab League have carried on an identical policy of barring Jews from international trade. The following excerpts from a letter to the chairman of the board of directors of Verkoopkantoor Van der Heem N.V., The Hague, Holland, on November 13, 1955 indicates the firm intention of all members of the Arab League to make the boycott of Jews universal:

"As you are aware the Arab countries are in a state of war with Israel and for this reason we are making an economical siege around that Israel. This siege is administered by a special control and investigation office with members of all the Arab States.

"An officer in said office visited us today and requested that following information be supplied about your company:

* * * * *

"5. Do you have any Jewish employees in your company, if yes, how many and what are the positions held by them?

"6. Are there any Jews in your board of directors as members?

"7. Is any of your managers or branch managers a Jew, if yes, please give name of the department headed by such a man.

"8. Is any of the persons authorized to sign on behalf of your company a Jew?

"9. What is the number of Jewish laborers in your factories and offices."

In a letter quoted below from Assistant Secretary of State in 1953, the State Department acknowledged that there has been from time to time a blacklisting of American Jewish firms by the Lebanese Government." American newspapers report similar experiences by American Jewish businesses throughout the world in dealing with member states of the Arab League (New York Herald Tribune, Feb. 12, 1956). The boycott now suffered by American Jewish firms is a vital part of the international plan of the Arab League to deny Jewish businesses access to principal markets.

C. The reluctant State Department

This matter was first brought to the attention of the State Department in 1952 when reports of this practice were first received by the American Jewish Congress. The issue presumably was satisfactorily concluded, in May 1952 when in a letter to Senator Lehman, Jack K. McFall, Assistant Secretary of the Department of State, declared that the racial and religious restrictions imposed on international dealings by the Saudi Arabian Government had been discontinued effective April of that year:

"I refer again to your note of January 30, 1952, and my reply of February 6 regarding Saudi Arabian trade discrimination against Jewish firms in the United States. As you know, this action and its possible repercussions in this country were matters of real concern to this Department. The delicacy of the problem in Saudi Arabia recommended an informal approach rather than official representations to that Government as best designed to meet with success in causing the discontinuance of that discriminatory practice.

"Several frank but friendly discussions were held with the Saudi Arabian Embassy in Washington and by our Ambassador in Saudi Arabia with appropriate high authorities there. I am now happy to be able to report to you that these efforts have been successful and the broad restrictive Saudi Arabian decree has been superseded as of April 4, 1952."

Regrettably, however, as is evident from the letters quoted earlier, the boycott of Jewish firms has not, in fact, been stopped and continues even to the present month without any lessening of its force.

(1) The Claim of Private Boycott

Repeated efforts have been made to persuade the State Department to assert its influence to cause an effective discontinuance of this economic boycott of American Jews. In a letter to Senator Lehman on December 15, 1953, the then Assistant Secretary of State, Thruston B. Morton, declared:

"As I informed you in my letter of May 15 last, the Department at that time sought an appropriate occasion to reassert the United States feeling toward the boycott. This presented itself in July, when a report was received from our Embassy in Beirut that there were indications that the Lebanese Government contemplated blacklisting American firms dealing with Israel. The Department promptly took this occasion to instruct the Embassy, and to inform our other Embassies in the area, that if such action were taken it should state in positive terms to the Government of Lebanon that the U.S. Government was seriously concerned, and that the blacklisting action was unwarranted. Specific points upon which the Department based this position were transmitted to the Embassy for use if the occasion arose, and these points were also relayed to the other Embassies for guidance if they were confronted with a similar situation.

"Insofar as the Department has been informed up to this time, the action reportedly contemplated by the Lebanese Government has not been taken. In fact, the Embassy recently took steps to obtain an import permit for an American consignment in transit to Jordan, which had been refused some time ago by the Lebanese Government, and was successful in obtaining it. We are currently taking steps to remove from a blacklist three American tankers refused permission to enter a Saudi Arabian port."

"One of the cases cited in your letter had been previously brought to our attention and sent to our Embassy in Saudi Arabia for its report. The other case which you cite has now also been referred to the Embassy. The type of discrimination implicit in these cases is indeed serious. The Department hopes that these instances are in the nature of sporadic, out-of-bounds actions based on excessive zeal or misunderstanding on the part of certain individuals rather than an indication of fundamental intensification of boycott practice by the Saudi Arabian Government. This hope is supported by the report which we have just received from the Embassy on the first of the two cases reported to it. The Embassy states that it can find no decree of the Saudi Arabian Government barring imports from Jewish firms but is investigating the possibility that a local sheikh or other official may have issued an order effective only in his area. A leading figure of the Arab League has also recently indicated to an officer of the Department that discrimination of the type exemplified in the cases under reference is not to his knowledge contemplated nor supported by the League."

A letter similar in import was sent to Dr. Nehemiah Robinson, Director of the Institute of Jewish Affairs of the World Jewish Congress, on December 30, 1953, by Merrill C. Fay, Officer in Charge, Economic Affairs, Office of Near Eastern Affairs of the Department of State. Mr. Fay's letter declared:

"A report has now been received from the American Embassy in Jidda, Saudi Arabia, in response to the Department's inquiry whether a decree has been issued by that Government prohibiting merchants from trading with Jewish-owned firms in the United States.

"The Embassy reports that Decree No. 3/4/2179 of April 4, 1952, forbids the importation of 'Israeli products or the products of foreign companies with branches in Israel.' Order No. 11299 of August 26, 1953 (16/12/1372) prohibits this importation of goods on 'Israeli ships or through Israeli navigation companies or on foreign ships which may anchor, during the trips to Arab countries, in Israeli ports.'

"The Embassy reports further that no official action has been taken by the Saudi Arabian Government against trade with Jewish firms who do not have branches in Israel or engage in trade with Israel through Israeli shipping companies. It would therefore appear that the documentation requirement mentioned in your letter has no official status.

"The Embassy speculates that some Saudi Arabian importers entertain apparently groundless fears that their goods might be confiscated, under one of the foregoing regulations, if the supplying firm bore a Jewish name, may have written to their American connections that a certificate by the local chamber of commerce should accompany their shipments. There is nothing that the Department can do, unfortunately, to cause them to desist from such a practice which does not appear to accord with their government's regulations.

"You may rest assured, however, that this situation is being kept under constant study by the Department, and that all appropriate steps will be taken to protect the interests of American exporters."

It has already been suggested that the use of private fronts to conceal official governmental boycott of American Jewish firms is an obvious dodge, one designed to permit Arab countries to engage in anti-Semitic discrimination against American citizens while pleading innocent of any implications in these acts. The insistence by Arab exporters upon a certificate of non-Jewish ownership is too regular and consistent to be attributable only to excessive zeal on the part of some local sheikh. It would be naive to suppose that such a widespread pattern of conduct could be sustained without the approval and participation of Government agencies.

Occasionally, the mask his slipped. Recent newspaper accounts indicate that Arab diplomatic officers in this country have admitted government sponsorship of the discriminatory boycott. The New York Mirror, December 29, 1955, reported the existence of a Saudi Arabian blacklist of Jewish firms and declared:

"At the Saudi Arabian consulate in the Chrysler Building, a trade attaché admitted that American firms either owned or headed

by Americans of the Jewish faith cannot do business with the Arab country."

Similarly, a report in the same newspaper on December 30, 1955, announced State Department disapproval of the exclusion of Jewish firms from this area of international trade and observed:

"An official of the Saudi Arabian consulate in New York declined to confirm the report, but said that Saudi Arabian firms would 'naturally be reluctant to deal' with American businesses owned by Jews."

(2) The Boycott Becomes Official

Moreover, evidence has come into the possession of the American Jewish Congress unmistakably establishing overt conduct, not on the part of private individuals, but by authorized representatives of the Saudi Arabian Government to promote, create, and maintain a boycott of American-Jewish business firms. American-Jewish exporters have separately filed affidavits with the American-Jewish Congress declaring that the Saudi Arabian consulate in New York City has refused to legalize commercial invoices they have submitted for approval on the grounds that they are "undesirable" concerns. And each of them has attested that he cannnot account for this classification except for the intensive questioning that he or his representatives have recently undergone by members of the consulate staff as to the fact of their Jewish ownership or as to their employment of Jewish personnel. Even the messengers employed by these firms merely to deliver and hand over papers have been interrogated about their religious affiliation. Under the existing custom of international trade the legalization of commercial invoices frequently is a prerequisite to the fulfillment of contractual obligations between American shippers and Arab purchasers. It will be noticed that in the letters quoted above demanding a certification of non-Jewish ownership, several Arab firms have referred to the fact that "according to Saudi Arabian Government regulations all invoices for the goods supplied must be legalized by the Saudi delegation of your side." A refusal by the Saudi Arabian Government, therefore, to validate these instruments precludes any possibility of maintaining commercial dealings by American-Jewish exporters with their Arab customers.

None of the exporters affected by this ruling until this time had had any difficulty or disagreement with the Arab consulate in New York or with their Arab customers. Despite the generally understood disapproval by the Saudi Arabian Government of commercial transactions carried on by its nationals and foreign Jewish businesses, many of these exporters with the cooperation and help of Arab purchasers had been able to work out devices to avoid official intervention in their transactions. However, the boycott now imposed by Arab Government officials flatly precludes any possibility of negotiation or cooperation on the part of private individuals of either country to carry out contracts for trade. It is precisely because this ban is conducted under the auspices of the Arabian governments themselves and not as a result of private individual decision that these American citizens are barred. It is no longer possible to attempt to evade this problem by lightly passing it off as a result of individual misreading of official regulations. This anti-Jewish discrimination stands clearly disclosed as the direct result of official governmental decision and decree.

Moreover, it is indisputable that our own Government by now must be aware that the current Saudi Arabian boycott of Jewish firms is, in fact, an official undertaking and an expression of anti-Semitic prejudice by the Saudi Arabian Government itself, and not merely a succession of sporadic, private acts. The following item appearing on page 7 of the Foreign Commerce Weekly of March 5, 1956, published in Washington by the U.S. Department of Commerce establishes that the Department of Commerce, if not the State Department, is fully apprised of the facts:

"Saudi Arabia intends to boycott all Jewish or Jewish-directed firms from trading with that country, according to information received by the Bureau of Foreign Commerce.

"This new policy greatly extends the provisions of the existing boycott against firms having branches, assembly plants, or general agents in Israel, as well as firms having shares in Israeli companies.

"Implementation of the new policy normally will be accomplished by Saudi Arabian consulates, who are responsible for legalization of commercial invoices and certificates of origin."

Similarly, the minutes of the monthly round table conference of the Foreign Credit Interchange Bureau of March 7, 1956, discloses that Mr. Milton Blecher, business analyst of the New York field office of the U.S. Department of Commerce, was among the discussants at the conference and that the following comments on the Saudi Arabian boycott were made:

Chairman (question): "Customers in Saudi Arabia have advised that a certificate is required by the Saudi Arabian authorities as to the Jewish or Christian status of the firm for which a letter of credit is to be opened. Such a certificate is to be verified or visaed by the Saudi Arabian consul in New York. Lack of this certificate, or a certificate indicating that the supplier firm is 'Jewish' would make it imposible to conclude the sale. It is not clear just what is meant by a 'Jewish firm' nor can we comply with such a request without protesting the implication. Has there been any action by the Department of Commerce or by the FCIB to make the impertinence of this requirement known to the Saudi-Arabian authorities?"

Mr. Milton Blecher (U.S. Department of Commerce): "Saudi Arabia intends to boycott all Jewish or Jewish-directed firms from trading with that country, according to information received by the Bureau of Foreign Commerce, U.S. Department of Commerce.

"This new policy greatly extends the provisions of the existing boycott against firms having branches, assembly plants, or general agents in Israel, as well as firms having shares in Israeli companies.

"Implementation of the new policy normally will be accomplished by Saudi Arabian consulates, who are responsible for legalization of commercial invoices and certificates of origin."

Chairman: "I think Mr. Blecher in his comments also answered question No. 2."

Question: "Several stories have appeared recently in the press regarding a trading boycott by Saudi Arabia against certain American firms. Can you develop this further at the round table?"

Member: "One part of the discussion has not been clarified. Is this something being considered or are their firms now shipping to Saudi Arabia and having any difficulty?"

Panel member: "I just heard of one case where the consulate in Beirut refused to clear the trans-shipment documents."

Member: "Within the last month we received a letter of credit from Saudi Arabia and there was absolutely no question."

Panel member: "I think there is a private clearance going on here by the consulate and they have certain information on certain firms on the strength of which they act."

Member: "We have made several shipments and all that has been required of us has been certificate of origin and that would be legalized by the Saudi Arabian consulate."

Member: "What would be considered a Jewish corporation?"

Chairman: "Can anybody answer that?"

Panel member: "As far as I know if any member of the firm or part-owner of the firm is of the Jewish faith they will not allow the goods in."

The Department of Commerce is thus aware of the facts. Foreign credit men working in this country are aware of the facts. Virtually the only interested party not aware of the facts is our State Department.

In the one precedent in our history for this withholding of consular approval of commercial documents submitted by American Jewish firms, the then Acting Secretary of State, Alvey A. Adee, in 1895 found this practice to be an "unjust and invidious discrimination against American Jews."

"But the Russian discrimination against American Jews is not confined simply to the matter of visaing passports. This department was informed a few years since by the Russian Minister here that Russian consuls in this country would refuse authentication to legal documents for use in Russia when Jews are ascertained to be interested. This is an unjust and invidious discrimination against American Jews." ("Foreign Relations," 1895, p. 1067.)

Acting Secretary Adee called for immediate cessation of these practices and the adoption of preventive measures by this country. It is to be expected that now that all pretense has been dropped and the actual involvement of Government officials in the current anti-Jewish boycott is a matter of full public disclosure and information, our State Department officials will similarly be disposed to demand an immediate stop to this intolerable behavior by Arab diplomats in this country.

It is also significant that none of these exporters maintains any branches or transacts any business with the Government of Israel or with any Israeli firms. The allegation that only firms with Israeli branches or connections are excluded from Arab trade is a transparent artifice employed by the Arab League to conceal its intention to boycott Jewish firms wherever situated, as is indicated in the remarks of Mr. Blecher of the U.S. Department of Commerce quoted earlier. It cannot be mere accident that so many individual Arab exporters should have felt constrained to interpret nominally anti-Israel regulations as, in fact, directed against any foreign Jewish enterprise. The merits of Arab hostility to Israel may be debated by other disinterested nations but this hostility cannot in any way be made to justify the current campaign of universal anti-Semitism.

It is worth noting that in some countries, notably Italy and Holland, commercial organizations and Government authorities have denounced this Arab policy and have refused to cooperate with it. The Central Organization for Foreign Economic Relations at The Hague has recently advised the Netherlands branch of the International Chamber of Commerce that Dutch members should not supply information relating to the number of Jewish executives and employees employed in Dutch export houses as demanded by various Arab importers. It is also disclosed that: "The Belgian Foreign Ministry is reported to have told the Antwerp association that it is giving sympathetic consideration to the request for international action on the issue." (New York Herald Tribune, Feb. 12, 1956.)

(3) The "Informal Approach" of the State Department

No less should be expected of our own Government. Previous State Department demurrers on the ground that the Arab States have the sovereign right to regulate their commerce and their mode of international dealing are not a sufficient reply to the deprivation of rights suffered by American citizens. The operative facts here do not run to any country's sovereignty, but rather to our own country's policy of permitting

an affront to a section of American citizenry to go unanswered.

Moreover, the State Department surely has a responsibility to reaffirm and continually press, through every possible international forum, its wholehearted opposition to this practice. As Senator Lehman wrote Secretary Dulles on January 25:

"Would you not agree that our Government has an obligation to its citizens, and its own ideals, to let the Government of Saudi Arabia know, not only on one occasion, but on repeated occasions, that we view with utmost distaste this policy of anti-Semitic discrimination?"

It has been already noted that the State Department at one time felt that its intercession had successfully resulted in ending the then concededly official Arab boycott against American Jewish citizens. Recent events obviously disprove this claim. Part of the reason for our Government's notable lack of ability to bring this practice to a decisive end may be found in the hesitant and uncertain attitude of the State Department itself. It will be remembered from Mr. McFall's letter quoted earlier that the State Department was apprehensive about possible repercussion at least as much as it was agitated about the admitted fact of discrimination. Mr. McFall's language is suggestive of the State Department's thinking: "The delicacy of the problem in Saudi Arabia recommended an informal approach rather than official representations to that Government." And the State Department's notion of what needed to be done culminated in holding "frank but friendly discussions."

It is high time the State Department steeled itself to the realization that informal approaches and friendly discussions, however frank, are not enough to drive home the proposition that this Government will not stand for further religious discrimination against its citizens. The fact that the agreement not to boycott did not stick must be attributed to the willingness of our representatives to pussyfoot and equivocate and to act out of fear of loss of advantage rather than out of strength deriving from conviction. Further representations can and ought to be made, but they must be made in firm language and in a formal context that makes it plain that we do not intend to be bought off; that, in short, we are determined with all the vigor and influence we can bring to bear to protect all our citizens alike. It should be made plain that no treaty or trade agreement will be negotiated or maintained between the Arab countries and the United States unless it is expressly understood that all American citizens shall have full and equal right to participate in the trade thus made possible, without regard to religious affiliation. The prestige and influence of the United States is not so inconsiderable that the Arab countries could easily remain recalcitrant and unyielding in the face of a clear and determined expression of policy by this country.

Mr. MORSE. Mr. President, I have had a check made into the precedents cited in this pamphlet. I find the citations are accurate and the interpretation of the precedents to be objective and fair. But there are several paragraphs in the precedents to which I should like to call attention. The first one reads:

American diplomats have never been diffident in denouncing religious discrimination against any American nationals who travel abroad. Under the act of July 27, 1868 (15 Stat. 244), the President of the United States and the Department of State are required to take immediate action whenever the rights of any American citizen are violated or threatened by a foreign state. This right of protection admits of no religious limitation. As stated by Secretary of State Lewis Cass, the object of our foreign policy is "not merely to protect a Catholic in a Protestant country, a Protestant in a Catholic country, a Jew in a Christian country, but an American in all countries." (Quoted in J. B. Moore, "American Diplomacy" (1905), at p. 135.)

This diplomatic principle derives from the recognition by those charged with determining and administering our foreign policy that the defense of religious liberty is an inseparable aspect of all American undertakings.

Then the booklet quotes from a great diplomatic note of 1885 written by our then Secretary of State Bayard, in which he was protesting Austro-Hungarian anti-Semitism. Our Secretary of State's note of that day reads:

Religious liberty is the chief cornerstone of the American system of government, and provisions for its security are imbedded in the written charter and interwoven in the moral fabric of its laws.

Anything that tends to invade a right so essential and sacred must be carefully guarded against, and I am satisfied that my countrymen, ever mindful of the sufferings and sacrifices necessary to obtain it, will never consent to its impairment for any reason or under any pretext whatsoever.

It is not believed by the President that a doctrine and practice so destructive of religious liberty and freedom of conscience, so devoid of catholicity, and so opposed to the spirit of the age in which we live, can for a moment be accepted by the great family of civilized nations or be allowed to control their diplomatic intercourse.

Certain it is, it will never, in my belief, be accepted by the people of the United States, nor by any administration which represents their sentiments.

That is a statement of 1885. I ask the rhetorical question today: Was he right? Was Secretary of State Bayard, who made that great historic pronouncement in 1885, right when he said:

Certain it is, it will never, in my belief, be accepted by the people of the United States nor by any administration which represents their sentiments.

Can we say that in 1959, with the Senate not even passing a resolution protesting discrimination against Americans of a certain religious faith by a foreign power? Is Bayard's statement inapplicable today simply because we have an air base in Saudi Arabia, and simply because a powerful American corporation is taking millions of dollars of oil profits out of that country? I leave the question with the Senate.

Then, Mr. President, we have a line of precedents in our diplomatic history involving czarist Russia. The material I have placed in the RECORD discusses the Pinkos case of 1880, with regard to which the American Government took an adamant stand when czarist Russia sought to discriminate against an American citizen who was a Jew. In that incident, the following diplomatic note from the United States Government, through Mr. Foster, who was one of our Ministers of Foreign Affairs under instructions from the American Secretary of State, stated to the Russian Government:

The Secretary of State instructs me to state to your excellency that in the presence of the fact that an American citizen has been ordered to leave Russia on no other ground than that he is the professor of a particular creed or the holder of certain religious views, it becomes the duty of the Government of the United States, which impartially seeks to protect all of its citizens of whatever origin, or faith, solemnly, but with all respect to the Government of His Imperial Majesty, to protest. As this order of explusion is understood to apply to all foreign Jews, in certain cities or localities, at least, of Russia, it is, of course, apparent that the same is not directed specially against the government of which Mr. Pinkos is a citizen, and, indeed, the longstanding amity which has united the interests of Russia with those of the Government of the United States would of itself forbid a remote supposition that such might be the case. Notwithstanding this aspect of the matter, the United States could not fail to look upon the expulsion of one of its citizens from Russia, on the simple ground of his religious ideas or convictions, except as a grievance, akin to that which Russia would doubtless find in the expulsion of one of her own subjects from the United States, on the ground of his attachment to the faith of his fathers.

We recognized in 1880 that the type of discriminatory policy which is being followed by Saudi Arabia today was when practiced by Czarist Russia, a diplomatic grievance, and we treated it as a grievance and demanded redress.

I move on to 1908:

The American people were no less sensitive to these deprivations based upon religious affiliation. When diplomatic intercession alone failed to correct this anti-Semitic discrimination, the issue became one for general public notice and for more direct executive and legislative action. Indeed, it became a matter of such moment that in his speech of acceptance of the Republican nomination for the Presidency in 1908, William H. Taft noted that "in some countries * * * distinctions are made in respect to the treatment of our citizens traveling abroad and having passports of our executive, based on considerations which are repugnant to the principles of our Government and civilization." He committed his party and administration "to make every endeavor to secure the solution of such distinctions which in our eyes are both needless and opprobrious."

I read further:

On December 4, 1911, conclusively to dispose of this issue, Joint Resolution 166 was introduced in the House of Representatives by Representative, later Governor, William Sulzer, of New York. The text of the resolution declared:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the people of the United States assert as a fundamental principle that the rights of its citizens shall not be impaired at home or abroad because of race or religion; that the Government of the United States concluded its treaties for the equal protection of all classes of its citizens, without regard to race or religion, that the Government of the United States will not be a party to any treaty which discriminates, or which by one of the parties thereto is so construed as to discriminate between American citizens on the ground of race or religion; that the Government of Russia has violated the treaty between the United States and Russia, concluded at St. Petersburg, December 18, 1832, refusing to honor American passports duly issued to American citizens, on account of race and religion; that in the judgment of the Congress the said treaty, for the reason aforesaid, ought to be terminated at the earliest possible time; that for the aforesaid reasons the said treaty is hereby declared to be terminated and of no further force and effect from the expiration of one year after date of notification to the Government of

Russia of the terms of this resolution, and that to this end the President is hereby charged with the duty of communicating such notice to the Government of Russia."

Mr. President, the resolution is very interesting from many standpoints. But in view of the impression that is sought to be created in this country, namely, that foreign policy is for the President of the United States, and for him alone—a view for which there is no basis in legal fact—it is interesting to note that in 1911 the Congress saw fit, when acting under the advice and consent clause of the Constitution, to give the President some specific instructions.

I read further:

This resolution was adopted by a vote of 300 to 1 on December 13, 1911. On December 15, 1911, Mr. Sazanoff, then Russian Foreign Minister, was notified by Secretary of State Philander C. Knox that the United States had decided to abrogate the treaty of 1832.

Mr. President, in those days our country was not weak-kneed. In those days our country would not trade away our precious principles of freedom.

Mr. President, in those days our country would not yield to arguments of expediency. In those days our country did not place oil profits above the Constitution. We said to Russia, in effect, "You have the power to do what you are doing as a sovereign power; but we do not intend to maintain a commercial treaty with you."

I read further:

Although this was perhaps the most extensive action yet undertaken to protect the rights of American Jews from foreign anti-Semitism it met with immediate and widespread popular approval. Thus, the Republican National Convention of 1912 adopted a plank declaring:

"We approve the action taken by the President and Congress to secure with Russia, as with other countries, a treaty that will recognize the absolute right of expatriation, and that will prevent all discrimination of whatever kind between American citizens, whether native born or alien, and regardless of race, religion, or previous political allegiance. The right of asylum is a precious possession of the people of the United States, and it is to be neither surrendered nor restricted." ("American Jewish Year Book," 1913–14, p. 442.)

Almost identical planks were adopted the same year by the Democratic and Progressive Party conventions. The American people have consistently abjured any suggestion, whether by internal decree or foreign treaty, that there can be class distinctions among American citizens or that there are varying degrees of protection to which our citizens are entitled.

Then there was the famous Keiley precedent in 1885:

THE KEILEY PRECEDENT

In May, 1885, President Grover Cleveland appointed Mr. Anthony M. Keiley, of Virginia, Envoy Extraordinary and Minister Plenipotentiary of the United States at Vienna. The United States was informed however that Mr. Keiley would be unacceptable to the Austrian Government because "the position of a foreign envoy wedded to a Jewess by civil marriage would be untenable and even impossible in Vienna." ("Foreign Relations," 1885, p. 48.)

Secretary of State Bayard replied in unmistakable language:

"The supreme law of this land expressly declares that 'no religious test shall ever be required as a qualification to any office or public trust under the United States,' and by the same authority it is declared that 'Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.'

* * * * *

"It is not within the power of the President nor of the Congress, nor of any judicial tribunal in the United States, to take or even hear testimony, or in any mode to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign Government is necessarily and a fortiori inadmissible.

"To suffer an infraction of this essential principle would lead to a disfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our constitution of Government was intended to secure.

* * * * *

"The case we are now considering is that of an envoy of the United States, unquestionably fitted, morally and intellectually, and who has been duly accredited to a friendly Government, toward which he is thoroughly well affected; who, in accordance with the laws of this country, has long since contracted and has maintained an honorable marriage, and whose presence near the foreign Government in question is objected to by its agents on the sole ground that his wedded wife is alleged to entertain a religious faith which is held by very many of the most honored and valued citizens of the United States.

"It is not believed by the President that a doctrine and practice so destructive of religious liberty and freedom of conscience, so devoid of catholicity, and so opposed to the spirit of the age in which we live can for a moment be accepted by the great family of civilized nations or be allowed to control their diplomatic intercourse.

"Certain it is, it will never, in my belief, be accepted by the people of the United States, nor by any administration which represents their sentiments." ("Foreign Relations," 1885, p. 48.)

The Austrian Government thereupon changed the ground of its opposition to a supposed "want of political tact evinced on his (Mr. Keiley's) part on a former occasion, in consequence of which a friendly power declined to receive him; and upon the certainty that his domestic relations preclude that reception of him by Vienna society, which we judge desirable for the representatives of the United States with which power we wish to continue the friendly relations existing between the two Governments." ("Foreign Relations," 1885, p. 55.)

This country, however, was not deceived by these representations and refused to appoint an envoy in Mr. Keiley's stead. The position of this Government was that the acts of Austria and her ministers in this case would require this country to agree to permit Austria to reserve for herself the right to prescribe a religious test for office in the United States and that this could never be found acceptable by the people of this country. In his annual message to Congress, December 8, 1885, President Cleveland reviewed the entire case:

"Question has arisen with the Government of Austria-Hungary touching the representation of the United States at Vienna. Having, under my constitutional prerogative, appointed an estimable citizen of unimpeachable probity and competence as minister at that court, the Government of Austria-Hungary invited this Government to take cognizance of certain exceptions, based upon allegations against the personal acceptability of Mr. Keiley, the appointed envoy, asking that in view thereof, the appointment should be withdrawn. The reasons advanced were such as could not be acquiesced in without violation of my oath of office and the precepts of the Constitution, since they necessarily involved a limitation in favor of a foreign government upon the right of selection by the Executive, and required such an application of a religious test as a qualification for office under the United States as would have resulted in the practical disfranchisement of a large class of our citizens and the abandonment of a vital principle in our Government. The Austro-Hungarian Government finally decided not to receive Mr. Keiley as the envoy of the United States, and that gentleman has since resigned his commission, leaving the post vacant. I have made no new nomination, and the interests of this Government in Vienna are now in the care of the secretaray of legation, acting as chargé d'affaires ad interim." ("Foreign Relations," 1885, p. iv.)

Mr. President, what happened? Our country refused to fill the post; we let it remain vacant, rather than yield to that attempt at diplomatic blackmail by the Austrian Government of that day.

Mr. President, I know it is now so easy, with the forces of propaganda at work in this country, to scare the American people into believing that if our country does not yield to such kinds of discriminatory practice, the Russians might "get us." I realize that it is very difficult to get people to approach such a problem intellectually. But it goes to a very important abstract principle of freedom. I am sure that if the American people knew the facts about the Dhahran Airbase, if they knew that even the argument of expediency and diplomatic opportunism that is advanced in support of turning our eyes away from this ugly fact of discrimination is not based on fact, they would insist that this administration return to the courage of William Howard Taft and Grover Cleveland.

Mr. President, I said the other day, and I now repeat, that I am satisfied that even on the basis of the argument of expediency, no case can be made for our retention of this base in Saudi Arabia. We have Russia fairly well encircled with our other bases; and that base was established in Saudi Arabia when our bombers had much shorter ranges than they have today. I am not advancing that point as an argument for ever justifying toleration of such an un-American principle in American diplomacy. I am simply presenting these facts, to show that even the argument of expediency and opportunism falls flat when confronted with the facts of military need.

Mr. President, many Americans are not aware of the procedures that are followed by the officials of Saudi Arabia in putting into practice their discrimination against American Jews. The record shows they examine our crews; they check our crew lists and our Army lists; they raise questions if any name sounds as though it might be Jewish. We even have information they raise questions if some of our personnel happen to look Jewish.

Mr. President, every time they do that, Americans ought to shudder with shame that we permit that kind of a trespass upon American religious freedom. I have learned, Mr. President, after 15 years as an old teacher, sometimes a lesson has to be covered a good many

times before the students really grasp its impact. I intend to make this record several times before we vote on this matter so that no one can say, "I did not know what MORSE's amendment was all about." They will know next time, Mr. President.

Teddy Roosevelt had something to say about the problem of discrimination as it relates to some of our domestic policies, and I ask unanimous consent that there be incorporated in the RECORD at this point some excerpts from the 1926 edition of the "Autobiography of Theodore Roosevelt," volume XX, page 192.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

While I was police commissioner an anti-Semitic preacher from Berlin, Rector Ahlwardt, came over to New York to preach a crusade against the Jews. Many of the New York Jews were much excited and asked me to prevent him from speaking and not to give him police protection. This, I told them, was impossible; and if possible would have been undesirable because it would have made him a martyr. The proper thing to do was to make him ridiculous. Accordingly I detailed for his protection a Jew sergeant and a score or two of Jew policemen. He made his harangue against the Jews under the active protection of some 40 policemen, every one of them a Jew. It was the most effective possible answer; and incidentally it was an object lesson to our people, whose greatest need it is to learn that there must be no division by class hatred, whether this hatred be that of creed against creed, nationality against nationality, section against section, or men of one social or industrial condition against men of another social and industrial condition. We must ever judge each individual on his own conduct and merits, and not on his membership in any class, whether that class be based on theological, social, or industrial considerations.

Mr. MORSE. Mr. President, here was another great President that had the courage and the historic foresight to see the importance of not compromising first-class citizenship in the United States. I sincerely hope, as I close, Mr. President, that, upon reflection, the Senate of the United States will make perfectly clear to this administration that we would rather have this Government get out of Saudi Arabia than to have the flag of the United States continue to be desecrated in Saudi Arabia.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATION RELATING TO PROFESSIONAL TEAM SPORTS

Mr. KEATING. Mr. President, the announcement this week that the Antitrust Subcommittee of the Senate Judiciary Committee will hold hearings later this month on various bills relating to professional team sports is extremely gratifying. I am delighted the Senator from Tennessee [Mr. KEFAUVER] is providing this opportunity to bring order out of the potential chaos which threatens professional baseball, football, basketball, and hockey.

However, the players, owners, and, most particularly, the fans of these sports should be on their guard as these hearings approach. The lovers of these great games should be reminded that these hearings can provide a vehicle for baseball and other sports baiters to take out once again after these great pastimes.

Now is the time for all lovers of these sports to join hands and rally around the flag in their defense. Otherwise, the antitrust zealots and those who would inject the Federal Government into the operations of free enterprise sports undertaking could rule the day.

The Antitrust Subcommittee will have two major proposals before it. One, sponsored by the Senator from Tennessee [Mr. KEFAUVER], is a substantial improvement over those authored in the past by the enemies of baseball and other sports. In his measure, the Senator from Tennessee has recognized the unique nature of competitive team sports. He has drafted a proposal which is consistent with our Nation's basic antitrust philosophy.

Unfortunately, the bill of the Senator from Tennessee aims to intrude unduly the long arm of Uncle Sam into the activities of professional baseball, football, basketball, and hockey. He proposes to interfere too much with the free and open competitive practices of these sports by placing too great an emphasis on Federal regulation of them.

The philosophy of my friend from Tennessee is expressed in provisions to specify the number of players a major league baseball team can have under contract, to require advance consent of players in order to include them in draft or farm systems, and other sections which, though entirely worthy in their objectives, would completely upset the sound and reasonable free enterprise methods under which these sports have prospered.

On the other hand, the proposal I have joined in cosponsoring with the Senators from Missouri and Illinois [Mr. HENNINGS and DIRKSEN], S. 616, seeks to deal with the antitrust status of our team sports in a way which will promote the public interest in honest and competitive activity, without forcing upon these games the crushing weight of Federal rules and regulations. It is expressly drafted to clarify the relation of these sports to the antitrust laws, but seeks to keep the nose of the Government out of the sports business as much as possible.

S. 616 enunciates a fact which I feel the evidence presented to me in 8 years of study has proved to be essential, namely, that in any such legislation a distinction must be made between the business and playing aspects of each sport.

Our proposal thus specifically exempts from the antitrusts laws sports practices relating to the equalization of playing strengths, the employment, selection, or eligibility of players, and the reservation, selection or assignment of player contracts. It recognizes the rights of sports organizations to operate within specified geographic areas without coming under antitrust regulation.

In addition, S. 616 seeks to spell out for the minor leagues the protection they so desperately need from television and radio broadcasts of major league clubs.

Our proposal would place squarely under the antimonopoly statutes the commercial activities of professional sports. These would include such aspects as the sale and rental of stadiums, the operation of concessions, and other purely business activities.

Finally, S. 616 sanctions and protects the important right of players to join together to protect their mutual interests through player associations. This provision would permit the continued expansion in influence and prestige of the various players' associations which have made possible great benefits for the competitors in our team sports.

Mr. President, my study of the points of view represented by the Kefauver proposal and that which the Senator from Missouri [Mr. HENNINGS], the Senator from Illinois [Mr. DIRKSEN], and I have espoused convinces me that ours is the sounder, wiser approach. I feel the middle-of-the-road philosophy of S. 616 will serve the best interests of the sports themselves, the players involved, and most importantly, the millions of sports fans of America. It will guarantee uniform treatment under the law and protection from unwarranted legal harassment. It will permit the continued growth and expansion of our great team sports in the finest American traditions.

Let there be no question about my position: I do not subscribe to the view of those who seek to find fault with the operation of our national sports. I do not feel that by clamping the heavy hand of Uncle Sam on these games all will be well.

As a matter of fact, it strikes me that if the Kefauver bill were to be enacted, it could sound the death knell for efforts to form a third major league in baseball. The undue litigation in which baseball clubs would have to engage, and the constant harassment to which the sport would be subjected, could so divert attention that a new major league could never come into being.

I am confident the day is not far off when we will have a third major league. But I feel it cannot become a reality unless Congress deals fairly and squarely and reasonably with the status of baseball under the antitrust statutes.

It is, therefore, my conclusion that unless a measure similar to S. 616 is enacted—I do not stress the importance of taking the precise language of S. 616, but I refer to a measure with that philosophy—the cause of expanding major league baseball to all sections of the country will be irreparably delayed. The chances for the establishment of one and perhaps two new clubs in the New York City area could be crushed by the passage of restrictive sports legislation. New York City deserves and can support at least one, if not two, new big league clubs, and I applaud the vigorous efforts

being made in that direction. I would hate to see the progress which has already been wiped out by shortsighted congressional action which would divert the energies of baseball from this most worthy task.

Mr. President, Congress has gathered voluminous evidence on the relation of sports to the antimonopoly laws. Extensive hearings have been held. I am confident the already strong record indicating the need for enactment of legislation similar to S. 616 will be strengthened by the hearings to be held later this month.

It is my hope that at the conclusion of these hearings the whole Congress will have an opportunity to work its will on the fate of professional team sports. For I am confident the Senate and the House will enact legislation along the middle-of-the-road lines we have proposed. I am equally confident passage of such a bill will meet with the approval of the millions of Americans who know and love these sports.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. MUNDT. The Senator mentioned the desirability of having an additional baseball club represented in the New York City area. I can, of course, well appreciate how the great city of New York does not like to play second fiddle to the metropolis of the Middle West, Chicago, with its plethora of baseball clubs. I join the Senator in his desire that organized baseball may be extended more generously throughout the country.

I am particularly interested in the desire of the people in the Minneapolis-St. Paul area of Minnesota to have a big league baseball club. I should like to be helpful in any way I can to enable the folks of the Twin Cities and of the great general area of the Dakotas, Minnesota, and Montana to have accessibility to big league baseball, without depriving the National Capital of a baseball franchise, because it seems to me that a national sport which is not represented in Washington would pretty soon cease to be a national sport.

I am wondering whether it is the Senator's considered judgment that if legislation along the lines which he has been discussing should be enacted it would make it easier for an area such as the Minneapolis-St. Paul area to become a member of the big league baseball family.

Mr. KEATING. I think it would. I think, conversely, that if the approach suggested in the Kefauver bill were to be taken, rather than the approach suggested in the bill sponsored by the Senator from Missouri [Mr. HENNINGS], the Senator from Illinois [Mr. DIRKSEN], and myself, it might sound the death knell for any expansion or any third league. At least, it would hold back progress for many, many years.

I know of the great interest of the distinguished Senator from South Dakota in bringing big league baseball to the general area of the country which he has mentioned. I believe sincerely that the way to do this is by the middle-of-the-road approach which is embodied in our bill, which will not only hamper but will actually help the expansion of baseball.

Mr. MUNDT. I thank the Senator. While I think that the hazard of losing the baseball franchise in Washington, which was bruited about in the newspapers some time ago, has been decreased substantially since the era of Killebrew, Allison, Sievers, and Lemon, along with the generally improved baseball being played by the Senators' baseball club, I am sure the Senator shares with me the feeling that it would be a tragedy if the National Capital should by peradventure be deprived of the privilege of having the actual existence of a baseball club in Washington, D.C.

Mr. KEATING. I entirely share that view. I hope the time will never come when the National Capital will not have a big league baseball team. I think it would be very unfortunate, so long as baseball continues to be, as it certainly is today, our national sport. We should have representation in the city of Washington.

Mr. President, I yield the floor.

TAX LEGISLATION

Mr. MUNDT. Mr. President, I am pleased to note that the Senate Finance Committee has resumed the public hearing of testimony in connection with H.R. 10, the Keogh-Simpson bill, which makes certain adjustments in the Federal tax laws as they relate to contributions by self-employed individuals into voluntary retirement programs.

Modification of our tax statutes is long overdue, and enactment of this proposed legislation is necessary if Congress is to abide by one of the basic tenents of taxation in a free society, which demands that tax laws apply with equity and uniformity to all taxpayers. Currently the Federal tax statutes applying to retirement program contributions operate in a manner which is clearly discriminatory.

Currently the Internal Revenue Code of 1954, as amended, excludes from taxable income the contributions made by both private and public non-Federal employers into employee retirement programs for the benefit of the employee. Approximately 23 million employees are covered by such programs and thus receive the benefit of this tax relief.

However, the self-employed individual, the farmer, the small businessman, the barber, the lawyer, the doctor, the dentist, and many other professionals, who have no access to a company or public retirement program, are now being denied any deferment from taxation for funds they contribute into their individual retirement programs.

H.R. 10 is designed to eliminate this inequity of treatment. It would amend our tax statutes so as to provide uniform application in this important matter of preparing for old age and retirement. The self-employed individual is not asking for any special treatment—he is merely requesting that Congress accord him the same tax treatment being accorded his fellow taxpayer who is an employee. The self-employed individual is not asking to have someone else contribute to his retirement; he is perfectly willing to undertake this financial responsibility himself. He asks only that his contributions receive nondiscriminatory and equitable treatment under the provisions of the Internal Revenue Code, so that he is not doubly penalized because he is self-employed. This seems to me to be an eminently reasonable request, and I earnestly hope that H.R. 10 will be reported in the very near future and enacted by the Senate prior to the adjournment of this session.

ADJOURNMENT TO 10 A.M. TUESDAY

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 10 a.m. on Tuesday next.

The motion was agreed to; and (at 3 o'clock and 36 minutes p.m.), under the order previously entered, the Senate adjourned until Tuesday, July 21, 1959, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 17, 1959:

IN THE ARMY OF THE UNITED STATES

Maj. Gen. Robert Wesley Colglazier, Jr., O223635, Army of the United States (brigadier general, U.S. Army Reserve), to be lieutenant general.

CHIEF, NATIONAL GUARD BUREAU

Maj. Gen. Donald Wilson McGowan, O179512, a Reserve commissioned officer of the Army, member of the National Guard of the United States, to be Chief of the National Guard Bureau for a period of 4 years to date from date of acceptance under the provisions of title 10, United States Code, section 3015.

IN THE AIR FORCE

The following officers under the provisions of section 8962, title 10, of the United States Code to be placed on the retired list in the grade indicated:

Gen. Otto Paul Weyland, 63A (major general, Regular Air Force), U.S. Air Force, to be general.

Gen. Earle Everard Partridge 33A (major general, Regular Air Force), U.S. Air Force, to be general.

The following officers under the provisions of section 8066, title 10, of the United States Code to be assigned to positions of importance and responsibility designated by the President in the rank as follows:

Lt. Gen. Frederic Harrison Smith, Jr., 461A (major general, Regular Air Force), to be general.

Maj. Gen. James Elbert Briggs, 356A, Regular Air Force, to be lieutenant general.

The nominations of Robert A. Ackerly and 614 other officers, which were confirmed today, were received by the Senate on July 6, 1959, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Robert A. Ackerly, which is shown on page 12704, and ending with the name of Marcine E. Ruha appearing on page 12706.

IN THE NAVY AND IN THE MARINE CORPS

Having designated, under the provisions of title 10, United States Code, section 5231, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving.

Rear Adm. George W. Anderson, Jr., U.S. Navy, to be vice admiral.

Vice Adm. Alfred M. Pride, U.S. Navy, for appointment to the grade of vice admiral on

the retired list pursuant to title 10, United States Code, section 5233.

The following-named officers of the Naval Reserve for temporary promotion to the grade indicated:

TO BE REAR ADMIRALS

Line

Alvan Fisher
Herman Reich
Richard O. Patterson
John W. McElroy
Arthur A. de la Houssaye
Victor Hicks
John E. Harlin

Medical Corps

Joseph S. Barr
William L. Rogers
Francis J. Braceland
Robert A. Ross
Wendell G. Scott

Chaplain Corps

William E. Collins

Civil Engineer Corps

Edwin N. Blackwood

Dental Corps

William M. Burns

The following-named officers of the Marine Corps Reserve for temporary promotion to the grade indicated:

TO BE BRIGADIER GENERALS

Walter A. Churchill
Otto Lessing

The nominations of sundry officers for appointment in the Navy and in the Marine Corps, which were received by the Senate on June 22, 1959, beginning with the name of John J. McDonald, and ending with the name of Peter J. Vogel.

EXTENSIONS OF REMARKS

Chicago Water Diversion

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, July 17, 1959

Mr. WILEY. Mr. President, at the recent hearing in regard to Chicago water diversion, I was unable to be present. I prepared a short statement, and I have attached to it excerpts from proceedings in the House of Commons.

I have received a number of inquiries about this matter. In order to make this material available for distribution, I ask unanimous consent that my statement and the excerpts from the proceedings in the House of Commons be printed in the RECORD.

There being no objection, the statement and the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. ALEXANDER WILEY, ON CHICAGO WATER DIVERSION, H.R. 1 AND S. 308

Gentlemen of the committee, I am informed that on July 13 H.R. 1 and S. 308, relating to diversion of water at Chicago, will be considered by the Public Works Committee.

Unfortunately, I shall be unable to attend the opening day of the hearing because of a previous commitment in the State of Wisconsin.

As you know, these bills propose to authorize withdrawal of an additional 1,000 cubic feet of water per second from Lake Michigan.

The proposed legislation raises serious questions of domestic, international, and legal concern, which I believe deserves your attention.

DOMESTIC ISSUES

(1) These bills propose to divert water from one watershed to another, an action which would appear unwarranted and inequitable unless it is done by mutual agreement of all States concerned.

The Chicago district has diverted three rivers which used to flow into Lake Michigan. Besides that, it takes 3,200 additional cubic feet per second. Now, the district wants to take an additional 1,000 cubic feet. Ten years ago, the plant in Chicago operated efficiently. Since that time the district has loaded it with additional sewage and taken in additional territory so that the plant does not operate efficiently now.

(2) The proposed diversion would divert additional water from a body of water common to many States. If carried out, it threatens to damage rights of abutting property owners; port and harbor developments around the Great Lakes; traffic through the St. Lawrence Seaway; $500 million power project on the seaway; and other navigational interests around the Great Lakes.

(3) The additional diversion, which the Federal Government is asked to authorize, is not needed for navigational purposes, or for purposes of commerce—which purposes are the only constitutional basis for the Federal authority over streams and water. It is questionable, therefore, whether the Congress has authority to direct diversion for purposes completely removed from navigation and commerce.

(4) The underlying purpose of the increased diversion is to help the city of Chicago resolve its sanitation problems.

Chicago created this situation, and as the Supreme Court said in 1929, it is for them to remedy it. How can it be remedied? By improving its plant and doing what Milwaukee does—purify its sewage and return it to the lake 95 percent pure. Chicago doesn't return any of the water taken. In this connection, we must remember that Illinois occupies only 50 miles of the lake front, while three other States occupy a total of 500 miles. We must remember also that these other three States account for about two-thirds of the population living around the lake and the future needs of these other States must be taken into account before further diversion is permitted of the water of Lake Michigan.

(5) The bill would set a dangerous precedent upon which our Canadian neighbors could base their decision to divert water flowing into the United States, particularly the Columbia and Kootenay Rivers in the Great Northwest, thus jeopardizing power and other interests in this country.

INTERNATIONAL ISSUES AT STAKE

The diversion of water from Lake Michigan is of deep concern to our Canadian neighbors.

Recently the Canadian Government stated unequivocal opposition to the proposed water diversion legislation. (See Canadian note and comments from Canadian House of Commons annexed.)

The Canadian Government stated that such diversion would not only jeopardize its shipping, commercial, port development, and other interests around the Great Lakes, but would also violate in letter and spirit the provisions of several agreements and notes exchanged between the United States and Canada.

Furthermore, the Boundary Waters Treaty of 1909 between the United States and Canada provided that no further diversion of boundary waters be undertaken without the approval of the International Joint Commission then established. And, although Lake Michigan was exempted from the boundary waters definition, article II of the treaty provides that "any interference with or diversion from their natural channel of (nonboundary) waters on either side of the boundary * * * shall entitle the injured parties * * * to * * * legal remedies."

The development of the St. Lawrence Seaway and the exchange of notes between the two countries has resulted in the understanding that no unilateral action, which would result in materially affecting the operation of the seaway, would be undertaken.

PENDING ACTION BY SUPREME COURT

Currently, the Supreme Court is considering the matter of water diversion at Chicago. The Court has appointed U.S. senior circuit court judge, the Honorable Albert B. Maris, as special master to consider the diversion cases relating to Chicago.

Congressional action, I believe, should be held in abeyance until the Court has had an opportunity to consider the case and issue its findings.

For your use, I am enclosing exhibits relating to the appointment by the Supreme Court of a special master to consider the case and the statement reflecting the position of the Canadian Government on this proposed legislation.

Sincerely yours,

ALEXANDER WILEY.

SUPREME COURT OF THE UNITED STATES—WISCONSIN ET AL. *v.* ILLINOIS ET AL., NO. 2, ORIGINAL; MICHIGAN *v.* ILLINOIS ET AL., NO. 3, ORIGINAL; NEW YORK *v.* ILLINOIS ET AL., NO. 4, ORIGINAL; ILLINOIS *v.* MICHIGAN ET AL., NO. 15, ORIGINAL (JUNE 29, 1959)

Per curiam.

The motion of Chicago Association of Commerce and Industry for leave to file brief in Nos. 2, original; 3, original; and 4, original, as amicus curiae, is granted. The amended application of complainants for a reopening of the decree of April 21, 1930, in Nos. 2, original; 3, original; and 4, original, is granted.

The motion for leave to file a bill of complaint in No. 15, original, is granted.

It is ordered that Honorable Albert B. Maris, U.S. senior circuit judge, be, and he is hereby, appointed special master in each of the causes, with authority to summon witnesses, issue subpenas, and take such evidence as may be introduced and such as he may deem it necessary to call for. The master is directed to hold hearings with all convenient speed, and to submit such reports as he may deem necessary.

The master shall be allowed his actual expenses. The allowances to him, the compensation paid to his technical, stenographic, and clerical assistants, the cost of printing his report, and all other proper expenses, shall be charged against and be borne by the parties in such proportion as the Court hereafter may direct.

[From Proceedings of the Canadian House of Commons]

CHICAGO DIVERSION—STATEMENT ON CANADIAN ATTITUDE TO U.S. LEGISLATION

Rt. Hon. J. G. DIEFENBAKER (Prime Minister). Mr. Speaker on April 8 the honorable member for Rosedale asked: "Would the Prime Minister tell us the attitude of the Canadian Government toward the legislation recently passed in the U.S. House of Representatives in regard to the diversion of water from the Great Lakes at Chicago?"

I replied, after dealing with one or two matters of history, and said: "We are paying the closest attention to this matter, at the same time not wishing to do anything that would in any way cause a situation to arise which might not be beneficial."

I now wish to bring the House up to date on this subject. When I last spoke on April 8, I stated what the fact was, that the Government was giving careful consideration, and since then has given further consideration to the most effective manner of making known Canada's opposition to the bill which, as I said a moment ago, has passed the House of Representatives and is now before the Senate Committee on Public Works. A note registering the reasons for Canada's objection was delivered on April 9, and with the leave of the House I ask permission to table it so that it might possibly appear in "Votes and Proceedings." I am not going to read the entire note, but just two particular paragraphs thereof to indicate the general tenor and attitude of the Government in this regard. In the third paragraph the following appears:

"Every diversion of water from the Great Lakes watershed at Chicago inevitably decreases the volume of water remaining in the basin for all purposes. The Government of Canada is opposed to any action which will have the effect of reducing the volume of water in the Great Lakes Basin. Careful inquiry has failed to reveal any sources of water in Canada which could be added to the present supplies of the basin to compensate for further withdrawals in the United States of America. The Government of Canada considers that many agreements and understandings between the United States of America and Canada would be broken if unilateral action were taken to divert additional water from the Great Lakes watershed at Chicago and directs attention to provisions of two treaties in particular."

The first is the Boundary Waters Treaty of 1909 and the second is the Niagara Treaty of 1950.

The general summation of the attitude of the Government in this regard is contained in the last two pertinent paragraphs:

"Because of the importance attached by the United States of America and Canada to the honoring of international undertakings in letter and in spirit, the Government of Canada views with serious concern any possible impairment of agreements and undertakings relating to the Great Lakes Basin. Furthermore, the alarms created by repeated proposals for diversion which inevitably disturb the people and industry of Canada are a source of profound irritation to the relations between our two countries which we can ill afford.

"I am instructed, therefore, to express the hope of the Government of Canada that the United States of America will view this matter with equal concern and will be able to give satisfactory assurances that unilateral action will not be taken which would imperil the present regime of the waters in the Great Lakes Basin and the status of the agreements and understandings to which I have referred."

Mr. SPEAKER. Would the Prime Minister perhaps modify his request so the letter will be printed as an appendix to Hansard?

Mr. DIEFENBAKER. Yes.

Mr. SPEAKER. Is the House agreeable to having this document printed as an appendix to Hansard today?

SOME HONORABLE MEMBERS. Agreed.

[For text of document referred to above, see appendix.]

Hon. L. B. PEARSON (leader of the opposition). Mr. Speaker, perhaps I could say a word with regard to this extremely important matter. I think the House will have learned with satisfaction that a note in the terms which the Prime Minister just read has been, I think on April 9, presented to the U.S. Government. It will be recalled that a note in not very strong terms was presented by the Canadian Government last year expressing our concern. This note of April 9 seems to be a much stronger one, and I think that is all to the good.

I believe I am right when I say that this note, however, presented on April 9, has been presented at a time when it is too late to influence Congress which has, if I am not misinformed, already taken action in this matter. Therefore, Mr. Speaker, it now remains for the President of the United States to protect Canada's rights in this matter by vetoing action which may have been taken by Congress. Perhaps if this note had been presented earlier before congressional consideration had been given, it might not have been necessary to rely entirely on the President of the United States to protect our interests in this matter.

However, the note has been presented and I hope it will have the effect it should have in preventing the United States from taking action which would be a breach of treaty arrangements between the two countries.

Mr. H. W. HERRIDGE (Kootenay West). Mr. Speaker, on behalf of this group I want to say that we are extremely pleased to hear the statement of the Prime Minister with respect to this latest note. We are, also pleased to note that it is in stronger terms than any previous note. We support the Government in any effort it may take to protect Canadian interests. We in this group hope that the Congress of the United States will pay attention to this day's proceedings and note from the proceedings that Parliament in this respect is unanimous.

[From the House of Commons Appendix, Apr. 16, 1959]

CHICAGO DIVERSION—CANADIAN NOTE TO UNTED STATES

[No. 184]

THE CANADIAN EMBASSY,
Washington, D.C., April 9, 1959.

SIR: I have the honor, on instructions from my Government, to refer to proposals for legislation in the United States of America concerning an increase in the diversion of water from Lake Michigan through the Chicago drainage canal. It is noted that one proposal to this effect has been approved by the House of Representatives and will shortly be considered by the Senate. During a period of many years there have been numerous occasions on which the Government of Canada has made representations to the Government of the United States of America with respect to proposals concerning the diversion of water from Lake Michigan out of the Great Lakes watershed at Chicago.

Many of these representations have been directed toward particular proposals then under discussion by U.S. authorities. Because of the importance of the question, the Government of Canada believes it timely to reexamine the considerations which it regards as most important concerning any proposals for additional diversion of water from the Great Lakes watershed. Accordingly, in order that there may be no misunderstanding as to the views of the Government of Canada, I have been instructed to bring the following considerations to your attention.

Every diversion of water from the Great Lakes watershed at Chicago inevitably decreases the volume of water remaining in the basin for all purposes. The Government of Canada is opposed to any action which will have the effect of reducing the volume of water in the Great Lakes Basin. Careful inquiry has failed to reveal any sources of water in Canada which could be added to the present supplies of the basin to compensate for further withdrawals in the United States of America. The Government of Canada considers that many agreements and understandings between the United States of America and Canada would be broken if unilateral action were taken to divert additional water from the Great Lakes watershed at Chicago and directs attention to provisions of two treaties in particular:

(a) The boundary waters treaty, 1909: The applicability of either article II, paragraph 2 or article III of this treaty depends upon the interpretation of physical facts.

If Lake Michigan physically flows into the boundary water Lake Huron, article II preserves to Canada the right to object to such a diversion which would be productive of material injury to the navigation interests in Canadian waters.

If, as has been asserted by eminent U.S. jurists, article III of the treaty applies, no further diversion shall be made except with the approval of the International Joint Commission.

(b) Niagara Treaty, 1950: This treaty allocates water for scenic and power purposes. The amount of water which shall be available for these purposes is the total outflow from Lake Erie. The specific inclusion of certain added waters in article III of the treaty emphasizes the underlying assumption that existing supplies will continue unabated. In addition to these treaty provisions, there is a further agreement of far-reaching importance. Power development in the provinces of Ontario and Quebec is predicted upon agreed criteria for regulation of the flows of the St. Lawrence River. The order of approval of the International Joint Commission of October 29, 1952, as supplemented on July 2, 1956, and accepted by both our Governments, forms the basis for the construction and operation of the hydroelectric power installations in the international section of the St. Lawrence River. Criterion (a) of this order of approval assumes a continuous diversion out of the Great Lakes basin limited to the present 3,100 cubic feet per second at Chicago.

Navigation and commercial interests depend upon the maintenance of the basis upon which channel enlargements have been designed in order that vessels of deep draught may proceed with full load to and from the ports of the upper Great Lakes. In this connection I would refer to the following matters:

(a) The construction of the St. Lawrence Seaway.- Legislation in the two countries and the several exchanges of notes concerning the construction and operation of the seaway now just completed are based on the assumption and understanding that there will not be unilateral action repugnant to the purposes of the legislation. Withdrawal of water from the Great Lakes Basin would materially affect the operation of the St. Lawrence Seaway;

(b) Dredging. By agreement contained in the various exchanges of notes between the two countries, profiles have been prepared for the excavation which has taken place or is about to take place in the International Rapids section of the river, in the Amherst-

burg Channel, and in the St. Clair River. These agreements are based on the implied understanding that material changes would not be made in the volume of water available for navigation;

(c) New channel. In an exchange of notes dated February 28, 1959, it has been agreed that a new channel should be constructed to eliminate the so-called southeast bend of the St. Clair River. The agreement by the Government of Canada to this proposal was based on the understanding that there would be no artificial interference with the present supplies of water.

Because of the importance attached by the United States of America and Canada to the honoring of international undertakings in letter and in spirit, the Government of Canada views with serious concern any possible impairment of agreements and undertakings relating to the Great Lakes Basin. Furthermore, the alarms created by repeated proposals for diversion which inevitably disturb the people and industry of Canada are a source of profound irritation to the relations between our two countries which we can ill afford.

I am instructed, therefore, to express the hope of the Government of Canada that the United States of America will view this matter with equal concern and will be able to give satisfactory assurances that unilateral action will not be taken which would imperil the present regime of the waters in the Great Lakes Basin and the status of the agreements and understandings to which I have referred.

Please accept, sir, the renewed assurances of my highest consideration.

A. D. P. HEENEY.

[From the House of Commons Appendix, April 23, 1959]

CHICAGO DIVERSION—MEETING BETWEEN PRIME MINISTER AND MEMBERS OF U.S. CONGRESS

On the orders of the day:

Hon. LIONEL CHEVRIER (Laurier). May I direct a question to the Prime Minister. Will the Prime Minister be good enough to tell the House whether he received Senator PAUL DOUGLAS, of Illinois, this morning in order to discuss with him the question of the diversion of water from the Great Lakes Basin into the Chicago drainage canal; and would the Prime Minister say, if he met the Senator, what was the result of the interview?

Rt. Hon. J. G. DIEFENBAKER (Prime Minister). The honorable member for Essex West also intended to ask this question. Some few days ago the U.S. Ambassador suggested that it might be possible for me to meet with U.S. Senator DOUGLAS and Congressman YATES, one a Member of the Senate from Illinois and the other a Member of the House of Representatives, from the same State. They were here this morning and I met with them, though they were not here in any sense as an official delegation because the suggestion had been made that the meeting might provide an opportunity for them to place before the Government the views which they hold respecting the bill which would provide for an additional diversion of water from Lake Michigan at Chicago.

I listened to the expression of their views and we had a very interesting talk together, but I may say without any equivocation that I was unable to offer them any hope that as a result of the expression of their views the known opposition of the Government of Canada to the bill would in any way be diminished.

That is clear enough, I think, to make it understandable to all that while I was very happy to meet with these gentlemen, their views did not alter the views expressed in the message to the Acting Secretary of State of the United States, sent by this Government on April 9.

Administration Education Proposals

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Friday, July 17, 1959

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by Secretary of Health, Education, and Welfare, the Honorable Arthur S. Flemming, who is in his own right a well-known and respected educator.

This statement discusses the education proposals of the administration and because I feel it is very informative, I thought it should be called to the attention of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY ARTHUR S. FLEMMING, SECRETARY OF HEALTH, EDUCATION, AND WELFARE

On June 4 I reviewed this Department's legislative program. I pointed out then that what would be accomplished in the fields of health, education, and welfare would be determined in the following 90 days.

In the 40 days which have elapsed since that review, most of the Department's noncontroversial programs have made reasonable progress. Unfortunately, there has been no action on school construction. As for the status of two of our other major proposals—those in the fields of higher education and civil rights—recent developments call for special comment at this time.

1. HIGHER EDUCATION CONSTRUCTION

The Congress has taken no action on the administration's recommendations for Federal assistance in financing the construction of college housing, classroom, administration, and related facilities.

Administration measures on this subject have been lying dormant in the House Committee on Education and Labor and the Senate Committee on Labor and Public Welfare since February. In the meantime, Congress attempted to deal with this subject in an omnibus housing bill.

This bill the President found necessary to veto on July 7. The President specifically disapproved of the provisions relating to higher education construction because they "would * * * substitute public for private financing." He stated, however, in his veto message that "the college housing program proposed in the budget message of [January 1959] should be enacted."

The budget message recommendation would provide an additional $200 million for the current college housing loan program in order to permit a phasing out of that program and an orderly transition to the administration's new higher education construction program.

The time has come for the construction needs of higher education to be considered separately and on their own merits, unencumbered by consideration of other specialized housing problems.

The administration's proposals, if enacted, would provide assistance which is vitally needed by our colleges and universities in order to meet a problem that is, literally, almost at their doorstep—the rising tide of enrollments. The administration has proposed an emergency, 5-year plan that includes:

1. Federal guarantees of principal and interest on non-tax-exempt bonds sold by colleges to private investors to finance construction of housing, classrooms, administration, and related facilities. The proposal allows $1 billion as the aggregate total of guaranteed bonds outstanding at any one time over the 5-year period.

2. Debt retirement assistance in the form of Federal commitments to pay 25 percent of the principal on long-term (over 20 years) bonds (either taxable or tax exempt) issued by colleges and universities to finance construction of housing, academic, or other related facilities. Aggregate Federal payments would be limited to $500 million, representing 25 percent of a total principal construction cost of $2 billion. This assistance would be limited to projects which would increase enrollment capacity or improve and expand teaching and research in the sciences and engineering.

The administration proposal would be more effective than the existing college housing loan program in two major respects:

(a) It would result in lower annual payments of principal and interest by the institutions, assuming loan maturities of 20 to 25 years and interest of 4½ percent or less. (A comparative tabulation is attached.)

(b) It would include classrooms, laboratories, libraries and related facilities, as well as the types of income-producing buildings (cafeterias, dining halls, dormitories, etc.) now eligible for college housing loans. The total volume of academic building construction provided for under this program would be at the rate of about $200 million a year for 5 years as compared with the total of $62.5 million in direct loans for such facilities provided for in the vetoed housing bill.

2. CIVIL RIGHTS PROGRAM

As part of the administration's civil rights program, I transmitted to the Congress on February 5, 1959, two proposals in the field of education. The Subcommittee of the House Committee on the Judiciary which held hearings on civil rights legislation this spring recently reported a civil rights bill to the full committee. I was pleased to note that two of the titles of this bill (titles VII and VIII) incorporate the proposals recommended by this Department. The full committee is now meeting to consider the subcommittee bill. To me, this is the most hopeful sign yet that Congress will enact at this session the reasonable and noncoercive civil rights measures requested by the administration.

One of the Department proposals (title VII of the subcommittee bill) would amend the laws providing assistance to federally affected areas (Public Law 815 and Public Law 874, 85th Cong.) to authorize the Federal Government to provide for the free public education of children of military personnel where the local public schools are closed as a result of official action by State and local governmental authorities.

The second Department proposal (title VIII of the subcommittee bill) would authorize grants to State and local school authorities to pay half the costs of special services required in carrying out desegregation programs. It would also authorize the Commissioner of Education to collect and disseminate information on the progress of school

desegregation and to provide technical assistance in the development and conduct of desegregation programs upon the request of States and local agencies.

Costs of borrowing under the College Facilities Act of 1959 compared with the present college housing program

[Per $1,000 of borrowing]

	20 years		30 years		40 years	
	4¼ percent	4½ percent	4¼ percent	4½ percent	4¼ percent	4½ percent
1. Annual payment of interest and debt service	$75.22	$76.88	$59.60	$61.39	$52.42	$54.34
2. Total payment	1,504.40	1,537.60	1,788.00	1,841.70	2,096.80	2,173.60
3. Total cost if Federal Government pays $250 (¼ of principal)	1,254.40	1,287.60	1,538.00	1,591.70	1,846.80	1,923.60
4. Annual payment by institution	62.72	64.38	51.27	53.06	46.17	48.09
5. Annual payment by institution under present college housing program	[1] 67.99		[1] 51.85		[1] 44.14	

[1] Assuming interest at 3⅛ percent.

Promises and Challenges of the St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Friday, July 17, 1959

Mr. WILEY. Mr. President, last weekend I was pleased to participate in a number of ceremonies in Wisconsin held to commemorate the significance of the St. Lawrence Seaway to our Badger State and the Nation.

As a sponsor of the seaway legislation, I was particularly gratified to see the enthusiasm and realism with which our Wisconsin communities, not only recognize the importance of the seaway to our future, but also the dynamic spirit with which they are laying the groundwork for gaining maximum benefits from the completed waterway.

We recognize, of course, that full rewards will be attained by constructive and realistic planning, as well as by a willingness to undertake and resolve the problems that confront us in the future.

During the celebrations, I was privileged on a number of occasions to review the problems and challenges ahead relating to full utilization of the seaway.

As an illustration of the major challenges that, I feel, still lie ahead of us, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD excerpts of my remarks at Superior, Wis., where, incidentally, a splendid 4-day celebration was held in recognition of the St. Lawrence Seaway to the community.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WILEY HAILS SIGNIFICANCE OF SEAWAY TO SUPERIOR'S FUTURE—URGES UNITED STATES-CANADIAN CONFERENCE TO ELIMINATE BOTTLENECK AT WELLAND CANAL

I am delighted to have the opportunity to participate in your special seaway program here in this fine port of Wisconsin.

Your splendid 4-day program—in recognition of the significance of the St. Lawrence Seaway—is a most inspiring illustration of community cooperation and forward-looking spirit.

The deep-founded enthusiasm and realism with which your fine community, and others around the State, are laying the foundation to obtain ever-greater benefits from the seaway excites the imagination; and strengthens a confidence in the willingness and ability of communities, like Superior, to progress and create a better life for your citizens.

You in Superior are opening a new chapter in one of the most historically interesting and promising periods of the world's history.

The completion of the seaway exemplifies one of the steps in this Age of Exploration—this Age when we have shrunken the world so that every nation is neighbor to every other nation.

In a nation whose population is increasing 3 million a year, we can expect that this area will receive the impetus of this growing country. We know that human progress is a never-ending business. It is an age of whirlwind scientific advancement. The seaway—a magnificent engineering feat—is akin to our satellite program and other great discoveries in the scientific field. Overall, it is a part of man's irrepressible effort to conquer and extend control over forces of nature in order to harness them for the service of mankind.

SENATOR ALEXANDER WILEY DAY

As you know, the St. Lawrence Seaway was not completed without a long, hard-fought struggle.

For myself, I have considered it a real privilege to share in the efforts to complete the seaway—a project that I believe will bring measureless benefits to Wisconsin and our Nation.

Today, I am humbly grateful for the honor you have shown me—in naming this "Senator ALEXANDER WILEY Day."

The experience makes me feel very humble and grateful.

The spirit in which you bestow the tribute is deeply gratifying.

I welcome, too, the invitation to share this spendid occasion in celebration of the completion of the seaway.

BENEFITS OF THE SEAWAY

With you, I look forward to rewards which Superior, and other communities, will reap from this great project.

For a moment, let's look briefly toward the future. What can Superior expect from the seaway?

Among other things:

1. The increased flow of trade and commerce in and out of this fine Superior-Duluth Harbor will bring new economic life to our homes, farms, factories, stores, and other places of residence and business.

2. There will be traffic of greater volumes of farm products, particularly of grain, from the States west and southward. Until now, the grain often had to be transferred to smaller vessels at the seaway.

3. Port cities, such as Superior, will experience new growth and expansion.

4. More jobs will result from the increased business and industrial activity.

5. There will be a demand for more services.

6. We can expect—and encourage—an increased tourist trade—now our third largest industry; with a stimulated flow of visitors from other States, Canada, and other lands around the globe.

7. The presence of the destroyers here in the harbor; and the movement in recent weeks of an estimated 80 foreign ships in and out of the Superior-Duluth Harbor; the record of a 50 percent increase in traffic over a year ago through the seaway itself—all of these are only symbols of yet greater things to come as a result of the seaway.

This is, of course, only a brief review of the new kind of life and activity which the seaway will create for Superior and other port cities around the Great Lakes—America's fourth seacoast.

CHALLENGES AHEAD

We recognize, however, that the picture is not all rosy.

Through the aura of celebration, let's take a penetrating look at the challenges ahead.

What are they? The major ones include paying off the costs of the seaway through tolls, expanding the capacity of the Welland Canal, completing the connecting channels, finishing port improvement projects, developing better tie-ins with rail and trucking networks to expeditiously handle goods and materials, developing a suitable system of de-icing the seaway.

COST OF SEAWAY

First of all, let's take a look at the cost of the seaway.

Overall, this joint United States-Canadian effort to improve, deepen, and modernize the St. Lawrence Waterway runs at somewhat over $1 billion, including the New York and Ontario power development projects.

CANADA GETS 71 PERCENT OF SEAWAY TOLLS

To pay off the seaway costs, tolls are charged for vessels utilizing the waterway.

The major objectives in establishing tolls have been:

1. The lowest tolls consistent with the encouragement of maximum traffic; and with the need for revenue to make the project self-liquidating within the 50-year period required by legislation.

2. A simple toll structure.

3. And the most convenient method of collecting tolls.

Generally, there has been a popular opinion that the tolls would be distributed on a 50–50 basis between the United States and Canada. However, this is not true.

The costs of construction of the seaway have been shared approximately on a 70–30 basis, with Canada bearing the larger financial burden. By agreement between our two countries, it has been stipulated that tolls would be distributed in proportion to the investments. Consequently, with this agreement, Canadians will receive about 71 percent of the tolls from the international rapids sections of the seaway. This does not, however, include tolls on the Welland Canal, an all-Canadian project, but officially a part of the seaway. All tolls from this canal go to Canada.

WILL TOLLS PAY OFF THE SEAWAY?

Now the question arises, Will the tolls pay off the cost of construction?

Today the Welland Canal is the No. 1 trouble spot which affects the revenue as well as the volume of traffic on the waterway.

Of the 8 locks in the Welland, 5 are single locks—permitting approximately 28 passages a day in both directions; that is, about 14 passages each way per day.

According to estimates, the capacity of the St. Lawrence Seaway ranges to about 55 million tons a year.

Unfortunately, the capacity of the Welland Canal may be considerably below that level—some say as low as 46 million tons annually.

Consequently, the seaway, despite its completion, will—until improvements are made in the Welland Canal—continue to be limited by the capacity of the Welland.

The ability of the seaway to pay off its obligations also may well depend, for example, upon how soon action can be taken to twin the locks of the canal.

According to earlier calculations, an income from tolls of $16 million annually was expected to retire the seaway debt. Because of increased costs, however, it is now estimated that the United States-Canadian costs will run about $28 million.

Even though early season traffic through the waterway was larger than anticipated—almost 50 percent over a year ago—the traffic income will not yet provide the $28 million.

Consequently, the future of the seaway is tied to the Welland Canal, both in terms of volume of traffic and of paying off the debt.

NEEDED: UNITED STATES-CANADIAN CONFERENCE TO ELIMINATE THE WELLAND BOTTLENECK

I believe that a United States-Canadian conference, aimed toward finding a solution to the Welland bottleneck, would be in the best interests of both countries.

The conference would include representation of the United States and Canadian Governments including members of the St. Lawrence Seaway Development Corporation—the agency charged with responsibility for U.S. construction—and its Canadian counterpart.

We recognize, of course, that Canada already has a tremendous investment in the seaway. According to estimates, "twinning" the locks of the canal may well cost an additional $150 million.

However, in view of the significance of maximum utilization of the seaway to both countries; the fact that traffic is already jamming up at the canal resulting in waiting periods of 24 to 36 hours, or longer, for ships traveling the seaway; and the time lapse which inevitably accompanies the start and completion of such a large project, I believe that efforts should be made as soon as possible to find a solution to the Welland bottleneck.

COMPLETION OF GREAT LAKES CONNECTING CHANNELS

The United States, too, has a challenging job ahead; namely, the deepening and improving of the Great Lakes connecting channels.

According to estimates, the total costs will run about $146 million. Until now, about $46 million has been spent on the project.

Currently, we are attempting in Congress to get approval of adequate funds—about $29 million for fiscal 1960—so that construction can go ahead on the channels.

Unless this project is completed by its target date—1962—Wisconsin and other Great Lakes States west of Lake Erie will be denied full benefits from the seaway—perhaps as long as 1963 or 1964.

FURTHER PORT AND HARBOR DEVELOPMENT

To supplement development work on the seaway, the connecting channels, and the Welland Canal, there is still also the task of further deepening and improvement of harbors around the Great Lakes. The Corps of Engineers has been making a comprehensive study of Great Lakes ports. According to estimates, this may cost another $100 million for deepening of the harbors sufficiently to handle 27-foot draft vessels from the St. Lawrence Seaway.

In addition, there is the job—faced largely by local communities—of adequately developing docking, unloading, warehousing, and other facilities, together with dovetailing water traffic with rail and road transportation.

This, then, is a brief look at some of the problems to be resolved, and challenges to be faced in the future.

SCOPE OF CONSTRUCTION PROJECT

From time to time, there are attempts to show just how great a construction and engineering job has been accomplished on the seaway.

For illustration, the following comparative figures on the construction project have been calculated:

The power produced by the generating stations of the waterway would equal the power of a double line of horses reaching almost two and one-half times across the continent.

If the rock and earth removed from the project sites were piled into wheelbarrows and the wheelbarrows were spaced 10 feet apart, they would reach around the world 210 times.

The steel used in construction would encircle the earth if it were pressed into a single large bar.

The concrete poured for the project, if distributed evenly, would provide each U.S. resident—every man, woman, and child—with a piece weighing 48 pounds.

In more specific terms, the seaway construction job—dwarfing the world's other well-known waterway projects—included construction of a new waterway in scattered sections of a 369-mile area from the Welland Canal to Montreal; construction of hydroelectric power projects that would generate more than 1.8 million kilowatts of electricity; more than 22,000 persons working around the clock for 4½ years with giant floodlights illuminating construction areas at night; engagement of more than $75 million worth of construction equipment; excavation of over 210-mile cubic yards of dirt, rock, and river bottom (according to estimates it would take over 60,000 railroad cars to haul it away); more than 6 million cubic yards of concrete were poured during the construction; the homes of more than 6,500 Canadians were lifted from their foundations and shifted to other sites; three whole communities—Iroquois, Ingleside, and Long Saulte—were built to accommodate displaced residents; on the U.S. side, 225 American farm families and about 500 cottages were moved.

This, then, is briefly a look at the size, scope, and significance of the seaway.

HISTORY OF SEAWAY LEGISLATION

Now, I would like to turn back the pages of history briefly to give you an inside look into the struggle behind the enactment of the Wiley-Dondero law that authorized the deepening, developing, and modernizing of the St. Lawrence Seaway.

The battle was a long and a difficult one. The courage and strength of many men contributed to victory. I would at this time like especially to pay tribute to the splendid leadership of President Eisenhower—without which the seaway dream would not have become a reality.

Over the years, lipservice has been given to the idea of a completed, improved, and modernized St. Lawrence Seaway. Six previous Presidents, including Wilson, Coolidge, Harding, Hoover, Roosevelt, and Truman expressed interest in the U.S. development of the seaway.

However, it was President Eisenhower who "took the bit in his teeth"—stating that he not only favored it, but would use the strength of his office to support efforts for approval of the project.

The battle within the hallowed halls of Congress to get approval of legislation to carry forward the St. Lawrence Seaway project was not an easy one.

STRONG OPPOSITION TO SEAWAY

The opponents of the seaway were legion and powerful. Who were they?

The opposition forces included the eastern railroads and money interests; the eastern seaboard and the gulf ports; shipping interests on the Atlantic and gulf coasts; overall, it is estimated that over 200 clubs, organizations, and associations—many of them abounding in legislative strength—opposed the seaway.

You may ask: In the face of this strong opposition, how was the project finally approved?

In 1952, under the chairmanship of the distinguished Senator Arthur Vandenburg of the Senate Foreign Relations Committee, I was appointed chairman of a subcommittee before which a seaway bill was pending.

Hearings were held on the legislation. The bill was favorably reported by the subcommittee, and the full Foreign Relations Committee, to the floor of the Senate. Unfortunately, the opposition mustered forces and the bill was killed.

As I look back, the battle that ensued was, indeed, an educational experience in tactics which opposition forces devised to stop the legislation.

Again in 1953, when your senior Senator was privileged to be chairman of the Foreign Relations Committee, I reintroduced a seaway bill, appointed a subcommittee, and appointed myself as chairman. Again, we held hearings and again it was possible to get favorable action by the full Senate Foreign Relations Committee.

Having learned a lesson the hard way, I knew that a meeting with President Eisenhower to discuss this legislation was essential. I felt the bill was important not only to Wisconsin but to the economy and defense of the future of this country. Graciously, the President granted the appointment and we had a full-dress discussion on the legislation.

Upon request, the President was kind enough to review the complete report by the U.S. Army Corps of Engineers relating to the proposed seaway. After completion of the review, the President promised full support for the project.

Recalling that previous Presidents had uttered similar words, Mr. Eisenhower promised full support not only in words, but also in deed.

WILEY BILL—MUST LEGISLATION

There was, however, one more battle to fight. The big question was: Should it become must legislation?

What does this mean? Just this: That it must be brought up on the calendar of the Congress for consideration.

During a conference at the White House, late in 1953, to determine a calendar of "must" legislation for the next session of Congress, the meeting almost turned into a real pow-wow.

Let me say, frankly, that interests opposing the seaway—the railroads, eastern ports, and others—were not without their spokesmen in Congress.

After a "toe to toe" political exchange, however, it was agreed that the seaway would become "must" legislation.

During the ensuing weeks, there was a great deal of "missionary work" to be done. This included discussions, conferences, reviews of the merits of the project, rebuttals to arguments against the project, and endless efforts to open eyes, as well as to dissuade those who, because of special interests, were strongly opposed to the seaway.

Unfortunately, it is not possible to recount all the infighting that took place at that time. However, the history book shows that on January 20, 1954, the Wiley bill passed the Senate by a vote of 51 to 33. The CONGRESSIONAL RECORD reports the votes of those who came over and those who refrained from voting.

With the major battle won in the Senate, the legislation sponsored by Congressman George Dondero, of Michigan, then literally rolled through the House of Representatives.

In some instances, those who had once opposed the legislation found themselves voting in support of it.

On May 13, 1954, President Eisenhower signed the Wiley-Dondero Act into law—culminating 50 long years of dreams by many people to make the seaway a reality.

Now, let's look briefly at additional challenges ahead of us.

SEAWAY DE-ICING

A major battle that must be fought—and won—is combating the age-old foe of winter ice. As you know, winter freezing results in the most important physical limitation of the St. Lawrence Waterway.

The average navigation season, computed over a 37-year period, has been limited—due to ice conditions—to the following averages: The Welland Canal, 252 days; the St. Mary's Falls Canal, 250 days; the St. Lawrence canals, 241 days; and Montreal Harbor, 235 days.

As these figures illustrate, icing is plainly a major obstacle to full utilization of the seaway, as well as to trade on the lakes themselves.

As you know, we can normally figure on about a 230-day navigation season for upper lakes boats; and a 245-day season for ocean-going vessels plying between ports along the Great Lakes-St. Lawrence Seaway and overseas ports (allowing 15 days on the high seas beyond the Gulf of the St. Lawrence at the beginning and end of navigation).

This certainly does not compare favorably with the movement from U.S. ports along the Atlantic, gulf, and Pacific coasts, where there is a 345-day navigation year.

To lay the groundwork for possible ultimate development of a de-icing system on the Great Lakes and the St. Lawrence Seaway, I have introduced a bill in the Senate—S. 2242. The proposal, if enacted—as I believe it should be—would authorize the U.S. Army Corps of Engineers to make a comprehensive investigation and study of a means of making the Great Lakes and the St. Lawrence Seaway available for navigation during the entire year.

The development of a de-icing program would, of course, be a necessarily long-range program. However, there have been enough successes with such systems—in Greenland, Canada, and the Scandinavian countries—to merit a complete study of their applicability to the Great Lakes, connecting channels, ports and harbors, and the St. Lawrence Seaway.

CONCLUSION

This, then, is a brief review of the history, problems and challenges evolving around the greatest engineering and construction feat on the North American Continent—the St. Lawrence Seaway.

Now, friends, in conclusion, I want to express my warm appreciation for the opportunity to join in your 4-day gala celebration in recognition of the significance of the St. Lawrence Seaway to Superior, to Wisconsin, and the Nation.

Too, I want to again humbly express my deep gratitude at your gracious tribute in calling this special day in your celebrations Senator Alexander Wiley Day.

Thank you very much.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 20, 1959

The House met at 12 o'clock noon.

Msgr. Lawrence P. Gatti, St. Mary of the Assumption Church, Upper Marlboro, Md., offered the following prayer:

O Almighty God, Lord of liberty and freedom, and the just avenger of all forms of license, send the grace of Thy holy spirit upon the members of this august assembly that they may receive the wisdom and guidance necessary to transact the weighty business that comes before them. May they be filled with Thy light so that the laws they enact will be according to Thy precepts and commands. May they always have a keen awareness of those principles and truths that make for true liberty. In a world that has lost, in so many areas, its freedom, and in our beloved country where there seems to be a rising tide of lawlessness, may they be more conscious than ever of their sacred duty to pass enactments that conform to Thy holy will lest unreasonable laws and unhappy precepts tend to bring both Thy holy law and their own legislation into disrepute.

At a time when the whole world is sighing for peace, may they be especially aware of the words of Dante: "In His will is our peace"; and the words of St. Paul: "Who has resisted the will of God and had peace?" May they, then, contribute to the peace of the world by conforming their legislation to Thy holy will.

These favors we ask in the name of Thy beloved Son who lives and reigns with Thee together with the Holy Spirit, God, world without end. Amen.

The Journal of the proceedings of Thursday, July 16, 1959, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 30, 1959:

H.R. 2256. An act to amend chapter 37 of title 38, United States Code, to provide additional funds for direct loans; to remove certain requirements with respect to the rate of interest on guaranteed loans; and for other purposes;

H.R. 7523. An act to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates, and for other purposes; and

H.R. 7749. An act to increase the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time.

On July 1, 1959:

H.J. Res. 439. Joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

On July 6, 1959:

H.R. 5515. An act to amend the 1956 act authorizing the disposal of certain obsolete locks and dams on the Big Sandy River, Ky.-W. Va., for the purpose of increasing the authorization relating to dam No. 3 on the Big Sandy River, Ky.; and

H.J. Res. 322. Joint resolution for the relief of certain aliens.

On July 8, 1959:

H.R. 7175. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1960, and for other purposes; and

H.R. 7176. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1960, and for other purposes.

On July 13, 1959:

H.R. 4454. An act to amend the act of March 3, 1901, to eliminate the requirement that certain District of Columbia corporations be managed by not more than 15 trustees;

H.R. 5534. An act to designate the bridge to be constructed over the Potomac River near 14th Street in the District of Columbia, under the act of July 16, 1946, as the George Mason Memorial Bridge, and for other purposes;

H.R. 5914. An act for the relief of Dr. Radboud Louwrens Beukenkamp;

H.R. 6662. An act to amend the District of Columbia Hospital Center Act in order to extend the time during which appropriations may be made for the purposes of such act;

H.R. 7062. An act to provide for payment of annuities to widows and dependent children of Comptrollers General;

H.R. 7086. An act to extend the Renegotiation Act of 1951, and for other purposes;

H.R. 7343. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1960, and for other purposes; and

H.R. 7349. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1960, and for other purposes.

On July 17, 1959:

H.R. 904. An act to rename the New Richmond locks and dam in the State of Ohio as the Capt. Anthony Meldahl locks and dam;

H.R. 1547. An act for the relief of T. Sgt. Walter Casey;

H.R. 2065. An act for the relief of Arthur J. Dettmers, Jr.;

H.R. 2497. An act to add certain lands located in Idaho to the Boise and Payette National Forests;

H.R. 3368. An act to extend the special enlistment programs provided by section 262 of the Armed Forces Reserve Act of 1952, as amended;

H.R. 4072. An act to amend the act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, as amended, and

H.R. 7567. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 836. An act to amend the code of law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; and

H.R. 6436. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and desiccants, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 314. An act to assist the U.S. cotton textile industry in regaining its equitable share of the world market;

S. 864. An act to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes;

S. 1512. An act to amend the Federal Farm Loan Act to transfer responsibility for making appraisals from the Farm Credit Administration to the Federal Land Banks, and for other purposes; and

S. 2162. An act to provide a health benefits program for Government employees.

Omitted from the RECORD of July 16, 1959:

S. 1681. An act to provide an elected mayor, city council, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to amendments of the Senate to the bill (H.R. 6134) entitled "An act to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees for certain pay periods occurring in part in previous fiscal years."

INDEPENDENT OFFICES APPROPRIATION BILL, 1960

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. THOMAS, YATES, CANNON, OSTERTAG, and TABER.

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary and subcommittees thereof be permitted to sit this week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALEY. I object, Mr. Speaker.

FATHER OF THE NUCLEAR SHIP "SAVANNAH"

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, the world's first nuclear-powered cargo-passenger vessel, the nuclear ship *Savannah*, will be launched tomorrow at the New York Shipbuilding Corp., yard in Camden, N.J. The sponsor will be Mrs. Dwight D. Eisenhower.

Several persons will have played important parts in bringing this ship into being. All are entitled to much credit. None, however, is entitled to more credit than is the distinguished gentleman from North Carolina, the Honorable HERBERT C. BONNER, chairman of the House Committee on Merchant Marine and Fisheries. He can rightly be called the "father of the nuclear ship *Savannah*."

It was his proposal which authorized the construction of the vessel and which was enacted into law. It was his idea that the ship should be a cargo-passenger vessel, and not simply a show boat for demonstration purposes.

It was his thought that a cargo-passenger vessel could be used not only to demonstrate the peacetime use of nuclear power, but could also be practically employed in carrying cargo and passengers to and from foreign ports.

Congressman BONNER was charged with the responsibility of convincing both Congress and the appropriate administrative agencies that his proposal was sound. This he did despite vigorous opposition. The vessel has now been constructed. Within a short time it will be put into actual operation. Eventually, it will have sailed into most of the major ports of the world flying the flag of the United States, and demonstrating to all people that our Nation wishes to use nuclear power for peaceful purposes. I want to be one of the first to pay my respects to the man most responsible for the nuclear ship *Savannah*.

U.S. PARTICIPATION IN UNITED NATIONS DURING 1958—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

Pursuant to the United Nations Participation Act, I transmit herewith the 13th annual report, covering U.S. participation in the United Nations during the year 1958.

Last year the value of the United Nations as a force for peace was tested and proved anew.

Confronted with a grave crisis in the Middle East, it helped to achieve a peaceful solution, to preserve the threatened independence of Lebanon and Jordan, and to avert the incalculable tragedy of a large-scale conflict.

In the vital field of economic progress for newly developing countries, it opened a promising chapter by establishing the United Nations Special Fund.

In facing the stubborn problem of disarmament it gave influential backing to U.S. policies on a nuclear weapons test ban and on inspection against surprise attack, and again rejected the Soviet demand for mere paper prohibitions without the controls necessary to assure compliance.

At the dawn of man's ventures beyond our planet, it took prompt action to promote international cooperation for the peaceful uses of outer space.

Certain developments during the last year are especially important from the point of view of the U.S. relations with the United Nations.

The Middle East, as in 1957, was again a major focus of danger and of consequent United Nations efforts to preserve peace.

Last spring the President of Lebanon, convinced that the independence of his country was threatened by civil strife instigated and abetted from abroad, appealed for help first to the United Nations and later to the United States. In June the United Nations Security Council, with our active support, responded to Lebanon's first appeal by establishing the United Nations Observation Group in Lebanon with the aim of assuring that there would be no illegal infiltration into that country.

In July the situation in the Middle East became more tense. Lebanon requested immediate military assistance from the United States to help it preserve its independence and integrity. We responded by dispatching units of our Armed Forces to Lebanon and at the same time called for an urgent meeting of the Security Council. The Council met immediately to consider both this problem and a similar situation in Jordan, where the United Kingdom had responded with military assistance to that Government's appeal.

In the Security Council, the United States called upon the United Nations to take whatever action was necessary to preserve Lebanon's independence and permit withdrawal of U.S. troops. The Security Council, however, was unable to act owing to the Soviet Union's veto. The United States therefore proposed an emergency special session of the General Assembly to consider the situations in both Lebanon and Jordan.

In an address to the Assembly, I presented for the United States a series of proposals designed to promote peace in the Middle East and to help the Arab peoples to devote their energies and resources to economic and social progress. Specifically, these proposals encompassed United Nations action to insure the continued independence and territorial integrity of Lebanon and Jordan; to end the fomenting of domestic strife; to provide for a standby United Nations peace force; to establish a regional economic development institution; and to prevent a new arms race spiral in the area.

The success of the emergency Assembly session was ultimately assured by the response of the Arab States themselves. In the memorable resolution in which they all joined as sponsors, the Arab States pledged to respect each other's established systems of government and abstain from any action calculated to change them. The resolution also enjoined similar principles of international

conduct on all United Nations members. It asked the Secretary General to make practical arrangements to uphold the Charter in Lebanon and Jordan, thereby facilitating the withdrawal of foreign troops. Finally, it invited the Secretary General to consult with the Arab countries of the Near East on possible United Nations assistance in creating an Arab economic development institution.

These United Nations actions have helped to preserve the independence of Jordan and Lebanon and thus made possible the timely withdrawal of United States and British forces from these two countries.

The 13th session of the General Assembly, meeting in September, took further important actions concerning the Middle East. It authorized expenditures for the continuation of the United Nations Emergency Force. The Secretary General stated his intention to consult with member states on the question of a standby United Nations peace force, and expressed confidence that experience already gained would enable the United Nations to meet any new emergency requiring such a force.

Also, a foundation has been laid for the establishment of a regional Arab Development Bank. This project was given impetus by the emergency assembly session. It could mark the beginning of a new era of economic cooperation and progress in the area.

Disarmament negotiations in 1958 were the subject of unremitting efforts both in the United Nations and elsewhere. The United States continued to emphasize, with gratifying support from the General Assembly, that adequate systems of inspection and control are indispensable to agreements in this field. As a result, this important truth is more and more widely understood in world opinion.

Although the U.S.S.R. boycotted the United Nations Disarmament Commission from the beginning of 1958, the United States continued to pursue any promising way toward agreement. In April, I proposed to the Soviet Government that technical talks to be held on the feasibility of establishing an effective control system to verify a suspension of nuclear weapons tests. A conference of experts, including experts from the U.S.S.R. as well as the United States and the United Kingdom, met in Geneva on July 1 to consider this question. After 6 weeks they reached agreement as to the technical feasibility of a system for detecting nuclear weapons tests carried out in violation of an agreement.

Negotiations for a discontinuance of nuclear weapons tests, were begun in Geneva on October 31 by representatives of the United States, the United Kingdom, and the Soviet Union. They were still underway at the year's end. It remained to be seen whether the Soviet Union would accept a control system efficient enough, and sufficiently free of the veto, to make possible a worldwide controlled stoppage of nuclear weapons tests.

On November 10, the technical conference on safeguards against surprise attack also began in Geneva. From the outset the Soviet spokesmen at the conference attempted to inject political considerations into the deliberations although the task of the meeting was to examine the technical aspects of the problem. After 6 weeks these talks were recessed without agreement. The United States hopes that appropriate means can be found for renewed consideration of the surprise attack problem under arrangements which would give promise of more fruitful discussions.

As in the past, the problem of disarmament was one of the principal matters considered by the General Assembly. The United States and 16 other powers submitted a resolution endorsing the technical approach to disarmament and reaffirming its hope for "a balanced and effectively controlled worldwide system of disarmament." The Assembly adopted this resolution. It refused to endorse the Soviet call for a test ban unaccompanied by effective controls. The Assembly also adopted a resolution which for 1959 established a Disarmament Commission to include all members of the United Nations.

The United States will continue to press for disarmament agreements fairly balanced and adequately controlled, and thus surrounded by the mutual confidence essential to success.

In 1958, outer space was for the first time the subject of important United Nations action. The General Assembly, on a proposal by the United States and 19 other nations, established a committee to explore the possibilities for international cooperation in the peaceful uses of outer space.

The Soviet Union at first took a different approach. It linked such cooperation to a ban on the military use of outer space. To this proposal it then attached an irrelevant demand: that the overseas military bases, which we have built in a number of countries as measures of collective defense against Soviet pressures, should be abolished.

Wide support developed in the General Assembly for international cooperation in the peaceful uses of outer space. The Soviet Union therefore abandoned its proposal and offered to cooperate in this field, but it tried to attach an unacceptable condition. It demanded that the seats allocated to states dominated by Moscow be equal in number to those held by nations allied with the United States. The Assembly rejected this arbitrary "parity" principle and created an 18-member committee representative of the entire membership of the United Nations.

The tragedy of Hungary was again the cause of deep concern in the United Nations in 1958. The General Assembly adopted by a large majority a resolution proposed by the 37 nations, which condemned and called for an end to the continuing repression of the Hungarian people "under the shadow of the continuing presence of Soviet armed forces." The resolution also denounced the executions of former Prime Minister Imre Nagy, Gen. Pal Maleter, and other Hungarian patriots. The Assembly appointed Sir Leslie Munro, President of the 12th General Assembly, as its representative to report on developments in Hungary. Finally, the Assembly once again refrained from approving the credentials of the delegation representing the Hungarian regime, thus leaving that delegation in a provisional status which is unique in United Nations history. By these actions the United Nations again showed how deeply and lastingly Moscow had affronted world opinion when it crushed Hungary's freedom by military forces.

The Republic of Guinea was admitted to membership in the United Nations on December 12. The United States welcomes this newly independent state into the family of nations and into the councils of the world organization. It is a source of regret that once again, owing to the Soviet veto, the Republic of Korea and the Republic of Vietnam were denied membership in the United Nations.

The General Assembly, as in previous years, decided by a large majority not to consider the question of Chinese representation. The effect of this decision was to maintain the position of the Government of the Republic of China in the United Nations.

The Assembly, as in previous years, reaffirmed its desire to bring about the unification of Korea on the basis of genuinely free elections under United Nations supervision.

All the trust territories of the United Nations, including the Trust Territory of the Pacific Islands which the United States administers, progressed in 1958 toward the charter goal of self-government or independence. The Trusteeship Council commended the continued efforts of the United States to develop effective organs of government in the Pacific Islands.

Trust territories in Africa were the subject of other important United Nations actions in line with the rapid political evolution of that continent. The General Assembly agreed unanimously that Togoland under French administration would cease to be a trust territory and become independent in 1960. The Assembly also decided to reconvene in February 1959, to consider the future of the British Cameroons and the French Cameroun, both of which are also scheduled for early independence.

Economic development was the subject of one of the outstanding United Nations achievements of 1958—the establishment by the General Assembly of the Special Fund, originally proposed by the United States.

This Fund supplements the well-established United Nations Expanded Program of Technical Assistance. It will undertake technical assistance projects basic to further economic progress in the less developed countries, such as surveys of water, mineral and power resources, and the setting up of technological training centers. In this work it will draw on both the finances and the technical talents of many member states.

The establishment of the Special Fund is thus a significant step forward in the perennial efforts of the United Nations to relieve hunger, disease, and ignorance. I am especially gratified that it begins its life under the able guidance

of Paul G. Hoffman of the United States, its first Managing Director.

The General Assembly resolution establishing the Special Fund contemplates that annual contributions by member states to this Fund, and to the older United Nations Technical Assistance Program, may total as much as $100 million. The United States, pursuant to congressional action, has promised to provide up to $38 million this year, provided that our contribution does not exceed 40 percent of the total. We hope that other member countries will contribute enough to enable the program to do the important work for which it was conceived.

The General Assembly took several other noteworthy steps to guide economic progress in newly developing countries. On United States initiative it called upon member states to review what they have done to promote the economic development of such countries and to chart their future courses of cooperative action in this field. It also invited member states to explore further the possibility of enlisting the aid of universities and scientific institutions to help solve scientific and technological problems confronting the less developed countries.

Finally, the Assembly called for a report from the Secretary General concerning ways to promote the flow of private capital investment, on mutually satisfactory terms, into newly developing countries—a key factor in the economic growth of these areas. Significantly, this proposal was put forward by 19 capital-importing countries. It was opposed by none except the members of the Soviet bloc.

Atomic energy in its peaceful application was the subject of a second United Nations Scientific Conference in September 1958—the largest such conference ever held. To this 2-week conference in Geneva came 2,000 scientist-delegates from 69 countries. The conference was generally acclaimed even more valuable than its historic predecessor, held in 1955, in making available the most advanced scientific, and technical knowledge of the atom's peaceful uses. This event, and the activity of the recently created International Atomic Energy Agency, are in great measure fruits of the U.S. policy to support, in the United Nations and elsewhere, the fullest international cooperation to develop atomic energy for the peaceful service of man.

These United Nations achievements of 1958 give renewed proof that the American people are right in regarding the principles of the United Nations Charter as a cornerstone of their foreign policy. Yet the successes of the world organization, though real, are severely limited. The community of law-abiding nations still faces heavy tasks and real dangers.

Although many of these dangers are inevitable in a world of rapid social and political evolution, the chief source of danger remains what it has been since the founding of the United Nations: the failure of the Soviet Union to cooperate in achieving the objectives of the organization. Even as they profess their love of peace, the Soviet leaders refuse to accept the idea of a many-sided, cooperative effort for the maintenance of peace and preach instead a dismal doctrine—totally at variance with the charter—of inexorable conflict between two supposed systems.

The United States continues to reject that blackly fatalistic view of history. In addressing the United Nations General Assembly last August 13, I sought to put these matters in proper perspective. I expressed the conviction that this world of individual nations is not going to be controlled by any one power or group of powers. This world is not going to be committed to any one ideology. I also emphasized that the nature of today's weapons, the nature of modern communications, and the widening circle of new nations make it plain that we must, in the end, be a world community of open societies.

Such are our goals. However distant they appear, we must not become discouraged or lose sight of them. In pursuing them through the dangers and the difficulties of the present the United Nations is—both for our country and for the community of nations—a proven asset of incalculable value. To remain so it requires, and must continue to receive, the faithful support of a strong United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 20, 1959*.

FOREIGN AID

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, we are educating the world to look upon the United States with contempt. When the United States is mentioned abroad our foreign friends immediately think of dollars. They do not think of freedom, the Declaration of Independence, the U.S. Constitution or the Bill of Rights. They no longer think of the Atlantic Charter or the tremendous sacrifice of our money and men to keep them free during World War II. When they see the U.S. flag they see the dollar sign. This is a dangerous foundation upon which to build permanent world peace and mutual respect. We cannot buy good will or courage or national character or determination or self-reliance or independence or lasting friendship with our money alone. We must taper off on this fallacious foreign aid program and regain our prestige and national respect. This Congress can and must remove the dollar sign from our foreign policy and replace it with the emblem of liberty and justice.

SPAIN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I wish to join my colleagues who have expressed their desire to see Spain included into the defense community of the Western World, the North Atlantic Treaty Organization. I believe that I was one of the original sponsors of a House concurrent resolution expressing the consensus of the Congress that Spain should become a member of NATO.

There is very little doubt about the fact that because of its geographical location and because of its stanch resistance to communism—resistance acknowledged on the battlefields of the civil war—Spain is one of the most important outer bastions of our defense.

In 1936, Spain became what could properly be called the proving grounds for Nazi Germany and Communist Russia. The two totalitarian powers were testing their armaments and their military tactics for the big showdown that came a few years later.

Both powers wanted to establish a foothold in Spain in anticipation of their coming struggle with the West. Due to the victory of Generalissimo Franco's forces, the soil of Spain was denied to the Soviet Union for future use against us and our allies. Due to Generalissimo Franco's strong stand against Hitler's demands, the soil of Spain was denied to Nazi Germany. Gibraltar was not invaded by Nazi troops. The Mediterranean, north Africa, the Balkans, and Italy were not made inaccessible to ourselves and our allies. The lifeline remained open.

This brief outline of recent history should serve for everyone to realize the importance of keeping Spain strong, keeping it on our side and making it an ally and an associate within the framework of NATO.

LEGISLATIVE PROGRAM—MUTUAL SECURITY BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to to the request of the gentleman from Massachusetts.

There was no objection.

Mr. McCORMACK. Mr. Speaker, inquiries have been made of me by Members as to when the conference report on the mutual security bill will come up. I can make the announcement so Members will be advised that this conference report will come up on Wednesday next.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. TABER. Would the gentleman know when the conference report might be available to the Members?

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. MORGAN] to answer the gentleman's inquiry.

Mr. MORGAN. We intend to file the report tomorrow.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

APPORTIONMENT OF COMPENSATION OF VETERANS WHO DISAPPEAR

The Clerk called the bill (H.R. 255) to amend section 358 of title 38, United States Code, to provide for apportionment of compensation of veterans who disappear.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 358 of title 38, United States Code, is amended by striking out "an incompetent veteran" and inserting "a veteran".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING THAT MULTIPLE SCLEROSIS DEVELOPING A 10-PERCENT OR MORE DEGREE OF DISABILITY WITHIN 3 YEARS AFTER SEPARATION FROM ACTIVE SERVICE SHALL BE PRESUMED TO BE SERVICE CONNECTED

The Clerk called the bill (H.R. 267) to amend title 38 of the United States Code to provide that multiple sclerosis developing a 10-percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 312 (4) of title 38, United States Code, is amended by striking out "two" and inserting in lieu thereof "three".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING ADDITIONAL COMPENSATION FOR VETERANS HAVING SERVICE-INCURRED DISABILITY OF DEAFNESS OF BOTH EARS

The Clerk called the bill (H.R. 268) to amend title 38 of the United States Code to provide additional compensation for veterans having the service-incurred disability of deafness of both ears.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PENSION FOR MEDAL-OF-HONOR HOLDERS

The Clerk called the bill (H.R. 270) to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 560 of title 38, United States Code, is amended (1) by striking out ", who has attained the age of sixty-five years,"; and (2) by striking out ", and who was honorably discharged from service by muster out, resignation, or otherwise".

SEC. 2. Subsection (a) of section 562 of title 38, United States Code, is amended by striking out "$10" and inserting in lieu thereof "$100".

SEC. 3. This Act shall take effect on the first day of the first calendar month which begins after the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESUMPTION OF SERVICE CONNECTION IN CASE OF HANSEN'S DISEASE

The Clerk called the bill (H.R. 271) to amend title 38 of the United States Code to provide a further period of presuming service connection in the case of veterans suffering from Hansen's disease (leprosy).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 312 of title 38, United States Code, is amended by inserting immediately below paragraph (4) thereof the following:

"(5) Hansen's disease developing a 10 per centum degree of disability or more within five years from the date of separation from such service;".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASED COMPENSATION FOR CERTAIN SERVICE-CONNECTED DISABLED VETERANS

The Clerk called the bill (H.R. 283) to amend section 314(k) of title 38, United States Code, to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EFFECTIVE DATE OF CERTAIN STATUTORY AWARDS

The Clerk called the bill (H.R. 5996) to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of Public Law 427, Eighty-second Congress (66 Stat. 296), is hereby amended, effective June 30, 1952, by adding at the end thereof the following sentence: "No application shall be required for the payment of compensation under this Act for the loss or loss of use of a creative organ or for an arrested tuberculosis disease in any case, whether or not now on the rolls, in which a determination of service connection of such condition has been made or is made by the Administrator of Veterans' Affairs prior to August 1, 1952.".

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That in any case in which the Administrator of Veterans' Affairs determined before August 1, 1952, that the loss or the loss of use of a creative organ, or arrested tuberculosis, suffered by any veteran was service connected, and such loss or loss of use, or tuberculosis, would have been compensable under the amendments made by Public Law 427, Eighty-second Congress, if application therefor had been made on August 1, 1952, then the Administrator shall pay to such veteran in a lump sum the total amounts which would have been payable to him on account of such loss or loss of use, or tuberculosis, under (1) such amendments, (2) section 315 (k) or (q), as appropriate, of the Veterans' Benefit Act of 1957, and (3) section 314 (k) or (q), as appropriate, of title 38, United States Code, before the date of enactment of this Act, if such veteran had applied therefor on August 1, 1952, reduced by the amounts paid to him before such date of enactment under such amendments, such section 315 (k) or (q), and such section 314 (k) or (q)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO THE CONVEYANCE OF CERTAIN U.S. PROPERTY TO THE CITY OF VALPARAISO, FLA.

The Clerk called the bill (H.R. 6500) to amend Public Law 85–818.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of Public Law 85–818 is amended to read as follows:

"SEC. 4. Conveyance authorized by this Act shall be conditional upon the city of Valparaiso, Florida, paying to the Secretary of the Air Force as consideration for the tract of land conveyed under the provisions of this Act, an amount equal to 50 per centum of the fair market value as determined by the Secretary of the Air Force after appraisal of such tract. The cost of any surveys and appraisals necessary as an incident to the conveyance authorized herein shall be borne by the city of Valparaiso, Florida."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SURPLUS GRAIN TO PREVENT WATERFOWL DEPREDATIONS

The Clerk called the bill (H.R. 7631) to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations and for other purposes."

There being no objection the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of July 3, 1956 (70 Stat. 492), entitled "An Act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes", is amended by repealing and deleting therefrom section 5.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPT CERTAIN PAYMENTS TO INDIANS FROM INCOME TAX

The Clerk called the bill (H.R. 7157) to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the bill S. 1976, to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax, be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds paid by the United States to Indian tribes, the portion of such funds subsequently distributed to members of the tribes or to trustees for or representatives of such members, and the funds paid by the United States directly to individual Indians, as compensation for the loss of fishing rights due to the construction, operation, and maintenance of the Dalles Dam, Columbia River, Washington and Oregon, shall not be subject to Federal or State income tax.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 7157) were laid on the table.

RECOGNITION OF THE GRAVE OF SAMUEL WILSON

The Clerk called the concurrent resolution (H. Con. Res. 106) expressing the sense of the Congress with respect to the recognition of the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam," in Oakwood Cemetery, Troy, N.Y., as a national shrine.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam", marked by a bronze tablet in the Oakwood Cemetery, Troy, New York, be, and is so recognized, a national shrine.

The concurrent resolution was agreed to and a motion to reconsider was laid on the table.

Mr. O'BRIEN of New York. Mr. Speaker, I thank the Members of the House for their approval of the Taylor resolution recognizing the grave in Troy, N.Y., of "Uncle Sam" Wilson as a national shrine.

This action will please all the people of my State. Mr. TAYLOR is to be commended for his work on this resolution.

The resolution was necessarily brief and limited in its reference to the Wilson grave in Troy. The record should show, however, that American troops quartered at East Greenbush, N. Y., were an important link in spreading the name and fame of "Uncle Sam" throughout our then small Nation. The people of East Greenbush, like the people of Troy, feel that "Uncle Sam" Wilson was a moving part of their history.

For the benefit of the Members, I should like to include at this point some quotations from a book by a late editor of the Troy Times, Mr. Rutherford Hayne, which eloquently recites "Uncle Sam" Wilson's place in history. The excerpt follows:

The original Uncle Sam—the term "Uncle Sam," as applied to the United States, and the representation of the character called Uncle Sam, originated in Rensselaer County. Uncle Sam in real life was Samuel Wilson, born in Menotomy (now Arlington), Mass., on September 13, 1766, and he was one of the oldest inhabitants of the city of Troy when he died July 31, 1854. He came to Troy from Mason, N.H., about the year 1793 and thus was among its early settlers. Mr. Wilson purchased land on the side of Mount Ida, now partly included within Prospect Park, and occupied it for farming purposes until about 1820. He then sold all except 4 acres, holding his residence which was at 76 Ferry Street. He was always an active businessman engaged in many enterprises and in the community was highly regarded for his honesty and uprightness by his neighbors; most generous and thoroughly genial character who was beloved by all who knew him, until he became to be commonly called Uncle Sam by all of his acquaintances.

It is recounted by descendants of Samuel Wilson who are still living in this part of the country, that the application of his name to the U.S. Government grew out of an incident during the War of 1812 when troops of the American Army were assembled in the cantonment at Greenbush (now Clinton Heights in East Greenbush). Mr. Wilson, who was engaged in the slaughtering business in Troy, became associated with Elbert Anderson, a Government contractor, in the purchase of meat and other supplies in this part of the country and their packing and shipment from the Troy wharf. These shipments included quantities of beef and pork packed in barrels or casks in Troy and commonly marked with the initials of the contractor "E. A." and the consignee "U.S." meaning United States. At the cantonment were a number of soldiers who had enlisted from Troy and through the connection of Samuel Wilson with these shipments and their common acquaintance with him as Uncle Sam it is not difficult to see how the U.S. came to be translated into Uncle Sam. The beef from Troy the local soldiers called Uncle Sam's beef." This was picked up promptly among the other soldiers in the encampment who began to call everything that belonged to the Government Uncle Sam's. The term as applied to the United States quickly sprang into popular favor and the likeness of Mr. Wilson, a rather tall, spare, old gentleman, with a kind, jolly face, soon came to be commonly used as a typical representation.

Lucius E. Wilson, of New York City, a great grand-nephew of Samuel Wilson, wrote frequently in recent years concerning him as he remembered Uncle Sam when a boy. He said that Mr. Wilson, with his brother, Ebenezer, were the first to engage in the making of brick in Troy, and later he was engaged in the slaughtering business on his farm now included within the city limits, his home having been located at what is now the southeast corner of Ferry Street and Seventh Avenue. As an indication of the character of Uncle Sam, Lucius Wilson told this story: "After my grandfather's death, grandmother Wilson lived for a time directly opposite Uncle Sam and I was in the habit of carrying her little delicacies. I recall that one time when I went with a pail of soup, Uncle Sam, who was sitting on his piazza called me in and while keeping me entertained, surreptitiously changed the soup for water without my knowing it and when grandmother opened the pail and saw my surprise she laughed and said that that was one of Uncle Sam's jokes, for she saw me go in at his house, but she would try to get even with him as he was ever ready to play practical jokes."

Concerning Uncle Sam, Lucius E. Wilson wrote out the following statement in October 1917:

NEW YORK, *October 11, 1917.*

My great grandfather, on my father's side, was one of three brothers who emigrated to this country from Scotland some time previous to the Revolution. He settled in Medford, Mass., near Boston, while one of the others settled in Connecticut. The other brother went into the State of New York, but of him nothing definite was ever learned. My grandfather was the son of the one who settled in Medford, Mass. His name was Edward, and he had several brothers and sisters, but little is learned of their history. My great grandfather married Lucy Francis, by whom he had 11 children, nine sons and two daughters of whom all were married except Lucy. They had numerous families and lived to advanced ages. My great grandfather owned a valuable farm at Medford, Mass., but sold it near the close of the war and concluded to move West, determining to purchase a large tract of wild land. He took his pay in Continental money, which became almost worthless. My father has said he told him that he paid $3,000 of it for one yoke of oxen that helped in his moving. He moved with his family to the town of Mason, N.H., where he bought and settled on 100 acres of wild land. Ebenezer and Samuel, his sons, left home at an early age and went to Troy, N.Y., and soon after commenced the business of making brick, the first made in that section, and many of the oldest houses in Troy were built of these. They did quite a large business, were prosperous and some little time later went into the wholesale slaughtering business, buying cattle and hogs, packing and shipping pork and beef as far as New York City. About this time their brother, Edward (my grandfather), came to Troy and joined their business, and in 1813 their father (my great grandfather), left Mason, N.H., and moved with the remainder of his family and settled in Troy, and died there June 17, 1816, in the 82d year of his age.

Samuel, eighth of 13 children of Edward, Sr., engaged in many enterprises, employed many hands, had extensive acquaintance, was jolly, genial, generous, and was known and called "Uncle Sam" by everyone. His wife was, like him, widely known and called "Aunt Betsy."

I remember my grandfather Wilson, as I was about 7 years old when he died, and I knew several of my grand-uncles quite well. I was about 18 at the time Uncle Sam passed away. He was the old original "Uncle Sam," who gave that name to the United States. The story of how and when this came about, as told me in my boyhood, was like this:

At the time Uncle Sam was in the slaughtering business at Troy, where he, in 1812, became associated with Elbert Anderson, who

was a Government contractor furnishing supplies to the Army then stationed about Greenbush and at Newburgh. Uncle Sam was given a contract by him to supply the beef and pork he required, and he packed all such in casks and packages marking each "E.A.—U.S.," and shipped from the Troy wharf on sailing vessels to their destination. At one time, when a large consignment was awaiting shipment, a party of visitors landed at this dock and on seeing this pile of freight, inquired of the watchman in charge (an Irishman, who was one of Uncle Sam's employees), who the owners of it all were; and the watchman replied: "It is all marked, sir, and belongs to Mr. Anderson and Uncle Sam." "Uncle Sam? Uncle Sam who?" they asked. "Why Uncle Sam Wilson, don't you know? He owns near all about here and it is he who is feeding the Army." Well, this was considered a huge joke and quickly spread. In the Army, the soldiers soon called the beef, and pork "Uncle Sam's beef" and "Uncle Sam's pork," and said, "Uncle Sam is caring for us," and many acquaintances of Uncle Sam would constantly rally and joke him about his increasing possessions. There was also a popular song started at the time about "Uncle Sam is rich enough to buy us all a farm." I have often seen in print what concerns the origin of using "Uncle Sam" for the United States. All I have read is much the same, and is nearer right than the pictures shown of him. Uncle Sam was a very fine looking, well-proportioned, well-preserved man, and the type of the well-to-do old gentleman of his time. I am not quite sure, but I believe I am the only one of the several nephews that is now living.

LUCIUS E. WILSON.

A number of other descendants and some aged residents who knew Samuel Wilson in his lifetime have verified the story of the use of the title for the United States, although varying the story perhaps in some of the minor details. The graves of Uncle Sam and his wife are located in Oakwood Cemetery, Troy, N.Y.

Let the record show, too, the names of some others who performed magnificently in this patriotic endeavor. They included:

Miss Jessie F. Wheeler, 1858–1946, who spent almost 40 years in the undertaking of collating geneological references to Uncle Sam Wilson and "Uncle Sam"—the symbol. The analects of her scrapbook, her published articles, and her abundant source material, willed by her upon her death to the custody of the New York State Library at Albany, were made available to Thomas I. Gerson, official "Uncle Sam" historian, who prepared and directed the testimony at the hearing. Mr. Gerson has been writing and researching Sam Wilson for 13 years.

Dr. J. Almust Russell, of Pennsylvania State Teachers College, Bloomsburg, Pa.

Col. Edgar T. Noyes, retired, 438 Oakleaf Drive, San Antonio, Tex.

SERVICE BY CANADIAN VESSELS FOR ALASKA PORTS

The Clerk called the bill (S. 175) to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, until June 30, 1960, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation, unless the Secretary of Commerce determines that United States-flag service is available to provide such transportation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR RISK INSURANCE

The Clerk called the bill (S. 1234) to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1214 of title XII of the Merchant Marine Act, 1936, as amended (U.S.C., title 46, sec. 1294), is amended by striking out "10 years" and inserting in lieu thereof "15 years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INSURANCE OF SHIP MORTGAGES

The Clerk called the bill (S. 1434) to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title XI of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1271–1279), is amended—

(1) by redesignating sections 1107, 1108, and 1109 as sections 1108, 1109, and 1110;

(2) by striking out of section 1102 the reference "section 1109" and inserting in lieu thereof the reference "section 1110";

(3) by striking out of section 1104(f) the reference "sections 1101–1109" and inserting in lieu thereof the reference "sections 1101–1110";

(4) by striking out of section 1106, before the dash, the word "except" and inserting in lieu thereof the words "except as provided in section 1107 or"; and

(5) by inserting after section 1106 a new section 1107 to read as follows:

"SEC. 1107. The Secretary of Commerce is authorized, upon such terms as he may prescribe, to make a commitment to the prospective owner of a vessel who is a citizen of the United States, prior to the time when the keel of such vessel is laid under a contract which such prospective owner has made with the shipbuilder for the construction of the vessel (or if the keel of the vessel was laid under such contract prior to the enactment of this Act, and the vessel owner or prospective owner has an unexpired commitment from the Secretary of Commerce to insure a mortgage on the vessel, issued prior to enactment of this Act under the law then existing, then prior to the expiration of such commitment), to insure the interest on and the unpaid balance of the principal of a mortgage or mortgages which such prospective owner, as mortgagor, may at any time place on the vessel in order to finance the construction, reconstruction, or reconditioning of other vessels or both to refinance a mortgage insured by the Secretary of Commerce on the vessel and to finance the construction, reconstruction or reconditioning of other vessels, subject to the following conditions—

"(1) the commitment shall not be assignable without the prior written approval of the Secretary of Commerce;

"(2) the vessel is not, at the time of insuring the mortgage pursuant to the commitment, subject to a mortgage which has not been insured by the Secretary of Commerce;

"(3) within a reasonable period prior to, or at the time of, insuring the mortgage pursuant to the commitment, the Secretary of Commerce makes the finding required by section 1104(c) of this Act (which requires a finding that the mortgaged vessel or the project with respect to which the mortgaged vessel is to be operated will be, in the opinion of the Secretary of Commerce, economically sound);

"(4) the mortgage involves a principal obligation which when added to the unpaid balance of the principal obligations of prior mortgages on the vessel (other than mortgages that are being refinanced by this mortgage) will result in a sum which will not, (a) if the vessel was not built with the aid of construction-differential subsidy and complies with the requirements of section 509 of this Act exceed (A) if the vessel has not been reconstructed or reconditioned before such mortgage is executed, 87½ per centum of all amounts the mortgagor has paid or is obligated to pay for the construction (including designing, inspecting, outfitting, or equipping) of the vessel, depreciated at the rate of 5 per centum per annum from the date the vessel was delivered by the shipbuilder to the date such mortgage is executed, or (B) if the vessel has been reconstructed or reconditioned before such mortgage is executed, 87½ per centum of all amounts the mortgagor has paid or is obligated to pay for the construction (including designing, inspecting, outfitting, and equipping) of the vessel, depreciated at the rate of 5 per centum per annum from the date the vessel was delivered by the shipbuilder to the date of such reconstruction or reconditioning, and depreciated, from the date of such reconstruction or reconditioning to the date such mortgage is executed, on a straight-line basis and on the basis of a useful life of the vessel determined jointly by the Secretary of Commerce and the Secretary of the Treasury, plus 87½ per centum of all amounts the mortgagor has paid or is obligated to pay for the reconstruction or reconditioning of the vessel (if such reconstruction or reconditioning was done without aid of construction subsidy and the vessel complies with the requirements of section 509 of this Act; otherwise, 75 per centum of such amount), depreciated, from the date of such reconstruction or reconditioning to the date such mortgage is executed, on a straight-line basis and on the basis of a useful life of the vessel determined jointly by the Secretary of Commerce and the Secretary of the Treasury, and (b) if the vessel

was built with the aid of construction-differential subsidy, or does not comply with the requirements of section 509 of this Act, exceed the amount computed under (a) above except that, where (a) above provides for 87½ per centum of the construction cost of the vessel, the percentage shall be 75 per centum;

"(5) the mortgage has maturity dates which, if the vessel has not been reconstructed or reconditioned, do not exceed the remaining years of a useful life of the mortgaged vessel of 20 years computed from the date the vessel was delivered by the shipbuilder or, if the vessel has been reconstructed or reconditioned, do not exceed the remaining years of a useful life of the vessel determined jointly by the Secretary of the Treasury and the Secretary of Commerce;

"(6) the loan agreement for the making of the loan secured by the mortgage, or the mortgage, provides that the underwriter or mortgagee will disburse the loan for one or more of the following purposes: (a) to pay one of the components of actual cost of the vessels to be constructed, reconstructed, or reconditioned and, if any such payment is to reimburse the operator for payments made from his capital reserve fund, to deposit such payment in his capital reserve fund, or (b) to pay part of the loan to discharge an existing mortgage which is insured by the Secretary of Commerce on the vessel that is subject to the mortgage which is to be insured, or (c) to deposit part or all of the loan in the operator's capital reserve fund, if he is a subsidized operator, and in a construction reserve fund, if he is an unsubsidized operator; if any deposit is made in a capital reserve fund, or construction reserve fund under (c) hereof, such deposit may be withdrawn only to pay one of the components of actual cost of the vessels that are to be constructed, reconstructed, or reconditioned, or if for any reason such payments do not exhause the deposit, then to pay off the loan secured by the mortgage that is to be insured;

"(7) the mortgage complies with all of the requirements of section 1104(a) of this act (which defines an eligible mortgage) except subdivision 2 thereof (which specifies the maximum principal amount of the mortgage), subdivision 3 thereof (which specifies the maximum duration of the mortgage), and subdivision 8 thereof (which specifies the purpose of the loan secured by the mortgage);

"(8) the mortgaged vessel shall be in class A-1, American Bureau of Shipping, with all required certificates, including but not limited to marine inspection certificates of the United States Coast Guard, with all outstanding requirements and recommendations necessary for retention of class accomplished, unless the Secretary of Commerce permits a deferment of such repairs, and shall be tight, stanch, strong and well and sufficiently tackled, appareled, furnished and equipped, and in every respect seaworthy and in good running condition and repair and in all respects fit for service."

SEC. 2. Section 1104(a)(2) of the Merchant Marine Act, 1936, as amended, is amended by striking out of the proviso the words: "That in the case of a vessel, the size and speed of which are approved by the Secretary of Commerce, which is eligible for mortgage aid" and inserting in lieu thereof the words: "That in the case of a vessel, the size and speed of which are approved by the Secretary of Commerce, and which is, or in the case of a vessel to be reconstructed or reconditioned would have been, eligible for mortgage aid for construction."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIAN SANITATION FACILITIES

The Clerk called the bill (S. 56) to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of August 5, 1954 (68 Stat. 674), is amended by adding at the end thereof the following new section:

"SEC. 7. (a) In carrying out his functions under this Act with respect to the provision of sanitation facilities and services, the Surgeon General is authorized—

"(1) to construct, improve, extend, or otherwise provide and maintain, by contract or otherwise, essential sanitation facilities, including domestic and community water supplies and facilities, drainage facilities, and sewage- and waste-disposal facilities, together with necessary appurtenances and fixtures, for Indian homes, communities, and lands;

"(2) to acquire lands, or rights or interests therein, including sites, rights-of-way, and easements, and to acquire rights to the use of water, by purchase, lease, gift, exchange, or otherwise, when necessary for the purposes of this section, except that no lands or rights or interests therein may be acquired from an Indian tribe, band, group, community, or individual other than by gift or for nominal consideration, if the facility for which such lands or rights or interests therein are acquired is for the exclusive benefit of such tribe, band, group, community, or individual, respectively;

"(3) to make such arrangements and agreements with appropriate public authorities and nonprofit organizations or agencies and with the Indians to be served by such sanitation facilities (and any other person so served) regarding contributions toward the construction, improvement, extension and provision thereof, and responsibilities for maintenance thereof, as in his judgment are equitable and will best assure the future maintenance of facilities in an effective and operating condition; and

"(4) to transfer any facilities provided under this section, together with appurtenant interests in land, with or without a money consideration, and under such terms and conditions as in his judgment are appropriate, having regard to the contributions made and the maintenance responsibilities undertaken, and the special health needs of the Indians concerned, to any State or Territory or subdivision or public authority thereof, or to any Indian tribe, group, band, or community or, in the case of domestic appurtenances and fixtures, to any one or more of the occupants of the Indian home served thereby.

"(b) The Secretary of the Interior is authorized to transfer to the Surgeon General for use in carrying out the purposes of this section such interest and rights in federally owned lands under the jurisdiction of the Department of the Interior, and in Indian-owned lands that either are held by the United States in trust for Indians or are subject to a restriction against alienation imposed by the United States, including appurtenances and improvements thereto, as may be requested by the Surgeon General. Any land or interest therein, including appurtenances and improvements to such land, so transferred shall be subject to disposition by the Surgeon General in accordance with paragraph (4) of subsection (a): *Provided,* That, in any case where a beneficial interest in such land is in any Indian, or Indian tribe, band, or group, the consent of such beneficial owner to any such transfer or disposition shall first be obtained: *Provided further,* That where deemed appropriate by the Secretary of the Interior provisions shall be made for a revision of title to such land if it ceases to be used for the purpose for which it is transferred or disposed.

"(c) The Surgeon General shall consult with, and encourage the participation of, the Indians concerned, States and political subdivisions thereof, in carrying out the provisions of this section."

SEC. 2. Section 6 of such Act is amended by striking out the word "This" and inserting in lieu thereof the words "Sections 1 to 5, inclusive, of this".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE-OWNED HYDROELECTRIC POWER PROJECTS

The Clerk called the bill (H.R. 6608) to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 114), to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to facilitate the development and construction of water conservation facilities by States and municipalities, and for other purposes", approved August 15, 1953 (Public Law 278, Eighty-third Congress, 67 Stat. 587; 16 U.S.C. 828) is hereby amended by deleting from section 3 thereof the following: ", except that the provisions of section 14 and section 4(b) shall continue to be applicable to any license issued for a hydroelectric development in the International Rapids section of the Saint Lawrence River".

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 6608) were laid on the table.

STRENGTHENING THE ORGANIZATION OF THE DEPARTMENT OF STATE

The Clerk called the bill (S. 1877) to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes.

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to have a brief explanation of this bill.

Mr. MORGAN. This is a very simple bill. It is merely to permit a realinement of top level offices within the Department of State. In the Department there is at the present time the Secretary, an

Under Secretary of State, and an Under Secretary of State for Economic Affairs. The duties of this latter office are spelled out in legislation. This merely gives the Secretary of State some flexibility in assigning the duties now assigned to the Under Secretary of State for Economic Affairs.

There is no increase in position, no increase in salary; it is simply a realinement of the duties that can be assigned by the Secretary of State.

Mr. GROSS. That is the question I wanted to ask the gentleman: Does this upgrade the salaries within the State Department now or in the future?

Mr. MORGAN. No.

Mr. GROSS. This is not a backdoor approach?

Mr. MORGAN. This is not a backdoor approach.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of May 26, 1949, as amended (5 U.S.C. 151a–151c), relating to the organization of the Department of State, is amended as follows:

In section 2(b), revise the present language to read as follows:

"(b) There is established in the Department of State an Office which shall be entitled as designated by the President, either Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs, which Office shall be filled by appointment by the President, by and with the advice and consent of the Senate. The incumbent of such Office shall receive compensation at the rate of $22,000 a year and shall perform such duties as may be prescribed by the Secretary of State. Any provision of law vesting authority in the 'Under Secretary of State for Economic Affairs', or any other reference with respect thereto, is hereby amended to vest such authority in the Secretary of State."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERALLY INSURED SHIP FINANCING

The Clerk called the bill (H.R. 7772) to amend title VI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2148) to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes, be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title XI of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1271–1279), is amended as follows:

(1) By revising the proviso in section 1101(f) to read as follows: "That in no event shall the Secretary of Commerce pay as insurance under this title in respect of the unpaid balance of the principal of a mortgage or loan an amount in excess of 75 per centum, or 87½ per centum, as the case may be, of the amount paid by or for the account of the mortgagor or borrower for the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting, and equipping) of such vessel, except that if the mortgagor or borrower creates an escrow fund as authorized by section 1111 of this Act, the amount that shall be paid as insurance is the interest on and the unpaid balance of the principal of such loan or mortgage."

(2) By inserting after section 1110 a new section 1111 to read as follows:

"SEC. 1111. (a) CREATION OF THE ESCROW FUND.—In connection with the insurance of loans and mortgages, which are financed by sale of bonds to the general public, the Secretary of Commerce is authorized to accept a deposit in escrow in an amount which at the time of such deposit is equal to (i) the excess of the principal of such loan or mortgage over 75 per centum, or 87½ per centum, as the case may be, of the amount paid by or for the account of the mortgagor or borrower for the construction, reconstruction, or reconditioning (including designing, inspection, outfitting, and equipping) of the vessel, (ii) with interest thereon for the period of the escrow agreement.

"(b) DISBURSEMENT PRIOR TO TERMINATION OF THE ESCROW AGREEMENT.—The Secretary of Commerce shall, as specified in the escrow agreement, disburse the escrow fund to pay amounts the mortgagor or borrower is obligated to pay as interest on such loan or mortgage or for the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting, and equipping) of the vessel, except that if insurance becomes payable under the insurance contract prior to the termination of the escrow agreement, all amounts in the escrow fund at the time such insurance becomes payable (including realized income which has not yet been paid to the borrower or mortgagor) shall, subject in the case of insurance on a mortgage to the application of mortgage provisions contemplated by section 1104(a) (10) of this Act, be paid into the Federal Ship Mortgage Insurance Fund and (i) be credited against any amount due or to become due to the Secretary of Commerce from the borrower or mortgagor with respect to the insured loan or mortgage and (ii) to the extent not so required, be paid to the borrower or mortgagor.

"(c) DISBURSEMENT UPON TERMINATION OF THE ESCROW AGREEMENT.—If insurance has not become payable under the insurance contract prior to the termination of the escrow agreement, any balance of the escrow fund at the time of such termination shall be disbursed by the Secretary of Commerce to prepay the excess of the principal of the loan or mortgage over 75 per centum, or 87½ per centum, as the case may be, of the actual cost of the vessel to the extent paid, and to pay interest on such prepaid amount of principal, and the remainder of such balance of the escrow fund shall be paid to the borrower or mortgagor.

"(d) INVESTMENT OF THE ESCROW FUND.—The Secretary of Commerce may invest and reinvest all or any part of the escrow fund in obligations of the United States with such maturities that such fund will be available as required for purposes of the escrow agreement.

"(e) INCOME ON THE ESCROW FUND.—Any income realized on the escrow fund shall, upon receipt by the Secretary of Commerce, be paid to the borrower or mortgagor.

"(f) OTHER TERMS.—The escrow agreement shall contain such other terms as the Secretary of Commerce may consider necessary to fully protect the interests of the United States."

(3) By inserting before the periods at the end of both the second and third sentences of section 1104(d) a comma and the following: "excluding the average amount (except interest) on deposit in an escrow fund created under section 1111 of this Act."

(4) By inserting in section 1104(e), after the word "commitments," the words "for services in connection with the escrow fund authorized by section 1111."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 7772) were laid on the table.

FEASIBILITY OF ESTABLISHING THE PRESIDENT ADAMS PARKWAY

The Clerk called the bill (H.R. 7125) to provide for a study of the feasibility of establishing the President Adams Parkway.

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like an explanation of this bill, and I would like to know if this does not have the effect of a foot in the door to the spending of a considerable amount of money on the part of the Federal Government for the building of a super highway in Massachusetts?

Mr. McCORMACK. Mr. Speaker, this is simply a study. There is plenty of precedent for studies in the past in other parts of the country. There is no more historic place than the area that this study will cover. Whatever recommendations are made as a result of the study will have to be acted on by committees of the Congress. It seems to me this is a very fair request and that we have had other similar legislation in various parts of the country in relation to the preservation of historic sites and a proper recognition of these historic places. This is proposed in connection with two former Presidents of the United States, the Adamses.

Mr. GROSS. I see no evidence that the Department of the Interior testified in behalf of this bill. I do find evidence in the report that the Department of Commerce is opposed to this survey.

Mr. McCORMACK. Which Department?

Mr. GROSS. The Department of Commerce. I note the following statement in the report:

In view of the studies already conducted by the State in this traffic corridor and the intent of the State to develop a facility to freeway standards to handle anticipated traffic in the area, it does not appear that further studies are necessary or that an additional route could be economically justified from the standpoint of traffic service under any reasonable estimate of need at this time.

Mr. McCORMACK. I have not seen the report of the Department of Commerce, but in the hearings there appeared to be no opposition. Of course, this letter was sent to the committee and with all due respect to the Department of Commerce I think that there is complete justification for this study being made. It is a matter that should be undertaken. It is simply a study with a report back to the committees of the Congress and the Congress. We have given this consideration to other sections of the country and I think that Massachusetts is entitled to that consideration.

Mr. GROSS. Mr. Speaker, in view of the report submitted by the Department of Commerce and in view of the fact that the Department of Commerce in this same letter says there ought to be coordination between that Department and the Department of the Interior, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DESTROYING INDIAN BOUNDARY MARKERS AND TRESPASSING ON INDIAN LAND

The Clerk called the bill (H.R. 4386) to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, will someone tell me whether or not this bill has any provision in it which permits the Indians to sell certain rights?

Mr. LIBONATI. Mr. Speaker, this legislation is for the purpose of placing under the tribal laws the right to prosecute whites. Under the tribal laws they can only prosecute Indians.

Mr. HOFFMAN of Michigan. What I am trying to learn is this. For instance it says: "for the purpose of hunting, trapping, or fishing,".

Some of the Indians have been selling the right to fish.

Mr. LIBONATI. No. They have the right to license.

Mr. HOFFMAN of Michigan. That means they can grant me a permit for a consideration?

Mr. LIBONATI. Yes, and that money is placed in the treasury of the Department of the Interior.

Mr. HOFFMAN of Michigan. A few years ago I knew of one case where they got several million dollars for the right to take salmon out of the river.

Mr. LIBONATI. This has not anything to do with that. This has to do with persons who seek to receive a license to hunt and fish on their reservations.

Mr. HOFFMAN of Michigan. Is there anything that will let me dip salmon out of any of these rivers?

Mr. LIBONATI. Under Federal law you would have other requisites.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, is amended by adding the following new section:

"§ 1164. Destroying boundary and warning signs.

"Whoever willfully destroys, defaces, or removes any sign erected by an Indian tribe, or a Government agency (1) to indicate the boundary of an Indian reservation or of any Indian country as defined in section 1151 of this title or (2) to give notice that hunting, trapping, or fishing is not permitted thereon without lawful authority or permission, shall be fined not more than $250 or imprisoned not more than six months, or both."

SEC. 2. Amend title 18, United States Code, by adding the following new section:

"§ 1165. Hunting, trapping, or fishing on Indian land

"Whoever, without lawful authority or permission, willfully and knowingly goes upon any land that belongs to any Indian or Indian tribe, band, or group and either are held by the United States in trust or are subject to a restriction against alienation imposed by the United States, or upon any lands of the United States that are reserved for Indian use, for the purpose of hunting, trapping, or fishing, or for the removal of game, peltries, or fish, shall be fined not more than $200 or imprisoned not more than ninety days, or both, and all game, fish, and peltries in his possession shall be forfeited."

SEC. 3. The chapter analysis of chapter 53, Indians, of title 18, United States Code, is amended by adding the following items:

"1164. Destroying boundary and warning signs.

"1165. Hunting, trapping, or fishing on Indian land."

SEC. 4. Section 2137 of the Revised Statutes (25 U.S.C. 216) is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HABEAS CORPUS

The Clerk called the bill (H.R. 3216) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

INFRINGEMENT OF COPYRIGHTS BY THE UNITED STATES

The Clerk called the bill (H.R. 4059) to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1498 of title 28 of the United States Code is hereby amended by inserting the letter "(a)" at the beginning of the section and adding at the end thereof a new subsection "(b)" reading as follows:

"(b) Hereafter, whenever the copyright in any work protected under the copyright laws of the United States shall be infringed by the United States, by a corporation owned or controlled by the United States, or by a contractor, subcontractor, or any person, firm, or corporation acting for the Government and with the authorization or consent of the Government, the exclusive remedy of the owner of such copyright shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation as damages for such infringement, including the minimum statutory damages as set forth in section 101(b) of title 17, United States Code: *Provided,* That a Government employee shall have a right of action against the Government under this subsection except where he was in a position to order, influence, or induce use of the copyrighted work by the Government: *Provided, however,* That this subsection shall not confer a right of action on any copyright owner or any assignee of such owner with respect to any copyrighted work prepared by a person while in the employment or service of the United States, where the copyrighted work was prepared as a part of the official functions of the employee, or in the preparation of which Government time, material, or facilities were used: *And provided further,* That before such action against the United States has been instituted the appropriate corporation owned or controlled by the United States or the head of the appropriate department or agency of the Government, as the case may be, is authorized to enter into an agreement with the copyright owner in full settlement and compromise for the damages accruing to him by reason of such infringement and to settle the claim administratively out of available appropriations.

"Except as otherwise provided by law, no recovery shall be had for any infringement of a copyright covered by this subsection committed more than three years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt of a written claim for compensation by the department or agency of the Government or corporation owned or controlled by the United States, as the case may be, having authority to settle such claim and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as a part of the three years, unless suit is brought before the last-mentioned date."

SEC. 2. Title 10, United States Code, section 2386(4), is amended by adding after "patents" the words "or copyrights".

SEC. 3. The catchline of section 1498 of title 28, United States Code, is amended to read—

"§ 1498. Patent and copyright cases".

The item identified as

"1498. Patent cases."

in the chapter analysis of chapter 91 of title 28, United States Code, is amended to read—

"1498. Patent and copyright cases."

With the following committee amendments:

Page 1, lines 5 and 6, strike out "a new subsection '(b)'" and insert in lieu thereof: "new subsections '(b)' and '(c)'".

Page 3, line 16, strike out "date." and insert "date".

Page 3, line 17, insert the following new subsection:

"(c) The provisions of this section shall not apply to any claim arising in a foreign country."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROCEEDINGS IN FORMA PAUPERIS

The Clerk called the bill (H.R. 5257) to amend section 1915 of title 28, United States Code, relating to proceedings in forma pauperis.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to have at least a brief explanation of this bill.

Mr. ROGERS of Colorado. Under the present law a citizen may sue in forma pauperis. This amendment strikes the word "citizen" and places in lieu thereof the word "person," thereby making it possible for any person to institute the suit.

Mr. GROSS. That is, an alien in this country not a citizen would then be treated equally with a citizen of this country; is that correct?

Mr. ROGERS of Colorado. That is correct.

Mr. GROSS. Now, as to costs: I believe there is something in the report in regard to costs.

Mr. ROGERS of Colorado. May I point out to the gentleman that the question of costs naturally is problematic. We do not have any idea how many applications may be made to sue in forma pauperis. However, there is discretion. Under the present law and as it will be amended, the judge himself first makes the order.

Mr. GROSS. Let me ask the gentleman this hypothetical question. Suppose we have one of these racketeers—and we have a number of them—who is an alien in this country and he takes a pauper's oath. Then he is brought into court for one reason or another. Is the gentleman saying that the taxpayers of this country will pick up the expenses of his court costs, on an equal basis with an American citizen who may be an indigent or a pauper?

Mr. ROGERS of Colorado. The question of whether or not he can sue as a pauper is a question for the judge. If the alien that you speak of, who may be a racketeer, is broke and about to be deported, and he thinks he is entitled to have his case passed on in court, if he makes the proper showing to the district judge, he is entitled to have his day in court, and then he may have the opportunity to sue as a pauper.

Mr. GROSS. So, under this provision, the taxpayers of this country would take care of the court costs, is that correct, including a transcript if an appeal should be taken?

Mr. ROGERS of Colorado. If within the judgment of the judge. Now, we leave it within his discretion, and he still has to meet the requirements that the judge himself imposes.

Mr. GROSS. In one case you are dealing with a citizen of this country and in the other an alien, who may be an undesirable alien, one we want to get rid of.

Mr. ROGERS of Colorado. That may be, but at the same time, whether he is an alien or whether he is a citizen, he is entitled to certain, shall we say, inalienable rights, and one of those is the right to appear in court and state his position. Now, the fact that he may not have become a citizen and he may be an alien, certainly we should not deny him the right to appear in court if he has a justiciable issue.

Mr. GROSS. What has been wrong with the law in the past, can the gentleman tell me?

Mr. ROGERS of Colorado. I do not know as anything has been wrong in the past, but the Justice Department, as recognized by the report that they sent up here, together with the Judicial Conference, thinks that the law should be changed. I direct the attention of the gentleman from Iowa to page 2 of the report. You will find it was recommended by the Attorney General, and on page 3 you will find the Director of the Judicial Conference making a recommendation. Now, it is their studied judgment that this is a necessary piece of legislation.

Mr. GROSS. The committee held hearings on this subject or were there no hearings?

Mr. ROGERS of Colorado. As I recall, Mr. Olney did come before the committee and testified.

Mr. GROSS. But the gentleman does not find anything seriously wrong with the law as it has been on the statute books in the past which designates a citizen?

Mr. ROGERS of Colorado. Well, I do not know as you could exactly say I did not find anything wrong. There is always a question of whether any person in the United States may sue, if he wants to go to court, as a pauper, and if he is entitled to do so, he should be given the permission. And, we have the safeguards, as I indicated before, that it must be upon a proper showing to the judge, and if a proper showing is made, then, naturally, he would grant it.

Mr. GROSS. Does the gentleman think that this will result in the expenditure of any substantial amount of money?

Mr. ROGERS of Colorado. Well, the report indicates from zero to $5,000.

Mr. GROSS. What is that?

Mr. ROGERS of Colorado. The report at the bottom of the page, on page 2, the last paragraph, says:

> The Administrative Office of the U.S. Courts has estimated that the annual expense under this proposal would range from nothing up to not more than $5,000.

Mr. GROSS. And the gentleman thinks this is necessary legislation?

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes; I am happy to yield. I am looking for information.

Mr. WALTER. I think it is important to bear in mind the fact that up to this moment the courts have permitted some actions in forma pauperis perhaps illegally. Nobody has raised the question, but where, in the type of case you are talking about, an appeal is sought and a case is made out, the courts have allowed it perhaps on the theory that an alien is entitled to the same access to the courts as is a native-born citizen. That is a well established fact. This is not new but is now adding the implement of legality to a practice that has gone on for many years.

Mr. GROSS. When I see the word "citizen" changed to "person" I cannot help wondering what is taking place and I shall raise the question every time I see such a statutory change proposed.

Mr. WALTER. Of course, I understand the gentleman's apprehension. There is a large exodus of undesirable people now and I hope it continues. But I do not believe this is going to add very much to the cost of administering the Government.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1915(a) of title 28, United States Code, is amended by deleting the word "citizen" and inserting in place thereof the word "person".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF GREAT LAKES VESSELS ON THE OCEANS

The Clerk called the bill (H.R. 4002) to authorized the use of Great Lakes vessels on the oceans.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding the provisions of the Merchant Ship Sales Act of 1946, as amended (60 Stat. 41, 50 U.S.C. 1735, as amended by Public Law 856, Eighty-first Congress), and contracts executed thereunder, vessels purchased from the United States for exclusive use on the Great Lakes, including the Saint Lawrence River and Gulf, and their connecting waterways, may be operated in any trades and in any manner permitted to other vessels documented under the laws of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARIFYING A PROVISION IN THE BLACK BASS ACT

The Clerk called the bill (H.R. 5854) to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes.

Mr. SIKES. Mr. Speaker, reserving the right to object, the gentleman from North Carolina and I both represent great bass-producing areas. We are both concerned with the importance of proper propagation and conservation measures. It is my understanding that this bill applies only to commercial operations and does not affect sports fishing activities. May I ask if that is correct?

Mr. BONNER. The gentleman is absolutely correct. This makes it possible to transport in interstate commerce live fish and fish eggs for breeding purposes. Under existing law that could not be done. This would not affect a citizen's sports fishing, transporting his black bass back home in legal quantity.

Mr. SIKES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the Black Bass Act of May 20, 1926, as amended (16 U.S.C. 855), is hereby revised to read as follows:

"SEC. 9. Nothing in this Act shall be construed to prevent the shipment in interstate commerce of any fish or eggs for breeding or stocking purposes if they were caught, taken, sold, purchased, possessed, or transported in accordance with the law of the State, the District of Columbia, or Territory in which they were caught, taken, sold, purchased, possessed, or transported."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISH HATCHERY IN PENNSYLVANIA

The Clerk called the bill (H.R. 2398) to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled That the Secretary of the Interior is authorized to establish, construct, equip, operate, and maintain a new fish hatchery in the northwestern part of the State of Pennsylvania.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HANDLING EXCESS FUNDS OF THE PANAMA CANAL COMPANY

The Clerk called the bill (H.R. 4328) to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of paragraph (d) of section 246 of title 2 of the Canal Zone Code, as added by section 2 of the Act of June 29, 1948 (ch. 706, 62 Stat. 1077), is amended to read as follows: "Extraordinary expenditures and losses (as defined in clause (3) above, to the extent not reimbursed through specific appropriations, shall likewise be applicable as offsets against directly contributed capital."

SEC. 2. Section 253 of title 2 of the Canal Zone Code, as added by section 2 of the Act of June 29, 1948 (ch. 706, 62 Stat. 1080), is amended to read as follows:

"253. PAYMENT OF EXCESS FUNDS INTO FUND IN TREASURY. The Board of Directors shall have the power and duty to appraise, at least annually, the corporation's working capital requirements, together with reasonable foreseeable requirements for authorized plant replacement and expansion, and to pay into a fund to be established and maintained in the Treasury the amount of funds in excess thereof. Such payments shall remain available for future advances to the corporation when requested by the Board of Directors. In determining the base for interest payments required under section 246(c) of this title, the amount of the receipt shall be reduced by any payments into the fund and increased by any advances from the fund."

SEC. 3. Section 254 of title 2 of the Canal Zone Code, as added by section 2 of the Act of June 29, 1948 (ch. 706, 62 Stat. 1080), is repealed; and the fund of $10,000,000 now maintained in the Treasury pursuant to that section shall, as of the date of enactment of this act, be deemed to have been paid into the fund established and maintained in the Treasury pursuant to section 253 of this title, as amended.

SEC. 4. The proviso ending section 255 of title 2 of the Canal Zone Code, as added by section 10 of the Act of September 26, 1950 (ch. 1049, 64 Stat. 1042), is amended to read as follows: *"Provided, however,* That repayments by the corporation to the Treasury shall in no case be treated as payments into the fund maintained in the Treasury pursuant to section 253 of this title until all amounts appropriated to the corporation under authority of this section shall have been repaid to the Treasury."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the fund of $10,000,000 now maintained by the Panama Canal Company in the Treasury pursuant to section 254 of title 2 of the Canal Zone Code, as added by the Act of June 29, 1948 (ch. 706, 62 Stat. 1076), shall, as of the date of enactment of this Act, be deemed to have been paid into the Treasury as a dividend of said corporation.

"SEC. 2. Section 254 of title 2 of the Canal Zone Code, as added by the Act of June 29, 1948, is amended to read as follows:

" 'SEC. 254. BORROWING FROM TREASURY.—The corporation may borrow from the Treasury, for any of the purposes of the corporation, sums of money not to exceed a total of $10,000,000 outstanding at any time. For this purpose the corporation may issue to the Secretary of the Treasury its notes, or other obligations, which shall have maturities agreed upon by the corporation and the Secretary of the Treasury, but shall be dedeemable at the option of the corporation before maturity in such manner as may be stipulated in such obligations. Each such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on current marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of the obligation of the corporation. The Secretary of the Treasury is authorized and directed to purchase any obligations of the corporation to be issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of the corporation's obligations hereunder'."

The committee amendment was agreed to.

The bill was ordered to be engrosed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That is the last eligible bill on the calendar.

BULLY CREEK EXTENSION OF VALE FEDERAL RECLAMATION PROJECT, OREGON

Mr. ROGERS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 968) to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon, with amendments.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to construct, operate, and maintain the Bully Creek Dam, Reservoir, and related minor facilities as features of the Vale Federal reclamation project, Oregon. In so doing, he shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto). Said construction, however, shall not be commenced until the Vale Oregon Irrigation District shall have obligated itself to repay such portions of the Federal costs of constructing, operating, and maintaining the facilities herein authorized as the Secretary finds properly allocable to irrigation: *Provided,* That the period provided in subsection (d) of section 9 of the Reclamation Project Act of 1939, as amended, for repayment of the construction costs assigned to be repaid by the irrigators may be extended to fifty years.

SEC. 2. (a) The Secretary is authorized, in connection with the works herein authorized, to construct basic public recreation facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. He is also authorized to acquire approximately ten acres of land near Bully Creek Dam for recreation purposes.

(b) In addition to those costs of constructing the works authorized in this Act which the Secretary finds to be properly allocable to flood control, recreation, and the preservation and propagation of fish and wildlife, those costs of operating and maintaining the works, or the reasonable capitalized value of the equivalent thereof, which are allocated by the Secretary to these purposes shall be nonreimbursable and nonreturnable under the reclamation laws. Before the works are transferred to the Vale Oregon Irrigation District for care, operation, and maintenance, the district shall have agreed to operate them in such fashion, satisfactory to the Secretary, as to achieve the benefits on which these allocations are predicated and to return the works to the United States for care, operation, and maintenance in the event of failure to comply with its requirements to achieve such benefits.

SEC. 3. There is hereby authorized to be appropriated for construction of the Bully Creek extension of the Vale Federal reclamation project the sum of $3,326,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in the costs of construction as indicated by engineering cost indexes applicable to the type of construction involved herein. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

The SPEAKER. Is a second demanded?

Mr. HOSMER. Mr. Speaker, I demand a second.

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROGERS of Texas. Mr. Speaker, I yield such time as he may desire to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, H.R. 968 authorizes the Secretary of the Interior to construct the Bully Creek extension as an addition to the facilities of the existing Vale Federal reclamation project in Oregon. The legislation authorizes the appropriation of about $3.3 million for this development. Following the usual procedure, the actual appropriation of funds would be made later in the annual Public Works Appropriation Acts.

The Bully Creek extension is a multiple-purpose development serving principally the purposes of irrigation and flood control. However, in addition, benefits would accrue to fish and wildlife and to recreation. The Bully Creek extension meets all the criteria and standards normally required for sound and feasible development. On an annual basis the benefits from development would exceed the costs by better than three to one, and the full reimbursable cost allocated to irrigation, amounting to $1,700,000, would be repaid by the water users in a period of 50 years. The flood-control allocation is $1,497,000, and the small allocations to fish and wildlife and to recreation, totaling $129,000, would be nonreimbursable in recognition of these national benefits.

The proposed development involves construction of a 32,000 acre-feet reservoir and additional irrigation works to provide a firm irrigation water supply to an additional 3,000 acres. No new lands would be brought into cultivation. This supplemental irrigation supply would help stabilize the farm income and increase business activity in the area. Operation of the reservoir would afford considerable additional flood protection and reduce flood damage.

Mr. Speaker, the Irrigation and Reclamation Subcommittee held hearings on this legislation and gave to the proposed development very thorough consideration and study. The committee concluded that the Bully Creek extension was physically and economically feasible, and was urgently needed in the area to stabilize the local economy and provide flood protection.

The Bully Creek extension has the unanimous support of the local people and area, and the committee received no testimony in opposition to it. The Department of Interior has submitted both a project feasibility report and a report on this bill recommending the authorization and construction of the Bully Creek extension. Both reports have been reviewed and cleared by the Bureau of the Budget. The Bullly Creek extension is one of the best small reclamation projects the committee has considered and I hope that this legislation will be passed.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to my friend, the gentleman from Pennsylvania.

Mr. SAYLOR. Will the chairman explain to the Members of the House the recent letter we just received from the Secretary of the Interior which cleared up a matter which had been affecting this project.

Mr. ASPINALL. I will be glad to make such an explanation.

At the time we were considering this bill before the subcommittee and before the full Committee on Interior and Insular Affairs, there was some question as to whether or not the irrigators, the water users, would be required to repay to the Federal Government the amount of money which was allocated to irrigation within a 50-year repayment period. Some thought, perhaps with nothing more definite, in the record than we had, that a 10-year development period would be permitted before repayment would start. The gentleman from Pennsylvania [Mr. SAYLOR] asked his chairman, the gentleman from Colorado, to write a letter to the Secretary of the Interior inquiring about the extent of the payout period. A letter was received and this morning it was made a part of the record of the hearings at the request of the gentleman from Pennsylvania to the effect that the irrigators would pay their entire amount, that is, the amount of the costs allocated to irrigation within a 50-year period.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. ULLMAN. Mr. Speaker, I wish to take this opportunity to thank the chairman of the Subcommittee on Irrigation and Reclamation and the chairman of the House Interior Committee for their efforts on behalf of the legislation now before the House.

H.R. 968 is of great importance to the district I represent and construction of the project it authorizes will do much to strengthen the area's economy. Enactment of this legislation will permit an expansion of the existing Vale reclamation project through the construction of the Bully Creek extension. The Vale project, which is located in the Snake River Basin in eastern Oregon dates back to 1926. It has been a most successful project and, at the present time, furnishes a water supply for 32,000 acres.

The facilities of the Bully Creek extension will include a dam, reservoir, a 2½-mile-long feeder canal and 13 miles of new irrigation laterals. The project's reservoir will have a capacity of 32,000 acre-feet. In addition to the furnishing of a supplemental water supply for acreage now included within the Vale project, the Bully Creek extension will also make possible the irrigation of another 2,990 acres, presently under cultivation, but without irrigation water.

Equally impressive are the flood control features of the project. The Vale area has repeatedly been subjected to floods of devastating proportions. The latest of these occurred in 1957 and resulted in badly eroded farm lands and inundated municipal and private facilities. Construction of the Bully Creek Dam and Reservoir will do much to prevent a recurrence of such damage. It should be noted that the Army Corps of Engineers strongly urges construction of the project as a flood preventative measure.

In addition to irrigation and flood-control benefits, substantial fish, wildlife, and recreational advantages will also accrue from construction of the project.

Mention should also be made of the demonstrated local interest in the Bully Creek extension. The Vale Irrigation District has agree to pay the full reimbursable cost in a period of 50 years without benefit of a development period.

Mr. Speaker, seldom do we have an opportunity to support a project as attractive as the Bully Creek Dam and Reservoir. With a benefit-cost ratio of 3 to 1, the project offers a type of economic development not often found. The estimated cost of the project works is $3,326,000. The revised allocation is as follows: $1,700,000 to irrigation, $1,497,000 to flood control, $69,000 to fish and wildlife and $60,000 to recreation.

I firmly believe that H.R. 968 is a sound bill, worthy of House approval. I highly commend the legislation to my colleagues and hope that they will give it their full support.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to my friend, the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. How many acres will this bring into production? I may add that I am opposed to spending Federal funds to increase agricultural production at this time.

Mr. ASPINALL. The report contains the statement that at the present time there are 32,000 acres within the project and these acres have water rights, but they do not have sufficient water. This project is to make it possible to firm up the water supply so that these acres can have a firm supply of water. There are no additional lands of any consequence that will be brought into cultivation by this project.

Mr. GROSS. About how many acres are presently under cultivation?

Mr. ASPINALL. There are 32,000 acres in the project.

Mr. GROSS. And this will firm up their water supply. Is there any power involved in this?

Mr. ASPINALL. No; there is no power.

Mr. GROSS. This is strictly for irrigation?

Mr. ASPINALL. That is correct, together with the flood control facilities, and a few dollars worth of fish and wildlife benefits as is usual in these cases where the different agencies make a finding as to the benefits received, and they are figured into the benefit-cost ratio of which in this instance is a little better than 3 to 1.

Mr. GROSS. I thank the gentleman.

Mr. HOSMER. Mr. Speaker, I yield 7 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I take this time to mention a matter on which the distinguished chairman of the Committee on Un-American Activities, the gentleman from Pennsylvania [Mr. WALTER], has already ably informed the House, the Executive agencies, and the American people.

Presumptuous though it may be, I do so in the lingering hope of a last-minute, miraculous intervention of commonsense and American gumption.

Mr. Speaker, the American National Exhibition opens in Moscow this week.

The purpose of this exhibition according to its official sponsor, the U.S. Information Agency, is "to further Soviet understanding of life in America."

Unless there is a last-minute intervention of common sense and gumption there will be displayed in the art section of this exhibition a painting by one Jack Levine, entitled "Welcome Home."

It is, the Communist "Worker" has said, a picture of a "'stuffed-shirt" American general.

It is a painting "with a message." We have the artist's own word for that—and who is better qualified to point that out or to describe the message?

The general, his "smartly dressed, fashionably turned out" wife, and all of the members of his party, in the words of the artist, "will be abstractedly chewing their cuds."

This, the painter adds, is a "gesture of kinship with the lower orders of mankind."

All of which, he concludes, supports the thesis that "armies are a continuation of class snobbery."

And all of which, defenders of this entry in the American National Exhibition in Moscow insist—with the evident concurrence of the U.S. Information Agency—will "further Soviet understanding of life in America."

To the suggestion that the Communist affiliations of the artist might conceivably have something to do with the "message" his painting is intended to convey, these same stanch defenders raise the horrified—and totally irrelevant—cry of "censorship."

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. JOHANSEN. I am happy to yield to the distingiushed chairman.

Mr. WALTER. I think it is important at this point to emphasize the fact that criticism of the artistic quality of those paintings has not come from any of the members of the Un-American Activities Committee, but comes from a leading artist in America. He has served on various art commissions, is past president of the National Sculpture Society and the Fine Arts Federation of New York; is now president of the American Artists Professional League, and has written on art for various publications and lectured on it extensively. Moreover, he is an eminently successful artist whose sculptures are included in public and private collections in 44 States of the Union as well as in foreign countries. This man, Wheeler Williams, has described some of the paintings in this exhibition as "doodling." I would like to know what facet of American life this doodling is supposed to portray. If it is supposed to portray confusion in the United States, if the people behind the Iron Curtain are supposed to get the idea that we are confused, then I think this exhibition will succeed beyond the fondest hopes of those people who selected it.

Mr. JOHANSEN. I thank the chairman and I certainly agree with him.

These same defenders of this particular painting of which I speak have attributed somewhat tardily, it seems to me, a new and added significance to the painting, or at least to its selection for the American exhibition in Moscow. They say that it is dramatic proof of the freedom of dissent and criticism which prevails in the United States.

What assurance there is that the Russian viewers of this lampoon of an American general will adduce this subtle meaning is by no means clear.

Furthermore, I have seen no report that the artist himself has accepted this amendment to the message he painted.

In any case, Mr. Speaker, I suggest that there are some further aspects of this matter worth thinking about.

Is it unreasonable to suppose that an exhibit, accepted by the Government of the United States as suitable to further Soviet understanding of American life, might not also have some valuable uses in our own country?

Since this painting is apparently so faithful and worthy a representation of our Nation possibly it should be considered—upon its return from Moscow—for a permanent and honored place of display in our Archives building here in the Capital.

Since it is presumably a clear and powerful symbol of American tolerance and respect for the right of dissent, perhaps it should hereafter be enshrined alongside the Constitution and the Bill of Rights—which underwrite those great freedoms.

But that is only a start.

Since the painting is a portrayal of the men who wear the uniform of general officers of the U.S. Army—a portrayal acceptable to the Government of the United States for exhibition under official auspices—perhaps full-size reproductions of the original should hereafter be displayed in certain appropriate official locations.

For example, in the Office of the Secretary of the Army.

And in the Office of the Chief of Staff of the U.S. Army.

And certainly in the office of the Superintendent of the U.S. Military Academy at West Point.

Possibly, too, more modest size copies of the reproduction might properly be displayed in some other more public spots:

In all draft board offices.

In U.S. Army recruiting offices.

In all U.S. Army Reserve Training centers.

And, by all means, in the meeting places of all veterans' organizations. At least these are some of the possibilities.

And before someone undertakes to condemn me for a preposterous and farfetched suggestion, I again offer one reminder:

This is the painting accepted by the Government of the United States to help convey a better, more faithful—and presumably, more favorable—impression and understanding of America to the people of a foreign, and not altogether friendly, land.

Otherwise, what is this painting doing in Moscow?

Mr. ROGERS of Texas. Mr. Speaker, I have no further requests for time.

Mr. HOSMER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. ALBERT). The question is on suspending the rules and passing the bill (H.R. 968).

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

SPOKANE VALLEY FEDERAL RECLAMATION PROJECT, WASHINGTON AND IDAHO

Mr. ROGERS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 804) to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley Federal reclamation project, Washington and Idaho, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of providing water for the irrigation of approximately ten thousand three hundred acres of land along and near the Spokane River in the eastern part of the State of Washington and the western part of the State of Idaho, the Secretary of the Interior is authorized to construct, operate, and maintain the Spokane Valley Federal reclamation project. The principal engineering features of said project shall consist of wells, pumps, storage facilities, and distribution systems.

SEC. 2. In constructing, operating, and maintaining the Spokane Valley project, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereof), except that (1) he may extend the base period of any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U.S.C. 485h(d)), as amended, to not more than fifty years, exclusive of a development period if he finds such to be proper, and (2) he may, upon the request of any contracting entity, transfer to it the care, operation, and maintenance of those project works which serve it alone or, upon the request of two or more contracting entities, transfer to them or to any agency designated by them and satisfactory to him the care, operation, and maintenance of those project works which serve them, all on terms and conditions satisfactory to him.

SEC. 3. There are hereby authorized to be appropriated for construction of the Spokane Valley project $5,000,000 plus such additional amount, if any, as may be required by reason of changes in the costs of construction of the types involved in the project as shown by engineering indexes. There

are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

The SPEAKER pro tempore. Is a second demanded?

Mr. HOSMER. Mr. Speaker, I demand a second.

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ROGERS of Texas. Mr. Speaker, I yield myself such time as I might require.

Mr. Speaker, H.R. 804 authorizes the Secretary of the Interior to construct the Spokane Valley Federal reclamation project in Washington and Idaho. This is a single-purpose irrigation development estimated to cost about $5,100,000. The actual appropriation of funds, of course, would be made later in the annual Public Works Appropriation Acts.

This proposed development consists of a pipe distribution system to provide a full water supply to 10,290 acres by pumping from ground water. It would replace the existing system which is deteriorating rapidly and in need of major rehabilitation. Of the 10,290 acres that would be served, 8,370 acres are presently irrigated. The project area is comprised mostly of part-time farms and suburban-type homesites. Crops grown on the project include peas and beans, alfalfa, irrigated pasture, tree fruit, truck and speciality crops which, for the most part, are crops that do not contribute to our agricultural surplus problem.

The Irrigation and Reclamation Subcommittee held hearings on this bill and concluded that the Spokane Valley project met all of the requirements normally required for a favorable recommendation. The committee concluded that the proposed development was physically and economically feasible and was urgently needed to prevent economic disaster in the project area. As approved and reported by the committee, the legislation requires that the full cost of the development be repaid in 50 years, plus a development period in the case of the new lands. On an annual basis the benefits from construction and operation of the project are estimated to exceed the costs by almost 2 to 1.

The Spokane Valley project has widespread and unanimous support from the local people and from the States of Washington and Idaho. The Secretary of the Interior has submitted to Congress a project feasibility report and a report on this bill, both of which recommend authorization and construction. The Spokane Valley project is among the better small reclamation projects which the committee has considered in recent years and I hope that it will be approved by the Congress.

Mr. HOSMER. Mr. Speaker, I concur in the statement made by the gentleman from Texas [Mr. ROGERS] in connection with this project. It has passed close scrutiny and all tests of the committee. As reclamation projects go, it is one of the finest we have had before our committee. I therefore recommend its passage.

Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, this measure would authorize the Secretary of the Interior to construct, operate and maintain the Spokane Valley irrigation project in the States of Washington and Idaho.

This proposed development would replace an existing water supply system which is deteriorating rapidly and which is in need of rehabilitation.

In just the past few weeks, two major failures in the present system have occurred posing a serious threat to the water users who depend on the system. One branch of the main canal washed out completely and several other sections collapsed. Complete failure is imminent. It has been determined that a new system for pumping from the underground reservoir would better meet the needs of the area than replacement of the present gravity system.

The project lands consist of 10,290 acres of which 8,370 are presently irrigated and 1,920 are now dry. All but 197 acres of the project lands are located in the State of Washington. The estimated cost of the project is $5,100,000, all of which is allocated to irrigation and is reimbursable. This bill provides that the total amount shall be repaid by the water users over a 50-year period, exclusive of a development period which might be required.

The project has the support of the local people and the State of Washington. The Department of the Interior recommends that the project be authorized and it meets with the approval of the Bureau of the Budget.

It is a sound project and I heartily recommend that the authorizing bill be enacted. I want to thank the members of the committee for considering this measure promptly and for bringing it to the floor at this time.

The SPEAKER pro tempore (Mr. ALBERT). The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, S. 994, to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of providing a supplemental and substituted irrigation water supply for the Spokane Valley project in Washington and Idaho and the rehabilitation of existing water service facilities, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof or supplementary thereto) so far as the same are not inconsistent with the provisions of this Act, is authorized to construct, reconstruct, rehabilitate, operate, and maintain the facilities of the Spokane Valley project, Washington and Idaho, substantially in accord with the physical plan set forth in the report of the Regional Director, Bureau of Reclamation, dated August 1956, as proposed and recommended by the Commissioner of Reclamation date March 4, 1957, and approved by the Secretary of the Interior on March 15, 1957.

SEC. 2. Contracts to repay that portion of the cost of the Spokane Valley project which is allocated to irrigation and assigned to be repaid by irrigation-water users (exclusive of such portion of said cost as may be derived from temporary water-supply contracts or from other sources) shall be entered into pursuant to subsection (d), section 9, of the Reclamation Project Act of 1939 (53 Stat. 1187), and may provide that the general repayment obligation, which in no event shall be less than $3,700,000, shall be spread in annual installments, which may be varied as to any required annual payment in the light of economic factors affecting the ability of the contracting organization to pay and of water-supply and water-requirement conditions but in number and amounts, satisfactory to the Secretary over a period of not more than fifty years, which period shall be exclusive of any permissible development period for any project unit or for any irrigation block if the project contract unit be divided into two or more irrigation blocks. Costs allocated to irrigation in excess of the amount specified to be repaid by the irrigation-water users shall be returned to the reclamation fund, during a period of time which shall not exceed the period of repayment by the irrigation water users by more than ten years, from net revenues derived by the Secretary of the Interior from the disposition of power marketed through the Bonneville Power Administration.

SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act.

Mr. ROGERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Texas: Strike out all after the enacting clause of S. 994 and insert the provisions of H.R. 804 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill, H.R. 804, was laid on the table.

FEASIBILITY OF ESTABLISHING THE PRESIDENT ADAMS PARKWAY

Mr. McCORMACK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7125) to provide for a study of the feasibility of establishing the President Adams Parkway, as amended.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated a

sum not exceeding $25,000 to be used by the Department of the Interior through the National Park Service and by the Department of Commerce through the Bureau of Public Roads to make a joint survey of a route for a national memorial parkway to be known as the President Adams Parkway in memory of John Adams and John Quincy Adams, second and sixth Presidents of the United States. The survey shall extend from Faneuil Hall, Boston, Massachusetts, to Plymouth, Massachusetts, via Quincy, Massachusetts (in the vicinity of the homes and burial places of John Adams and John Quincy Adams). An estimate of cost of construction of the national parkway or any portions thereof found to be practicable by said survey, together with such other data as will be valuable, shall be obtained with the objective of determining the desirability of authorizing the construction of the parkway or any portion thereof. A report of the survey, upon its completion, shall be transmitted to the Congress by the Secretary of the Interior and the Secretary of Commerce, together with their recommendations thereon.

SEC. 2. The Secretary of the Interior and the Secretary of Commerce are hereby directed to complete such joint survey within one year after the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. MACK of Washington. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Is the gentleman from Washington opposed to the bill?

The SPEAKER pro tempore. Is the gentleman from Washington opposed to the bill?

Mr. MACK of Washington. I am not, Mr. Speaker.

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. The gentleman from Iowa qualifies, and without objection a second will be considered as ordered.

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 111]

Addonizio	Bosch	Dollinger
Alexander	Bowles	Donohue
Alger	Boykin	Dooley
Anderson, Mont.	Brewster	Dorn, N.Y.
	Buckley	Dulski
Anfuso	Byrne, Pa.	Durham
Ashley	Canfield	Dwyer
Auchincloss	Celler	Farbstein
Bailey	Coffin	Fino
Baker	Collier	Flynn
Barden	Cook	Forrester
Baring	Cooley	Fountain
Barrett	Corbett	Frelinghuysen
Barry	Curtis, Mass.	Friedel
Bass, N.H.	Curtis, Mo.	Fulton
Baumhart	Daniels	Gallagher
Becker	Davis, Ga.	Garmatz
Bentley	Delaney	Gary
Boggs	Dent	Gathings
Bolton	Diggs	Giaimo
Grant	Lankford	Reece, Tenn.
Green, Pa.	Lennon	Riehlman
Halleck	Lesinski	Rivers, S.C.
Halpern	McDowell	Rodino
Healey	McGinley	Rostenkowski
Herlong	Mack, Ill.	Rutherford
Hess	Martin	Scherer
Hoffman, Ill.	Merrow	Scott
Hogan	Miller, N.Y.	Shelley
Holland	Minshall	Spence
Holt	Montoya	Stratton
Holtzman	Moore	Teague, Tex.
Hull	Morrison	Teller
Irwin	Multer	Thompson, La.
Jackson	Nix	Thompson, N.J.
Jennings	Norblad	Toll
Jones, Mo.	Norrell	Tuck
Kee	O'Neill	Vanik
Keogh	Perkins	Wainwright
Kilburn	Pirnie	Willis
Kluczynski	Powell	Winstead
Lafore	Prokop	Wolf
Landrum	Quigley	Yates
Lane	Rabaut	Zelenko

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 302 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FEASIBILITY OF ESTABLISHING THE PRESIDENT ADAMS PARKWAY

Mr. McCORMACK. Mr. Speaker, this bill was unanimously reported by the Committee on Public Works. It authorizes $25,000 for making a study and, of course, a report to the Congress and to committees, in connection with the historical significance of the homes and the burial places of John Adams and John Quincy Adams and the naming of a part of our Interstate System in honor of those two distinguished Americans.

The gentleman from Iowa, when the bill was called on the Consent Calendar, made certain inquiries and referred to the report of the Commerce Department. One of the objections or suggestions of the Commerce Department has been met in the committee substitute where the National Park Service comes into the picture. The Commerce Department said in the other respect:

> In view of the studies already conducted by the State in this traffic corridor and the intent of the State to develop a facility to freeway standards to handle anticipated traffic in the area, it does not appear that further studies are necessary or that an additional route could be economically justified from the standpoint of traffic service under any reasonable estimate of need at this time.

It seems to me that the Commerce Department fails to take into consideration that when the matter comes before a committee we would like to know what the position of the agency is as the result of a study. It is true that the Commonwealth has made a study; nevertheless, that is not a study that a congressional committee would give as full consideration to as a study made by one of our agencies in connection with the State and a report made by the agency of Government to the Congress, which report is referred to the committee having jurisdiction. This does not contemplate the 40 or 50 miles of road from Boston down to Plymouth because the greater part of that has already been built. We have the expressway which has just recently been constructed. In Boston you have the main route down to Plymouth.

This involves an area of 6 or 8 miles as a connecting link which would enable hundreds of thousands of persons to visit the homes and the burial grounds of two of our late Presidents. It is an area of Massachusetts which has great historical significance. The Congress might well give consideration to whether or not it should be recognized for the historic prominence that it has not only in Massachusetts but in connection with the rest of our country.

It is unnecessary for me to mention to my colleagues the great contribution made by the two Adamses during the days of the Revolution and in the early days of the formation of our Government, and in laying the foundation for the Government that you and I today enjoy. It is unnecessary for me to stress the proper recognition of these two great men, former Presidents of our country, who have contributed so much to the institution of government that we possess today.

Any number of study bills have been passed by the Congress. They were passed. I have sat here during the years, I have read them, and I never had the least inclination to throw any hurdles in their way, because I knew it was a very good objective. My remark that I never had any inclination to throw hurdles in the way is of course my own personal view. No one, even the gentleman from Iowa, should construe that remark as a criticism of him in his action today in connection with this bill, which involves a study cost of $25,000, to see whether or not the Congress should do something later on to give to the memory of these great men the significance they are entitled to, and to allow the hundreds of thousands of Americans who visit their homes and their burial places each year to have traffic and highway conditions available in order that they might do so, and as a recognition of the historic prominence of the Adamses and as a very important element in connection with the safety of travel.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think it will be interesting for the House to recall the fact that one of the Adamses came back to Washington as a Member of the Congress after he was President. He was so much interested in seeing that the proper legislation was passed for our country. And he was stricken at his desk which is pointed out in Statuary Hall.

Mr. McCORMACK. Yes; he came back to the House after he was President of the United States, and I think that the historians record that that was one of the most important periods of his many years of public service in the early days of our country.

Mrs. ROGERS of Massachusetts. Although he had been President, he felt obligated to help, and he came back to the House.

Mr. McCORMACK. And one of the reasons was he wanted to serve in the people's body of the Congress.

Mrs. ROGERS of Massachusetts. That is right.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. I certainly join with the majority leader in recognizing the contributions made by the Adamses. I would appreciate, however, if we could have a little more explanation of just what Congress would be doing if this study is made, after the expenditure of a very modest sum of $25,000, in connection with a suitable way to memorialize them. Just what would we be expected to plan then, and what would we be doing, and how much would it cost?

Mr. McCORMACK. Based upon that report, the committees of the Congress would have before them the necessary material to consider, and then they would consider whether or not the construction of a connection road between the main arteries in Massachusetts, the main highways, going by the Adamses' homes and various places, would be justified, and then under what circumstances that connecting link would be constructed. I want my colleagues to understand that all this is a matter of 6 or 8 miles, not 40 or 50 miles. This is a matter of 6 or 8 miles, and then with this study and report back, the committees of the Congress can give consideration as to, first, what will be done to recognize the historical aspects of that territory and, second, under what conditions. I do not know, in other words, whether the Federal Government would do it or the Federal and State Governments in cooperation; that is a matter for the committees to pass upon.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I would like to ask the distinguished majority leader this question: If it is only 6 or 8 miles, why does the proposed route extend from Faneuil Hall to Plymouth by way of Quincy? Why survey any more than is necessary?

Mr. McCORMACK. We want the entire route to be named in honor of the Adamses.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am happy to yield to my colleague from Iowa.

Mr. GROSS. Well, the survey is not for the purpose of naming of this highway, is it? Are you conducting a $25,000 survey to determine what you are going to call this expressway or freeway?

Mr. McCORMACK. No. The homes and the burial places of the Adamses are not on the main highway now.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts, who is directly interested, because the Adamses served his district. They served my district, too, years ago, that is, John Quincy Adams, when he was in the House served my district, and John Quincy Adams particularly served the district of the gentleman from Massachusetts [Mr. BURKE]. The gentleman from Massachusetts [Mr. KEITH] is also interested.

Mr. BURKE of Massachusetts. Mr. Speaker, I hope that this bill will pass. It has bipartisan support. Massachusetts has no historical parkway. I do not think this bill is of such great import that it should alarm the gentleman from Iowa. The two Adamses have gone down in the history of this country. As the gentlewoman from Massachusetts pointed out, John Quincy Adams is the only President in the history of this country who came back and served in the House with distinction. In Clerk Roberts' office you will find the couch he died on. We in Massachusetts would like to set up a historical parkway in honor of John Quincy Adams and John Adams because of the great contribution they made to this great country of ours. I trust that this bill will pass.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I should be glad to yield to the gentleman from Ohio.

Mr. BOW. Mr. Speaker, I should like to say to the gentleman from Massachusetts that I would go along with this bill. I think this is probably a good way to memorialize the great Adams family. The gentleman may remember that a few months ago I put in the RECORD the story of "Benton's 30 Years," which told of the death of Adams on this floor. But I have particularly in mind one other President who served in the House of Representatives, William McKinley, who represented my district and who is now buried in the McKinley Monument in Canton, Ohio, my home city. It is a beautiful monument, but badly taken care of.

Here is this great structure, built by the people of the country with, as the gentleman perhaps remembers, the pennies of schoolchildren throughout the country. It is handled by the Historical Society of the State of Ohio, but it is in bad repair. It is not properly maintained. So perhaps the idea that the gentleman has for this memorial highway is a much better idea than the great monument that we built to William McKinley in my city. But I do hope that the day will come when the State of Ohio will recognize its responsibility and see that that great monument to William McKinley is put in proper repair.

Mr. McCORMACK. Mr. Speaker, I thank my friend. I might say that in order to authorize a study in a matter of this kind, where roads are involved, legislation is necessary, as I am informed by my friend from Alabama [Mr. JONES]. I should like to ask the gentleman from Alabama to advise the House what he told me just a few minutes ago.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman.

Mr. JONES of Alabama. The proposition that this bill presents is one rather unique since it requires a study by the Bureau of Public Roads. Ordinarily a study conducted to determine if a project is of such historical significance that it is of national value and should be undertaken by the Federal Government and maintained by the Federal Government may be conducted by the Department of the Interior, without an authorization. But here we are using a different agency of the Government than the one which ordinarily and customarily handles the question of the historical significance of the project involved.

Mr. McCORMACK. This bill would not represent a precedent. This journey has been taken with some degree of frequency in the past, has it not?

Mr. JONES of Alabama. Yes; this has been the policy of the Congress in connection with various national parks and roads, such as the Natchez Trace and other types of memorial highways, which have been undertaken under the same legislative procedure that is being used in this instance.

Mr. McCORMACK. Mr. Speaker, I reserve the balance of my time.

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, I am more than happy to speak at this time on the legislation before us regarding the President Adams Parkway.

This bill authorizes a preliminary step to provide a direct route from the heart of Boston, which I have the honor to represent, through the district of our distinguished majority leader, the Honorable JOHN W. McCORMACK, and into the district of Congressman JAMES A. BURKE.

The thoughts which brought about the presentation of legislation were that proper honor should be accorded to our second and sixth Presidents, the Honorable John Adams, and his son, the Honorable John Quincy Adams. These two men, more than anyone else, shared the major credit in America's victory in the defense of our Nation against control by the British Government in 1776 and 1812.

The plan is to use existing highways wherever possible, to provide a direct route through some of the more historic areas of Massachusetts and to include the Adams' House in Quincy. It is fortunate that Massachusetts has just completed a modern downtown Boston artery which connects the Southeast Expressway so that the memorial highway is practically built with the exception of one connecting link. That connecting link would be 8 miles between the new Southeast Expressway and Route 3 to Plymouth. The parkway would run from Faneuil Hall in Boston to Plymouth, a distance of about 40 miles, utilizing about 32 miles of highways now completed and open to traffic.

In requesting the sum of $25,000 to be expended for a survey, I am certain that I am not requesting for Massachusetts something which my State does not justifiably deserve. The proposal before us can be rightfully termed as a patriotic obligation on the part of the Federal Government long due the Commonwealth of Massachusetts wherein is lo-

cated the only city in the United States, Quincy, which is the burial place of two Presidents.

Massachusetts has no national historic highways or parkways, although I am the author of a bill, H.R. 1932, upon which a hearing was held on July 16, 1959, before a subcommittee of the House Committee on Interior and Insular Affairs which provides for the establishment of a Minute Man National Historical Park in the area of the Lexington-Concord Battle Road.

While I would prefer not to use what has become a cliche, "cradle of liberty," it is altogether fitting for the legislation upon which I speak. This is the birthplace of our American freedom and each year we welcome thousands of tourists from other parts of our country. The parkway would facilitate their travel through some of the oldest, most historic, and most interesting places in our Nation. Beginning at the famous Faneuil Hall, it passes the home of Paul Revere, the Old North Church, the old State House where the illustrious Samuel Adams, relative of the Presidents, and his friend, John Hancock, were first to ignite the flame in the cause of freedom, into Dorchester and the Evacuation Site when the Continental soldiers drove the Redcoats out of Boston Harbor on March 17, 1776, over to Quincy, the site of the first railroad used in the United States, the Adams' estate, through Plymouth, the gateway to that great vacationland, Cape Cod, the homes of Priscilla Mullin and John Alden, the monument to Miles Standish, Plymouth Rock, the old Burying Grounds, and the original homes of the Colonists. All along the way are scenes of the various skirmishes between the early settlers and the Indians, even including the spot upon which the first Thanksgiving took place and Massasoit and his band of Indians established the first known friendship of white men and Indians in that section of the country. I don't know of another 40-mile stretch anywhere in the United States which offers so much.

Massachusetts is fully entitled both by history and its prominence in the Revolutionary War, and the War of 1812, to a national parkway in memory of two great Presidents, and I hope that my colleagues in the House will see fit to take favorable action today on the measure before us.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Speaker, probably no limited area of the Nation except the District of Columbia possesses so many historically significant sites as does Boston and its immediate vicinity. This bill is recommended by all Members of the Massachusetts delegation. It is recommended by the Governor of Massachusetts.

This bill provides an authorization of $25,000 for a survey of the economic justification of a President Adams Parkway from Faneuil Hall, Boston, to Plymouth, through the city of Quincy. In Quincy are the homes of John Adams and John Quincy Adams, two former Presidents of the United States. The road would go by Plymouth Rock. It would be within viewing distance of the home of Paul Revere. It would go past the site of the first railroad established in the United States. This bill provides merely for a survey. Some people may say that this is the foot in the door to get a full project. Well, this is exactly the same kind of procedure we have on all flood control and all river and harbor projects. If Boston were seeking a $25,000 survey for a river and harbor project or a $25,000 survey for a flood-control project, it would be immediately approved by the Committee on Public Works.

This survey will determine the feasibility of this project. It will determine the cost of this project. It will determine the benefits of this project. Then a report will be submitted to the Congress with recommendations of the Department of the Interior setting forth who is going to pay the bill; whether it will be paid by the Department of Commerce, whether it will be paid by the Interior Department, or whether it will be paid by the State of Massachusetts. We on the committee believe that this is a most reasonable bill. It is very fair and it is desirable. This survey ought to be made just as we would make surveys for rivers and harbors and flood-control projects.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GROSS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Speaker, I rise in support of H.R. 7125. This bill came out of our Committee on Public Works by a unanimous vote. Many of us on the committee feel that we are actually not acting fast enough in giving recognition to some of the most historic areas of the country by establishing suitable parkways. I think all of us have had the experience of taking friends down the George Washington Memorial Parkway and having them comment about the beauty of that great parkway and how appropriate it is to travel over that parkway and visit one of the great historic sites of the country, Mount Vernon. It seemed to us on the committee that it would be most appropriate that this survey be made to determine the feasibility of establishing a similar parkway in this most historic area of the country in the vicinity of Boston through a 40-mile stretch of some of the more historic areas of our country's history. There we find the home of Paul Revere, the site of Plymouth Rock, the home of two great American Presidents, and many other sites that are an important part of the history of our country. It seems to me this is a reasonable and proper approach. It simply authorizes a $25,000 appropriation so that the survey may be made to determine the feasibility of establishing a parkway as a suitable connecting link between these very historic areas within this 40-mile stretch. I urge that the House approve this bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

Mr. GROSS. Mr. Speaker, it is not alone a question of the $25,000 being requested today. The important question is what is going to happen after this survey. This has all the earmarks of being another of those foot-in-the-door propositions which start at small cost and end up costing millions. In other words, a little later on the taxpayers of the whole country will be called upon to build probably 8 miles of superhighway at a cost of $800,000 to $1 million a mile. That is what I am concerned about in this bill. I cannot help but wonder how this bill ever got to the Committee on Public Works of the House when I read in the report that all presently established national parkways are under the jurisdiction of the National Park Service. I wonder how this bill got to the Committee on Public Works?

Mr. FALLON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. FALLON. The bill came to the Committee on Public Works because the language of the bill directed the Department of Commerce to make a study and survey. We amended the bill so that the Department of the Interior is to make the survey.

Mr. GROSS. I still do not understand why it got into the Committee on Public Works instead of into the Committee on the Interior in the first place.

Mr. FALLON. Because the Department of the Interior was asked to make the study and that is the reason it was sent to the Committee on Public Works.

Mr. GROSS. You mean it was specified in the bill?

Mr. FALLON. It was specified in the bill.

Mr. GROSS. But the Department of the Interior handles all the national parkways.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RHODES of Arizona. I do not see anywhere in the committee report where there is any report at all from the Department of the Interior, which is supposed to make this study under the amendment offered by the committee. It seems the report is rather incomplete.

Mr. GROSS. I appreciate the gentleman's comment and I would say to the gentleman there are no hearings on this bill. I notice that the letter from the Acting Secretary of Commerce, Mr. Mueller, bears the date of July 8, 1959. Why the rush about this bill? What happened? Who is putting on the pressure to get this speeded through?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. McCORMACK. There were hearings on this bill.

Mr. GROSS. They are not printed and available to the Members.

Mr. McCORMACK. The gentleman said that there were no hearings. There were hearings on this bill.

Mr. GROSS. Where are they, may I ask the gentleman?

Mr. McCORMACK. The gentleman said there were no hearings. I appeared there and so did other Members appear so I can assure the gentleman that there were hearings.

Mr. GROSS. Let me withdraw the statement that there were no hearings

and say that there are no printed hearings available to the other Members of the House on this bill. The Acting Secretary of Commerce is very specific about this proposed legislation. He says that this survey is not necessary. I want to reread into the RECORD at this point this quotation from the report of Acting Secretary of Commerce Mueller:

In view of the studies already conducted by the State in this traffic corridor and the intent of the State to develop a facility to freeway standards to handle anticipated traffic in the area, it does not appear that further studies are necessary or that an additional route could be economically justified from the standpoint of traffic service under any reasonable estimate of need at this time.

And then the letter goes further to say:

Any undertaking of a study concerning a proposed national parkway by the Department of Commerce without the joint efforts and cooperation of the Department of the Interior, therefore, would seem inappropriate.

The Department—

Says Acting Secretary of Commerce Mueller—

recommends against the enactment of the proposed legislation.

Mr. KEITH. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. KEITH. I believe the comment the gentleman made with reference to the Department of Commerce rather justified the action of the committee. He said he did not feel such studies were necessary, and it seems to me that is what the committee has reported.

Furthermore, do we not have a second chance, a chance to take a second look at this matter? After the study is reported to the Congress, then we can take the necessary action as to whether this $1 million per mile should be appropriated.

Mr. GROSS. Yes. I would like to ask the gentleman this question, since he appears to have some knowledge of what is going on: What is this 8 miles of freeway going to cost? Does the gentleman have any idea?

Mr. KEITH. We will not know until the study is completed; that is the purpose of the study.

Mr. GROSS. But I understand the study has already been completed.

Mr. KEITH. The study has already been completed on detailed sections of the highway. It is not a coordinated study of the entire route.

Mr. GROSS. About the 8 miles, the Department of Commerce says the State has already conducted a survey. What will this 8 miles cost?

Mr. KEITH. We will not know until the report is finished. That is why we need the report.

Mr. GROSS. The purpose of the adoption of this bill is to bring the Federal Government into the construction of this 8 miles. That is implicit in this thing. That is what has happened in the past, and that is what will happen if we pass this bill; the Federal Government will build the road.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. For the information of the gentleman from Iowa, the State has not made a study of the 8 miles; the State has been involved in studies over the years but not a specific study of the plan of this proposed route.

Mr. GROSS. The letter from the Assistant Secretary of Commerce states:

Also lying in this traffic corridor and on the Federal-aid primary system is the Southeast Expressway, which the State proposes to develop to freeway standards to adequately handle the traffic needs.

Mr. BURKE of Massachusetts. The Southeast Expressway is already completed and cars are rolling over it every day now.

Mr. GROSS. It is impossible for me to read this statement and come to any conclusion other than I have expressed.

Mr. BURKE of Massachusetts. It is difficult for the gentleman to read the statement because he misunderstands the purpose of the bill.

Mr. GROSS. Oh, no; I know all too well what this bill provides. It provides $25,000 as a foot in the door for the Federal construction of this 8 miles of parkway, a superhighway. That is what the bill will accomplish and I am opposed to it.

Mr. Speaker, I reserve the balance of my time.

Mr. McCORMACK. Mr. Speaker, I yield myself such time as I may need.

The gentleman from Washington [Mr. MACK], I think, emphasized very pointedly the situation with his analogy to flood control projects and the study and survey made as a preliminary for rivers and harbors projects. I see them go through here and I cooperate with them and, by the way, I am the author of the bill providing for 100-percent Federal contribution for flood control which I introduced and which passed the House in the last part of 1930, yet I have nothing but a creek in my district.

The gentleman from Washington [Mr. MACK] put his finger upon it in connection with all other studies, that we might know the question of cost and what might develop later. Any future development would have to come back to committees of Congress and the Congress itself to pass upon.

Mr. MACK. Surveys are in order for rivers and harbors and flood control projects. Then when the report comes in, the agency finds that a project either is or is not economically justified. It is merely a preliminary study to see whether there is economic justification for this.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. The question which arises and which we must decide first in our approach to this subject is whether we are building a memorial or a highway. If we are building a memorial we should not be worried about economic justification; if we are building a highway then economic justification would enter very largely into the picture.

Why cannot this be done under the Federal aid-to-highways program? In other words, why cannot the great Commonwealth of Massachusetts include this in its Federal aid highway and get 90 percent Federal Government contribution? Under this proposal they would get 100-percent Federal contribution.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. There would be no authority for total Federal cost without subsequent amendment to the Federal Aid Highway Act. There is no authority to the Department of Commerce or the Department of the Interior to examine the question unless this legislation becomes law.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. The gentleman says that there would not be any way for an investigation for the purpose which this bill exemplifies, as I understand it.

Now, what is proposed? The Department of the Interior certainly can make a survey as to whether this is an appropriate memorial, whether this is the proper way to establish a memorial. The National Park Service makes a survey.

Mr. JONES of Alabama. This is in connection with the relationship to the other roads in the area. The study to be conducted under the terms of this bill will be an examination by the Department of the Interior of the historical significance, and then the Bureau of Public Roads will ascertain how it can be made compatible with the present highways and traffic patterns in the area.

Mr. RHODES of Arizona. It seems to me that the question should be decided in the Committee on Interior and Insular Affairs as to whether this is a suitable memorial or not. If it is, then the matter whether or not the highway should be built would come before another committee. But that one question has not been decided.

Mr. JONES of Alabama. There might be merit to what the gentleman says; however, the original bill, as the gentleman from Maryland explained a few minutes ago, was referred to the Committee on Public Works and we undertook to consider the proposition there and we were guided principally by the relationship to the historic significance of the project. For that reason we reported it out, giving authority to the Department of the Interior to work with the State agencies in making a total appraisal of the most useful way the highway could be constructed to obtain the greatest possible use as a historical thoroughfare.

Mr. GROSS. Mr. Speaker, I yield myself 4 minutes for the purpose of asking the gentleman from Alabama a question or two.

Did the Department of the Interior testify before your committee?

Mr. JONES of Alabama. The Department of the Interior, as I recall, did not testify before the committee.

Mr. GROSS. Can the gentleman tell me why the Department of the Interior was not invited to testify since this is supposed to be a national parkway?

Mr. CRAMER. The Department of the Interior had representatives present at the time, available to answer any questions that any member of the subcommittee might want to ask.

Mr. JONES of Alabama. My recollection is that they were present, and certainly if they had notions of objecting they did not take the opportunity of doing so.

Mr. GROSS. Let me ask the gentleman this question: Where are the views of the Department of the Interior with respect to the report? Is there anywhere in this report a word from the Department of the Interior?

Mr. JONES of Alabama. No; there is not.

Mr. GROSS. Yet they are one of the most vitally interested agencies; is that not correct?

Mr. JONES of Alabama. I think there would be a presumption on the part of the committee that they were not equipped to do what they have historically done over the years.

Mr. GROSS. Would this superhighway or freeway, if it is eventually constructed, be a national parkway?

Mr. JONES of Alabama. The Bureau of Public Roads has not made a report on it because there is nothing pending before the Bureau of Public Roads submitted by the State of Massachusetts for that purpose, as I recall the testimony before our committee.

Mr. CRAMER. In reference to the question of cost, as I understand it, should this be designated a parkway the cost of the construction program could still come out of the State's allocation for the actual construction of the 8-mile highway link and improvement of the existing roads. It will come out of the State's allocation if it is designated as a primary road, and the State will be consulted as to whether it wants to use its Federal matching money for that purpose. This will not, if that approach is taken, result in an additional Federal cost from the standpoint of road construction.

I may say to the gentleman that when the bill was initially presented to the Subcommittee on Roads, I had some of the reservations which the gentleman has including committee jurisdiction and cost sharing, and I raised them at that time. After due consideration of the bill, and after the hearings were held on it, I came to the conclusion that the bill was justified, in view of the fact the Bureau of Public Roads does not have authority to enter into such a joint survey under existing legislation. Of course, the report, when completed, will require further congressional review as to authorizing legislation at which time a clearer picture will be available as to need and cost-sharing alternatives available. I do not contemplate and I trust, as a result of the questions I asked in committee, that it will finally result in any substantial increase in Federal money for construction.

Mr. GROSS. I would like to ask the gentleman from Alabama [Mr. JONES], one other question: Can he assure the House that if this survey is favorable as to the need for this expressway, it will be paid for out of State and Federal funds?

Mr. JONES of Alabama. I cannot give the gentleman that assurance, because I do not know what the State of Massachusetts will eventually do in the way of making a request for Federal aid assistance. The highway is already on the primary system and already qualified for 50–50 participation. As the gentleman from Florida [Mr. CRAMER] has explained in connection with the cost of the highway, there will be no increased cost in Federal participation, because it is already on the primary system and will qualify as any other primary road would in Massachusetts or any other State.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. May I ask the gentleman another question? What about the maintenance of a road like this? If it is built as a national memorial parkway, is the maintenance then up to the Federal Government, or would the maintenance then be an expense of the Commonwealth under the Federal highway system?

Mr. JONES of Alabama. The purpose of this resolution, as I understand, is to make a study as to how the State will participate and how the Federal Government will participate not only in the construction of the road but in its maintenance after it is once completed.

Mr. RHODES of Arizona. Well, then, the situation boils down to this: We are asked to authorize an appropriation of $25,000 here for making a survey. That survey is to determine the path of a proposed road between Faneuil Hall and Plymouth. This road could be built under the Federal Aid Highway Act provided the Commonwealth of Massachusetts wanted to do so, and the Bureau of Public Roads agreed but because we want to name this the President Adams Memorial Highway, we are asked to finance the survey and we may, in the future, be asked to build the road completely out of funds over and above those appropriated to the Federal aid highway program. Further we may find the Federal Government maintaining this highway after it is constructed.

Mr. JONES of Alabama. That is entirely possible.

Mr. GROSS. Mr. Speaker, when a parkway of this kind is constructed, the Federal Government maintains it in perpetuity, is that not true?

Mr. JONES of Alabama. I do not know whether that is going to be true in this instance, because the resolution is for the purpose of making a study to determine that question.

Mr. GROSS. I say, if it becomes a national parkway, that is correct.

Mr. JONES of Alabama. Yes. If it is a national parkway, it will be the same as the Mount Vernon Memorial Highway, and it is maintained as a Federal responsibility.

Mr. GROSS. Mr. Speaker, I submit that the present interstate highway program is bogging down fast, and this is no time to pass this kind of a bill and invite opening the door to an expenditure of several millions of dollars for the special benefit of the State of Massachusetts.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken and the Speaker announced that in his opinion two-thirds had voted in favor thereof.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the agreement made last week, the rollcall will go over until Wednesday.

Further consideration of the bill will go over until Wednesday.

CANCER RESEARCH

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am very much concerned by a letter I received from the dean of the University of Chicago Medical School. This letter points out that our cancer research program is going to end because of lack of funds.

The letter reads as follows:

THE UNIVERSITY OF CHICAGO,
July 17, 1959.

The Honorable BARRATT O'HARA,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: Dr. Harold P. Rusch, director of the McArdle Memorial Cancer Research Laboratory at the University of Wisconsin, has written his Senators and Congressmen to the effect that the number of trained personnel and research projects aimed at the control or eradication of cancer has steadily increased and states that the bottleneck at the present time is the absence of adequate laboratory space. I should like to support his request strongly that a minimum of $20 million be made available for construction of facilities for cancer research devoid of the present requirement for matching funds.

For example, at the University of Chicago, and we are not unique, we have planned an underground research laboratory, to be devoted primarily to the solution of the cancer and heart problems, for which we have had an approved Government fund in the amount of $750,000 for approximately 2 years. As yet we have been unable to raise our share and unless we are successful in the very near future, and there seems little prospect of this, we will have to release the funds and forego our plans. This will badly cripple our cancer research program.

The deficits we are incurring annually as a result of increasing costs of research plus inadequate research overhead are a real handicap. Some of the private universities are now planning medical student tuition of

$1,500 within the next year or two and yet the tuition costs probably cover only about 20 percent of the universities' medical education programs. The research fellowship program of the Public Health Service and the American Cancer Society have been successful in developing a large number of young scientists who cannot put their ideas into an active research program without some new facilities and unless the universities get some relief in the form of operating expenses and more liberal arrangement for additional space, the problem will proceed from serious to critical in a very short time. I would urge these suggestions by the scientists of the University of Wisconsin receive your strong support because they clearly point out a national need for which the people of this country expect support in the interests of their better health.

Sincerely yours,

L. T. COGGESHALL, M.D.,
Dean.

Mr. Speaker, there is nothing more important to the American people than the continuance of the cancer research program. I trust that something can be done at this session of the Congress to meet this challenge.

LABOR-MANAGEMENT RELATIONS

The SPEAKER. Under previous order of the House, the gentleman from Utah [Mr. KING] is recognized for 60 minutes.

Mr. KING of Utah. Mr. Speaker, it is difficult these days to pick up a magazine or newspaper which does not have something to say about labor. If all of the heat generated on this subject by our organs of communication were transmuted into light, even the man in the street would qualify as a labor expert.

Since coming to Congress last January, I have received in the mail at least two well-rounded bushel baskets full of pamphlets, letters, and scribblings of every description on the general subject of labor-management relations. Although some of these materials are thoughtfully prepared and presented, many of them are highly partisan, and are steeped far more in emotion than in logic. Perhaps my colleagues experience the same feeling of frustration that I do, as they churn their way through this ocean of controversy, wondering whether it is possible to ever reach the safe harbor of truth.

The seemingly perpetual rift which divides the great organized labor unions and the captains of industry has, in my judgment, become one of the great socio-economic problems of this century. This rift has encouraged economic disunity, and, all too frequently, open hostility between labor and management.

I am not for a moment suggesting that labor's traditional weapons in this controversy, such as the economic strike, are, per se, evil. I clearly recognize that the victories won by organized labor through justified strikes have played a very important role in the social progress of this Nation over the past 50 years. In large part, through his right to freely bargain and to conduct lawful strikes, the so-called common man of this country has become the envy of his counterpart in nearly every other nation of the world. By the standards of the rest of the world, the member of American organized labor is, in fact, no common man at all. But the fact still remains that strikes, even though entirely defensible, when conducted within legal limits, are expensive to the Nation, and injurious to both management and the strikers themselves. It is apparent, moreover, that the number of strikes increases in direct proportion to the increase in labor-management misunderstanding. It follows, therefore that one cannot help but feel some alarm at the ghastly price we pay for this misunderstanding. Over the last 20 years, the United States has lost the total of 620 million man-days of work through 80,306 work stoppages, which include lockouts as well as strikes. This is an average of 31 million man-days a year. These totals do not include figures on the present steel strike.

Although there have been intervals during this 20-year period during which substantial progress has been made toward strike reduction, these periods have been offset by other periods of retrogression. This past year, incidentally, has seen a hardening of attitudes which has, perhaps, exceeded that of any previous year.

The economic loss which the work stoppages have caused is measured only in small part by lost production. A great personal loss has been the suffering to individual workers which the work stoppages inevitably produce. Translated into dollars, the 20-year loss of wages from stoppages exceeds 8 billion, in 1958 dollars. The direct loss to the Nation in production, moreover, would be in the order of many tens of billions of dollars. In all fairness, it must be made clear that the serious work stoppages cannot be considered as having been exclusively caused by labor. The causes for work stoppages are rooted in harsh economic conditions, and in the misunderstandings which usually accompany them, responsibility for which misunderstandings must be shared by labor and management, and the public, alike. It must be remembered that there is a vast difference between "initiating" a strike, and "causing" a strike.

Inasmuch as the theme of my remarks is the need for understanding, I shall not pursue the matter of fixing responsibility for labor unrest, which I am not qualified to do, even if I were so inclined. I shall simply postulate that any step toward the improvement of labor-management relations is a step in the right direction.

As a member of the Committee on Science and Astronautics, I receive testimony almost every week about the remarkable strides the Russians are making in the fields of education, science, technology, and industry. I am told that the Russians' annual gross national product now is increasing on the order of 7 percent, whereas our gross national product from 1952 through 1958 increased only 1.87 percent per year. We know the Russians are determined to destroy their capitalistic, democratic rivals, if not by force, then by the sheer weight of burgeoning technological and industrial superiority.

I do not hold up the Russians as an example for us to follow. I want, and you want, no part of their regimented society nor their economic fallacies. Reliable evidence indicates they still maintain their iniquitous slave labor camps. I mention the Russians only to show that our democracy faces a curious and powerful threat which is essentially different from any which we have before faced.

If we are going to contain this Communist threat, if we are going to maintain the health and supremacy of our free economy, we must exercise the same spirit of cooperation which we have manifested in other times of crisis, and exercise it even in greater measure. A return to understanding has become, not a luxury, but a condition of our national survival. The key to our prosperity and continued economic supremacy is superiority of production, within a framework and atmosphere of free enterprise. But this free enterprise will become far more effective through cooperation and understanding in the labor-management field.

After 24 years of collective bargaining, we might expect that labor and management would have been drawn closer together, into a posture of good will and mutual understanding. Such historic contracts as the Wilson-Reuther agreements at General Motors and the Murray-Fairless agreements in steel pointed to an era of maturity in labor-management relations. But this era has never arrived.

Mr. E. Wight Bakke, distinguished head of Yale University's Labor and Management Center, recently elaborated upon this failure, in the following words:

> Both management and labor leaders appear to the other to be attempting to accumulate or regain power and sovereignty for their own organizations in ways that threaten the power and sovereignty of the other * * * the relations between their organizations and the people who manage them, seem to be hardening into a pattern of fairly antagonistic relations between the separate institutions who disagree on most issues, and in which the chief aim is dealing with each other, rather than cooperating with each other.

Let me make it clear that I do not entirely blame labor and management for the rise of antagonism between them. I feel that the American public, the press, and the political leaders, particularly those in Congress, must share the blame. Both political parties have seen fit to turn the whole labor arena into a political battlefield. Unfortunately it has now become politically expedient for both parties to use the labor issue as a brutal but effective weapon with which to engage the enemy.

In this battle for votes, the combatants employ "virtue-words" and half-truths to embellish their arguments and discredit the opposition. It has become painfully evident to those who have survived one of these engagements that truth can never compete with half-truth when truth is the voice of sober reason, and half-truth is a bloody flag.

My fervent plea to Congressmen, to captains of labor and of industry, and to all Americans, is to carry the labor con-

troversy back into an atmosphere of fairness and understanding where it belongs. Let us stop looking at the labor issue as something to squeeze political juice out of, but rather as a serious problem to be solved by the finest and fairest judgment we possess.

In the meantime, certain immediate legislative action must be taken. I suppose that every Congressman in the 86th Congress, Republican and Democrat, including myself, made a pledge during the 1958 campaign to support immediate labor legislation. These pledges were sincerely made. Moreover, to suggest that most labor union leaders themselves resist a fair labor cleanup bill is to do them an injustice. Mr. A. J. Hayes, president of the International Association of Machinists, in an appearance June 2, 1959, before the Joint Subcommittee on Labor-Management Reform Legislation of the House Committee on Education and Labor, observed, among other things:

> Let me make one thing perfectly clear. I am not here urging softening amendments or so-called sweetening provisions. And I am not opposed to legislation which will, in fact, eliminate or minimize crime, corruption, or other wrongdoing (in labor unions).

The issue now before the Congress is not whether such a bill should be passed, but how to draft a bill which will effectively democratize the labor unions and rid them of internal corruption, but at the same time keep them free from crippling restrictions which could destroy their effectiveness as bargaining agents.

My remarks postulate that a good labor bill will be passed by the House, and enacted into law. I fervently hope that this may be. I shall enthusiastically support any measure which satisfies my concepts of good labor law. I congratulate the House Committee on Education and Labor on the monumental service which they have performed in preparing the way for the legislation we hope will follow.

But regardless of the nature of the bill which we hope we shall pass, I do not believe anyone claims that it will dispose of all our labor problems. The structure of our labor law is presently in need of a complete overhauling. Taft-Hartley was enacted in 1947—12 years after the National Labor Relations Act. It has been another 12 years since Taft-Hartley. Far more changes have come about during the 1947–59 period than during the period from 1935 to 1947. Our society is fluid and dynamic. Each new decade is accompanied by profound changes, with resulting problems.

It seems to me that what we need is a body of men who, in an atmosphere of detachment, and sheltered from the pressures of partisanship, can reexamine our entire labor structure, from cellar to attic. The results of their efforts would constitute the basis for the major legislative overhaul which we all feel to be necessary.

For the reasons mentioned, I have today introduced a bill proposing the establishment of a congressional Commission of labor experts to conduct the reexamination referred to. This Commission would constitute an arm of the Congress, and not of the executive.

It would be composed of nine experts in labor law, labor economics and other areas within the broad field of labor-management relations. It would include no partisans. The members would represent neither the interests of organized labor nor the interests of business and industry, but the interests of the American public generally.

The members would carefully review all of the labor statutes, regulations, and decisions on the books. In regular reports to the Congress, it would recommend the legislative reforms indicated by its studies.

The Commission would enjoy the same general format as that of the Hoover Commission, both in organization and in purpose. That is, it would be a nonpolitical advisory Commission, concerned with the needs of labor law rather than of governmental organization. This Commission would not be, primarily, an investigating body, in the same sense as the McClellan committee. Its prime function would be that of assembling, collating, sifting and evaluating the great masses of facts which are already available, to the end that scholarly and impartial recommendations might be made to the Congress of the United States.

In this heavy and epochal assignment it is intended that the Commission would enjoy an atmosphere of greater impartiality and objectivity. It presumably would be less subject to the hysteria which has ruined so much labor legislation on the floors of Congress.

In the course of its work, the Commission would, I believe, also perform for the Congress a very important function in communications. In reviewing not only all of the laws, but all of the decisions and rulings which interpret those laws, it could tell the Congress whether the new problems which are continuously arising in the labor-management field required new laws or were covered by the existing ones.

To illustrate the need for better clarification, I call attention to the fact that Congress and the public consistently confuse the Federal Mediation and Conciliation Service, the National Labor Relations Board, the Wage and Hour and Public Contract Division of the Department of Labor, and other labor agencies, one with another. Some system should be devised for keeping Congress straight on the rulings, orders, regulations, and procedures which develop in each of the several agencies, and for calling to Congress' attention those judicial pronouncements which are inconsistent with the statutes. This Commission would provide that system.

For the Congressman who thinks that the Commission would cost too much, I must point out that the cost would be infinitesimal compared with the possible savings which it could effectuate.

The present steel strike, which commenced at midnight on July 14, is costing the workers, in loss of wages, an estimated $62 million per week, and is costing the Nation in lost production, some $250 million per week. In 1956 the 34-day steel strike cost the Nation some $2 billion in lost wages and production. If the proposed Commission, through its legislative recommendations, could reduce the time required for the settlement of a steel strike by even 1 day, it would have paid for itself for 150 years.

History would seem to corroborate the proposition that the membership of the Commission should be nonpartisan rather than partisan, or even bipartisan. Attempts to reconcile the difference between hostile labor and management partisans within the Commission or committee framework have sometimes met with failure, for the reason that the two groups find it difficult to agree on basic principles to guide their thinking. On this point, however, I have no dogmatism, and acknowledge that beneficial results have been produced by commissions with bipartisan structure.

The Industrial Relations Commission of 1912, although partisan in composition, was a precedent for the kind of Commission which I propose. The Commission was established for the express purpose of inquiring into the conditions of American labor and those of general industry, and to make a thorough study of the labor relations which prevailed in this country in that day. The Commission was an arm of the Congress, although its members were appointed by the Chief Executive. A Senator from my own State, the Honorable George Sutherland, was one of the first members of the Commission.

The 1912 Commission did serve a very useful purpose. For the first time certain prominent Americans who had been sincerely concerned about labor problems were drawn into an objective study of those problems and the results of their study indirectly influenced the course of legislation. The celebrated Clayton Act of 1914, which laid down important labor concepts, was influenced by the work of this Commission.

On the other hand the nonpartisan approach to national problems has been embodied in the Royal Commissions of Great Britain. Their work has been generally, and sometimes conspicuously, successful. I feel the same general approach offers the best hope of a lasting solution to our labor problems.

I do not forget that we have a strong mandate to produce a labor reform bill in this session, and I do not suggest that my bill should postpone or replace immediate legislation. The latter is needed. The people of this country have overwhelmingly demanded it, and they are entitled to it. To fail to give it to them would be a breach of faith.

Let me reemphasize, Mr. Speaker, that I feel that the Commission which I am proposing should be created, notwithstanding the action which, I hope, Congress will take with regard to a good labor bill in this session. In establishing this Commission, I am looking beyond this session. There will be others. We will have questions of labor law before us in 1960, 1961, and beyond. What I am doing, is proposing that we lay a solid foundation, in this year, upon which the Congresses of subsequent years may build.

I believe the difficulty which Congress experienced in 1958 in producing satisfactory labor legislation was very largely a communications problem. I know the general public wishes that it understood the labor issue better, and also understood organized labor itself better. I am confident that most of the Members of Congress, too, wish they understood the issue more clearly. Not only have labor and management failed to communicate intelligently and effectively with each other, but they have failed to communicate with the American public as they should have. And the communication between the partisans and the Congress and between the Congress and the public on this issue has been similarly poor.

I repeat: A Commission of experts who really understands the labor movement and the issues which it generates, and is organized to study the issues for the exclusive benefit of the Congress and the public, could remedy this communications failure.

It must be acknowledged that the newspapers and magazines have been filled for years with stories of labor racketeering. To the casual reader, these examples seem almost limitless, and tend to justify the conclusion that unionism is riddled with corruption. A sober examination of the facts, however, will disclose that these many stories deal with a fraction of the total union leadership force, whose names appear over and over again, and that the record of the great majority of the union leaders may be favorably compared with that of any other segment of our society. The McClellan committee in its official report, made it abundantly clear that the "overwhelming majority" of labor union officials were men whose integrity could not be questioned.

For reasons largely based in ignorance and fear, many American citizens have come to regard their neighbors in organized labor as citizens of a "separate breed." A stigma was never more wrongly placed. The members of organized labor, who will be found in America's churches and in her PTA meetings and in her Community Chest drives just as willingly and frequently as will other Americans, are no less loyal for belonging to trade unions than other Americans are for owning small businesses, or for teaching school, or for practicing medicine or law.

In recent years so much negative publicity has been given labor that many Americans seem to have forgotten the many reasons they have to be grateful to the American labor movement. I have not forgotten these reasons and I would, in conclusion, like to enumerate those which I believe are of special importance.

In the first place, American unions have declared themselves to be unequivocally in favor of the free enterprise system. Although it may be difficult for some to believe, unions do encourage the realizing of handsome profits. Their members understand and support the capitalistic principle, and realize that their wages are dependent upon profits. Many of them own, or will own at some time in their life, stock in a private corporation. At the latest estimate, 12 million people, a large portion of whom are laborers, own stock in American industries and businesses. The number was only half of that a decade ago. At the same time, many members of organized labor are part-time entrepreneurs in their own small business ventures. In these activities, they are boss, general manager and capitalist all rolled into one. Some regard their employment through organized labor as a stepping-stone, providing the steady income which will help them establish themselves in small business. Others eventually climb through the ranks of organized labor into positions of management.

In the second place, American labor unions have never formed a labor party, nor even a distinct labor class, in the sense in which that term is understood in Europe. There is little horizontal social or political stratification in America. Labor unions have contributed money to Democrats and Republicans alike, and individual members are absolutely free to identify themselves with the political party or the social group of their choice. This creates a fluid and dynamic quality in American life which is seldom found abroad.

In the third place, labor unions have insisted on working out their problems in accordance with the American tradition, which is the tradition of self-help. Of all the reasons which I have for congratulating labor, this I place highest. In the great struggle between management and labor, in which struggle the terms and conditions of their survival are hammered into shape upon the hard anvil of collective bargaining, we rarely hear labor ask the Government to step in and run the show, or to carry their burden for them. It would be easy for labor to demand Government intervention. In many other industrial nations this is exactly what labor unions have done. They have waved the surrender flag, and invited the Government to take over, which the latter has done willingly, in exchange for votes. But American labor, true to the splendid tradition of self-help, has asked no more than that the Government set up the arbitrage machinery and the ground rules for the bargaining procedure, and then allow labor to take care of itself. Is not this exactly the way we would want it?

It would appear to me, therefore, that in America, of all nations, there should exist the basis for a broad understanding between these two traditional rivals. The fact that such understanding does not now exist is in no way due to the system. It is due, as I have attempted to point out, to a shortsighted exploitation of a problem which requires the wisdom, the understanding, and the statesmanship of the finest minds in our land.

The future of America is resplendent with opportunities. We are doubling our scientific and technical knowledge at the fantastic rate of once every 10 years. Everywhere we turn we are challenged by limitless expanses upon our industrial frontier. America has all of the potential which it ever had, and more. With the cooperation born of deep wisdom and understanding, the realization of that potential will be ours.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I yield.

Mr. HECHLER. Is it not true that there is so much hysteria on this issue that it is very difficult to identify the public interest?

Mr. KING of Utah. It very definitely is and I appreciate the gentleman's comment with which I agree.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I would be glad to yield for a question but I would ask you to first allow me to yield to the gentleman from Ohio [Mr. LEVERING] to whom I made a promise to yield at the conclusion of my remarks.

Mr. LEVERING. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I should be glad to yield to my distinguished colleague from Ohio.

Mr. LEVERING. Mr. Speaker, I congratulate the gentleman from Utah on the thoughtful statement which he has made. I am aware of the gentleman's genuine concern over this important subject. I know of the time and effort he has put into his study of this very important labor legislation.

It is my judgment that the Congress and the country can profit much from the noninflammatory approach to a labor-management reform bill that will be fair to labor, management, and the public generally.

Mr. KING of Utah. I appreciate the gentleman's comments.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Speaker, the gentleman in his address to the House indicated that it has been about 11 years since the Taft-Hartley law was enacted. That was some time after the Wagner Act was enacted. The gentleman has indicated that perhaps there is some need for revision of or amendments to the Taft-Hartley Act. The question I would like to ask the gentleman is if he would tell us now in what areas the Taft-Hartley Act should be amended.

Mr. KING of Utah. I hesitate to give that a direct answer for the reason that to do so would immediately inject into this discussion what would apparently become a partisan approach; and I have very specifically and deliberately avoided giving this any partisan flavor in order that the acceptance of my proposition might not be prejudiced in any way. I have leaned over backward to not flavor this from a management point of view or a labor point of view. But let me say just this. I have consulted with captains of industry, I have consulted with leaders of labor unions, I have consulted with members of the National Labor Relations Board, all of whom are experts in this matter, and I have discussed the matter with other labor experts, partisan and nonpartisan. I believe, without exception, that they agree that there is much to be done by way of overhauling the general labor law structure to bring it up to date, and to enable it to meet the very fluid situation which we are now encountering in our society.

Mr. BOW. Mr. Speaker, will the gentleman yield further?

Mr. KING of Utah. I yield further.

Mr. BOW. I would say to the gentleman that I did not intend to raise this as a political, partisan issue, because I believe, as the gentleman does, that this is not the time. But may I suggest to the gentleman, since he has raised the question that it might be a political issue, that I do not see where there should be much difference on the question of no amendments to the Taft-Hartley Act between the two sides of the aisle because, since the enactment of the Taft-Hartley Act in the Republican 80th Congress, the gentleman's party, the Democratic Party, has been in control of the Congress. They have been in control all the time since then with the exception of 2 years and no amendments to the Taft-Hartley Act have been made. So I do not see that it is a partisan matter because the act was enacted by the Republican 80th Congress but it was not amended during the period of time that the Democratic Party has been in charge. For that reason I do not believe it is important. I think, if the gentleman has studied the act, if the gentleman feels there are important areas in which the Taft-Hartley Act should be amended, in view of his statements on the floor, I would again urge that the gentleman advise us in what areas he feels there could be amendments to the Taft-Hartley Act. I, too, have talked to men in labor, men in industry, and I find no great demand among the rank and file at least of labor, and of management, either, for any great changes in the Taft-Hartley law.

Mr. KING of Utah. I appreciate the contribution of the gentleman, but I would prefer to stand on my original ground of not opening up the vast field of specific recommendations concerning Taft-Hartley, a field which could consume many fruitful hours of debate, but which actually would go beyond the scope of the purpose of my remarks today, which I am trying to limit very specifically, in order that we not get off into what might be a partisan discussion. I appreciate the remarks of the gentleman, however, and I reiterate that I am convinced in my own mind, based upon my discussions, that many problems still confront us and will continue to confront us. Society is fluid, and I believe that for every problem we solve another will jump up to take its place. We would do well to face that eventuality, and to take steps, now, to meet it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I am glad to yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman is to be congratulated upon the study he has made and the information which he has given to us. Undoubtedly, the gentleman recalls the Teamsters case, I think it was in March of 1942, the court held this in substance, because it was an established union practice to collect a fee when a truck delivering merchandise in interstate commerce crossed the New York line that that was valid. You recall that decision; do you not?

Mr. KING of Utah. I am aware of the event, but am not familiar with the details.

Mr. HOFFMAN of Michigan. You are aware of that. I wonder if the gentleman is aware of the fact that at the present time the same unions that seek to organize an industry or a plant, they go not to the employees requesting that they join the unions, but they go to the employers and request the employer to tell the employees that unless they join the union, they will be discharged. I ask if the gentleman is familiar with that practice?

Mr. KING of Utah. I shall have to give my answer in the same tenor as that which I gave to the gentleman from Ohio [Mr. Bow], namely, that it is difficult to resist the temptation to allow oneself to be dragged into a controversial discussion as soon as one mentions labor. I did not come here today prepared to discuss specific labor problems other than the fact that there is a labor problem which is continually with us. I am not prepared, nor do I desire, to discuss specific labor problems. That is exactly why I propose the Commission of experts who will give this matter great and exhaustive study and will come forth with solid, nonpartisan recommendations on which the Congress can erect its legislative structure during the years to come.

Mr. HOFFMAN of Michigan. Will the gentleman yield further?

Mr. KING of Utah. I yield.

Mr. HOFFMAN of Michigan. Well, I certainly am disappointed because, in my judgment, while this might well be a political question, we are all involved in it. Of course, I in no way challenge the right of labor to participate in politics. My only wish is that they would form a labor party and quit using first, the Republican Party and, then, the Democratic Party as a figurehead and get out of those two parties and have their own. But, what I was trying to raise here was to call to the gentleman's attention, and I am sure he knows about them, certain practices that are now prevalent and have been for 15 or more years, ever since 1936, and the answer to them or the solution to them. In the Committee on Labor, we have worked earnestly and, I think, in a nonpartisan way trying to get a bill. That bill should be reported out next Thursday, and it should be under consideration by the House before a great deal of time goes by. We will have to find the answers to certain situations which are not political, but which exist and to which the gentleman has indirectly referred. As I understand the gentleman, he does not propose any solution to any of them. You want to create a Commission to study them. As a matter of fact, millions of people know about them from practical experience. I thought the gentleman was going to give us some help along that line. If he does not, why then that is his privilege, of course.

Mr. KING of Utah. The gentleman from Michigan apparently did not adequately understand the point I made in emphasizing that the bill which I propose is in no way intended as a substitute or a postponement of the bill which we all hope will pass this Congress as a result of the splendid work done by the Committee on Education and Labor. I, and the other Members of Congress, will unite our efforts, and I will do all in my power to see that a good labor bill is passed. Right now my point simply is that I do not believe even the most ardent proponents of the bill which is soon to be reported to the floor of this House will claim for that bill that it will solve or settle all of the labor problems. I am not referring to just the problems of improving understanding between labor and management, about which we have heard so much, but I am also talking about all of the other labor problems—economic, social and technological, which are becoming so vast and intricate. These problems are continually with us. The decisions handed down by the Supreme Court and the various circuit courts of appeal and of the National Labor Relations Board are becoming almost too numerous to count.

Because of that I feel strongly that it is necessary that experts go into this entire matter, sift out the facts, and come up with something workable.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah. I do not care to yield to the gentleman if he is going to pursue the matter of specific answers to specific labor problems.

Mr. HOFFMAN of Michigan. That is not what I hope to be my last question.

Mr. KING of Utah. I shall be glad on that basis to yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Then do I understand, Mr. Speaker, that the gentleman's proposal now is that we create a Commission which will make a study and advise the Congress as to how we can at least lessen and perhaps avoid further controversy between labor and management? That is right, is it not?

Mr. KING of Utah. To reduce the causes for controversy.

Mr. HOFFMAN of Michigan. That is all right, but that is just the same as saying that we are all against sin. We all want laws against the commission of crimes, but we have here next week or some time before we get away a practical question which demands an immediate answer. Is vagueness to be the ground on which we meet it?

Mr. KING of Utah. I agree with the gentleman that it demands an immediate answer, and I shall do my best to help find that answer.

Mr. HOFFMAN of Michigan. But you decline to apply any specific solution to current situations which need correction.

Mr. KING of Utah. I shall leave it up to the very distinguished members of the committee to take the initiative on that subject; and, may I add, that we look to them for much light and edification on the specific proposals of the bill that is to come forth very soon, but which none of the rest of us have yet had a chance to examine.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. KING of Utah I yield to the gentleman from West Virginia.

Mr. HECHLER. I believe the gentleman from Utah has presented a very

statesmanlike approach to this very knotty problem. I believe he has recommended something that is specific; I believe he has also made it amply clear that he is not interested in ducking the problem or evading the problem, and I desire to commend him for his cogent and clear analysis of this very, very difficult issue.

Mr. KING of Utah. I appreciate the gentleman's remarks.

PHILIPPINE WAR VETERANS

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter from the American Legion, and a copy of a bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under date of July 14, Mr. Miles D. Kennedy, director of the legislative commission of the American Legion, sent me the following letter:

THE AMERICAN LEGION,
LEGISLATIVE COMMISSION,
Washington, D.C., July 14, 1959.

HON. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN ROGERS: We are advised by the American Legion leaders in the Philippines that the Philippine Congress in special session approved Senate Joint Resolution 2, which is the counterpart of your House Joint Resolution 307. It is our understanding, now that the Philippine Congress and the Philippine President have enacted a resolution, this is as far as they can go until similar action is taken by Congress.

It is the hope of the American Legion that you will now make a special effort to obtain consideration of House Joint Resolution 307. We feel confident that a joint study, as proposed in the above resolution, would do much to eliminate many veterans' problems that have arisen because of failures to fully define the responsibilities of the two Governments. With all good wishes.

Sincerely yours,

MILES D. KENNEDY,
Director.

Mr. Speaker, I have received approved resolutions and suggestions from the Philippine Government urging that we pass this legislation at once. They are delighted, and it seems to me that the House will want to join in having these resolutions passed, because certainly the Philippine Government is the most loyal government we have, our greatest friend in that area of the world or in any other area of the world. The men of the Philippines fought and died for us.

The resolution I introduced reads as follows:

Whereas many citizens of the Republic of the Philippines served valiantly as nationals and members of the Armed Forces of the United States during World War II; and

Whereas, notwithstanding the sacrifices of these people in the combat with the common enemy were as great as those of other members of the Armed Forces of the United States, certain benefits are denied these veterans which are now provided other veterans who performed comparable service; and

Whereas the problems encountered by Filipino veterans in the matter of benefits under laws administered by the Veterans' Administration and other agencies of the United States have been one of the causes for the demand in the Philippines for a reexamination of the existing relations and agreement between the United States and the Republic of the Philippines; and

Whereas the immediate solution of these problems is necessary to maintain the harmonious relations which have heretofore existed between these two nations: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established a Commission on Filipino Veterans' Benefits (hereinafter referred to as the "Commission"), to be composed of five members appointed by the President.

SEC. 2. (a) Any vacancy in the membership of the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(b) The Commission shall elect a Chairman from among its members.

(c) Three members of the Commission shall constitute a quorum.

SEC. 3. (a) It shall be the duty of the Commission to conduct a thorough and comprehensive investigation and study of the entire veterans' program of the United States in the Republic of the Philippines with a view to determining a just and equitable solution of all problems relating to or growing out of such programs.

(b) Within six months after the date of enactment of this joint resolution, the Commission shall submit to the President and to the Congress a full report of its findings, together with such recommendations as it deems appropriate.

(c) Sixty days after the submission of its report under subsection (b), the Commission shall cease to exist.

SEC. 4. (a) Each member of the Commission shall receive $50 per diem when engaged in the performance of duties vested in the Commission plus reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of such duties.

(b) The Commission may appoint and fix the compensation of such personnel as it deems advisable, subject to the civil service laws and the Classification Act of 1949.

SEC. 5. (a) The Commission may, in carrying out this Act, hold such hearings and take such testimony, and sit and act at such times and places (within the United States and the Republic of the Philippines), at it deems advisable.

(b) The Commission may secure directly from any department, agency, or independent establishment of the Government information, statistics, data, suggestions, and other matter for the purposes of this joint resolution. Each department, agency, or independent establishment shall furnish any of the foregoing matter directly to the Commission upon request of the Chairman.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

AMERICAN-MANAGED PRICES VERSUS FOREIGN COMPETITION—FACTS REGARDING GOVERNMENTAL PURCHASES OF GENERATING MACHINES

The SPEAKER pro tempore (Mr. THORNBERRY). Under previous order of the House, the gentleman from California is recognized for 15 minutes.

Mr. HOLIFIELD. Mr. Speaker, my district covers a large part of the city of Los Angeles. The homes, offices, and factories of our city require vast amounts of electrical power, the major part of which is furnished by the city's department of water and power.

In February of this year, the city purchased two turbine generators from the Brown Boveri Corp., of Switzerland, to help meet its increased need for electric service. Harsh criticism has been levied at my city for failing to buy this equipment from American companies. The charges have been that such a purchase was not in the best interests of national security and that the American economy and plight of the unemployed have been ignored.

This attack is unfounded and unfair. Because this is a matter that affects not only the people of Los Angeles but the entire Nation, I feel obliged to inform the Congress of the facts.

A total of three American and four foreign firms bid on the sale of these turbogenerators. The lowest American bid of $14,757,930 was submitted by the General Electric Co. The contract was awarded to the Swiss company for the price of $9,260,800 at a saving of $5½ million to the taxpayers of the city of Los Angeles.

The city charter in fact requires that all purchases made by the city and its various departments must go to the lowest and best responsible bidder. A thorough investigation of the Brown Boveri Corp. was made and it was found to be a responsible organization, fully qualified to deliver generators that will perform as specified.

The board of water and power commissioners has an obligation, not only to live up to the city charter, but also to act in the best interests of the people of Los Angeles in maintaining low electric rates. This they have done.

At approximately the same time as the letting of the Los Angeles contract, the Tennessee Valley Authority purchased a large steam turbogenerator from the C. A. Parsons Co. of England. Similar charges have been made in this case and they are equally unjustified.

For some time TVA has been concerned with the rising cost of domestic turbogenerators. There are only three American firms who manufacture this equipment and their prices have increased by more than 50 percent in the last 8 years, while the average wholesale price of all commodities has increased only about 5 percent.

For this reason the Tennessee Valley Authority decided to invite bids from qualified foreign manufacturers. Only General Electric, Westinghouse, and Parsons actually submitted bids. The prices offered by the American companies were nearly 50 percent higher than that offered by the successful bidder. Furthermore, the Parsons proposal was the only one of the three that did not contain an escalator clause to provide for future price increases and it was the only one to indicate a willingness to accept a provision for the payment of damages in the event there was a delay in delivery.

Moreover, it is of more than passing interest to note that the General Electric and Westinghouse bids were within four-tenths of 1 percent of each other, and this on a bid involving more than $19 million. This is rare in the case of a large-sized custom-designed unit and is perhaps more than coincidental in an economy that is supposed to be competitive.

Both General Electric and Westinghouse declared that the approximate $6 million difference between their bids and the winning bids was due to labor costs.

Mr. Speaker, this is a futile and erroneous claim. Let us examine the facts.

Both American firms have said that British labor receives only 40 percent of the hourly rate paid to electrical workers here. Taking the number of manhours involved, as stated by General Electric and Westinghouse, and wage scales as stated by the Bureau of Labor statistics, the labor cost differential favoring Parsons was slightly over $2¼ million.

However, as industrial productivity in this country is approximately twice that of British industry, the difference in labor cost is vastly reduced. But, the difference in the bids was over $6 million.

In addition, the American companies had other price advantages. Parsons Co. has to pay over $1½ million in import duty. Furthermore, the Tennessee Valley Authority informed both General Electric and Westinghouse that it would accept the lowest bid from a U.S. manufacturer if it did not exceed the lowest foreign bid by more than 20 percent. This, plus the duty, gave the American bidders a $4 million advantage over the British firm. The figures clearly show that if General Electric and Westinghouse had obtained their labor at no cost at all, they still would not have been competitive.

Higher productivity, tariff protection, and the Buy American Act offer General Electric and Westinghouse such tremendous advantages as to more than overcome the difference in wage scales.

We do not have to look very hard to see why the American firms lost out. It was not the difference in labor costs. It was their determination to make a high and exorbitant profit.

What is true in terms of the bids on the Tennessee Valley Authority generators remains essentially true with respect to the Los Angeles contract. Taking their own figures as a basis of comparison, General Electric and Westinghouse have not only failed to prove their argument that labor costs impede them from effective competition—they have amply demonstrated that they have priced themselves out of the market because, and only because, of their high margin of profit.

The combined total of General Electric and Westinghouse sales in 1957 was well over $6 billion.

In 1958 the profits of General Electric leaped ahead of the corresponding 1957 quarter by 25 percent on sales $28 million below those in the same period of the previous year. Westinghouse profits in the recession year of 1958 were $2.2 million higher than in relatively prosperous 1957—so substantial that the board of directors voted $8 million in bonuses to corporation management.

In 1957 there were $143 million worth of electrical machinery and apparatus imported into this country. Our manufacturers exported over $1,021 million worth of the same equipment.

In other words, the total export business was almost 10 times that of competitive imports.

The Brown Boveri Corp. itself spends as much money in this country as to equal the total value of their exports here. As the Reporter magazine recently commented on General Electric and Westinghouse:

> Neither company appears in imminent danger of collapse because of foreign competition.

The American companies soon changed their tack. Disclaiming economic hurt, they assumed the role of patriotic Americans whose only concern was the national security. They petitioned the Office of Civil and Defense Mobilization to determine that the importation of foreign-produced electrical generating equipment threatened to impair the national security of the United States. These companies claimed that in the event of a national emergency there will be inadequate facilities to repair and maintain this equipment. Once again, the facts clearly belie their contention.

In its more than 30 years of doing business in the United States, Brown Boveri has never found its necessary or desirable to return to the company's main manufacturing plant in Switzerland any generators, power transformer or breaker installed in this country. Brown Boveri has sold turbo-generators to private industries, privately owned public utilities, as well as municipal utilities, and electric cooperatives. They have huge facilities in New Jersey which house machine shops, supplies and spare parts, as well as a fully equipped engineering department. In addition, they retain, under operating agreements, the full facilities of domestic companies which are able to make any or all necssary repairs.

In the case of the Parsons Co., the Tennessee Valley Authority carefully appraised their qualifications by an inspection of the company's facilities and detailed discussions with its responsible officials and engineers. Tennessee Valley Authority has determined that this British firm has the equipment, skills, and manpower to service any efficient and reliable machine. They maintain service facilities in Canada which are as favorably located as the corresponding facilities of the U.S. firms.

In this very context, it is not insignificant to note that the Comptroller General, in his latest report to Congress on the Tennessee Valley Authority, stated that there was considerable difficulty with the large turbo-generator units purchased from Westinghouse Electric Corp. He stated explicitly that substantial damages to the authority have resulted from the fact that 14 generators, costing $46 million, failed to meet the heat rate specified in the contract.

With such a record, Westinghouse must have had tongue in cheek when they became party to the recent petition.

Repeatedly and piously, the American firms concerned have claimed that U.S. artificial trade barriers, exorbitant tariffs, and other restrictive devices depress the economy of this country. Indeed, recognizing that a very substantial part of their profits come from sales outside the United States, they extoll reciprocal trade. Yet, upon close examination, we see that their position is hypocritical.

On the one hand, they demonstrate a passion for the export of their products. On the other, they show a violent antipathy toward imports of products competitive with their own.

General Electric and Westinghouse no longer claim that their profits are being trimmed on account of occasional contract awards to our friends overseas. Instead, they predicate their opposition on the alleged belief that these two recent purchases constitute a threat to our security.

We need not be deceived. Their method of attack has changed. Their object, however, has remained the same—eliminate foreign competition and preserve the managed price system of operation.

Mr. Speaker, I believe the Congress well knows of my deep concern for the welfare and strength of our Nation. A substantial part of my activities, as a Member of this body for the last 16 years, has been devoted to insuring that the security and defense of the United States be maintained at the highst possible level. Therefore, I would look carefully at any claim that this strength of ours was being threatened.

I must confidently and strongly reject the bogus charges that have been directed at these two contract awards.

We must not let the flag wavers obscure the real issues.

We are all concerned with the economy of governmental operations; is it not manifestly clear that these two purchases under discussion will result in tremendous dollar savings to the agencies concerned and to the taxpayers of our Nation?

Are we not also interested in the position of the United States in relation to the rest of the world?

Thus the interchange of ideas and products being highly desirable and economically beneficial to all countries participating should be promoted, not opposed by the governments involved.

Let me say, too, that this is not a partisan issue. The Los Angeles Herald and Express, on February 26, 1959, made the following editorial comment:

> Vice President RICHARD NIXON, on his recent visit to Los Angeles, said gravely that the inflation caused by spiraling wages and prices threatens to force us out of the world market, and already has forced us out of several European markets. And yet, in the instance of the Los Angeles generators, inflation has priced our own U.S. firms out of the U.S. markets. The people, communities, the industries of the United States should be encouraged to buy American as much as possible in these critical times, but the prices of American goods must be brought down to practical levels where they can afford to buy them.

I agree with the Vice President's statement generally, and I believe I have proven that in this case it is not the

wages paid to American workers that have caused the inflation, but rather the extraordinary high profits of the managed price corporations. These managed prices have forced our Government purchasers of equipment to exercise prudent business judgment and award their contracts to the lowest responsible bidders.

I affirm that the facts completely fail to disclose an impairment or a threat of impairment of the security of the United States or even of its domestic electrical industry. Any action that might have impaired the awarding of these contracts would have injured the United States as a trading nation in the eyes of the world. It would have deprived this country of a valued source of supply and the cost of our Government operation would have been vastly increased.

The Office of Civil and Defense Mobilization understood what the real issues were and ruled clearly and firmly against the protest of the American manufacturers. These contracts which were honestly and effectively awarded will now be proceeded upon as originally intended.

Recent events show the wisdom of this course of action. General Electric has announced price reductions in the field of heavy electrical generating equipment. It also announced that it would modify the escalator clause in its contracts.

The New York Times noted this step with approval and stated editorially on July 16:

> One of the giants of American industry has just administered some of its prices downward. The General Electric Co. has announced on successive days reductions in prices of its turbines, both large and small.
>
> What the announcements did not say was that foreign competition is a large element in the decision at least for the big turbines. The revival of Western Europe is producing a benefit that Americans had perhaps not foreseen—the infusion of an extra element of competition in parts of American industry that have been to some extent immune during most of the postwar period.
>
> In a sense, we as consumers are getting our Marshall plan money back.

Mr. Speaker, it is for these reasons that I have felt impelled to take the floor and present the true story of these contract awards to the Congress and to the people.

ARMY AVIATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, you will recall that I had occasion to discuss the very essential roles and objectives of aviation in the U.S. Army on this floor last June 29. At that time I traced the history of Army aviation, its mission and the size of this operation in the Army today. Today I would like to take a few minutes in discussing this subject further.

First, there is apparently some misunderstanding in certain segments of the American public as to the distinction between Army aviation and the U.S. Air Force. Let me emphasize at this time that we can be sure that the Army has neither any intention of competing for missions in the aviation field with the Air Force, nor any remote design of creating another air corps within the Army's ranks. Both by executive directive and by operations instructions, Army aviation is intended for use in the ground battle area. Within this area it accomplishes essential work of two broad categories. First, as an extension of the combat reconnaissance effort, aviation is used in very much the same way that our Indian fighting Army once used horse cavalry; namely as a more rapid means of acquiring that information of the enemy and of the terrain which is essential to the ground combat role. In supplementing this effort Army aircraft are used to assure reliable communications among combat headquarters and to search for, identify, and bring fire to bear on enemy targets. The second broad mission of aviation, again serving in the ground combat area, is to move troops and equipment to places where they are needed and where the tactical situation or the time element or both dictate the use of aircraft for this purpose. I am sure that all of you, particularly the combat veterans amongst us, are aware that there are occasions in battle where the timely delivery of a critically needed item of equipment can spell the difference between victory and defeat. The same reasoning applies to the movement of critically needed personnel to man our weapons. These, then, are in laymen's language the functions of aviation in the Army. As is obvious, there is no conflict here with the missions of the Air Force.

Now I do not pretend to infer that there are no proponents in the Army of using Army aircraft for certain combat missions formerly performed by the air service of World War I, the Air Corps of World War II, and even the Air Force in Korea. In looking into this subject I had occasion recently to read of the activities of that great patriot and commander of our expeditionary forces in France during the First World War, General of the Armies Pershing—"Stamps and Esposito," a short military history of World War I, USMA, 1950, page 323. In the initial combat operation of the 1st U.S. Army as an entity during September of 1918, General Pershing, assisted by his 1st Army aviation officer, Col. William Mitchell—known later to history as Gen. Billy Mitchell—used the aircraft available to him in about three equal portions. These were strategic bombing, ground support, and observation. This proportion, which worked admirably in the open warfare of the St. Mihiel salient, has changed progressively in the years since 1918 up to today where, at one end of the spectrum we see the Air Force charged exclusively with the strategic bombing mission, and at the other end the Army charged with the mission of providing its own local tactical observation.

The Army is already experimenting quite successfully with the use of armed helicopters. These air vehicles are being developed to provide the same firepower capabilities to sky cavalry units that the repeating carbine provided to the cavalry formations of both Confederate Gen. J. E. B. Stuart and later Union Gen. Phil Sheridan, both of whom, incidentally, operated most effectively in the terrain to the west of and not too distant from this city of Washington.

This, then, is the shape of things to come, and represents a large step forward in the race to develop a tough, aggressive ground combat force, prepared to defy tyranny and oppression wherever it may appear on the face of the earth. This expanded use of air vehicles to help materially in the composition of such an Army—mobile and determined and ready—is being quietly and competently developed by a group of devoted Army officers both here in the Pentagon and out in the field, who are concerned in the final analysis with only one subject, and that is an adequate defense posture for our country.

Let me now turn briefly to a personality who has recently arrived on the Washington scene as the newly appointed Director of Army Aviation in the Pentagon. Brig. Gen. Clifton F. von Kann is a member of that elite group within the Army who is both a soldier and a scholar. Armed with a graduate degree from Harvard University as well as a diploma from our National War College, General von Kann has had the opportunity for broad and responsible service as an officer of his young years. Not yet 45, General von Kann has served in troop assignments, in the Office of the Army Comptroller, and in an executive capacity at the Central Intelligence Agency. He comes to Washington from duty as assistant division commander of our famed 82d Airborne Division at Fort Bragg. While at Fort Bragg he had the opportunity to serve with Maj. Gen. Hamilton H. Howze, until very recently the division commanding general, who was the first Director of Army Aviation.

General von Kann shows a clear and canny grasp of the multitudinous problems and challenges which face Army aviation in the coming years. To illustrate this point I would like to introduce for the RECORD a speech which General von Kann delivered to the Army Aviation Association of America on June 6. I urge all Members of this body to give this very astute speech their careful attention when it appears in the CONGRESSIONAL RECORD.

The speech follows:

OPERATIONAL TRENDS IN ARMY AVIATION

(Speech for the Army Aviation Association of America by Brig. Gen. Clifton F. von Kann, June 6, 1959)

May I say that it is a threefold honor to be here today. It is an honor to address this outstanding group which I know is destined to make very significant contributions to the future of Army aviation. Secondly, it is an honor to be pinch-hitting for my distinguished boss, Maj. Gen. Hamilton H. Howze, who did so much to further the cause of Army aviation. And finally, it is an honor for me to be speaking as the newly designated Director of Army Aviation.

Now it is obvious that I cannot speak from a platform of long service in aviation. However, my last 2 years have given me some opportunity to deal with operational problems involving combat units. I have worked

closely with Army aviation in five major divisional maneuvers involving the 82d Airborne Division and the 101st Airborne Division. Twenty-four hours ago I was actively participating in Exercise Dark Cloud/Pine Cone II, a large joint maneuver involving the 82d Airborne Division and the U.S. Air Force. Over 100 Army aircraft supported the division in the exercise; and all were in continuous use, both day and night. I have seen Army aviation operate tactically in midwinter in Alaska and have wargamed Army aviation in three major command post exercises involving field army and higher units. On this basis I would like to offer a few observations.

My first is that even with the limitations of some current models, I am deeply and completely convinced that Army aviation is the one major breakthrough in mobility the Army has made since World War II. We have lightened some items of equipment (while adding to many others). But when we strike the balance, the only quantum jump is the fact that right now, today, a squad, a platoon, or a rifle company can be in position A one instant, and 10 minutes later can be in position B 5 miles away—and ready to fight. Thus we are combining the two most mobile elements in warfare—the foot soldier and the airplane.

Significant, too, is the fact that the commander can once again ride around the battlefield, can see for himself the actual situation on the ground, can give appropriate orders on the spot, and then take off to other decisive areas. In short, the helicopter has returned command by physical leadership to the battlefield in place of command via the situation map. All this can be done with existing aircraft. Also very important is the fact that we are on the threshold of developments by which light but potent weapons, such as rockets and missiles, can be married with low performance aircraft and possess the same mobility as the troops to be supported.

I am also convinced that the problems of the atomic battlefield can only be solved by intelligent application of our aviation potential. We can no longer tie our infantry to key terrain features; we can no longer hold on to the highest ground, or to any key real estate, for that matter; to do so is to invite annihilation. On the atomic battlefield we must rather depend upon elusiveness, speed of maneuver, quick concentration and dispersion, and more than anything else, maintenance of the integrity of our force. Army aviation is unique in its ability to offer many and varied solutions to this basic problem; and with our aircraft we have the high ground when we need it.

Another basic contribution of Army aviation is its ability to offer solutions to the problem posed by a numerically larger enemy. After World War II we realized that we would be outnumbered in future wars by masses of manpower, but thought then that we could beat down these masses by firepower. From the standpoint of firepower and equipment, it is now evident that this will not be the road to victory on tomorrow's battlefield. We may be able to win out over superior numbers; but if we do, it must be by capitalizing on techniques which allow one of our men to be in as many places as 3 or 4 or 6 or 10 of the enemy in the same time period. This is another way of saying that the mobility offered us by aviation can be used to overcome the fact that we are outnumbered. Provided, of course, that we utilize our potential more effectively than the enemy. In this respect I do not want to be an alarmist; but I know that our enemies are not asleep to the possibilities in this field. So there is pressure upon us to develop our capabilities faster than he.

If we can develop and realize this great potential before the enemy does, then we can become the innovators and reap the advantages which go with originality. Military history is replete with examples of decisive advantage being gained through innovation particularly in the field of mobility. Every great captain in history won key battles by moving faster than the enemy thought possible. With the ICBM stalemate, it should be evident that the United States must insure its own ability to win limited conflicts fought under the umbrella of the stalemate. Nowhere else in our arsenal of new weapons and techniques can I see even the beginning of such possibilities for innovation in mobility as lie in the developments which the aviation industry is straining to fulfill. I therefore say with the sincerest belief that not only the future of ground tactics but quite possibly our national security may depend on how we use and exploit aviation to support ground combat.

However, I must temper my own enthusiasm by pointing out that the road is not an easy one. First of all, with any breakthrough item there is the time problem of getting these items into the hands of commanders and under conditions where commanders and their troops may develop the best techniques for using them. In the case of aviation many of our commanders do not understand aviation, and we all tend to recoil from things we don't understand. We must remember that only a few years ago a lieutenant colonel didn't dare ask for a helicopter ride. He could not foresee the possibility of having fulltime use of such a vehicle. Five years later our lieutenant colonel comes back to troop duty a grade higher and in command of a battle group. He now has his own helicopter, he has fixed wing overhead to give him eyes on the battlefield; and he can call for cargo helicopters to move his rifle units. Is it any wonder that it takes time before he can effectively utilize these and many more aircraft in the accomplishment of his mission?

We must also remember that training people to use aviation effectively does not come easily, especially when we are flying in and out of dusty strips and confined areas. Combat maneuvers in these places are frequently dangerous and always time consuming to set up and rehearse. Therefore bear in mind that it takes time to train aviators to work with tactical units. An even more critical factor is the time it takes the tactical units to learn to work with aviation. This is not a serious problem in flying from airfield to airfield; but when the destination or pickup point is a small clearing in the woods, it becomes a problem of different dimensions.

I would like to leave the thought in your mind that it takes approximately a year to develop a truly professional standard of teamwork between the infantry units of a division and the aviation which must work with these units. A great deal of hardware and gadgetry must be improvised. Landing aids, ground handling gear, and other auxiliary items must be fabricated; this takes time, patience, practice, and funds. None of these are readily available resources in today's Army, especially the funds.

What this really means is that Army aviation is in the position of the man who is trying to build a house and at the same time extinguish a fire that has broken out inside. We must keep building for the future; and there is real time pressure upon us to realize the great potential that aviation has for the Army. On the other hand we must not be so preoccupied with the future that we fail to extinguish the fires that are now burning. In this respect we have a real obligation to police up our program as it now stands—to make of Army aviation a consistent, constructive, and well-balanced program—managed by truly professional aviators.

Another area of difficulty is that of rationalizing the role of Army aviation with that of Air Force aviation. This problem lends itself to many unfortunate misunderstandings. Now with regard to the functions of Army aviation vis-a-vis those of the Air Force, I feel that we should not duplicate functions and services which the Air Force can adequate perform. Regardless of the overall adequacy of strategic airlift, I am sure that in any future theater of operations there will be substantial troop-carrier airlift to haul supplies, personnel and equipment to advanced airfields, possibly as far forward as the corps rear areas. I cannot visualize anyplace in the world where there would not be some airfield capable, after a few hours' rehabilitation work, of receiving assault aircraft. This is a form of support which we can and must expect the Air Force to perform for us.

Of course, we cannot expect troop carrier aircraft to go farther forward than this. And Army aviation finds its most urgent and important application in these forward areas where aircraft must be able to operate without airfields. This dictates the requirement that a very substantial portion of our fleet be designed with configuration and other characteristics that allow it to be camouflaged and concealed effectively on the battlefield.

I would like to point out here that during the past year we have devoted a good deal of time and thought to this problem in the 82d Airborne Division. After much trial and error, we have concluded, that with simple camouflage (salvage parachute cloth in our case), and good ground handling equipment to move aircraft in and out of clearings, we can keep small fixed wing aircraft and reconnaissance type helicopters alive in the forward areas. We believe the HU1A Iroquois will also be capable of surviving under these conditions. Larger helicopters, however, with present configurations cannot remain near the front for any appreciable time.

I have been stressing close work with the forward units. This does not mean that Army aviation has no role in the Army service area, in the logistical commands, and in the rear area security and damage control complex. All these units must be given the means to perform both operation and logistical jobs within their areas. In addition Army aviation can help materially to speed up logistical processes and give our supply system mobility to match that of the combat units being supported. There is every reason to expect that 10 years from now logistical support will be managed in a totally different manner and that Army aviation will be a major factor in these changes. For example, if the battlefield of tomorrow finds infantry units fighting alone in their own perimeters, it is vital that we have the capability of supplying them by air—and Army aviation will be most suitable for this task.

In the matter of providing weapons platforms the issues are somewhat more confusing. Now here, too, there have been unfortunate misunderstandings. And I would like to say that as I see it, the Army's developmental work in this field has nothing to do with the Air Force responsibility of close air support. We agree that close air support is an Air Force responsibility; we want all of it the Air Force can give us; we'd like to see more of the Air Force effort go into it. But never has the status of close air support affected the Army's effort to reduce its own killed and wounded in action by maximum use of supporting weapons. And with the new mobility which aviation offers us, it becomes a matter of life and death to our infantrymen that supporting weapons achieve a similar mobility. Here is why:

We know we can move riflemen around the battlefield by Army aviation. However, these riflemen cannot live very long unless they receive a rapid buildup of supporting fire by heavy weapons, the heavier and more

potent the better. This is a point which has been proved to all of us who have been in combat in World War II and in Korea. Now we can haul some supporting weapons today by Army aircraft; but this type of mobility tends to lag because of the weight involved. More serious, it tends to fasten the riflemen to the terrain—which we do not want to do. But, if we can borrow a lesson from the armored cavalry and mount our supporting weapons on vehicles with the same mobility as those carrying our assault troops, then we will have a truly modern, mobile, and balanced fighting force which can win on any type of battlefield—atomic or nonatomic. These units need not be large, for they can defeat forces many times their size by their ability to go quickly to decisive areas. Thus we have not only the requirement for Army aircraft which can maneuver riflemen, but also for aircraft which can provide us with mobile weapons platforms. And I an informed that these are virtually within our grasp.

I hope so, indeed, for these must become as important as the ships which carry the troops. Needless to say, we must push toward an all weather capability in our aircraft to match the all weather capabilities of the men and equipment they must carry.

Now in this connection I should point out that I am aware of no developments within the Air Force that will begin to satisfy these requirements. And I sincerely hope that the Army, in its efforts to do so, does not find history repeating itself. I was recently reading Steve Tillman's fine book on the first days of Army aviation half a century ago. The airplane was hardly 4 years old when experiments were made on the possibility of firing machine guns from airplanes at ground targets. Despite the promises of innovation which these early experiments offered, you may recall the view point of many, that the flying machine was a vehicle for reconnaissance and observation only, and not for the delivery of firepower. Thus the early aviators were forced to do their experimentation on a hand-to-mouth basis with great difficulty and sometimes at the expense of their own funds. It is somewhat terrifying to think that we can go to Fort Rucker right now and find virtually the same condition. Over the past few years the Aviation Center has done magnificent work toward making a reality out of helicopter-borne firepower. But although the importance of this work is manifest, it has been done on a staravtion basis and far, far too slowly. I only hope that this development will not be further slowed down on the basis of a jurisdictional dispute between the Army and the Air Force which really has no logical basis.

The basic point is that there is a very serious deficiency in the firepower that can be effectively brought to bear in support of combat units. If this deficiency is not eliminated our ability to pursue limited war will be drastically curtailed. No one has yet made the case that we should leave this gap in our military preparedness. On the other hand we have at hand the opportunity to eliminate the gap and to seize the initiative in the limited war arena by becoming innovators rather than followers in mobility. We cannot afford to be second best in the missile race; but once the stalemate is upon us it becomes important that we not be second best in tactical mobility, for national security and survival are at stake.

Now in closing I must reiterate the thought that my boundless enthusiasm for the potential of Army aviation is matched by my interest and concern in finding solutions to these many problems. I hope that I can be constructive in defining the major problems, in determining the best solutions (on balance, of course, for no answer will satisfy everybody), and in firmly incorporating the solutions into the Army aviation program. This will be no small task; and I feel very humble as I face up to it. However, it is a source of great comfort to look around me here today and see the host of dedicated and gifted people who must and, I know, will share in the work.

If we can effectively mobilize the brains and talent in this hall, we can expect a high degree of progress and success for Army aviation.

NEED FOR DEPRESSED AREAS BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, the area redevelopment bill continues to be needed as badly as ever. The economic recovery that has been taking place in recent months has bypassed the areas this bill would help, because they have special problems separate from general levels of economic activity.

INDUSTRIAL AREAS

The excessive unemployment in the chronically depressed industrial areas is sometimes spoken of as "structural" unemployment, because it results from permanent changes in the pattern or structure of a community's industry rather than from general economic conditions. For example, unemployment resulting from closing the railroad shops in a town because of changing from steam to diesel locomotives is not helped by a business pickup. It is the same way in coal-mining communities where jobs are gone no matter how much business picks up.

The purpose of the area redevelopment bill has always been to meet the special problems of the chronically depressed areas rather than unemployment problems arising from general depressions. This is emphasized by the fact that both major political parties pledged the enactment of such a bill in the campaign of 1956, which was not a depression year.

The continuing plight of the depressed areas is shown dramatically by the statistics on unemployment. The number of distressed labor markets is increasing, not decreasing. In May 1959—the latest month for which figures are available—there were over 50 percent more distressed labor market areas than in January 1959 and almost three times as many as in August 1957.

Unemployment continues to be concentrated in these distressed labor markets in a very serious manner. In May 1959, the 179 distressed labor markets had almost one-third of the Nation's unemployed, although they contained only 14.5 percent of the Nation's working population.

The persistence of unemployment in these areas is indicated by the following table:

	January 1959	May 1959
Number of distressed labor markets	119	179
Total unemployment in these distressed labor markets	811,973	1,090,657
Percent of Nation's unemployment in these distressed areas	*Percent* 17.2	*Percent* 32.2
Percent of Nation's working population in these distressed areas	9.3	14.5
National rate of unemployment	7.0	4.9
Rate of unemployment in these distressed areas	12.9	10.8

Without the passage of the pending area development bill, unemployment will continue to fester in those distressed areas, for they will not share in the upturn as their industries have closed or have lost out competitively.

With the passage of the pending bill, these communities will be given a chance, through the development of local-Federal cooperative programs, to build new industries and create new jobs for those who have long been out of work through no fault of their own.

RURAL AREAS

In many places it is simply impossible for a family to make a decent living on a small farm. There are approximately 1 million farm families with an annual income of less than $1,000. This bill would help create off-the-farm jobs to supplement the income of these farm families in areas where this type of problem is particularly acute.

These rural provisions of the bill are needed as badly as ever, because the small farmer is being squeezed as badly as ever. The parity ratio—the relation of the prices the farmer receives to the prices he has to pay—went down from 85 in 1958 to 82 in May 1959, the lowest level since World War II. Farm prices and farm income have both continued to decline. The number of farms continues to decline at the rate of about 200,000 a year. From 1952 to 1958, the farm population fell by 3½ million and this decline also continues.

As these people are forced off the farms, they must have other opportunities to make a living, and this bill is urgently needed to help provide those opportunities.

HOW THE BILL WOULD WORK

The bill would help create new jobs in first, industrial areas which continue for an extended time to have excessively high rates of unemployment; and, second, rural areas where farm resources are most inadequate to enable families to make a decent living from farming.

The bill would operate by giving assistance to local efforts to establish in such areas new business enterprises which would provide employment. Where the local people in an area eligible for assistance under the bill undertook a program for establishing new industries, the Federal agency could assist by providing first, information, such as market research and other information or advice available from various Government agencies; second, technical assistance, such as evaluating and helping to develop potentialities for economic growth; third, financial assistance in the form of (a) loans for the development of land and facilities for use by new businesses—a revolving fund of $75 million for industrial areas and another revolving fund of $75 million for rural areas—and (b) loans—a revolving fund of $50 million—or grants—total of $35 million—for public facilities needed to serve new businesses; and, fourth, vocational training to enable unemployed individuals to qualify for new employment in the redevelopment area, and subsistence payments for persons receiving such training.

TO WHOM DO WE OWE LOYALTY OR ARE WE JUST FUZZY HEADED?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, after hearings by a subcommittee and discussions by the full committee of the Kennedy-Ervin bill the House Committee on Education and Labor on Thursday next will probably vote to report out a bill of its own.

Its provisions are designed to protect the union member against corrupt officials and it makes at least a pretense of giving protection to the public generally, the average union worker, but it is woefully deficient in words which will adequately protect the welfare of the people or the average individual forced to work for a livelihood.

It does not give adequate protection against blackmail picketing and secondary boycotts.

It does not protect the average businessman or industrialist against extortion.

Certainly, the Members of the House, as well as the average informed individual, know that secondary boycotting is wrong, that organizational picketing has no place in a free nation.

Certainly, every intelligent individual should, if he does not, know that levying a tax by private groups upon the right to work or the privilege of doing business should not be tolerated.

Those who are not familiar, either from experience or from reading the press reports of the McClellan and previous congressional hearings, can be advised of the millions of dollars which have been collected by extortion from American citizens, much of it illegally spent.

Those unfamiliar with customary practices of unions which are illegal and destructive of the individual's freedom should read the book recently published, written by Sylvester Petro. A review by Lyle C. Wilson, of the UPI, which appeared in the South Haven, Mich., Daily Tribune of Saturday, April 25, last, reads as follows:

SENATE PUBLISHES BOOK EXPOSING LABOR UNIONS

(By Lyle C. Wilson)

WASHINGTON.—Right now would be a good time for the voters to read a book. Recommended reading for today is a newly published report on the Senate rackets investigation conducted under the committee chairmanship of Senator JOHN L. MCCLELLAN, Democrat, of Arkansas.

The title of the book is "Power Unlimited: The Corruption of Union Leadership," by Sylvester Petro published by the Ronald Press, New York. The price is $5, which will discourage readership among the voters. There are no pictures, a further handicap to mass circulation.

There are sins and scandals in this book, however, beyond belief. They are as shocking as the revelations in Confidential and such publications which entrance the lip readers. These are not scandals of the bedroom and the gin mills, but of the underworld jungle in which bad apple labor unions captained by strong-arm hoodlums and their associates prey on employers, employees and the public like a tomcat in a bird's nest.

IN SECOND PLACE

Not all unions, far from most, are so tagged. But a trend of pattern of violence, coercion, mayhem, arson, and blackmail is well disclosed in some areas of union-employer relationships. The area is so large, the violence so brutal as to raise substantially the question whether the public peace is shattered by this kind of domestic warfare.

For those killed or maimed in the proceedings, the question arises whether they have thus been deprived of certain inalienable rights endowed by the Creator—such rights as life, liberty, and pursuit of happiness. After such rights as those, property rights come in no better than second but, even in second place, there they are.

All of this is part of the philosophical background of the proceeding now underway in the U.S. Senate. The U.S. Senate is considering labor legislation under circumstances of dispute and disagreement. Especially in dispute is whether the new labor legislation should provide protection for the public, for workers, and for employers. This protection would be against those elements of organized labor which are, in fact, extortionist rackets operating without much hindrance from present law.

CHIPS ARE DOWN

Those employers, workers, and the public who have been victimized by hoodlum unioneers are not themselves organized. They are numerous, but they are no pressure group. Big labor is well organized, of course, well heeled and powerful. No crystal ball is necessary to foresee what is likely to happen when the Senate chips are down. The question will be that of protecting the public by imposing on all unions certain curbs on conduct. Without such curbs, some unions have been inclined to abuse their privileged status and to abuse some citizen employers and some citizen workers in the process.

The pressure group of big labor almost certainly will have the votes to lick any proposition such as that, and the Senate in time will proceed to other business. Whether that will be good or bad is a matter of opinion. The voters could get some facts on which to base his own opinion if he would read Petro's book.

Soon the House and shortly thereafter the Senate will have the opportunity to reestablish at least a part of the freedom to which our people are entitled and which has, since 1935, been denied them.

How about doing a little homework before appropriating $3½ billion to help free people abroad?

BILLS TO REQUIRE OFFICIAL AUDIT OF THE FEDERAL RESERVE AND TO TURN OVER $1 BILLION OF CASH DUE THE TREASURY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, today I have introduced two bills which are designed to improve and safeguard the handling of Government funds by the Federal Reserve System, and to help the Treasury out of its present mess by aiding it in the collection of $1 billion of funds now overdue.

Both of these bills have been carefully worked out, and are the product of many years of careful investigation and study into the problems they are intended to correct. These bills do not touch upon the Federal Reserve's monetary policies, nor its supposed independence. They go simply to its handling of Government funds.

TO REQUIRE AN OFFICIAL AUDIT OF THE FEDERAL RESERVE

One of these bills will require the Comptroller General of the United States to make regular audits of the Federal Reserve Board and the Federal Reserve Banks and to make reports to Congress. The Federal Reserve is one of the few Government agencies whose bookkeeping and spending practices are not subject to the audit control of the Comptroller General. At present there are no official audits of this agency, yet it handles more Government funds than any other agency. The bill provides a reform that is long overdue, and it should result in saving the taxpayers several million dollars a year.

The manner in which the Federal Reserve Banks are spending public funds has been pointed out several times. They opened such funds for parties, gifts, golf tournaments, paying for the college educations of unknown youths, and so on. Illustrations are well-known to the public, and I have many letters as well as newspaper editorials from all over the country demanding that Congress put a stop to this extravagant, wasteful, and, in some instances, quite improper use of public funds.

TO REQUIRE PAYMENT OF $1 BILLION OF IDLE FUNDS NOW BEING WITHHELD FROM THE TREASURY

The other bill would require the Federal Reserve to pay back to the Treasury immediately $1 billion of Government funds which it is now holding in a surplus fund. The Fed receives its income from interest payments on approximately $27 billion of Government securities which it is holding. It pays expenses out of this income, then returns most of what is left over to the Treasury at the end of the year. But it has for several years been holding back 10 percent of these funds in a surplus account, for which it has no imaginable need. This surplus now amounts to more than $1 billion, and this is being left idle and uninvested, which is inexcusable in these times when the Government should manage with extreme care all of its available funds. In 1958, the Fed's income was $742 million, and its expenses $159 million. It returned $524 million to the Treasury, holding back $59 million in surplus.

This $1 billion would meet a large part of the Treasury's present deficit. It would reduce the need for issuing more bonds at the present exorbitant interest rates, relieve inflationary pressures, and remove some of the pressures on interest rates which are already putting a tremendous burden on consumers, farmers, small-business people, and State and local governments.

HEAD OF HARVARD'S ECONOMICS DEPARTMENT WRITES ON "THE FOOLISH DOCTRINE OF AN INDEPENDENT FEDERAL RESERVE," ON THE METCALF AMENDMENT, AND ON THE "PUZZLING" POLICY IN WASHINGTON

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Washington Post and Times Herald yesterday published a most interesting letter from Dr. Seymour Harris, chairman, economics department, Harvard University.

I will insert Dr. Harris's letter in full, but I would like by way of emphasis to call particular attention to several of his statements.

THE FED INDEPENDENTLY REGULATING THE ECONOMY OF THE COUNTRY

First, Dr. Harris expresses puzzlement at the position which Chairman Martin has taken on the Metcalf amendment to the administration's bill to remove the legal ceiling on interest rates. He points out that the President does not suggest any monetary policy to the Federal Reserve, and adds what must be obvious: "This country needs a concerted use of all of its economic weapons and agencies." I might add that the only legal authority I can find which the Federal Reserve System has, if any, for its attempts to regulate the economy of this country is in the Employment Act of 1946. Yet I can find no language in the Employment Act which authorizes the Federal Reserve to strike out on its own and undertake the job of regulating the economy of the country in its own way and for its own objectives. Furthermore, as the House author of the Employment Act of 1946, I believe I am sufficiently familiar with its legislative history to say that there is nothing in this legislative history to indicate there was any thought at the time the act was passed, that the Federal Reserve would be authorized to embark on such an undertaking. On the contrary, if there had been such a thought, the Employment Act would have been written in quite a different way, for the obvious reason that the Federal Reserve is disrupting, overturning, and reversing everything the act provides for and everything it was intended to accomplish.

The Employment Act was intended to make sure that there would be a concerted and coordinated use of all of the Government's plans, programs, and agencies to the purpose of maintaining maximum employment, production, and purchasing power. The Government's agencies and programs are not being coordinated. The Federal Reserve is running the country to suit itself.

Furthermore, the Federal Reserve's tight money and exorbitant interest policies are defeating the purpose of the act. These policies are preventing maximum employment; they are preventing maximum production; and they are seriously retarding the growth of productive capacity in this country. Actually, I doubt if these policies even produce maximum purchasing power for the big bankers and moneylenders, which seem to be their purpose. It is entirely possible that by stagnating the economy, by keeping 4 million members of the labor force unemployed, and by burdening small business, farmers, and consumers with exorbitant interest charges, the Federal Reserve policies are actually causing the big bankers and moneylenders to make less money. These favored groups would conceivably make more money, in the long run, under a high-use and low-price policy for money, rather than the low-use and high-price policy for money.

PUZZLED AT PASSAGE OF THE VAULT-CASH BILL

Dr. Harris declares in this letter that he does not understand the philosophy in Washington, and he points to passage of the so-called vault-cash bill, S. 1120, as a matter for puzzlement. I can, I think, eliminate his puzzlement to a large extent.

The Federal Reserve's endorsement of the vault-cash bill and its objection to the Metcalf amendment are consistent stands. The difference between the issues involved are only differences of degree—differences as to how much and how soon. The central question is how the Government's power to create money is to be divided between the Federal Reserve and the private banks when the purpose of the new money is to acquire and hold more Federal debt obligations.

For example, in the first half of 1958, the Federal Reserve reduced required reserves of the member banks sufficiently to allow them to create $10.4 billion of new money. The banks used this new money-creating power to acquire additional interest-bearing securities of the Federal Government amounting to $10.4 billion. The Federal Reserve could have itself acquired that $10.4 billion of Government securities, if it had cared to do so. Furthermore, it could have at the same time maintained precisely the same amount of money and credit in the banking system as it did maintain. In other words, the Federal Reserve could have acquired the $10.4 billion of securities without any inflationary effect whatever, either at the time or at any time in the future. The only difference would have been that the interest payments on this $10.4 billion of Government securities would now be going back into the Federal Treasury instead of into bank profits.

But the Federal Reserve did not prefer to do that. It preferred to make it possible for the private banks to acquire these securities, without any cost whatever to the private banks. The question now is whether and to what extent the Federal Reserve will repeat this kind of thing in the future.

When the vault-cash bill was introduced, the bankers hoped and, judging from all evidence, the Federal Reserve had also hoped, that in passing this bill Congress would approve, or at least express no objection, to the plan for making a vast reduction in required reserves within a very brief period of time. Any such reduction in required reserves within the brief period of time contemplated for making these reductions would necessarily have had either one of two results. One result would have been a vast inflation, which both the Federal Reserve and the bankers made clear was not to be allowed. The other result was for the Federal Reserve to sell, in the open market, about $15 billion worth of the Federal securities which it has already purchased, and is holding, at the same time it would be making it possible for the private banks to create new money with which to buy these securities. In other words, this would have been a simple transfer of securities from the vaults of the Federal Reserve over to the private banks, without cost to the banks.

But in passing the vault-cash bill, the House did not approve this plan. Rather, there were quite substantial expression of legislative intent to the effect that there is to be no transfer of securities from the Fed's portfolio over to the private banks.

The main issue now posed by the Metcalf amendment goes to the question whether the Federal Reserve is to reduce required reserves of the member banks more gradually. In other words, it goes to the kind of thing which the Fed did last year when it permitted an increase in the money supply. The question is whether, as the Fed permits increases in the money supply, by any given amount it may decide upon, will it in the process acquire additional amounts of Government securities or will the Fed only make it possible for the banks to create more money to acquire Government securities?

THE FED IS THROWING BOOMERANGS AT THE WRONG TARGET

A second point of the Metcalf amendment which is touched upon in Dr. Harris' letter goes to the Federal Reserve's so-called bills-only policy. Long-term interest rates are those that are supposed to determine whether and to what extent business will undertake expansion programs, whether and to what extent families will buy houses, and whether and to what extent the State and local governments will build schoolhouses, roads, sewage disposal plants, and other kinds of State and municipal facilities. It is these long term rates that the Fed must be most

concerned about in its attempts to regulate these activities.

Yet the Fed has arbitrarily decided that it will raise or lower long-term interest rates only by the indirect method of raising or lowering short-term rates, such as those which apply on 3-months Treasury bills. It has adopted the policy of buying or selling only Treasury bills for purposes of raising or lowering interest rates. In order to get at the most distant interest rate, the Federal Reserve operates in the most remote and indirect way, on short-term interest rates. This means that not only must the Fed raise all interest rates in order to hit the target it is shooting at, but that it has chosen for itself a very awkward and ineffective weapon for hitting its target. In other words, it is throwing boomerangs around in the economy, aiming at one target which it is sure to hit, but which it should not hit, hoping that its boomerang will then circle around to the rear and hit another target, which probably should not be hit either. So the point is, even if the Federal Reserve is doing the right thing, and I am convinced that it is not doing the right thing, it is going about doing this in the wrong way.

DR. HARRIS' LETTER

Dr. Harris' letter as it appeared in the Washington Post and Times Herald yesterday, is as follows:

To the EDITOR OF THE WASHINGTON POST.

At a closed meeting of the House Ways and Means Committee, the Chairman of the Federal Reserve Board apparently was adamant in his refusal to accept an amendment to the interest rate ceiling bill which would require the Federal Reserve to purchase U.S. securities of varying maturities. Apparently the Secretary of the Treasury, now pressed by the Federal Reserve, is also in opposition.

Why are the administration and the Federal Reserve adamant? The latter has made clear its position. Purchases of long-term securities introduce an uncertain element into the market and hence is annoying to the speculative interests. But is not the smooth functioning of the economy, for which the Federal Reserve is partly responsible, more important than removing uncertainties in the Government bond market?

Moreover, in recent years the Federal Reserve has contributed more uncertainty to the market through other measures than it could possibly introduce through purchases of long-term issues. Sudden shifts from cheap to dear money recently brought about chaos in the Government bond market. Persistant outcrys from Washington of the dangers of inflation, of the inevitable emergence of a galloping inflation from a creeping inflation contributed greatly to the desertion of the bond market and the floods of cash into equity markets which have been so embarrassing to the Treasury. Yet, in 120 years, the rise of prices has averaged little more than 1 percent per year and most of this inflation accompanied or followed wars.

I do not understand the philosophy in Washington. The President does not dare even to suggest monetary policy to the Federal Reserve. The Federal Reserve seems to be unaware that its control of money is through the rate of interest and that a direct attack on long-term rates through purchases of long-term securities is much more effective than operations through short-term issues.

Another puzzling aspect of current policy is the recent passage of the cash-vault bill which makes possible a reduction of reserve requirements for commercial banks of billions of dollars. The release of these additional billions of reserves will be inflationary. Yet the administration, very sensitive about the stable dollar, without protest allowed this bill, proposed by the American Bankers Association, to go through.

In order to prevent inflation, the Federal Reserve may, as a result of this legislation, have to sell $10 billion of securities. This means a transfer of securities from the Federal Reserve (and profits to the Government) to the financial institutions, with increased profits for them. And the sale of these securities by the Federal Reserve would mean a rise of rates sufficient to attract purchasers. Hence the problems of the Treasury would be aggravated.

All of this is related to the foolish doctrine of an independent Federal Reserve. In these days of cold war, of need of maximum growth, with minimum inflation, we need all our economic weapons and a concerted use of them. So long as one agency is free and independent, others will go their way independently, with the result that we shall have no policy at all. This failure to integrate policies has been evident for years.

I do not understand how the Federal Reserve can be adamant in its opposition to a congressional directive on monetary policy when the right to create money and determine the value thereof resides with the Congress.

SEYMOUR E. HARRIS,
Professor of Economics,
Harvard University.

JULY 14, 1959.

SETH JOHNSON

Mr. CURTIN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. LIPSCOMB] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to pay a heartfelt tribute to Assemblyman Seth Johnson from the 56th Assembly District of California who passed away suddenly on July 16, 1959. Assemblyman Johnson succeeded me in the California Legislature when I was elected to Congress, and served with much distinction. He was not only a very able and conscientious legislator and a credit to his district and State, but also a man who stood willing to lend a helping hand to any individual or group whenever any task, whether large or small, had to be done. I know his absence will be felt very much by the people of the 56th assembly district. I will miss Assemblyman Johnson as a close friend and as a colleague, in a very true sense, for we worked closely on problems of mutual concern to California and the Nation. To his wife and companion of many years, Margaret, and to his son Robert and family, I wish to express my deepest sympathies.

CALIFORNIA EDUCATORS OPPOSE H.R. 7140 TO LIMIT AND REDUCE CERTAIN FEDERAL ASSISTANCE TO SCHOOLS

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD, and to include extraneous matter and certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, in recent weeks I have been in receipt of communications expressing opposition to the position taken by Mr. Arthur S. Flemming, Secretary of Health, Education, and Welfare, to amend Public Laws 874 and 815, the objective of which is to limit and reduce Federal assistance to schools in federally affected areas. The Secretary's views have been embodied in a pending proposal, H.R. 7140.

The views in opposition come from individuals directly and intimately concerned with public education in my State of California and warrant consideration because other States will likewise be adversely affected if H.R. 7140 is enacted into law.

A documented case against the proposal has been made by the California State Department of Education, division of public school administration. This statement presents the views of the California State Department of Education and the school districts of California that are applicants for Federal financial assistance under the provisions of Public Laws 874 and 815.

Mr. Speaker, I insert for the information of my colleagues the above mentioned statement along with the letter which accompanied it, signed by the California Superintendent of Public Instruction, Mr. Roy E. Simpson.

LETTER AND STATEMENT OF THE CALIFORNIA DEPARTMENT OF EDUCATION

In addition, I wish to insert two letters on the same subject, one from the Inglewood Unified School District and one from the California Association of Public School Business Officials.

STATE OF CALIFORNIA,
DEPARTMENT OF EDUCATION,
Sacramento, June 16, 1959.

Congressman JAMES ROOSEVELT,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ROOSEVELT: Attached hereto is a statement of the views of the California State Department of Education and of the school districts of California which are applicants for Federal financial

assistance under the provisions of Public Laws 874 and 815 in opposition to the proposals of Mr. Arthur S Flemming, Secretary of Health, Education, and Welfare, to amend Public Laws 874 and 815, introduced into the House of Representatives by Mr. KEARNS as H.R. 7140.

These views, data, and information are being transmitted so that you may have knowledge of how the proposal will affect the California school districts which receive Federal support from the two statutes. We regret that time has not permitted the compilation of data for each of the 444 applicant districts in California. We have notified all applicant districts of the provisions of H.R. 7140, and suggested the appropriateness of each informing his Congressman of the effect of them upon his school district.

It is our opinion, based upon the data available, that if the proposal is adopted, the educational program in many California school districts will be seriously impaired. It will provide for a reduction in Federal funds as high as 60 percent of allocations under present law in a number of districts, as high as 50 percent in many districts, and substantial reductions in the remainder. Ultimate reductions will reach in one case as high as 25 percent of the total current expense of the district. We are especially concerned because these reductions will affect the educational programs of districts in which 51 percent of the total number of pupils in California are enrolled, for that percentage attend school in districts receiving support under Public Laws 874 and 815.

The Department of Health, Education, and Welfare has estimated the proposal will reduce entitlements of California school districts under Public Law 874 from $25.7 million to $18.4 million. This is a decrease of $7.3 million, or 28 percent. The reduction under Public Law 815 is estimated to be from $14.9 to $9.9 million. This is a reduction of $5 million, or 33 percent of entitlement under the present law. These estimates do not include losses that will result from the proposed redefinition of Federal property which will be substantial in many districts.

The proposals are inconsistent with the policy and philosophy embodied by Congress in the present law. They are unrealistic if the intent of Congress is to meet the Federal obligation to provide support for school expenses in districts burdened by enrollment connected with Federal property. While the present law is inadequate in some respects, it is based upon sound principles and good policy. It is our belief that it should not be changed in the manner proposed. We hope that you will lend your assistance to defeat the proposals contained in H.R. 7140.

We shall be happy to provide additional information or answer questions you may have on this matter and offer our assistance at any time you may request our help.

Sincerely yours,

ROY E. SIMPSON.

STATEMENT ON H.R. 7140, PROPOSAL TO AMEND PUBLIC LAWS 815 AND 874

CALIFORNIA STATE DEPARTMENT OF EDUCATION, DIVISION OF PUBLIC SCHOOL ADMINISTRATION,

Sacramento, Calif., June 15, 1959.

This statement presents the views of the California State Department of Education and the school districts of California that are applicants for Federal financial assistance under the provisions of Public Laws 874 and 815 in opposition to the proposal of Mr. Arthur S. Flemming, Secretary of Health, Education, and Welfare, to amend Public Laws 874 and 815, introduced into Congress by Mr. KEARNS as H.R. 7140.

The proposals made by Mr. Flemming are unrealistic and fail to recognize the continuing and growing burden placed upon school districts in California through ownership of property by and activities of the Federal Government. They depart sharply from the sound principles conceived by Congress and written into the original enactment of Public Laws 874 and 815. If adopted by Congress, the proposal would result in the serious impairment of the educational program in many California school districts.

The available data indicate that there is an increasing, rather than a decreasing, of Federal obligation to support education in California. Acquisition of Federal property is increasing and pupils connected with such property are increasing at a greater rate than increases in total pupil enrollment.

THE EXTENT OF FEDERAL PROPERTY IN CALIFORNIA

The Department of Health, Education, and Welfare, Office of Education, reports that eligible Federal properties claimed by California school districts number 604 and constitute 15,914,259 acres. These properties are located in 46 of the State's 58 counties and do not constitute the total of Federal holdings in the State. Authoritative surveys indicate that approximately 48 percent of the area of California is owned by the Federal Government. The Department of Defense alone has acquired more than 5⅓ million acres of property in California. The large extent to which the Federal Government has acquired property in California upon which persons live or are employed is certainly an indication of the extent of the obligation which Congress has recognized under the provisions of Public Laws 874 and 815.

PUPILS IN CALIFORNIA IN ATTENDANCE BECAUSE OF FEDERAL OWNERSHIP AND FEDERAL ACTIVITY

In 1957–58, 17½ percent of all pupils in the Nation eligible for payments under Public Law 874 attended school in California, and about 17 percent of the total payments under the act were made to California school districts. Table 1 shows the average daily attendance of federally connected pupils and net entitlements under section 3 of Public Law 874 for the State of California and national totals for the fiscal years 1950–51 through 1957–58:

TABLE 1.—*Average daily attendance of federally connected pupils and net entitlements under section 3, for the State of California compared with the national total for the fiscal years 1950–51 through 1957–58*

Fiscal year	Average daily attendance			Net entitlements		
	National	California	Percent	National	California	Percent
1950–51	479,779	102,049	21.27	$23,847,955.46	$6,134,021.20	25.72
1951–52	667,589	136,146	20.39	39,133,259.10	8,996,466.75	22.99
1952–53	788,070	143,076	18.16	49,077,143.56	10,228,750.61	20.84
1953–54	866,210	156,337	18.05	63,955,693.47	12,694,708.20	19.85
1954–55	878,799	157,286	17.90	67,012,059.00	13,473,240.00	20.11
1955–56	943,979	164,432	17.42	76,740,599.00	14,669,811.00	19.12
1956–57	1,170,946	203,863	17.41	105,895,195.00	18,289,853.00	17.27
1957–58	1,211,204	211,337	17.45	116,834,241.00	20,158,819.00	17.25

The extent of the burden borne by California school districts because of Federal ownership and Federal activity is growing rather than diminishing. The increase in federally connected pupils is greater than the increase in total pupils. Table 2 shows that the increase in the average daily attendance of federally connected pupils from 1950–51 through 1957–58 was 107.1 percent, while the increase in total average daily attendance was only 67.3 percent. It is likely that in the first year of the program all the federally connected pupils were not identified, but the data show that between 1952–53 and 1957–58 the average daily attendance of federally connected pupils increased 47.7 percent and the total average daily attendance increased 43.8 percent:

TABLE 2.—*Growth of average daily attendance of federally connected pupils and total statewide average daily attendance, 1950–51 through 1957–58*

Fiscal year	Federally connected pupils			Percent increase total ADA
	ADA	Increase	Percent increase	
1950–51	102,049			
1951–52	136,146	34,097	33.4	8.49
1952–53	143,076	6,930	5.1	7.25
1953–54	156,337	13,261	9.3	7.16
1954–55	157,286	949	6.1	7.50
1955–56	164,432	7,146	4.5	7.52
1956–57	203,863	39,431	24.0	7.93
1957–58	211,337	7,747	3.7	7.56
Total		109,288	107.1	67.3

NOTE.—Percent increase 1952–53 through 1957–58: federally connected pupils, 47.7 percent; total ADA, 43.8 percent.

The pupils in California connected to federally owned property and eligible under section 3 of Public Law 874 are found in 444 of California's 1,761 school districts. These 444 school districts are located in 39 of the State's 58 counties. The average daily attendance of the federally connected pupils totals 219,425 and may be identified in the following way:

1. Pupils residing on Federal property with parent employed on Federal property	21,334
2. Pupils residing on Federal property with parent not employed on Federal property	3,175
3. Pupils not residing on Federal property with parent employed on Federal property	194,196
Total	219,245

The extent to which pupils in California are dependent upon the continuance of Federal support is demonstrated by the fact that 51 percent of the total average daily attendance of all California school districts attend schools that now receive support under the provisions of Public Law 874. In the applicant school districts in California eligible for payments under Public Law 874 there was a total in 1957–58 of 1,507,155 units of average daily attendance which equalled 51 percent of the total average daily attendance of that year of 2,958,156. Appendix table A provides the data summarized in this paragraph.

In the appendix to this statement further evidence is presented relative to the dependence of California school districts upon the assistance under Public Law 874 that has been provided by Congress. Appendix table B shows the California school districts which received in excess of $100,000 under the provisions of Public Law 874 in 1957–58. That amount of assistance is significant regardless of the size or wealth of the district.

Appendix table C shows the percent that Federal assistance under Public Law 874 is

of the total current expense in selected school districts in California in 1957–58. It should be noted that these percentages range from 43.87 percent in the relatively small district of Crystal Union in Solano County downward to about 2 percent in the relatively large urban district of Oakland.

EFFECTS OF THE PROPOSALS IN H.R. 7140 ON CALIFORNIA SCHOOL DISTRICTS

The proposals of Mr. Flemming are embodied in H.R. 7140, introduced into the House of Representatives by Mr. KEARNS. A bill with the same provisions has been introduced into the Senate by Senator GOLDWATER. These bills were introduced about the middle of May. Time has not afforded a full evaluation of their effects upon California school districts. The total impact of the proposal is not known. It is certain that reductions in support for education will be applicable to every eligible school district in the State. These reductions will average statewide about 30 percent of the entitlements under present law. They will be as high as 50 percent in the majority of school districts in California, excluding the reductions that will result from the redefinition of Federal property.

Table 4 shows the effect of the proposal upon school districts in the San Francisco area:

TABLE 4.—*Effect of proposed amendments to Public Law 874 on school districts in the San Francisco area, 1959–60*

School district	Present entitlement	Proposed entitlement	Reduction	Percent reduction
San Francisco Unified	$1,049,150	$869,499	$179,701	17.1
South San Francisco Unified	68,748	45,351	23,397	34.0
Berkeley Unified	203,357	124,096	79,261	39.0
Oakland Unified	748,087	466,701	281,386	37.6
Alameda Unified	465,567	355,179	110,388	23.7
Albany Unified	23,397	12,162	11,235	48.0
Jefferson Union High	44,482	22,416	22,066	49.6
San Rafael City High	61,119	50,611	10,508	17.2
San Mateo Union High	60,593	31,523	29,070	48.0
San Mateo City	54,385	27,192	27,193	50.0
Jefferson	41,903	21,219	20,684	49.4
Sausalito	32,452	27,281	5,171	15.9
San Bruno Park	26,390	13,908	12,482	47.3
Walnut Creek	22,556	11,278	11,278	50.0
Mill Valley	24,072	13,908	10,164	42.2
Total	2,926,258	2,092,324	833,934	28.5

Table 5 shows the effect of the proposals on 30 California school districts selected at random. The data do not reflect the losses in Federal support due to the proposed change in definition of Federal property. The table shows (1) the total average daily attendance of the district, (2) the estimated entitlement under the present law and under the proposed law, (3) the amount and percent of loss of Federal funds, and (4) the tax rate required to offset loss from local taxes:

TABLE 5.—*Effect of H.R. 7140 on selected California school districts*

County and district	Total ADA	Estimated entitlement (1958–59)		Loss in Federal funds		Tax rate required to offset loss from local taxes
		Present law	Proposed law	Amount	Percent	
Alameda:						
Oakland City Unified	62,000	$669,590	$427,500	$242,090	36.15	$0.0406
San Lorenzo	13,594	159,962	84,396	75,566	47.24	.1505
Contra Costa:						
Richmond City	16,252	107,279	62,280	44,999	41.95	.0241
Richmond Union High	8,758	85,474	48,116	37,358	43.71	.0161
Kern:						
Indian Wells Valley Union	1,002	37,567	18,697	18,870	50.23	.3741
Mojave Unified	921	35,625	23,304	12,321	34.59	.1275
Muroc Unified	2,117	260,282	250,495	9,787	3.76	.0812
South Kern County Union	688	34,104	17,312	16,792	49.24	.2938
Los Angeles:						
Antelope Valley Joint Unified High	3,956	258,942	166,792	99,150	35.59	.0583
Lancaster	5,633	282,358	141,179	141,179	50.00	.2541
Palmdale	3,432	162,218	93,356	68,862	57.55	.1492
Torrance Unified	23,600	251,576	114,411	137,165	45.48	.0757
Marin: San Jose	1,280	134,427	130,591	3,836	2.85	.0894
Merced: Atwater Union	2,435	173,120	155,810	17,310	10.00	.1618
Orange: Garden Grove	13,230	142,343	71,744	70,599	49.60	.1074
Riverside:						
Midland	1,800	161,781	149,214	12,567	7.77	.1306
Riverside City	13,250	239,511	120,266	119,245	49.79	.0908
Riverside City High	6,509	181,752	137,788	43,964	24.19	.0221
Sacramento:						
Arcade	6,232	$129,926	$91,953	$37,973	29.23	$0.1201
Arden-Carmichael Union	10,270	203,676	101,838	101,838	50.00	.2042
Rio Linda Union	5,708	288,244	229,234	59,010	20.50	.3399
Sacramento City Unified	33,584	387,070	197,718	189,352	48.92	.0679
San Bernardino:						
Barstow Union	3,456	144,208	118,119	26,089	18.09	.1373
San Bernardino City High	7,669	224,412	170,154	54,258	24.18	.0310
San Diego:						
Oceanside-Libby Union	4,264	299,596	228,276	71,320	23.81	.2569
San Diego Unified	91,934	2,571,663	2,182,525	389,138	15.13	.0542
Sweetwater Union High	5,673	223,752	135,251	88,501	39.55	.0757
San Francisco: San Francisco City Unified	87,206	888,221	731,483	156,738	17.65	.0115
San Joaquin: Stockton City Unified	29,744	183,828	119,001	64,827	35.27	.0383
Solano: Vallejo City Unified	15,601	700,943	564,781	136,162	19.43	.2255

Data tabulated and computed from "questionnaire" submitted by certain districts.

The proposals of Mr. Flemming are based upon the fact that payments are made under Public Laws 874 and 815 on account of pupils who are connected with Federal property that is located outside the district. He has stated:

"I can find no justification whatsoever for reimbursing all districts at the same level, irrespective of where Federal property is located. The payment-in-lieu-of-tax principle simply cannot be applied equally—and at the same time, equitably—to all situations.

"No matter who owns it, property located outside a school district cannot be taxed by that district."

This concept is entirely foreign to the basic philosophy embodied in the two statutes. Section 1 of Public Law 874 itself states as a declaration of policy in part:

"SECTION 1. In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance * * * for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that—

* * * * *

"(2) such agencies provide education for children residing on Federal property; or

"(3) such agencies provide education for children whose parents are employed on Federal property; or."

* * * * *

The committee report accompanying H.R. 7940 (Public Law 874), 81st Congress, 2d session, Report No. 2287, states clearly the policy and philosophy of the statute in the following:

"SEC. 3 of the bill seeks to compensate school districts in reasonable amounts for the cost of educating children who, because they reside on tax-exempt Federal property or because their parents are employed on such property, do not in effect pay their own way. The underlying philosophy of this section is that the Federal Government, as a property owner, should pay to each local educational agency which furnishes education to children residing on or whose parents are employed on Federal property an amount per child roughly equivalent to the amount per child which other property owners in comparable communities pay toward the cost of educating children. Under this principle, Federal payments to school districts are more closely related to the 'burden imposed' than to the value of the Federal property. The committee believes that this approach will be more equitable both to the Federal Government and to the local school districts involved."

The fact that Federal property may or may not be located in a school district is not pertinent. The burden to the school district is the enrollment in the schools of the district of pupils drawn to the district by the

Federal property. The location of Federal property in a school district is pertinent only if the owner of such property pays taxes. This is not the case. Payments under Public Laws 874 and 815 are not payments in lieu of taxes. They are payments in support of necessary expenses of education and are related to the burden imposed upon school districts by the presence of federally connected pupils rather than to any valuation placed upon the Federal property.

California school districts would receive far more adequate support if the Federal Government were to assume a true position as a local taxpayer and pay taxes on the actual valuation of Federal property. In such a roll the obligation of the Federal Government would be multiplied many times. If such is the desire of the Federal Government, laws should be enacted placing it in the role of a real taxpayer. However, to say that support for the education of federally connected pupils should be reduced below the present inadequate level because the Federal property is not located in the district is meaningless unless the owner pays taxes on that property and no reference to the in lieu tax payment principle can give it meaning.

REDEFINITION OF FEDERAL PROPERTY

Mr. Flemming has proposed that Federal property be redefined for the purposes of the two statutes, excluding as Federal property that from which a State or local agency may derive tax revenues on substantially its full value by a tax imposed on the property or with respect to the use of or interest in the property. This proposal is based, according to Mr. Flemming, on the fact that the U.S. Supreme Court has ruled the Federal properties which have been leased to private firms or individuals can be taxed by State and local governments for the full valuation of the properties just as though they were privately owned. The statewide effect of this proposal cannot be computed with data now available. Its effects will be substantial and reductions in support will fall largely upon districts where the Federal obligation is greatest.

The proposal is further confusing because of its language. How are "tax revenues on substantially its full value" determined? Are they not dependent upon taxing any assessed valuation placed upon the property, its use, or lease-hold interest in it? The proposal would seem to exclude as Federal property under the statutes any upon which any kind of tax may be levied.

Under law, taxes received by a local agency derived from use of, or interest in, Federal property are deducted from the payments made to that local agency. There are no duplicate payments made except in the rare cases where a pupil connected with a property so taxed may attend school in another district, and this duplication exists only when the entitlement of the local agency is exceeded by the taxes derived. The present provision is equitable and fair to both the local agency and the Federal Government and should be continued. To adopt the proposal will seriously harm the educational program in many federally burdened California districts.

Although the Supreme Court decision has permitted the taxing of leased Federal property at full valuation "just as though they were privately owned," California and other States cannot by law so tax, and there is not time prior to the 1959–60 year to consider and pass such legislation. The proposal is inconsiderate of such conditions and if adopted will result in the withdrawal of Federal support with no possibility of recovery from any source of the funds withdrawn.

APPENDIX TABLE A.—*Summary by counties of average daily attendance reported by 444 applicants under Public Law 874 in col. 6 of table 3, p. 3, of the final report form RSF–3 (1957–58)*

County	Number of applicants	Pupils residing on Federal property—parent employed on Federal property (line 1)	Pupils residing on Federal property—parent not employed on Federal property (line 2)	Pupils whose parents are employed on Federal property—not residing on Federal property (line 3)	Total sec. 3 pupils (line 4)	Total—all pupils [1] (exclusive of pupils for whom tuition is received) (line 8)	County	Number of applicants	Pupils residing on Federal property—parent employed on Federal property (line 1)	Pupils residing on Federal property—parent not employed on Federal property (line 2)	Pupils whose parents are employed on Federal property—not residing on Federal property (line 3)	Total sec. 3 pupils (line 4)	Total—all pupils [1] (exclusive of pupils for whom tuition is received) (line 8)
Alameda	25	826	----------	19,936	20,762	163,145	Sacramento	29	803	1	17,478	18,282	92,768
Contra Costa	18	202	434	5,692	6,328	85,360	San Bernardino	32	1,512	30	11,918	13,460	93,397
Fresno	1	10	----------	8	18	91	San Diego	41	4,761	313	41,400	46,474	174,120
Humboldt	3	253	140	111	504	1,343	San Francisco	1	1,224	200	6,296	7,720	85,765
Imperial	4	311	84	323	718	5,345	San Joaquin	8	36	----------	2,703	2,739	36,938
Inyo	3	82	97	30	209	1,594	San Luis Obispo	10	7	----------	564	571	7,189
Kern	6	3,989	37	1,248	5,274	22,232	San Mateo	12	137	----------	3,648	3,785	51,408
Kings	1	----------	31	----------	31	206	Santa Barbara	8	126	82	1,077	1,285	8,330
Lake	3	----------	34	14	48	654	Santa Clara	11	117	----------	3,334	3,451	49,726
Lassen	3	530	----------	260	790	1,675	Shasta	1	31	----------	108	139	1,154
Los Angeles	44	----------	1,407	32,382	33,789	308,755	Solano	13	1,702	254	9,288	11,244	24,727
Marin	12	660	1	2,710	3,371	21,479	Sonoma	15	75	16	857	948	8,530
Mendocino	5	92	76	132	300	4,236	Trinity	3	133	12	270	415	1,129
Merced	6	178	----------	2,212	2,390	11,573	Tulare	2	34	----------	31	65	512
Modoc	1	15	7	----------	22	46	Tuolumne	1	----------	9	2	11	28
Mono	1	15	----------	----------	15	68	Ventura	24	354	----------	5,659	6,013	34,040
Monterey	13	1,840	22	5,299	7,161	29,248	Yolo	3	----------	----------	419	419	5,082
Napa	10	----------	----------	2,308	2,308	11,094	Yuba	3	----------	----------	140	140	2,386
Orange	31	559	----------	10,241	10,800	108,568							
Placer	14	----------	----------	1,000	1,000	10,002	Total	444	21,334	3,715	194,196	219,245	1,507,155
Riverside	23	720	428	5,098	6,246	43,212							

[1] In addition a total of 730 average daily attendance was reported by 2 applicants, Valle Lindo of Los Angeles County and De Luz of San Diego County, under sec. 2 of the act.

APPENDIX TABLE B.—*California school districts which received in excess of $100,000 from Public Law 874 in 1957–58*

County and school district	Amount
Alameda:	
Alameda City Unified	$332,507
Berkeley City Unified	154,967
Livermore	114,508
Oakland City Unified	433,027
San Lorenzo	128,165
Contra Costa:	
Mount Diablo City Unified	192,633
Richmond City	126,384
Kern:	
China Lake Joint	349,460
Kern Joint Union High	167,735
Muroc Unified	192,826
Los Angeles:	
Antelope Valley Joint Union High	200,468
Lancaster	217,472
Long Beach Unified	775,822
Palmdale	147,186
Torrance Unified	204,223
Marin: San Jose	104,649
Merced: Atwater Union	122,993

APPENDIX TABLE B.—*California school districts which received in excess of $100,000 from Public Law 874 in 1957–58*—Con.

County and school district	Amount
Monterey:	
Monterey City	$435,926
Monterey Union High	107,534
Orange:	
Garden Grove	107,477
Santa Ana City	134,064
Riverside:	
Midland	124,365
Riverside City	189,004
Riverside City High	101,166
Sacramento:	
Arcade	112,164
Arden-Carmichael Union	167,842
Folsom Joint Unified	195,025
Grant Union High	160,131
North Sacramento	122,266
Rio Linda Union	227,827
Sacramento City Unified	210,808
San Juan Union High	178,601
San Bernardino:	
Barstow Union	120,973
San Bernardino City	305,455
San Bernardino City High	166,581

APPENDIX TABLE B.—*California school districts which received in excess of $100,000 from Public Law 874 in 1957–58*—Con.

County and school district	Amount
San Diego:	
Cajon Valley Union	$108,205
Chula Vista City	291,031
Coronado Unified	188,068
Fallbrook Union	138,090
Grossmont Union High	131,484
La Mesa-Spring Valley	118,467
National	146,867
Oceanside-Libby Union	235,467
San Diego Unified	2,267,947
South Bay Union	148,610
Sweetwater Union High	199,593
San Francisco: San Francisco City Unified	427,735
San Juaquin: Stockton City Unified	154,001
Solano:	
Crystal Union	153,325
Fairfield	110,063
Vallejo City Unified	570,346
Ventura:	
Hueneme	133,130
Oxnard	106,831

APPENDIX TABLE C.—*Comparison of assistance under Public Law 874 and total current expense in selected California school districts, 1957–58*

County and school district	Assistance under Public Law 874, 1957–58	Total current expense, 1957–58	Percent of expense from Federal assistance
Alameda:			
Alameda City Unified	$332,507	$4,019,501	8.27
Oakland City Unified	433,027	23,628,207	1.83
Contra Costa: Richmond City	126,384	5,232,453	2.42
Kern:			
China Lake Joint	349,460	876,576	39.87
Muroc Unified	192,826	765,909	25.18
Southern Kern County Union	24,729	222,869	11.10
Lassen: Herlong	75,352	189,751	39.71
Los Angeles:			
Long Beach Unified	775,822	27,506,560	2.82
Torrance Unified	204,223	7,083,472	2.88
Marin: Sausalito	28,041	450,425	6.23
Monterey: Monterey City	435,926	2,681,346	16.26
Napa: Shurtleff	5,779	90,203	6.41
Riverside: Midland	124,365	440,422	28.24
Sacramento:			
Folsom Joint Unified	$195,025	$917,528	21.26
Rio Linda Union	227,827	1,367,623	16.66
San Bernardino: Morongo	74,557	429,837	17.35
San Diego:			
Coronado Unified	188,068	1,055,296	17.82
Fallbrook Union	138,090	627,482	22.01
Fallbrook Union High	61,112	349,910	17.47
Oceanside-Libby Union	235,467	1,294,291	18.19
San Diego Unified	2,267,947	32,052,276	7.08
Solano:			
Benicia City Unified	54,875	442,130	12.41
Crystal Union	153,325	349,470	43.87
Vallejo City Unified	570,346	5,401,506	10.56
Ventura:			
Hueneme	133,130	798,477	16.67
Oxnard	106,831	1,577,355	6.77

LETTER FROM INGLEWOOD UNIFIED SCHOOL DISTRICT

INGLEWOOD UNIFIED SCHOOL DISTRICT,
Inglewood, Calif., July 2, 1959.

The Honorable JAMES ROOSEVELT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. ROOSEVELT: We have received the statement by Arthur S. Flemming, Secretary of Health, Education, and Welfare, concerning amendments to Public Law 874 and Public Law 815. We believe Mr. Flemming's position to be unrealistic as it fails to recognize the continuing and growing burden placed upon school districts in this area through Government ownership of property and by the various activities of the Federal Government.

This school district is now educating a large number of pupils whose parents have been attracted by opportunities for employment which are directly attributable to the activities of the Federal Government.

We understand the proposals of Mr. Flemming are included in H.R. 7140. The impact upon this school district which this proposal would make has not been carefully analyzed but we are of the opinion that the financial loss would be sufficient to cause a hardship upon us.

We are of the opinion that the Federal Government does have a responsibility in this matter and we strongly urge that there be no reduction in the funds now provided under Public Law 874 and Public Law 815.

Sincerely yours,

H. T. SANTEE,
Superintendent of Schools.

LETTER FROM CALIFORNIA ASSOCIATION OF PUBLIC SCHOOL BUSINESS OFFICIALS

CALIFORNIA ASSOCIATION OF PUBLIC SCHOOL BUSINESS OFFICIALS,
Del Paso Heights, Calif., June 30, 1959.

Hon. JAMES ROOSEVELT,
House of Representatives,
Washington, D.C.

MY DEAR CONGRESSMAN: The California Association of Public School Business Officials, at its board of directors meeting of May 29, 1959, officially went on record opposing any amendments to Public Law 874 and Public Law 815.

Because of the tremendous growth in California due to Federal installations and activities, it is our feeling Federal assistance is justified in defraying the resultant increase in educational expense. If these amendments are adopted the reduction in Federal funds will be as high as 60 percent in some instances. Such a reduction will have serious effects on the districts concerned.

The association feels such a proposal is inconsistent with the policy and philosophy of the present law. While it is inadequate in some respects, it is based on sound principles and good policy, and it is our belief it should not be changed in the manner proposed.

We hope you will lend your assistance to defeat the proposals contained in H.R. 7140.

Yours very truly,

STANLEY W. MOORE,
Secretary.

ERNEST BLOCH

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD in two instances.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, the people of the State of Oregon were recently saddened, as were lovers of the best in music around the world, by the death of one of Oregon's most distinguished citizens, and one of the world's authentically great musicians, Ernest Bloch. Mr. Bloch's contributions to 20th century music will, without question, be a living part of the world's cultural equipment when the issues which plague our front pages today have been forgotten by all but historical pedants.

Ernest Bloch is gone. But truly, Ernest Bloch can never leave our midst as long as men have souls which can be touched by great music.

Under unanimous consent, I include in the RECORD an editorial from the Washington Post and an article from the Washington Post:

ERNEST BLOCH, COMPOSER, DIES

PORTLAND, Oreg., July 15.—Composer and conductor Ernest Bloch, 79, died today in a hospital where he had been under treatment for cancer.

Mr. Bloch, whose works ranged from the tone poem "America" to symphonies and the opera "Macbeth," had been a resident of Agate Beach on the Oregon coast since 1940. He entered a hospital here July 7.

The composer-conductor was born in Geneva, Switzerland, July 24, 1880. He studied violin under the virtuoso, Eugene Ysaye, but gave up the idea of a concert career when he found violin practice took too much time from his composing.

But that technique he developed in studying the violin served him well in composing for strings. "Nigun" from his "Baal Shem" suite is in the repertory of nearly every concert violinist. He won renown for his "String Quartet No. 2" and his "Quintet for Piano and Strings." His Israel symphony and "Schelomo" are widely admired and his sacred service and "Concerto Grosso" are frequently performed.

The Paris Opera Comique accepted "Macbeth" and presented it November 30, 1910. Early in 1916, Mr. Bloch came to America as conductor for the touring dancer, Maud Allen. That enterprise went bankrupt, and he was stranded in a strange country whose language he did not know. He nearly starved for a few months but finally was appointed teacher of composition at David Mannes School of Music in New York.

The turning point in Mr. Bloch's career came when he won the $1,000 Elizabeth Sprague Coolidge prize in an international competition in 1919. He founded the Cleveland Institute of Music in 1920 with 6 students and directed it until 1925 when he had more than 700 students. He became an American citizen in 1924.

For the next 5 years he was director of the San Francisco Conservatory. He wrote his epic rhapsody "America" and submitted it anonymously in the Musical America contest in 1928. It was the unanimous choice of five judges from 93 scores. He was awarded $3,000.

An endowment by a San Francisco music lover enabled Mr. Bloch to devote 10 years to composing, and he returned to Geneva and spent the next decade in Europe. He lived in Italy, France, and Sweden before returning to the United States in 1939.

From then on he was associated with the University of California as professor of music. From 1941 on his winters were spent in Agate Beach.

Among his other notable works were "Avodath Hakodesh," the first complete performance of the Jewish service, "Three Jewish Poems," and "Suite Symphonique."

The work, "America," which he derived from folksongs, was dedicated to Abraham Lincoln and Walt Whitman.

He was the only American to be voted into the Academy of St. Cecelia in Italy and the only composer to be awarded the New York Music Critics' Award twice.

Survivors include a son, Ivan Bloch, Portland industrial consultant; and two daughters, Mrs. Paul Smith, New York City, and Mrs. Stephen P. Dimitroff, Mill Valley, Calif.

ERNEST BLOCH

The death of Ernest Bloch reminds us again how rich in song this era has been, whatever its failings in so many other respects. No century which has seen such major figures as Stravinsky, Bartok, Prokofiev, Schoenberg, Strauss, and Sibelius—to name a few—need apologize for the quality of its music. Mr. Bloch, who died on Wednesday at 79, was not only an important composer, but a creator whose works reflected many of the prevailing musical currents of his time. Although he remained

aloof from musical fads and cliques, his works based on Jewish liturgy sprang from the same quest for ethnic and nationalistic melody as did the Hungarian music of Bartok.

Like Sibelius and Strauss, Ernest Bloch could compose works of post-Wagnerian lushness, such as "Schelomo," his much-admired rhapsody for cello and orchestra. His "Concerto Grosso" suggested the same revived interest in 18th century music that animates so much of Stravinsky's work. He was at home with the dissonant and experimental, and his pupils included such major contemporary talents as Roger Sessions, Randall Thompson, and Douglas Moore. The Swiss-born composer spent much of his life here, and although only the future can take full measure of his contribution, this country was assuredly the richer for his presence and the world will be poorer for his loss.

STAID VERMONT'S VOICE OF DISSENT

Mrs. GREEN of Oregon. Mr. Speaker, it has been my privilege to serve in this House for 5 years. In the course of that service, I have met a great many fellow Members for whom I have held growing respect. I have seen courage, integrity and steadfastness in the face of obstacles demonstrated by a great many of my colleagues. But I do want to say that I have never had the privilege of being associated with a man more courageous, more steadfast, and less concerned with mere popularity than the distinguished gentleman from Vermont [Mr. MEYER]. BILL MEYER is a worthy Representative of a State which has prized independence of thought and strength of character ever since colonial days. His outspoken defense of policies he believes are in the best interests of peace have not always been popular. But they have always been moving by their sincerity and persuasive because of their courage.

Mr. Speaker, this House is a repository of the traditions of a century and three-quarters of statesmanship, patriotism and the love of liberty. The able gentleman from Vermont, whom I am proud to call my friend, has in the few months he has been among us contributed in no small measure to that tradition.

I ask unanimous consent, Mr. Speaker, that a column recently appearing in the Washington Post, written by the outstanding observer of public affairs, Mr. Marquis Childs, be printed following my remarks in the RECORD.

STAID VERMONT'S VOICE OF DISSENT

(By Marquis Childs)

In its furthest reaches the tide of Democratic victory last November swept EDMUND MUSKIE into the Senate from Maine and for the first time a Democrat was elected to Congress on a statewide basis from Vermont. That Democrat was Representative WILLIAM H. MEYER, who in the aftermath of the landslide last fall was for a brief time national news.

Not only had he won as Congressman-at-Large by a majority of 4,000 out of 123,000 votes cast, but during his campaign he had expressed some very unorthodox views. He had said on television that he believed Communist China should be a member of the United Nations and that eventually the United States should recognize the Peking government. He proposed abolition of the draft and stopping the manufacture of hydrogen and atomic bombs as well as nuclear testing.

In the House, MEYER has followed these same unorthodox lines. He is the lonely representative of an American tradition, and particularly a New England tradition, that goes a long way back—protest, nonconformity, the right of the individual and his conscience over that of all collective and corporate rights, including the State. It is in the tradition of Thoreau who went to jail for his belief in the abolition of slavery.

The other day Representative MEYER came into the national news again when his younger son, Karl, was arrested and sentenced to 6 months in a Federal jail for a pacifist demonstration against an Omaha, Nebr., missile base site. Karl had previously been arrested three times in New York for protesting a compulsory civil defense law.

Representative MEYER talks about this in the same calm, untroubled voice with which he discusses his convictions. He says that he is not himself a pacifist, although he registered as a conscientious objector when the draft was initiated just prior to World War II. Karl believes in direct action while his father thinks that he can be more effective in putting over his own ideas through legislation and public opinion.

Of German origin, the Meyer family came to this country after fleeing from the Rhineland in 1848, the year of the abortive European revolt against kings and military dictators. With a deeply religious strain in the family, Representative MEYER says he had thought that Karl, because of his strong pacifist views, would be a Quaker. Instead, 2 years ago he became a Roman Catholic convert and worked in New York's slums with the Catholic worker movement headed by Dorothy Day.

When the draft was up for renewal earlier this year MEYER opposed it on the floor of the House. He admits that at times he is overcome by something like despair as he confronts what he fears is an inevitable drift toward nuclear war.

In normally Republican Vermont MEYER'S stand, even though his views were fairly well aired during last year's campaign, has set off loud repercussions. The American Legion has denounced him and newspaper editors almost without exception have inveighed against him. He went up and spoke to the Republican legislature in Vermont and, after he had explained what he had done for the State, he defended his position on peace and war:

"I tried to illustrate that military leaders are gaining economic control in the United States and spending most of our taxes with no real supervision by Congress. * * * The situation must be corrected if our form of government is to survive. This must indeed be a crazy age if I am called a subversive because I speak the truth and try to uphold our constitutional form of government and provide for the defense of my country as I am obligated to do as a Congressman elected by the people and sworn into office under oath."

Other men like MEYER have in the past served in the Congress, but they have come mostly from the West, with isolationist leanings. He is not an isolationist, believing that American troops must remain in Europe until a solid agreement on withdrawal of armed forces from each side of the East-West divide can be reached with Russia.

Powerful forces in Vermont, including a faction in his own party, are determined to defeat MEYER next year. His Republican opponent is likely to be the present Governor, Robert T. Stafford, who won by a squeak of 700 votes in November. But win, lose, or draw, this nonconformist will follow the dictates of his own conscience.

TRUJILLO'S END IS NIGH

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. PORTER] may extend his remarks at this point in the RECORD and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. PORTER. Mr. Speaker, the days remaining for Dictator Trujillo are few. His Ambassador to Ecuador and one of his U.N. representatives recently deserted him and issued loud denunciations of Trujillo as a "murderer."

Now Trujillo's Minister of Labor, Ramon Marrero Aristy, has been killed under circumstances which, as in the cases of Gerry Murphy and Jesus de Galindez, shriek of murder. Under unanimous consent I am including (following these remarks) the text of a news story in the New York Times, July 20, by Tad Szulc.

No one need invade the Dominican Republic. The apples of a new and better regime are ripe. No need to pick them nor to shake the tree. The winds are blowing and presently the apples will fall—before the end of the year, I predict.

Trujillo's lieutenants are beginning to turn on him, not because they have just discovered the fact that he is a murderer, but because he is a murderer whose time is running out.

The article follows:

LIBERAL DOMINICAN AID DIES MYSTERIOUSLY IN CAR

(By Tad Szulc)

MIAMI, FLA. July 19.—Ramon Marrero Aristy, the Dominican Republic's Minister of Labor and an outstanding liberal influence in that country's dictatorial Government, was killed Friday night in a mysterious automobile accident on a mountain highway.

He died in a flaming car between the towns of Constanza and Monsenor Nouel. The circumstances were not made known in detail officially in Ciudad Trujillo, the Dominican capital.

His death put an end to his persistent and almost lonely struggle for a relaxation in the tight dictatorial practices of the regime.

Señor Marrero, a 45-year-old writer, newspaperman, and labor specialist, believed the regime of Generalissimo Rafael Leonidas Trujillo Molina could survive the crisis now facing it only if it became more liberal and if it eliminated the spreading corruption in high official circles.

There are reasons to believe that Señor Marrero thought of himself as a possible political solution for the Dominican Republic if the Trujillo regime collapsed.

He believed that his liberal record would make him acceptable to the regime's foes. This belief was borne out, at least tentatively, in conversations between Dominican rebel leaders in Havana and this correspondent 2 weeks ago.

The Dominican regime is under strong pressures from opponents at home, in Cuba, and elsewhere.

In advocating changes in the dictatorship's policies, Señor Marrero acquired many powerful enemies. But he had remained personally loyal to Generalissimo Trujillo, believing that the 67-year-old dictator was still the best person to solve Dominican problems. The third-born of Senor Marrero's five children was named after the Generalissimo.

Until about 2 weeks ago, there were indications that Señor Marrero might have been successful, at least partly, by convincing Generalissimo Trujillo that relaxation was needed following the regime's success in routing a rebel invasion from Cuba.

As never before, foreign newspapermen were allowed to work in the Dominican Republic with freedom and without censorship. Señor Marrero, who also acted as the Government's press coordinator, took the credit for this accomplishment.

But stringent curbs were placed on correspondents after the New York Times published June 12 a dispatch from Ciudad Trujillo that described the problem that corruption posed for the dictatorial regime.

Since the views expressed in the dispatch reflected up to a point Señor Marrero's beliefs, he may have been blamed for it. At the time he was in the United States, arranging to open a Dominican Government public relations office in New York.

In Washington he issued an official statement denying that there was corruption in the Dominican Government.

RETURNED HURRIEDLY

Señor Marrero returned hurriedly to Ciudad Trujillo last Thursday after telephoning to this correspondent, who was then in Havana, to stay away from the Dominican Republic until the storm blows over.

Señor Marrero was seen at an official luncheon in a Ciudad Trujillo hotel Thursday. Yesterday the Dominican official radio broadcast an announcement that he had died in an automobile accident.

This morning El Caribe, the official newspaper, said the same thing. It described the funeral held yesterday afternoon in Ciudad Trujillo and said Señor Marrero had been buried with honors accorded a lieutenant general of the army.

Generalissimo Trujillo sent a wreath inscribed to his "good friend and efficient collaborator."

Informed sources told this correspondent in Ciudad Trujillo today that Señor Marrero's car had fallen off a mountain road near Constanza and burned, charring the body of the Labor Minister and his chauffeur beyond recognition.

WARRANT SERVED ON NEWSMAN

At 6 a.m. today this correspondent was served in his hotel room with a court warrant sworn out at dawn by the President of the First Criminal Court of Ciudad Trujillo. It ordered the correspondent to appear Thursday to answer charges of slander and defamation preferred by Brig. Gen. Maximo Bonetti Burgos, former chief of staff of the army.

In a dispatch published in the Times yesterday, this correspondent wrote that reliable reports had said that General Bonetti had been replaced a few days ago as chief of staff because of failure to act with sufficient determination against the invaders last month and because he might have had some thoughts about taking over the Government.

General Bonetti commanded the army brigade that rendered military honors at Señor Marrero's funeral.

This correspondent was informed that he would not be allowed to leave the Dominican Republic pending trial. In midmorning, however, the U.S. Embassy, which had made representations on his behalf was informed that he was free to leave at once.

ALLOWED TO BOARD PLANE

Escorted by an Embassy official, this correspondent was allowed to board an aircraft bound for Miami. It was made clear, however, that the charges would be pressed if he returned to the Dominican Republic.

Señor Marrero had a reputation for courage and forthrightness. In 1957, after he had served for a year as Minister of Labor, he fell into disgrace as a result of his campaign to break the Government's coffee monopoly. He felt, that the monopoly was harming the coffee producers.

Señor Marrero told this correspondent several weeks ago of having been completely ruined financially during his period in disgrace. Early this year, however, he was reappointed Minister of Labor and became one of the most influential advisers to Generalissimo Trujillo.

His office was at the National Palace in Ciudad Trujillo and he was frequently seen with the Generalissimo. For foreign newsmen, he was the principal link with regime.

Señor Marrero, a stout, exuberant man, lived in striking modesty. He occupied an apartment in an average Ciudad Trujillo building. He had a house under construction and, just before his final trip to the United States, had gone to a bank to borrow money to complete the job.

His eldest son, Juan Ramon, entered the Dominican Air Force only a week ago. His little daughter, Belisita, celebrated her birthday the day her father died.

Señor Marrero once edited the afternoon newspaper, La Nacion. He was also a novelist and served several times in Congress.

AMERICAN ART EXHIBIT IN MOSCOW

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. McGOVERN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGOVERN. Mr. Speaker, I do not consider myself an art critic, nor would I presume to pass judgment on the quality of the coming American art exhibit in Moscow.

I am disturbed, however, to learn that there is not a single American Indian painting included in this exhibition. Some of the finest art produced in the United States has been done by American Indian artists. No one can question that the work of our Indian citizens represents an integral part of American culture. It has often been said that the Indian is the only one who has the right to claim the label "original American."

In my own State, the Sioux Indian artist, Oscar Howe, of the University of South Dakota, has achieved international fame with his superb paintings.

I respectfully suggest that at least one work by an outstanding Indian artist be included in the art exhibit going to Moscow. This suggestion has been made to Fentress Gardner, Deputy Director of the Exhibits Division of the U.S. Information Service. I have offered to loan for this purpose a beautiful painting by Mr. Howe that now hangs in my office.

WEST VIRGINIA IS PROUD OF GOODYEAR

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. HECHLER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HECHLER. Mr. Speaker, in announcing February 13, 1958, plans to locate its new $10 million chemical plant at Apple Grove, W. Va., Goodyear Tire & Rubber Co. added two more significant milestones to its 60-year history.

It is the first Goodyear manufacturing unit on West Virginia soil and also the first installation devoted exclusively to the production of the company's revolutionary polyester materials, Vitel and Videne. Vitel is the resin from which synthetic textile fibers can be spun. Videne is a unique laminating film for protective and/or decorative surfaces.

Goodyear selection of the West Virginia tract near the city of Point Pleasant on the Ohio River was not mere chance but the result of a detailed study of what was needed to manufacture these new miracles in plastics.

After years of research and development, involving millions of dollars, the new products were ready for marketing in early 1957. But an analysis of properties then held by Goodyear revealed there was not enough land available to build a plant of the size necessary to meet projected sales potentials for these new materials.

Once the need for new properties was determined, a task force of Goodyear representatives began an exhaustive search for new property, which would not only provide adequate production space immediately, but also protect for future production expansion of these materials and other chemical or associated products.

WHY WEST VIRGINIA?

In its search, the Goodyear team was not concerned only with production space, but also a location strategic to both the source of raw materials and distribution of end products, adequate labor, proper transportation, and necessary utility services.

After a study of more than 60 properties, the 339-acre tract at the unincorporated village of Apple Grove, some 15 miles south of Point Pleasant, W. Va., proved to best fit the requirements of the company.

The tract acquired was level, cleared property which had been under cultivation for years and permitted immediate construction of the plant.

EXCELLENT LOCATION

Geographically, the tract lies almost exactly in the center of a large perimeter from which Goodyear draws raw materials for production.

This location also answered the problem of transportation of incoming or outgoing materials. The Ohio River on the western end of the property provides access to barging along a network of navigable rivers, including the Mississippi and Kanawha Rivers. The Baltimore & Ohio Railroad cuts the western half of the entire tract. West Virginia Route 2 abuts the eastern end of the northern section and bisects the southern half.

PLENTIFUL SUPPLY OF GOOD LABOR

For production, a labor force of some 200 is needed to run the plant at peak capacity. Cities within a radius of 50 miles of Point Pleasant, Charleston, Huntington, W. Va., and Ashland, Ky., Portsmouth and Gallipolis, Ohio, more than supply labor needs.

Good labor-management relationships exist in the area with labor rates on the average equivalent to those in other areas investigated by the company.

Also readily available are all utilities—water, electricity, and gas.

Actual construction of the plant began May 15, 1958, and preproduction testing of equipment got under way in February of this year.

Limited Vitel resin production began April 21 of this year, and volume manufacturing of both Vitel and Videne film will probably begin about October 1 of this year.

Plant facilities include two main buildings—a processing and warehousing unit and a utility center—plus several smaller structures, a tank farm area, and a parking lot.

Total construction area is approximately 100,000 square feet.

Of this area, 80,000 square feet is utilized in the processing and warehousing building, which is divided into three sections.

The largest section, containing 47,000 square feeting and rising 5 stories, handles resin production. Film operations are in a second section of 15,000 square feet. The remaining area of 18,000 square feet provides office, maintenance, locker facilities, and warehousing for finished products.

Approximately 9,000 square feet are contained in the utility building. The steam powerplant, refrigeration, and air-conditioning occupy 6,500 square feet. Another 2,500 square feet is allotted to raw material handling and storage.

Electrical demand for production is about 3,000 kilowatts. Water requirements run at about 500 gallons per minute; steam at 25,000 pounds per hour.

VITEL AND VIDENE

In production, the Point Pleasant plant will produce two resins, Vitel and a sister polyester which will be converted there into the Videne laminating film.

Vitel resin is to be sold directly to textile converters for processing into synthetic textile fibers for such end use as shirts, suits, dresses, and related products.

Initial customer for Vitel is Beaunit Mills, Inc., which now is converting the resin at its Elizabethton, Tenn., plant into a fiber sold under the trade name of Vicron.

Videne film produced at Point Pleasant will be utilized for direct or stretch-laminating applications in the textile, metal, wood, paper, plastic, automotive, and packaging industries, as well as being converted into a special wrap—Videne TC—for machine packaging of meat and other food products.

The chemical nature of the laminating film is described as an oriented, amorphous — shapeless — thermoplastic material which cannot be crystallized and differs from other plastics in two major respects. It can be adhered under heat and pressure to textiles, metals, wood, paper, and certain plastics without adhesives and will vacuum-form or draw to the limits of the supporting materials.

Videne also possesses unusually high abrasion resistance. It resists outdoor aging to an amazing degree and it has excellent electrical properties as well.

Another important physical property of the film is that it can be embossed or printed, opening up unlimited possibilities of style and design in decorative surfaces.

MAJOR BREAKTHROUGH IN PLASTICS

Gloss or reflection of the finished film surface runs from high to low, depending upon the type of Videne film used, and is controlled by the laminating technique involved. The film is produced in two finishes, clear and satin, in gages ranging from 2 to 7½ mils.

Development of Videne is considered a major breakthrough in plastics technology, and Goodyear foresees virtually unlimited end-use potential for the film because of its combined protective and decorative properties.

In textiles Videne adheres to glass, cotton, wool, Dacron, Orlon, nylon, and Vinyon fabrics equally well. A wide variety of decorative, structural, and electrical laminates, as well as protective textiles surfaces, can be produced for conversion to such end uses as glazed chintz, curtains, wall coverings, lampshades, electrical and photo template materials.

AMAZING USES

Positive adhesion can be obtained with Videne to metal surfaces ranging from aluminum to steel. Protective surfaces result with lamination of Videne. Decorative as well as protective surfaces can be obtained by printing and/or embossing the film. These metal laminates then can be drawn or formed if proper techniques are employed. Outdoor sheeting, wall panels, doors, sills, trays, tabletops, interior, and exterior automotive trims are end uses with great potential in metal fields.

Videne laminates readily to all woods and composition wood surfaces to provide a protective prefinished surface. Decorative as well as a protective finish can be obtained by printing the film. Among the many end uses seen in this field are laminations of wood veneers to metals, doors, wall panels, shower panels, and prefinished random plywoods.

Major applications in the paper fields are wall coverings, decorative papers, electrical tapes, and general packaging materials. In some cases, the paper can be printed and the film then provides a decorative surface upon lamination. In others, the film is printed and/or embossed, providing both a decorative as well as a protective surface.

In plastics, Videne adhers to many rigid and semiflexible materials under just heat and pressure. Others, such as polystyrene, require addition of an adhesive in Videne laminations. Applications in this field, which can be either decorative and/or protective, include such consumer items as bathtubs, sinks, light fixtures, boat surfaces, caskets, wall tiles, and trays.

Paper or paper combinations, foil and other films can be combined with Videne to provide a wide variety of liquid, food, and textile wraps. In this field, the film not only gives protective and/or decorative qualities to the laminate, but also provides quick permanent heat sealing, a prime requisite for packaging materials.

POTENTIAL APPLICATIONS IMPORTANT

There also are many specialty applications in which the film can be used to great advantage. Showing great potential is the decal industry. In addition to high abrasion resistance and printing properties, Videne's excellent outdoor aging factors combats the industrial hazards of surface discolorization and surface cracking. These properties also open the film to extensive application in the outdoor sign business.

Unlike the basic Videne from which it is derived, Videne TC has unusual strength in an unsupported state, even at extremely low temperatures.

It is described as an oriented or stretched, thermoplastic-coated material which is heat shrinkable within a controlled temperature range.

Possessing unusual transparency or clarity, it also has high resistance to abrasion and breakage, major hazards in packaging end uses.

Heat sealable, it is acknowledged as the first shrinkable film with enough inherent rigidity and dimensional stability to be run on commercially available automatic packaging machines.

Currently, film for conversion to the self-supporting Videne TC wrap is being produced at Akron.

GOODYEAR TO GROW WITH WEST VIRGINIA

Building of the plant and subsequent full operations of the installation will have a marked effect on the Point Pleasant area.

An analysis of what has taken place at the other 29 plants Goodyear has in 16 States throughout the United States points to a substantial growth physically and economically, for Point Pleasant, W. Va.

The growing industrial interest in Vitel and Videne may presage other new plant construction in the area by Goodyear suppliers and customers. Development of new and expanding markets for both products logically will cause an expansion of Goodyear's facilities in West Virginia.

ONE AND ONE-HALF MILLION DOLLAR PAYROLLS

Economically, initial payroll for the plant is estimated at $1.5 million yearly. Approximately one-third of that amount will be placed in new bank deposits and the remainder registered in local retail sales.

Plant size indicates a population increase for the community of about 500 with approximately one-half that number investing in and constructing new homes.

To service additional needs of an expanding community, at least 8 new retail establishments can be expected to open and 150 more jobs created in addition to plant employment.

Mr. Speaker, the reason why I have gone into as much detail about this new plant and its revolutionary product is to demonstrate the attractiveness of the State of West Virginia for new industry. Our land is abundant, taxes are low, labor supply is good and easy to train, transportation facilities are adequate, raw materials are accessible, and within 500 miles of the Ohio Valley lives half the population of this country—so markets are excellent.

Mr. Speaker, I urge industry to come to West Virginia where mountaineers are free men.

IS U.N. WORTH YOUR 62 CENTS?

Mr. LEVERING. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. JOHNSON] may extend his remarks at this point in the RECORD in two instances.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JOHNSON of Colorado. Mr. Speaker, is the U.N. worth your 62 cents?

This question is asked by the American Association for the United Nations to remind us that this is the cost per capita in the United States of our contribution to the U.N. for the calendar year 1959. I have previously noted that the citizens of the United States are spending about $250 per capita for military programs, and about $8 per capita for oversea economic assistance. Surely it is worth 62 cents per capita to try to build a peaceful world in which we will not need to spend $250 per capita to prepare for the destruction of man.

The table below sets forth the detail supporting this estimate:

[From the AAUN News, June 1959]

IS U.N. WORTH YOUR 62 CENTS?

The U.N. is a center for harmonizing the action of nations in the attainment of common ends.

The U.N. is spurring economic and social progress and advancement of human rights.

The U.N. organizes combined efforts wherever and whenever there are common problems before nations.

The U.N. represents the collective will of 82 member nations to save succeeding generations from the scourge of war and to build peace based on law and justice.

Estimated U.S. contributions to the United Nations, including the specialized agencies and voluntary programs

	Calendar year 1959	
	Estimated U.S. contributions	Per capita cost
United Nations	$19,993,650	$0.1139
United Nations Emergency Force	8,443,146	.0481
Specialized agencies:		
Food and Agriculture Organization	2,712,494	.0157
International Civil Aviation Organization	1,515,771	.0086
International Labor Organization	2,132,464	.0121
International Telecommunication Union	213,200	.0012
UN Educational, Scientific, and Cultural Organization	3,789,810	.0216
Universal Postal Union	22,243	.0001
World Health Organization	4,744,090	.0270
World Meteorological Organization	70,710	.0004
Intergovernmental Maritime Consultative Organization	100,000	.0006
Special voluntary programs:		
ICAO—Joint Support	904,988	.0050
United Nations Children's Fund	11,000,000	.0638
UN Expanded Program of Technical Assistance and Special Fund	[1] 25,000,000	.1424
UN High Commissioner for Refugee Program	1,200,000	.0068
UN Palestine Relief and Works Agency	23,000,000	.1310
WHO Malaria Eradication Program	3,000,000	.0171
Total	107,842,566	.6141

[1] Estimated U.S. contribution—U.S. pledge to UNTA and Special Fund was $38,000,000—subject to limitation that U.S. contribution would not exceed 40 percent of total contribution.

INFLATION'S DANGER SIGNAL

Mr. JOHNSON of Colorado. Mr. Speaker, we have had a great deal of discussion in recent weeks about inflation and what causes it. Some proposals have been made to check inflation, but most of these have been only on the periphery of the real problem. Indeed, one proposal—to raise interest rates—would feed inflation, rather than fight it.

In view of these circumstances, it is refreshing to find one very reputable journal, Business Week, in its issue of June 27, proposing effective action to check consumer credit, which now threatens to run rampant. Like fire, consumer credit is fine, but only when under control.

April, as reported by Business Week, saw a $700 million extension in consumer credit. Added to that, we now have reports showing a $870 million jump in May. This is a truly inflationary trend the administration might well get concerned about. This is private deficit financing at the rate of $10 billion a year.

It is heartening to hear Business Week say what some of us have been saying, that the Federal Reserve should ask the Congress now for authority to control consumer credit.

The article from Business Week follows:

KEEPING CONSUMER CREDIT IN LINE

A new boom in consumer credit is under way. In April, the latest month for which figures are available, extensions of consumer credit jumped $700 million, and preliminary reports indicate that this trend has been maintained into May and June. If borrowing continues, and there is nothing to stop it, then it will rival the explosive expansion in consumer credit that we experienced in 1955.

Before this new movement gathers any more momentum, the Federal Reserve Board should take another look at the whole question of imposing specific controls on consumer credit.

An increase in the volume of credit, based on rising personal incomes, is healthy for the economy. It means more sales all down the line. But like all good things, it can be carried to excess. This is what happened in 1955, when a large part of the big expansion in consumer credit represented borrowing from the future.

We are still suffering from that bulge. The auto industry, for example, has not yet been able to match its 1955 sales record. And the economy as a whole was subject to distortions because the large amount of credit made available to consumers in a time of monetary restraint meant that other borrowers were faced with both high interest rates and a growing scarcity of funds.

The 1955 lesson showed that consumers are insensitive to general controls over credit. They are unconcerned with the cost of borrowing as long as they can meet the downpayment and the monthly payments that follow. And in 1955, there was a stretchout in maturities—from about 24 months to well over 30 months—that stimulated a big increase in outstanding debt.

In the new wave of expansion there is evidence that this pattern is repeating. The Federal Reserve is once again applying its general credit controls. But under present law it can take no direct steps to curb consumer credit. It is watching on the sidelines as banks and nonbanks financial institutions cater to the "buy now, pay later" idea with a host of new charge cards and revolving credit plans.

The money managers recognize that excessive use of consumer credit can be dangerous. They freely admit that the 1955 expansion was discriminatory against other lenders and was a major factor in the 1957–58 recession. But they refused to ask Congress for authority to control consumer credit in 1955 on the grounds that the damage had already been done. And now, with consumer debt rising sharply, they maintain that a stretchout in maturities beyond 36 months is unlikely.

It may well be that there is no room for a major stretchout. But the consumer credit industry is demonstrating a real ingenuity in stimulating demand. Moreover, renewed competition is leading lenders to reach out for consumers that up until now were considered very questionable risks.

The Fed's reluctance to institute specific controls is understandable. Its past experience with controls over mortgage credit and consumer credit makes it feel that they are an administrative headache. Now that terms are already so liberal, the money managers argue that it would be very difficult to begin a policing operation that would work. They prefer to rely on their general quantitative controls, which, they feel, provide maximum freedom with a minimum of interference by the Fed itself.

But the use of specific, qualitative controls does not involve downgrading quantitative controls. The Fed itself has found that its controls over stock market credit are worthwhile. In fact, it has seen fit to strengthen this specific weapon.

It would not be easy to set up specific controls over consumer credit. But neither would it be a brandnew experiment. There is a valuable precedent to draw on in regulation W, which was in effect intermittently from 1941 to 1952 when the Fed had authority to control consumer credit.

This is the time for Congress and the Fed to sit down to consider just how that experience can be adapted to the present situation. It will not be easy to set up controls, but it is possible and desirable to do so. It will be worth suffering a headache if it means that we can avoid the hangover that is sure to follow a spending spree based on excessive use of consumer credit.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. JONES of Missouri (at the request of Mr. MCCORMACK), for today, July 20, 1959, on account of death of his mother.

Mr. THOMPSON of New Jersey (at the request of Mr. DADDARIO), for Monday, July 20, 1959, on account of official business.

Mr. TEAGUE of Texas (at the request of Mr. DORN of South Carolina), for July 20 and 21, 1959, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 30 minutes, on July 23.

Mrs. ROGERS of Massachusetts, for 10 minutes, today.

Mr. MEADER, for 40 minutes on Wednesday next.

Mr. HOLIFIELD, for 15 minutes, today, and to revise and extend his remarks.

Mr. FLOOD (at the request of Mr. LEVERING), on two subjects, for 15 minutes each, today, to revise and extend his remarks and to include extraneous matter.

Mr. HOFFMAN of Michigan, for 10 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, on tomorrow.

Mr. DERWINSKI (at the request of Mr. CURTIN), for 15 minutes, on tomorrow.

Mr. PUCINSKI (at the request of Mr. LEVERING), for 30 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KING of Utah.

The following Members (at the request of Mr. CURTIN) and to include extraneous matter.

Mr. HOSMER.

Mr. WEAVER in three instances.

Mr. UTT.

The following Members (at the request of Mr. LEVERING) and to include extraneous matter.

Mr. PUCINSKI.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 314. An act to assist the U.S. cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

S. 864. An act to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes; to the Committee on Agriculture.

S. 2162. An act to provide a health benefits program for Government employees; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6134. An act to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees for certain fiscal pay periods occurring in part in previous years, and for other purposes.

REPORT OF COMMITTEES ON USE OF COUNTERPART FUNDS

Mr. BURLESON. Mr. Speaker, pursuant to the provisions of the Mutual Security Act of 1958, chapter IV, section 401(a), there is submitted herewith the report of use of foreign currencies by the House Committee on Banking and Currency for printing in the RECORD.

JULY 14, 1959.

Counterpart funds—Report of Committee on Banking and Currency, House of Representatives, U.S.; foreign currency and U.S. dollar equivalents expended between July 1, 1958, and Dec. 31, 1958

Country	Name of currency	Transportation		Lodging		Meals		Gratuities		Miscellaneous		Total	
		Foreign currency	U.S. dollars	Foreign currency	U.S. dollars	Foreign currency	U.S. dollars	Foreign currency	U.S. dollars	Foreign currency	U.S. dollars	Foreign currency	U.S. dollars
Japan	Yen	11,970	33.39	196,448	541.96	92,760	257.50			80,900	228.46	392,078	1,061.31
Thailand	Baht			4,417.20	219.87	3,000	150.00			1,465	71.50	8,882.20	441.37
Taiwan	Dollar			1,500	42.00					2,300	63.35	3,800.00	105.35
Vietnam	Piastre			8,800	123.20					4,054	55.33	12,854	178.53
China	Dollar			152,480	265.10	1,220	210.34			405.80	70.68	3,150.60	546.12
Israel	Dinar	(1)	63.20	695.70	385.00	512	281.60			176	89.60	1,383.70	819.40
Italy	Lire			196,480	314.40	1,219.00	195.04			51,000	81.60	369,380	591.04
Lebanon	Pound			22,680	72.96	420	134.40			130	41.60	776.80	248.96
Denmark	Kroner									2,600	63.37	2,600	63.37
France	Franc					(1)				61,000	145.18	61,000	145.18
Netherlands	Guilder					(1)				525	145.00	525	145.00
Norway	Kroner	3,524.25	510.76	(2)								3,524.25	510.76
Poland	Zlotie					(1)				2,600	47.27	2,600	47.27
Belgium	Franc	1,050	21.00	1,150	23.00	1,000	20.00	500	5.00			7,500	[3] 150.00
Switzerland	do	965	224.41	557	129.52	690	157.25	150	55.57			2,000	465.12
Holland	Deutsch mark		167.00		130.00		195.00				8.00		500.00
Total			1,019.76		2,247.01		1,601.13		40.57		1,110.94		6,018.78

[1] Included in miscellaneous.
[2] Included in transportation.
[3] Balance of funds which are shown in total amount expended in this country are repayments of expenses incurred in excess of total amount expended in Switzerland.

BRENT SPENCE,
Chairman, Committee on Banking and Currency.

ADJOURNMENT

Mr. LEVERING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 57 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 21, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1218. A letter from the Chief Justice, Supreme Court of the United States, transmitting a copy of the report of the proceedings of a special meeting of the Judicial Conference of the United States, held in Washington, D.C., March 16–17, 1959, pursuant to title 28, United States Code, section 331 (H. Doc. No. 203); to the Committee on the Judiciary and ordered to be printed.

1219. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 22, 1959, submitting a report, together with accompanying papers and illustrations, on a review of reports on Cayuga Inlet, Ithaca, N.Y., requested by a resolution of the Committee on Public Works, House of Representatives, adopted October 16, 1951 (H. Doc. No. 204); to the Committee on Public Works and ordered to be printed with illustrations.

1220. A letter from the Administrator, General Services Administration, relative to a proposed disposition of approximately 165,273 pounds of zinc oxide pellets now held in the national stockpile, pursuant to the Strategic and Critical Materials Stockpiling Act (53 Stat. 811, as amended, 50 U.S.C. 98b (e)); to the Committee on Armed Services.

1221. A letter from the Administrator, General Services Administration, relative to a proposed disposition of approximately 4,070 ounces of hyoscine now held in the national stockpile, pursuant to the Strategic and Critical Materials Stockpiling Act (53 Stat. 811, as amended, 50 U.S.C. 98b(e)); to the Committee on Armed Services.

1222. A letter from the Comptroller General of the United States, transmitting a report on the review of selected phases of the low-rent housing operations of the City of Louisville Municipal Housing Commission, Louisville, Ky.; to the Committee on Banking and Currency.

1223. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of proposed legislation entitled "A bill authorizing the conferring of the degree of master of arts in education on certain students who enrolled in the District of Columbia Teachers College prior to July 1, 1958, and who, prior to July 1, 1961, are certified by the president and faculty of such college as having met all requirements for the granting of such degree"; to the Committee on the District of Columbia.

1224. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1225. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases in the Federal Communications Commission as of May 31, 1959, pursuant to the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1226. A letter from the executive secretary, National Music Council, transmitting the Annual Report as of April 30, 1959, of

the National Music Council, pursuant to Public Law 873, 84th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 16, 1959, the following report was filed on July 17, 1959:

Mr. DAWSON: Committee on Government Operations. Ninth report pertaining to disposal problems of Government owned nickel plant at Nicaro, Cuba. (Rept. No. 684). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of July 16, 1959, the following bill was reported on July 17, 1959:

Mr. CANNON: Committee on Appropriations. H.R. 8283. A bill making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes; without amendment (Rept. No. 685). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted July 20, 1959*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Committee on Armed Services. House Joint Resolution 441. Joint resolution relating to the disposition of coconut oil from the national stockpile under the Strategic and Critical Materials Stock Piling Act; without amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALFORD: Committee on Post Office and Civil Service. H.R. 163. A bill to amend the Civil Service Retirement Act with respect to crediting of service of U.S. commissioners for purpose of such act; with amendment (Rept. No. 687). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. Report on contracting out Government responsibility for administrative, management, and other services; without amendment (Rept. No. 688). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of July 16, 1959, the following bill was introduced July 17, 1959:

By Mr. CANNON:

H.R. 8283. A bill making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

[*Introduced and referred July 20, 1959*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS of Louisiana:

H.R. 8284. A bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes; to the Committee on Science and Astronautics.

By Mr. BROYHILL:

H.R. 8285. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. COAD:

H.R. 8286. A bill to amend the Communications Act of 1934 with respect to the hours of operation of certain broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. CURTIS of Massachusetts:

H.R. 8287. A bill to amend section 328 of the Immigration and Nationality Act, to shorten the time required for naturalization in the case of men who have served honorably in the Armed Forces; to the Committee on the Judiciary.

By Mr. DOWNING:

H.R. 8288. A bill to amend the Merchant Marine Act, 1936, in order to eliminate the 6 percent differential applying to certain bids of Pacific coast shipbuilders; to the Committee on Merchant Marine and Fisheries.

By Mr. DULSKI:

H.R. 8289. A bill to accelerate the commencing date of civil service retirement annuities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GEORGE:

H.R. 8290. A bill to establish within the Housing and Home Finance Agency a new direct loan program to assist in providing housing and related facilities for elderly families and elderly persons; to the Committee on Banking and Currency.

H.R. 8291. A bill to amend title IV of the Housing Act of 1950 to increase the aggregate amount of college housing loans which may be outstanding at any one time under that title; to the Committee on Banking and Currency.

By Mr. JOHNSON of Colorado:

H.R. 8292. A bill to amend the Internal Revenue Code of 1954 to provide that, in the case of a corporation, the tax attributable to nonfarming income may not be reduced by a loss from farming; to the Committee on Ways and Means.

H.R. 8293. A bill to amend the Internal Revenue Code of 1954 to provide that, in the case of an individual, the tax attributable to nonfarming income may not be reduced by a loss from farming; to the Committee on Ways and Means.

By Mr. KING of Utah:

H.R. 8294. A bill to establish a commission to make an impartial and objective study and investigation of Federal labor legislation and related matters in order to make recommendations with respect to needed legislation in the field of labor relations, and for other purposes; to the Committee on Education and Labor.

By Mr. MORRIS of New Mexico:

H.R. 8295. A bill to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MURRAY (by request):

H.R. 8296. A bill to clarify the authority of the Postmaster General to provide for the expeditious, efficient, and economical transportation of mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Michigan:

H.R. 8297. A bill to amend the Fair Labor Standards Act of 1938 to eliminate the exception from the child labor provisions of such act presently existing with respect to agricultural employment; to the Committee on Education and Labor.

H.R. 8298. A bill to amend section 216(i) of the Social Security Act to permit an individual to establish a "period of disability" even though he is no longer under the disability at the time he makes his application for disability determination; to the Committee on Ways and Means.

By Mr. O'NEILL:

H.R. 8299. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of payments under retirement plans of certain exempt organizations; to the Committee on Ways and Means.

By Mr. OLIVER:

H.R. 8300. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 8301. A bill to provide for the transfer of $1 billion of the surplus and other capital accounts of the 12 Federal Reserve banks to the United States; to the Committee on Banking and Currency.

H.R. 8302. A bill to direct the Comptroller General to audit the Board of Governors of the Federal Reserve System, the Federal Open Market Committee, and the Federal Reserve banks; to the Committee on Government Operations.

By Mr. SIKES:

H.R. 8303. A bill to establish the Youth Conservation Organization to assist in the conservation and development of natural resources, provide employment and training for unemployed youthful citizens, and for other purposes; to the Committee on Education and Labor.

By Mr. SIMPSON of Pennsylvania:

H.R. 8304. A bill to facilitate management of the public debt, to permit the Secretary of the Treasury to designate certain exchanges of Government securities to be without recognition of gain or loss for income tax purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. SPENCE:

H.R. 8305. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. UDALL:

H.R. 8306. A bill to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PRICE:

H.J. Res. 465. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. WESTLAND (by request):

H. Con. Res. 315. Concurrent resolution expressing the intent of Congress that naval and Marine Corps officers captured by the enemy during World War II who were authorized for promotion during captivity and subsequently promoted after release be entitled under the authority of section 2 of the act of March 7, 1942 (56 Stat. 143 ch. 166), to pay, allowances and precedence from the date of rank stipulated in the later appointing orders; to the Committee on Armed Services.

By Mr. KILBURN:

H. Res. 321. Resolution to authorize the Committee on Banking and Currency to conduct an investigation and study of the Federal Home Loan Bank Board and its operations; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to provide funds for 2,000 additional

Veterans' Administration hospital beds in the State of Florida and to continue the Veterans' Administration hospital program as a Federal responsibility; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Ohio, memorializing the President and the Congress of the United States to take appropriate action to assure the continuance of surveys and planning and cooperation in the construction of projects of the State of Ohio that are vital and necessary to the control of floods and the conservation of soil and water by sufficient appropriations being granted for this purpose to the Bureau of Reclamation, the U.S. Department of Agriculture, and the Corps of Engineers and other Federal agencies and departments; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAMBERLAIN:

H.R. 8307. A bill for the relief of Cesarea Lonigro; to the Committee on the Judiciary.

By Mr. COAD:

H.R. 8308. A bill for the relief of Walter J. Johnson; to the Committee on the Judiciary.

By Mr. DADDARIO:

H.R. 8309. A bill for the relief of John Pagonis; to the Committee on the Judiciary.

By Mr. GOODELL:

H.R. 8310. A bill for the relief of Joseph H. Cornell; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 8311. A bill for the relief of Hokusuke Okuma; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 8312. A bill for the relief of Arthur C. Berry and others; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 8313. A bill for the relief of Mrs. Francisca Hartman; to the Committee on the Judiciary.

By Mr. RAY:

H.R. 8314. A bill for the relief of Emilia, Guido, and Carlo Borsi; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

243. The SPEAKER presented a petition of the city clerk, Chicago, Ill., relative to urging the Congress to create a national park in the Indiana dunes, which was referred to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

J. Hyde Sweet Has Been an Active Newsman for 50 Years at Nebraska City, Nebr.

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. WEAVER. Mr. Speaker, on August 15 of this year one of the great men of Nebraska journalism and a former Member of this House, J. Hyde Sweet, editor and publisher of the Nebraska City News-Press, celebrates his 50th year of active newspapering in Nebraska City.

I would like to take this opportunity to congratulate him on the excellent service he has rendered his hometown readers and the people of Nebraska through his astute observations on the passing scene carried daily in his own column and on the editorial page of his newspaper. He has made through his writings a major contribution to the people of his city and State.

It was on August 15, 1909, that Hyde Sweet came to Nebraska City as part owner and business manager of the old Nebraska City Press, the forerunner of the present News-Press. It was not long until he moved from the business office to the newsroom and began putting his writing talent and his ability as a shrewd observer to work. As a reporter he developed a flair for finding the right angle to a story and an ability to bring out the human interest in the happenings he observed around him.

Within 10 years he evolved into a columnist and began his Kick Kolumn which has since become one of the most widely quoted news column in the Middle West. He has not, however, confined his writing ability to this column alone. He writes the daily editorial for his newspaper and I have always found these editorials to be composed of good writing, keen observation, and sound common sense.

The people who work with him on the News-Press will celebrate his 50th anniversary with a dinner and open house on September 2. I would like to add to their best wishes my own congratulations on 50 years of past excellence and my hopes for many more years of the same kind of generous service rendered by a great and good spirit to the people around him.

Independence Day Address

EXTENSION OF REMARKS
OF
HON. ROMAN C. PUCINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. PUCINSKI. Mr. Speaker, I would like to take this opportunity to include in the CONGRESSIONAL RECORD my remarks delivered at the Independence Day observance which was sponsored by the Edison Park Community Council at Olympia Park, Chicago, Ill., on this past Fourth of July. The Edison Park Community Council is to be congratulated for arranging this patriotic gathering to call attention to the significance of this day. The remarkable spirit of the people present at this gathering clearly showed that in the Edison Park area of Chicago the full import of the meaning of Independence Day was deeply felt by the entire community. I am proud that the Edison Park area is in the 11th Congressional District of Illinois, which I represent. My remarks follow:

REMARKS BY HON. ROMAN C. PUCINSKI, 11TH CONGRESSIONAL DISTRICT, ILLINOIS, DELIVERED AT THE INDEPENDENCE DAY OBSERVANCE SPONSORED BY THE EDISON PARK COMMUNITY COUNCIL IN OLYMPIA PARK, AVONDALE AND OLYMPIA AVENUES, CHICAGO, JULY 4, 1959

Mr. Chairman, ladies, and gentlemen, may I first take this opportunity to thank the Edison Park Community Council for arranging today's Fourth of July tribute. I was very interested to learn from the Association of Community Councils that your community celebration being held today is one of the last such neighborhood celebrations still being observed in this city. It is lamentable, indeed, that the annual Fourth of July observance has now become an occasion for "taking a day off," so to speak; a day for going out in the country; perhaps playing golf; or maybe even catching up on the many household chores that confront the average homeowner.

Instead of seeing headlines which rally the Nation to observe this most beautiful of our holidays, which reflect upon the independence of our Nation, in modern America, the headlines issue sober warnings that hundreds of people will be killed in traffic fatalities over the Fourth of July weekend.

Because you people and the committee of Edison Park Community Council do take the time and effort to put this holiday in its proper perspective, the residents of Edison Park, at least, are reminded of the real meaning of this holiday. I congratulate you and commend you for setting aside the more comfortable pursuits in which you could today be engaged, and instead are participating in this tribute.

God grant that what you are doing here today could again be repeated all over our Nation so that we, as Americans, could properly reflect on the full meaning of the Fourth of July, on the depth of Independence Day, and what it really means to the people of our Nation.

I was indeed very saddened when I read an account by an enterprising Chicago reporter last week that a survey which he had conducted among many people of our city showed overwhelmingly how few Americans really understand the meaning of July Fourth. I might say I was even chagrined to see how many people thought that July Fourth is a tribute to the end of World War I. Others expressed a belief that it is a holiday signifying the end of the War of 1812. Tragically, only a relatively small percentage of those interviewed by this reporter actually knew that the Fourth of July is an annual tribute by the American people to the Declaration of Independence signed by the Founding Fathers of this Nation, a declaration which had dedicated this Nation to the fundamental belief that people are endowed by our Creator with the unalienable right to be free.

Because of the fine work which the people of this community are doing to keep the true spirit of this holiday, I feel certain that if that reporter were to conduct his survey in this area, he would certainly find much more impressive results.

What is the real meaning of this holiday?

On July Fourth in 1776, the Declaration of Independence was signed. The 56 men who gathered in that hot and sultry room in Philadelphia so long ago to read and sign a paper that had been drafted by Thomas Jefferson did not know they were helping to create the Eighth Wonder of the World.

The simple words reaffirmed their conviction in the belief of human dignity and their disgust with tyranny. Each man who signed his name pledged his wealth, his position, and his life to preserve the message of justice contained on that single sheet of paper, regardless of the personal consequences to himself. And largely because of the efforts of these few men, the Thirteen Original Colonies went to war with England and won the independence they were seeking so strongly.

Their single-minded devotion to justice and equality for all men, not only those of their generation and their century, but to those who would come after them and would witness the changes of an expanding nation, helped to make this document an enduring guidepost for our democratic concept of Government. This guidepost has lasted, inviolate and unchanging, for almost two centuries. If we want to continue its tradition as the greatest example of dedication to democratic principles the world has ever known, we must take the time to refresh our memories. We must remember what this Declaration of Independence stands for, and further, what we ourselves stand for today.

"That governments are instituted among men, deriving their just powers from the consent of the governed—that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or abolish it." Those words are as fresh and eloquent this afternoon as they were 183 years ago, and they apply to each of us in 1959 as much as they did to our forebears. This, then, is the fundamental precept on which our Government is based.

Think of it, for a moment. Each of us has been guaranteed by right, not privilege, the ability to speak freely, without fear of persecution, and to worship as our minds and hearts urge us. If the Government we have voted into office does not measure up to its promises and our expectations, we can express our disapproval by voting it out of office. We can sit down and write to our Congressman, telling him what we think of the job he is doing; and if our opinion is unchanged when he runs for reelection, we can express our approval or distrust with a vote for or against him.

Government is so much a part of our lives today that we must all participate in its growth and development. We parents should encourage intellectual curiosity in our children to explore American history, to compare it with histories of other nations, to find out more about our vast country in relation to its position with the neighboring powers in the world. As parents, we must guide our youngsters to better enable them to meet the new problems of their generation and to solve some of the old ones. Our Government needs intelligent, receptive and resolute people, with the courage of their convictions and the ability to carry them out.

In many nations of the world, children are taught their national history throughout every year they attend school. They are encouraged to think about politics from a very early age; to discuss current events and their significance to their own countries and to the world in general. Pride in nationality and heritage is part of the basic makeup of most of the nations on our globe.

In America, however, too often our youngsters place their greatest value on the material aspects of their surroundings, and I fear that, more and more, we are failing here in this country to instill in our young generation the full meaning of liberty. History teaches us that the democratic processes of great nations had been subdued or even brazenly crushed by tyrants and dictators only because the people failed to recognize that to be free requires great sacrifices.

These sacrifices manifest themselves in many ways. One such sacrifice is the giving up of aimless leisure—the complete waste of time which so many of us, both young and old, engage in—and instead use this time for worthwhile intellectual pursuits toward a better understanding of the complex structure of a republic.

Orators all over the country are today extolling the great virtues of freedom and liberty. And yet, do we really know what is the true meaning of freedom and liberty? I am distressed that so many of our Americans who speak with great pride of their own liberties on the one hand, can be so quick to deny these same liberties to others on the other hand, whenever we disagree with them.

What do I mean? Simply stated, if we are going to have liberty, we must have liberty for all. The very cornerstone of liberty and freedom is the right to dissent or disagree. Only when we Americans recognize this fundamental right to disagree can we give full meaning to the words "liberty" and "freedom."

Your right to disagree with your Government; your right to disagree with your Congressman; is inviolate; but you must remember that if you are to have this right, you must also recognize that your fellow citizen has this right.

This is a fact that more and more of our citizens tend to forget. As a result, the Nation is slowly slipping into the limbo of conformity. Nothing can destroy our Nation faster than conformity because it is out of the free discussion of debate and ideas—even though frequently we do not agree with some of these ideas—that we find the basis for the dynamics of a republic.

Emerson once stated, "Whoso would be a man must be a nonconformist."

We must distinguish, however, between irresponsible obstructionism and responsible nonconformity if we are to conduct ourselves as decent Americans.

The men whom we are today honoring, the authors of this great Declaration of Independence, the founders of our Republic under its concept of freedom for all, were perhaps the greatest nonconformists in the history of this country. Because they refused to surrender to the ideology of tyrannical rule, they banded together and had the courage to write a new concept around which free people could rally.

Imagine if you can what those, who today find so little patience with nonconformists, would be saying about Jefferson and his followers if they attempted to write a declaration of independence in 1959 instead of 1776.

Admiral Rickover, the father of the atomic submarine, likes to tell the story of the ancient Locrians in Greece, who gave freedom of speech to all of their citizens, though at a cost which many must have considered too high. He recalls that at public meetings anyone could stand up and argue for changes in law and custom on one condition: a rope was placed around his neck before he began to speak, and if what he said did not meet with public approval, he was forthwith hanged.

Here in America in our time it would indeed be tragic if democracy deteriorated into mass tyranny over the unconventional individual.

I subscribe fully to what this great modern day Navy admiral recently stated when he said that democracy and equality do not require that we deny to the minority of people with creative minds the right to use them in their own way and to their fullest potential. People who use their minds successfully ought not to be expected to pretend they are just like everybody else.

We are today confronted with perhaps the most dangerous situation that has faced our Nation by the ever mounting rise and despotic ambitions of international communism, stubbornly determined that the free institutions, which we honor here today, can be destroyed and replaced with the tyranny of Kremlin rulers. This Nation will find means of survival only by giving full encouragement to those who come forth with new ideas to fight this menace.

It is from diversity of ideas that springs the great strength for a free people to survive. When we deny any American an opportunity of full and free expression, we rob ourselves of that precious quality that distinguishes man from all other orders, his stubborn determination to think for himself and his inalienable right to be different.

It is up to you parents to encourage your children toward the development of intellectual curiosity. This is what disturbs me about some aspects of our modern educational institution. In too many instances, whether by design or just outright neglect, our youngsters are being denied the full facilities for learning the basic 3 R's. In some communities, homework is viewed with scorn. I hope that you, as parents in a wonderful community, will observe more intensely whether your youngsters are getting the fundamentals of education. Remember this: An American, to fully respect and honor his freedom must first be able to understand the complexities of his society.

In Russ! , under Communist rule, in the satellite countries, Poland, Czechoslovakia, Lithuania, East Germany, Hungary, and Rumania, the Communist governments imposed on those traditionally freedom-loving people their determination that the young generations must learn only what the Communists want to teach them. By sterilizing the thinking processes of these young people, the Communists are convinced they can preserve their own dogmatic principles and survive. We in this country must resolve that our young people will be given the tools with which to think, so that never will our American people have to march in the single cadence as is being forced upon the people of these Communist-enslaved nations.

Public apathy is the worst scourge of any national or political ideology. We in America take so much of our material wealth and our prosperity and our leadership of other countries for granted. We don't stop to realize one simple fact: The Communist elements in the world believe just as strongly in their form of government, to the point of forcibly conquering other nations and incorporating them into the Communist governmental structure. How, then, can we afford to take our democratic principles and our guaranteed freedoms so lightly?

The time to resist those powers who would conquer the free world by force is not when their invasion forces are sighted on the horizon, but by stamping out their pervasive influence now, before it has even the smallest chance to become rooted. To do this, we must be armed with a belief in our Government and our elected representatives.

We must recognize the rights expressed in the Declaration of Independence and guaranteed us in the Constitution—the rights of life, of liberty, and of the pursuit of happiness. This isn't a stock phrase we must memorize in school and promptly forget at graduation. We must have a knowledge of what these rights provide, we must recognize them, appreciate their value, and exercise them in our daily lives.

The Declaration of Independence is our testimonial to the intrinsic value of every human person, and it is the first such document in the world to do this. We have been endowed with the powers of selecting capable Government officials, and we are free to use this power within the flexible bounds of a two-party system.

Congress and each individual Congressman must be sensitive to the will of the majority of the people represented. However, if the people through lethargy or ignorance or indifference do not express an opinion,

how can Congress be truly expected to anticipate the will of the population? Government is only as good as the people behind it, and that, my friends, places the responsibility squarely on our shoulders.

Our responsibility is to become worthy of our heritage, to carry on the traditions of liberty and human equality through our own generation and pass it on to the next. If we are to preserve and perpetuate what has been given to us at such great costs, we must educate ourselves to the discrepancies in the political ideologies which are confronting us today. We must keep faith with the future by studying and benefiting from the experiences of the past.

I am certain that so long as organizations like the Edison Park Community Council and its officers continue arranging these Fourth of July observances, where the entire family—mother, father, and their children—can come here and pay tribute to the Declaration of Independence and the great flag of America—now with its 49 stars, and soon with a 50th star—this community at least will not fall prey to foreign ideologies. Our freedoms are secure so long as you demonstrate your great respect for the Declaration of Independence, and for this, I admire you and express pride in representing you in Congress.

Thank you.

An Invisible Line That Protects America: The Atlantic Barrier

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks, I would like to call to the attention of my colleagues in the House one of the lesser known, but vitally important defensive roles undertaken by the U.S. Navy. The Atlantic barrier is one of the more expensive current operations undertaken by the Defense Establishment, but, after witnessing the work of the dedicated young men who make the barrier a reality rather than an invisible line across the Atlantic and Pacific, I feel that the expense to date has been worthwhile. Both the Atlantic and Pacific barrier operations are an extension of the defense early warning — DEW line — system across northern Canada. They were inaugurated to prevent an end run by enemy bombers wishing to penetrate to our shores. In a real sense of the word, they were inaugurated to prevent a repeat of the tragedy of Pearl Harbor.

By invitation of the Navy I was recently able to witness a part of this operation, based at the Argentia Naval Station, Newfoundland. I came away impressed by several very important things I saw. The men who are stationed at Argentia regularly or who fly from there on a periodic basis, are dedicated to the protection of the United States. They are operating consistently and effectively under conditions which are hard for those of us in this country to imagine and which can be best described as comparable to the rigors of actual combat. The morale of these men, despite the tedious nature of their work, the isolation of their base and the dangers of their occupation, is extremely high. Most important, they have provided an effective barrier across which no enemy bomber fleet could penetrate without being observed and their course and number tabulated.

Here is how the system operates:

From the tip of Newfoundland to the Azores, and from the Aleutians to Midway and Hawaii, the navy has stationed at intervals radar picket ships to detect the approach of all aircraft to our shores. But due to the nature of radar waves, these ships cannot keep a complete radar watch and their efforts must be supplemented by those of aircraft flying from our bases on a constant, 24-hour air watch. It is the duty of these planes to maintain a vigilant lookout for low-flying aircraft.

From Argentia Naval Station a plane carrying highly effective radar gear is launched once every 3 hours. These planes make a 2,297-mile round trip to the Azores, each in the air from 12 to 13 hours. In good weather this would not be much of a chore; but there is no good weather at Argentia. In fact, there is probably no place on the globe where we have men stationed that the weather is so consistently bad.

Pilot after pilot, crewmember after crewmember, calmly told me of take-offs in weather which not only would find commercial aircraft grounded, but would find very few souls hardy enough to brace the elements. It was not uncommon last winter for planes to take off in winds ranging up to 80 knots—90 miles per hour—or higher with snow so thick the plane's wingtip tanks could not be seen, and with ice on the runways.

Fog is normal. Almost all of the flights that took off while I was at Argentia did so in thick fog or rain. The winds are constant and extremely variable.

Conditions on the picket ships are not much better. These small destroyer escort craft toss and pitch in some of the most rugged weather to be found in the Northern Hemisphere. They are at sea for 25 days at a time and the crews get a really rough workout during that time.

However, Mr. Speaker, I found the men from Adm. W. I. Martin down to be skilled, effective, and efficient, and dedicated to their work.

Admiral Martin, in the briefing, made one point very clear: There is a real need at Argentia for more adequate housing and recreational facilities for the officers and men. Housing conditions off the base are primitive and extremely costly. Because of the bad weather conditions during much of the year outside recreation is impossible.

It is my feeling that as long as the United States expects young men to live in the kind of isolation and under the conditions that prevail at Argentia, we as a Congress must accept responsibility to provide adequately for their basic needs.

As long as the threat of manned enemy bombers, which up to now has been the major threat to the United States exists, we must maintain the barriers across the Atlantic and Pacific. When that threat is replaced by a greater emphasis on missiles, whether land-based or submarine-launched, the need for this particular operation will decline. However, the threat of submarine warfare is so great, I have the impression that an operation similar to this one must be continued to detect the presence and course of enemy submarines which might be approaching our shores.

Argentia is a permanent base; it should be treated as one. There are also special problems of isolation and weather at Argentia which should be taken into consideration by the Congress in developing future plans for this area.

A Great American Tradition, the Timp Hike

EXTENSION OF REMARKS
OF
HON. DAVID S. KING
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. KING of Utah. Mr. Speaker, thousands of Utahans and other Americans visited the slopes and trails of Utah's Mount Timpanogos on the weekend just past.

This famous peak, the highest in the mountain-bound congressional district which I represent, is in a sense the Nation's most challenging and alluring mountain. Among the thousands who gathered Friday and Saturday on its slopes, hundreds conquered its 12,000-foot summit, played on its tiny glacier, drank the icy, sun-pure water from its many waterfalls, and breathed the enchanting aroma from its myriad bloom of delicately colored flowers.

These climbers were participants in the 48th annual Timp Hike, which has become one of the outstanding traditions of mountain recreation in America. To my knowledge, this hike is the largest annual organized hike in America.

The tradition began in 1912 when Prof. Eugene L. Roberts, a Brigham Young University coach, led a small party of hikers to the Timpanogos summit. The peak had been conquered by many climbers, of course, but this was the first party to propose the hike as an annual pilgrimage. The tradition has continued for 48 years—through two world wars, through mountain storms, and through rubber and gasoline rationing.

Accurate records have been kept on the climbers reaching the summit in recent years. They show the hike has become a national and international attraction. For the past 10 years no fewer than 22 States and 5 foreign countries have been represented each year.

The success of the program seems to have three cornerstones. The first and most important, of course, is the natural enchantment of the mountain itself. Its jagged, massive crest looms above the two most heavily populated valleys of my district. Timpanogos is 30 miles south of Salt Lake City at the south end of Salt Lake Valley and 10 miles north of Provo on the north side end of Utah Valley. The climbers find a great variety of minerals, plants, and animal life on its slopes. Cottontail and jackrabbits and many birds inhabit the lower mountain. On the higher reaches, the deer, mouse chipmunk, packrat, gopher, ground squirrel, marmot, and badger roam.

To the botanist, the mountain is one of nature's finest laboratories. Its range of elevation embraces every Merriam-type zone except the Sonoran zone. The rocky summit juts above the timberline which, at northern Utah's latitude, is 10,000 feet. The growing season on the mountain is short, and the flowers bloom in brilliant hues. The bright colors attract insects and speed the pollination process. In mid-July, when the hike usually takes place, the slopes bloom with one of Utah's most beautiful flowers, the primrose.

If the trees near the timberline are not entirely covered by the heavy snows, they are frozen for many months of the year. It is not unusual to find trees on Timpanogos which, judged to be 50 years old, stand only 6 inches tall.

The value of the mountain as a natural laboratory led the Brigham Young University to establish a summer school at Aspen Grove, the camp on its northeast base, where the main hike originates.

A second cornerstone in the tradition is the history and legend of the mountain. The name has an Indian origin. To the Indians, the word "Timp" meant stony, and the word "nogos" meant river. Timpanogos got its name, "Stony River," from the Provo River, which courses its southeast slopes. The stream is one of the outstanding fishing streams of the intermountain West.

Father Escalante, traveling the Utah Valley in the year this Nation declared its independence, mentioned in his notes that the Indians called the river and the mountain by the name "Timpanogos."

The most famous story of the Timpanogos legend, "Utahna and Red Eagle," was written by Coach Eugene L. Roberts—who became better known to Utahans and westerners as "Timpanogos" Roberts—in a booklet entitled "Timpanogos" published in 1922, on the 10th anniversary of the hike, by the Brigham Young University, the Provo Chamber of Commerce, and the American Fork Commercial Club.

Community cooperation has been another cornerstone of the tradition. With the strong support of every community in northern Utah County, the Brigham Young University, now the largest church-operated university in America, and the Provo Chamber of Commerce have remained the principal sponsors of the hike.

Constant attention to safety has also contributed to its success. For this year's hike, a Salt Lake County organization joined the Utah County sponsors, and assumed responsibility for the safety precautions and rescue operations on the hike. This organization, the Salt Lake County Sheriff's Rescue Posse, headed by Captain C. W. Brady, maintained radio communications and first-aid stations on the trails. Despite the growing numbers of climbers who participate, accidents have been rare.

The recent statistics show the hikers average 19 to 20 years in age—19.95 for the men and 19.61 for the fairer sex. Children as young as 4 years of age have reached the summit with their parents, and climbers as old as 79 have reached it. But the hike officials have discouraged the participation of persons at either age extreme.

Coach Roberts was inspired to organize the annual hike by his experience as a missionary to Switzerland for the Church of Jesus Christ of Latter-day Saints. This experience gave him a keen interest in mountain climbing, and he transferred that interest to the great peak which dominates Utah Valley upon his return. He continued to lead the annual climb himself until 1927, when he left Brigham Young University to accept a professorship at the University of Southern California. Upon his departure, Dr. J. C. Hart, now chairman of the Department of Physical Education for Men, assumed direction of the hike, and continues to direct it today.

In 1930, "Summit Club" badges were offered for the first time. They have become the traditional reward for the climbers who reach the summit. The Summit Club membership in the early 1930's ran a few hundred annually. Last year 2,025 hikers claimed their badges.

A small glacier, a remnant of the ponderous ice age giants which once blanketed most of the continent, caps the popular approach to the summit. A slide down the glacier is the climax of the event for many climbers.

The U.S. Forest Service has made an important contribution to the hike tradition. It has helped BYU students, and others, build and maintain the trails. It has built and maintained excellent comfort facilities for campers and hikers at Aspen Grove.

It seems certain that the Timp hike, now nearly 50 years old, will make an even greater contribution to American recreation in another half century. It is my wish that each of my colleagues might one day visit this famous mountain and perhaps make the hike. The beauty of Timpanogos, however, is wrapped up in no one event and no single season. It probably draws more visitors in autumn than in any other season. It wears a majestic robe of brilliant leaves through early and late autumn. In winter and spring its canyons are havens for skiiers, skaters and other winter sports enthusiasts, and in summer, they are havens for picknickers as well as hikers. But I have stressed the hike because it somehow, to me, embodies the spirit which is America—the spirit of the continuous upward climb, a spirit born of freedom and challenge. I find the same feeling in the words of Dr. C. J. Hart, who said, in a recent communication to me:

> We who have to do with the Timpanogos hike firmly believe that everyone should stand on a high peak at least once each year and view the handiwork of mother nature. We say, let this mountain top be Timpanogos, the wonder mountain. We firmly believe the Timpanogos hike is America's greatest community climb.

Report of National Projects Committee to the Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. PHIL WEAVER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD the report of the national projects committee, which was unanimously adopted by the recent 46th national convention of the National Rivers and Harbors Congress held in Washington on May 13-15, 1959.

The permanent national projects committee of the congress consists of an outstanding expert on water-resource problems from each of the major drainage basins of the United States. They serve without compensation of any kind whatsoever and bear all of their own expenses when coming to Washington and while here serving on this committee.

The committee's purpose is to assist the sponsors of projects in preparing and presenting their data, so that they may be placed in line for approval. The projects recommended by the committee and endorsed by the congress are vigorously pressed for inclusion in the Government's public-works program, and appropriations or allocation of funds sought therefor.

We are grateful to the members of this committee for their public-spirited service in an effort to assist the Congress of the United States and the governmental agencies charged with the responsibility for these public works, as well as the people in the areas to be served thereby.

The members of the committee who served at its recent session are as follows:

Projects committee: Representative PHIL WEAVER, Falls City, Nebr., chairman.

New England division: Member, William S. Wise, executive secretary, Flood Control and Water Policy Commission, State of Connecticut, Hartford, Conn.

North Atlantic division: Member, Brig. Gen. James H. Stratton, U.S. Army, retired, consulting engineer, New York, N.Y.

South Atlantic division: Member, H. H. Buckman, consulting engineer, Jacksonville, Fla.; vice chairman.

Southwestern division: Member, Dale Miller, executive vice president, Intracoastal Canal Association of Louisiana and Texas, Houston, Tex.

Lower Mississippi Valley division: Member, H. B. Myers, chief engineer, Department of Public Works, State of Louisiana, Baton Rouge, La.

North Central division: Member, Al Hansen, comptroller, city of Minneapolis, Minneapolis, Minn.

Missouri River division: Member, John B. Quinn, executive director, Missouri Valley Development Association, Inc., Lincoln, Nebr.

Ohio River division: Member, J. I. Perry, chief engineer, Indiana Flood Control and Water Resources Commission, Indianapolis, Ind.

North Pacific division: Member, Herbert G. West, executive vice president, Inland Empire Waterways Association, Walla Walla, Wash.

South Pacific division: Member, Vice Adm. Murrey L. Royar, U.S. Navy, retired, Washington representative, Oakland (Calif.) Chamber of Commerce.

Western intermountain region: Member, E. W. Rising, Washington representative, State Water Conservation Board of Montana, Helena, Mont.

REPORT OF THE PROJECTS COMMITTEE TO THE 46TH NATIONAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS, MAY 15, 1959

Hon. OVERTON BROOKS,
President, National Rivers and Harbors Congress, Washington, D.C.

DEAR MR. PRESIDENT: In pursuance of the call of the President, your projects committee met on May 13, 1959, to reconsider the projects submitted since the last session of the National Rivers and Harbors Congress. Hearings were afforded all who made appearance.

The committee at this session has examined 54 proposals embracing all resource improvements with which this Congress is concerned, including navigable waterways, harbors, flood control, hurricane protection, soil conservation, reclamation and water conservation.

Of the proposals examined, this committee is convinced that 27 constitute projects sound in conception, needful, and sufficiently advanced in status to warrant endorsement, involving a total estimated cost of $291,145,800. Nine proposals appear to be without sufficiently advanced development to warrant project endorsement at this time, but are believed to be meritorious and entitled to further consideration by this committee, if and when additional information may be adequate to warrant an endorsed status. We find that on 13 proposals, surveys have been authorized but the reports of said surveys have not been completed and we therefore recommend in these cases that the Congress request the appropriate authority to complete reports of its investigations and surveys as soon as practicable in order that action may be taken toward classification by this Congress. We find five proposals which on preliminary examination appear to be desirable and needful, and we accordingly recommend that engineering and economic investigations of survey scope be made in these cases with a view to developing projects for subsequent authorization.

Appendix A of this report sets forth in detail a list of all proposals and projects examined and the action taken thereon.

Since our national convention last year, the Congress enacted Public Law 85-500, the omnibus river and harbor and flood control bill, which was approved by the President on July 3, 1958. This act authorized construction of 139 river and harbor, beach erosion and flood control projects in 44 States, Alaska, Hawaii, and Puerto Rico.

The total estimated Federal cost of work authorized in the bill is $1,556,230,500, of which $1,356,230,500 is for the Corps of Engineers and $200 million is for Missouri River basin work by the Department of Interior.

The grand total is broken down as follows:

Type of improvement	Number of projects	Estimated cost
Navigation and beach erosion	71	$202,350,700
Flood control	68	545,579,800
Basin authorization	12	608,300,000
Department of Interior (Missouri River)	1	200,000,000
Total	152	1,556,230,500

There are also authorizations for 61 surveys in 27 States and Hawaii. In addition the act contained several general provisions, including a section on water supply which liberalizes the policy applicable to advance provisions of facilities needed to meet future needs. This section is particularly appropriate to the future planning of Federal reservoir projects in order to serve the expanding economy in an orderly manner. Section 208 of the act eliminated preliminary examination reports. This and other improvements are expected to provide more economical and faster preparation of survey reports.

The projects included in this act are of high importance to the Nation's expanding economy and should be provided as soon as practicable. Your projects committee, therefore, recommends that the Congress of the United States be requested to give consideration to early appropriation of funds for construction of these projects.

Flood control became a major part of the national water resource investment program when in 1928 the Congress declared a national interest in preventing human suffering and economic losses from floods in the Mississippi Valley, and authorized the Alluvial Valley project. In 1936 flood control was authorized on a nationwide basis. The flood control projects of the Corps of Engineers completed or placed in partial operation have already prevented flood damages totaling about $9 billion, which is about twice the amount invested. The reservoir system of the Corps of Engineers with millions of acre-feet of storage capacity are mitigating the damaging effects of floodwaters and are benefiting water supplies, pollution abatement, recreation and fish and wildlife. However, construction of authorized projects and additional authorizations are necessary to alleviate flood conditions in other parts of the country. The devastating floods in the Ohio River basin this year, as well as those along the west coast and in the Atlantic and Gulf States during the past few years, are fresh in our minds and show that much remains to be done in the field of flood control particularly in the determination of the feasibility of projects for the prevention of these flood damages and the loss of human lives. Where and when another great flood may strike is not known but it could be in any river basin at any time.

The inland waterways which now total over 22,000 miles handled about 115 billion ton-miles of cargo in the calendar year 1957. This does not include the Great Lakes which in 1957 handled over 117 billion ton-miles. There are over 400 improved coastal harbors.

The hydroelectric power production facilities of the Corps of Engineers are contributing greatly to alleviating power shortages, particularly in the critically deficient Northwest region. During the fiscal year 1958, 27 billion kilowatts were generated at projects operated by the corps, representing 20 percent of the total hydroelectric power produced by all sources in the Nation.

As we all know, the Corps of Engineers survey program is nationwide and it includes investigations called for by Congress to determine the practical means of reduction of loss of human lives and damages to property. Reports recommending flood control works on many of the most severely damaged areas through the country have been completed and submitted to Congress by the Chief of Engineers. As a result of hurricane damage to our coastal and tidal areas, three projects, New Bedford-Fairhaven, Narragansett Bay and Texas City were authorized by the Flood Control Act of 1958.

Many other areas which have been severely damaged have been designated for detailed study and a number of these investigations are well advanced. Congress has also authorized investigations to study hurricanes including the securing of data on hurricane frequency and behavior and the establishment of means to prevent the loss of lives and property that have been experienced. It is evident, therefore, that the development of plans for the control of floods and minimizing the destructive force of hurricanes are of paramount importance. In this connection, we must never for one moment lose sight of the objectives of the National Rivers and Harbors Congress in supporting this great program of water resource development.

The need for funds for carrying out investigations for flood control, hurricanes, navigation, and related uses is as urgent at this time as any time in the history of this program. The investigations should go forward in order that a well-planned construction program can be made for the time that construction funds will be available for those projects which may be recommended as a result of these studies and that are authorized by Congress. Although much work remains to be done in the field of water resource development throughout the country, we feel that the problem is being expertly handled by the Federal agencies in cooperation with the States concerned. The need for full scale development of our water resource program is greater today than ever before. The projects committee, therefore, considers it highly important that sufficient funds be provided in order that the Federal agencies can carry out their respective water resource program in an orderly fashion. Your committee is concerned over the large backlog of investigations authorized by Congress to be carried out by the various Federal agencies and recommends that appropriations be increased at this time in order that the backlog be reduced and that an adequate reserve of current projects may be built up for activation particularly at this time when the economy of the Nation appears to warrant construction of worthwhile public works.

We wish to commend the various Federal agencies involved in the investigations and provisions of water resource projects on their improvements in development of sound procedures of project analysis and formulation, and the increased cooperation among agencies and with the States and local interests. We believe that true partnership between the Federal Government and its citizens lies not only in the sharing of costs, but also from the common sharing of problems and their development and solution. An example is the many hurricane studies being made along the eastern and southern seaboards, in which the States, local munici-

palities, and many of the Federal agencies are cooperating in making these studies.

Respectfully submitted.

PHIL WEAVER,
Chairman.

(NOTE A.—A project which has been placed in class II, III, IV, or V by the committee may be reexamined from time to time upon due application and the submission of material supplementary information, with a view to advancing its classification; but no project will be reported upon by the committee more than once in each year.)

(NOTE B.—Attention is called to the fact that when a project is once put in class I, endorsed, such status continues and it is unnecessary to follow up at subsequent sessions with new applications. All projects "endorsed" by the Congress, upon the recommendations of the committee, retain their status until finally constructed, unless such action is rescinded by the Congress, and the Congress stands pledged to do everything possible to assist in reaching that goal.)

APPLICATIONS FOR APPROVAL OF PROJECTS RECEIVED BY THE PROJECTS COMMITTEE

APPENDIX A

[Letter "R" following the project number indicates revision of a previous application

DIVISION I—ENDORSED

[Endorsed. This means that it is the judgment of the Committee that the project is sound, needful, and sufficiently advanced in status; and that its construction is justified by the public interest it will serve]

Docket No.	Name of project	State or States	Division	Classification
728-R6	Morehead City Harbor	North Carolina	South Atlantic	I
813-R2	Pantego Creek and Cucklers Creek	do	do	I
823-R	Baltimore Harbor and channels	Maryland	North Atlantic	I
840-R	Freeport Harbor	Texas	Southwestern	I
841-R	Galveston Harbor and Channel; Houston ship channel; and Texas City Channel.	do	do	I
863-R	Boston Harbor (reserved channel)	Massachusetts	Northeastern	I
883-R4	San Juan Harbor	Puerto Rico	South Atlantic	I
890-R5	Kahului Harbor, Maui	Territory of Hawaii	Pacific Ocean	I
892-R	Port Aransas-Corpus Christi Waterway	Texas	Southwestern	I
1097-R	Turkey Creek Reservoir	Kansas	Missouri River	I
1097-A-R	Sutphen Mills Reservoir	do	do	I
1097-B-R	Woodbine Reservoir	do	Missouri River	I
1097-C-R	Humboldt Reservoir	do	do	I
1097-D-R	Camp Creek Reservoir	do	do	I
1097-E-R	Onaga Reservoir	do	do	I
1097-F-R	Grove Reservoir	do	do	I
1097-G-R	Clinton Reservoir	do	do	I
1099-R	Michigan City Harbor	Indiana	North Central	I
1110-R	Bayfield Harbor	Wisconsin	do	I
1119	Saxon Harbor	do	do	I
1120	Two Rivers Harbor	do	do	I
1121	Mississippi River, Baton Rouge to the Gulf of Mexico, modifications of	Louisiana	Lower Mississippi Valley	I
1124	Port Everglades Harbor	Florida	South Atlantic	I
1125	Yaquina Bay and Harbor	Oregon	North Pacific	I
1129	Shenango River Reservoir	Pennsylvania and Ohio	Ohio River	I
1133	Caesar Creek Reservoir	Ohio	do	I
1135	Santa Cruz Small Craft Harbor	California	South Pacific	I

DIVISION II—MERITORIOUS

[Meritorious. This means that the committee believes that although the project is not sufficiently advanced in status to warrant its present endorsement, it is meritorious and that the committee is willing to consider in due course, its advancement to division I upon presentation by its sponsors of additional evidence justifying such action]

781-R5	Raystown Reservoir	Pennsylvania	North Atlantic	II
793-R6	Cleves flood protection	Ohio	Ohio River	II
1039-R3	New York Harbor; entrance channels and anchorage areas	New York and New Jersey	North Atlantic	II
1100-R	Wilmington Harbor	North Carolina	South Atlantic	II
1114-R	Flint River channelization, flood control, hydroelectric power, water conservation.	Georgia	do	II
1116-R	Apponaug Cove	Rhode Island	Northeastern	II
1123	Delaware River, Philadelphia to the sea, anchorages	Pennsylvania, New Jersey, and Delaware.	North Atlantic	II
1139	Municipal commercial harbor at Dubuque on Upper Mississippi River (dredging).	Iowa	North Central	II
1140	North Branch Park River flood control	Connecticut	Northeast	II

DIVISION III—EXPEDITIOUS REPORT ON AUTHORIZED SURVEY REQUESTED

[Expeditious report on authorized survey requested. This means that the committee believes that the National Rivers and Harbors Congress should request the engineering authority to expedite any report on any authorized investigation or survey of the project to the end that appropriate further action may be had thereon in regard to its classification]

876-R4	Whitewater River, West Fork, at Brookville	Indiana	Ohio River	III
1039A-R3	New York Harbor anchorage area (port of New York entrance channel project)	New York and New Jersey	North Atlantic	III
1062-R	Passaic River Basin flood control	New Jersey	do	III
1086-R	Port of New York to St. Lawrence River Waterway	New York, Vermont, and Quebec, Canada.	do	III
1094-R	Rend Lake	Illinois	Lower Mississippi Valley	III
1096-R	Deep draft and small craft harbor development—Port San Luis	California	South Pacific	III
1101-R	Cold River Dam	New Hampshire	Northeastern	III
1122	Petersburg small-boat harbor (expansion of facility)	Alaska	North Pacific	III
1126	Norfolk Harbor and channel to Newport News	Virginia	North Atlantic	III
1132	Great Lakes to Hudson River Waterway (New York State barge canal)	New York	do	III
1134	East Fork Reservoir; East Fork, Little Miami River	Ohio	Ohio River	III
1136	Tidal flood protection for city of New London	Connecticut	Northeastern	III
1138	Mississinewa River channel improvement, Randolph County	Indiana	Ohio River	III

DIVISION IV—PROJECTS RECOMMENDED FOR SURVEY

[Recommended for survey. This means that the committee believes that sufficient showing on behalf of the project has been made to warrant further examination in the form of an adequate survey by an appropriate agency of the Federal Government]

1127	Southern Branch of Elizabeth River, Norfolk Harbor	Virginia	North Atlantic	IV
1128	Imperial Beach small-craft harbor (Oneonta Lagoon)	California	South Pacific	IV
1130	Searsport	Maine	Northeastern	IV
1131	New Harbor navigation project	do	do	IV
1137	Brazos River and Harbor Survey	Texas	Southwestern	IV

Powerplants on the Trinity River in Northern California

EXTENSION OF REMARKS
OF
HON. JAMES B. UTT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. UTT. Mr. Speaker, within the next week we will largely determine the issue of whether the Federal Government or the Pacific Gas & Electric Co. is to construct and operate the power plants on the Trinity River in northern California. The Senate-House conferees on the public works appropriations bill will decide if funds shall be spent by the Government on the generators, and the House Interior Subcommittee on Irrigation and Reclamation will decide if the company's proposal to build and run them itself will be accepted.

The issue resolves itself down to the elementary question, Should the Government decrease the Treasury by $60 million, or should we permit the company to spend its own $60 million for construction, pay $4.6 million a year for the use of the falling-water and pay $83 million in Federal taxes?

"Economy with a capital E is the outstanding advantage in the United States—P.G. & E. partnership plan for the huge Trinity River reclamation program which has been recommended to Congress for approval by Secretary Fred Seaton," states the Sanger (Calif.) Herald. "In offering to build the power generating and distribution facilities of the Trinity River project, the P.G. & E. will be saving taxpayers in California and elsewhere many millions of dollars. The utility will, in addition, be helping California to solve one of its greatest problems—developing of adequate supplies of agricultural and domestic water," reads an editorial from the San Jose (Calif.) Mercury.

The basic economic consideration governing the issue, as stated accurately by the Santa Rosa (Calif.) Press Democrat, is that, "P.G. & E., not the Nation's taxpayers, would pay the $60 million cost of installing the generators. It would pay $4,500,000 a year to the Government for use of the falling water to drive the generators. It would pay Federal and State taxes on its property investment." The Chico (Calif.) Enterprise-Record points out that, "the public power advocates object to that plan, primarily because it would mean that the preference customers would not be able to get power cheaper than the rest of us. We believe the basic principle involved here is this: Preference customers, such as the Sacramento, Redding, and Roseville City power districts, add up to about 7 percent of the population of the service area. The remaining 93 percent of the people," continues the Enterprise-Record, "are just simple citizens and taxpayers like those of us in Chico and do not rate as preference customers. Thus, does it make sense that 93 percent of us should be taxed to build the power facilities so that 7 percent can buy power cheaper? We do not think so. We think that setup would be nothing more than 93 percent of us paying part of the electricity bill for the other 7 percent." In the case at hand, this statement cannot be controverted.

The San Juan (Calif.) Mission News sums up the question more than adequately in concluding:

> Throughout the Nation there are independent utility companies doing the same thing, providing power and gas to customers, and paying taxes. Regulated, taxpaying private enterprise can and will undertake any feasible job, no matter how big or costly, and can and will do the job cheaper than Government can. Why any Congressman or Senator will favor socialism over capitalism is far beyond our understanding.

Illegal Narcotics Traffic

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 20, 1959

Mr. HOSMER. Mr. Speaker, narcotics trafficked illegally constitute one of the most baffling and serious problems facing the country. Facts, figures, and details of the menace are currently being publicized in the Los Angeles Times in a series of excellent articles written by Mr. Gene Sherman. The public service being performed by the Times and Mr. Sherman by this series of features deserves commendation here in the Congress.

Southern California is one of the Nation's narcotics black spots. In part this is due to a lenient tendency by some judges in the area when confronted with narcotics offenders. In part it is due to decisions by the State's higher courts which have thrown roadblocks in the way of narcotics violation prosecutions and which call for State legislation to correct. In a major sense, however, this area's plaguing narcotics dilemma stems from the proximity of the Mexican border.

My own studies of southern California illegal narcotics traffic over the past 10 years invariably lead to the border stations at Tia Juana, Mexicali, and similar towns. Five years ago, I introduced and vigorously pursued legislation to close this border to unescorted minors. Facts and statistics showed hundreds of teenaged addictions first were acquired during visits to Mexican border towns and thereafter fed by the flow of narcotics from our sister Republic to the south.

Recognizing the problem, but pleading the necessity of cooperation with Mexican officials not only on narcotics traffic control, but many other international criminal operations, our State Department repeatedly stated closing the border would make such cooperative efforts between the two countries difficult, if not impossible. As an alternative, additional customs and immigration personnel were assigned along the border and the activities of U.S. narcotics agents in conjunction with State and local police and sheriff's squads were beefed-up.

For a time the border traffic slowed down. But eager pushers and the sizable, efficient production and wholesale distributors of illegal narcotics behind them have found new ways and means to circumvent border interception.

U.S. Narcotics Commissioner Harry J. Anslinger has again and again emphasized the similarity between illegal narcotics traffic and the proverbial feather pillow. Let the pillow be broken and it is almost a physical impossibility to collect together the wind-strewn feathers. Let the wholesale narcotics package be broken down into thousands of capsules of heroin and their interception and destruction becomes almost impossible.

This points to action by the Mexican Government toward destruction of the illegal plantations and narcotics refining plants that are know to exist below the border. This means just one thing: pressure through our State Department for the action by Mexican officials which they can and should take. Our California colleague, Representative JOE HOLT, has obtained commitment by the State Department for Ambasador Robert Hill in Mexico City to initiate talks to that end. The results of these talks are anxiously awaited not only by those of us in Congress, who have long been aware of the problem and demanding its solution, but by every parent in the country who knows his own child may be the next victim of the illegal narcotics trafficker.

SENATE

TUESDAY, JULY 21, 1959

The Senate met at 10 o'clock a.m.

Rev. Edward R. Bley, pastor, Zion Evangelical Lutheran Church, Takoma Park, Md., offered the following prayer:

Almighty God, our Heavenly Father, we bow before Thee, giving Thee thanks for the blessings and the sacrifices which make it possible for us to be here in our privileged places of responsibility.

Grant unto each of us that measure of Thy spirit which will keep us fit for the high stature of our positions and humble before the great consequences of our deeds.

In Thy mercy, endow us with the spirit of leadership and the dimensions of wisdom which the complexities of our time require.

As we remember the adversities through which our Nation has come in the past, protect us from being enslaved by the luxuries of the present.

Even as we are mindful of the many hopes people expect us to fulfill, cause us to think now of the hopes Thou hast entrusted to us.

We invoke Thy blessing upon the President, the Vice President, and the Congress of our country, that they may

be empowered to bear the burdens of their respective offices in a manner that is pleasing unto Thee.

In the spirit of Jesus Christ we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 21, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On the request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 17, 1959, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of Friday, July 17, 1959,

Mr. RANDOLPH, from the Committee on Labor and Public Welfare, on July 20, 1959, reported favorably, with an amendment, the bill (S. 812) to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas, and submitted a report (No. 536) thereon.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 17, 1959, the President had approved and signed the following acts and joint resolution:

S. 42. An act to authorize the utilization of a limited amount of storage space in Table Rock Reservoir for the purpose of water supply for a fish hatchery;

S. 96. An act to govern the salaries and personnel practices applicable to teachers, certain school officers, and other employees of the dependents schools of the Department of Defense in oversea areas, and for other purposes;

S. 182. An act for the relief of Yong Chul Jurgens;

S. 190. An act for the relief of Melanie Hoffman;

S. 211. An act for the relief of Aurelia Marija Medvesek-Pozar;

S. 449. An act for the relief of Clarita Martinez;

S. 451. An act for the relief of Mohammed Ali Halim;

S. 459. An act for the relief of Penelope Carnavas Kafos;

S. 707. An act for the relief of Demetrios Pappathakis;

S. 770. An act for the relief of Feiga Altmann Rock;

S. 917. An act for the relief of Mr. and Mrs. Fred A. Fletcher;

S. 1903. An act to authorize a per capita distribution of funds arising from a judgment in favor of the Quapaw Tribe, and for other purposes;

S. 1904. An act to authorize the use of funds arising from a judgment in favor of the Citizen Band of Potawatomi Indians of Oklahoma, and the Prairie Band of Potawatomi Indians of Kansas, and for other purposes;

S. 2045. An act to authorize the use of funds arising from a judgment in favor of the Coeur d'Alene Indian Tribe, and for other purposes; and

S.J. Res. 111. Joint resolution providing for the designation of the third week of July as "Captive Nations Week."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 56. An act to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes;

S. 114. An act to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States;

S. 175. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 1234. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965;

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes;

S. 1877. An act to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 1976. An act to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax; and

S. 2148. An act to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. YATES, Mr. CANNON, Mr. OSTERTAG, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 6134) to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees for certain pay periods occurring in part in previous fiscal years, and for other purposes, and it was signed by the Acting President pro tempore.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Foreign Relations.

The Subcommittee on Administrative Practice and Procedure, of the Judiciary Committee.

The Committee on Post Office and Civil Service.

The Labor Subcommittee of the Committee on Labor and Public Welfare; and

The Committee on Interior and Insular Affairs.

On request of Mr. MANSFIELD, and by unanimous consent, the Senate Committee on Finance was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF THE INTERNATIONAL SUGAR AGREEMENT

Mr. JOHNSON of Texas. Mr. President, later in the day I shall confer with the chairman of the Foreign Relations Committee with regard to ratification of the treaty which is on the Executive Calendar, the International Sugar Agreement of 1958. I hope that at an appropriate time during the day, when Members are on the floor, following a rollcall, I can move to have the Senate consider executive business, and then can have the treaty disposed of.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROVISION PERTAINING TO AN APPROPRIATION, DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS (S. Doc. No. 40)

A communication from the President of the United States, transmitting a provision pertaining to an appropriation for the fiscal year 1960 for the Department of Defense—Military Functions (with an accompanying

paper); to the Committee on Appropriations, and ordered to be printed.

PROPOSED APPROPRIATION FOR TREASURY DEPARTMENT—FISCAL YEAR 1960 (S. DOC. NO. 39)

A communication from the President of the United States, transmitting a proposed appropriation for the fiscal year 1960, in the amount of $280 million, for the Treasury Department (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

NOTICE OF PROPOSED DISPOSITION OF HYOSCINE HELD IN NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a notice of a proposed disposition of approximately 4,070 ounces of hyoscine now held in the national stockpile, to be published in the Federal Register (with an accompanying paper); to the Committee on Armed Services.

NOTICE OF PROPOSED DISPOSITION OF ZINC OXIDE PELLETS HELD IN NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a notice to be published in the Federal Register of a proposed disposition of approximately 165,273 pounds of zinc oxide pellets now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

AUTHORIZATION FOR CONFERRING DEGREE OF MASTER OF ARTS IN EDUCATION TO CERTAIN STUDENTS IN THE DISTRICT OF COLUMBIA

A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of proposed legislation authorizing the conferring of the degree of master of arts in education on certain students who enrolled in the District of Columbia Teachers College prior to July 1, 1958, and who, prior to July 1, 1961, are certified by the president and faculty of such college as having met all requirements for the granting of such degree (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON REVIEW OF CITY OF LOUISVILLE MUNICIPAL HOUSING COMMISSION, LOUISVILLE, KY.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of the City of Louisville Municipal Housing Commission, Louisville, Ky., Public Housing Administration, Housing and Home Finance Agency, dated July 1959 (with an accompanying report); to the Committee on Government Operations.

SUPPLEMENTAL REPORT ON CURECANTI STORAGE UNIT OF COLORADO RIVER STORAGE PROJECT, COLORADO

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a supplemental report and certification of economic justification on the Curecanti storage unit of the Colorado River storage project in Colorado (with accompanying papers); to the Committee on Interior and Insular Affairs.

CONSTRUCTION OF SALINE WATER DEMONSTRATION PLANT AT FREEPORT, TEX.

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that Freeport, Tex., has been selected as the site for the gulf coast saline water conversion demonstration plant; to the Committee on Interior and Insular Affairs.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of May 31, 1959 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON TORT CLAIMS PAID BY CANAL ZONE GOVERNMENT

A letter from the Acting Governor, Canal Zone Government, transmitting, pursuant to law, a report on tort claims paid by that government for the period July 1, 1958, to June 30, 1959 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF PROCEEDINGS OF SPECIAL MEETING OF JUDICIAL CONFERENCE

A letter from the Chief Justice of the United States, transmitting, pursuant to law, a copy of the report of the Proceedings of a Special Meeting of the Judicial Conference of the United States, held at Washington, D.C., March 16–17, 1959 (with an accompanying document); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Senate of the State of Florida; to the Committee on Finance:

"SENATE MEMORIAL 1050

"A memorial to the Congress of the United States to provide that a State plan for old-age assistance may be administered so that the State agency shall, in determining the need, take into consideration any other income and resources of an individual claiming old-age assistance; except that the State agency may, in making such determination, disregard not to exceed $50 per month of earned income

"Whereas the Florida Legislature has heretofore enacted into law, section 409.162, Florida Statutes, 1957, to provide that any persons receiveing old-age assistance under section 409.16, Florida Statutes as amended in 1957, could earn up to $50 per month without causing his or her monthly payments for old-age assistance to be reduced because of such added income; and

"Whereas section 409.162, Florida Statutes, 1957, cannot become effective until Congress amends the Federal law which now prohibits a recipient of old-age assistance from earning additional income; and

"Whereas the Federal Congress has previously amended the Federal law to allow recipients of aid to the blind to earn up to $50 per month without the recipients' assistance from the aid to the blind being reduced because of such added income by the enactment of title 42, section 1202(a)(8) United States Code Annotated; and

"Whereas the needs of recipients of old-age assistance are equal to and are as great as the needs of the recipients of aid to the blind; and

"Whereas countless thousands of recipients of old-age assistance are presently unable, because of rising costs of living and other factors, to subsist on a decent human standard of living on their assistance from old-age assistance without additional income: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States be and it is hereby requested to amend the Federal law at the earliest possible time to provide that the State agency, in determining the need, of recipients of old-age assistance, shall take into consideration any other income and resources of an individual claiming old-age assistance; except that the State agency may, in making such determination, disregard not to exceed $50 per month of earned income; be it further

"Resolved, That copies of this memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the U.S. House of Representatives; to each of the ablest congressional delegations in the U.S. Congress, the Florida delegation; the Department of Health, Education, and Welfare, Washington, D.C.; and to the Governor of the great State of Florida."

A resolution of the House of Representatives of the State of Florida; to the Committee on Appropriations:

"HOUSE MEMORIAL 1029

"A memorial to the President of the United States and the Congress of the United States to provide funds for 2,000 additional Veterans' Administration hospital beds in the State of Florida and to continue the Veterans' Administration hospital program as a Federal responsibility

"Whereas the veterans population of the State of Florida has increased from approximately 250,000 in 1946 to over 530,000 in 1959; and

"Whereas during that same period of time the number of hospital beds in the Veterans' Administration system in the State of Florida has not been increased whatever, but on the contrary has actually decreased; and

"Whereas because of the extreme demand placed upon the Veterans' Administration hospital system in Florida, it has become necessary to send Florida veterans to other States for necessary hospitalization and still many more veterans must lie ill at home and die without the required medical attention, and mental patients languish in our county jails, or roam the public streets of the State of Florida; and

"Whereas authority is now pending for an additional 814 beds for the State of Florida, which if now constructed and immediately available would be wholly inadequate to meet the present emergency: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the President of the United States and the Congress of the United States, be and it is hereby requested that they immediately provide sufficient funds for an additional 2,000 Veterans' Administration hospital beds in and for the State of Florida; be it further

"Resolved, That the U.S. Government hereby continue to assume full responsibility for the hospitalization of war veterans in the State of Florida and the United States of America; be it further

"Resolved, That copies of this joint memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the U.S. House of Representatives; to the Governor of the State of Florida; to the chairman of the House Veterans' Affairs Committee; the chairman of the Senate Committee on Labor and Public Welfare; and to all members of the Florida congressional delegation to the Congress."

A resolution of the House of Representatives of the State of Florida; to the Committee on the Judiciary:

"HOUSE MEMORIAL 1546

"A memorial to the Congress of the United States to urge such action as may be required, including the enactment of laws, to rectify the increasing tendency of administrative officers of various Federal agencies to wittingly or unwittingly expand upon the provisions of various Federal statutes and otherwise pervert the intent of the Congress in the promulation of policies, procedures, regulatory measures and decrees

"Whereas the general public, private enterprise, and the press are justifiably alarmed by manifested indications in increasing instances that administrative officers of various Federal agencies are wittingly or unwittingly embellishing the statutory objectives and responsibilities of such agencies with their personal and subjective judgment in matters pertaining to the making of policy, procedures and regulations; and

"Whereas it is clear that the rights and prerogatives reserved to the sovereign States and to the people are endangered by such instances of malfeasance and misfeasance; and

"Whereas it is only just that private citizens should not be compelled or find it necessary to remain constantly vigilant to detect such instances of malfeasance or misfeasance, nor forced, in protecting their own welfare, to intimidate or risk intimidation of their private interests in challenging the propriety of such improper actions by administrative officers of Federal agencies: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States be memorialized and urged to take such action as may be necessary, now and at all times, including the enactment of laws, to effectively impress upon the administrative officers of all Federal agencies that the authority delegated to them by the Congress to effectuate the provisions of Federal statutes does not include the power or privilege to prescribe policies, procedures, regulations or decrees that are inconsistent with the law, or that are based upon subjective judgment, personal philosophy, or the arbitrary interpretation of, assumption of, or speculation upon the actual intent of Congress in its acts; be it further

"Resolved, That a copy of this memorial be dispatched by the Secretary of the State of Florida to each Member of the Senate and the House of Representatives of the Congress of the United States, and that this memorial be spread upon the journal of the Senate and the House of Representatives of the Legislature of the State of Florida."

A joint resolution of the General Assembly of the State of Connecticut; ordered to lie on the table:

"HOUSE JOINT RESOLUTION 201

"RESOLUTION MEMORIALIZING CONGRESS CONCERNING HOME RULE FOR THE DISTRICT OF COLUMBIA

"(Adopted by the Connecticut General Assembly, May 28, 1959.)

"Resolved by this assembly:

"Whereas there are 826,000 Federal taxpaying residents in the District of Columbia, our Nation's Capital, who have long lacked any voice in the government of the District of Columbia in which they live; and

"Whereas the taxpaying residents of the District of Columbia are without even a voteless delegate to represent them in the Halls of Congress; and

"Whereas the U.S. Senate has, during the last decade, four times passed legislation granting home rule to the residents of the District of Columbia; and

"Whereas such legislation has four times been killed in the District of Columbia Committee and the Rules Committee of the House of Representatives; and

"Whereas it is a matter of grave injustice to deny American citizens the right even to govern themselves as to matters of local interest, and particularly so when they are obliged to bear the costs of such government: Be it

"Resolved, That this assembly favors legislation to grant home rule to the District of Columbia; and be it further

"Resolved, That this body urges the members of the Connecticut delegation in the House of Representatives of the United States to sign a discharge petition to bring a bill granting home rule to the District of Columbia onto the floor of the House of Representatives in the event that such a bill is again approved by the Senate and bottled up in either the District of Columbia Committee or the Rules Committee of the House of Representatives; and be it further

"Resolved, That the clerks of the house and senate are directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from Connecticut in the Congress of the United States.

"FRANK J. MONCHUN,
"Clerk of the Senate.
"ROBERT J. SULLIVAN,
"Clerk of the House.
"ELLA GRASSO,
"Secretary of State."

A letter in the nature of a petition from Myles W. McKenzie, Jr., of Monroe, La., relating to total destruction in the event of a nuclear war; to the Committee on Aeronautical and Space Sciences.

A resolution adopted by the Municipal Assembly of Vieques, P.R., favoring the enactment of Senate bill 2023, relating to modification and clarification of the present law governing Puerto Rico's relations with the Federal Government; to the Committee on Interior and Insular Affairs.

A resolution adopted by the City Council of the City of Chicago, Ill., urging the U.S. Congress to create a national park in the Indiana dunes; to the Committee on Interior and Insular Affairs.

A resolution adopted at the 1959 Massachusetts Universalist Convention at Boston, Mass., relating to secrecy in Government; to the Committee on the Judiciary.

A resolution adopted at a special meeting of the Virgin Islands Bar Association, favoring confirmation of the nomination of Walter A. Gordon as judge of the District Court of the Virgin Islands; to the Committee on the Judiciary.

RESOLUTIONS OF 78TH ANNUAL CONFERENCE OF AMERICAN LIBRARY ASSOCIATION

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred two resolutions which were recently adopted by the 78th Annual Conference of the American Library Association in Washington, D.C. These two resolutions highlight two important legislative necessities if our Nation is to continue to have the best possible archival and library depository service.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Public Works:

"RESOLUTION ADOPTED BY THE AMERICAN LIBRARY ASSOCIATION AT ITS 78TH ANNUAL CONFERENCE, WASHINGTON, D.C., JUNE 26, 1959

"The American Library Association meeting in its 78th annual conference in Washington, D.C., June 26, 1959, notes with keen interest House Joint Resolution 352, introduced by Representative BURLESON, chairman of the Joint Committee on the Library, and Senate Joint Resolution 97, introduced by Senator GREEN, vice chairman, to authorize an appropriation of $75,000 for making plans and estimates for an urgently needed building for the Library of Congress.

"The association urges that Congress take immediate action on this joint resolution which would provide for new facilities for the Library of Congress which, in addition to serving Congress, serves also as a great national library, complementing the resources of libraries throughout the country.

"This resolution to be sent to every Member of the U.S. Congress at the earliest possible date."

To the Committee on Rules and Administration:

"RESOLUTION ADOPTED BY THE AMERICAN LIBRARY ASSOCIATION AT ITS 78TH ANNUAL CONFERENCE, WASHINGTON, D.C., JUNE 26, 1959

"Whereas there has long been a growing need to improve conditions related to our outmoded depository library laws; and

"Whereas the expanding demand on the services of libraries throughout America to furnish documents by our Government is becoming far greater than facilities presently provided; and

"Whereas the U.S. House of Representatives did pass and send to the Senate on March 19 of this year a legislative proposal designed to revise and modernize the depository library law; and

"Whereas the American Library Association at the request and invitation of the Committee on House Administration gave willingly of its time and resources to develop and perfect an acceptable vehicle for congressional consideration: Therefore be it

"Resolved, That the American Library Association in its 78th annual conference assembled, by unanimous acclaim, respectfully requests the Honorable Committee on Rules and Administration of the United States Senate to take favorable action on this measure at its earliest convenience; and be it further

"Resolved, That copies of this resolution be directed to all Members of the U.S. Senate."

RESOLUTION OF CIVIL AND BUSINESS FEDERATION, WHITE PLAINS, N.Y., CHAMBER OF COMMERCE

Mr. JAVITS. Mr. President, I present, for appropriate reference, a resolution adopted by the Civic and Business Federation of the White Plains, N.Y., Chamber of Commerce, favoring an urban renewal program within the budget recommended by the President. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on

Banking and Currency, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF CIVIC AND BUSINESS FEDERATION, WHITE PLAINS CHAMBER OF COMMERCE, WHITE PLAINS, N.Y.

Whereas the Civic and Business Federation, White Plains Chamber of Commerce, since 1955 has studied and advocated an urban redevelopment program for White Plains under the Federal Housing Acts of 1949 and 1954, and on March 3, 1958, the common council of the city of White Plains made formal application for a Federal planning and redevelopment grant; and

Whereas the conditions of substandard housing and needed redevelopment of the older section of our city still require both Federal and State assistance in addition to our own city's sizable contribution if blight is to be arrested and new values created which will more than repay initial outlays: Now, therefore, be it

Resolved, That the board of directors of this federation wishes to go on record with our Congressman and our New York State Senators and the President of the United States that it is their opinion that the urban renewal program of the Federal Government be endorsed on a basis within the budget recommended by the President of the United States, in order that our city and many others requiring and deserving the assistance provided therein can proceed to replace slum housing and blighted business areas with modern, safe, and income-producing urban redevelopment projects after necessary planning studies are made and in accord with the many safeguards provided for in the urban renewal laws.

RESOLUTION OF NEW YORK STATE ASSOCIATION OF REAL ESTATE BOARDS, INC.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the New York State Association of Real Estate Boards, Inc., relating to the Kinzua, Pa., versus the Conewango, N.Y., flood-control plans.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

KINZUA, PA., VERSUS THE CONEWANGO, N.Y., FLOOD-CONTROL PLANS

Whereas the Congress of the United States is considering a dam for the control of the upper Allegheny River for flood control of the Warren-Pittsburgh area at a cost in excess of $100 million; and

Whereas the Kinzua plan alone has been thoroughly investigated by the Corps of Army Engineers; and

Whereas an authority in the field, namely, Arthur E. Morgan, engineer for TVA, has submitted to the House and Senate Appropriations Committees evidence that the Conewango plan is superior; and

Whereas said Conewango plan appears to have greater capacity and efficiency in its purpose of flood control; and

Whereas its total cost would be less than the Kinzua plan; and

Whereas the development of the proposed Conewango would change low marshlands into a great recreational area thereby improving property values; and

Whereas the Kinzua plan would displace many Indians dwelling on the Kinzua Reservation, thereby breaching a long-time Federal treaty; and

Whereas in addition to the dishonor of such breach, it could reach proportions of injuring our international prestige: Now, therefore, be it

Resolved, That the New York State Association of Real Estate Boards, Inc., contact U.S. Senators KEATING and JAVITS, Congressman CHARLES GOODELL, urging support of the Conewango plan, and urge its individual members to do likewise.

RESOLUTION OF NORTHEASTERN ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE

Mr. WILLIAMS of New Jersey. Mr. President, the Secretary of the Department of Agriculture in New Jersey, Mr. Phillip Alampi, has forwarded to me a resolution adopted by the Northeastern Association of State Departments of Agriculture at their recent annual meeting in Easton, Md., regarding milk sanitation standards and Federal milk marketing orders.

This resolution states the strong opposition of this group to the enactment of S. 988 or H.R. 3840, known as the National Milk Sanitation Act.

I ask unanimous consent to have this resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTIONS UNANIMOUSLY PASSED CONCERNING MILK SANITATION STANDARDS AND FEDERAL MILK MARKETING ORDERS

Whereas the Federal milk marketing order program materially affects the returns that the majority of milk producers in the Northeastern States receive for their milk; and

Whereas the several Federal milk marketing orders in operation in the Northeastern States take into consideration, in determing the level of class I prices, variations in economic factors affecting the production and marketing of milk in each specific marketing area, including labor costs, sanitation standards, taxes, feed costs, etc.: Now, therefore, be it

Resolved, That the Northeastern Association of Departments of Agriculture, duly assembled at Easton, Md., on May 25, 1959, goes on record as being unalterably opposed to the inclusion in any Northeastern Federal order any provision which would limit the level of class I prices as determined pursuant to the several economic formulas used in computing such class I prices, by relating such prices to the Midwest condensary price or other manufactured milk price.

Whereas the enactment of Senate bill 988 or House of Representatives bill 3840 known as the National Milk Sanitation Act would result in further concentration of authority in the Federal Government and a diminution of power of the several States, which is contrary to the policy of the National Association of Departments of Agriculture: Now, therefore, be it

Resolved, That the Northeastern Association of Departments of Agriculture duly assembled at Easton, Md., on May 25, 1959, goes on record as being unalterably opposed to the enactment of such or similar legislation.

E. E. TOWNE,
Secretary.

RESOLUTION OF LINTON, N. DAK., CIVIC CLUB

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Linton Civic Club, of Linton, N. Dak., relating to the construction of a bridge across the Missouri River at some point in Emmons County, west of Linton, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas public interest has been directed to the necessity of a bridge across the Missouri River somewhere between Mobridge, S. Dak., and Bismarck, N. Dak.; and

Whereas two bridges across the Missouri in South Dakota have been declared surplus since they had to be replaced by longer bridges because of Oahe Reservoir, and that these bridges have been suggested for relocation upstream from Mobridge, S. Dak.; and

Whereas the distance between Mobridge, S. Dak., and Bismarck, N. Dak., is approximately 140 road miles, and that a point on the Missouri in Emmons County west of the city of Linton would be approximately half way between Mobridge and Bismarck, and that the stretch between these two cities is the longest stretch on the Missouri River without a bridge in either North or South Dakota, and that a public free bridge between these two points would be for the benefit and convenience of the public: Now, therefore, be it

Resolved by the Linton Civic Club, representing the merchants and professional men of the city of Linton, N. Dak., That we go on record urging and requesting the Federal Government in cooperation with the State of North Dakota, to construct a bridge across the Missouri River at some point in Emmons County west of Linton, N. Dak.; be it further

Resolved, That copies of this resolution be forwarded to the State highway commissioner, U.S. Representative DON L. SHORT and QUENTIN BURDICK, and U.S. Senators MILTON R. YOUNG and WILLIAM LANGER.

PETER A. HORNER,
President.
PETER A. KRAFT,
Secretary, Linton Civic Club.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. Res. 147. Resolution authorizing additional expenditures by the Committee on Interior and Insular Affairs; referred to the Committee on Rules and Administration; and

H.R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work (Rept. No. 538).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, without amendment:

S. 1436. A bill to amend section 1 of the act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869) (Rept. No. 537).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1038. A bill for the relief of Wong Gar Wah (Rept. No. 539);

S. 1392. A bill for the relief of Isabel M. Menz (Rept. No. 540);

S. 1627. A bill for the relief of Mrs. Paula Daml (Rept. No. 541);

S. 1945. A bill for the relief of Josef Jan Loukotka (Rept. No. 542);

H.R. 1631. An act for the relief of Joseph B. Kane, Jr. (Rept. No. 547);

H.R. 2594. An act for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and

Selma, N.C., on March 7, 1942 (Rept. No. 557);

H.R. 2846. An act for the relief of Dorman William Whittom (Rept. No. 548);

H.R. 3117. An act for the relief of Albert J. Hicks (Rept. No. 549);

H.R. 3249. An act for the relief of William S. Scott (Rept. No. 550);

H.R. 4060. An act to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run (Rept. No. 551); and

H.R. 6955. An act for the relief of Sallie B. Dickens (Rept. No. 558).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 464. A bill for the relief of Julia Mydlak (Rept. No. 543);

S. 1049. A bill for the relief of Rachel Borenstein (Rept. No. 544);

H.R. 2909. An act relating to the maintenance and travel expenses of judges (Rept. No. 552);

H.R. 6714. An act for the relief of Abraham Fye (Rept. No. 553); and

H.R. 6717. An act for the relief of Robert N. Anthony (Rept. No 554).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 36. A bill for the relief of Page A. Wilson (Rept. No. 545);

S. 1650. A bill to extend the period for filing claims under the War Claims Act of 1948 (Rept. No. 546);

H.R. 4340. An act to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies (Rept. No. 555); and

H.J. Res. 354. Joint resolution for the relief of certain aliens (Rept. No. 556).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEUBERGER (for himself, Mr. MORSE, Mr. MAGNUSON, and Mr. JACKSON):

S. 2404. A bill to reimburse the States of Oregon and Washington for the Federal share of costs of construction of the new interstate bridge across the Columbia River between Portland, Oreg., and Vancouver, Wash.; to the Committee on Public Works.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 2405. A bill for the relief of Meher K. Kanga and Kersasp H. Kanga; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2406. A bill for the relief of Matias T. Falcasantos; to the Committee on the Judiciary.

By Mr. BIBLE (by request):

S. 2407. A bill to amend the District of Columbia Unemployment Compensation Act, as amended; to the Committee on the District of Columbia.

By Mr. MOSS:

S. 2408. A bill for the relief of Joseph (Yousif) Abid; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2409. A bill for the relief of Caroline M. Newmark and Melville Moritz; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 2410. A bill to provide for the adoption in the Nation's Capital of the practice common to many other cities in the United States with regard to cultural activities by depositing in a special fund 1 mill out of each $1 of tax revenue of the government of the District of Columbia to be used for such programs, to advance the National Cultural Center and its educational and recreational programs, to provide financial assistance to the nonprofit art programs of the District of Columbia, and for other purposes, by amending the act of April 29, 1942; to the Committee on the District of Columbia.

S. 2411. A bill for the relief of Laureano and Conception Medina; to the Committee on the Judiciary.

By Mr. MCGEE (for Mr. O'MAHONEY):

S. 2412. A bill to amend section 5042(a)(2) of the Internal Revenue Code of 1954 to extend the tax exemption accorded to wine produced for family use to wine produced by individuals who maintain their own households; to the Committee on Finance.

By Mr. CAPEHART:

S. 2413. A bill for the relief of Mr. and Mrs. Mervin L. Cotterell; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. HENNINGS):

S. 2414. A bill to provide for the conveyance to the city of St. Louis, Mo., of certain land in the city of St. Louis, to be used for National Guard purposes; to the Committee on Armed Services.

By Mr. SCOTT:

S. 2415. A bill to amend title 28, United States Code, to authorize, under rules prescribed by the Supreme Court, the referral to arbitration of certain automobile cases coming before the district courts of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. SCOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING (for himself and Mr. DODD):

S. 2416. A bill to provide authority for an industrial security program, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2417. A bill to repeal the provisions of part II of the Interstate Commerce Act which authorize certain operations within a State as a common carrier by motor vehicle engaged in interstate or foreign commerce if State authorized; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON (for himself, Mr. HENNINGS, Mr. DIRKSEN, and Mr. DOUGLAS):

S.J. Res. 123. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

(See the remarks of Mr. SYMINGTON when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION

Mr. HUMPHREY (for himself, Mr. AIKEN, and Mr. CLARK) submitted a concurrent resolution (S. Con. Res. 66) calling for establishment of a White Fleet of Aid and Mercy, which was referred to the Committee on Armed Services.

(See the above concurrent resolution printed in full when submitted by Mr. HUMPHREY, which appears under a separate heading.)

TOLL-FREE OPERATION OF INTERSTATE BRIDGE BETWEEN PORTLAND, OREG., AND VANCOUVER, WASH.

Mr. NEUBERGER. Mr. President, on behalf of myself, my colleague, the senior Senator from Oregon [Mr. MORSE], the senior Senator from Washington [Mr. MAGNUSON], and the junior Senator from Washington [Mr. JACKSON], I introduce, for appropriate reference, a bill which will make it possible for the new interstate bridge across the Columbia River between Portland, Oreg., and Vancouver, Wash., to be operated without the payment of tolls by highway users. The new interstate bridge is an important link in U.S. Highway 99, which extends from the Canadian border to the Mexican border. This is the principal north and south highway on the Pacific coast, and it is a part of the National System of Interstate and Defense Highways. The bill provides that whenever the States of Oregon and Washington take such action as may be necessary to provide for operation and maintenance of the interstate bridge as a toll-free facility, the Secretary of Commerce is authorized to reimburse the States for the Federal share of the bridge construction costs.

I think it is important that the Federal Interstate Highway System be kept completely free of toll operations so that traffic may flow unimpeded throughout the entire highway network. The bill which the Senators from Oregon and Washington have introduced will help to achieve this objective.

Mr. President, I have opposed operation of the Columbia River interstate bridge as a toll bridge ever since the idea was first conceived. When the proposal was first before the Oregon Legislature, both my wife and I, who were then in the Oregon State Legislature, voted against the unwise toll bridge measure. Authorizing legislation was enacted by the legislatures of both Oregon and Washington, however, plans were approved and bonds issued to finance the construction of the toll bridge. In my opinion, Mr. President, the State officials who approved this action cannot escape responsibility now for the fact that the interstate bridge imposes tolls on those who use it. If the State had waited a few short months, it would have been possible to have included the bridge in the Federal Interstate System and the bridge would have been eligible for 90 percent Federal aid.

But that is all past history. We must now seek another solution to the problem. I am hopeful that the administration will see fit to alter its policy against reimbursement of the State for units in the Interstate System which have been built by the State as toll roads or bridges. Without such support, there is slight hope for approval of the procedure we have advanced for meeting the bridge problem.

There is widespread support in both Oregon and Washington for operation of the interstate bridge without tolls. I

ask unanimous consent to have printed in the RECORD, resolutions which have been adopted by the city of Portland and the city of Vancouver.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the resolutions will be printed in the RECORD.

The bill (S. 2404) to reimburse the States of Oregon and Washington for the Federal share of costs of construction of the new interstate bridge across the Columbia River between Portland, Oreg., and Vancouver, Wash, introduced by Mr. NEUBERGER (for himself, Mr. MORSE, Mr. MAGNUSON, and Mr. JACKSON), was received, read twice by its title, and referred to the Committee on Public Works.

The resolutions presented by Mr. NEUBERGER are as follows:

RESOLUTION OF CITY OF PORTLAND

Whereas U.S. Highway 99, extending from the Canadian border on the north to the Mexican border on the south, is the principal north-south highway on the Pacific coast, and crosses the Columbia River between the cities of Portland, Oreg., and Vancouver, Wash., the said highway being an integral portion of the new National System of Interstate and Defense Highways; and

Whereas the bridge across the Columbia River connecting the cities of Portland, Oreg., and Vancouver, Wash., and providing a link in the said interstate highway has long been toll-free, but because of interstate commerce moving by truck and bus and a tremendous increase in tourist travel, it has become necessary to construct the second bridge immediately next to the first bridge in order to accommodate the flow of traffic, and that in connection therewith it is proposed to collect toll on both bridges, which would be the only toll obstacle on the said highway between the borders of Canada and Mexico; and

Whereas the Legislatures of Oregon and Washington, without knowledge of congressional intentions, at their regular sessions, directed construction and financing of the additional bridge across the Columbia River because of their awareness of the needs of defense and commerce, just prior to the passage by the Congress of the bill authorizing new construction in connection with the National System of Interstate and Defense Highways, and that in justice and equity the bridges should be included under the Federal Highway and Highway Revenue Acts of 1956; and

Whereas, there are peculiar factors present in connection with these bridges, including the fact that there are no other toll-free bridges downstream from the Portland-Vancouver interstate bridges to the mouth of the Columbia River and upstream for a distance of more than 100 miles; that the peculiar and particular factors present in this situation distinguishing it from all other toll roads and bridges in the United States are well known to the congressional delegations of the State of Oregon and the State of Washington; that such factors are more particularly outlined in the memorandum attached hereto, marked "Exhibit A," and by this reference made a part hereof: Now, therefore, be it

Resolved by the council of the city of Portland, Oreg.

1. That the recommendation of the council as contained in Resolution 27455, adopted by the council November 13, 1957, a copy of which is attached hereto, marked "Exhibit B," and by this reference made a part hereof, hereby is reiterated and reemphasized;

2. The Washington and Oregon congressional delegations are respectfully requested to take the leadership in obtaining favorable congressional action by special legislation or otherwise to include the strategically vital interstate bridges between the cities of Vancouver, Wash., and Portland, Oreg., on Highway 99, as toll free and as a part of the Federal Interstate Highway System, such leadership being requested of the Oregon and Washington delegations because of their familiarity with the peculiar and particular factors present in this situation; and be it further

Resolved, That the Governors of the States of Oregon and Washington be requested to lend their good offices and all possible assistance to obtaining toll-free status for the said interstate bridges, and that through the offices of the Governors of the respective States, the Highway Commissions of Oregon and Washington be asked to join in petitioning the Congress to have the Portland-Vancouver Interstate Bridges established as toll-free; and be it further

Resolved, That the auditor of the city of Portland forward certified copies of this resolution, together with attached exhibits A and B, to the Members of the Washington congressional delegation, the Honorable Warren G. Magnuson, and the Honorable Henry M. Jackson, U.S. Senators, Senate Office Building, Washington, D.C., the Honorable Thomas M. Pelly, the Honorable Jack Westland, the Honorable Russell V. Mack, the Honorable Catherine May, the Honorable Walt Horan, the Honorable Thor C. Tollefson, and the Honorable Don Magnuson, Representatives, House Office Building, Washington, D.C.; to the Oregon congressional delegation, the Honorable Wayne Morse, and the Honorable Richard L. Neuberger, U.S. Senators, Senate Office Building, Washington, D.C.; the Honorable Walter Norbald, the Honorable Al Ullman, the Honorable Edith Green, the Honorable Charles O. Porter, Representatives, House Office Building, Washington, D.C.; to Harold Say, Washington, D.C., representative of the Portland Chamber of Commerce; to Gov. Albert Rossellini, of the State of Washington, and to Gov. Mark O. Hatfield, of the State of Oregon; to the respective highway commissions of the two States; to the city council of the city of Vancouver, Wash.; and, to such other persons or organizations as the council of the city of Portland, Oreg., may direct from time to time.

Adopted by the council July 9, 1959.

RAY SMITH,
Auditor of the city of Portland.

RESOLUTION M 574

Whereas U.S. Highway 99 crosses Washington, Oregon, and California extending from Canada to Mexico as an interstate, interregional, international highway; and

Whereas U.S. Highway 99 has been designated as an integral portion of the new National System of Interstate and Defense Highways, hereinafter referred to as the Interstate Highway System; and

Whereas there is now no toll road, toll bridge or other toll charge anywhere along this important throughway; and

Whereas a toll bridge charge will be imposed at the time of the completion of the Portland-Vancouver interstate bridge system unless early action is taken by the local and Federal Governments to maintain the free flow of interstate commerce; and

Whereas it was a historical accident that the bonds for the Portland-Vancouver interstate bridge were sold, the contracts let and preliminary engineering phases of construction begun within a matter of 3 months prior to June 29, 1956; and

Whereas no substantial amount of the actual construction work on said bridge had taken place at the time of the passage of said acts by the Congress nor prior to signature by the President; and

Whereas the brunt of the toll charges at the Portland-Vancouver interstate bridge would fall on workers who must daily commute to their jobs, and

Whereas many workers in Vancouver and Portland have moved and do now live on the other side of the Columbia River and have made investments in their homes on the basis of the existing toll-free bridge; and

Whereas the establishment of a toll would force many of these interstate workers to sell their homes and move across the river; and

Whereas Vancouver and Portland businessmen make frequent trips across this bridge and would be burdened by additional costs of doing business if a toll were imposed; and

Whereas much of the cost of the bridge is directly attributable to the desire of Federal agencies to improve river navigation by raising the height of the bridges and by providing a hump in the bridge; and

Whereas it is manifestly unfair to expect commuters, businessmen and other residents of the Vancouver-Portland metropolitan area to bear this cost of improving navigation which is historically borne by the Federal Government; and

Whereas the collection of tolls would in part be for paying for toll collectors, toll houses, interest on bonds, and administrative overhead; and

Whereas the people of Portland and Vancouver have already paid off the first interstate bridge by means of tolls over many years and were under protection of a contract which ostensibly prohibited a reimposition of tolls for any reason; and

Whereas the major reason for the second bridge and the costly approaches is to facilitate the flow of traffic; and

Whereas the stopping of traffic to permit payment of tolls would actually recreate congested conditions; and

Whereas the Federal highway program, does include some new highways which had previously been considered for building as toll roads; and

Whereas it is our firm belief that Congress intended all portions of the new Federal Interstate Highway System to be free of tolls other than gas taxes: Now, therefore, be it

Resolved by the city of Vancouver—

SECTION 1. The city council of the city of Vancouver hereby goes on record as opposing the proposed toll on the newly constructed interstate bridge, and respectfully requests the Governors of Washington and Oregon and the highway commissions of Washington and Oregon, to do all in their power to clarify the provisions of the Federal Highway and Highway Revenue Act of 1956, for the purpose of having that portion of the Interstate Highway System known as the Portland-Vancouver Interstate Bridge, continued to be operated as a toll-free bridge, and that the costs of improving the existing highway be borne and paid for out of funds provided by the Congress from gas taxes and other revenues for the Interstate Highway System.

SEC. 2. The city council of the city of Vancouver, respectfully requests the council of the city of Portland to join in this opposition of the proposed toll and to do all in their power to prevent said toll from being imposed upon the residents of the Portland-Vancouver area.

Adopted at regular session of the council of the city of Vancouver, this 2d day of June 1959.

IRVING A. JENSEN,
Mayor.

Attest:

RONALD G. LOVETTE,
City Clerk.

Approved as to form.

JOHN F. WYNNE,
City Attorney.

MEHER K. KANGA AND KERSASP H. KANGA

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill for the relief of Meher K. Kanga and Kersasp H. Kanga. I ask unanimous consent that the bill, together with the correspondence attached thereto, may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and correspondence will be printed in the RECORD.

The bill (S. 2405) for the relief of Meher K. Kanga and Kersasp H. Kanga, introduced by Mr. WILEY, was received read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the quota limitations of the Immigration and Nationality Act, upon application hereafter filed, immigration visas may be issued, and admission for permanent residence granted, to Meher K. Kanga and Kersasp H. Kanga, if they are otherwise admissible under the Immigration and Nationality Act. Upon the issuance of such visas, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The correspondence presented by Mr. WILEY is as follows:

WEST ALLIS STATE BANK,
West Allis, Wis., July 17, 1959.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR WILEY: This letter is written to introduce to you the gentleman who has written the enclosed letter. This is written in place of the telephone conversation which I had hoped to have with you on Friday, the 17th, but failed to make connections because of your activities on the Senate floor.

Mr. John W. Dooley is a local resident I have known for the past 26 years. He is a brother of the man who preceded me when I became cashier of this bank. I knew him when he and I both attended the same church locally and I remember him from the days he and I were local Kiwanians.

In my opinion he is a man who is very sound in his thinking and his integrity is absolutely tops. Thus the enclosure, I am sure, states the facts correctly. I feel certain that if there is anything that can be done for Mr. Dooley in this instance it would be greatly appreciated.

As to subject No. 2, we here at the West Allis State Bank recently saw in a local paper that the facilities at the Veterans' Administration at Wood, Wis., were to be improved and expanded. What can you tell us about this proposed project?

Thanking you for your courtesies, I remain,

Sincerely,

R. A. GRUBER,
President.

WEST ALLIS, WIS., *July 17, 1959.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR WILEY: About 5 or 6 years ago the writer had at his home, practically as a member of the family, a young student from India, Bahman K. Kanga, while the young man was at the Allis-Chalmers Manufacturing Co., as a student engineer. The young man subsequently completed his education, and because of his highly technical skill as an electrical engineer, he was able to establish himself as a permanent resident of the United States. He has since been employed with the Vern E. Alden Co., 33 North La Salle Street, Chicago 2, Ill.

Mr. Kanga later married, and established his home at Chicago, 439 Melrose Street, Chicago, Ill. However, his wife, Audrey, died suddenly on July 8, 1959, leaving an infant son 15 months of age. Mr. Kanga has no people in America to assist in caring for the child, nor to take charge of his home arrangement. While the child is a natural born citizen of the United States, Mr. Kanga himself will not become eligible to apply for citizenship until April 1961.

In the meantime, Mr. Kanga's parents, and grandparents of the child, who are now residing in India, are ready and willing to come to America immediately the way is cleared for them to surmount the obstacle of the immigration laws. They are well educated, cultured people, of modest means; their son is now giving them substantial financial assistance, and would be financially responsible for them should they be able to obtain admission to the United States. However, they can now obtain admission only as second quota, for temporary residence not to exceed 6 months.

Apparently any real solution to this man's problem would require that his parents, who are now in India, be permitted to enter the United States on a permanent residence basis. Further, it appears that any direct help in the matter must come from the Congress. Thus, this outline is being presented to you, together with the appended schedule of factual information, in the hope that some means of relief can be developed during the short interval before the Congress may adjourn.

Thanking you for your careful consideration, I am,

Most respectfully,

JOHN W. DOOLEY.

Kanga, Bahman K., 439 Melrose Street, Chicago. Age 34 years. Employed as electrical engineer by Vern E. Alden Co., 33 North La Salle Street, Chicago. Franklin 2-0255.

Son: Kanga, Darius, age 15 months. Natural born U.S. citizen.

Wife: Audrey, 31 years, died July 8, 1959.

Parents: Mother: Kanga, Meher K., age 62 years (2 years college); father: Kanga, Kersasp H., age 67 years. B.A. degree; retired, import-export business.

Address: 3, Gandhi Road, Santa Cruz, Bombay, India.

Both parents are citizens of India by birth. Both parents are now in good health.

Bahman K. Kanga is financially reliable. He is now financially supporting both parents.

Bahman K. Kanga is established as a permanent resident of the United States. He will become eligible for U.S. citizenship in April 1961. His infant son is a U.S. citizen by birth.

REFERENCE TO ARBITRATION OF CERTAIN AUTOMOBILE CASES BEFORE DISTRICT COURTS

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to authorize, under rules prescribed by the Supreme Court, the referral to arbitration of certain automobile accident cases coming before the district courts of the United States.

Congestion in the calendars of our courts is of crucial concern to all who are interested in the proper administration of the law.

"Justice delayed is justice denied."

Consequently, the solution of this problem deserves the best possible combined efforts of the bench and bar. This bill would authorize such efforts to be made by the bench and bar of our Federal district courts.

The bill follows a pattern used with outstanding success to solve the problem of congestion in the courts of the Commonwealth of Pennsylvania. Under the supervision of the Supreme Court, the bill permits the various district courts, as the state of their dockets may require or warrant, to adopt and rescind rules referring to arbitration-before-trial of automobile accident cases coming before them. The arbitrators would be chosen impartially from members of the bar qualified to serve and volunteering so to do. Any party to an award in such arbitration would be entitled to appeal to the court de novo, with or without jury, as though there had been no reference to arbitration.

The constitutionality of such an arrangement has been sustained, against argument of infringing the right to trial by jury, in a decision by the Supreme Court of Pennsylvania. It seems clear that the Supreme Court of the United States would adopt a similar view as to the proposed legislation, in the light of the Federal Constitution.

The practicality of the proposal has been proven time and again as successive county courts in Pennsylvania have made use of it. The most recent dramatic demonstration has been in Philadelphia. In that city, during the first year after the municipal court adopted rules of the type this bill would authorize, 2,500 volunteer members of the bar acting as arbitrators processed 10,000 cases which had congested the dockets. This reduced the average delays in trial from several years to less than 4 months.

The experience in Philadelphia proves the degree to which the system used there has been satisfactory to litigants. Of the 10,000 cases submitted to arbitration during the first year of the system in Philadelphia, only about 2½ percent have been appealed; and in the majority of those appealed and disposed of by the court, the arbitrators have been upheld.

Our Federal courts should be authorized to use equally efficient techniques in the performance of their work. This bill would give them such authority.

The need for this authority appears from the 1958 Annual Report of the Proceedings of the Judicial Conference of the United States. During the fiscal year ending June 30, 1958, of the 5,411 private civil trials in the U.S. district court, 1,344, or nearly one-quarter, were automobile personal injury cases based on diversity of citizenship. Since these cases averaged about 3 days for each trial, some 4,000 judge-days could have been saved by reference to arbitration, as proposed.

The particular importance of the proposal to the U.S. district courts for my State of Pennsylvania is evidenced in further statistics from the Judicial Conference Report I have mentioned. In 1958 the number of cases filed per judge in the eastern district of Pennsylvania was 311; while this ratio for the western

district was 219 per judge, and 187 for the less populated middle district.

Figures for comparable areas outside of Pennsylvania are as follows: For the southern district of New York, 374 cases per judge; for the northern district of Illinois, 287; for the eastern district of New York, 207; and for the northern district of California, 189.

It is my earnest hope that the Senate Judiciary Committee will give prompt consideration to this bill. I believe it will receive enthusiastic support from our judicial system.

The PRESIDING OFFICER (Mr. McGEE in the chair). The bill will be received and appropriately referred.

The bill (S. 2415) to amend title 28, United States Code, to authorize, under rules prescribed by the Supreme Court, the referral to arbitration of certain automobile cases coming before the district courts of the United States, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on the Judiciary.

INDUSTRIAL SECURITY PROGRAM

Mr. KEATING. Mr. President, on behalf of the Senator from Connecticut [Mr. DODD] and myself, I introduce, for appropriate reference, a bill to provide authority for an industrial security program and for other purposes.

It is essential to the security of our Nation that there be a program for the protection of Government secrets utilized in defense production. The private industries of this country engaged in defense work operate as a vital part of our defense effort. Security precautions are as important to such private operations as they are to similar operations of the Army, Navy, and Air Force. No thinking person can deny the duty of the Government to safeguard its military secrets from disclosure to subversives or other security risks who may infiltrate our defense establishments.

The Supreme Court's decision in the Greene case cast a dark cloud over the present industrial security program and exposed another dangerous gap in our legal defenses against subversion. It is not relevant whether the Court majority was right or wrong in its decision. It was the Court's duty to decide the case before it and we should not question the good faith or ability of the judges in fulfilling their judicial function. But it is equally our duty now to deal with the grave situation revealed by the Court's decision.

There is nothing in my reading of the majority opinion which suggests that a proper industrial security program would be unconstitutional. The main concern of the majority was with the lack of any express legislative or Presidential authorization for the present procedures. The same lack of explicit authority was recognized in the report of the Commission on Government Security which pointed out that "It is clear that there is no statute, or Executive order, which expressly authorizes the Department of Defense to establish an industrial security program." While this report concluded that a legal basis for this program could be implied from a number of statutes and regulations, it is clear that the matter has been in doubt for some time.

The remedy for this situation is plain. It is a clear statement of congressional authority for this program and the issuance of an Executive order carrying it out. The constitutional basis for such action can hardly be denied. It inheres in the basic right of self-preservation enjoyed by any sovereign power and finds explicit justification in the provisions of the Constitution authorizing Congress to provide for the common defense and to make all needful rules and regulations respecting the property of the United States. The protection of defense information and materials from misuse by untrustworthy individuals directly implements these grants of power.

Congress, of course, must exercise whatever powers it has in full conformity with the limitations against interference with a citizen's liberties prescribed by due process. Any such program presents some clash between the Government's concern to prevent sabotage and disclosure to the enemy of secret processes, statistics and information, and the private individual's concern to go where he pleases and engage in such work as is offered him. Enactments in this field must not limit the constitutionally protected individual liberties of the citizen to any greater extent than is reasonably necessary and proper to preserve national security.

The legislation which we have today introduced is designed to provide for continuance of an effective industrial security program and at the same time to introduce as many safeguards against unfairness or arbitrary action against an individual as is possible without undermining our security system. It is designed to assure that no individual will be denied security clearance as a result of idle rumor or gossip. It recognizes the importance of disclosure and a right of confrontation to the ascertainment of truth where facts are in dispute, without interfering with the work of regular investigative agencies. While it does not convert the clearance system into a judicial trial, it is intended to provide safeguards necessary to deal fairly with anyone who may become involved in such proceedings.

Mr. President, the Director of the FBI only recently warned the country against the continuing menace of Soviet subversion. "At the present time," Mr. Hoover said, "the Soviets are intensifying their espionage activities in the United States. They are interested in all types of intelligence, especially military, atomic, missile and related data." This reminder of the internal threat of communism should shake anyone's complacency about our present internal security.

The industrial security program does not constitute the Government's entire program for the protection of defense industries against sabotage, espionage, and subversion. Other important factors are the criminal laws against sabotage, espionage, and the disclosure of defense information. The industrial security program, however, has for many years been an important supplement to these criminal laws. It is clearly in the public interest that this program be restored as promptly as possible.

It may very well be that the bill we have introduced today can be perfected in many particulars. However, I believe it is adequate to protect our security and is wholly in consonance with constitutional limitations. I am hopeful that the Internal Security Subcommittee of the Committee on the Judiciary will be able to give this matter its early attention to the end that a bill may be reported to the Senate for action in the very near future.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2416) to provide authority for an industrial security program, and for other purposes, introduced by Mr. KEATING (for himself and Mr. DODD), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Contractors Security Act."

SEC. 2. No person who is an officer or employee or other representative of any Government contractor or subcontractor shall be given access to Government classified information or material except in accordance with the provisions of this Act.

SEC. 3. The President is authorized to promulgate rules and regulations under which any such person may be allowed clearance for access to classified information or material upon a determination that such access is consistent with the interests of national security. The President may delegate any functions vested in him by this Act to such Federal officers or agencies as he may designate.

SEC. 4. Any such person denied clearance for access to classified information or material or whose clearance has been suspended shall be given: (1) a written statement within thirty days of such action of the reasons therefor, stated as specifically and in detail as security considerations permit; (2) an opportunity within thirty days thereafter to reply to the statement and to submit affidavits in support of such reply; (3) a prompt hearing, at his request, before a hearing officer designated for such purpose who shall prepare a recommended decision; (4) a review of such recommended decision by the head of the agency involved, or other Federal officer or agency designated by the President; (5) a written statement of the determination of the agency head or such other Federal officer or agency.

SEC. 5. In the event a hearing is requested under Section 4 of this Act—

(1) The applicant shall be given reasonable notice of the time and place of the hearing;

(2) The applicant shall be advised of his privilege of being represented by counsel;

(3) The applicant shall have a reasonable opportunity to present all information relevant and material to the formulation of the hearing officer's recommendation in his case;

(4) The applicant may testify in his own behalf, present witnesses and offer other evidence. If any witness whom the applicant

wishes to call is unable to appear personally, the hearing officer may, in his discretion, accept an affidavit by him or order that his testimony be taken by deposition. Such deposition may be taken by any person designated by the hearing officer and such designee shall be authorized to administer oaths for the purpose of the depositions;

(5) A complete verbatim stenographic transcript shall be made of proceedings conducted under this section, and such transcript shall constitute a permanent part of the record. Upon request the applicant or his counsel shall have the right to inspect the transcript, and each witness shall have the right to inspect the transcript of his own testimony;

(6) Attendance at hearings under this section shall be restricted to such officers of the agency involved as may be concerned with the case under consideration, the applicant, his counsel, the witnesses, and the official stenographers. Witnesses shall be present at the hearing only while actually giving testimony, unless otherwise directed by the hearing officer;

(7) Proceedings under this section shall be conducted in such manner as to assure the applicant of a full disclosure of any evidence against him and confrontation of all adverse witnesses unless, in the opinion of the hearing officer or agency head or other Federal officer or agency designated as appropriate, such disclosure or confrontation would adversely affect the national security, safety or public interest: *Provided*, That no derogatory information shall be relied upon as a basis for denying an applicant clearance for access to classified information or material unless the applicant has been furnished a statement by the hearing officer summarizing such information in as much detail as is possible without adversely affecting the national security, safety or public interest.

(8) Any pertinent Government files submitted to the hearing officer shall be considered as part of the evidence in each case without testimony or a ruling as to admissibility. Such files may not be examined by the applicant except in accordance with the provisions of subsection (7).

(9) In making his recommended decision the hearing officer shall consider the entire record, including the transcript of the proceedings and any files and confidential information which he may have received. The hearing officer shall take into consideration the inability of the applicant to challenge information of which he has not been advised in full or in detail, or to attack the credibility of information which has not been disclosed to him. Judicial rules of evidence shall not apply in proceedings under this section except that reasonable restrictions shall be imposed by the hearing officer as to the relevancy, competency, and materiality of evidence introduced in the proceeding.

SEC. 6. Any such person whose employment is suspended or terminated by reason of the denial to him of clearance for access to classified information or material and is subsequently reinstated or restored to his position after a favorable review of his case, may recover from the United States the amount of any loss of compensation for all or any part of the period of such suspension or termination represented by the difference between the amount such person would normally have earned during the period of such suspension or termination, at the rate he was receiving on the date of suspension or termination, and the aggregate amount of the earnings of such person during that period.

SEC. 7. Nothing contained in this Act shall be construed to deprive any individual of any rights or benefits conferred upon him by the National Labor Relations Act, as amended by the Labor-Management Relations Act, 1947.

SEC. 8. Whoever willfully violates any rule, regulation, or order issued pursuant to the provisions of this Act, or knowingly obstructs or interferes with the exercise of any power conferred by this Act shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or both.

SEC. 9. This Act shall take effect at 12:01 o'clock ante meridian United States eastern standard time on the fifteenth day immediately following the date of its enactment, or on such earlier date as the President may prescribe by proclamation published in the Federal Register.

REPEAL OF CERTAIN PROVISIONS OF PART II OF INTERSTATE COMMERCE ACT

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to repeal the provisions of part II of the Interstate Commerce Act which authorize certain operations within a State as a common carrier by motor vehicle engaged in interstate or foreign commerce if State authorized. I ask unanimous consent that a statement relating to the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2417) to repeal the provisions of part II of the Interstate Commerce Act which authorize certain operations within a State as a common carrier by motor vehicle engaged in interstate or foreign commerce if State authorized, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

When the Motor Carrier Act was passed in 1935 placing for-hire motor carriers under the jurisdiction of the Interstate Commerce Commission, it was generally believed that transportation of property moving in interstate commerce solely within the confines of a State would be merely incidental to the carriers' intrastate operations. Thus under the second proviso of section 206(a)(1) of the Interstate Commerce Act, certain motor carriers who confine their operations to a single State, and who hold intrastate operating authorities, are permitted to engage in interstate and foreign commerce without securing operating authority from the Interstate Commerce Commission providing the motor carrier registers its intrastate certificate with the Interstate Commerce Commission.

Since that time conditions have changed materially and such interstate operations, generally speaking, are important links in the routes of connecting carriers. Not infrequently, due to the registration provision, State certificates are obtained for the sole purpose of providing a link in a chain of interstate movements.

While it was originally a simple matter for the States to handle such proceeding, this is no longer the case. Many multiple State operators, although not eligible to operate under the second proviso, nevertheless have obtained intrastate certificates. It appears that not infrequently they later transferred their intrastate certificates to carriers who are eligible to operate under the second proviso.

There continues to be numerous instances where single State operators entitled to registration, nevertheless have obtained certificates from the Interstate Commerce Commission and later have sold their interstate certificates to persons who thereupon have entered into interstate operations under the exemption. This has resulted in great multiplicity of interstate operations without any action on the part of the Interstate Commerce Commission.

The motor carrier industry through expansion and consolidation has become stable. It would appear desirable that entry of motor carriers into the interstate transportation picture should be based on the need for additional interstate services and should not be brought into existence merely because a State commission finds there is need for intrastate service between points in the State.

Numerous abuses and problems appear insoluble under the present provision of the act. It is generally recognized that the underlying need for future registrations no longer exists. The proviso should be repealed with provisions preserving the rights of those carriers presently engaged in such operations under the proviso.

Motor common carriers now holding registered State certificates have become an integral part of the interstate common carrier system, and in order that their services may continue to be available to the shipping public, it is essential that all existing rights be preserved.

Under the provisions of the bill the status of such carriers will be preserved by the issuance by the Interstate Commerce Commission of certificates of registration upon application and without further proceeding, for the purpose of authorizing such operation and identification of the State certificate under which the applicant is carrying on such operation. The continued right of transfer of the State certificate is preserved through the certificate of registration.

APPROVAL OF CERTAIN ADDITIONAL POWERS CONFERRED ON BI-STATE DEVELOPMENT AGENCY BY STATES OF MISSOURI AND ILLINOIS

Mr. SYMINGTON. Mr. President, on behalf of my senior colleague from Missouri [Mr. HENNINGS], the Senators from our neighboring State of Illinois [Mr. DIRKSEN and Mr. DOUGLAS], and myself, I introduce, for appropriate reference, a joint resolution granting the consent of Congress to certain additional powers given to the Bi-state Development Agency by the Legislatures of Missouri and Illinois.

The joint resolution is being introduced in the House by Representatives of the districts concerned.

The Bi-State Development Agency operates in the St. Louis metropolitan area, which includes the city of St. Louis; St. Louis, St. Charles, and Jefferson Counties in Missouri; and Madison, St. Clair, and Monroe Counties in Illinois.

The functions of this agency are similar to those of the New York Port Authority. It has the power to build or lease, and to operate a variety of facilities, in the bistate area.

The original compact was approved by the Illinois and Missouri State Legislatures in 1949 and entered into on September 20, 1949. Consent of Congress was given in Public Law 743 of the 81st Congress, approved August 31, 1950.

Since then the agency has found itself seriously hampered by limitations on its power to finance projects through the sale of revenue bonds. Additional powers

were provided by Illinois legislation passed in 1953 and 1959; and Missouri legislation passed in 1957 and 1959. Consent of the Congress to this action is being sought in the joint resolution introduced today.

The additions would make bistate revenue bonds negotiable and available for purchase by trust and guardianship estates. Consolidation of bonds issued to finance separate projects is permitted.

According to the agency, the additional powers are needed to provide the service to the bistate area contemplated in the original compact.

This agency may engage only in projects which are in the public interest. Funds are not being sought from either the States of Illinois, or Missouri, or the Congress. Funds will be provided by sale of revenue bonds. Therefore all the projects must be self-liquidating, and must meet the scrutiny of prospective purchasers of the bonds.

The joint resolution being introduced today will give congressional approval for that additional power given to the bistate agency by the State legislatures earlier this year.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 123) approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois, introduced by Mr. SYMINGTON (for himself, Mr. HENNINGS, Mr. DIRKSEN, and Mr. DOUGLAS), was received, read twice by its title, and referred to the Committee on the Judiciary.

HOUSING AND URBAN RENEWAL—AMENDMENT

Mr. BUSH. Mr. President, I submit, for appropriate reference, an amendment intended to be proposed by me to Senate bill 2378, the new housing bill, and ask that it be appropriately referred.

Mr. President, Senate bill 2378 represents a sincere effort to reconcile differences of opinion between the Executive and the Congress over the provisions of housing legislation.

One of the major concessions to the viewpoint of the majority of Congress was the omission of President Eisenhower's proposal that the Federal share of the costs of urban renewal be gradually reduced, with corresponding increases in State or local shares.

I have believed, and still believe, that the President's recommendation was sound. Greater participation on the part of the States in slum clearance and urban renewal is urgently needed. If the States would assume their rightful responsibilities in this program, much greater total amounts of public funds would be devoted to this work and the herculean job of restoring the Nation's cities could be accomplished more rapidly.

A majority of the Congress has, however, decided otherwise. Therefore, Senate bill 2378 leaves unchanged the present formula by which the Federal Government bears two-thirds or more of the net cost of urban renewal projects.

I am convinced that it would be desirable to provide an incentive to the States to participate actively in urban renewal. Accordingly, my amendment, while leaving the cost-sharing formula unchanged, would give priority to projects in States where the State government provides at least one-half of the local costs. My amendment was contained in Senate bill 57, and was approved by the Senate without opposition when that bill was before us. Regrettably, this provision was stricken from the bill in conference.

I hope the Senate will again approve this desirable incentive to the States, and that should a housing bill again go to conference that the Senate conferees will insist upon its retention.

I ask unanimous consent that the amendment may be printed in the RECORD.

There being no objection, the amendment was received, referred to the Committee on Banking and Currency, ordered to be printed, and printed in the RECORD, as follows:

On page 45, between lines 17 and 18, insert the following:

"PRIORITY TO STATE-ASSISTED PROJECTS

"SEC. 411. Section 106 of the Housing Act of 1949 is further amended by adding at the end thereof the following new subsection:

"'(h) Without limiting any authority otherwise provided in this title, any local grants-in-aid may be furnished by the State government as distinguished from other local public agencies, as herein defined. In making capital grants available for projects, priority shall be given a project in a State where the State government has furnished or contracted to furnish local grants-in-aid to the project in an amount which equals or exceeds one-half the total required amount.'"

CIVIL RIGHTS ACT OF 1959—AMENDMENTS

Mr. HART submitted amendments, intended to be proposed by him, to the bill (S. 2391) to extend the Commission on Civil Rights, and to provide further means of securing and protecting the right to vote, which were referred to the Committee on the Judiciary and ordered to be printed.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS—ADDITIONAL COSPONSORS OF BILL

Mr. MUSKIE. Mr. President, I ask unanimous consent that the names of the distinquished Senator from Alabama [Mr. SPARKMAN] and the distinguished Senator from Rhode Island [Mr. PASTORE] may be added as additional cosponsors of the bill (S. 2026) to establish an Advisory Commission on Intergovernmental Relations, introduced by me (for myself and other Senators), on May 21, 1959.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON QUINEBAUG RIVER, THAMES RIVER BASIN, CONN. AND MASS. (S. DOC. NO. 41)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated March 26, 1959, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on an interim report on Quinebaug River, Thames River Basin, Conn. and Mass., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted September 14, 1955.

I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JACKSON:

Address on the subject "Missile-Satellite Diplomacy: A New Dimension of Warfare," delivered by him before the missile industry luncheon of the National Missile Industry Conference, May 26, 1959.

By Mr. BEALL:

Statement prepared by him regarding the Washington International Race sponsored by the Laurel Race Course at Laurel, Md.

By Mr. HUMPHREY:

Address entitled "What's Right With Railroad Labor?" delivered by him at the 37th convention of the Brotherhood of Locomotive Firemen and Enginemen, at St. Paul, Minn., on July 20, 1959.

By Mr. BYRD of Virginia:

Address delivered by Representative WILLIAM JENNINGS BRYAN DORN, of South Carolina, at Manassas, Va., on the 98th anniversary of the First Battle of Manassas.

By Mr. MANSFIELD:

Letter to editor of New York Times, concerning veto of wheat legislation, written by Hon. CARL ALBERT, Member of Congress, dated July 2, 1959.

By Mr. RANDOLPH:

Correspondence and news story published in Elkins (W. Va.) Inter-Mountain on July 17, 1959, entitled "Make Road Materials From Soft Coal Derivatives Is Object of New Plant."

BONNEVILLE POWER CORPORATION LEGISLATION

Mr. NEUBERGER. Mr. President, 3 days of hearings were held last week by the Senate Subcommittee on Flood Control, Rivers, and Harbors of the Committee on Public Works, on S. 1927, the bill which I introduced to establish the Bonneville Power Corporation. I had an opportunity to preside at the hearing sessions and to hear the testimony of informed witnesses from the Pacific Northwest region. I was impressed by the sincerity of the many witnesses and by their knowledge of the issues involved in my legislative proposal. Although some of the testimony did not conform with my own views about provisions of the legislation, I was glad to know of the

reasons for objections which have been raised concerning some phases of the proposal.

Mr. Herbert Lundy, editor of the editorial page of the Oregonian, reviewed some of the arguments against S. 1927 in a column published in that newspaper on July 18. He has effectively answered and punctured many of these arguments. I ask consent to include in the RECORD Mr. Lundy's column, commenting on the testimony at the hearings. In his article Mr. Lundy demonstrates that this is a sensible, middle-of-the-road piece of legislation, and he answers some of the criticism raised both by private power companies and by some public-ownership advocates. For the information of the Senate, I believe his article should appear in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXTREMISTS HURT NORTHWEST POWER CAUSE

(By Herbert Lundy)

The Senate Public Works Committee hearing in Washington, D.C., on S. 1927, the bill to convert the Federal Bonneville Power Administration into a self-financing Federal corporation, has brought out the two extremes in views on Northwest power development. Public power spokesmen, who favor the bill, want to strike one provision which assures an equitable distribution of Federal power among the States and "no unreasonable concentration" in a single State—i.e. Washington—which is topheavy with public power distribution utilities. They see this as a weakening of the "preference and priority" clause of present law.

The Portland Chamber of Commerce, which could be termed in this instance a spokesman for private utilities, opposes the bill in its entirety on the theory that the Bonneville Power Corporation might in some manner as yet undisclosed be able to run private utilities out of business.

These positions represent a fixation of shibboleths which no longer have any application to reality, if they ever had.

In our opinion, the Portland chamber should be fighting for the kind of financing for a regional power corporation which would provide enough Federal power to make up any possible deficiency in Oregon which private and local public utilities could not supply. It should be in the forefront in fighting for low-cost Federal power which could be sold directly to industries which Oregon needs. Instead it conjures up a mythical monster. It is still talking about a CVA when the issue is to give Bonneville revenue-bond financing and to provide some assurance that in the event of a shortage Oregon would receive an allocation of power out of future generation.

The public power spokesmen in the State of Washington, and nationally, are also in an untenable position in saying, in effect, that the regional power system must become increasingly a State of Washington system because the people of Oregon, Idaho, and Montana have declined to go whole hog for local public power distribution.

These are the same witnesses who accepted without protest legislation designed to set aside big chunks of power from specific Federal projects for particular States—a subdivision of the regional asset which can only lead to wastefulness, monopoly, and uneconomic growth. Oregon's alternative under this reasoning would be to demand a 50-percent allocation of power from John Day Dam and other dams on the Columbia or Snake which border this State.

This is the kind of reasoning which has caused Montana Senators to introduce a bill for Paradise Dam, which would allocate all the at-site power and all the downstream power benefits, as well, to the State of Montana. Not even Canada goes that far in negotiations for a share of downstream benefits in the United States attributable to dams in Canada.

The Bonneville Project Act now contains the strongest public power preference clauses ever written. Not only do publicly owned utilities have first and final claim on all Federal power available; they also have a 5-year withdrawal clause which would operate, if used, to cut back contracts of private utilities on an anticipation basis. S. 1927 does not interfere with the 5-year withdrawal clause. Nor does it seriously impair the preference clause. The preference would continue to apply for public power bodies within a State even if shortage allocations were made; these agencies would have first bite. But the minor change, which like the preference clause would come into use only in event of a power shortage, would not allow public bodies in another State to take Federal power away from a private utility in this State except after a 5-year showing of need.

The Neuberger bill as now drafted is a moderate, middle-ground and constructive measure with respect to the extreme positions of the public power and private power interests. The heart of the bill is self-financing by sale of revenue bonds and the section which directs the proposed corporation to so plan its generation as to meet all net power requirements of the region. This treats public and private agencies alike. More accurately, it would meet a responsibility to provide for all consumers who otherwise would be served inadequately.

If it is too much to expect the extremists to modify their positions to the end that the entire Northwest can develop on a planned, adequately financed foundation of low-cost power, then the moderates in Congress should take charge. The majority of people in the Northwest who think about these matters at all, we are convinced, are thoroughly tired of the extremists and their public power-private power battles based more on slogans than realities.

HIGH INTEREST RATES

Mr. PROXMIRE. Mr. President, with complete honesty of purpose, the Nation's money managers in the Federal Reserve are right now pushing the country toward the highest interest rate in modern times.

Federal Reserve Governors, of course, do not like high interest rates, as such; but they are convinced that this is a necessary price which the Nation must pay, in order to avoid inflation.

Two of the most revealing analyses which indicate how sharply interest rates are climbing, how this climb is going to hit the homebuyer, the school or hospital building community, the farmer, and the little businessman, and how this program is justified as anti-inflationary have been published recently. One of the articles is entitled "Tight Money Climax Ahead," and was written by Sylvia Porter. The other article is entitled "The High Cost of Borrowing," and was published in the U.S. News & World Report of July 27. The latter article concedes that the purpose of tightening credit is to stem inflation. Neither article gives any documentary evidence that high interest rates will significantly slow inflation, or indeed that tight credit has ever done so in the past. Mr. President, here is the crux of the big-money debate of our time: Will high interest rates keep down the cost of living? And is the price worth it?

I am in the process of developing a very detailed analysis of this subject, which I expect to discuss at length at a later time. This morning, however, I simply wish to call the attention of the Senate to two facts:

First. Interest rates are rising at an immensely rapid rate, with seriously damaging consequences to many Americans.

Second. The rise in interest rates is being deliberately fostered by Federal Reserve Board, for the completely honest purpose of stemming inflation.

I ask unanimous consent that the two articles to which I have referred be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TIGHT MONEY CLIMAX AHEAD

(By Sylvia Porter)

Some time this fall the rate the Nation's leading corporations must pay for short-term bank loans is slated to go to 5 percent.

This will be the highest interest rate in modern times for essential bank loans. In addition, the corporations will be asked by their banks to keep part of their loans on deposit—which will, in effect, raise the real cost of their total loan to well over 5 percent.

Some time this fall the rate the banks themselves must pay for short-term loans from the Federal Reserve System is slated to go to 4 percent.

This will mean even our giant banks will be paying the highest interest rate in 30 years for cash they want to make loans to us. In addition, the banks will be asked by the Federal Reserve System to keep their loans to a minimum—which will, in effect, put more of a lid on their borrowing than the high interest rate.

If what I've written above becomes reality a few months from now—and it's an informed forecast—it will mark a climax in this phase of tight money.

Across the board and up and down the line, borrowing costs will climb to the peak levels of this generation in the wake of a rise in the prime rate to 5 percent and in the bank discount rate to 4 percent.

RATES RISING

It will mean that every type and caliber of borrower will find loans more expensive to get from every type and caliber of lender.

It will start a rise in the cost of mortgage money back to the historic 6 percent level of the 1920's and surely will slow the flow of mortgage money into new housing.

It will push up the cost of installment loans to unprecedented peaks. It's futile to predict a level for installment loan rates because of the costs of installment borrowing vary so violently, and the actual costs are often obscured in the small print. But they'll be higher than ever and an increasing factor in the expense of buying on the cuff.

It will force many States and cities to shelve plans they have for worthy projects, because they'll be barred by law or regulation from paying the rates demanded for loans essential to finance the projects. Increasing numbers of municipal borrowers already are pushing against the legal ceilings they can pay for loans.

It will eliminate many speculative borrowers from the money markets because institutions which have a limited amount to lend will understandably favor their old

established customers over new, more risky applicants.

It will cut into the funds of top-rated companies too, for even today—before the real squeeze begins—banks are screening every loan application with mounting care.

GREAT EXPERIMENT

What we are living through is a great experiment in controlling the inflationary forces within our economy through curtailing the money that could unleash these inflationary forces.

The fall is the big season for borrowing, for the fall is when the economy always perks up, and when the need for credit to finance trade, industrial and agricultural operations in our country always expands. This year the banks will be entering the fall loan season more "loaned up" than in any recent period. This year the Federal Reserve System will be determined not to risk creating a "bubble on the boom" by pouring enough additional money into the banking system to permit all who want to borrow to get all they want.

The availability of credit is on the way down. Interest rates are heading toward a climactic high. The Nation's monetary authorities are drawing a classical pattern of credit control in a business expansion to fight the inflation they fear will undermine the confidence of the world in our dollar and ultimately destroy our currency.

This is an era of tight money, and its going to get tighter.

[From U.S. News & World Report, July 27, 1959]

THE HIGH COST OF BORROWING—FACTS ON WHAT'S HAPPENING TO INTEREST RATES

(NOTE.—If you're about to borrow money, you may be shocked at how much it costs. Interest rates are way up, and still rising. For most kinds of borrowers, today's rates are the highest in years. You see the trend in mortgages, business loans, bonds of all kinds. Even the Treasury in Washington now has to pay 4¾ percent to borrow money for 1 year. Why? Tight money, kept tight by Government to head off credit inflation. The trend in interest costs is stirring up a real furor. Still, don't look for an early turnaround in rates. Price of money may go even higher.)

The real story of high rates of interest suddenly hit home when the U.S. Treasury, long known as the world's best credit risk, had to pay 4¾ percent to borrow money for one year.

On July 8, the Treasury announced it was paying 4.7 percent on a new 1-year bill. Then, on July 16, it offered a full 4.75 percent on a 12½-month note, and the same rate on a note maturing in 4 years and 9 months.

Even the Treasury was shocked at these latest 1-year rates. President Eisenhower commented on the July 8 bill as a striking illustration of what the Government was up against in trying to finance the huge public debt in a troubled money market.

Nothing like it had been seen for 30 years. As recently as 5 years ago, the Government could borrow 1-year money for 1⅛ percent. During World War II, the going rate was seven-eighths of 1 percent.

IT'S THE TREND

The July financing was just one more example of what is happening to all kinds of borrowers in this period of "tight and tightening" money. All along the line, people and businesses and public agencies are having to pay the highest interest rates in years.

For the man who builds or buys a home, mortgage money now is likely to cost 6 percent or more. For a well-established business, a rate of 6 percent on loans is common. For a big corporation offering bonds on the market, a 5 percent rate is widespread, and 5½ is not unusual.

Cities, counties, and States, most of them, are paying 4¼ percent, and often as much as 4½, to raise money for schools, streets, roads, and other public projects. These are bonds with an unusual attraction, as the interest received by bondholders is fully exempt from Federal income taxes, and often is exempt from the income tax of the issuing State.

COMPLAINTS AND WARNINGS

All around the country, complaints are mounting. The money-managing Federal Reserve Board is under pressure to ease up on money. Some economists are warning that FRB, in its zeal to head off credit inflation, is jeopardizing the recovery in business.

In Congress, a deadlock developed over interest rates. This grew out of the President's proposal that Congress remove the legal limit of 4¼ percent on the interest rate on Government bonds—defined as Treasury securities maturing in 5 years or longer. The Democratic leadership, after much argument, wrote a compromise proposal that would:

1. Authorize the President to lift the ceiling, but only for 2 years.

2. Express the "sense of Congress," in effect, that the Federal Reserve should support bond prices by buying bonds in the market—as a way of bringing about any "needed future expansion" of the money supply.

Mr. Eisenhower objected to both of these provisos, and hinted that he might prefer no bill at all. In this, he upheld the Reserve Board, which wants a free hand in dealing with credit.

COMPROMISE OR NOTHING?

On Capitol Hill, House Speaker RAYBURN immediately served notice that, if the President will not accept the compromise, he will have to get along with no legislation at all.

This will mean that Government must give up any idea of selling new issues of long-term bonds. Long-term money cannot be had for as little as 4¼ percent. Financing will have to be done through short-term securities, thus adding to the troubles of a short-term market that already is overcrowded.

It also means that the Federal Reserve will be under no legal prod to move in, now or in the future, to support the prices of Government bonds in the market. These prices could go still lower. In today's market, some bonds that used to sell at a premium can now be bought at 84 to 85 cents on the dollar. Yields to new buyers run as high as 4½ percent. That is why the Government has had to abandon all plans to offer new bonds under the 4¼ ceiling.

Savings bonds, left behind in the interest climb, are in trouble. With much higher yields to be had on other investments, more and more people are shying away from E and H bonds. In June alone, people cashed in $470 million worth of these bonds, and bought only $323 million worth. This meant an outflow of $147 million in 1 month. E bonds, the most popular series, are limited by law to 3¼-percent interest, and buyers have to hold them nearly 9 years to get that much. President Eisenhower is urging Congress to remove this ceiling.

STILL HIGHER RATES AHEAD?

What do all these credit troubles mean to other borrowers—families, businesses, local governments? The prevailing view of money authorities seems to be that interest rates could well go still higher before they level out or turn down again.

In San Francisco, a leading banker who specializes in bonds puts it this way: "I predict that, for the balance of 1959, we will have somewhat higher long-term interest rates. There will be a leveling off toward the end of the year, and some decline during early 1960. Short-term rates will be under pressure, and rise proportionately faster and recede faster."

To show what already has happened, an authority on municipal bonds points to the case of one west coast school district with a top credit rating. In 1950, this district sold a bond issue at 1.73 percent. Recently, on a new issue, it had to pay 3.50, slightly more than twice as much. And, said a bond specialist in the area, "They were lucky to get that."

In 1955, the State of California sold a bond issue at just over 2 percent. Last month, on a new issue, the State paid 3.94 percent.

In New York, most bankers are predicting privately that, by December, the Government will have to pay 5 percent for short-term money. As for interest rates in general, most expect a continuing increase.

"The prospects," said one of these bankers, "are for steadily increasing interest rates over the next year and a half. There is a big increase in demand for loans, but deposits are not going up any more."

Another put it this way: "Interest rates will go through the roof, but not right away." Still another said: "The trend toward increasing interest rates will continue until the next recession starts."

In New York, the prime rate—the interest charged by banks on loans to the "cream" of business borrowers—now stands at 4½ percent, and you hear talk of another increase. At 4½, this rate is the highest since 1931, except for a period in late 1957 when it was the same as now.

New York bankers also report plans to increase rates on installment loans by one-quarter of 1 percent. So far, people buying cars, appliances and other things on time payments have been spared the worst impact of the uptrend in rates.

THREAT TO THE BOOM

All over the country, there is talk of a further rise in rates on mortgages. In Congress and elsewhere, fears are voiced that tight money and high rates will put a crimp in the housing boom.

The rate on GI home loans recently was increased to 5¼ percent, and already in many places this new rate can be had only with a discount—meaning that the borrower actually gets less than the face amount of the loan. The rate on loans insured by Federal Housing Administration is 5¼ percent, plus a one-half of 1 percent mortgage-insurance charge; and these loans, too, are being discounted.

In the Denver area, mortgage rates charged by savings and loan associations were 5 percent 6 months, ago, now are moving up to 6, and there are reports that they may go higher.

In the San Francisco area, these rates have been shifting from a normal 6 percent to 6.6. A State official, commenting on the trend in loans to veterans, said: "If this trend of increasing interest rates continues, it could mean that a veteran would pay $1,500 more in interest to the bank and still lose a bedroom."

The man who borrows money on a second mortgage pays a high price for it. On the west coast, some mortgage brokers advertise a return of at least 10 percent on second-mortgage money, and buyers sometimes are assured they can get 14 to 15 percent because of early "payouts" by the borrowers.

BORROW NOW

That's the state of things for people who borrow money. Federal Reserve, for the moment, shows no signs of a turnaround. Does this mean that a family or business will save money by borrowing now instead of waiting a while? Nobody can be sure. One banker puts it this way: "It's in the lap of

the gods. Borrow when you need the money—but don't borrow any more than you need."

THE RISING COST OF BORROWING MEANS THIS

For a home buyer: Mortgage rates are up, and going still higher. Typical home loan now is around 6 percent, against 5 percent just a few years ago. On a $20,000 mortgage, spread over 25 years, this means that total interest cost has gone up from $16,840 to $18,640—adding $1,800 to the cost of financing a house.

For a small businessman: Take a merchant, for example, who needs $50,000 for 2 years. Five years ago he probably could get such a loan at 5 percent. Today it's likely to cost him 6 percent. Result: The total interest cost has jumped from $5,000 to $6,000—an extra borrowing cost of $1,000.

For a big corporation: A company sells $50 million worth of bonds to build a new factory. In 1954, on a high-grade issue, the typical rate would have been 2.91 percent. Now it's 4.82. The total interest cost, over the life of a 20-year bond issue, has increased from $29 million to $48 million.

For a county or city: The same local government that sold bonds at 2½ percent 5 years ago has to pay around 4¼ now. A county, say, sells $10 million in bonds for new schools. At 2½ percent, the total interest cost in 20 years is $5 million. At 4¼ percent, the cost is $8.5 million.

For the U.S. Treasury: In 5 years, total Federal debt has increased less than 5 percent. Yet interest costs on that debt have bounded up by one-third, now are running $8.5 billion a year. In 1954, 1-year money could be had at 1⅛ percent. Recent cost is nearly 4¾. On 90-day money, cost is up from 0.65 to 3.4 percent.

For a car buyer: Here, generally, is the exception to the sharp rise in interest rates. Big finance companies report that their rates are only slightly higher now than 5 years ago. However, there is much talk of an increase coming. New York bankers, for example, predict a boost of one-fourth of 1 percent before long.

TIGHT MONEY, RISING PRICES, AND INFLATION

Mr. PROXMIRE. Mr. President, in evaluating the wisdom of tight money as an alleged tool to restrain rising prices, it is, of course, necessary for us to consider how serious and threatening is inflation. Thanks to the President's pronouncements, among others, there is throughout the country a broad and deep appreciation of the dangers of inflation; but meanwhile the economic situation is changing to such an extent that the prospect of the very inflation with which we have become so concerned has changed quite dramatically in recent months.

One of the most acute and thoughtful analyses of the trend of prices was made recently by George Shea, of the Wall Street Journal. The Wall Street Journal certainly cannot be considered a newspaper which is anxiously looking for reasons to ease up on high interest rates. But Mr. Shea reported in his article, which appeared yesterday morning on the front page of the Journal, that "a new stage has been reached in the great inflation that followed World War II, a stage in which anti-inflationary forces are showing greatly increased strength." His excellent analysis indicates that the only justification for the tight money policies of the Federal Reserve Board is rapidly fading. I ask unanimous consent that the Shea article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

(By George Shea)

The seemingly contrasting situations in the copper mining and steel industries actually point to a common conclusion about the present state of the economic system. It is that a new stage has been reached in the great inflation that followed World War II, a stage in which anti-inflationary forces are showing greatly increased strength.

In copper, as recounted in detail on another page, the fact that mineworkers are staying on the job past their expected strike deadline has increased the supply of the metal so much that producers are being forced to reduce output. In steel, where, on the contrary, a strike is under way, most users are unconcerned, with enough metal on hand to last many weeks. In both cases, therefore, the keynote fact is that capacity to produce is ample, and supplies also are ample.

That seems to be why the present dispute in steel is so difficult to compromise, in contrast to those of previous postwar labor conflicts. The issue, of course, is widely understood to be not so much a wage increase as the desire of managements to regain control of working conditions, and therefore costs, in the mills. But why did the management give in on this point in previous disputes? Why are they now, for instance, refusing language which was actually made part of the last Bethlehem Steel labor contract? The answer must be that on the previous occasions they felt they could easily pass the higher costs to their customers, whereas now they have doubts about the matter.

The evidence for such doubts is powerful and pervasive. Various economic indexes testify to it, and the daily news testifies to it. Whereas in the last few years relative weakness in raw material prices has contrasted with continued strength in prices of processed goods, price softness now seems to be spreading up the line through the various stages of processing toward finished goods.

The fact that the Consumer Price Index of the Government is at a record high seems to deny such a suggestion. But the rise of the index for many months has been very slight. At 124 percent of 1947–49 it is up only 0.6 in 14 months. And the industrial component of the wholesale price index, which is where the inflation of the last few years has centered, has been nearly steady just above 128 for 5 months.

As for the trend of prices since the dates for which these indexes were calculated, more downs than ups can be found. Here are 10 price reductions culled from the pages of this newspaper since July 1:

General Electric, Westinghouse Electric, and Allis-Chalmers have cut prices of steam turbine generators, citing new and more efficient methods of making them; GE has cut silicon rectifiers, used in converting alternating current to direct electric current; Radio Corp. has cut long-playing popular records $1 apiece to meet competition; northwest lumber mills have reduced sanded fir plywood to $78 a thousand square feet from $85; Texas Eastern Transmission has cut liquefied gas; eastern railroads have reduced freight rates on hog shipments; Minnesota Mining & Manufacturing has cut magnetic video tape, and hints that further cuts may be expected in the future as volume grows and manufacturing methods improve; Dobeckmum Co. has reduced polyethylene bags used in packaging; General Mills has cut alamine, a chemical used in the extraction of rare metals; and Armstrong Cork has cut floor wax.

And here are four price boosts found in the same papers:

Bestwall Gypsum has raised prices roughly 3 percent for September in gypsum building products, but U.S. Gypsum plans no increases; Douglas Aircraft has raised commercial planes; Brown Shoe and International Shoe have increased tags for fall; hat prices for autumn have been raised by several makers, but one has refused to follow.

Besides these actual price changes have been other developments. Makers of electric appliances report their sales up from a year ago, but competition so keen they shrink from any thought of raising prices even though profit margins are low. Razor makers are spending extra money on research in the hope of finding ways to spur sluggish sales. A Du Pont plastic coming on the market will provide new competition for several metals. Aluminum is breaking into fields previously reserved for steel, including auto engines and freight cars. And owners of ocean freighters are finding new and cheaper ways of handling cargo in huge containers that don't have to be unpacked when the goods go to ship from shore.

These are all part of the constant progress made through the efforts of countless individuals in the free enterprise system to bid for the favor of customers. The process, of course, is hardly new. The apparent change is that the process now is catching up with the wants of consumers more successfully than at any time since World War I. The same thing happened after World War I. In the 1920's, business volume kept increasing, but the upward pressure exerted under prices by active demand kept being offset by rising capacity and by improvements in production methods.

This does not mean that the economic system is doomed to a collapse like that which started in 1929. There are major differences, including a steady or rising birth rate in recent years, as against a declining one then. What the high birth rate means, just as an example, is that the razor industry today can count on increasing numbers of little shavers becoming big shavers in the 1960's.

But, still, we are seeing today an effort to halt the inflation in the money value of work, which in recent years has prevented the final consumer from benefiting from deflation in the prices of raw materials. Whatever may be the exact outcome in steel, growing capacity and new production methods are fighting for the consumer.

DEMOCRATIC FISCAL RECORD

Mr. PROXMIRE. Mr. President, our Democratic fiscal record has been strenuously and widely denounced as a principal cause of inflationary pressures in our economy. This fire has particularly concentrated on some of us who have been critical of some of the policies of our majority leader, the Senator from Texas [Mr. JOHNSON]. The fact is that a number of us who have been so criticized have followed a policy in this Congress of fiscal prudence; indeed, I think I should say, great caution. Our voting records show that we would have cut the President's spending, and increased revenues sharply and, of course, that we have been far more conservative fiscally than the Senate as a whole.

An excellent defense of this record appeared in the New York Times this morning—a splendid letter by the senior Senator from Illinois [Mr. DOUGLAS]—and I ask unanimous consent that at this point in the RECORD the Douglas letter be printed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEMOCRATS' FISCAL RECORD—POLITICAL MOVE SEEN TO DISCREDIT ACTIONS IN CONGRESS

To the EDITOR OF THE NEW YORK TIMES:

Your paper has recently carried a series of articles and editorials which have referred to the Democrats and to the Joint Economic Committee and myself as advocates of unlimited easy money and as spenders, and to our economic report as a fiasco. Let us, however, examine the facts.

The 84th and 85th Democratic Congresses cut the President's budget request by $8 billion.

In almost every case "back door" financing has been requested by the President himself, including the most recent example of $4.5 billion for the International Monetary Fund and the World Bank.

The charge is also made that the Congress is responsible for the $13 billion deficit in the fiscal year 1959. But an examination will show that a great proportion of the deficit ($6 to $7 billion) was due to the falling off of receipts because of the recession, and that the increase in expenditures was the result of the recession; that is, unemployment compensation and welfare payments; increases in price supports, and of running the Agriculture Department ($2.2 billion); or spending on defense.

INCREASED DEFICIT

Net Eisenhower deficits have been $22.1 billion in 6 years compared with $2.5 billion in 6½ peacetime years under President Truman.

This year we will cut the President's budget by from one-half to a billion dollars. We Democrats are not such wild spenders.

Let us now turn to the question of inflation. Do we have a monetary inflation where too much money is chasing too few goods? The answer is "No." There are still almost 5 percent of our people who are fully unemployed and the equivalent of another 1 percent fully unemployed who are working only part time. Industry is not yet operating at full capacity.

Prices have been as stable in the last year as they have been in any recent period in our history. What we have seen is a rise in the prices of medical care, transportation, services, and finished durable goods. At the same time the prices of raw materials, farm products, food, and most competitive products have either fallen in price or have remained stable. Consequently, an overly restrictive monetary policy would have its main impact in the competitive areas—but would fail to affect decisively the problem of price increases in the noncompetitive sectors.

In our economic report we pointed out that "in periods of rapid growth and high employment * * * considerable emphasis may well have to be placed on curbing inflationary strains," and that "those responsible for public economic policies must remain alert to the possibility of a resurgence of inflationary pressure." and that "public policies (to provide full recovery) * * * should be designed * * * to avoid laying the groundwork for future inflation," and that "while we urge a less restrictive monetary policy for the months immediately ahead, we are nonetheless acutely aware of the potential dangers of further inflation," and that "we should * * * seek substantial stability in the price level."

These statements would not indicate that we were advocates of unlimited easy money or of continuous cheap money.

BUDGET PRIORITIES

What we fundamentally object to are the misplaced priorities in the President's budget and the insistence on continuing numerous subsidies to the strong and powerful while the President and his followers are against the programs designed to help the weak and the poor.

The President's budget includes subsidies of $260 million to the shipbuilding industry, of half a billion to newspapers and publishers, of unlimited payments of price supports for a dozen or so farm products on which no production limitations of any kind have been applied, and of the huge wastes in the defense procurement program which are now to provide some $60 billion in surplus items in the next 4 to 5 years. Furthermore, our tax system is rife with abuses and special privileges, particularly for the oil and gas industry, and for stockholders.

These abuses continue and remain untouched by the budget or by administration policies at the same time that vehement objections are made to clearing the slums, aiding the unemployed, helping the depressed areas, building schools or increasing funds for medical research.

What we really have is a full-blown political campaign to discredit the responsible fiscal actions of the Democratic Congress, to apologize for every act of the President and the fiscal and monetary policies which have brought such uneven conditions, and to make the false charges of "monetary inflation" and "budget busting" the 1960 campaign issue.

The responsible position for the President and his Budget Bureau to take would be to cut back on military fat and use the savings to increase our actual fighting strength; to cut back on business and farm subsidies and to use the savings for slum clearance, depressed areas, schools and hospitals, and to close tax loopholes so as to provide for an adequate budget surplus, to make some payment on the debt and for needed tax revision and reform.

PAUL H. DOUGLAS,
U.S. Senator.

WASHINGTON, *July 13, 1959.*

RESOLUTION OF WISCONSIN BANKERS ASSOCIATION

Mr. PROXMIRE. Mr. President, as one who earnestly believes in a balanced budget, especially in a period like the present, of sharply rising national income, I am proud to endorse enthusiastically the resolution adopted by the Wisconsin Bankers Association calling for a balanced budget, and I ask unanimous consent that the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY WISCONSIN BANKERS ASSOCIATION, JUNE 16, 1959

Whereas the bankers of Wisconsin are deeply concerned with the harmful effects of continuing inflationary forces in our national economy; and

Whereas Federal Government expenditures, not matched by revenues, impair both Government and private credit and serve further to debase the value of the dollar; and

Whereas balanced Federal budgets, at a prudent level of expenditure, will strengthen the economy and protect those who must rely on the soundness of the monetary unit; and

Whereas bankers, as proponents of sound fiscal policy in private enterprise, should lead in expressing their belief in sound governmental fiscal policies: Now, therefore, be it

Resolved, That the Wisconsin Bankers Association, in convention assembled at Milwaukee, Wis., on June 16, 1959, go on record as recommending: (1) that the Government of the United States adhere to the policy of balanced budgets in the fiscal year 1960 and in future years of normal economic activity, with reductions of debt in years of general prosperity; and (2) that the members of the Wisconsin Bankers Association individually communicate to their representatives in Congress their belief in the importance of adherence to such policy; be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, the chairmen of the Senate Finance Committee and the House Ways and Means Committee, the Director of the Bureau of the Budget, and to Senators ALEXANDER WILEY and WILLIAM PROXMIRE.

THE STEEL STRIKE

Mr. PROXMIRE. Mr. President, as one who recognizes that inflation may indeed be a serious problem under certain economic circumstances, and who also believes in economic justice, I was deeply impressed by an unusually wise article in this morning's newspaper, written by Walter Lippmann, calling for objective factfinding to be made public in the steel strike. As Mr. Lippmann writes, this is too important an issue, the consequences far too serious, to leave the results entirely to a random power struggle.

I ask unanimous consent that Mr. Lippmann's article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACTFINDING AND STEEL

(By Walter Lippmann)

Among the many big questions posed by the steel strike perhaps the most important is what should be the role of the Federal Government. For there is much confusion about this. The strike is taking place just as Congress is working on a law for the regulation of labor unions, a law which calls for comprehensive and far-reaching Federal intervention in the internal affairs of the unions, yet on the steel strike there are many, including now the President himself, who want no Federal intervention and wish to see the issue settled by the test of economic power.

The President's views on intervention in the steel controversy have crystallized only recently. A month ago, at his press conference of June 17, he was asked this question by Mr. Raymond P. Brandt, of the St. Louis Post-Dispatch: "Both the steel management and the steel unions are using self-serving statistics which are in great conflict. Is there any way that Government can bring out impartial figures on profits and wages and productivity so that people can understand the issues and make their own decision?"

The President answered Mr. Brandt, saying, "Well, I think you have asked about the most intelligent question on that particular question, particular matter; and I haven't thought about it in this particular way. * * * I don't know whether this would be helpful or not, but I'll take your suggestion and have it studied."

Last week, at his press conference on July 15, the President had had the matter studied. He had learned that "as far as a factfinding board is concerned, I believe that all the facts are pretty well known. * * * In all our reports, in the labor statistics and the commerce and the other figures that are published, some quarterly, some monthly, they are all there."

Whoever did the studying of the question for the President did not understand the

question, or he did not want the President to understand it. For while it may well be true that the "facts" are "all there" in some of the many reports that are published, how is the public to know, how is Congress to known, how are newspaper editors to know, which of the facts are important and relevant?

The task of finding the facts that matter and of judging how they matter is a semi-judicial function. It cannot be done without a specialized inquiry by trained minds.

If there is no impartial tribunal to find the facts, then there can be no such thing as an enlightened public opinion. And if there is no enlightened opinion that can be brought to bear upon it, a strike of this magnitude must become a test of power in a whirl of propaganda and of prejudice.

When the President rejected the idea of a "factfinding" which he had thought rather well of a month before, he affirmed a new doctrine: "I believe that we have got thoroughly to test out and to use the method of free bargaining." Where great and vital interests are involved how much free bargaining do we really believe in?

In the steel controversy today, the companies happen to have the stronger bargaining position, their customers have large stockpiles, public opinion is stoutly opposed to another round of wage and price increases. The union appears to be far from solid within itself.

But this favorable balance to the companies will not always be the case, and I wonder whether it is wise and prudent for them to set it up as a principle that in these great controversies involving the national interest the issue shall be decided by a contest of power?

I do not believe it is true as has been said recently, that this is "one of the ways in which freedom functions." If freedom is to function it must insist that the struggle of powerful interests be regulated by rational and just procedure. Freedom does not mean that the powerful interests shall fight it out as best they can.

We live in a time when the vital industries and services of the Nation are in the hands of giant companies and giant unions. We cannot entrust the interests of the Nation to a combination of the companies and the unions, which is what we have had for some years until recently in the steel industry. Nor can we entrust the interests of the Nation to a power struggle between the unions and the companies, however much this struggle be prettified by calling it free bargaining.

In these great conflicts the national interest must be represented and asserted by the Federal Government. The place to begin this is by a clarification of the contending claims.

This alone may be enough to provide the basis of an opinion on which the Government can exert its influence, and to which the public can rally.

MARINE CORPS STRENGTH AND THE SENATE'S POSITION THEREON

Mr. MANSFIELD. Mr. President, as Senate and House conferees on the Department of Defense 1960 appropriation bill prepare to meet to resolve differences on the bill it may be well to review for the benefit of all Senators, including the Senate conferees, the firm position of the Senate on the subject of military manpower in which the question of Marine Corps strength is a key issue.

Going back only to last year it will be recalled that the Congress voted funds for a 200,000-man Marine Corps. At the time it did so the corps was already reduced by Pentagon order to 190,000. Congressional intent, and the thorough investigation of all aspects bearing on the problem upon which our judgment was based, has nowhere been better, more firmly or more clearly expressed than in the report of our own committee that year:

> This decision to appropriate the funds necessary for a 200,000-man Marine Corps was made with full consideration of the fiscal and military limitations. The committee desires that it be clearly understood by appropriate agencies in the executive branch of the Government that it is the clear-cut intent of the committee, and of the proposed appropriating legislation, that the Marine Corps be maintained at the strength of 200,000 (p. 8, S. Rept. No. 1937, 85th Cong., 2d sess.).

In spite of this unmistakable expression of the will of the Congress the Department of Defense not only failed to build the corps up to the appropriated strength of 200,000, they failed even to maintain it at the then existing reduced strength of 190,000. Instead, after a brief delay caused by the simultaneous crises of Lebanon and Taiwan, the Department proceeded to exact the heaviest cut below appropriated strength imposed upon any service from the very corps which this body has recognized as the first echelon of our Nation's limited war forces. It proceeded to reduce the corps to 175,000—a goal it reached by the end of June this year at a cost of deactivating almost one-fourth of the existing combat units of the three Marine divisions and three air wings.

Every Senator will recall that this structure of three combat divisions and three air wings is imposed upon the Marine Corps, and hence the Department of Defense, by law.

It was with this background in mind, plus a clear appreciation of the continuing seriousness of the international situation, which forms the basis for the Senate's judgment, that the Senate unanimously approved an amendment to the Second Supplemental Appropriation Act of 1959 to impose upon the Department of Defense a mandatory floor of 200,000 marines by June 30, 1959.

The fact that the Senate, by unanimous vote, took this action at the very end of April of this year, with full realization of the extraordinary effort needed to reach a strength of 200,000 in 2 months, is a clear measure of the depth of our concern and the strength of our purpose.

If Senate conferees need any further indication of the firmness of Senate intent on Marine Corps strength, and adequate military manpower generally, it can be found in the almost unprecedented action of the Senate in voting to reject an already accepted conference report on the second supplemental. After acceptance of a conference report which had deleted Senate efforts to strengthen both Army and Marine Corps, an effort to reject the report, centered entirely upon concern over inadequate military manpower, was supported by 33 Senators—defeated by a margin of 12 votes.

Rarely have the appointed conferees of the Senate found themselves on the eve of a conference with the other body in possession of so firm a mandate on position as is true at this time.

The Senate has already acceded to the judgment of the other body on the question of Army strength. It did so by accepting the figure approved by the House. It has refused to subordinate its judgment on Marine Corps strength to that of the other body or to that of the executive branch.

Its firm resolve in this matter becomes even more pertinent, even more sensible, in the light of Senate agreement to reduced Army strength. To a degree perhaps greater than ever before, the Marine Corps burden as the first echelon of the Nation's limited war forces becomes even heavier than in the past. Our national reliance upon this combat ready force of amphibious troops, strengthened by the mobility and versatility of the Nation's seapower of which they are a part, can only increase.

As Senator CHAVEZ so ably pointed out on the floor of the Senate during debate on the appropriation bill, an issue even more fundamental, more vital to the Nation than the important one of Marine Corps strength is inherent in this question. Is the Congress of the United States to abdicate its constitutionally imposed duty to participate fully in formulating the national military policy of this Nation? Are we to act passively as a mere rubberstamp to approve the directives of the executive branch by a pro forma appropriation of funds for whatever plans are presented to us?

Or will we resume once again our proper position in the partnership of responsibility for the common defense so wisely designed by the framers of our basic law—the Constitution?

The Senate action on Marine Corps strength has been taken with care, with forethought, after exhaustive examination of every aspect of a most difficult problem. It is not capricious, nor frivolous, nor is it based on sentiment for a particular service nor in any manner upon partisan politics. It is the Senate of the United States acting in accord with the highest principles of constitutional government.

As Senator CHAVEZ put it so simply and with dignity, the Congress, directly confronted with one of the few occasions in which our judgment differs from that of the Executive on a major issue of military policy, cannot in honor avoid its constitutional duty.

This, then, is what the Senate's conferees will carry with them into the conference when they discuss the question of an adequate strength for the Marine Corps:

A record of continuing congressional effort to provide for a Marine Corps adequate in strength to meet the Nation's needs, and conform to the law on Marine Corps organization which is based on recognition of the scope and continuing urgency of that need.

An equally unbroken record of refusal by the Department of Defense to recognize that the Congress has any competency on the subject, any authority in the matter or any duty to perform.

A final reexamination of the entire question within recent months, perhaps more exhaustive, more complete than any which has gone before, culminating in the most emphatic, most precise, most binding mandate on Marine Corps strength ever to issue from this body.

Perhaps the heaviest burden of all is the unescapable duty of reasserting the responsibility of the Congress in matters of national military policy, a principle basic to the well-being of our representative form of government. The ultimate responsibility for the form and the scope of our Nation's defense rests squarely where the Founding Fathers placed it—in the Congress of the United States.

Mr. President, I ask unanimous consent that there be printed in the RECORD an article from the New York Journal American and a comment by the Senator from Illinois [Mr. DIRKSEN] as it appears in the RECORD of July 16, 1959.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the New York Journal American, July 20, 1959]

OUR MARINES

An important provision in the defense appropriations bill passed by the Senate a few days ago requires the Marine Corps to be brought to a strength of 200,000 by June of next year. It is a requirement supported by common sense and security.

Some of our military and nuclear experts believe there is far greater possibility of limited wars than of an all-out one. The Marine Corps is equipped by heritage and training to deal with brush fire conflicts. To keep the corps below needed strength is poor economy.

The Senate made the increase in corps strength mandatory this year to prevent repetition of last year's fiasco. At that time Congress had appropriated for a corps of 200,000, an increase of 10,000. Disregarding the intent of Congress and, we feel sure, the approval of the American people, the Pentagon sliced the corps to 175,000.

The next step in the present bill takes it before a House-Senate conference. The Senate determination to build up our Marines to full combat strength should be accepted by the conference and enacted into law.

[From the CONGRESSIONAL RECORD, July 16, 1959]

NECESSITY FOR MAINTAINING THE MILITARY STRENGTH OF THE NATION

Mr. DIRKSEN. Mr. President, there recently appeared in the San Diego Union an editorial commending the Senate Committee on Appropriations for approving funds for a second nuclear-powered carrier, a 200,000-man Marine Corps, and the modernization of the Army. This editorial is so interesting and timely that I ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"FACING THE FACTS

"The Senate Appropriations Committee's approval of funds for a second nuclear-powered carrier, a 200,000-man Marine Corps, and the modernization of the Army is in the best interests of national security.

"The realities of the times offer the strongest arguments why the Nation needs a Marine Corps at a minimum strength of 200,000 men. With the approval of this provision, the Appropriations Committee has recognized the necessity for maintaining the Nation's traditional force-in-readiness at peak efficiency.

"The Marine Corps' speciality is the brush-fire war, although it is equally prepared to reply decisively to the challenge of any aggression from limited war through all-out nuclear warfare. Brush-fire wars and wars where objectives are limited are considered by our military experts to be a more immediate threat than all-out conflict.

"A modern Navy is our first line of defense. And the nuclear-powered aircraft carrier is the all-purpose weapon in that defense. It is a weapons system usable in any kind of war, from cold, through limited, to all-out war. We need to maintain ready forces, multipurpose forces, with multiple capabilities, to deal with limited aggression. If we do not have them, we risk being nibbled to death.

"The Appropriations Committee has faced up to the facts. It is hoped that the full Senate follows suit."

FIASCO IN VIETNAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I wrote to the Honorable C. Douglas Dillon, Acting Secretary of State, on yesterday, relative to an article which appeared in the Washington Daily News of yesterday, July 20, 1959, entitled "Fiasco in Vietnam—Our Hidden Scandal."

I had not anticipated sending the letter, but in reading and rereading the original article, I have come to the conclusion that most of the meat of the subject is in the article and that further articles would only bring about an elaboration of the subject matter discussed therein.

I ask unanimous consent that the letter and the article which appeared in the Washington News be printed in the body of the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
July 20, 1959.

Hon. C. DOUGLAS DILLON,
Acting Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. DILLON: I am enclosing herewith a clipping from the Washington Daily News of July 20. It is, as you will note, the first in a series of six articles on the aid program in Vietnam. Originally, I had intended to wait for the appearance of the balance of the articles before calling them to your attention. However, a reading of the first of the series prompts me to write to you now.

The suggestion of maladministration which is contained in this article is of such serious proportions that I am convinced that an immediate exploration of the situation is necessary. I am particularly disturbed (1) by what may be excessive pay and emoluments for officers of the program in Saigon, coupled with a supercilious, virtually 19th century colonialist mode of existence which can only dismay the indigenous people in whose midst it is pursued; (2) by the reported loss of an adequate measure of control over U.S. funds which are employed in the program; and (3) by the adverse consequences, in an international and internal Vietnamese political sense that may result from the failure to administer this program in an effective and constructively oriented fashion.

I call to your attention certain sections of a report on Vietnam which I made to the Committee on Foreign Relations in October 1955 and also transmitted to the executive branch. The following is quoted from pages 13 and 14 of that report:

"In the Diem government, there now exists for the first time a genuine alternative to the authoritarian regime of Ho Chih Minh. That government can gain the general acceptance of the Vietnamese people which before Diem's advent went largely to the Vietminese by default. It will not gain such acceptance, however, unless there is patient, continuous, and relentless application to the problems of the country on the part of all who have a stake in the survival and growth of a free Vietnam. By far the most important share of this effort must come from the Vietnamese themselves and their leaders. In Vietnam, as in any other country, there can be no freedom unless there is the willingness to assume its responsibilities. The present situation, however, is one in which the assistence and encouragement not only of the United States but of other free nations as well, can be of the greatest importance.

* * * * *

"In general, there appears to be no need for major readjustments in our present policies respecting Vietnam, with one possible exception. Now that the Diem government has reached a position from which to carry forward the constructive tasks outlined above it may be desirable to conduct a general review of our aid program. The program, until now, has been conducted on an urgent, or what is sometimes euphemistically termed a crash basis. The anxiety to do something in Vietnam in the crises in the past has undoubtedly resulted in a haphazard, wasteful, and ineffective development of the program.

"I recommend, therefore, that the executive branch give consideration to an exchange of special missions with the Vietnamese Government or to the appointment of a special group along the lines of the Bell Mission to the Philippines in 1950, to survey the present economic difficulties in Vietnam and the functions of the aid program with respect thereto. The principal purposes of a review of this kind would be twofold: (1) To speed the economic recovery and development of South Vietnam by more effective and coordinated use of American assistance; and (2) to redesign the aid program with a view to creating over a set period of time a self-sustaining Vietnam free from further direct reliance on U.S. assistance."

The first article in the series which is contained in the Washington News suggests that the kind of thoroughgoing review and replanning of the aid program in Vietnam which was clearly necessary 4 years ago has not yet taken place. May I say further that it was concern with such situations, as is suggested in the Daily News article, which prompted me to introduce an amendment into the foreign aid bill this year to seek to bring about the planned termination of grant aid over a set period of time.

If the balance of the series of articles in the Daily News sustains the serious allegations contained in the first, I intend, as chairman of the Subcommittee on State Department Organization and Public Affairs of the Committee on Foreign Relations, to take up with the chairman of the full committee the question of conducting hearings in the near future on the aid program in Vietnam in particular and southeast Asia in general. I respectfully suggest that you make necessary preparations for a full airing of this entire situation.

Sincerely yours,

MIKE MANSFIELD,
Chairman, Subcommittee on State Department Organization.

FIASCO IN VIETNAM—OUR HIDDEN SCANDAL—WE PUT OUT $1 MILLION A DAY, BUT WE HAVE NO SAY IN WHERE IT GOES

(First of six articles)

(By Albert M. Colegrove)

SAIGON, VIETNAM, July 20—The American aid program in little Free Vietnam is an outrageous scandal.

The true story of this fiasco has been hidden from the American public, which is paying for it.

U.S. bureaucrats, who can't abide the mildest criticism, have tucked the damning facts away in secret files.

Meantime, their press agents have produced bales of rose-colored propaganda crammed with halftruths about "progress" here.

In less than five years, U.S. taxpayers have spent roughly $2 billion to help this newborn anti-Communist nation, about half the size of New Mexico and with a population roughly equal to that of the metropolitan New York City area.

Only in Korea have we spent more.

True enough, we have accomplished our main mission. We have kept Vietnam from Communist conquest and from economic collapse.

But at what cost.

We have wasted many millions of dollars, and still are.

Following a reckless, foolish, made-in-Washington policy of "noninterference," we've forked over bundles of American cash to the fledgling, inexperienced Vietnam Government, and then looked piously at the ceiling while the money melted away.

Thanks to our "hands-off" attitude, we've done little to guide Vietnam toward the day when she can support herself. This country has a terrible financial problem. Our "solution" has been to put her on the dole. She may be there 10 years, 25 years—or forever.

Why has all this happened?

It has happened because the byword of most high American officials here is: "Keep your mouth shut, smile and don't rock the boat."

Scattered in the ranks of the 600–700 American civilian and military persons working for Uncle Sam in Vietnam are many sincere, frustrated, disgusted boat rockers.

I have talked with them, but shall not name them in these articles. It would be the kiss of death.

"You learn quickly," said one. "If you start criticizing the status quo, even mildly, you're gently warned your boss may consider you a troublemaker, and might so state when he writes up your next efficiency report. This could foul up your career permanently."

There is good reason for being content with things as they are.

Who wants to rock the boat when his cozy bachelor apartment or spacious family villa comes absolutely rent-free?

Who wants to tilt the applecart when he draws down $400–$800 a year extra to offset the ficticious "high cost of living" in Saigon, where he can buy American cigarettes tax-free for 10 cents a pack and groceries for himself for $1 a day?

Who wants to climb on the soapbox when he's permitted a 2-hour midday siesta, is chauffeured to and from work in a Government car—and gets up to $319 a month in so-called "hardship pay" for his dauntless willingness to endure the tensions and vicissitudes of a city that's properly renowed as "the Paris of the Orient"?

SOME REALLY WORK

Not all the Americans are living high on the hog in Saigon.

A sweat-soaked handful of dysentery-ridden unfortunates are assigned to duties in the provinces, where they train troops, spray village huts to fight malaria, show American movies to wide-eyed peasants, help engineer roads and dredge canals, and do similar tasks.

But the majority hold the fort in this city of 2 million, where the air-conditioned offices, the pleasant French-style sidewalk cafes, and the leisurely gin-and-tonic in one's cool and darkened living room—in the reassuring company of one's fellow Americans—are only minutes away at any time.

True, you may (as I did) occasionally run across a harassed desk-bound captain of Government furiously shifting official papers from "in" basket to "out," muttering he'd "like to get out in the field and, you know, mix with the people if it weren't for all this paperwork."

But there are memos to prepare, formal opinions to finalize. Some fresh crisis, such as whether the American Embassy should officially celebrate the Fourth of July (it didn't) is always arising. "I'm all jammed up today" is a popular lament.

"But really," I was assured by a $1,160-a-month-plus-free-rent public relations specialist paid to toot the horn for our economic aid program, "you can get the whole picture in Saigon.

"No sense tramping around out there in the boondocks. Terribly hot and dirty, you know, and you can't get much from the peasants except disease. All the key people are here."

However, I suspected even a Government public relations expert could be wrong now and then.

OUT IN THE STICKS

I went to the sticks. South, to the plains country, where the rice paddies shimmer in the oppressive morning heat and dance in the torrential afternoon rain. Where 23 American tractors and one huge dredge have been sabotaged by Communists in recent weeks. Where at least one village official per night has been methodically murdered by Red terrorists this year.

And I flew and drove north, all the way to Quang Tri Province, which is as far as you can go without running into Communist North Vietnam, where I nibbled on boiled duck's head, eyes and all, while the province chief lectured me on the Western World's timidity and poked into a political reeducation center to talk with prisoners whom the Government hopes to unbrainwash—shared tea with refugees from the north, now resettled on pint-sized farms wrested from the jungle.

And then back to Saigon with more questions to ask the key people, and more talks with scores of Vietnamese and Americans—business and professional people, intellectuals, big and little workers in both governments, up to and including President Ngo Dinh Diem.

And in the following articles I will report what I found.

Mr. THURMOND. Mr. President, the Senator from Montana is to be commended for calling the attention of the Senate to this matter. In addition, Scripps-Howard newspapers are to be congratulated and commended for the series of articles appearing in their publications throughout the Nation on the subject of foreign-aid waste. Albert M. Colegrove, a Scripps-Howard staff writer, visited Vietnam, and toured that country extensively in order to appraise our almost $2 billion spending effort there. The first of his six articles appeared in the Scripps-Howard newspapers of July 20, and others are scheduled to follow each day this week.

Based on Mr. Colegrove's first installment, his conclusions are that while we have succeeded in keeping Vietnam out of the Communist camp, we have done so at a cost of roughly $1 million a day. Where all this money goes is difficult to explain.

This series of articles is not the first to clearly point out the waste and inefficiency in our foreign-aid program. Many national publications have developed similar exposés, and while these exposés have aroused public opinion briefly, none of them have resulted in any successful effort to correct the abuses disclosed. Perhaps this latest series of articles will result in more constructive reform in our foreign-aid program. I ask unanimous consent that the second of these articles entitled "In Vietnam We Must Not Rock the Boat," be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR HIDDEN SCANDAL—IN VIETNAM WE MUST NOT ROCK THE BOAT

(Second of six articles)

(By Albert M. Colegrove)

SAIGON, VIETNAM, July 21.—America is spending more than $1 million a day to keep this country alive and on our side—but the well-paid U.S. bureaucrats who supervise the program are not preventing serious waste.

There are many fantastic angles to the hitherto-hidden American aid scandal here—but this, to me, is the weirdest of all.

Suppose you have a young son who never has driven a car. Would you buy him a Cadillac, hand him $100 and an instruction book, and then tell him to run along and amuse himself?

That, more or less, is what we are doing here on a multimillion-dollar scale.

We are buying jeeps, trucks, guns, tractors, factories, even whole radio networks for an infant farm-economy nation that quite admittedly lacks the know-how to use them. Of free Vietnam's 13 million people, there are only 300 trained technicians and engineers by its own Government's count.

AND MILLIONS OF CASH

We're also giving, outright, millions in cold U.S. cash to a country that has a desperate scarcity of skilled accountants, let alone trained government administrative help.

Nonetheless, once we arrange to deliver a batch of money or goods to free Vietnam, that's it.

American officials wash their hands of further responsibility.

You can well imagine what happens:

Expensive equipment lies idle, or is abused and falls apart, or in some cases simply disappears. Dollars vanish by the millions with little or no explanation.

Oh, we have "advisers" who're supposed to see that the Vietnamese learn to keep equipment properly maintained, and we have bookkeepers who are supposed to keep tabs on the money. Many are competent.

But they have their instructions.

These instructions, issued from Washington and fanatically enforced by the local U.S. brass, are:

Don't rock the boat. If you don't like the way things are done, shut up or quit. Never, never be so rude as to question the Vietnamese Government's privilege to do as it pleases with American aid.

"I believe if we give one American dollar or one screwdriver to another nation, we should have the right to see where it goes and how it's used," complained one frustrated American supervisor, typical of many to whom I've talked—secretly, of course—in recent weeks.

TABBED AS TROUBLEMAKERS

"My job," he said, "includes advising Vietnamese who have a large number of jeeps,

trucks and cars. They misuse and abuse these vehicles. They leave them outside in vile weather. They overload them. They seldom check the oil or bother with grease jobs. They pay little attention to our advice.

"Every American in my shop is bitter. But we know if we get firm, we'll get tabbed by our bosses as troublemakers who can't get along.

"Isn't that a helluva note?"

People in an excellent position to know say that is why, hidden in the classified fields of our foreign aid agencies, are dozens of accounts such as these:

An American adviser, going through the books of Radio Vietnam, the official government radio station, found a mysterious entry for "14 radio towers" costing $28,500, for which U.S. aid officials had paid. That was almost 3 years ago; no one has yet laid eyes on those towers. But when the American persisted in making inquiries of the Vietnamese, he was called on the carpet and royally bawled out for stirring up trouble.

After the Geneva truce agreement split Vietnam into two nations (Communist in the north, free in the south) the American Government pitched in about $71 million (2.5 billion piasters) to bring south and care for some 600,000 refugees. Almost 3 years later, in 1957, we asked the free Vietnam Government to please tell us how it spent the piasters. The Vietnamese accounted for $34 million—and left $27 million unaccounted for.

A few polite requests later, the missing amount was down to $22 million—of which they explained to us, some $8 million unfortunately must have been burned in a 1955 fire. "We will give you the records on the remaining $14 million in the near future," the Vietnamese explained. That was 2 years ago. My sources insist the accounting was never completed; the fate of many millions remains unsolved.

A year ago, a U.S. group wondered what had happened to some 2,700 vehicles given to one branch of the Vietnam Government. It asked for a tally and got one—with close to 700 vehicles unaccounted for. After a while, this was cut down to a few dozen, still missing.

The American adviser to a small group of Vietnamese technicians discovered his group's jeep was missing. He reported it stolen. A month later, he was informed the jeep had been "transferred" to the Ministry of Information. He inquired. Nope, said the minister, we don't have it. "Never did find the darned thing," he says in exasperation.

Under such botched-up conditions, nobody knows for sure where all the money goes.

SOME ARE RICHER

But it is obvious to anybody with eyes that certain members of the Vietnam Government are much wealthier today than before. (Informed consensus here is that President Hgo Dinh Diem himself is financially honest.)

"On Formosa," explained an American long and closely associated with our Asian aid programs, "the Free Chinese now give us a full accounting for every dollar. There wouldn't be free Vietnam today if it were not for America. What's so rude about politely insisting on good bookkeeping?"

His crediting of America for keeping the red-and-yellow flag of South Vietnam flying is no mere figure of speech.

In 1954, after years of vicious warfare, this country was ruined—its farms, railways, roads, and vital southland canals all but destroyed.

With Uncle Sam's help, free Vietnam set out to sell rice and rubber again to European and Asian customers of days gone by. But the rice customers hadn't been able to wait; they'd found new, permanent, cheaper providers.

For a while, rubber sales rose steadily—but slumped badly last year.

NO QUESTION OF NEED

The net result has been that free Vietnam's industry-scarce people and Government buy a lot more than they sell. They get from America the millions necessary to buy what they want but can't afford. Since 1955, this has amounted to more than $1 billion. In addition, we equip and train Vietnam's military forces. The cost is a military secret, but has amounted to at least another $1 billion.

No one questions that South Vietnam needs, and should have, our help.

But two questions that cry out for answers are:

Are we giving these people what they need or what they want?

(Item: We've arranged to provide a powerful, complicated, 50,000-watt shortwave radio transmitter system costing over $100,000 so they can beam propaganda at Communist North Vietnam. But after almost 5 years of American aid, the Saigon water system remains so inadequate that the poorer people line up for blocks at 7 a.m. to fill their buckets with water that trickles from a handful of public pumps.)

Is there a predictable happy ending; can South Vietnam be helped out of its lopsided financial dilemma?

American press agents talk happily of new basket-making centers and write of gradual but steady progress toward economic independence. But President Diem himself, talking with me, was not so cheery. He said: "You people should not demand miracles, expecting Vietnam to be solvent within 3 or 4 years." Then he added significantly: "Many experts think undeveloped areas like South Vietnam will need help for 25 years."

An American businessman, a former Government worker, here almost 5 years, said bluntly:

"We spend and spend, and our Government experts haven't proposed a single new answer to the problem. All they can come up with is determination to maintain the status quo. We'll never solve the economic problem this way. Meantime, these people are living off our handouts and are quite satisfied to do so."

Mr. BYRD of West Virginia. Mr. President, yesterday afternoon the Washington Daily News began a six-part series of articles on the bungling, confusion, and mismanagement of our American foreign-aid program in Vietnam. The beginning article was headlined "Fiasco in Vietnam—Our Hidden Scandal—We Put Out $1 Million a Day, but We Have No Say in Where It Goes." The article was accompanied by an editorial which criticized "the ghastly errors, misguidance and lamentable coverup" in our program for Vietnam. The editorial pleaded that corrective steps should be taken "before a worthily conceived program which is important to our defense goes down the drain."

Mr. President, this introductory article only begins to tell the story, but I feel that the entire series of articles is going to present a sorry spectacle equal to, or worse than, the many other sorry spectacles contained in our Nation's foreign-aid giveaway program.

It is because of dismal fiascos such as this—bungling and mismanagement which make the spending partially worthless—that I have felt compelled for the past 2 years to vote against the foreign-aid program. It is not that I am unalterably opposed to any sort of foreign aid; it is just that I have not been able to support it in its present form. I sincerely believe that the spending program has become so big, so widespread, so slipshod, and so poorly managed that, in its present form, it does not represent a sound investment for the American people. I feel that we are scattering billions upon billions of dollars which might be used much more beneficially to care for our needs here at home. While a few countries actually may deserve and appreciate our assistance, it seems to me that we have gone out of our way to shoulder the financial loads of more than half the nations of the world—while our own national debt is greater than the total of the national debts of all other nations in the world, combined. And, through it all, there have been repeated instances of reckless, irresponsible use of the American tax dollars, which come so dearly from the pockets of our Nation's citizens.

Mr. President, I had intended to ask unanimous consent that the article and editorial from yesterday's Washington Daily News be printed in the RECORD, but since the Senator from Montana [Mr. MANSFIELD] has presented the article for printing, I shall ask only that the editorial be printed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Once again a frightful spotlight is turned on the ghastly errors, misguidance, and lamentable coverup in our foreign aid program as applied specifically to one country, Vietnam in southeast Asia.

You would think—after the angry reaction to publication of "The Ugly American" nearly a year ago—that by now vigorous efforts would be made to rectify the wrongs in our official representation abroad. But the evidence is that this sorry record is only being perpetuated.

The mess that Scripps-Howard Staff Writer Albert M. Colegrove found in Vietnam is not fiction, as in the "Ugly American" story. It is hard, realistic truth. It was dug out by persistence, by much legwork, and by healthy skepticism of the official effort to smooth things over—"not to rock the boat."

The Colegrove story is of special timeliness because the $3.9 billion foreign aid bill for the next fiscal year is nearing a showdown in Congress, and every citizen has the right to know what is happening to our tax dollars overseas.

The Senate Foreign Relations Committee, in a report this year, said "the mutual security program * * * is at present an indispensable tool of American foreign policy."

We consider this obviously true but careless squandering as revealed in Vietnam does not serve that cause. Rather, as the Senate committee suggested, it supports arguments of opponents of the program that the whole enterprise should be abandoned.

Crux of the evil in Vietnam seems to be that our "experts" are shoveling out a million dollars a day but it's "none of our business" what the inexperienced Vietnamese officials are doing with the money.

If it makes you angry reading what Mr. Colegrove has found in this distant land, so out of sight of Americans who foot the bill, we think your anger is justified.

And we hope vigorous steps finally may be taken to clean up this ugly mess before a worthily conceived program which is important to our defense goes down the drain.

POWERFUL ARGUMENT FOR MONTANA DAM

Mr. MANSFIELD. Mr. President, I am sure that everyone here in the Senate is cognizant of the tremendous effort put forth by my distinguished senior colleague [Mr. MURRAY] in developing the natural resources of this Nation. He recognizes the great potential that can be derived from the orderly development of these resources.

An abundance of natural resources is one of the greatest assets of my State of Montana, and the senior Senator from Montana has an enviable record in the development of new projects in our State. He knows that new multipurpose projects means new jobs, more business, and eventually new industry which in turn broadens the economic base of the State.

Senator MURRAY has taken the lead in spearheading a drive to get two new projects started in Montana this year, and I hope that the conferees on the public works appropriation bill will agree to funds to start both Yellowtail Dam and the East Bench unit.

One of Montana's leading dailies recently recognized Senator MURRAY'S efforts in its editorial columns, and I ask unanimous consent to have this editorial from the July 16 issue of the Montana Standard printed at the conclusion of my remarks in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Montana Standard, July 16, 1959]

SENATOR MURRAY'S POWERFUL ARGUMENT FOR MONTANA DAMS

Pointing out that Montana has two important ingredients for a healthy economic life, but lacks a third—industry—Senator JAMES E. MURRAY, Democrat of Montana, made a powerful argument in the Senate recently for additional appropriations for the building of dams in the Treasure State.

Senator MURRAY, as chairman of the Interior Affairs Committee which authorizes reclamation development, was joined in his appeal by the entire Montana congressional delegation, Senator MANSFIELD and Representatives METCALF and ANDERSON.

Senator MURRAY expressed satisfaction with the progress of the Yellowtail Dam for which a $3 million appropriation has been included in the public works bill, but was disappointed that a House appropriation for $1 million to begin construction of the Clark Canyon Dam, East Bench unit, of the Beaverhead River near Dillon had been rejected.

Senator MURRAY mentioned that Montana has a mature, industrious, and skilled labor force, and that it has an abundance of natural resources, but he said that the third essential for economic health in Montana is lacking. This is industrial development.

The building of reclamation dams would hasten the development of industrial facilities, he maintained.

He mentioned that the Bureau of Reclamation estimates that the Yellowtail project alone would provide more than 5,900 man-years on-site employment.

He also mentioned that some 6,000 man-years' employment—equal to one man working 6,000 years—spread over the next several years would revive "many of our flagging business enterprises."

Senator MURRAY also mentioned that Bureau of Reclamation surveys had shown how the construction of dams in any section of the country provides many jobs for industrial workers in the East, particularly in areas of heavy unemployment and heavy industry, like Michigan, Ohio, Illinois, and Pennsylvania. He said that more than $91 million of the estimated $109 million total cost of the Yellowtail project would be spent outside Montana for labor and materials that go into equipment and supplies for such a project. This would include earth-moving equipment, turbines, generators, switchyard equipment, electrical apparatus, reinforcing steel, hardware, cement, and the like.

As we said, Senator MURRAY'S argument for the building of such dams was a powerful one.

The Eisenhower administration has generally regarded such developments as expenditures. More generally they are regarded as investments.

Inasmuch as such projects as the Yellowtail Dam and the Clark Canyon Dam go along with Eisenhower's formula that the Government should never do anything that an individual citizen, private enterprise, or local government can do for themselves, we would go along with Senator MURRAY'S argument.

These dams are in the field of Government enterprise. But there is a very sharp line between Government enterprise and private enterprise. If you get it over too far on the Government side you have socialism or communism, or both. You would no longer have America as most folks know it.

STUDY OF FEDERAL JUDICIAL SYSTEM

Mr. HRUSKA. Mr. President, because of official business which was occupying me at the time, I was not in the Chamber when Senate Resolution 91, authorizing a study of the Federal judicial system was considered and approved last Thursday.

From reading a report of the discussion in the RECORD, I observed that the principal concern regarding the authorization was basically twofold:

First, whether it would interfere with or delay the confirmation of pending nominations, to fill present vacancies on the bench; and

Second, whether the resolution would invite or result in an investigation of the substance of the decisions of any court.

I believe the discussion on the floor is explicit on both points. I rise to add my assurance as a member of the subcommittee, whose responsibility it will be to undertake this study, that neither of these results is intended and that, insofar as I am able, neither will come about.

Senate Resolution 91, essentially furnishes an opportunity for the subcommittee to study and consider at greater length those bills now pending before it seeking to create additional judicial districts or additional judgeships within already established districts, as the need exists or arises.

The subject resolution would enable systematic examination of the administrative practices of our Federal court system to serve as the basis for such legislation as will be necessary and appropriate to assist in reducing the chronic problems of congestion and delay, or, if possible, to eliminate them.

In a statement which I have prepared justifying this resolution, I have addressed myself to the subject of possible encroachment of the legislative branch into the areas inherently and properly within the activity of the judicial branch of our Government.

In part, I ask unanimous consent that an excerpt from the statement may be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The members of the subcommittee are not unmindful, however, that historically and properly the function of judicial administration is firmly lodged with the courts themselves. Interference by the Congress in this sphere constitutes an unjustified extension of its powers. We are therefore alert and sensitive to the inherent limitations imposed upon the Congress regarding an investigation and study of the procedures and administrative practices of the courts as, indeed, we have always been respectful of the autonomy of the judges.

As a member of the subcommittee, I propose to safeguard and respect this doctrine which inheres in, and is the greatest strenghth of, our Government. Nonetheless, as legislators we have a legitimate concern with the persistent problem of congestion and delay in the Federal courts. We have the obligation to enact legislation that will assure the prompt and efficient disposition of pending cases. To that extent, it also behooves us to seek the assistance and guidance of the courts, legal societies, and students of the subject so as to enact the most desirable legislation possible.

To obviate any possibility that the intendment of Senate Resolution 91 will be misunderstood or that the motives of the subcommittee members would be suspect, it is well to state explicitly that we are conscious of the fundamental distinction between the time required for the proper disposition of each case and sheer delay. In the interest of eliminating the latter, we must not encourage practices that will preclude the former. Resort to unjudicial methods of any kind for the sake of eliminating congestion and delay is as unwarranted as it is unnecessary. It is of paramount importance to realize that our present judicial system can exist without congestion and delay.

To reiterate: The fundamental process of our courts must not be tampered with. To borrow the words of Chief Judge Vanderbilt: "Mass production methods and assembly line techniques are utterly incompatible with sound administration. Every case is entitled to all the time and individual attention necessary for a fair trial considering all the circumstances of the case, but not to one minute of delaying tactics."

The study now authorized by Senate Resolution 91 has as its professed objective securing, as it is within the power of the Congress to do, the proper administration of justice. If, as a byproduct, it will also expedite the disposition of cases, with a resulting savings in manpower and appropriations, this will be welcomed. However, neither of these latter objectives should be the primary consideration of the courts or this subcommittee.

We mainly desire to achieve in practice the essential principle that "the courts exist for the benefit of the state and of the litigants, not the judges and the lawyers."

Mr. HRUSKA. Mr. President, as the study and activities, pursuant to this resolution progress, every effort will be made to bear these observations in mind.

Mr. President, I ask unanimous consent that the text of the statement which I have prepared with reference to Senate

Resolution 91 be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HRUSKA ON SENATE RESOLUTION 91

With the adoption of Senate Resolution 91, authorizing a study of the Federal judicial system, the Senate takes cognizance of the growing concern throughout the country over the problem of congestion and delay that plagues our courts. The purpose of the study is simple: to determine what legislative or other measures might assure prompt and efficient disposition of pending litigation.

Undeniably, these objectives are important. Furthermore, they are readily obtainable as the recent experience of several State and local governments demonstrates. Most certainly, therefore, Congress should do everything within its power to achieve such goals for our Federal courts. In this connection it is proper to observe that whatever are the suggestions, recommendations, or legislation that will be forthcoming as a result of this study must also be accepted on the grounds of their immediate practicality.

The administrative practices of our courts have frequently been criticized in recent days by a growing number of responsible individuals and organizations, including the bar associations. A report to the Senate Appropriations Committee entitled a "Field Study of the Operations of U.S. Courts," released earlier this year, identifies various of the weaknesses in the current administrative practices and points out how they can be avoided.

I have studied this report with the utmost care. In my judgment it is a perceptive and thoroughly documented piece of work. What is more, it has been written with an obvious respect for the independence and integrity of the Federal judiciary and with a high regard for its members. Nevertheless, it neither hesitates to report such deficiencies as have been found in the present system nor to propose specific reforms and remedies which are deemed advisable.

This field study merits the thoughtful consideration of anyone interested in the problem of effective judicial administration. It most certainly will provide a working basis and valuable outline for the study authorized by Senate Resolution 91. We are indebted to the senior Senator from Arizona [Mr. HAYDEN] for arranging this project. His early recognition of the vast work to be done and the obligation incumbent upon the legislature to undertake it is characteristic of his distinguished leadership in the Senate.

Mr. Paul J. Cotter, the author of the report, is also to be commended for his objective manner in preparing the study. It is apparent that he maintained a firm grasp upon his material despite the technical aspect of much of the information. It is comforting to know that by training Mr. Cotter is a lawyer, whose experience has included tours of duty with the FBI, the SEC, and the Department of Justice. He has also served in the capacity of investigator, staff member, and counsel for numerous committees in both the House of Representatives and the Senate. We were indeed fortunate to have an individual of such a background available to undertake a survey of the operations of the Federal courts.

Perhaps the most discouraging, as well as revealing, statement appearing in the Cotter report is that the problem of congestion and delay is both widespread and chronic. Nor are the worst conditions of delay necessarily found in the courts having unduly heavy dockets. Moreover, within some courts it is observed that certain judges are relatively current with their caseloads while others are hopelessly bogged down. The significance of these situations is particularly startling when we realize that only about 10 percent of all the cases filed in Federal court are actually tried.

Cotter makes a case-by-case study of 23 districts of 6 circuit courts in an attempt to get a cross-section view of the operations of our judicial system. Without attempting to be exhaustive, he reaches the conclusion that the statistics furnish only the haziest impression of what is actually occurring in the courts or how they are being run. The information which is available concerning the condition of the dockets appears to be of limited value in determining the effectiveness of our court operations.

What is particularly disturbing is that such congestion and court delays are prevalent notwithstanding the enactment of legislation, by and large at the request of the judiciary, which was designed to achieve the effective management of the judicial system.

In 1922 Congress established the Judicial Conference of the United States, which is empowered to submit suggestions to the various courts as are in the interest of uniformity and expedition of their business.

It enacted the Administrative Office Act of 1939 to manage the business affairs of the courts and to collect information and statistical data with respect to the courts. Furthermore, the powers and responsibilities of the Judicial Conference have been expanded and the administrative organization extended by providing for judicial councils and judicial conferences.

Numerous other statutes were enacted, some as recently as the last session of Congress, in the interest of lessening the mounting pressures on the dockets, fixing administrative responsibility, or facilitating the assignment of judges. Yet our efforts to attain the dual objectives of eliminating congestion and equalizing the work of the district judges have been found to be only partially successful.

Whenever the cause of court congestion and delay is studied, it is generally suggested that Congress has failed to provide a sufficient number of judges in the districts where they are needed. However, the Cotter report observes that this is not the sole, or even the principal, explanation for chronically congested dockets. At most, the appointment of additional judges to handle the workload of a particular court would be a temporary answer to our problem.

There are several other causes which must be explored. The late chief justice of the Supreme Court of New Jersey, Arthur T. Vanderbilt, in his book entitled "The Challenge of Law Reform," has considered the weaknesses in our system of judicial administration to be:

First, the Federal judicial system lacks an effective executive head;

Second, the broad authority already vested in the Chief Justice and the chief judges in the circuits has not been fully utilized; and

Third, there has been a decided reluctance in the Federal courts to make mandatory those practices and procedures which have been conclusively demonstrated to be of value.

The field study done by Cotter corroborates these ideas of Chief Justice Vanderbilt. Indeed, the observation is continuously made in the report that there is a very serious lack of administrative control and direction throughout the whole judicial system. Why many able judges find the principle of administrative direction distasteful in the face of the beneficial results achieved by such practices is difficult to comprehend.

The experience of New Jersey courts shows that any judicial system can eliminate congestion and delay in an orderly and effective manner without resorting to methods calculated to bring either the law or the courts into disrepute.

That the program in New Jersey is effective has been demonstrated by the fact that not only were delays eliminated but the result was accomplished in the most part by the same judges who were sitting before the system was streamlined.

Furthermore, congested calendars were avoided by the increase in the individual productivity of the judges. In some courts there occurred as much as a 93-percent increase in the disposition of cases with the same or fewer number of judges during the first year of the new program. Moreover, in the second year the courts increased their productivity by still another 19 percent in spite of an increase in the number of cases being filed. And by common consent it was acknowledged that the cases were being tried better than under the old system.

Interestingly, the streamlining of the judicial system in New Jersey was accomplished over the opposition of all but a handful of judges and lawyers and without any support from a single bar association. The people simply took the matter into their own hands by overwhelmingly supporting a new constitution providing the desired reforms.

Happily not all court revisions and administrative reforms must await such radical efforts on the part of the public.

Undue delay also existed in the courts in Douglas County, Nebr., where I had practiced law for over 25 years before coming to Congress. By the latter part of October 1958, the State district courts, our principal trial courts, found themselves with a backlog of more than 750 cases, representing 3 years' work.

By the reform program of the Omaha Bar Association, which was initiated by the energetic and imaginative leadership of its president, Mr. Edwin Cassem, this backlog was drastically reduced to approximately 250 cases by the end of February 1959, merely 5 months later. As this nevertheless represents a time lag of almost a year between issue to trial, efforts are being made to improve the calendar further.

What is remarkable in this situation is that not an additional tax dollar was required to achieve the result. Neither was an additional judgeship created nor another judge assigned from outstate. It was purely an administrative achievement, accomplished voluntarily and with the joint efforts of the judges and the bar association. This is a further example of the spectacular job that can be accomplished by skillfully drafted administrative procedures that are vigorously utilized by those who are primarily responsible for a just, speedy, an inexpensive determination of every action.

It becomes abundantly clear that the subcommittee for the Improvement of Judicial Machinery, which is charged with carrying out the objective of Senate Resolution 91, has important work to do. If our court calendars are chronically congested, it would seem reasonable to conclude that inadequate administrative practices are being followed. And if statutes enacted to effect improvements in administration have not achieved the desired end, it ought to be determined where these are being fully utilized. As our court business increases under the pressures of an expanding society, it will become increasingly important to obtain efficiency in our courts. This is the assignment which will have the immediate attention of the subcommittee.

The members of the subcommittee are not unmindful, however, that historically and properly the function of judicial administration is firmly lodged with the courts themselves. Interference by the Congress in this sphere constitutes an unjustified extension of its powers. We are therefore alert and sensitive to the inherent limitations imposed upon the Congress regarding an investigation

and study of the procedures and administrative practices of the courts as, indeed, we have always been respectful of the autonomy of the judges.

As a member of the subcommittee, I propose to safeguard and respect this doctrine which inheres in, and is the greatest strength of, our Government. Nonetheless, as legislators we have a legitimate concern with the persistent problem of congestion and delay in the Federal courts. We have the obligation to enact legislation that will assure the prompt and efficient disposition of pending cases. To that extent, it also behooves us to seek the assistance and guidance of the courts, legal societies, and students of the subject so as to enact the most desirable legislation possible.

To obviate any possibility that the intendment of the Senate Resolution 91 will be misunderstood or that the motives of the subcommittee members would be suspect, it is well to state explicitly that we are conscious of the fundamental distinction between the time required for the proper disposition of each case and sheer delay. In the interest of eliminating the latter, we must not encourage practices that will preclude the former. Resort to unjudicial methods of any kind for the sake of eliminating congestion and delay is as unwarranted as it is unnecessary. It is of paramount importance to realize that our present judicial system can exist without congestion and delay.

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LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, before the morning business is closed, I should like, if the Senate will permit me, to review bills on the calendar which have been approved and which may be called up by motion at some later time.

The first is order No. 133, S. 91, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the operations of such act, and for other purposes.

That bill has been approved by the majority policy committee, and it has been approved by the minority, with the suggestion that we notify the Senator from Delaware [Mr. WILLIAMS].

Order No. 146, H.R. 213, to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees.

That bill has been approved by both groups, with the suggestion that certain Senators be notified.

Order No. 173, H.R. 4601, has been approved by the majority policy committee and the minority, with the suggestion that certain Senators be notified. That bill is similar to order No. 133, S. 91.

Order No. 183, S. 690, to provide for the increased use of agricultural products for industrial purposes, has been approved by the majority policy committee, and the minority has asked that it be temporarily held to notify the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Indiana [Mr. CAPEHART].

Order No. 337, H.R. 6319, to amend chapter 55 of title 38, United States Code, has been cleared by the majority policy committee.

Order No. 361, Senate Resolution 131, referring Senate bill 882, for the relief of the heirs of J. B. White, to the Court of Claims, has been cleared by the majority policy committee and the minority, and the request has been made to hold action on it until the Senator from Kentucky [Mr. COOPER] was notified that the bill was to be called up by motion. I should like to give notice that the bill may be called up by motion.

Order No. 378, S. 990, to authorize the use of Great Lakes vessels on the oceans, has been approved for action by the policy committee. The minority has approved it, with the request that the Senator from Delaware [Mr. WILLIAMS] be notified.

Order No. 398, H.R. 6190, to direct the Secretary of the Army to convey the Army and Navy General Hospital, Hot Springs National Park, Ark., to the State of Arkansas has been cleared by the majority policy committee, and Senators HART, MORSE, CLARK, NEUBERGER, and DOUGLAS have indicated an interest. The Senator from New Jersey [Mr. CASE] has asked to be notified. I think most of those Senators have asked that the bill be held up, although it has been cleared by the majority policy committee, and it may be called up by motion.

Order No. 425, Senate bill 107, to amend title XI of the Merchant Marine Act, of 1938, has been cleared by the majority policy committee. The Senator from Ohio [Mr. LAUSCHE] and the Senator from Maryland [Mr. BUTLER] have indicated an interest in that bill.

Order No. 428, S. 1958, to amend title 46, United States Code, section 601, has been cleared by the majority policy committee, with a request to notify the Senator from South Carolina [Mr. THURMOND] and a request that it be held up by the Senator from New York [Mr. JAVITS] and the Senator from Massachusetts [Mr. SALTONSTALL].

Order No. 430, S. 1508, to provide for economic regulation of the Alaska Railroad under the Interstate Commerce Act, and for other purposes, has been cleared, but I do not expect to move that the bill be considered at present.

Order No. 434, S. 281, to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, is being held in abeyance, although the policy committee has given it clearance.

Order No. 446, S. 716, to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes, has been cleared, although the Senator from Illinois [Mr. DIRKSEN] has asked that it be held.

Order No. 447, S. 1789, to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes, has been cleared by the policy committee. Senators FREAR, ROBERTSON, GREEN, CLARK, BRIDGES, COTTON, BEALL, BUTLER, and CAPEHART have requested notice on this bill.

Order No. 448, S. 819, to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance, has been cleared by the policy committee, and Senators DIRKSEN, PROUTY, and GOLDWATER have asked that the bill be held. I should like to point out that I anticipate it is likely consideration of this bill will follow the present unfinished business. It certainly will unless the mutual security conference report is available from the House. I understand the conference report will be taken up in the House early Wednesday. When it is available, the conference report will take priority.

Order No. 464, S. 1965, to establish certain provisions with respect to the removal and the terms of offices of the members of certain regulatory agencies, has been cleared by the policy committee, as have

Order No. 471, H.R. 1219, to amend section 2038 of the Internal Revenue Code of 1954, relating to revocable transfers;

Order No. 476, H.R. 137, to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes;

Order No. 477, Senate Concurrent Resolution 46, authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability";

Order No. 478, Senate Concurrent Resolution 47, authorizing the printing of additional copies of the hearings on automation and technological changes; and

Order No. 485, S. 1845, to amend title 35 of the United States Code relating to patents.

It is requested that the Senator from New York [Mr. KEATING] be notified on the bill.

Mr. WILEY. Mr. President, have all those bills been cleared?

Mr. JOHNSON of Texas. They have all been cleared.

Order No. 511, S. 1138, to provide readjustment assistance to veterans who served in the Armed Forces between

January 31, 1955, and July 1, 1963, is the unfinished business.

Order No. 512, H.R. 4538, authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex., is cleared.

Order No. 513, S. 2208, to provide for equal treatment for the State of Alaska as for other States of the Union with respect to the allotment of funds under the Federal Airport Act and for other purposes, is cleared.

Order No. 514, S. 1694, to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service incurred disabilities, is cleared.

Order No. 515, S. 906, to amend sec. 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section, is cleared.

Order No. 517, S. 1453, to authorize the Secretary of Agriculture to sell and convey lands in the State of Iowa to the city of Keosauqua, is cleared.

Order No. 518, S. 1748, to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, is cleared.

Order No. 519, S. 669, to authorize the Secretary of Agriculture to convey certain lands to the Bethel Baptist Church of Henderson, Tenn., is cleared.

Order No. 521, S. 2133, to amend the act of July 3, 1956 (70 Stat. 402), entitled "an act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes, is cleared.

Order No. 522, S. 1110, to amend the act of August 4, 1955—Public Law 237, 84th Congress—to provide for conveyance of certain interests in the lands covered by such act, is cleared.

Order No. 523, H.R. 306, to amend the Federal Crop Insurance Act, is cleared.

Order No. 524, S. 1282, relating to acreage allotments for Durum wheat, is cleared.

Order No. 525, S. 2014, to clarify and amend the Capper-Volstead Act (42 Stat. 388, 7 U.S.C. 291–292), and for other purposes, has been cleared by the policy committee. We have a "hold" on it from the minority. I do not know who has requested that it be held. We will try to take that bill up by motion, probably following consideration of the Kennedy bill from the Committee on Labor and Public Welfare, relating to loyalty oaths and oaths of allegiance under the National Defense Education Act of 1958.

So far as I am informed, the following have been celared:

Order No. 526, Senate Joint Resolution 24, authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand;

Order No. 527, Senate Joint Resolution 106, authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

Order No. 528, H.R. 697, to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes;

Order No. 529, H.R. 5927, to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base; and

Order No. 530, S. 2153, to authorize the Coast Guard to accept, operate, and maintain a certain defense housing facility at Yorktown, Va., and for other purposes.

There is a "hold" requested by the minority on order No. 531, Senate Resolution 130, to express the sense of the Senate in an exchange of mortgages held by FNM9 for Government bonds.

Order No. 531; and order No. 532, S. 2220 to strengthen the Commissioned Corps of the Public Health Service through revision and extension of some of the provisions relating to retirement, appointment of personnel, and other related personnel matters, and for other purposes, have not yet been cleared by the majority policy committee.

I should like all Members of the Senate to be on notice that any of these measures may be taken up by motion at any time. We will notify any interested Senators in advance.

Mr. President, has morning business been concluded?

The PRESIDING OFFICER. Is there further morning business?

SPEEDUP NEEDED IN MEDICAL RESEARCH

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article written by Mr. James Free, the Washington correspondent, and published on the editorial page of the Birmingham News, entitled "Research Speedup Called for—Needed Tests in Medical Field Slowed by Inadequate Governmental Program," dated Sunday, July 19, 1959.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESEARCH SPEEDUP CALLED FOR—NEEDED TESTS IN MEDICAL FIELD SLOWED BY INADEQUATE GOVERNMENTAL PROGRAM

(By James Free)

WASHINGTON.—The Federal Government puts up about half of the approximate $350 million a year now being spent in the United States for medical research.

Few citizens complain of this, for the idea is to speed the conquest of cancer and other crippling and deadly diseases. But on occasion there are signs that our Government-run and Government-sponsored test and research programs in the field of health are most difficult to crack for a little fellow who has what he has reason to believe is a good product.

PROMISING TREATMENT FOR BURNS STILL AWAITS TEST

Over a year ago we wrote of the barriers run into by the producers of a vegetable base solution, BNG, which this reporter and a large number of Washingtonians, including a half dozen Senators, have found to be marvelously effective in treatment of burns. For several years these relatively small-fry producers have been trying, without success, to have scientifically controlled tests made or checked by some recognized agency such as the National Research Council or the National Science Foundation.

Latest in a fairly long line of Senators seeking a fair test of BNG is OLIN D. JOHNSTON (Democrat, of South Carolina). He is sponsoring a bill that would authorize the Air Force to make controlled tests.

TREATMENT OF CANCER WITH ENZYMES DEBATED

More recently there has come to our attention the work of Howard H. Beard (Ph. D. and chemist who served for the past few years on the faculty of Alabama Polytechnic Institute) in the field of cancer.

Dr. Beard is the author of a book "A New Approach to the Conquest of Cancer, Rheumatic and Heart Diseases." In the book, it is set out that Beard's father, Dr. John Beard, in 1906 when he was at Edinburg University, evolved a new theory that linked cancer to certain abnormalities in human cells. He also advocated a then unusual treatment with enzymes.

In the last decade, two California physicians using the elder Beard's discoveries for a foundation have developed the enzyme chymotrypsin and the chemical laetrile, which they report has been used successfully on certain cancer victims. Howard H. Beard in his book says that these two cancer treatments are being tested with excellent results in several foreign countries, but can't get the recognition and use they should have in the United States.

Howard Beard also tells at length of an anthrone test he claims to have perfected for early diagnosis of cancer. He cites many quantitive determinations in which his test proved to be 92 to 96 percent accurate.

As a layman we have no basis for evaluation of what Howard Beard says about any cancer cure drug or early detection test. There is no Federal agency that has responsibility for this type of evaluation. We did check with the National Cancer Institute for any information in its files on laetrile or on the Beard Anthrone Test—two key parts of Beard's thesis that the cancer problem is already solved, if the public but knew it and the medical profession would accept it.

The National Cancer Institute said that laetrile has not been evaluated by NCI. And it added that its scientists several years ago looked into the Beard Anthrone Test for malignancy, but did not consider it sufficiently reliable for general use. Beard obviously thinks any full-scale test of his anthrone test today would show near-100 percent accuracy.

NO GOVERNMENT AGENCY FOR IMPARTIAL EVALUATION

No one can dispute either the National Cancer Institute or Howard Beard without more, up-to-date evaluation from a wholly reliable source. And the main point in writing this is to stress that there is no impartial Government agency that has the responsibility for such vitally important evaluation. In a letter to this reporter, NCI said that, should laetrile be offered to the institute by its developers, it could be intensively studied and the results made known. In view of the many successful treatments claimed for this drug, it would appear logical for NCI to initiate the suggestion for controlled tests.

When Senator OLIN JOHNSTON offered his bill permitting a test of BNG, he said the Government has the duty to research and test anything that might produce a cure or relief from any dreadful disease, whether it be discovered accidentally by a layman or by a highly technical expert.

Contrary to popular belief, the Government does not perform that duty now. And it would seem in the public interest that it should perform this duty.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARTKE in the chair). Without objection, it is so ordered.

TRIBUTE TO THE LATE ADM. WILLIAM D. LEAHY

Mr. MARTIN. Mr. President, the State of Iowa has produced many illustrious sons who have become national leaders in many fields. Although Iowa is an interior State, far removed from any ocean shores, one of the fields in which it has produced many leaders is the service of the U.S. Navy.

Yesterday death came to another native Iowan who achieved preeminent fame and stature as an officer of the U.S. Navy, Admiral of the Fleet William Daniel Leahy. As Chief of Staff to Presidents Roosevelt and Truman, Admiral Leahy contributed much to the successful American military prosecution of World War II.

This wartime service as top military adviser to two Presidents capped a long naval career which Admiral Leahy thought had been concluded with his service in the late 1930's as Chief of Naval Operations, the No. 1 officer post in the Navy. Leaving active duty in 1939 when he reached the statutory retirement age of 64, Admiral Leahy served as Governor of Puerto Rico until December 1940, when then President Roosevelt summoned him back home and named him U.S. Ambassador to the Vichy Government of France. In July 1942 the President again brought Admiral Leahy back to Washington, this time to fill an unprecedented new post Mr. Roosevelt was then creating—Chief of Staff to the President.

In that position, Admiral Leahy spoke for the President in high-level military discussions with our allies and was his top adviser in the series of international war-strategy meetings which President Roosevelt attended.

Throughout my adult lifetime, I have observed the pride and admiration of all Iowans for Admiral Leahy's great record of achievement. I learned early in my service in Congress, which began in 1939, that Admiral Leahy was exceedingly proud of his Iowa background—that he was as proud of his native State, as his native State was of him.

Mr. President, I ask unanimous consent to include in my remarks three newspaper articles telling of Admiral Leahy's long and distinguished career in the service of his Nation. They are from the Washington Evening Star of Monday, July 20, and the Washington Post and Times Herald and the New York Times of Tuesday, July 21.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, July 20, 1959]

ADMIRAL LEAHY DIES—TOP WARTIME ADVISER

Admiral of the Fleet William D. Leahy, wartime Chief of Staff to President Franklin D. Roosevelt, died at 8:45 a.m. today at Bethesda Naval Hospital, the Navy announced.

The veteran naval officer, diplomat and senior adviser to the White House was 84.

The Navy said death resulted from a cerebral vascular accident, the usual medical term for a stroke. His only son, Rear Adm. William H. Leahy, commander of the Portsmouth (Va.) Naval Shipyard, was with him when he died.

Admiral Leahy, who was the senior five-star officer elevated to that rank during World War II, was a native of Hampton, Iowa.

During a career which stretched from 1897, the year of his graduation from the Naval Academy, he served in the Spanish-American War, the Philippine Insurrection, the Boxer Uprising in China and both World Wars.

REACHED PEAK IN 1937

Admiral Leahy reached the peak of his service in the Navy itself in 1937 when he was appointed Chief of Naval Operations.

After his retirement 2 years later he served successfully as Governor of Puerto Rico and Ambassador to France during the early stages of World War II.

In 1942 he was recalled to active duty at the age of 67 as Chief of Staff to the Commander in Chief. In that capacity he was the senior member of the Joint Chiefs of Staff and a member of the combined Chiefs, which included senior officers of principal allies of the United States.

In civilian dress he looked like an average American businessman and was of a quiet demeanor, not given to dramatics. But in the Navy, where his close associates called him "Bill," he had a reputation as an extremely able executive—afloat or ashore—and as a cold logician. Like nearly all four-star Admirals, he also was a stern disciplinarian.

Outside of the seafaring profession he was well grounded, particularly in the field of economics, and had a faculty for grasping details rapidly.

It was no mere coincidence that prompted President Roosevelt to pick him for diplomatic posts where tact was required. They had been friends since the days of the First World War when Mr. Roosevelt was Assistant Secretary of the Navy and Leahy was a junior captain. They had a mutual admiration for each other.

Thirty-one-year-old Assistant Secretary of the Navy Franklin D. Roosevelt, who was 7 years his junior, put all his trust in him. Through a circumstance favorable to both, Leahy was the skipper of the *Dolphin*, the Navy Secretary's dispatch boat. Josephus Daniels was the Secretary. Mr. Roosevelt loved to go to sea and made several voyages on the *Dolphin*.

"He had a lot of naval lore," the admiral said, "and a good naval library. He knew more about small-boat sailing than I did. I was out with him several times at his summer place, Campobello. He knew the Navy people. He would sometimes consult me about them, but he made up his own mind.

"I didn't agree with everything he did politically (the admiral was referring to their later relationship). One time he said to me, 'Bill, you don't know anything about politics.' I said, 'Mr. President, that's the finest compliment you've ever paid me.' It didn't make him mad. I knew it wouldn't."

VICHY ASSIGNMENT

The Vichy assignment was particularly important, for the situation, after the fall of France, was delicate and explosive. The President had first desired Gen. John J. Pershing as Ambassador, because of his close personal friendship with the aged marshal of France, Philippe Pétain—a friendship dating back to First World War days when they were comrades in arms. But General Pershing's health would not permit him to accept the post and the assignment went to Admiral Leahy.

With the Germans occupying much of France, the influence of Adolf Hitler seeped through to Vichy, where Marshal Pétain was endeavoring to bring order out of chaos. The admiral and the marshal became good friends and many threatening political situations were ironed out by the tactful Leahy.

Meanwhile, Admiral Leahy suffered a personal tragedy when his wife, the former Louise Tennent Harrington, whom he married in 1904, died in France in the summer of 1942. Soon after he brought her body back to America for burial, the President named him to the newly created position as his Chief of Staff.

MOST DIFFICULT POSITION

This probably was one of the most difficult positions in his long career. The United States was then in the midst of its rapidly broadening war effort. In obtaining military information to form the basis of the President's global war strategy, Admiral Leahy had to deal intimately with the ranking officers of the Army, Navy, Marine Corps, and the Air Force. Each branch of the service was traditionally jealous of its own prerogatives. But it was apparent, after the admiral learned the ropes, that he performed his mission smoothly.

Born far from salt water on May 6, 1875, he had an abiding interest, as a boy, in the military history of the Civil War as a result of his grandfather's participation in it. He decided upon a military career early in life.

After being graduated from high school at Ashland, Wis., he sought an appointment to West Point; but his Congressman informed him there were no openings at the Military Academy. However, he said he would be glad to nominate him for Annapolis and that's how he switched his ambitions from the Army to the Navy.

SERVED ON "OREGON"

Soon after his graduation from the Naval Academy, he was assigned to the battleship *Oregon* and participated in that man-o-war's historic dash from the Pacific around the Horn in time to take part in the destruction of Admiral Cervera's fleet at Santiago de Cuba in the Spanish-American War. He was always proud of the old *Oregon*.

When the First World War broke out, he was in command of the dispatch boat *Dolphin*, which searched for German supply ships in Caribbean waters. Then he supervised the commissioning of the former German passenger liner, *Princess Alice* which, under the new name of the *Princess Matoika*, with Leahy in command, was used to transport troops to France.

In that capacity he won the Navy Cross for distinguished service for "the exacting and hazardous duty of transporting and escorting troops and supplies to European ports through waters infested with enemy submarines and mines."

After the First World War he rose rapidly as Chief of the Bureau of Ordnance with the rank of admiral, commander of the destroyer scouting force, Chief of the Bureau of Navigation, vice admiral of the battle force and Chief of Naval Operations in 1937–39. When he retired the President started him on his diplomatic career.

WAS ACTING SECRETARY

During his tenure as Chief of Naval Operations he was Acting Secretary of the Navy

during the prolonged illness of the late Secretary, Claude A. Swanson.

He always was an ardent protagonist for a strong fleet and was the Navy Department's spokesman before Congress for the first billion dollar Navy bill in 1938.

One of the many stories told about him in the Navy was an incident when he was in command of the battleship *New Mexico*. During gunnery practice, the chief gunner was exasperated by obstructions caused when officers and men walked in front of the gunsight at critical moments. Finally, he bellowed: "Get the hell away from that sight."

The "obstruction" was Captain Leahy. Amid a deadly silence, apologies were offered. The unsmiling captain gruffly said, "Don't let it happen again." But there is no record that he ever blocked another gunsight.

PUBLISHED MEMOIRS

Admiral Leahy published his memoirs 9 years ago. It was a modest report. He made it clear that the strategic decisions were made, not by the combined chiefs, but by two men, Roosevelt and Churchill. He wrote it himself and it contains 19th century verbiage. The wives at the dinners were "gracious ladies"; the women at the press conferences, "female reporters."

After World War II, Admiral Leahy played a leading role in creating the National Intelligence Authority, which has since become the Central Intelligence Agency.

After President Roosevelt's death, Admiral Leahy continued as senior military adviser to President Truman, a post he resigned in March 1949. He continued as an adviser to successive Secretaries of the Navy until recently, when his health began to fail.

In recent years, Admiral Leahy had faded from the Washington scene, although in 1954 he still maintained an office in the Old Navy Building at Constitution Avenue and 17th Street NW. A reporter paid him a visit that year to ask what he was engaged in.

Admiral Leahy said he was there to do anything the President asked him to do. And what is that, asked the reporter?

"He doesn't ask me to do anything," said Admiral Leahy. "Oh, once in a while he asks me something about the war, but his memory is as good as mine."

His last known interview was given last September in his 17th-floor room at Bethesda Naval Hospital. The old gentleman lived out his days there, without either radio or television to disturb his tranquility. He was the only patient on the floor.

Each weekday morning, his aid and his secretary used to bring the mail out from Washington, spend about an hour with him and leave. It was just about his only contact with the outside world.

HAD FEW VISITORS

Except for visits from his son, his two grandchildren and five great-grandchildren, the admiral's only callers were his doctors and his therapist.

In his latter days, Admiral Leahy's health was generally good, although he was bothered by the aftermath of a broken leg suffered 3 years ago and by arthritis. The weight was gone from his 5 feet 10-inch frame, and the skin was slack on his face but his memory was still clear.

At his death, the Washington he knew was history. Like the battleships he sailed, he had been left behind in the wash of an atomic age—an age he survived but didn't believe in.

[From the New York Times, July 21, 1959]

FLEET ADMIRAL LEAHY DIES AT 84—PRESIDENTS' CHIEF OF STAFF IN WAR—WHITE HOUSE AID HAD BEEN ENVOY TO VICHY—ADVISER AT YALTA AND POTSDAM

WASHINGTON, July 20.—Fleet Adm. William D. Leahy, personal Chief of Staff to Presidents Franklin D. Roosevelt and Harry S. Truman during World War II, died today at the Bethesda (Md.) Naval Hospital. He was 84 years old.

The Navy announced that death resulted from a cerebral vascular accident, the failure of one or more blood vessels serving the brain. At his bedside was his only son, Rear Adm. William H. Leahy, commander of the Portsmouth (Va.) Naval Shipyard.

Fleet Admiral Leahy, who topped the seniority list of five-star generals and admirals created toward the end of World War II, won distinction as a naval officer, as a diplomat, and as a statesman. He was one of the architects of victory in World War II and of the peace that followed.

He had entered the hospital last April 30. He had been in general good health, but he was bothered by the aftermath of a broken leg suffered 3 years ago and by arthritis. He lived in a 17th-floor suite at the hospital, without either radio or television. Aids reported, however, that he was kept informed of world developments.

President Eisenhower issued this statement today concerning the admiral's death:

"In the passing of Adm. William D. Leahy, the Nation has lost an outstanding American and I have lost a close personal friend. As a naval officer and a diplomat, Admiral Leahy dedicated his life to the service of his country in war and in peace. Mrs. Eisenhower and I join with the people of America in mourning his death."

The President issued an Executive order directing that flags on all Federal buildings, grounds, and naval vessels be flown at half staff until Admiral Leahy's burial.

In Independence, Mo., former President Truman said he was terribly shocked to learn of Admiral Leahy's death. "Admiral Leahy was one of the most wonderful men I ever had around me," Mr. Truman said.

Adm. Arleigh A. Burke, Chief of Naval Operations, said about Admiral Leahy:

"As a man he will be missed. As a great naval leader he leaves behind legacies of accomplishment and leadership which insure that he will never be forgotten."

The Navy said that a funeral service would be held at the Washington National Cathedral at 2 p.m. Thursday, followed by burial and military honors in Arlington National Cemetery.

SERVED UNITED STATES HALF A CENTURY

Admiral Leahy served his country for more than a half a century as a naval officer and diplomat. He was a midshipman on the battleship *Oregon* in 1898 when she went into battle of Santiago de Cuba with her guns blazing. Forty-seven years later he was a senior adviser to President Roosevelt at the controversial Yalta meeting with Prime Minister Sir Winston Churchill, of Britain, and Premier Stalin, of the Soviet Union.

As Ambassador to the Vichy Government after France's 1940 military debacle, he played an important and often misunderstood role. In Admiral Leahy's relations with Mr. Roosevelt and the personalities about the President, his cool, quarterdeck judgment often counterbalanced hasty and excited counsel offered to the President at crucial moments, according to observers acquainted with the White House scene at the time.

William Daniel Leahy was born at Hampton, Iowa, on May 6, 1875. His father, Michael Leahy, a lawyer, had been captain of Wisconsin Infantry Volunteers in the Civil War. His mother was Rose Hamilton Leahy.

Young Leahy wanted to go to West Point, but since there was no appointment available, he tried for Annapolis and entered the Naval Academy on June 6, 1893. He was graduated in 1897, 15th in a class of 47. Assigned as a midshipman to the *Oregon*, he was aboard during the battleship's spectacular dash around Cape Horn to participate in the Battle of Santiago on July 3, 1898.

In the two decades that followed, Admiral Leahy's duty was a fortunate blending of command at sea and technical ordnance and gunnery study afloat and ashore. When officers sought for high rank, this record made it inevitable that he should be considered. In the meantime, however, he had the common disheartening experience of waiting nearly 20 years before he became a temporary captain.

Chance played an important part in his career in 1918, when he was appointed captain of the dispatch boat *Dolphin*. Franklin D. Roosevelt, then Assistant Secretary of the Navy, had frequent occasion to make trips on the *Dolphin*, and he and Commander Leahy became close friends.

Admiral Leahy's advancement did not proceed as smoothly as his promotion dates would indicate. On one occasion he was so outspoken in his criticism of slave labor in Russia that an official apology was requested by the Soviet Government. Also he was first last and always a "Big Navy" man, and he said so at times when it might have been more politic to remain silent.

On January 2, 1937, Admiral Leahy was named Chief of Naval Operations by President Roosevelt. He served until August 1, 1939, when he reached the statutory retirement age of 64. In presenting the Distinguished Service Medal to Admiral Leahy at that time President Roosevelt said: "Bill, if we have a war, you're going to be right back here helping me run it."

The President appointed him Governor of Puerto Rico soon afterward. It was while the admiral and his wife were at La Fortaleza, the Governor's residence in San Juan, that he received a confidential message from President Roosevelt appointing him Ambassador to France, effective December 20, 1940.

Six weeks later Admiral and Mrs. Leahy arrived in the glum and freezing French capital at Vichy, where the U.S. envoy came to grips with the intrigue, rumor-mongering and ideological tensions then rife in the Government of the 86-year-old Chief of State, Henri Philippe Pétain.

RESPECTED PÉTAIN

However, the American officer had considerable respect and sympathy for the venerable marshal, who soon came to trust Admiral Leahy more than he trusted many members of his own Government. When Marshal Pétain was on trial for his life after the war, Admiral Leahy sought to speak on his behalf.

Whether more good than ill came from the assignment of an Ambassador to the French dictatorship of Vichy was long debated. It was not disputed, however, that Admiral Leahy had been able to operate a valuable listening post in Vichy and that he had succeeded, at least in part, in carrying out his orders to "keep the French on our side," as he put it in his memoirs.

Admiral Leahy was in Vichy on December 7, 1941, when he learned that the Japanese attack on Pearl Harbor had damaged several ships on which he had served. He had been executive officer on the *Nevada* in 1917; the old *Oglala* had been his flagship when he commanded Mine Squadron No. 1 in 1921; he had flown his flag as Commander of Destroyers, U.S. Fleet, in 1931, on the Cruiser *Raleigh*, and he had hoisted his four-star flag as Commander of the U.S. Battle Force in 1936 on the *California*.

He was recalled to the United States and his resignation as Ambassador was accepted by President Roosevelt in a letter dated July 20, 1942, which concluded:

"In the words of the Navy—'well done.'"

On July 18, 1942, Admiral Leahy was informed by President Roosevelt that he was to become Chief of Staff to the Commander in Chief of the Army and Navy of the United

States. Mr. Roosevelt had created the post in order that the President might be represented personally by a senior officer of the armed services in the Joint Chiefs of Staff—United States and British—who were directing the global strategy of the war.

TOP OFFICER IN NATION

When Mr. Roosevelt signed Admiral Leahy's commission as admiral of the fleet, Admiral Leahy became the highest ranking officer on the active list of the Army and Navy of what was then the most powerful military nation of the world, although he did not exercise any direct command powers.

Admiral Leahy was a senior adviser to the President at nearly all of the international conferences in 1943, 1944, and 1945, including the Yalta Conference of February 1945. To the vast library of discussion that grew up around the concessions made by President Roosevelt to Premier Stalin, Admiral Leahy added this footnote in his memoirs:

"Stalin repeated at the confercence * * * 'I only want to return to Russia what the Japanese have taken.' Roosevelt had said, 'That seems like a very reasonable suggestion * * *' It seemed very reasonable to me also, and no one was more surprised than I to see these conditions agreed to at Yalta labeled as some horrendous concessions made by President Roosevelt to an enemy."

After President Roosevelt's death, Admiral Leahy accompanied President Truman to the Potsdam Conference of July 1945. As senior military adviser to the President, Admiral Leahy played a prominent part in reorganizing the armed services under a single Cabinet officer, the Secretary of Defense. He returned to retirement as of March 21, 1949.

DUBIOUS ABOUT ATOM BOMB

Admiral Leahy was sometimes criticized for misjudging the importance of the atomic bomb. He was quoted as having referred to the atomic bomb on one occasion as "a lot of hooey."

He admitted later that he had not been impressed with the atomic bomb in its early stages. He also came to see in its wholesale destruction the same objections he had to poison gas and bacteriological warfare.

In 1957, Admiral Leahy assumed the chairmanship of the Committee To Restore the *Constellation*. The committee, which included Admiral Nimitz among its members, undertook to raise funds for the restoration of the old frigate that had fought against French privateers, Barbary Pirates, the British in the War of 1812 and the Confederacy as a blockader in the Civil War.

Admiral Leahy was not destined to come again into the public eye. In the 1940's, he had been as close as any man to the events that were shaping history. In the late 1950's, he had become a virtual recluse.

A reporter who visited Admiral Leahy at the Bethesda Naval Hospital in September of last year found that, apart from the daily visit of his aide and his secretary, he had little contact with the outside world. Among his visitors at the hospital were Mr. Truman, Admiral Burke, and Adm. Arthur W. Radford, former Chairman of the Joint Chiefs of Staff.

Admiral Leahy married the former Louise Tennent Harrington on February 3, 1904. She died in France in 1942, while he was Ambassador to Vichy.

Surviving, in addition to his son, are two grandchildren and five great-grandchildren.

[From the Washington Post, July 21, 1959]

LEAHY BEGAN CAREER IN 1898

(By John G. Norris)

Fleet Adm. William D. Leahy, who died here yesterday at the age of 84, had a distinguished career covering nearly two-thirds of a century.

The former Navy commander, ambassador and World War II presidential adviser had the unusual fortune to be at the center of things from the Spanish-American War onward.

A leader of the prewar "battleship Navy," the strongminded Leahy helped shape national strategy through World War II and into the era of the atomic bomb—a weapon he didn't believe in and opposed as "barbarous."

He was chief of naval operations during the buildup of the Navy in the 1930's, Ambassador to Vichy France after retirement in 1939, and wartime Chief of Staff to Presidents Roosevelt and Truman.

In this unprecedented post, Admiral Leahy was the Nation's senior ranking military officer, presiding officer of the Joint Chiefs of Staff and a member of the Combined Chiefs of Staff. He sat in with both Roosevelt and Truman at most of the big wartime conferences with the British and Russians. His memoirs—published in 1950 after retirement from his White House post—aptly were entitled "I Was There."

As might be expected from the taciturn old sailor, it was a blunt, unvarnished account of what he saw, heard, and felt during the crucial war years—an expansion of his diary, without benefit of hindsight.

REAL "OLD SEA DOG"

Unlike many military men of today, and despite his years as a statesman-diplomat, the admiral was the epitome of the term "old sea dog." He was soft spoken but terse and factual, winning congressional support for the billion-dollar navy by his blunt, sometimes salty, answers to questions.

As the confidant and personal adviser to two Presidents, he did not hesitate to voice his strong personal opinions to both Roosevelt and Truman. When a Japanese bomber sank the American gunboat, *Panay*, in Chinese waters in 1937 Admiral Leahy presented Roosevelt with a bold plan for a naval blockade of Japan.

If adopted, it might have deterred the ambitious but uncertain Japanese—and Nazis—from concluding the democracies didn't mean business—and changed history.

NOTED AS DISCIPLINARIAN

In appearance, the spare, 5-foot 11-inch admiral was rather forbidding. His piercing eyes, Roman nose and high-domed head made him look not unlike a bald eagle. People spoke of his "dour" countenance, "cold logistician's mind" and reputation as a naval disciplinarian.

But he had a warm smile and unexpected charm behind his dry, solemn exterior, and was respected and liked throughout the Navy and among national leaders and newsmen during his White House days.

He was known to sing slightly ribald songs with the late Bill Hassett and other Presidential aids.

SON AT BEDSIDE

Death was due to a "cerebral vascular accident"—commonly called a stroke. His son, Rear Adm. William H. Leahy, commander of the Norfolk Navy Shipyard at Portsmouth, Va., was at his father's bedside.

Admiral Leahy had been at Bethesda for many months, normally seeing only his son, his aide, his secretary and his two grandchildren and five great-grandchildren.

William Daniel Leahy was born in Hampton, Iowa, on May 6, 1875, the son of M. A. and Rose Hamilton Leahy. After attending school in Ashland, Wis., he entered the Naval Academy in 1893—after failing to obtain a West Point appointment.

Graduating 35th in his class in 1897, young "Passed Midshipman" Leahy was aboard the battleship *Oregon* during its famed dash around the Horn in 1898 to help destroy the Spanish Fleet off Santiago, Cuba. Later he was on the spot in the Philippine Insurrection, Boxer Rebellion, and the Nicaraguan Occupation of 1912.

In 1912, Leahy was assigned duty at the Navy Department, where he got to know the young Assistant Secretary of the Navy, Franklin D. Roosevelt. It was a lifelong friendship. During World War I, he commanded the gunboat *Dolphin*, chasing German vessels in the West Indies, and later the converted German liner *Princess Alice*, carrying American troops across the Atlantic.

HEADED NAVY BUREAUS

Later, he was picked successively to head the two principal Navy Department bureaus—Ordnance and Navigation—an unusual honor—in between sea commands of a battleship and the fleet's destroyers.

Promoted to vice admiral in 1935, he commanded the battleships of the battle force, and a year later won four-star rank as commander in chief of the battle force, moving up in 1937 to be chief of naval operations. Always a champion of the battleship, Admiral Leahy insisted the big "battlewagons" were the backbone of the fleet even up until the early days of World War II when aircraft carriers were replacing them.

Retired in August 1939, the admiral was named Governor of Puerto Rico by President Roosevelt. He made a popular and respected Governor until November 1940, when appointed Ambassador to France. The President wanted a military man there who could get close to Marshal Petain at Vichy, and for 18 months Leahy was able to present the U.S. views to the aging French President.

ACTIVITIES CRITICIZED

While criticized by some for his friendship with the French collaborator, he did exactly what Roosevelt wanted him to do—try to convince Petain that Germany ultimately would lose and thus weaken French support of the Nazis. Strong German press attacks on the American Ambassador testified to his success. His detailed reports of what was going on in France and contacts with French leaders also helped pave the way for the later success of the North African invasion.

Just as he was being called home for a rumored key post, Leahy was sorrowed by the death of his wife—a close companion throughout his career. Returning to the United States, he was named to a newly created, unique job as chief of staff to the Commander in Chief of the Army and Navy, a first beginning of military unification.

He was a close personal adviser to the President, however, not an executive over the War and Navy Departments. Neither a "power behind the throne," nor a mere ceremonial aide, Leahy presided over the Joint Chiefs of Staff and Combined Chiefs of Staff, brought news of war developments to the President, helped draft his statements and letters, and undoubtedly influenced him in numerous ways.

His memoirs show he was suspicious of British motives and Russians demands, and was outspoken against de Gaulle. He knew all the Allied leaders from personal talks at wartime conference, numbered Churchill among his personal friends, and was willing for Britain's Field Marshal Sir John Dill to head the invasion of Normandy.

Nor did he blindly follow the "Navy line" in the advice he gave F.D.R. during the war. When Admirals King and Nimitz were battling with Generals Marshall and MacArthur over command of Pacific operations, Leahy said MacArthur should have "full command and full responsibility."

President Truman kept Leahy as his senior military adviser until the Admiral's health began to fail. As the Nation's ranking 5-star officer left the While House in March 1949, he was awarded the equivalent of a third Distinguished Service Medal to wear with the Navy Cross he won in World War I.

THE FUTURE OF THE DOLLAR

Mr. BUSH. Mr. President, one of the burning questions before the Congress, and I think everybody agrees, one of the most serious questions facing the Congress today, is the question of the interest rate ceiling on Government bonds. The question is before the House of Representatives at the present time.

I have in my hand an article entitled "The Future of the Dollar," written by Dr. Wilhelm Vocke, former president of the Bank Deutscher Lander, now the Deutsch Bundesbank, the central bank of the Federal Republic of Germany.

This story bears directly on the problem we are facing in connection with this very important issue. I think it should be read, or, at least, the opportunity should be given to all Members of the House and the Senate to read what this able man has to say on the future of the dollar.

He points out that two principal lessons can be gained from the German experience. The first is that currency stability can be achieved and preserved even under the most adverse circumstances. Certainly, we do not face such adverse circumstances, and we should be able to achieve such stability. The second, and even more significant, lesson is that a monetary policy firmly committed to currency stability not only does not conflict with a high rate of economic growth, but, indeed, is essential to its achievement. Germany's remarkable economic recovery and expansion over the past decade were closely linked to the restoration and preservation of a strong and stable monetary unit.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FUTURE OF THE DOLLAR

(By Dr. Wilhelm Vocke,[1] former president of the Bank Deutscher Länder, now the Deutsche Bundesbank, the central bank of the Federal Republic of Germany)

You have invited me to discuss with you the problem of the dollar, which is a task that I approach with some hesitation since it concerns, after all, your country. Yet the issues that are involved clearly reach beyond national frontiers and indeed affect the world as a whole. There would be little value in my joining this debate on monetary problems if I thought the world were headed toward another war. But I firmly believe in peace—many years of peace; and I am convinced that the United States can promote peace most effectively not only through the vanced to the stage where the issues are now clearly drawn. The choice is between the path of creeping inflation and that of a strong and stable dollar. A clear decision as to which path is to be taken must be made now in the interest of the business community and the Nation, which must know the direction in which the economy is moving and how much trust can be placed in the currency. Things cannot be permitted to drift, creating uncertainty and confusion among long-term investors who must plan ahead and on whose appraisal of the future the economic growth of the country depends.

THE LESSONS OF THE GERMAN EXPERIENCE

Let me first make a few observations on the German monetary experience, from which some fundamental lessons can be drawn. When I assumed office as president of the Bank Deutscher Länder 10 years ago, monetary conditions in Germany were in a desperate state. Several experts, both German and foreign, with world-wide reputation and extensive experience declared frankly that the deutsche mark had virtually no prospects of ever becoming a hard currency. That these well-meant opinions proved wrong, as time has shown, is no doubt in part due to a good deal of luck and favorable circumstances. But I, for one, never wavered in my conviction that a monetary policy, consistently and energetically pursued in order to establish and maintain a stable currency, must succeed.

There are perhaps two principal lessons to be learned from the German experience. The first is that currency stability can be achieved and preserved even under the most adverse circumstances. The second, and even more significant, is that a monetary policy, firmly committed to currency stability, not only does not conflict with a high rate of economic growth but indeed is essential to its achievement. Germany's remarkable economic recovery and expansion over the past decade was closely linked to the restoration and preservation of a strong and stable monetary unit.

Obviously, these policies did not escape the test of public opinion. In 1955 the German economy was unmistakably headed toward a dangerous boom. All economic indicators—production, employment, income, exports, and above all wages and prices—were surging upward at a high pitch. Under these conditions prompt and energetic measures by the central bank were called for, in order to keep the economy from losing balance. The steps taken to bridle the inflationary forces proved highly unpopular and were severely criticized by industrialists, government officials, and the public on the grounds that they would undermine economic growth. As matters turned out, none of the somber predictions came true. On the contrary, as a result of the early effort to defend the deutsche mark, the economy quickly regained both its equilibrium and the basis for continued expansion in an orderly manner. This experience proves that a central bank must be persistent and unruffled in its pursuit of a determined course of action, and must not shrink from occasionally taking unpopular measures if its obligations and responsibilities to the nation are to be properly fulfilled. In Germany, such monetary measures had to be taken on several occasions in the face of widespread criticism. But now that the economy is vigorously moving forward at a high level of prosperity and on the basis of a stable currency, what were once unpopular policies have now become the object of rather general praise.

The experience in the rest of Western Europe has been much the same. Comprehensive monetary and fiscal measures have power of its armaments, but through the strength of its financial system as well.

The current debate over the future of the dollar and economic growth has adhelped restore financial stability and have revitalized the economies. The United States may regard the accumulation of gold by these countries with mixed feelings, but the fact remains that the gold had to be earned by productive effort. After years of bitter experience with inflation, Western Europe has now turned to monetary stability. The rejection of policies leading to continual depreciation of the currency was dramatized last December when 13 European countries took steps to make their currencies fully convertible.

THE CREEPING INFLATION THESIS

To a foreigner it seems almost absurd that there should be certain quarters in the United States where inflation is tolerated or even recommended. Surely any price to be paid for inflation must be excessive, considering not only the adverse economic and social effects, but the irretrievable losses in national prestige it may entail. The path of inflation in the United States would not only mean the depreciation and ultimate devaluation of the dollar, but also an acute decline in the moral authority, power, and international stature of the United States. That there are close links binding a nation's prestige to its financial posture is evident from the manner in which the emergence of the deutsche mark as a sound and stable monetary unit has enhanced the stature of the new Western Germany in the family of nations.

The arguments advanced by the advocates of inflation must be earnestly and thoroughly considered. To begin with, the arguments set forth are, above all, political in character. The inflationists purport to show that inflation is an inevitable tide that can be stemmed only at the cost of economic progress. Consequently, they say, the attitude toward inflation must be rendered more flexible, and economic doctrine and policy must be adapted to a new institutional setting instead of plodding along the old rut of a stable currency.

Certainly, the proponents of this thesis by no means favor galloping inflation, but only the mild, creeping kind. In fact, they would for the most part readily admit that even a moderate inflation entails certain evils. Nevertheless, they would argue also that, whatever these evils may be, they are far less serious or significant than the grave political repercussions bound to result from a policy that tolerates an impairment of full employment, however temporary. To the advocates of creeping inflation full employment, and monetary stability are incompatible. And, if there exists a choice, the decision would have to be in favor of full employment, for political reasons. Superficially, at least, these arguments may appear more or less plausible, particularly since they rest on political considerations. Yet on closer examination their contradictory nature becomes self-evident.

Let us turn first to full employment. What does it mean and to what degree can it benefit the Nation and the economy? If full employment should mean that the labor force is occupied 100 percent, the law of supply and demand cannot function normally in the labor market, and there exists, in effect, a state of overemployment. Under such conditions, employers can expand output only by outbidding each other for the available work force and by drawing workers away from one another. Labor, in turn, is enabled virtually to dictate its own wages. Such a state of affairs clearly cannot be regarded as the desirable optimum for the Nation or the economy, either in its domestic or international aspects.

It is also evident that in a free economy the level of employment cannot be maintained constant to any greater degree than the level of production, consumption, investment, or trade. But, while it may not be possible to eliminate economic fluctuations entirely, the magnitude and duration of the cycles can be at least minimized. In this connection, one ought to bear in mind that, even in fairly high levels of prosperity, it is easier to influence or control the oscillations in employment and business activity than to bridle a cumulative inflation which must eventually lead to the proverbial bust. Nonetheless, the proponents of creeping inflation recommend yielding to overemploy-

[1] Condensation of remarks made in this country by Dr. Vocke on Apr. 13, 1959.

ment, continually rising wages, and the price-wage spiral, while declaring at the same time that what they envisage is merely an inflation that crawls along at the leisurely rate of, say, 2 percent per annum. Let us examine how this invention will work.

THE CUMULATIVE PROCESS OF INFLATION

The initial phase of inflation has a certain appeal. Rising money income activates the economy like a breath of spring that brings out the blossoms everywhere. Industry invests and production expands; credit volume rises, with borrowers planning to repay loans in depreciated money as inflation progresses. Employment climbs, and for a considerable part of the population the standard of living actually increases as consumption moves up, while the incentives to save wane. All economic indexes surge upward, mutually reinforcing each other, and setting the inflationary spiral in motion. At this stage, and at this stage only, inflation finds many adherents. But this happy state is usually short-lived and lasts only as long as some faith in the currency is still maintained. Even while this phase continues, an increasing segment of the population, dependent on fixed incomes, begins to feel the ruthless grip of the inflationary pressures.

The inflationists have a remedy at hand for the sectors that are squeezed between rising prices and lagging incomes: the escalator clause. This clause, which automatically links wages, salaries, and even some business transactions to the cost-of-living index or gold, was widely used in France, but with results that proved far from encouraging. In fact, the escalator clause is merely an illusion. As long as the depreciation of the currency is minor, the clause is not invoked. And when inflation progresses, it is satisfactory neither to income receivers nor to income payers; meanwhile the Government is forced to inflate to an ever greater extent, in order to compensate those groups that remain unsheltered by the index clause. More importantly, however, the escalator clause, in itself, officially discredits the currency and therefore intensifies inflation. Moreover, what it clearly reveals is that, once the currency no longer serves as a stable standard of value, a substitute must be found. Since stability is, after all, essential, the absurdity of abandoning a stable standard of value in the first place becomes patently obvious.

All the various adaptations, compensations, and adjustments to a rising price level may well be bearable as long as inflation remains within narrow limits. But the fact is that inflation is progressive and eventually becames full-blown. That point is reached when the public begins to lose faith in the currency and the material-value psychosis spreads. The scramble for goods is matched only by the rush into equity investments, while the bond market sags. The damage that inflation inflicts on the market for fixed-interest securities eventually makes it virtually impossible for the government to consolidate its short-term debt. For no one will acquire bonds when the money invested continually shrinks. The inevitable consequence is that the central bank will be asked to absorb the unmarketable public debt, which adds further fuel to the inflationary surge.

The reluctance to hold money or fixed-interest securities finds expression also in the rapid decline in savings. Wasteful consumption and misdirected investments suddenly become rational economic actions, compared with the foolishness of saving money that is rapidly becoming worthless. At this point the reckless spendthrifts and speculators are proved right and amass fortunes, while the honest, conscientious, and weak lose the little they have. As the process continues, customary standards of behavior are swept away and accepted moral attitudes are shattered. Soon everyone flees from the currency and joins in the furious dance of inflation, while the Nation is rapidly moving to the brink of disaster.

The succession of events that I have just outlined would probably be considered a gross exaggeration by the proponents of creeping inflation. They would assert that the idea is not to let the inflation get out of hand, but to confine it to a delightful 2 percent per annum. How is this feat to be accomplished? Obviously, inflation cannot be kept automatically within prescribed limits. There is no stable coefficient of inflation. Once begun, inflation spreads like fire and feeds on itself. Moreover, even if a limited depreciation of the dollar is envisaged, the public will try to protect itself, and by doing so will inevitably accelerate the pace of the price rise. Stability of the rate of inflation is an illusion, for if the public knows there will be a creeping inflation of 2 percent per annum, then the 2 percent will be reached not at the end of the year, but at the beginning, and the pressure for inflation will mount.

Since inflation is not self-regulating, by what method would the advocates of creeping inflation confine it to the predetermined limits? One answer is by credit policy, including restrictions on the volume of borrowing and increases in the rediscount rate. But the applications of such measures would be precisely those which the inflationists had sought to avoid in the first place. This means in effect that, while the inflationist would not be prepared to sacrifice full employment to monetary stability, he would nevertheless be disposed to sacrifice it for the sake of keeping the rate of inflation within arbitrary limits. The contradictory nature of the creeping inflation thesis now becomes self-evident.

We may even go one step further. What is really meant by a 2-percent rate of inflation? If it refers to the average price level, and not to the prices of individual commodities, say, strawhats or the wages of particular workmen on the bench, then the statisticians may well find that, after they have assembled and averaged the prices of all the separate commodities, the actual rate of inflation has surpassed the stipulated maximum. The consequence might then be the application of an elaborate network of physical controls over individual prices and wages. Adoption of a policy that is defined in terms of hitting a rigid target for average prices greatly increases the chances of detailed regulation to assure its fulfillment. Such economic regimentation would severely shatter the foundations upon which this Nation was built and radically alter its way of life. Inflation inevitably breeds economic controls, regimentation, and moral corruption.

THE INTERNATIONAL ASPECT OF INFLATION

Let me now touch briefly on the international aspect of the creeping inflation thesis. During my years as president of the Bank Deutscher Länder, that institution accumulated and kept a considerable amount of dollar assets in this country as backing for the deutsche mark. Other central banks did likewise. And today, foreign central banks alone hold almost $10 billion here as part of their international reserves. These substantial holdings reflect the confidence of the world in the strength and stability of the U.S. dollar. One should hasten to note, however, that this faith in the dollar is by no means unshakable, and developments affecting its future are closely watched abroad.

There can be little doubt that a green light for creeping inflation would entail grave international repercussions. Acceptance of the doctrine—which to me is virtually unthinkable—would severly undermine the position of the U.S. dollar and would set in motion forces leading to its rapid replacement by gold as an international standard and store of value. The inevitable result would be a massive withdrawal of foreign dollar balances and heavy gold losses for the United States. Under these circumstances the question of raising the price of gold and hence the devaluation of the dollar would again arise. I have not discussed this issue here; suffice it to say, however, that there are few things that I would regard as more detrimental to the United States and to the world than an increase in the dollar price of gold.

For all the reasons stated, nothing must be permitted to give the world the impression that the stability of the dollar is in doubt. For any action that might signify yielding to the inflation thesis would involve irretrievable losses to the United States and would inflict immeasurable damage to the international monetary mechanism.

CONCLUDING COMMENTS

As a final word I may ask what there is to be gained by setting free the forces of inflation, except a postponement of the unavoidable adjustments that every economy must make sooner or later. It is certainly easier and less painful to curb incipient inflation or moderate the magnitude and duration of economic fluctuations than to tame an inflation that has reached the stage where only drastic deflationary remedies can be administered to restore balance. The measures taken in the United States last year illustrate that recession need not turn into depression and can be short-lived even without turning on the engines of inflation. Inflation essentially means weakness and thus cannot furnish a sound or lasting basis for economic progress. It is the line of least resistance, and not the road to an effective solution of economic problems or to the realization of economic aspirations.

We are living in a critical period in which courageous decisions must be made in order to win the struggle for freedom. This struggle, however, cannot be successfully waged by yielding to the disease of inflation, whether creeping, crawling, or any other kind.

The United States need not fall victim to the grip of inflation if that be the Nation's firm will. But any wavering in the determination to preserve the strength and stability of the dollar may lose the battle before it is even begun. I am confident that the underlying beliefs and traditions of this country are strong enough to give unhesitating expression to the will to preserve monetary stability on which much of the power and moral authority of the Nation rest.

The words of President Eisenhower and the firm attitude of the Federal Reserve System leave no doubt that the right choice is being made. This should be recognized throughout the world. And, as the spectre of inflation is dispelled, the future of the dollar as the world's best monetary unit continues to be assured. One of the qualities that has rendered this country strong and powerful has been common sense. If common sense is to continue to guide American policies, the stability of the dollar cannot be in doubt.

UNDERSTANDING: THE SUREST ROAD TO PEACE

Mr. WILEY. Mr. President, we recognize that one of the major wars being waged today is that of the dissemination of ideas and information by governments around the world for influencing opinions and outlooks of other people.

In 1953, for example, the United States created the U.S. Information Agency.

Today, in 80 countries around the world, we have established relations with local press and radio; set up libraries and information centers; shown exhibits; presented documentary films; sponsored lectures; published pamphlets and posters; and utilized a wide variety of other methods for sending abroad our ideas of freedom.

In addition, efforts are being made to get through the Iron and Bamboo Curtains through our radio arm, the Voice of America, despite the Communists' jamming efforts.

What is the objective of all this? Fundamentally, it is to convey the idea that we, as Americans, are opposed to war; that we are willing to share of ourselves and of our resources to promote peace; that we stand unalterably opposed to aggression; that we recognize that, so long as slavery jeopardizes the freedom of men anywhere, the liberties of all men, to that degree, are threatened.

Recently the General Electric Defense Quarterly published a thoughtful article entitled "Understanding: The Surest Road to Peace," written by George V. Allen.

The article points out specifically instances in which the United States has attempted to handle dangerous and difficult situations with understanding as well as firmness.

I request unanimous consent to have the article printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNDERSTANDING: THE SUREST ROAD TO PEACE

(By George V. Allen, Director, U.S. Information Agency)

When our troops landed in Lebanon last summer, American news correspondents talked to GI's the day they hit the beaches. Our soldiers were quoted as saying they had no idea why they were there nor who they were supposed to fight. "Who's the enemy?" they asked.

Newspaper accounts carrying these quotes shocked a number of officials in Washington, who asked why the U.S. Government was not doing a better job of indoctrinating our soldiers.

I agree that we should do much more to teach democracy and freedom, not only to GI's but to all Americans, and that our soldiers should be given a better explanation of their objectives in specific operations. President Eisenhower broadcast to the troops and to the Lebanese people the day our troops landed, but a lot of classroom instruction at army posts, before any operation is undertaken, is required to get political ideas across.

But political ideas are complex, and in a democratic system, there are two (or perhaps more) sides to every question. Should an army classroom be a debating society? Should our troops go into Lebanon arguing the pros and cons of the policy decision to send them there?

I was not particularly disturbed by the remarks of the GI's on the Lebanese beach. In fact, I thought their attitude was quite refreshing.

Our landing in Lebanon was purely and simply a police action. If you ask a policeman in New York or Chicago who he is fighting, he replies, "Anybody who breaks the law. If nobody breaks the law, there will not be any fight."

A MAJOR SHARE OF RESPONSIBILITY

The United States has been handed, without asking for it and without even wanting it, a major share of responsibility for maintaining law and order around the world. This is not a very satisfactory state of affairs, because, at least in theory, no one nation should have more responsibility than another for keeping the peace. Moreover, a policeman's lot never has been a happy one. However, in the present rather chaotic state of international organization, it is inevitable that we should bear the heaviest responsibility for maintaining international law and order. Britain was saddled with this responsibility for a hundred years or more, over a good part of the globe.

As a result of our unasked-for role, we get blamed for situations which we did not create and for which we are not at all, or at least very little to blame. Even when we try to look the other way and pay no attention to a local dispute among our friends, we get pulled into the quarrel.

Let us take as an example the Cyprus question. Fortunately, this problem now seems well on the way to solution, but for the past 3 or 4 years it appeared to be almost insoluble. Cyprus is a British colony in the eastern Mediterranean, 4,000 miles from the United States. The inhabitants are 80 percent Greek and 20 percent Turkish. The problem concerned the people of Cyprus and the Governments of Britain, Greece, and Turkey. Yet last summer, a group of Greek students who marched through the streets of Athens shouting slogans about Cyprus, passed by the British Embassy without even stopping, passed the Turkish Embassy, the Soviet Embassy, the French, the Italian, and other embassies, straight to the U.S. Information Library, where they broke the windows, threw the books into the street, and burned them.

REASONS FOR ANTI-U.S. FEELING

Why, one may ask, does this happen? The United States has never taken any action against Greece. Quite the contrary. Since World War II, the U.S. taxpayer has contributed more than $2 billion to Greece, a nation of only 8 million people. Between 1946 and 1949, we helped Greece to maintain its sovereignty against a violent and nearly successful Communist attack based on Soviet-bloc territory to the north. Afterward, we put strenuous efforts behind a drive to rehabilitate the economy of Greece. Today, Greece enjoys one of the stablest economies in Europe, which would not have been possible without American aid. Yet Greek students broke our windows, in their excitement over Cyprus, and left British and Turkish and Soviet windows alone. Why?

The Greek students thought the United States was in a position to exert enough pressure on Britain and Turkey to achieve a solution favorable to Greece, if we would only bestir ourselves. They broke our windows in an effort partly to bring the Cyprus question to American attention and partly because of annoyance that the United States had not taken up the cudgel on Greece's behalf.

Fortunately, the Greek public promptly condemned the students' violence and raised funds through public subscription to reestablish the library. (The fund raising, as it happened, was started by the cadets of the Greek Naval Academy.) Yet the students' attitude was symptomatic of the feelings of the Greek public at large. They looked toward us as the world's policeman, and blamed us when things were not to their liking.

RESPONSIBILITIES OF POWER AND AUTHORITY

I cite the Cyprus example to show the difficult position in which the United States finds itself today in our efforts to wage the peace. Power and authority carry with them heavy responsibilities. The American people have an unsought but inescapable task to perform in the world. No matter how much we might prefer to return to our prewar isolationist policy, the rest of the world would not let us even if we tried.

How should we carry out this responsibility? Let us return to the Lebanon situation. Suppose our troops had landed there singing the "Battle Hymn of the Republic," indoctrinated with a crusading spirit to carry Old Glory onward and upward, with God on our side to smite the foe hip and thigh. Who would have been the enemy? If we had joined the Christians under Chamoun to subdue or exterminate the Moslem supporters of Nasser, we would have turned the clock back to the medieval crusades. Every Moslem—good, bad, or indifferent—would have been the enemy simply because he was a Moslem. If we had declared our purpose to be to support democratic against authoritarian regimes, where would we stop? There are a good many countries on our side where free elections are never even pretended to be held.

Our role in Lebanon was clearly that of a policeman. Our troops were there to restore confidence, not to carry on a crusade. Just as a policeman goes home to his family at night when the day's work is done, so our troops came home as soon as a reasonable stable solution had been worked out. Fortunately, we shot no Lebanese and no Lebanese shot us. If we had gone in singing patriotic songs and shouting slogans, if every GI had a clearly defined ideological enemy ready on his lips, the result might not have been so fortunate.

Moreover, if we go about every fight in Lebanon or Vietnam or Quemoy, in Crusading spirit, every small quarrel between East and West is likely to become a fight to the finish—all-out war. It is difficult to stop short in an ideological crusade.

The United Nations did stop short of all-out war in Korea. Whether one considers this to have been a mistake depends, it seems to me, on whether one regards our endeavors there to have been in the nature of police action. I personally think it was and that, consequently, we were correct in stopping when armed aggression was repulsed and the status quo ante restored. No sort of negotiations are possible as long as shooting continues.

One of the major problems presented to the United States in our efforts to "wage the peace" is to learn to be content with something less than all-out war and less than all-out victory. This may be the hardest lesson for Americans to learn.

THE LATE EUGENE MEYER

Mr. BUSH. Mr. President, our country has recently lost a great American in the person of Eugene Meyer. He was a great servant of our country in many important capacities, a great friend of several Presidents of the United States, and one of the most respected of citizens.

His last public appearance was at the annual dinner of the Yale Club of Washington on April 28, 1959, at which time he was presented with the annual Yale Bowl Award for distinguished public service. The presentation was made by the distinguished senior Senator from Kentucky [Mr. COOPER].

Mr. President, I ask unanimous consent that the tribute by the Senator from Kentucky to Eugene Meyer be printed in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR JOHN SHERMAN COOPER, OF KENTUCKY, PRESENTING THE ANNUAL YALE BOWL AWARD FOR DISTINGUISHED PUBLIC SERVICE TO THE HONORABLE EUGENE MEYER AT THE ANNUAL DINNER OF THE YALE CLUB OF WASHINGTON, APRIL 28, 1959

Mr. President, ladies, and gentlemen, it is a great honor to present the Yale Bowl Award for distinguished public service to the Honorable Eugene Meyer. The record of his achievements in the press, in Government, and for humanity, is known to you—at least in its broad sweep.

These are reasons why Mr. Meyer is due this honor. But if I mention our special reasons for presenting this bowl, it is to add to the record, and to let him know why we have gathered to do him honor.

He may think that the reason lies in his seniority over most of the rest of us. Yes, we do honor his years—83 of them, and creative beyond ordinary measure.

He may think the reason lies in his benefactions to Yale. Yes, those benefactions have been very great. They began as far back as 1904 when he first established a fund at Yale to help train young men for public service, and these benefactions have continued in many forms down to the present day.

He may think we honor him for his work as a Government servant and as a newspaper publisher. Yes, in both fields, the standard of excellence he raised and clung to in all seasons, is a model of its kind.

Yet, there is a special reason for honoring him, held by all persons present, which does not readily lend itself to an inscription on a bowl. We honor him, quite simply, for what I am sure was called in his undergraduate days a talent for troublemaking—but which we can call today his restless spirit of inquiry.

The Yale faculty must have recognized Eugene Meyer's potential for troubling them as far back as 1894. Witness how they granted him a right to telescope his junior and senior terms into a single year of study. Why? Perhaps one reason they let him race through Yale at forced draft was simply because of the embarrassing questions he asked them about any subject: What is that you are talking about? How do you know what you know about it? And what are you going to do about it?

These are jolting questions. As one who has felt their force, I have a natural sympathy for the teachers at Yale who were asked questions by young Meyer—then, as now, an untamed, unreconstructed, irreverent (when needed) westerner, fresh from the pioneer community of California.

* * * * *

So we honor Eugene Meyer, in addition to the reasons of record, because he has continued his Yale youthfulness, curiosity, inquiry—call it what you like.

We honor him because he is a man born to know no rest himself, and to give no rest to those who should not stand still, however much they might want to. Endowed as he is with a probing mind, a great fund of moral courage, and a marked gaiety of spirit, he has always looked upon any success won as a step toward tasks and duties that are yet to be performed. He allows none of us—certainly none of us in public posts—to live an unexamined life, or to rest content.

The worlds of commerce, industry, finance, government, education, art and science—here in Washington and in the Nation at large—have been the gainers from this central law of his person. It is right that we who claim a common kinship with him, by virtue of having been students in the university that raised such a one as he, should award him this Yale Bowl as a mark of our respect and affection. Yet it would take more than this bowl to hold the recollection of a life so usefully spent, and so deserving of our admiring applause.

To all this, I would add but one more thing. There is, I feel, a special symbolism in the fact that the alumni office at Yale, I am told, has never been able to make up its mind whether Eugene Meyer should be carried on the rolls of Yale 1895 or Yale 1896.

Nor can it ever do so. For in the largest dimension of his spirit and person, Eugene Meyer belongs to no class at all—in the sense that a class means a fixed order of things. He belongs rather, to that mold of men who make of themselves instruments of growth in the never-ending work of liberating human life in all forms and places.

Mr. BUSH. Mr. President, in closing, I should like to say, on behalf of Mrs. Bush and myself, who had enjoyed the friendship of Mr. and Mrs. Meyer here in Washington since we have been in Washington these past 7 years, that we mourn his death, and we send to Mrs. Meyer and other members of the family whom we know our affectionate sympathy and assurances of our warm admiration of the late Eugene Meyer.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. JAVITS. I should like to express my condolences to Mrs. Meyer and to Mr. Meyer's family. I have known Mr. Meyer for many years, both personally and originally as publisher of the Washington Post. He was a wonderfully refreshing human being, young to his very last active days. He was not only an outstanding publisher, but he had a keen consciousness of what was going on in the world and the need for taking part in those affairs.

He also had tremendous courage in terms of being a publisher, because he would often disagree with what freedom of speech and publication dictated should go into his paper. When he put a man in charge of running the paper, he invested in him not only his confidence in a business sense, but a complete freedom of action and opinion.

Mr. Meyer will always be remembered as an inspiration. He was at one and the same time a rugged individual, and yet one who had an understanding of the great role Government needs to play in our lives, especially in these complex and dangerous times.

His wife was a great companion to him and a great stimulation to him intellectually and spiritually.

His many, many friends throughout the country will feel we have lost a great citizen of the country, and a very valued one, who fulfilled a rich and warm and useful life.

Mr. BUSH. Mr. President, I applaud the statement of the Senator from New York, and associate myself with his tributes to Eugene Meyer.

Mr. GRUENING. Mr. President, I wish to associate myself with the very splendid tribute paid to Eugene Meyer by the senior Senator from New York. Those of us who have had experience in newspaper work have at various times realized the lack of competition which exists in that field. It has been repeatedly demonstrated that the absence of competition naturally makes for an inferior product. This has not been the case with the Washington Post and Times Herald. It has become one of the great newspapers of our Nation and a leader and an enlightening force for civic duty. That inspiration was very largely due to Eugene Meyer. He will be remembered for the great contributions he has made and as being an outstanding citizen of our times. We are indebteded to him for the legacy which he left in a great newspaper.

OREGON HIGHWAY PROGRAM CRIPPLED BY INACTION ON ROAD FINANCING

Mr. NEUBERGER. Mr. President, the giant roadbuilding effort initiated by Congress in 1956 is running out of gas.

Unless Congress acts soon, much of construction on the Federal highway program will grind to a halt.

My own State provides an example. Oregon's highway engineer, W. C. Williams has wired me that the Oregon State Highway Commission will schedule no further bid openings until the matter of financing of the Federal highway system is clarified by Congress.

Mr. Williams points out that not only appropriations for the following fiscal year are in doubt, but "equally drastic is information just received that there is no assurance for periodic payments on contracts already awarded unless additional revenues are provided to the trust fund."

I have also received a letter from Charles H. Reynolds, former member of the Oregon State Highway Commission and a continuing student of highway problems in our State, confirming this information and noting another facet of the situation facing Oregon. He states that—

> Another problem enters the picture as I personally see it, and that concerns the contractors who are engaged primarily in highway construction. They have huge sums invested in equipment and in many instances pay on a monthly program basis. They also have money borrowed and have a fine personnel in their employees. If funds are stopped entirely it is easy to see it could have a disastrous effect.

Mr. President, I ask unanimous consent that the entire text of these two communications be printed at the conclusion of my remarks, together with a telegram which I received this morning from John M. Fulton, president of the Portland Chamber of Commerce.

The PRESIDING OFFICER. Without objection, the communications may be printed in the RECORD, as requested.

(See Exhibit 1.)

Mr. NEUBERGER. I believe it is crucial that the Federal highway program remain on schedule. Failure to meet target dates will mean unemployment in the construction industry and support-

ing sectors of the economy, delay of life-saving safety-engineered roads, disruption of State and local highway and community-development planning, and a road network inadequate to meet immediate traffic demands.

Because of this belief, on March 5, 1959, shortly after my return to the Senate following treatment for cancer, I introduced a bill to increase by 1½ cents for a 4-year period the Federal tax on gasoline, diesel, and special motor fuels, the receipts to be channeled into the Highway Trust Fund. Enactment of this proposal would permit the highway program to meet the time schedule contemplated in the original act estabilshing the program.

On June 25, 1959, I offered a similar 2-year increase proposal as an amendment to the corporate and excise tax rates extension bill. It was defeated 33 to 46.

Tomorrow the House Ways and Means Committee will hold hearings on the question of increasing the Federal motor fuels tax to help pay for these new highways. I hope that following these hearings the committee will vote to recommend this course of action in solving the current financing problem.

It seems to me that application of the funding method approved by Congress in 1956 is essential at this time. Failure to do so would mean reliance on deficit financing, in one form or another, with resulting increased cost and inflationary potential. Major review of program financing will take place in 1961 when current cost allocation and highway use studies are completed and facts become available on expense and use of this new network of roads. If major financing changes are advisable, they should be made then on the basis of these detailed reports. In the meantime, let us keep the highway program on schedule without crippling some other Federal function by diverting present revenue or by increasing the Federal debt.

EXHIBIT 1

REYNOLDS INSURANCE AGENCY,
La Grande, Oreg., July 16, 1959.

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NEUBERGER: Dutch Williams has just telephoned to advise that more difficulties are foreseen so far as construction of the interstate highways are concerned. As I understand it, the trust fund is now in the red and have advised that they will not disburse any funds to us after a certain date in the near future. This entails quite a setback to our program, and as I understand it if Oregon has let a contract they will not pay the estimates submitted after this set date. This would mean the contractor would have to discontinue work, or the State would have to advance the money which Oregon would be unable to do.

Another problem enters the picture as I personally see it, and that concerns the contractors who are engaged primarily in highway construction. They have huge sums invested in equipment and in many instances pay on a monthly program basis. They also have money borrowed and have a fine personnel in their employees. If funds are stopped entirely it is easy to see it could have a disastrous effect.

I am hoping that something can be done, but do know that you appear to be the only one that is attempting to do anything. We hope you will be successful at an early date, and if there is a thing we here in Oregon might do will you let us know.

Sincerely,

CHAS H. REYNOLDS.

SALEM, OREG., *July 17, 1959.*

Hon. RICHARD L. NEUBERGER,
U.S. Senator,
Senate Office Building,
Washington, D.C.:

Financing of highway improvement in Oregon extremely critical at present time due not only to the fact that appropriations for following fiscal year uncertain but equally drastic is information just received that there is no assurance for periodic payments on contracts already awarded unless additional revenues are provided to the trust fund. I quote a press release issued this a.m. from this office:

"The Oregon State Highway Commission announced today that, after the opening of bids on approximately $5 million of highway improvement projects on July 21, no further bid openings will be scheduled until the matter of financing of the Federal highway system is clarified by Congress.

"Chief Engineer W. C. Williams stated that, as the situation exists today, there is no assurance that Federal-aid funds will be provided for payment for work performed on any additional contracts that might be entered into by the State. The State is in no position to carry any Federal-aid projects without periodic payments by the Federal Government as work progresses and, therefore, the State highway commission has reluctantly decided that its only feasible course of action is to delay any further contract awards or purchases of right-of-way until assurance is received from Federal officials that funds will be available for payment to contractors or reimbursement for right-of-way for the Federal-aid share of the work as it is performed. This applies to both interstate and noninterstate Federal-aid highways in Oregon."

W. C. WILLIAMS,
State Highway Engineer.

PORTLAND, OREG., *July 20, 1959.*

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D.C.:

Strongly urge you to use every effort toward providing funds, through increased gasoline tax if necessary, for continuance of Federal interstate highway program. Without action immediately, before the adjournment of Congress, Oregon's part of program will be seriously impaired and thus Oregon's economy will be seriously affected. Prompt action is vital.

JOHN M. FULTON,
President, Portland Chamber of Commerce.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. KUCHEL. I congratulate my friend on the courage he displayed in offering the amendment when we were considering tax legislation. I want the RECORD to show that I was enthusiastic in joining the Senator from Oregon in sponsoring that amendment.

Mr. NEUBERGER. I thank the able Senator for his characteristic courtesy and cooperation with me. He and I have the honor to represent in part two of the great Pacific seaboard States which vitally need these highways. I think it is appropriate that representatives of those States be willing to vote for taxes to pay for the highways now, and to shove the financial burden off onto future generations.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

VETERANS READJUSTMENT ASSISTANCE ACT OF 1959

The Senate resumed the consideration of the bill (S. 1138) to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963.

Mr. COOPER. Mr. President, I call up my amendment, designated "7–16–59–A."

The PRESIDING OFFICER. The committee amendments take precedence over the Senator's amendment.

Mr. YARBOROUGH. Mr. President, I suggest the absence of a quorum.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a quorum call without the time being charged to either side. We are now operating under a limitation of time. Is that agreeable to the Senator from Kentucky, the acting minority leader?

Mr. COOPER. That is agreeable.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the first committee amendment.

Mr. JOHNSON of Texas. I ask the Senator from Kentucky and my colleague from Texas if there is any objection to the committee amendments.

Mr. COOPER. There is no objection.

Mr. YARBOROUGH. There is no objection to the committee amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 3, in the line immediately preceding line 1, after the word "date", to strike out "of chapter" and insert "and retroactive allowances"; in line 10, after the word "for", to strike out "ninety days or more" and insert "a period of more than one hundred and eighty days"; on page 6, line 22, after the word "chapter", to strike out "33," and insert "33"; on page 7, line 12, after the word "and", to strike out "educational" and insert "education or"; on page 8, line 17, after the word "by", to strike out "this subsection" and insert "the preceding sentence"; on page 9, line 14, after "(c)", to strike out "If an eligible veteran returned to active duty before July 1, 1963, his date of discharge or release shall, for the purposes of this section and section 1913 of this title, be the date of

his discharge or release from his last period of active duty which began before July 1, 1963." and insert "For the purposes of computing the three-year period under this section and the eight-year period under section 1913, the date of an eligible veteran's discharge or release shall be the date of his discharge or release from his last period of active duty which began before July 1, 1963, but no period of active duty performed after July 1, 1963, shall be included in computing such periods unless it follows a break in active duty status of more than 90 days."; on page 10, line 8, after the word "of", to strike out "the Veterans' Readjustment Assistance Act of 1959" and insert "this chapter"; in line 16, after the numerals "1973", to insert "unless the veteran's date for initiating his program occurs after June 30, 1968"; on page 45, line 1, after the numerals "1962", to strike out "Education" and insert "Educational"; on page 50, line 1, after the word "date", to strike out "of chapter" and insert "and retroactive allowances"; after line 1, to strike out:

"The provisions of this chapter shall take effect on the date of its enactment, except that no education or training allowance shall be paid with respect to any period prior to sixty days after the date of enactment of this chapter."

And, in lieu thereof, to insert:

"The provisions of this chapter shall take effect as of September 1, 1959. In the event this chapter is enacted subsequent to such date, the Administrator shall prescribe regulations for making retroactive payments of education and training allowances, upon application therefor, to eligible veterans for education or training pursued by them on or after September 1, 1959, and prior to the date of the enactment of this chapter."

On page 51, line 3, after the numeral "40", to insert "and by striking out "chapters 19 and 33" in section 102 (b), and inserting in lieu thereof "chapters 19, 33, and 40";"; in line 24, after the numeral "40", to insert "and"; on page 52, line 3, after the word "chapter", where it appears the second time, to strike out "40"; and" and insert "40".."; after line 3, to strike out:

"(10) by adding as a new section at the end of section 12(a) of Public Law 85-857 (72 Stat. 1264)"

At the beginning of line 6 to insert:

"(e) Public Law 85-857 (72 Stat. 1264) is amended by adding at the end of section 12(a)"

After line 15, to strike out:

"(a) Every veteran who has a service-connected disability arising out of service during World War II or service after June 26, 1950, which is, or but for receipt of retirement pay would be compensable under chapter 11 of this title, who is in need thereof on account of such disability shall be furnished such vocational rehabilitation as may be prescribed by the Administrator."

And, in lieu thereof, to insert:

"(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, if such disability—

"(1) arose out of service during World War II or the Korean conflict; or

"(2) arose out of service either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum is clearly shown to have caused a pronounced employment handicap."

On page 53, after line 13, to strike out:

"(2) Vocational rehabilitation may not be afforded a veteran on account of service after June 26, 1950—

"(A) after August 20, 1963, if he was discharged or released before August 20, 1954;

"(B) after nine years following his discharge or release, if he was discharged or released after August 19, 1954; except with respect to any person who becomes eligible for such vocational rehabilitation by reason of a disability arising from service subsequent to January 31, 1955, such person may be afforded vocational rehabilitation until nine years after the enactment of the Veterans' Readjustment Assistance Act of 1959, or until nine years after his discharge or release from service, whichever is later."

And, in lieu thereof, to insert:

"(2) Vocational rehabilitation may not be afforded a veteran an account of post-World War II service after nine years following his discharge or release; except vocational rehabilitation may be afforded to any person until—

"(A) August 20, 1963, if such person was discharged or released before August 20, 1954; or

"(B) nine years after the date of the enactment of the Veterans' Readjustment Assistance Act of 1959 if such person is eligible for vocational rehabilitation by reason of a disability arising from service prior to such enactment either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955."

On page 54, line 22, after the word "after", to strike out "June 26, 1950" and insert "July 25, 1947"; on page 55, line 9, after the numerals "1815", to insert "and business loans under section 1814"; in line 11, after the word "for", to strike out "90 days or more" and insert "a period of more than one hundred and eighty days"; and on page 58, after line 22, to strike out:

"SEC. 5. (a) Section 2101(a) of title 38 of the United States Code is amended by inserting after 'Korean conflict' the following: 'or who served on active duty between January 31, 1955, and July 1, 1963,'.

"(b) Paragraphs (1), (2), and (3) of section 2101(a) of such title are amended to read as follows:

"'(1) $300 for persons who served on active duty during the Korean conflict, if such persons performed active duty for sixty days or more and served outside the continental limits of the United States or in Alaska.

"'(2) $200 for persons who served on active duty during the Korean conflict, if such persons performed active duty for sixty days or more, no part of which was performed outside the continental limits of the United States or in Alaska.

"'(3) $100 for persons who served on active duty during the Korean conflict, if such persons performed active duty for less than sixty days, and $100 for persons who entered the service between January 31, 1955, and July 1, 1963, and who are discharged or released from active duty on or after the date of the enactment of the Veterans' Readjustment Asistance Act of 1959, if such persons served on active duty for sixty days or more, irrespective of where such active duty was performed.'

"(c) Section 2104 of such title is amended by adding at the end of such section the following new sentence: 'Any member of the Armed Forces who qualifies for mustering-out payments under this chapter both by reason of active duty during the Korean conflict and active duty between January 31, 1955 and July 1, 1963, may elect to receive mustering-out payments under either period of active duty, but not both.'"

So as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the 'Veterans' Readjustment Assistance Act of 1959'.

"SEC. 2. (a) Title 38 of the United States Code is amended by adding after chapter 39 the following new chapter:

"'CHAPTER 40—EDUCATION OF VETERANS WHO SERVE BETWEEN JANUARY 31, 1955, AND JULY 1, 1963

"'Subchapter I—Definitions

"'Sec.
"'1906. Definitions.

"'Subchapter II—Eligibility

"'1910. Entitlement to education or training generally.
"'1911. Duration of veteran's education or training.
"'1912. Commencement; time limitations.
"'1913. Expiration of all education and training.

"'Subchapter III—Enrollment

"'1920. Selection of program.
"'1921. Applications; approval.
"'1922. Change of program.
"'1923. Disapproval of enrollment in certain courses.
"'1924. Discontinuance for unsatisfactory progress.
"'1925. Period of operation for approval.
"'1926. Institutions listed by Attorney General.

"'Subchapter IV—Payments to veterans

"'1931. Education and training allowance.
"'1932. Computation of education and training allowances.
"'1933. Measurement of courses.
"'1934. Overcharges by educational institutions.

"'Subchapter V—State approving agencies

"'1941. Designation.
"'1942. Approval of courses.
"'1943. Cooperation.
"'1944. Use of Office of Education and other Federal agencies.
"'1945. Reimbursement of expenses.

"'Subchapter VI—Approval of courses of education and training

"'1951. Apprentice or other training on the job.
"'1952. Institutional on-farm training.
"'1953. Approval of accredited courses.
"'1954. Approval of nonaccredited courses.
"'1955. Notice of approval of courses.
"'1956. Disapproval of courses and discontinuance of allowances.

"'Subchapter VII—Miscellaneous provisions

"'Sec.
"'1961. Authority and duties of Administrator.
"'1962. Educational and vocational counseling.
"'1963. Control by agencies of United States.
"'1964. Conflicting interests.
"'1965. Reports by institutions.
"'1966. Overpayments to veterans.
"'1967. Examination of records.
"'1968. False or misleading statements.
"'1969. Information furnished by Federal Trade Commission.
"'1970. Effective date and retroactive allowances.

"'SUBCHAPTER I—DEFINITIONS

"'§ 1908. Definitions

"'(a) For the purpose of this chapter—

"'(1) The term "eligible veteran" means any veteran who is not on active duty and who—

"'(A) served on active duty at any time between January 31, 1955, and July 1, 1963;

"'(B) was discharged or released therefrom under conditions other than dishonorable; and

"'(C) served on active duty for a period of more than one hundred and eighty days (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established

courses offered to civilians, or as cadet or midshipman at one of the service academies), or was discharged or released from a period of active duty, any part of which occurred between January 31, 1955, and July 1, 1963, for an actual service-connected disability.

"'(2) The term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"'(3) The term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given.

"'(4) The term "dependent" means—

"'(A) a child of an eligible veteran;

"'(B) a parent of an eligible veteran, if the parent is in fact dependent upon the veteran; and

"'C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon her.

"'(5) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults.

"'(6) The term "training establishment" means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training.

"'(7) The term "State" includes the Canal Zone.

"'(8) The term "Commissioner" means the United States Commissioner of Education.

"'(b) Benefits shall not be afforded under this chapter to any individual on account of service as a commissioned officer of the Coast and Geodetic Survey, or of the Regular or Reserve Corps of the Public Health Service.

"'(c) The Congress of the United States hereby declares that the veterans' education and training program created by this chapter is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active duty between January 31, 1955, and July 1, 1963, and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country.

"'SUBCHAPTER II—ELIGIBILITY

"'§ 1910. Entitlement to education or training generally

"'Each eligible veteran shall, subject to the provisions of this chapter, be entitled to the education or training provided under this chapter.

"'§ 1911. Duration of veteran's education or training

"'(a) Each eligible veteran shall be entitled to education or training under this chapter for a period equal to one and a half times the duration of his service on active duty between January 31, 1955, and July 1, 1963, and, with respect to an eligible veteran on active duty on June 30, 1963, service on active duty after such date until his first discharge or release from such active duty after such date (or to the equivalent thereof in part-time training), except that—

"'(1) in computing the duration of such service, there shall be excluded (A) any period of active duty which is creditable to an eligible veteran in determining entitlement to education or training under chapter 33 and (B) a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or served as a cadet or midshipman at one of the service academies;

"'(2) the period of education or training to which an eligible veteran shall be entitled under this chapter shall not, except as provided in subsection (b), exceed thirty-six months reduced by a period equivalent to any period of educational assistance afforded him under chapters 33 and 35 of this title; and

"'(3) the period of education or training to which an eligible veteran shall be entitled under this chapter together with vocational rehabilitation training received under chapter 31 of this title, and education or training received under part VIII of Veterans Regulation Numbered 1(a), and section 12(a) of the Act enacting this title shall not, except as provided in subsection (b), exceed thirty-six months in the aggregate.

"'(b) Whenever the period of entitlement to education or training under this chapter of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"'(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"'§ 1912. Commencement; time limitations

"'(a) No eligible veteran shall be entitled to initiate a program of education or training under this chapter after three years after his discharge or release from active duty or after three years after the date of enactment of this chapter, whichever is later. Notwithstanding the preceding sentence, any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this chapter within the period prescribed by the preceding sentence because he had not met the nature of discharge requirements of section 1908(a)(1)(B) of this title before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, shall be permitted to initiate a program of education or training under this chapter within three years after the date his discharge or dismissal was so changed, corrected, or modified, or within three years after the date of enactment of this chapter, whichever is later.

"'(b) The program of education and training of an eligible veteran under this chapter shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion, except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"'(c) For the purposes of computing the three-year period under this section and the eight-year period under section 1913, the date of an eligible veteran's discharge or release shall be the date of his discharge or release from his last period of active duty which began before July 1, 1963, but no period of active duty performed after July 1, 1963, shall be included in computing such periods unless it follows a break in active duty status of more than 90 days.

"'§ 1913. Expiration of all education and training

"'No education or training shall be afforded an eligible veteran under this chapter beyond eight years after his discharge or release from active duty or eight years after the enactment of this chapter, whichever is later, except that any veteran who is eligible to initiate a program of education or training by reason of the second sentence of section 1912(a) of this title shall be permitted to pursue, subject to the other provisions of this chapter, such program for a period of not more than five years after the date of initiation thereof; but in no event shall education or training be afforded under this chapter after June 30, 1973, unless the veteran's date for initiating his program occurs after June 30, 1968.

"'SUBCHAPTER III—ENROLLMENT

"'§ 1920. Selection of program

"'Subject to the provisions of this chapter, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this chapter of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

"'§ 1921. Applications; approval

"'Any eligible veteran who desires to initiate a program of education or training under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this chapter, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"'§ 1922. Change of program

"'(a) Subject to the provisions of section 1921 of this title, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time before the end of the period during which he is entitled to initiate a program of education or training under this chapter, make not more than one change of program of education or training.

"'(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this chapter, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"'(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"'(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"'(c) As used in this section the term "change of program of education or training" shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second.

"'§1923. Disapproval of enrollment in certain courses

"'(a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"'(b) The Administrator shall not approve the enrollment of an eligble veteran—

"'(1) in any photography course or entertainment course; or

"'(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective; or

"'(3) in any other type of course which the Administrator finds to be a vocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"'(c) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this chapter, chapter 31 or 33 of this title, or section 12(a) of the Act enacting this title.

"'§ 1924. Discontinuance for unsatisfactory progress

"The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"'§ 1925. Period of operation for approval

"'(a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

"'(b) Subsection (a) shall not apply to—

"'(1) any course to be pursued in a public or other tax-supported educational institution;

"'(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

"'(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

"'(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

"'§ 1926. Institutions listed by Attorney General

"'The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an education institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

"'SUBCHAPTER IV—PAYMENTS TO VETERANS

"'§ 1931. Education and training allowance

"'(a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this chapter, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

"'(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 1932 of this title, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

"'(1) to any veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this chapter;

"'(2) to any veteran enrolled in an institutional course which does not lead to a standard college degree or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation; or

"'(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"'(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

"'(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution; and

"'(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

"'§ 1932. Computation of education and training allowances

"'(a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"'(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of $110 per month, if the veteran has no dependent, or at the rate of $135 per month, if he has one dependent, or at the rate of $160 per month, if he has more than one dependent.

"'(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of $80 per month, if the veteran has no dependent, or at the rate of $100 per month, if he has one dependent, or at the rate of $120 per month, if he has more than one dependent.

"'(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of $50 per month, if the veteran has no dependent, or at the rate of $60 per month, if he has one dependent, or at the rate of $80 per month, if he has more than one dependent.

"'(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) $90 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent.

"'(3) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) $70 per month, if he has no dependent, or (2) $85 per month, if he has one dependent, or (3) $105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of $310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the

approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"'(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of the third, and each subsequent, four month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $80 per month, if he has one dependent, or $100 per month, if he has more than one dependent, as four months bears to the total duration of such veteran's institutional on-farm training reduced by eight months. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"'(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"'(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this chapter in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) $110 per month for a full-time course, whichever is the lesser.

"'(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each $1.25 which is paid to the veteran as an education and training allowance for such course.

"'(h) No eligible veteran shall be paid an education and training allowance under this chapter for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this chapter, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b) on a less than full-time basis.

"'§ 1933. Measurement of courses

"'(a) For the purposes of this chapter (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

"'(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a); except that, the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard workweek through bona fide collective bargaining between employers and employees.

"'§ 1934. Overcharges by educational institutions

"'The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of $[illegible]0 per month for a full-time course. Any educational institution or training establishment disapproved under this section shall also be disapproved for the enrollment of any veteran not already enrolled therein under chapter 31 or 33, or for the enrollment of any eligible person not already enrolled therein under chapter 35.

"'SUBCHAPTER V—STATE APPROVING AGENCIES

"'§ 1941. Designation

"'(a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this chapter.

"'(b)(1) If any State fails or declines to create or designate a State approving agency, the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"'(2) In the case of courses subject to approval by the Administrator under section 1942 of this title, the provisions of this chapter which refer to a State approving agency shall be deemed to refer to the Administrator.

"'§ 1942. Approval of courses

"'(a) An eligible veteran shall receive the benefits of this chapter while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this chapter and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this chapter. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"'(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this chapter.

"'(c) Any course offered by an educational institution or training establishment shall be considered approved for the purposes of this chapter if it is in an approved status for education or training under chapter 33 of this title, and has not been disapproved under the provisions of this chapter.

"'§ 1943. Cooperation

"'(a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this chapter.

"'(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this chapter.

"'§ 1944. Use of Office of Education and other Federal agencies

"'(a) In carrying out his functions under this chapter, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 1945 of this title, in reviewing the plan of operations of State approving agencies under such agreements,

and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this chapter.

"'(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this chapter are authorized to be appropriated directly to such Office.

"'§ 1945. Reimbursement of expenses

"'The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this chapter, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this chapter. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this chapter.

"'SUBCHAPTER VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

"'§ 1951. Apprentice or other training on the job

"'(a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"'(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"'(2) The length of the training period;

"'(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"'(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"'(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"'(6) The number of hours of supplemental related instruction required.

"'(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"'(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

"'(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"'(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"'(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"'(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

"'(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"'(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"'(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"'(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"'(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him, and his training period shortened accordingly, and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"'(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"'(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"'(13) That the course meets such other criteria as may be established by the State approving agency.

"'§ 1952. Institutional on-farm training

"'(a) An eligible veteran shall be entitled to the benefits of this chapter while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"'(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"'(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"'(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"'(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"'(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"'(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"'(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"'(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"'(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"'§ 1953. Approval of accredited courses

"'(a) A State approving agency may approve the courses offered by an educational institution when—

"'(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"'(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"'(3) such courses are conducted under sections 11–28 of title 20; or

"'(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this chapter the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be a reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"'(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by

the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"'§ 1954. Approval of nonaccredited courses

"'(a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 1953 of this title, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this chapter unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this chapter.

"'(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"'(1) Identfying data, such as volume number and date of publication;

"'(2) Names of the institution and its governing body, officials and faculty;

"'(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"'(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"'(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness, and interruptions for unsatisfactory attendance;

"'(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"'(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"'(8) Detailed schedules of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"'(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"'(10) A description of the available space, facilities, and equipment;

"'(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"'(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"'(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"'(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"'(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

"'(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"'(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"'(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"'(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"'(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

"'(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"'(9) The institution is financially sound and capable of fulfilling its commitments for training.

"'(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (A) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (B) has, if such an order has been issued, given due weight to that fact.

"'(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"'(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"'(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"'(14) Such additional criteria as may be deemed necessary by the State approving agency.

"'§ 1955. Notice of approval of courses

"'The State approving agency, upon determining that an educational institution has complied with all the requirements of this chapter, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this chapter, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"'(1) date of letter and effective date of approval of courses;

"'(2) proper address and name of each educational institution or training establishment;

"'(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"'(4) name of each course approved;

"'(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"'(6) signature of responsible official of State approving agency; and

"'(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

"'§ 1956. Disapproval of courses and discontinuance of allowances

"'(a) Any course approved for the purposes of this chapter which fails to meet any of the requirements of this chapter shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a certified or registered letter of notification and a return receipt secured.

"'(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this chapter or if he finds that the educational institution or training establishment offering such course has violated any provisions of this chapter or fails to meet any of its requirements.

"'(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section.

"'SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

"'§ 1961. Authority and duties of Administrator

"'Payments under this chapter shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921 and the Budget and Accounting Procedures Act of 1950.

"'§ 1962. Educational and vocational counseling

"'The Administrator may arrange for educational and vocational counseling to persons eligible for education and training under this chapter. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"'§ 1963. Control by agencies of United States

"'No department, agency, or officer of the United States, in carrying out this chapter, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment. Nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by law to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this chapter in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"'§ 1964. Conflicting interests

"'(a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter shall be immediately dismissed from his office or employment.

"'(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter, he shall discontinue making payments under section 1945 of this title to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

"'(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"'(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

"'§ 1965. Reports by institutions

"'(a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this chapter.

"'(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this chapter, an allowance at the rate of $1 per month for each eligible veteran enrolled in and attending such institution under the provisions of this chapter to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that if any institution fails to submit reports or certifications to the Administrator as required by this chapter, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

"'§ 1966. Overpayments to veterans

"'Whenever the Administrator finds that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this chapter and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This section shall not preclude the imposition of any civil or criminal liability under this or any other law.

"'§ 1967. Examination of records

"'The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this chapter shall be available for examination by duly authorized representatives of the Government.

"'§ 1968. False or misleading statements

"'The Administrator shall not make any payments under this chapter to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"'§ 1969. Information furnished by Federal Trade Commission

"'The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this chapter.

"'§ 1970. Effective date and retroactive allowances.

"'The provisions of this chapter shall take effect as of September 1, 1959. In the event this chapter is enacted subsequent to such date, the Administrator shall prescribe regulations for making retroactive payments of education and training allowances, upon application therefor, to eligible veterans for education or training pursued by them on or after September 1, 1959, and prior to the date of the enactment of this chapter.'

"(b) The table of contents at the beginning of such title is amended by inserting immediately after

"'39. Automobiles for Disabled Veterans..... 1901'

the following:

"'40. Education of Veterans Who Served Between January 31, 1955, and July 1, 1963..... 1908'.

"(c) The table of chapters at the beginning of part III of such title is amended by inserting immediately after

"'39. Automobiles for Disabled Veterans..... 1901'

the following:

"'40. Education of Veterans Who Served Between January 31, 1955, and July 1, 1963..... 1908'.

"(d) Such title is further amended—

"(1) by inserting in section 102(a)(2) immediately after 'chapter 33' the following: 'or 40', and by striking out 'chapters 19 and 33' in section 102(b), and inserting in lieu thereof 'chapters 19, 33, and 40';

"(2) by striking out in section 111(a) '33 or 35', and inserting in lieu thereof the following: '33, 35, or 40';

"(3) by inserting in section 211(a) after '1761,' the following: '1961,';

"(4) by striking out in section 1662(b) 'chapters 31 and 35' and inserting in lieu thereof the following: 'chapters 31, 35, and 40';

"(5) by striking out in section 1711(b) 'chapter 31 or 33', and inserting in lieu thereof the following: 'chapter 31, 33, or 40';

"(6) by striking out in section 1734(a) 'chapter 31 or 33' and inserting in lieu thereof the following: 'chapter 31, 33, or 40';

"(7) by striking out in section 3013 'and 35' and inserting in lieu thereof the following: '35, and 40';

"(8) by inserting after 'chapter 35' in section 1611(a)(2) the following: 'or education or training under chapter 40'; and

"(9) by inserting in section 1634 immediately before the comma following 'therein' the following: 'under this chapter or chapter 40'.

"(e) Public Law 85–857 (72 Stat. 1264) is amended by adding at the end of section 12(a) the following: 'The period of education or training to which a veteran is entitled under part VIII, Veterans Regulation Numbered 1(a) as saved from repeal by this subsection together with education or training received under chapter 33 or 40 of title 38 of the United States Code shall not exceed forty-eight months in the aggregate.'

"SEC. 3. (a) Section 1502(a) of title 38 of the United States Code is amended to read as follows:

"'(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, if such disability—

"'(1) arose out of service during World War II or the Korean conflict; or

"'(2) arose out of service either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum is clearly shown to have caused a pronounced employment handicap.'

"(b) The first sentence of paragraph (2) of section 1502(c) of such title is amended to read as follows:

"'(2) Vocational rehabilitation may not be afforded a veteran on account of post-World War II service after nine years following his discharge or release; except vocational rehabilitation may be afforded to any person until—

"'(A) August 20, 1963, if such person was discharged or released before August 20, 1954; or

"'(B) nine years after the date of the enactment of the Veterans' Readjustment Assistance Act of 1959 if such person is eligible for vocational rehabilitation by reason of a disability arising from service prior to such enactment either between July 25, 1947, and June 27, 1950, or subsequent to January 31, 1955.'

"(c) Paragraph (3) of section 1502 of such title is amended to read as follows:

"'(3) Vocational rehabilitation may not be afforded outside of a State to a veteran on account of service after July 25, 1947, if the veteran, at the time of such service, was not a citizen of the United States.'

"(d) Section 1502(d) of such title is repealed.

"SEC. 4. (a) Chapter 37 of title 38 of the United States Code is amended by inserting immediately after section 1817 the following new section:

"'§ 1818. Veterans who serve between January 31, 1955, and July 1, 1963

"'(a) Each veteran who served on active duty at any time between January 31, 1955, and July 1, 1963, shall be eligible for the benefits of this chapter (except sections 1813 and 1815, and business loans under section 1814 of this title), subject to the provisions of this section, if his total service was for

a period of more than one hundred and eighty days, or if he was discharged or released from a period of active duty, any part of which occurred between January 31, 1955, and July 1, 1963, for a service-connected disability.

"'(b) No veteran shall be eligible for benefits under this section so long as he is eligible under this chapter for any unused benefits derived from service during World War II or the Korean conflict. Any veteran who is eligible for benefits under this section and who has obtained benefits under this chapter by reason of service during World War II or the Korean conflict shall have his benefits under this section reduced by the amount of any benefits previously obtained under this chapter. Benefits shall not be afforded under this section to any individual on account of service as a commissioned officer of the Coast and Geodetic Survey, or the Regular or Reserve Corps of the Public Health Service.

"'(c) Loans may be guaranteed under this section if made before July 1, 1973. If a loan report or application for loan guaranty is received by the Administrator before July 1, 1973, an additional period not to exceed one year will be allowed for disbursement of the loan and the issuance of evidence of guaranty. Direct loans authorized by this section shall be subject to the provisions of section 1811(h) of this title.

"'(d) A fee shall be collected from each veteran obtaining a loan guaranteed or made under this section, and no loan shall be guaranteed or made under this section until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed one-half of 1 per centum of the total loan amount. The amount of the fee may be included in the loan to the veterans and paid from the proceeds thereof.

"'(e) There is hereby created a Mortgage Guaranty Fund (hereinafter referred to as the 'Fund') which shall be available to the Administrator to carry out the provisions of this chapter with respect to all transactions arising from the guaranty of loans under this section. Fees collected by the Administrator under subsection (d) of this section shall be deposited in the Treasury to the credit of the Fund together with all other moneys received, including those from the management or sale of properties or the liquidation of any security acquired, as a consequence of the guaranty of loans under this section.

"'(f) The guaranty on any loan made to a veteran which is guaranteed under the provisions of this section shall be payable to the holder under the provisions of this chapter without regard to the amount on deposit to the credit of the Administrator in the Fund. If the balance in the Fund is insufficient at any time to carry out the provisions of this chapter with respect to transactions arising from the guaranty of loans under this section, the Administrator shall use funds appropriated to the Veterans' Administration under the heading of 'Readjustment Benefits' for such purpose, and sums sufficient therefor are hereby authorized to be appropriated. Reimbursement to the appropriation shall be made of the amounts thereof which may have been used by the Administrator for the purposes of the Fund when, and if, in the opinion of the Administrator the balance in the Fund is sufficiently in excess of the probable demands thereon to permit such reimbursement.

"'(g) From time to time, but not earlier than five years after the termination of authority to guarantee and make loans under this section, the Administrator shall cause to be deposited into the Treasury of the United States, to the credit of miscellaneous receipts, such of the moneys in such Fund as in his judgment are not needed for the purpose for which they were provided. When all claims, expenses, or losses which may arise under the provisions of this chapter with respect to transactions arising from the guaranty of loans under this section have been paid, any balance remaining in the Fund shall be deposited by the Administrator with the Treasurer of the United States to the credit of miscellaneous receipts.

"'(h) Moneys in the Fund may be invested by the Administrator from time to time in obligations of the United States or obligations guaranteed as to principal and interest by the United States.'

"(b) The table of sections at the beginning of chapter 37 of such title is amended by inserting immediately below

"'1817. Release from liability under guaranty.'

the following:

"'1818. Veterans who serve between January 31, 1955, and July 1, 1963.'

"(c) Section 1822(a) of such title is amended by striking out 'or 1813', and inserting in lieu thereof '1813, or 1818'.

Mr. JOHNSON of Texas. Mr. President, I understand that it is now in order for the Senator from Kentucky to offer his amendment.

The PRESIDING OFFICER. The amendment is in order.

Mr. COOPER. Mr. President, on behalf of myself, the Senator from Massachusetts [Mr. KENNEDY] the Senator from New York [Mr. JAVITS], the Senator from New Jersey [Mr. CASE], the Senator from Vermont [Mr. PROUTY], and the Senator from South Carolina [Mr. THURMOND], I offer the amendment which I send to the desk. I ask unanimous consent that the amendment be printed in the RECORD at this point without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. COOPER, for himself and other Senators, is as follows:

On page 1, beginning with line 5, strike out all through line 13 on page 52, and insert in lieu thereof the following:

"Statement of Policy

"SEC. 102. The Congress of the United States hereby declares that the veterans' education and training loan program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period when compulsory military service under the laws of the United States was in effect, and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country.

"TITLE II—EDUCATIONAL AND VOCATIONAL TRAINING LOANS

"Part I—Definitions

"SEC. 201. For the purpose of this title—

"(1) the term 'basic service period' means the period beginning on February 1, 1955, and ending on the day before the date of termination of compulsory military service under the laws of the United States, except that with respect to a person in the active service of the Armed Forces on such day, such term means the period beginning on February 1, 1955, and ending on the date of the person's first discharge or release from service after such day;

"(2) the term 'eligible veteran' means any person who is not in the active service in the Armed Forces and who—

"(A) has served in the active service of the Armed Forces at any time during the period beginning on February 1, 1955, and ending on the day before the date of termination of compulsory military service under the laws of the United States,

"(B) has been discharged or released from such active service under conditions other than dishonorable, and was not given a bad-conduct discharge, or, if an officer, did not resign for the good of the service, and

"(C) has served in the active service of the Armed Forces continuously prior to such discharge or release for six months or more subsequent to January 31, 1955 (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education and training which was substantially the same as established courses offered to civilians, or a cadet or midshipman at one of the service academies), or has been discharged or released by reason of an actual service-incurred injury or disability;

"(3) the term 'date of termination of compulsory military service under the laws of the United States' means the day following the last day on which involuntary induction of civilians (other than individuals liable for induction by reason of a prior deferment) into the Armed Forces of the United States is authorized under (A) the Universal Military Training and Service Act, as now in effect or hereafter amended, or (B) any law enacted after the date of the enactment of this Act, if such law is enacted within six months after the Universal Military Training and Service Act ceases to be effective.

"(4) the term 'program of education or training' means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

"(5) the term 'course' means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

"(6) the term 'dependent' means—

"(A) a child (as defined in sec. 101 of the Veterans' Benefit Act of 1957) of an eligible veteran,

"(B) a parent (as defined in sec. 101 of the Veterans' Benefit Act of 1957) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

"(C) the wife of an eligible veteran, or in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

"(7) the term 'educational institution' means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

"(8) the term 'training establishment' means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

"(9) the term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine

Corps, and the Coast Guard of the United States;

"(10) the term 'State' means each of the several States, the Territories and possessions of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Panama Canal Zone;

"(11) the term 'Administrator' means the Administrator of Veterans' Affairs; and

"(12) the term 'Commissioner' means the United States Commissioner of Education.

"Part II—Eligibility

"Entitlement to Education or Training Loans Generally

"SEC. 202. Each eligible veteran shall, subject to the provisions of this title, be entitled to education and training loans for the purpose of assisting him in pursuing a program of education or training. Such loan shall be repayable by such veteran to the Government as hereinafter provided.

"Commencement; Time Limitations

"SEC. 203. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title more than three years from the date of the enactment of this Act, or after three years after his discharge or release from active service, whichever is later.

"(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than twelve consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"(c) In the event an eligible veteran returns to active service in the Armed Forces prior to the date on which compulsory service under the laws of the United States terminates, his date of discharge or release shall, for the purposes of this section and section 204, be the date of discharge or release from his last period of active service which began prior to the date on which compulsory service under the laws of the United States terminates.

"Expiration of All Education and Training

"SEC. 204. No education or training loan shall be provided an eligible veteran under this title beyond eight years after his discharge or release from active service, and in no event shall an education or training loan be provided under this title more than ten years after the date on which compulsory service under the laws of the United States terminates.

"Computation of Veteran's Loan Entitlement

"SEC. 205. (a) Each eligible veteran shall be entitled to receive education and training loans under this title to assist him in obtaining education or training over a period equal to one and a half times the duration of his active service in the Armed Forces during his basic service period (or to the equivalent thereof in part-time training), except that—

"(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

"(2) the period for which an eligible veteran shall be entitled to receive education and training loans under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

"(3) the period for which an eligible veteran shall be entitled to receive education and training loans under this title, together with education or training received under part VIII of Veterans Regulation Numbered 1(a), title II of the Veterans' Readjustment Assistance Act of 1952, of the War Orphans' Educational Assistance Act of 1956, or of vocational rehabilitation training under part VII, Veterans Regulation Numbered 1(a), or Public Law 894, Eighty-first Congress, shall not, except as provided in subsection (b), exceed thirty-six months in the aggregate.

"(b) Whenever the period of entitlement to education and training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"Part III—Enrollment

"Selection of Program

"SEC. 206. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

Applications; Approval

"SEC. 207. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"Change of Program

"SEC. 208. (a) Subject to the provisions of section 207, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

"(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one objective or level of education or training to the pursuit of a higher objective or level of education or training in the same field of study or training.

"Avocational and Recreational Courses

"SEC. 209. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"(b) The Administrator shall not approve the enrollment of an eligible veteran—

"(1) in any photography course or entertainment course, or

"(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

"(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"Discontinuance of Education and Training Loans for Unsatisfactory Progress

"SEC. 210. The Administrator shall discontinue education and training loans to an eligible veteran if, at any time, he finds that according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"Minimum Number of Nonveteran Students Required

"SEC. 211. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are paying all or any part of their tuition, fees, or other charges with the assistance of loans obtained under this Act, or are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII of Veterans

Regulation Numbered 1(a), title II of the Veterans Readjustment Assistance Act of 1952, the War Orphans' Educational Assistance Act of 1956.

"Period of Operation for Approval

"SEC. 212. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

"(b) Subsection (a) shall not apply to—

"(1) any course to be pursued in a public or other tax-supported educational institution;

"(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

"(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

"(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

"Institutions Listed by Attorney General

"SEC. 213. The Administrator shall not approve the enrollment of, or disbursement of an education and training loan to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

"Part IV—Loans to veterans

"Education and Training Loans

"SEC. 214. (a) The Administrator shall provide to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training loan to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

"(b) The education and training loan for an eligible veteran shall be provided, as provided in section 215, only for the period of the veteran's enrollment as approved by the Administrator, but no loan shall be provided—

"(1) to any veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional onfarm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

"(2) to any veteran enrolled in an institutional course which does not lead to a standard college degree or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

"(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No education and training loan shall be provided to an eligible veteran for any period until the Administrator shall have received—

"(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional onfarm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training loans shall, insofar as practicable, be disbursed within twenty days after receipt by the Administrator of the certifications required by this subsection.

"Computation of Education and Training Loans

"SEC. 215. (a) The education and training loan of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training loan under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"(1) If such program is pursued on a full-time basis, such loan shall be computed at the rate of $110 per month, if the veteran has no dependent, or at the rate of $135 per month, if he has one dependent, or at the rate of $160 per month, if he has more than one dependent.

"(2) If such program is pursued on a three-quarters time basis, such loan shall be computed at the rate of $80 per month, if the veteran has no dependent, or at the rate of $100 per month, if he has one dependent, or at the rate of $120 per month, if he has more than one dependent.

"(3) If such program is pursued on a half-time basis, such loan shall be computed at the rate of $50 per month, if the veteran has no dependent, or at the rate of $60 per month, if he has one dependent, or at the rate of $80 per month, if he has more than one dependent.

"(b) The education and training loan of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) $90 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent.

"(c) The education and training loan of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) $70 per month, if he has no dependent, or (2) $85 per month, if he has one dependent, or (3) $105 per month, if he has more than one dependent; except that his education and training loan shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training loan as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator provide an education and training loan under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of $310 per month. For the purpose of computing loans under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training loan for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"(d) The education and training loan of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent; except that his education and training loan shall be reduced at the end of the third, and each subsequent, four-month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $80 per month, if he has one dependent, or $100 per month, if he has more than one dependent, as four months bears to the total duration of such veterans' institutional on-farm training reduced by eight months. For the purpose of computing loans under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training loan for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"(e) The education and training loan of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such loan shall be disbursed quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(f) The education and training loan of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) $110 per month for a full-time course, whichever is the lesser.

"(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training loan to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be provided an education and training loan under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the loan provided under this subsection shall be in addition to any education and training loan provided to him under one of the preceding subsections of this section for education or training other than flight training. Such loan shall be disbursed monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each $1.25 which is provided to the veteran as an education and training loan for such course.

"(h) No eligible veteran shall be provided an education and training loan under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law, where the payment of such loan would constitute a dupli-

cation of benefits provided to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

"Loan Requirements

"SEC. 216. Education and training loans made under the provisions of this title—

"(1) shall be made without security, except that the veteran shall execute a promissory note, or notes, payable to the United States;

"(2) shall be repaid in equal or graduated periodic installments, in accordance with such schedules as may be approved by the Administrator over such period of time as the Administrator shall prescribe, not exceeding ten years, beginning one year after the date on which the veteran ceases to pursue his program of education or training, except that—

"(A) periodic installments may be readjusted in the case of any veteran if the Administrator finds that a readjustment would be in the best interest of the veteran and the Government, and

"(B) periodic installments need not be paid during any period (i) in which the veteran is pursuing a full-time program of education or training, or (ii) during which the veteran is a member of the Armed Forces, if such veteran is recalled to active duty and is in a pay grade which makes repayment an undue burden, as determined by the Administrator; and

"(3) shall be interest free, except that if such loan is not repaid within the period prescribed by the Administrator interest shall accrue on the unpaid principal, beginning on the day following the date on which the last payment is due, at a rate of 2 per centum per annum. If a veteran fails to make payments in accordance with the schedule of repayment prescribed for him by the Administrator, and the Administrator determines that adherence to the prescribed schedule would not constitute an undue hardship on the veteran, the Administrator shall declare the entire remaining amount of such loan due, and interest shall accrue on the unpaid principal of such loan at the rate of 2 per centum per annum from the date of such declaration.

"(4) shall be canceled upon the death of the veteran, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Administrator;

"(5) shall be subject to such additional terms, conditions, and requirements as the Administrator may determine to be necessary to protect the financial interests of the United States and to carry out the purpose of this title.

"Actions To Enforce Repayment of Loan

"SEC. 217. (a) In addition to any legal action brought to recover a loan made under this Act, the Administrator is authorized to utilize all other resources to effect recovery of such loans, including setoffs of such loans against veteran benefits, national service life insurance dividends, or any other Federal funds otherwise payable to the veteran.

"(b) If an education and training loan provided under this title is not repaid, it shall be lawful for the Administrator or his delegate to collect such indebtedness in the same manner, and to the same extent, insofar as applicable, as the Secretary of the Treasury may collect a tax under the provisions of section 6331 of the Internal Revenue Code of 1954.

"(c) In addition to any State court of competent jurisdiction, any United States district court for any district wherein the veteran resides or was resident at any time shall have jurisdiction of any action brought by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title. No legal service of any kind shall be required to be made upon the veteran other than notice of the institution of such action stating the date of entry and name of court; such notice shall be sent by registered mail to the last-known address of such veteran as indicated in the records of the Veterans' Administration.

"(d) In any action by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title, the fact that the veteran was an infant at the time of signing such promissory note shall not be a defense.

"Measurement of Courses

"SEC. 218. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

"(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional onfarm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard workweek through bona fide collective bargaining between employers and employees.

"Overcharges by Educational Institutions

"SEC. 219. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of $10 per month for a full-time course.

"Part V—State approving agencies

"Designation

"SEC. 220. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the 'State approving agency' for his State for the purposes of this title.

"(b)(1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"(2) In the case of courses subject to approval by the Administrator under section 221, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

"Approval of Courses

"SEC. 221. (a) An eligible veteran shall receive the loans provided by this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

"(c) Any course offered by educational institutions or training establishment shall be considered approved for the purposes of this Act if it is approved for education or training under title II of the Veterans Readjustment Assistance Act of 1952.

"Cooperation

"SEC. 222. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

"(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

"Use of Office of Education and Other Federal Agencies

"SEC. 223. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 224, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

"(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

"Reimbursement of Expenses

"SEC. 224. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

"Part VI—Approval of courses of education and training

"Apprentice or Other Training on the Job

"SEC. 225. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"(2) The length of the training period;

"(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"(6) The number of hours of supplemental related instruction required.

"(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

"(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

"(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"(13) That the course meets such other criteria as may be established by the State approving agency.

"Institutional On-Farm Training

"SEC. 226. (a) An eligible veteran shall be entitled to the loans provided by this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month. Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group-instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"Approval of Accredited Courses

"SEC. 227. (a) A State approving agency may approve the courses offered by an educational institution when—

"(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

"(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the

veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"Approval of Nonaccredited Courses

"SEC. 228. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 227, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

"(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"(1) Identifying data, such as volume number and date of publication;

"(2) Names of the institution and its governing body, officials and faculty;

"(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness and interruptions for unsatisfactory attendance;

"(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"(10) A description of the available space, facilities, and equipment.

"(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

"(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

"(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"(9) The institution is financially sound and capable of fulfilling its commitments for training.

"(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

"(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"(14) Such additional criteria as may be deemed necessary by the State approving agency.

"Notice of Approval of Courses

"SEC. 229. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"(1) date of letter and effective date of approval of courses;

"(2) proper address and name of each educational institution or training establishment;

"(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"(4) name of each course approved;

"(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"(6) signature of responsible official of State approving agency; and

"(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

"Disapproval of Courses; Cancellation and Discontinuance of Loans

"SEC. 230. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

"(b) The Administrator may cancel and discontinue the education and training loan of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provisions of this title or fails to meet any of its requirements.

"(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

"Part VII—Miscellaneous provisions

"Authority and Duties of Administrator

"SEC. 231. (a) Education and training loans made under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

"(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

"(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training loans under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education, and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"Advisory Committee

"SEC. 232. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor, shall be

ex officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

"Control by Agencies of the United States

"SEC. 233. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"Conflicting Interests

"SEC. 234. (a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

"(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

"(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"(d) The Administrator may after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

"Reports by Institutions

"SEC. 235. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

"(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of $1.00 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certificates to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

"Overpayments to Veterans

"SEC. 236. In any case where it is found by the Administrator that a loan or an excessive amount of an otherwise proper loan has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

"Examination of Records

"SEC. 237. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

"False or Misleading Statements

"SEC. 238. The Administrator shall not provide loans or make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"Criminal Penalties

"SEC. 239. Whoever knowingly and willfully—

"(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for a loan or for payment of money under this title, or pertaining to any matter arising under this title,

"(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

"(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

"(4) accepts and converts to his own use loan moneys for any period during which he was not actually pursuing a course of education or training under this title for which period the loan moneys were provided shall be fined not more than $5,000 or imprisoned not more than three years, or both.

"Waiver of Loans

"SEC. 240. The Administrator is authorized to waive the unpaid balance, including interest, of any loan made under this title—

"(1) if such loan has been outstanding for a period not less than ten years from the date of the beginning of the repayment period prescribed for such loan; and

"(2) if the Administrator determines that further efforts to recover such loan would be impracticable or against equity and good conscience.

"Information Furnished by Federal Trade Commission

"SEC. 241. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

"Amendment to War Orphans' Educational Act of 1956 and the Veteran's Benefits Act of 1957

"SEC. 242. (a) Section 202(b) of the War Orphans' Educational Act of 1956 is amended by inserting after 'of 1952' the following: ', the Peacetime Veterans' Educational Loan Act of 1958,'.

"(b) Section 211(a) of the Veteran's Benefits Act of 1957 is amended by striking 'and' immediately preceding 'section 501(a)' and inserting immediately before 'the decisions' the following: 'and section 231 of the Peacetime Veterans' Educational Loan Act of 1958,'.

"Authorization for Appropriations

"SEC. 243. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

"Effective Date

"SEC. 244. This Act shall take effect on the date of its enactment, but no education and training loan shall be made for any period prior to the first day of the first month which begins more than thirty days after the date of enactment of this Act.

"Renumber sections 102 through 244 as section 2, and in order, section 3, 4, and so forth."

Mr. YARBOROUGH. Mr. President, will the Senator from Kentucky yield for a unanimous-consent request?

Mr. COOPER. I yield.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be permitted to have in the Chamber such members of its staff as it may need during the consideration of Senate bill 1138, notwithstanding any other provision of the rules.

The PRESIDING OFFICER (Mr. MCGEE in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YARBOROUGH. Mr. President, I yield myself 20 minutes on the bill.

The PRESIDING OFFICER. The Senator from Texas is recognized for 20 minutes on the bill.

Mr. YARBOROUGH. Mr. President, Senate bill 1138, entitled "Veterans Readjustment Assistance Act of 1959," has as its primary purpose the establishment of a balanced program of readjustment assistance for post-Korean veterans, that is, persons who first entered on active duty in the Armed Forces after January 31, 1955, the date when the President ended the Korean program, and those who will be entering until July 1, 1963, when the compulsory draft ends.

This bill is often referred to as the GI bill for the veterans of the cold war. The bill applies to veterans of the period from 1955 until the time when the draft enacted by the Congress this year ends—a period of approximately 8 years.

The bill provides that three major types of readjustment assistance, patterned closely after the forms of assistance provided under the GI bills for veterans of World War II and the Korean conflict will be available to post-Korean veterans. These are:

First. Education and vocational training assistance.

Second. Vocational rehabilitation training for veterans with service-connected disabilities.

Third. Guarantee and direct loan assistance for the purchase of (a) homes, including homes on farms, and (b) farmlands, livestock, machinery, and so forth, to be used in farming operations conducted by the veterans.

In basic outline, the bill follows the form of the bill which provided assistance to veterans of the Korean conflict. However, the pending bill is more restricted than that one, in that the pending bill, as reported by the committee, does not provide for any mustering-out pay; and the loan grants and the loan guarantees provided by the bill will apply only to home loans and farm loans, but not to business loans. In addition, the period of service required would be a minimum of half a year. Under the World War II Veterans' Readjustment Act and the Korean Conflict Veterans' Readjustment Act, in order to be entitled to the assistance, a veteran had to serve not less than 90 days, and had to be discharged with a discharge other than dishonorable. The pending bill has the same requirement that a veteran must, in order to be eligible for the benefits, have a discharge other than dishonorable.

The subcommittee conducted extensive hearings on the bill, over a period of 3 months.

The Subcommittee on Veterans' Affairs received testimony on this bill in 10 separate days of hearings, at which appeared educators, veterans' groups, and others, and all interested executive departments. Many of the suggestions we received there were incorporated into the amendments adopted by the Subcommittee and the full Committee on Labor and Public Welfare, under the distinguished leadership of the senior Senator from Alabama [Mr. HILL]. The Senator from Alabama has been of invaluable assistance in the progress of this bill, and of course was one of the original authors of the Korean GI bill, which this bill follows closely.

The subcommittee heard many witnesses who were skilled in the fields of education and veterans' administration. The preponderance of the evidence received demonstrated the beneficial effects of the bill.

Mr. President, in connection with this program, we are not engaging in guesswork, for the bill is based on actual experience by the Government with the World War II Veterans' Act, and the Korean Conflict Veterans' Act. Many of the suggestions which were received were incorporated in the bill as reported by the subcommittee to the full committee. That work was done, as I have stated, under the leadership of the senior Senator from Alabama [Mr. HILL]. I wish to pay tribute to him for his leadership on the bill, as well as for his leadership on the World War II veterans' bill and on the Korean conflict veterans' bill. The junior Senator from Alabama [Mr. SPARKMAN] also rendered able assistance on the bill, and previously participated in the drafting of the World War II veterans' bill and also in the drafting of the Korean conflict veterans' bill.

As chairman of the Veterans' Subcommittee I also wish to pay tribute to the numerous other Senators who helped us with the bill, and who served in the Congress, either in the House or in the Senate, when the World War II veterans' bill was drafted and passed. Some of them also aided in connection with the World War II Veterans' Relief Act, which many veterans took advantage of during their service, in order to keep the mortgages on their homesteads from being foreclosed. Many of the Senators who aided with the drafting of the pending bill also took part in the drafting and passage of the bill which provided assistance to the veterans of the Korean conflict.

So I would be remiss in the performance of my duty if I did not express my sincere thanks, on behalf of both the subcommittee and the full committee, to the large number of Senators who have aided, on the basis of their long experience, in the reporting of the pending measure.

I want also to thank the leadership for having aided us in having so promptly had the bill brought up for consideration.

Only war, or the imminent threat of war from unfriendly powers, creates the conditions, which, by the values of our society, justify the imposition of compulsory military service on our citizenry. When, as now, the need for large but limited forces conflicts with our sense of equity which expects equal national service from all, we are concerned to find that less than half of our young men will ever be compelled to service in the Military Establishment. Under such conditions, it becomes a matter of great national concern when some individuals have to carry a grossly disproportionate share of the burdens of citizenship.

This concern has been expressed in the past by the enactment of the Servicemen's Readjustment Act of 1944—Public Law 346, 78th Congress—and the Veterans' Readjustment Assistance Act of 1952—Public Law 550, 82d Congress—popularly known as the World War II GI bill and the Korean GI bill. Typically American, with their emphasis on self-help and individual initiative, the programs established by these bills have furnished millions of our ex-servicemen the opportunity to overcome, in part, the years lost from civil life and to establish themselves in useful, productive occupations. Veterans who availed themselves of the programs have raised their income and educational levels, and, as a result, our society as a whole has been improved.

In listing the specific achievements of the programs, on the 10th anniversary of the World War II bill, the Veterans' Administration stated that:

> Through the GI bill, World War II veterans have become the best educated group of people in the history of the United States. Because of their training, they have raised their income level to the point where they now are paying an extra billion dollars a year in income taxes to Uncle Sam.

Mr. President, that statement was made in 1954, on the 10th anniversary of the GI bill of rights. Now, on the 15th anniversary, veterans are paying much more in income taxes than they would have been paying had they not had training under the GI bill of rights.

Continuing with the statement of the Veterans' Administration on the 10th anniversary of the bill:

> At this rate, GI-bill-trained veterans alone will pay off the entire $15 million cost of the GI education and training program within the next 15 years.

That was 5 years ago. At that rate, veterans would have paid off loans by 1970. At the present increase, they will pay off the loans before 1970.

Surely this is one of the soundest programs this body has ever approved; it is a capital investment which repays itself in a comparatively short time.

The GI bill programs have been of great national value also in providing the educational programs for professional, technical, and vocational skills that otherwise might have been irreplaceably lost. Indeed, our present shortages in certain essential occupations would be even more critical, perhaps catastrophic, had not these farsighted programs been provided by the Congress.

Mr. President, I am about to give figures which show the number of skilled and technically trained personnel, training under the World War II and Korean conflict GI bills. Here is the skilled help America has obtained because of training undertaken by veterans of World War II and the Korean conflict under the GI bill of rights.

These programs already have furnished America 336,000 veterans who trained to be teachers, 200,000 to be doctors and nurses, and 500,000 to be engineers and technical specialists. Despite these gains, we still have a shortage of 135,000 teachers and critical shortages in other professions where a high degree of training is required.

College enrollments account for 51 percent of all enrollments in educational courses under the Korean program—a percentage almost twice as large as that in college enrollments under the World War II program. The other 49 percent received below-college training. That percentage was nearly twice as high as the World War II percentage. Of the more than 16 million veterans of World War II, 7,800,000 took advantage of the bill, increasing their training or education. Approximately half of the total number of veterans went to school. Of that number, 29 percent went to college, and 71 percent took vocational training or less than college education.

The corresponding percentage for the Korean conflict program was 51 percent, instead of 29 percent. In that case 51 percent of the veterans took college training, and a correspondingly smaller percentage of the Korean veterans trained for business or for farming or for schooling below college.

Although the greatest benefit to the individual under this program would come through higher education, the committee is convinced that the results of continued vocational and farm training will also be highly beneficial. It is well known that our industrial and business enterprises require more skilled workers.

We have a great many highly skilled mechanics and a great many engineers and scientists, but we are woefully lacking in technicians—those between the mechanics and engineers and scientists. We have only about 10 percent devoted to that kind of skill. Under this program we are trying to help fill that void with skilled technicians who are nct yet scientists or engineers.

It was revealed in the hearings that at the height of the recent widespread unemployment, the two heaviest areas of unemployment were in the States of Pennsylvania and West Virginia. In Pennsylvania, in one city with thousands of unemployed workers, a survey showed that there were unfilled jobs available in no less than 197 occupations requiring skilled and trained workers—those in the technician category. The upgrading in skills provided by this bill would help eliminate such examples of economic waste, and help alleviate unemployment in areas of the heaviest unemployment, such as Pennsylvania and West Virginia, which were at the bottom during the recent recession, as well as other States in the great industrial tier of States stretching from the Atlantic coast to Ohio, Indiana, and Illinois.

The need for this legislation is clear, compelling, and urgent.

The loan program being urged under the amendment would hit hardest at those who would take vocational training, those taking training below the college level, or the group that needs training the most. That is the group which would be hit hardest.

Today's cold war conditions are such that thousands of young Americans are required by the compulsory draft law to serve on active duty in the Armed Forces for 2 or more years. Following their active duty in scattered parts of the world, these young people are further compelled to perform additional services in the Active Reserve, after which they are ushered into the ranks of the Standby Reserve. Once entered upon active duty, their total military obligation generally extends over a period of 6 years. They are not truly exservicemen until this whole obligation has been discharged.

Absent the exigencies of the cold war, the majority of these young people would not enter military service—normally they would remain in civil life, pursuing their own individual goals.

Presently, the Federal Government does not offer these young citizens any help in coping with the serious problems created for them by the cold war and by their compulsory military service. This unfortunate state of affairs has existed since January 31, 1955, which by Presidential Proclamation No. 3080, was put into effect as the cutoff date for acquiring eligibility under the Korean GI bill. Young people entering the Armed Forces since that date, that is our post-Korean veterans, have been called upon to make the personal sacrifices associated with military service by giving up their civil lives; yet they have been denied the readjustment aids so vitally needed to help them catch up with those of their contemporaries who were not asked to serve but who instead continued the more lucrative and comfortable pursuits of civil life.

Action to redress the inequities of this situation is long overdue. Bills were introduced last year and the year before, Mr. President. It is time for action now. Our post-Korean veterans are beset by problems almost identical with those to which the two previous GI bills were addressed. Like their fathers and elder brothers, post-Korean veterans lose time from their competitive civil lives directly because of military service. As a consequence, they lose valuable opportunities ranging from educational advantages to worthwhile job possibilities and potentially profitable business ventures. In addition, after completion of their military service, they confront serious difficulties during the transition to civil life. Moreover, since under today's condition, only a minority of the draft-age group actually serves an extended tour of active duty, the post-Korean veteran suffers in some respects relatively more disadvantages than did his World War II and Korean predecessors.

I pause, Mr. President, to ask, why? In World War II, practically every young man was being drafted, except those who were scientists, who were working in vital industries, or who physically could not pass the examination. Now, of those who are of the proper age group, only 45 percent go into military service. If a young man has enough money to go to college, and if he can make the grade and stay in college, he will not be drafted. Later, if he is the father of a child or 2 children, he is not drafted. Once he reaches the age of 26, which is the cut-off date, he will never be drafted. The net result is that 55 percent of our young men of military age do not go into military service. The other 45 percent, many of whom do not have money enough to go to college, and have to stay out, have to perform the services for all Americans, in the securing of liberty to all our people. It is those who are in that 45 percent, Mr. President, who are placed at so great a disadvantage, in serving for all Americans, and it is those in that 45 percent to whom the bill is directed.

In stating these facts which the committee found, we do not question the need for the compulsory draft law. Moreover, we strongly believe that, in view of the present and foreseeable international situation, and especially in view of the need to station American servicemen in many parts of the world, the draft law is essential if we are to safeguard our American freedom and the security of the free world. I believe, and the committee found, that the Congress must now take effective action to cope with the problems thrust upon individuals by the compulsory draft law and by the military necessities of this age.

We take particular note of the fact that the Korean cutoff date—January 31, 1955—did not result from congressional studies and hearings, or otherwise result from affirmative action on the part of Congress. The hearings and studies which form the background of this legislation constitute the sole affirmative action that has been taken by the Congress with respect to the post-Korean readjustment problems covered by this bill.

Never before in our history has the United States had such a continued period of compulsory military service during an era of relative peace. Actual hostilities in Korea ended July 27, 1953. The Korean conflict, for purposes of readjustment assistance, was officially terminated by Presidential declaration on January 31, 1955. The compulsory draft law has outlived both of these events. Early this year, the Congress and the Chief Executive, in recognition of the needs of national defense, extended the draft law for another 4-year period—until July 1, 1963.

The major part of the burden caused by these cold war conditions quite obviously falls upon those of your young men who are called to extended tours of active military service. It is they who must serve in the Armed Forces throughout troubled parts of the world, thereby subjecting themselves to the mental and physical hazards, as well as the economic and family detriments, which are peculiar to military service and which do not exist in normal civil life. It is they who must serve in the remote outposts—in Formosa, Korea, the Turkish frontier, the Thule ice caps, and Africa—to safeguard American freedom.

Without these services from the best of our young men, those who are strong of body, alert in mind, and guided by inner moral courage and a belief in democratic principles, our Nation could not stand against the military threat confronting us today.

The crises of Lebanon, Formosa, and Berlin stand as reminders that we must maintain a constant state of preparedness, and must continue to expose our young servicemen to the hazards of potentially explosive military incidents. The nature of these hazards is tragically exemplified by the loss of 17 U.S. airmen in an unarmed American transport plane shot down by Russian fighter planes just inside Soviet Armenia last September. More recently, on the other side of the world, another American plane was fired upon over the Sea of Japan and in South Vietnam, Communist assassination claimed the lives of other servicemen on the frontiers of freedom in the cold war. Although other such incidents will surely occur in the future, the Nation has no choice but to continue calling upon post-Korean servicemen to sustain such dangers, and otherwise to endure the strains and hazards of the cold war. Any other course would place our freedom in danger of unsurpation by aggressor nations.

THE NEED FOR EDUCATIONAL TRAINING

A VA survey showed the educational attainments of post-Korean veterans as follows:

At the time of their separation from the Armed Forces, 6 percent had not completed elementary school; 10 percent had completed elementary school but had no further schooling; 29 percent had had some high school education, but had not graduated; 35 percent had graduated from high school but had had no college training; 8 percent had completed 1, 2, or 3 years of college work; and 12 percent had completed 4 or more years of college.

The relative low educational attainments of these veterans is a significant measure of the handicaps incurred by young men whose education is interrupted or interfered with by military service. The Bradley Commission, after examining and evaluating the seriousness of the handicap imposed on post Korean veterans by interruption of their education, concluded that it is the "main" handicap incurred by these veterans. The Commission's finding in this regard was stated as follows:

> The Commission recognizes that the main handicap which may be incurred by the peacetime ex-serviceman, other than service-connected disabilities elsewhere discussed, is the effect that a period of 2 years' mandatory service at an early age may have upon education. At the age of entrance into military service, schooling is the occupation of many, and military service will delay some young men from advancing their formal education and will perhaps cause some to drop their plans forever because marriage and other pursuits may interfere with their return to school or college (final report, p. 342).

The final report of the Bradley Commission laid particular stress on the need to train veterans who had not finished high school at the time of their discharge. With respect to this group, the final report—page 343—stated that:

> Except for such training and experience as they may acquire while in service, they will be poorly equipped to enter the labor market. Many of them will need trade and vocational training of below-college level in order to make up for the civilian work experience and seniority lost by virtue of military service.

Traditionally, the Congress has made a distinction between wartime service and peacetime service in providing veterans' benefits programs. While the committee recognized that today's service is not peacetime service as that term was used during the 1930's, the committee found that the traditional distinction should be made in the program of readjustment benefits provided by this bill. Accordingly, the committee recommended legislation which provides considerably less liberal treatment for post-Korean conflict veterans, by doubling the period of service required to 180 days, to establish eligibility for readjustment benefits.

The new, longer basic service requirement would not apply to section 3 of the bill, which provides vocational rehabilitation training for post-Korean veterans with service-connected disabilities. The traditional distinction was preserved by establishing a stricter standard of qualifying. In cases involving disabilities rated as less than 30 percent, post-Korean veterans must clearly show that such disability has caused a pronounced employment handicap in order to qualify for rehabilitation training.

Another major distinction between former veterans and post-Korean veterans is contained in section 4 of the bill, providing home and farm loan assistance. A provision in this section of the bill requires post-Korean veterans to pay to the Veterans' Administration a loan guaranty fee in the sum of one-half of 1 percent of the amount of the loan, to use in liquidating any losses that might arise under the program.

According to the evidence submitted by the Veterans' Administration, the loan guaranty fee recommended in this legislation will be more than adequate to overcome losses under the new program.

DEPARTMENTAL VIEWS

The Veterans' Administration approved section 3 of this bill and recommended two amendments to it which were approved by the committee. The Veterans' Administration expressed a negative position as to the remainder of the bill. The positions of the Bureau of the Budget and the Department of Health, Education, and Welfare are in accord with that of the Veterans' Administration.

The Department of Defense stated a generally negative position to section 2, but specifically recommended, should the legislation be enacted, that—

> The final termination date for eligibility for educational and vocational training be extended indefinitely for those personnel who have remained continuously in the Armed Forces.

The committee accepted this recommendation in the bill reported. The Defense Department opposed mustering-out payments, and the mustering-out pay provisions were eliminated from the bill in committee.

The PRESIDING OFFICER. The time the Senator from Texas has allotted to himself has expired.

Mr. YARBOROUGH. Mr. President, I yield myself 2½ more minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for an additional 2½ minutes.

GENERAL EXPLANATION OF S. 1138

Mr. YARBOROUGH. Mr. President, there are three categories, under a general explanation of the bill, as follows:

EDUCATIONAL AND VOCATIONAL TRAINING

For active duty service of more than 180 days between January 31, 1955, the end of the Korean conflict, and July 1963, the end of the draft, the veteran not dishonorably discharged would be entitled to educational or vocational training at the rate of 1½ days for each day of service, not to exceed 36 months in all. Education and training would be both at college and below college level, including cooperative courses combining school and on-the-job training. Vocational training includes training for business, industry, in office, field, or factory, and on-the-job training on farms.

A monthly allowance is paid for full-time training at the rate of $110 a month for a veteran without dependents, $135 per month for a veteran with one dependent, and for a veteran with more than one dependent $160 a month.

VOCATIONAL REHABILITATION

Vocational rehabilitation for disabled veterans is also provided by the bill.

LOAN GUARANTY

The loan guaranty features are limited to loans on homes and farms, and do not include the business loans available to veterans of World War II and the Korean conflict. This bill does not make any more money available for direct or guaranteed loans than that already voted by Congress. It merely adds the veterans of the cold war as a category entitled to certain loans. The bill charges an additional one-half of 1 percent over ordinary fees, as a guaranty fee to make up losses. The grants are involved under this section. The only cost will be administrative costs of the Veterans' Administration which would not run over $4 million to $6 million a year.

The PRESIDING OFFICER. The time of the Senator from Texas has again expired.

Mr. YARBOROUGH. Mr. President, I yield myself an additional 1 minute.

The PRESIDING OFFICER. The Senator may proceed.

CONCLUSION

Mr. YARBOROUGH. Mr. President, because of the proven benefits derived not only by veterans, but by the American people and their Government, under the GI bills of World War II and the Korean conflict, I respectfully submit that the Senate owes the American people the opportunity to discharge a just debt to the veterans of the cold war, and to raise the productive capacity and output of the Nation at a minimal expense at the same time. It is submitted that the bill should not be crippled by amendments, but should be given a vote of confidence. A vote for this bill is a vote of confidence in America. It is a vote for the future.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. COOPER] for himself and other Senators.

Mr. ERVIN. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. PROUTY. Mr. President, I yield the Senator from North Carolina 15 minutes from the time on the bill.

The PRESIDING OFFICER. The Senator from North Carolina may proceed.

Mr. ERVIN. Mr. President, I rise for the purpose of speaking in behalf of a group of Americans who are sometime forgotten, namely, the American taxpayers. I also rise for the purpose of speaking for some Americans who have no representation in Congress; namely, the unborn generations of Americans who are going to inherit, the moment they come into the world, the greatest debt ever thrust upon posterity by any generation.

It would be much pleasanter to me if I could with good conscience adopt an attitude of generosity toward the bill. I value, as highly as does any other Member of this body, the services of those who are now in our Armed Forces guarding the security of the free world. However, the truth is that the valiant men now in our armed services are drawing the highest pay and receiving the greatest benefits ever received by any Americans who have served in the Armed Forces of the Nation in peacetime.

It is estimated that the bill would cost $2,365 million, if it should cease to operate at the time the bill specifies it shall cease to operate. But everyone familiar with the legislative facts of life knows that if we ever embark on this program there will be no cutoff date, but, on the contrary, the program will be saddled upon the American economy throughout the future, so long as we maintain Armed Forces. The expenditure, after the time set for the expiration of the bill, will approximate half a billion dollars a year.

I should like to be generous. It would be the easy thing to do, because everyone loves Santa Claus more than he loves anyone who is foolish enough to rise and speak in behalf of the taxpayer and the unborn generations of Americans upon whom this Congress and this generation are thrusting the greatest debt in history. If we had $2,365 million in the U.S. Treasury I would vote for the bill; but that is not our situation. The bill comes before the Senate a few days after the close of the previous fiscal year, in which we spent $12,500 million more than we took in. Instead of taking money out of the Treasury, the bill proposes that we dig a deeper hole in the Treasury. The hole is already about $290 billion deep. We must now pay approximately $8 billion every year in interest charges on the national debt of $290 billion, which no one has made any good-faith effort in years to attempt to pay, either in whole or in part.

These are some of the facts which face us at a time when we are asked to go to the bottom of an empty Treasury and take out another $2,365 million from an empty place, the most depressed place on the face of the earth.

We are confronted by another condition which is certainly not a theory Those American citizens who have a few dollars left after they pay their taxes are becoming very reluctant to buy the securities of the U.S. Government. This is not strange. If any business were operated as the U.S. Government has been operated, that is, virtually at a loss every year for a quarter of a century, and a man started to make an investment in such a business his friends would suggest that he should be subjected to an inquisition in lunacy before he did so. The Federal Government ought to put an end to deficit spending. Otherwise it will cost not $8 billion a year to cover interest on our national debt, but from $12 billion to $15 billion a year, if the demands of those whose money is now sought to be borrowed by the Government are met.

We have already established many programs. We made a pledge with reference to the Interstate Highway program; yet we are told by the President of the United States that unless we get some more money somewhere, the highway program will come to a dead end within the comparatively near future. Yesterday I noted that one of the States of the Union has announced that it would not advertise the letting of any more highway projects of an interstate nature until it received assurance that the money which the Federal Government has already promised for that purpose will be put up by the Federal Government. When deficit spending was started a few years ago, we had an American dollar which was a sound dollar, and was worth 100 cents on the market. It would buy 100 cents' worth of services and 100 cents' worth of goods. Yet within a fraction of my lifetime we have seen that American dollar dwindle in value from 100 cents to approximately 47 cents as a result of the acts of this Government in operating constantly in the red, and as the result of the action of Congress in appropriating money for which Congress will not levy taxes.

I would vote for the bill if it were amended so as to provide that it should be operative when Congress stands up, like men, and imposes enough additional taxes to carry the cost of the new program.

There is a rule of law which has universal application in the Anglo-American system of law. The rule is to the effect that when a person in debt gives away his property to his relatives or friends, or even to strangers, the law steps in and sets aside the gift and says, "You must be just before you are generous."

Mr. President, I concede that this is a good program. There are other good programs. I can understand why any Senator, in his zeal for education, or in his zeal to appear to be a legislator of great generosity, should advocate a bill like this. But this is only one of a thousand good programs that could be advanced by the Congress, and could be justifiably advanced by the Congress if the Congress would stand up and levy upon its Members and their constituents, who have voting rights at this time, sufficient taxes to defray the cost of the new programs. That the Congress refuses to do.

I say that this Congress ought to be just before it is generous. Today we are told that the average American pays out at least one-third of all his income for taxes, either to the Federal Government or to State or local governments. We have almost reached a confiscatory point in the imposition and collection of Federal income taxes. We should be just to the American taxpayers before we are generous to others, in view of the hole in the U.S. Treasury. We ought to be just to the unborn Americans who will come into the world with the biggest debt in history saddled upon them by Congresses which are very generous when it comes to appropriating money, but very sparing when it comes to levying taxes to pay the cost of the programs which they authorize.

As I say, Mr. President, I cannot in good conscience vote for a new program, however meritorious and however generous the new program may be, unless Congress will exercise the moral and political fortitude to impose taxes sufficient to place the new program on a pay-as-you-go basis. For years, the Federal Government has persisted in a system of deficit spending. This system has shackled the Nation with a governmental debt of about $290 billion. Furthermore, it has robbed millions of Americans of more than half the value of their savings by reducing the value of the dollars saved by them from 100 to 47 cents.

I think the time has come for the Congress to manifest some concern about starting to pay something on the national debt and some concern about the saving of money so that we can legitimately reduce the tax rates and allow people to keep enough money to educate their own children. I think it is also high time for Congress to show some concern about the danger of saddling unborn generations of Americans with debts which Congress authorizes but which it will not impose taxes to meet.

For these reasons I am unable in good conscience to vote for this bill, notwithstanding the fact that I would like to appear just as generous in my attitude toward these servicemen as any other Member of the Congress.

Mr. YARBOROUGH. I yield to the Senator from Tennessee 10 minutes on the bill.

The PRESIDING OFFICER. The Senator from Tennessee may proceed.

Mr. KEFAUVER. Mr. President, I should like to speak in support of the bill S. 1138 in the form in which it was reported favorably by the Labor and Public Welfare Committee.

This bill, which I am happy to cosponsor with twenty-five of my colleagues, was explored thoroughly by the Subcommittee on Veterans Affairs. Under the careful guidance of the Chairman, the distinguished Senator from

Texas [Mr. YARBOROUGH] several amendments to the bill were adopted by the Subcommittee. I believe the effect of these was to strengthen the proposed legislation without altering its essential features.

Mr. President, I wish to compliment the distinguished Senator from Texas for his leadership in sponsoring this bill, and to compliment him upon the very fine report he has filed in support of it. I know we are impressed by the argument of the distinguished Senator from North Carolina [Mr. ERVIN] about the cost of this proposed legislation, but of course the argument made by the Senator from North Carolina would apply to other sums spent for education.

We know that we have to have educated young people who have the skill and ability to earn money with which to pay taxes. We will never be able to develop our country unless our young people have educational opportunities, and I think giving educational opportunities to these veterans will be a good economic investment for the future of the United States. I would cut down somewhere else rather than on the education of our young people.

Under the GI bills we have made sure in the past that the servicemen who saw active duty would have economic and educational opportunities equal to those enjoyed by their civilian contemporaries. In my own State of Tennessee 203,000 persons, or approximately 70 percent of all World War II veterans, took advantage of the benefits past legislation provided for them. And more than half of Tennessee's 98,000 Korean veterans have already received educational training under the programs. On a nationwide basis, more than ten million veterans of World War II and Korea have been helped by the provisions of Public Laws 346 and 550.

These laws were based on the premise that those who protect the American way of life should have a fair chance, when they returned home, to share in the joys and rewards of our way of life.

The bill, as reported by the Labor Committee, reflects this concept by reinstating the benefits of the GI bill. It makes the post-Korean veteran eligible for educational and vocational training assistance through monthly allowances similar to those received by a Korean veteran. The bill also provides loan assistance for homes and farming operations; and it makes available vocational rehabilitation training for disabled veterans.

Mr. President, I believe these servicemen, as those of past years, should be compensated for time spent serving their nation. I believe they should have the same opportunity to acquire trained skills as their fellow Americans, of which more than 50 percent in the draft age group will not see active duty under existing laws.

The investment made in the existing GI bills has already proved to be of great national benefit. Because of their training under the programs, veterans have improved their technical skills, farming techniques, and have acquired a higher level of education generally. These facts mean more income for the veterans and a sounder economy for the country as a whole.

I am firmly opposed to the amendment under consideration precisely because it strikes at many of the bill's advantages I have just outlined. Much of the purpose and effectiveness of this legislation will be erased by providing veteran assistance through loans rather than grants. The effect of such a change in the bill is as clear as it is damaging. If direct financial aid is available, a young man is likely to take the time to pursue educational training.

He knows that the years spent in learning will be amply repaid by the value of the skills he has acquired. But what will happen if we eliminate grants and merely provide loans? The veteran returning to civilian life will not consider it worthwhile to go into financial debt as well as temporal debt in order to train for more advanced work.

His hand forced by family and other financial demands, he will turn to the immediately available—and less rewarding occupation.

It is obvious that the very ones who most need the assistance of this bill will be hardest hit by the amendment. Those who are studying in college or who have some financial means may still find the loan assistance program feasible. But those who seek vocational guidance in technical skills and farming techniques and those at the lower income levels will find such assistance inadequate for their situations.

As the bill now stands, an estimated 1⅓ million post-Korean veterans, including 29,000 Tennesseans, are expected to secure training under this program in its first 5 years alone. If loans become the method of assistance I am confident that a very much smaller number will participate, and that only a fraction of these will engage in vocational training.

In short, I believe that this amendment will have two principal harmful effects. It will make it much more difficult for the returning serviceman to improve his economic outlook through vocational and educational training. And the American economy as a whole will suffer the subsequent loss of thousands of more skilled—and therefore more productive—citizens.

Mr. President, there are times when we consider legislation whose useful ends are outweighed by financial considerations. This is not one of those times. I believe this bill, as reported by the committee, will greatly benefit both our veterans and our entire national economy. Its provisions combine desirable principle and practical economics.

Mr. PROUTY. I ask unanimous consent that there may be a quorum call, the time for the quorum call to be charged to neither side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROUTY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 104)

The PRESIDING OFFICER (Mr. CANNON in the chair). The Chair lays before the Senate a message from the President of the United States. Inasmuch as the message has been read in the House of Representatives, it will be printed in the RECORD and appropriately referred, without being read.

The message was referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

Pursuant to the United Nations Participation Act, I transmit herewith the 13th annual report, covering U.S. participation in the United Nations during the year 1958.

Last year the value of the United Nations as a force for peace was tested and proved anew.

Confronted with a grave crisis in the Middle East, it helped to achieve a peaceful solution, to preserve the threatened independence of Lebanon and Jordan, and to avert the incalculable tragedy of a large-scale conflict.

In the vital field of economic progress for newly developing countries, it opened a promising chapter by establishing the United Nations Special Fund.

In facing the stubborn problem of disarmament it gave influential backing to U.S. policies on a nuclear weapons test ban and on inspection against surprise attack, and again rejected the Soviet demand for mere paper prohibitions without the controls necessary to assure compliance.

At the dawn of man's ventures beyond our planet, it took prompt action to promote international cooperation for the peaceful uses of outer space.

Certain developments during the last year are especially important from the point of view of the U.S. relations with the United Nations.

The Middle East, as in 1957, was again a major focus of danger and of consequent United Nations efforts to preserve peace.

Last spring the President of Lebanon, convinced that the independence of his country was threatened by civil strife instigated and abetted from abroad, appealed for help first to the United Nations and later to the United States. In June the United Nations Security Council, with our active support, responded to Lebanon's first appeal by establishing the United Nations Observation Group in Lebanon with the aim of assuring that there would be no illegal infiltration into that country.

In July the situation in the Middle East became more tense. Lebanon requested immediate military assistance from the United States to help it preserve its independence and integrity. We responded by dispatching units of our Armed Forces to Lebanon and at the

same time called for an urgent meeting of the Security Council. The Council met immediately to consider both this problem and a similar situation in Jordan, where the United Kingdom had responded with military assistance to that Government's appeal.

In the Security Council, the United States called upon the United Nations to take whatever action was necessary to preserve Lebanon's independence and permit withdrawal of U.S. troops. The Security Council, however, was unable to act owing to the Soviet Union's veto. The United States therefore proposed an emergency special session of the General Assembly to consider the situations in both Lebanon and Jordan.

In an address to the Assembly, I presented for the United States a series of proposals designed to promote peace in the Middle East and to help the Arab peoples to devote their energies and resources to economic and social progress. Specifically, these proposals encompassed United Nations action to insure the continued independence and territorial integrity of Lebanon and Jordan; to end the fomenting of domestic strife; to provide for a standby United Nations peace force; to establish a regional economic development institution; and to prevent a new arms race spiral in the area.

The success of the emergency Assembly session was ultimately assured by the response of the Arab States themselves. In the memorable resolution in which they all joined as sponsors, the Arab States pledged to respect each other's established systems of government and abstain from any action calculated to change them. The resolution also enjoined similar principles of international conduct on all United Nations members. It asked the Secretary General to make practical arrangements to uphold the charter in Lebanon and Jordan, thereby facilitating the withdrawal of foreign troops. Finally, it invited the Secretary General to consult with the Arab countries of the Near East on possible United Nations assistance in creating an Arab economic development institution.

These United Nations actions have helped to preserve the independence of Jordan and Lebanon and thus made possible the timely withdrawal of United States and British forces from these two countries.

The 13th session of the General Assembly, meeting in September, took further important actions concerning the Middle East. It authorized expenditures for the continuation of the United Nations Emergency Force. The Secretary General stated his intention to consult with member states on the question of a standby United Nations peace force, and expressed confidence that experience already gained would enable the United Nations to meet any new emergency requiring such a force.

Also, a foundation has been laid for the establishment of a regional Arab Development Bank. This project was given impetus by the emergency assembly session. It could mark the beginning of a new era of economic cooperation and progress in the area.

Disarmament negotiations in 1958 were the subject of unremitting efforts both in the United Nations and elsewhere. The United States continued to emphasize, with gratifying support from the General Assembly, that adequate systems of inspection and control are indispensable to agreements in this field. As a result, this important truth is more and more widely understood in world opinion.

Although the U.S.S.R. boycotted the United Nations Disarmament Commission from the beginning of 1958, the United States continued to pursue any promising way toward agreement. In April I proposed to the Soviet Government that technical talks be held on the feasibility of establishing an effective control system to verify a suspension of nuclear weapons tests. A conference of experts, including experts from the U.S.S.R. as well as the United States and the United Kingdom, met in Geneva on July 1 to consider this question. After 6 weeks they reached agreement as to the technical feasibility of a system for detecting nuclear weapons tests carried out in violation of an agreement.

Negotiations for a discontinuance of nuclear weapons tests were begun in Geneva on October 31 by representatives of the United States, the United Kingdom, and the Soviet Union. They were still underway at the year's end. It remained to be seen whether the Soviet Union would accept a control system efficient enough, and sufficiently free of the veto, to make possible a worldwide controlled stoppage of nuclear weapons tests.

On November 10, the technical conference on safeguards against surprise attack also began in Geneva. From the outset the Soviet spokesmen at the conference attempted to inject political considerations into the deliberations although the task of the meeting was to examine the technical aspects of the problem. After 6 weeks these talks were recessed without agreement. The United States hopes that appropriate means can be found for renewed consideration of the surprise attack problem under arrangements which would give promise of more fruitful discussions.

As in the past, the problem of disarmament was one of the principal matters considered by the General Assembly. The United States and 16 other powers submitted a resolution endorsing the technical approach to disarmament and reaffirming its hope for "a balanced and effectively controlled worldwide system of disarmament." The Assembly adopted this resolution. It refused to endorse the Soviet call for a test ban unaccompanied by effective controls. The Assembly also adopted a resolution which for 1959 established a Disarmament Commission to include all members of the United Nations.

The United States will continue to press for disarmament agreements fairly balanced and adequately controlled, and thus surrounded by the mutual confidence essential to success.

In 1958, outer space was for the first time the subject of important United Nations action. The General Assembly, on a proposal by the United States and 19 other nations, established a committee to explore the possibilities for international cooperation in the peaceful uses of outer space.

The Soviet Union at first took a different approach. It linked such cooperation to a ban on the military use of outer space. To this proposal it then attached an irrelevant demand: that the oversea military bases, which we have built in a number of countries as measures of collective defense against Soviet pressures, should be abolished.

Wide support developed in the General Assembly for international cooperation in the peaceful uses of outer space. The Soviet Union therefore abandoned its proposal and offered to cooperate in this field, but it tried to attach an unacceptable condition. It demanded that the seats allocated to states dominated by Moscow be equal in number to those held by nations allied with the United States. The Assembly rejected this arbitrary "parity" principle and created an 18-member committee representative of the entire membership of the United Nations.

The tragedy of Hungary was again the cause of deep concern in the United Nations in 1958. The General Assembly adopted by a large majority a resolution proposed by the 37 nations, which condemned and called for an end to the continuing repression of the Hungarian people "under the shadow of the continuing presence of Soviet armed forces." The resolution also denounced the executions of former Prime Minister Imre Nagy, Gen. Pal Maleter, and other Hungarian patriots. The Assembly appointed Sir Leslie Munro, President of the 12th General Assembly, as its representative to report on developments in Hungary. Finally, the Assembly once again refrained from approving the credentials of the delegation representing the Hungarian regime, thus leaving that delegation in a provisional status which is unique in United Nations history. By these actions the United Nations again showed how deeply and lastingly Moscow had affronted world opinion when it crushed Hungary's freedom by military forces.

The Republic of Guinea was admitted to membership in the United Nations on December 12. The United States welcomes this newly independent state into the family of nations and into the councils of the world organization. It is a source of regret that once again, owing to the Soviet veto, the Republic of Korea and the Republic of Vietnam were denied membership in the United Nations.

The General Assembly, as in previous years, decided by a large majority not to consider the question of Chinese representation. The effect of this decision was to maintain the position of the Government of the Republic of China in the United Nations.

The Assembly, as in previous years, reaffirmed its desire to bring about the unification of Korea on the basis of genuinely free elections under United Nations supervision.

All the trust territories of the United Nations, including the Trust Territory of the Pacific Islands which the United States administers, progressed in 1958 toward the charter goal of self-government or independence. The Trusteeship Council commended the continued efforts of the United States to develop effective organs of government in the Pacific Islands.

Trust territories in Africa were the subject of other important United Nations actions in line with the rapid political evolution of that continent. The General Assembly agreed unanimously that Togoland under French administration would cease to be a trust territory and become independent in 1960. The Assembly also decided to reconvene in February 1959, to consider the future of the British Cameroons and the French Cameroun, both of which are also scheduled for early independence.

Economic development was the subject of one of the outstanding United Nations achievements of 1958—the establishment by the General Assembly of the Special Fund, originally proposed by the United States.

This Fund supplements the well-established United Nations Expanded Program of Technical Assistance. It will undertake technical assistance projects basic to further economic progress in the less developed countries, such as surveys of water, mineral and power resources, and the setting up of technological training centers. In this work it will draw on both the finances and the technical talents of many member states.

The establishment of the Special Fund is thus a significant step forward in the perennial efforts of the United Nations to relieve hunger, disease, and ignorance. I am especially gratified that it begins its life under the able guidance of Paul G. Hoffman of the United States, its first Managing Director.

The General Assembly resolution establishing the Special Fund contemplates that annual contributions by member states to this Fund, and to the older United Nations technical assistance program, may total as much as $100 million. The United States, pursuant to congressional action, has promised to provide up to $38 million this year, provided that our contribution does not exceed 40 percent of the total. We hope that other member countries will contribute enough to enable the program to do the important work for which it was conceived.

The General Assembly took several other noteworthy steps to guide economic progress in newly developing countries. On United States initiative it called upon member states to review what they have done to promote the economic development of such countries and to chart their future courses of cooperative action in this field. It also invited member states to explore further the possibility of enlisting the aid of universities and scientific institutions to help solve scientific and technological problems confronting the less developed countries.

Finally, the Assembly called for a report from the Secretary General concerning ways to promote the flow of private capital investment, on mutually satisfactory terms, into newly developing countries—a key factor in the economic growth of these areas. Significantly, this proposal was put forward by 19 capital-importing countries. It was opposed by none except the members of the Soviet bloc.

Atomic energy in its peaceful application was the subject of a second United Nations Scientific Conference in September 1958—the largest such conference ever held. To this 2-week conference in Geneva came 2,000 scientist-delegates from 69 countries. The conference was generally acclaimed even more valuable than its historic predecessor, held in 1955, in making available the most advanced scientific, and technical knowledge of the atom's peaceful uses. This event, and the activity of the recently created International Atomic Energy Agency, are in great measure fruits of the United States policy to support, in the United Nations and elsewhere, the fullest international cooperation to develop atomic energy for the peaceful service of man.

These United Nations achievements of 1958 give renewed proof that the American people are right in regarding the principles of the United Nations Charter as a cornerstone of their foreign policy. Yet the successes of the world organization, though real, are severely limited. The community of law-abiding nations still faces heavy tasks and real dangers.

Although many of these dangers are inevitable in a world of rapid social and political evolution, the chief source of danger remains what it has been since the founding of the United Nations: the failure of the Soviet Union to cooperate in achieving the objectives of the organization. Even as they profess their love of peace, the Soviet leaders refuse to accept the idea of a many-sided, cooperative effort for the maintenance of peace and preach instead a dismal doctrine—totally at variance with the charter—of inexorable conflict between two supposed systems.

The United States continues to reject that blackly fatalistic view of history. In addressing the United Nations General Assembly last August 13, I sought to put these matters in proper perspective. I expressed the conviction that this world of individual nations is not going to be controlled by any one power or group of powers. This world is not going to be committed to any one ideology. I also emphasized that the nature of today's weapons, the nature of modern communications, and the widening circle of new nations make it plain that we must, in the end, be a world community of open societies.

Such are our goals. However distant they appear, we must not become discouraged or lose sight of them. In pursuing them through the dangers and the difficulties of the present the United Nations is—both for our country and for the community of nations—a proven asset of incalculable value. To remain so it requires, and must continue to receive, the faithful support of a strong United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 20, 1959.*

VETERANS READJUSTMENT ASSISTANCE ACT OF 1959

The Senate resumed the consideration of the bill (S. 1138) to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963.

Mr. YARBOROUGH. Mr. President, I yield 10 minutes to the Senator from Michigan [Mr. MCNAMARA].

The PRESIDING OFFICER. The Senator from Michigan is recognized for 10 minutes.

Mr. MCNAMARA. Mr. President, I rise to support Senate bill 1138, which provides educational and other benefits to veterans of our armed services.

I am very much aware of the great benefits to the Nation from the so-called GI bill of rights for the veterans of World War II and the Korean conflict, upon which this proposed legislation is based. Those laws are among the finest ever passed by Congress, and I am convinced that the training received under them has made us a stronger Nation in every way.

There is much to be said in favor of the merits of the bill before us. But I should like to discuss briefly another aspect of the argument.

There seems to be some opinion in the Senate that there is a great difference between military service today and service during wartime. We are told that today a young man does not have to worry about getting killed or wounded—as did his predecessors in World War II and Korea. Therefore—the argument goes—the country owes today's servicemen nothing. It is their duty—we are told—to give up 2 years of their lives, in order to keep the country strong and safe from its enemies; and when they are through with those 2 years, they are free to return to civilian life, with all the rights and privileges that go with such a return.

That kind of reasoning is nonsense, Mr. President. Is there a person in this Chamber who thinks we are in less danger today than we were in 1942 to 1945?

It can well be argued that with the hydrogen bomb, the guided missile, and the other means of killing each other, we are in much graver danger now than we were then. How safe is the soldier who is stationed in Berlin?

However, if we had made service in combat the criteria by which the veterans of World War II and Korea were given GI benefits, a majority of those veterans would not have been eligible.

In those wars there were hundreds of thousands of servicemen whose duty was much less hazardous than that of the present servicemen.

Today, a cold war military force requires men just as our military forces in the past hot wars have required them. And how do we get those men? We get them through the same means through

which we got men during both wars—the draft.

The men who are drafted now are in the same position as that of the men who were drafted in the past.

They are yanked out of civilian life, and are assigned in a generally mysterious fashion to perform the thousands of vital tasks that enable the Nation to maintain its defenses.

There are some differences. The greatest one is that today the morale factor is considerably less.

A young man who was drafted during wartime had some general idea of why he was in the service. It does not take much to demonstrate to a youngster why soldiers are needed, when someone is actually shooting.

But today's draftee has no such clear reason. He has to be a diplomat, wise in the undercurrents of the cold war, to understand what his reason for soldiering is.

I am confounded by those who sit here and blandly ignore the fact that we owe these young men an obligation for their sacrifice and effort. Certainly their sacrifice is just as great as that of the stockholder whose benefits from this and other Congresses total far more than we will ever give the post-Korean veterans.

What about the billions of dollars we are going to pour again this year onto the bonanza farms? How does the corporation farmer's contribution to the national security stack up against the donation made by the man who has served in the Armed Forces in recent years?

What happens to the young man who graduates from high school today? Every move he makes must be based on the realization that he has at least 2 years of military service to perform.

He has a choice. He can go to college, knowing that when he is finished, he will then be drafted, unless he enlists in a Reserve officers' program in college. In that case, his eventual service will be longer. He can, if he wishes, try to find a job. The only difficulty is that no employer is going to invest much money and effort in training a man for a skilled job when he faces a draft call.

Or he can do what thousands of young men do: He can enlist immediately, and can serve his time. This takes away the uncertainty of the draft—but deprives him of a minimum of three—not two—of his most important years.

We all know that the specter of the draft is the single biggest factor in the success of the Navy, Marine, and Air Force enlistment programs.

The fact that we still need a draft, in order to fill our Armed Forces, is the best testimony I know to the proposition that military service is regarded as a harsh and unwanted chore by most American youth.

I deeply believe that we owe these men the same opportunities that we owed their "hot war" brothers and fathers. We are thankful that their peril is not as potentially great. But we need them no less in 1959 than we needed the others in 1942 and 1950.

Therefore, Mr. President, I shall support the bill as reported by the committee.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair advises the Senator that the Senate is proceeding under a unanimous-consent agreement.

Mr. DIRKSEN. I ask unanimous consent that there may be a quorum call without the time being charged against either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the amendment offered by the Senator from Kentucky [Mr. COOPER]. Do Senators yield back their remaining time?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, and that the time necessary for the call of the roll not be taken from either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Do Senators desire to yield back their time?

Mr. COOPER. Mr. President, how much time is left on my amendment?

The PRESIDING OFFICER. The Senator has 1 hour remaining on the amendment.

Mr. COOPER. Mr. President, I do not expect to take more than 15 minutes, in explanation of the amendment. I understand some of the cosponsors of the amendment also wish to speak. I hope those Members of the Senate who are in the Chamber will stay for a sufficient time to understand the purposes of the amendment.

Mr. PROUTY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Kentucky may proceed.

Mr. COOPER. Mr. President, I believe this may be the only amendment of significance which will be offered to the bill. The amendment I offer, for myself and my colleagues, the junior Senator from Massachusetts [Mr. KENNEDY], the senior Senator from New York [Mr. JAVITS], the junior Senator from Vermont [Mr. PROUTY], the junior Senator from South Carolina [Mr. THURMOND], and the senior Senator from New Jersey [Mr. CASE] is a simple one.

It would substitute a system of loans for the system of grants for educational and vocational training provided by section 2 of Senate bill 1138. In every instance in which the committee bill provides that post-Korean veterans shall be entitled to receive grants for educational training, whether for high school or college or for vocational training of any type, the amendment which I offer for myself and my cosponsors provides that the same veterans may obtain a loan for the same amount, for the same number of months, and for the same type of training as prescribed in Senate bill 1138.

I think it is only fair to discuss the consequences of the amendment I have offered, as compared with section 2 of the committee bill, first, in terms of its cost to the Government of the United States, and then, more important, in terms of its value to post-Korean veterans.

The Honorable Sumner G. Whittier, Administrator of the Veterans' Administration, in a report to the Senate Committee on Labor and Public Welfare which appears on page 56 to 61 of the committee report, presented estimates of costs under the committee bill for education and training. I should like to insert in the RECORD at this point the statement he made as to the estimated cost.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Estimates of cost for education and training

	Monthly average trainees	Cost of direct benefits
Fiscal year—		
1960	70,000	$93,000,000
1961	246,000	327,000,000
1962	329,000	437,000,000
1963	375,000	498,000,000
1964	381,000	506,000,000
1965	379,000	504,000,000

Administrative cost would be about 4 percent of direct benefits cost.

Fiscal year 1964 would be the peak year. After that the annual cost should decline, based on the eligibility period of February 1, 1955, through June 30, 1963.

Mr. COOPER. As will be noted, Mr. Whittier pointed out that administrative costs would be about 4 percent of direct benefits.

As to the costs of the educational and vocational benefits Mr. Whittier stated that in 1960 the cost of benefits under the committee bill would be $93 million; in 1961, $327 million; in 1962, $437 million; in 1963, $498 million. In 1964 it would reach a peak of 506 million, and then it would start to decline, because the eligibility period for a veteran to receive loans would end concurrently with the termination of the draft, on June 30, 1963.

The world situation being what it is, with little indication that it will change for many years, I think it is reasonable to assume that the draft, in some form, will be extended. It is therefore reasonable to assume that if Senate bill 1138 is enacted in the form reported by the commitee—that is, providing for a system of grants—its educational and vocational grant program will become a permanent one, at an annual cost of more than $500 million.

In comparing the cost of the loan program, under my amendment, with the

estimated cost of the bill, the Veterans' Administration has estimated the cost of a loan program in terms of annual expenditures chargeable against the budget during the life of the program, to be about one-half of the cost under the grant program provided in Senate bill 1138. In addition, there is a factor applicable to my amendment which, over a period of years, would greatly reduce its cost.

It must be assumed that a substantial number of the loans would be repaid, taking into consideration the very reasonable provisions for repayment. So, to the extent of this repayment, the cost of the loan program, as originally charged against the budget, would later be reduced.

I point out again that the provisions of Senate bill 1138, on the other hand, would entail an annual expenditure of half a billion dollars for many years, without any reduction in cost.

Mr. SMATHERS. Mr. President, will the Senator yield for a question?

Mr. COOPER. I yield.

Mr. SMATHERS. I believe that the amendment offered by the able Senator from Kentucky on behalf of himself, the Senator from Massachusetts [Mr. KENNEDY], and other Senators has a great deal of merit. I commend them for offering it.

I wonder what is the reaction of the various veterans' organizations to this particular amendment. How do they feel about the loan proposal?

Mr. COOPER. I do not know what the reaction of the veterans' organization is. I do not believe there is great enthusiasm held by the American Legion, Veterans of Foreign Wars, Amvets, and others, for the committee bill and its grants.

Mr. SMATHERS. As I understand, it is the feeling of the authors of the amendment that making loans available to every young veteran who actually wants an education, and permitting him to get it at the expense of the Federal Government until such time as he can pay back the loan, would not foreclose anyone who genuinely desired an education very much.

Mr. COOPER. That is the purpose of the amendment. It would make funds available by way of loans. It was the judgment of those of us who sponsored the amendment that it would afford an opportunity to any veteran who desired educational benefits in either college or high school, or vocational training, to obtain them.

Mr. SMATHERS. Would such a loan bear interest, or would it be a straight loan?

Mr. COOPER. I intend to cover that point later in my statement, but I will say that the amendment provides that no interest payments shall be due until there is a default in payment. The amendment provides that the Administrator of Veterans' Affairs may fix a schedule of payments, covering a period not to exceed 10 years; that repayment schedule shall begin 1 year after the termination of the veteran's educational or vocational training; and that there shall be no interest payable until there is default. If there is default, interest will be payable at the rate of 2 percent per annum.

Mr. SMATHERS. I should like to ask one further question.

Statements have been made, as I understand, to the effect that young men who do not know anything about making loans would not be inclined to use this particular provision, because of the feeling that they might be obligating themselves at some time in the future, when they might not be able to repay the loan. Has the Senator any comment on that particular objection to his proposed amendment?

Mr. COOPER. Yes. That argument was made in the hearing. It also appears in the committee report.

I think we must say, in all fairness, that a loan program would not be used as widely as would a grant program. I intend to develop, however, that the educational attainments of the post-Korean veterans indicate that a substantial number of them would take advantage of the loan program.

It is a fact, according to the committee report, that the average post-Korean veteran, when he retires or is separated from the service, is past the age of the average high school graduate. He is approaching the age of 25 years. He has had valuable experience. He is more purposeful than the average high school graduate. We must assume that he is a man of intelligence and good judgment. If he is genuinely interested in pursuing an educational course, or achieving a skill through vocational training, he will take advantage of this program.

I think the loan program would be less likely to attract those who are not sincerely interested. There would be a few—I would not say many—who would take advantage of a grant program, because it would appear to be the easiest thing to do.

Mr. SMATHERS. Is it not the Senator's feeling that in this day, when almost everything we buy is bought on the basis of credit—including refrigerators, television sets, automobiles and many other things—most young men know of the method of making loans. The argument might have been valid 20 years ago or 50 years ago that young men would not want to obligate themselves for the future. Today the procedure in making a loan is actually a perfunctory act, so far as most of them are concerned. Does the Senator not feel that today the making of a loan is a very simple process, so far as young people are concerned?

Mr. COOPER. I think there is much better understanding of loans, installment credit, and payments, than ever before—perhaps too much.

Mr. SMATHERS. The sense of the argument in support of the philosophy of the amendment is that the men who actually wish to obtain an education will be able to get one, just as veterans in the past have been able to get it. However, the reason the Senator proposes a loan program as distinguished from a grant program is that, through a loan program, we would accomplish the education of the men who want to be educated, while stopping the waste which has existed in connection with educational programs in the past.

Mr. COOPER. That is the opinion of the group of sponsors of the amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. I think the Senator from Florida has put his finger on just what we are seeking by this amendment. That is why I asked the Senator from Kentucky to yield to me. I am one of the cosponsors of the amendment.

The difference between the philosophy represented by the committee bill and that represented by the amendment is as great as the difference between day and night. The philosophy of the bill is that a man has served; that he wants college education; therefore, if he can find a college which will accept him, he shall have an opportunity, and be paid by the Federal Government.

The philosophy of the amendment is that a man has served; therefore, if he wishes to obtain a college education and he can find a college to accept him, he shall have the opportunity for a loan. That is a very different philosophy from a college accepting a veteran who has served, on the basis of a grant. The amendment would require a visceral feeling on the part of the veteran that he must obtain an education, and that he is willing to undertake an obligation in order to accomplish it.

Mr. COOPER. I thank the Senator from New York. He has correctly stated the philosophy of the amendment.

Mr. LAUSCHE. Am I correct in the understanding that all veterans drafted would be covered by this bill?

Mr. COOPER. Every veteran except those who chose the 6-month period of service would be eligible. Any veteran who had served as much as 6 months, whether he was drafted, whether he volunteered—whatever may be his status—would be eligible to ask for a loan.

Mr. LAUSCHE. Then the purpose of the Senator's amendment is to give to those veterans who have been drafted in this cold war a privilege and a right which is not ordinarily accorded to the veteran who has not actually served in a war period; and the amendment contemplates affording him the opportunity to acquire an education by the Federal Government loaning to him the money he needs.

Mr. COOPER. That is correct.

Mr. LAUSCHE. I thank the Senator from Kentucky.

Mr. PROUTY. Mr. President, I should like to point out, in answer to the question raised by the Senator from Ohio, that those who serve the 6-month active-duty-for-training program, carried out by the Army and the Navy and the Air Force and the Coast Guard, do not qualify and will not receive benefits under this program. So there is a definite inequality in that.

Mr. COOPER. A very able argument was made by the distinguished Senator from Texas, and is made in the committee report—that the expenditure of one-half billion dollars a year in grants for educational and vocational purposes

can be justified. It was said that rising levels of education and vocational training will supply the means for an advance in the economy of the country; it is argued that the increase of wealth arising from the education and training of eligible veterans will repay the cost of the grants.

I do not doubt those arguments are true in the long run, but I point out that the same argument can be made for education through grants to every young man and woman in the United States. This is an argument for better education—for aid to improve the education of our youth and to expand the total educational effort of the country. I have always supported such a program of general aid to education, to all our young men and women.

But I agree with the statement of the distinguished Senator from New York [Mr. JAVITS], that we are not now considering a general aid-to-education bill, or even a wartime veterans' readjustment measure. What we are considering is legislation which will reasonably assist peacetime veterans in their readjustment to civilian life.

The committee report states that 940,000 post-Korean veterans have been separated from service, and that we can expect from 440,000 to 450,000 annual separations in the future.

I yield to the Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Can the Senator tell what we have done in the past in giving special compensation or special aid to peacetime soldiers? Has it been a policy? Have we approached the peacetime soldier in the same light that we have approached the wartime soldier?

Mr. COOPER. There has never been a readjustment program with educational benefits and vocational benefits for the so-called peacetime soldier, as is proposed by the committee bill. Post-Korean veterans are eligible for pensions and compensation and for disability incurred in service. They are eligible for hospital benefits, as are other veterans.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOPER. I yield myself 10 minutes more.

They are eligible for many other benefits which are accorded a wartime veteran, but this is the first instance of a proposal of this kind with respect to peacetime veterans.

Mr. CLARK. Mr. President——

Mr. COOPER. I only have a few minutes, but I shall be glad to yield to the Senator from Pennsylvania.

Mr. CLARK. I shall be brief. Is it not a fact that the provisions of this bill would place the post-Korean veteran in pretty nearly the same situation with respect to educational benefits that the World War II veteran and the Korean veteran enjoy?

Mr. COOPER. Yes, if the bill as reported by the committee passed.

Mr. CLARK. And is it not also a fact that many thousands, perhaps many hundreds of thousands, of World War II veterans and Korean war veterans who never heard a gun fired in anger, nonetheless had the benefits of the educational provisions of other legislation of this kind?

Mr. COOPER. That is true. I might say that the so-called Bradley Commission, which made a very extensive study of the readjustment of peacetime veterans considered all these problems. Its final judgment was that a program such as is proposed by S. 1138 should not be adopted by the Congress. I am just getting to that point in my remarks.

Mr. CLARK. Mr. President——

Mr. COOPER. I will yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to ask one more question. Is it not true that the benefits of this bill cannot really be considered in terms of peace? Has the Senator from Kentucky not agreed with me on many occasions that we must make an infinitely greater effort in national defense, in mutual security, in a host of other programs, because we are not really at peace today? This is a cold war, as vital to the security of our country as either of the hot wars to which this bill attempts to assimilate educational benefits.

Mr. COOPER. It is true that this is not a period of absolute peace, and I say that all these considerations must be taken into account when we decide what we want to do about the so-called peacetime veterans.

I am sure no one here minimizes the devotion to duty of those who are serving today. We know that they do undergo hardship and make sacrifices—that they are away from home and that there is some interruption of their normal life and activity.

I do not like to make comparison with the veterans of World War I, the veterans of World War II, or the Korean veterans. All have made great sacrifices. It is true that many who served in those wars never had combat duty, or were never in a combat zone, but I make these distinctions: The military service of the man who serves today is definite. The term of the man who served in war was indefinite; he never knew when his term of service would end. Further, it was wartime, and he was subject at any time to be called to an active theater of war. I must say that I think there is a distinction in hazard, and in the peremptory demands on the soldier during wartime, as distinguished from the lot of the soldier during peacetime—while service today is not in a time of absolute peace, it is not a time of war.

Mr. CLARK. I thank the Senator from Kentucky.

Mr. LAUSCHE. Will the Senator from Pennsylvania please listen to this question?

What answer would a Member of Congress be able to give if in the future there is submitted a bill to the effect that the man who served in war is entitled to greater consideration than the man who served in peace? How will we be able then to say to the man who served in war, "You are not entitled to anything more than what we have given to the man who has served in peace," as contemplated by the Senator from Kentucky?

Mr. COOPER. I will give the Senator from Ohio a practical example. We know that the veterans of World War I were never accorded benefits which have been accorded to the veterans of World War II and of the Korean War. The veterans of World War I have now reached an average age of over 65. Many of them are ill. Many of them are in need. They have asked Congress again and again to make some provision which would place them on an equal basis under the law with veterans of the Korean war and World War II, but Congress has not done so.

I should say that if a priority of claims is to be established, as between the veterans of World War I and those who serve today in peacetime, the claims of the World War I veterans should have priority. I believe the veterans of World War I have been left behind, and this bill if passed in the committee form, will make it more difficult for them to get proper recognition by the Congress.

Mr. LAUSCHE. I subscribe to that statement—that is, if the problem is approached on the basis of priority. But a man who served in a war, either actually on a battlefield or in a potential position of being sent to a battlefield, is entitled to greater consideration than a man who serves in peacetime.

Mr. COOPER. I will respond briefly to the argument which has been made that a loan program would have no effective value. It has been said by the distinguished junior Senator from Texas [Mr. YARBOROUGH], and it is stated in the report, that a loan program would have very little value in giving assistance to veterans. We have discussed this issue on the floor of the Senate today. But I invite the attention of the Senate to some facts which appear in the committee report. I quote from the finding of the Bradley Commission, on page 12 of the report:

> At the time of their separation from the Armed Forces, 6 percent had not completed elementary school; 10 percent had completed elementary school but had had no further school; 29 percent had had some high school education, but had not graduated; 35 percent had graduated from high school but had had no college training; 8 percent had completed 1, 2, or 3 years of college work; and 12 percent had completed 4 or more years of college.

I emphasize the last part of the paragraph:

> Thirty-five percent had graduated from high school but had had no college training; 8 percent had completed 1, 2, or 3 years of college work; and 12 percent had completed 4 or more years of college.

I think it would be reasonable to assume that the 55 percent of the veterans who had completed their high school courses, or who had had some college training, or who had completed their college courses, would find the loan program attractive, one that would enable them to begin their college training, or to complete it, or to pursue postgraduate studies.

As to those who have not completed high school, if they desired to finish high school, they could postpone their entitlement to loans until they had completed high school, and then use it for college training. For there is little expense entailed in attending high school: one is

usually at home when he attends high school. I cannot believe that a veteran who desired to attend high school would have to sustain so great a burden as to require a large grant.

The PRESIDING OFFICER. The additional 10 minutes of the Senator from Kentucky has expired.

Mr. COOPER. Mr. President, I yield myself 10 minutes on the bill.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 10 minutes.

Mr. COOPER. I turn now to the question of whether those who desire vocational training—whether on the job, on the farm, or by means of apprenticeship—would be attracted by a loan program. I think we must consider that a period of training for the acquisition of a skill, or apprenticeship, or on-the-farm training, would not ordinarily require as much time as for the completion of a college education. If a veteran desires to secure skills and training under a vocational educational program, the funds would be available to help sustain him and his family while he pursued his vocational training or study of a skill.

A further effect—and a good one—would be that a veteran who wanted to take vocational training would borrow only the amount of money he needed to complete his training. Under a grant program, the time for such training might continue indefinitely.

The committee report, and all who have studied the problem, agree that the veteran who is separated from the service is older, more purposeful, and more decisive about what he wants to do than is the average high school student or high school graduate. We must assume that he has more mature judgment, and will certainly have more purpose and interest in securing the kind of training which he desires.

I point out the very easy terms of the loan, to which I have referred before. A loan program gives to every veteran who wants the opportunity to obtain an education, or to learn a skill, the chance to secure such educational training or skill if he desires to do so. I do not think it would place on his back a burden which would be too great to bear over the period of 10 years in which repayment would be made—and I would be willing to see the period extended.

I pointed out in my supplemental views to the committee report that some opposition is developing today to the veterans' programs, and to their costs.

The cost of benefits for wartime veterans has now reached the sum of more than $5 billion a year. I think that another program, such as the committee will provide, one which would cost more than $500 million a year, which might last from now until the year 2000, as the Bradley report says, and which could ultimately cost $13 billion, must be considered in its relationship to all the veterans' programs.

Certainly those veterans who have disabilities by reason of their service, whether wartime or peacetime, have the right to be protected. The men who have been wounded, and who are sick have the right to be protected, as do their survivors. It is undoubted that the commencement of another large program of grants might endanger the whole system of veterans' payments and veterans' compensation. And I do not want to see this occur. Our first obligation is to the disabled and sick and their dependents.

I make one other point: Today we are not certain that defense expenditures of $40 billion or $45 billion—I think it is closer to $45 billion when we consider the cost of military construction and foreign aid—is sufficient to provide for the defense of the country. That being true, it seems to me that our first obligation is the defense of the country.

I think the amendment I offer is a reasonable one. I believe it gives every reasonable opportunity to the post-Korean veterans. They deserve fair treatment at the hands of Congress. But I am constrained to make one other point. It is this: The highest duty of any man in the Nation is to serve his country, and if necessary to do military duty for his country.

There is no higher duty. There is no higher obligation.

Millions of men have rendered that service without benefit and without later compensation, except the small compensation they received for their service at the time. Hundreds of thousands of men and women have died for their country, without benefit of the inducements which we seem to believe we must offer a man to perform his highest duty.

Mr. LAUSCHE. And the highest honor.

Mr. COOPER. And the highest honor, too. I believe, further, that there is no real demand for this measure. I served on the committee for 2 years. We had no demand for it. I believe the Congress will discharge its responsibility adequately by providing a loan program.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. ERVIN. As I construe the substitute proposal of the Senator from Kentucky, it affords an opportunity to all persons who come within the compass of the original bill to procure an education, and it affords it upon terms, both with respect to the time of repayment and interest rates, which will impose no undue hardship on anyone who really desires to obtain an education.

Mr. COOPER. The Senator is correct.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CHURCH. I have concluded, with reluctance and with no little regret, that I must support the pending amendment. I shall support it for the following three reasons:

First. The broad educational grants of the original GI and Korean bills were adopted to provide for the needs of wartime veterans. I believe it is unnecessary and unwarranted to extend the same benefits to peacetime veterans.

Second. Under the previous GI and Korean bills, the extent of our commitment was known at the time it was made. This bill entails an open-end commitment, since no one can predict how long the draft will continue.

Third. I believe the time has come for the Federal Government to participate in a general program—open to all our young people—better designed to promote the best interests of higher education for the good of the country. Such a program, I think, should consist of loans to needy students who have enough interest in getting a college education to be willing to repay the money afterward. It should also provide scholarships as both an inducement and a reward for hard study.

Adoption of the broad benefits proposed in this bill, to be granted on the basis neither of need nor of scholarship, would make more difficult the adoption of a program better designed to serve the long-term interests of our country.

Mr. CLARK. Mr. President——

Mr. YARBOROUGH. Mr. President, I yield 10 minutes on the amendment to the Senator from Pennsylvania [Mr. CLARK].

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senator from Pennsylvania is recognized for 10 minutes on the amendment.

Mr. CLARK. Mr. President, I rise in opposition to the pending amendment.

I have listened with great interest to the able argument which has been made by my good friend, the Senator from Kentucky [Mr. COOPER], in support of the amendment. It is never pleasant to find oneself in disagreement with so able an advocate and so patriotic a citizen. Furthermore, Mr. President, much of what the Senator from Kentucky has said about the amendment is true. A loan program will cost a great deal less than a grant program; and any veteran who really wants an education badly enough can probably borrow the money for it from the Government, and later repay it without interest, unless he defaults on the payments.

If we are thinking in terms of a budget balanced at $77 billion a year, and if we think we can have a first-class America with the budget balanced at that figure, it is perfectly clear that Senators will wish to support the amendment.

But I am in opposition to the amendment.

I can agree with the Senator from Kentucky that the cost of our veterans' benefits is too high. I suggest that the way to reduce them is to eliminate unwarranted disability payments for nonservice-connected disabilities and cut down on the mass of expensive administrative red tape, but not to make savings at the expense of the legitimate needs of the veterans who serve the nation during the cold war period and who are deprived of educational opportunities because of their service with the Army, Navy, or Air Force.

Mr. COOPER. Mr. President, will the Senator from Pennsylvania yield for a correction?

Mr. CLARK. I am happy to yield.

Mr. COOPER. I did not imply that the compensation paid our veterans today is too high. I said that many persons say it is too high, and that the inauguration of a plan such as the one

provided by the bill as it now stands would certainly increase the opposition to our existing programs which are designed to help veterans who have been disabled by wounds or sickness.

Mr. CLARK. I am happy to have the Senator from Kentucky make that correction.

I will state on my own behalf that I think the overall cost of veteran benefits programs is too high because of the reasons I cited a moment ago.

However, Mr. President, granted that fact, this amendment should still be rejected.

Certainly American citizens have an obligation to enlist in the armed services in time of war, and to be drafted into the armed services in time of peace. Of course they have an obligation to serve their country and it is an honor to be able to do so.

But the question now before us boils down to the following: First, our philosophy about education; second, the difference between real costs and public-accountant costs, in connection with determining whether the country will be enriched.

I would be the last in this Chamber to suggest that we should follow the Russian system of education. Of course we should not. It is based on compulsion, not on consent. It ignores human values and the humanities. It does a great many things which we would never permit in our land of freedom. But in Russia the Government is training those who have brains; and young men and young women in the Soviet Union are being educated to the greatest possible extent at state expense.

Mr. President, we are not at peace today; we are at war—a cold war. We are in a deadly struggle for survival with a Communist enemy who may well—if we do not wake up and go to work—overwhelm us before we know it.

Our most precious assets in the global contest are the brains and abilities of our young people.

The testimony received by our subcommittee demonstrated beyond doubt that the best students are the mature young men who have served in the armed services, and then returned to private life determined to learn a trade or a profession and to become useful members of society and assets to the Nation in the perlious days ahead.

So, Mr. President, I will meet squarely the argument about the philosophy of the program. Certainly our country should adopt a philosophy that every able young man and young woman should be entitled to an education to the full extent of his or her ability to assimilate it, regardless of whether he or she possesses sufficient means to pay for it. Although it is true that a loan may be repaid and that a loan is a halfway step to the desideratum of adequate educational opportunity, nevertheless a loan penalizes a poor boy who has ability, in comparison to the son of a family that is well-to-do.

Today, in Russia, the universities are admitting only one out of every four applicants; but those who are admitted are selected on the basis of aptitude, not on the basis of whether their parents can afford to pay for their education.

Mr. President, on the basis of the philosophy of the program alone, I believe the pending amendment should be rejected.

We should also consider the question of equal justice. I submit that the young men and young women who have volunteered, and today are in the armed services of our country, are a part of the cold-war effort of our Nation, and are just as much entitled to educational opportunities at the expense of the Government as were the hundreds of thousands of our young people who served during World War II and during the Korean war and never heard a shot fired in anger and never exposed themselves to the slightest physical injury or risk. Yet, we say to those who today are in the armed services, serving in Korea, on Okinawa, or in West Berlin, some in places of peril—"You are not good enough to receive from your Government the same educational opportunities that were given the young people of 15 or 20 years ago, who may have spent all their careers in the armed services in this country or quiet rear echelon areas abroad.

Mr. President, I say such an approach is not fair. On the basis of justice and equity, we should appreciate that the young people of today are giving up just as much vital time, which otherwise could be spent in obtaining an education, as did the young men and young women who served in the Armed Forces during World War II and the Korean war. Therefore, on the basis of simple justice, I say the amendment should be rejected.

Mr. President, one of the best witnesses who appeared before the subcommittee was Kenneth C. Carl, director of vocational education at the Williamsport Technical Institute, at Williamsport, Pa. He testified that through a survey of the 14 major labor market areas of Pennsylvania, he compiled a list of 228 occupations for which jobs were open. He found that in 197 of those occupations, employers were seeking employees with less than college training, but with very definite skills. He said that such jobs were going begging in the midst of the most serious unemployment which my Commonwealth ever suffered. But he emphasized that the jobs required skill, as a result of either prior training or experience.

Mr. Carl said that the answer is to be found in training our unskilled young people to keep pace with the swift changes taking place in industry as a result of technological advancements and automation.

Mr. President, we are still gravely concerned about our unemployment problem in Pennsylvania. We need the skills which young veterans coming home and getting retrained can provide.

What happens when they are retrained, go to work, and begin to make money? A minimum of 20 percent of their earnings comes back to the Federal Government in income taxes. Those who otherwise would be unemployed are taken off the unemployment compensation rolls. Those who might go on public assistance are no longer a charge to the State.

I submit that if the facts are carefully analyzed, it will be seen that this educational program, if it were not put into effect, far from saving the Government money, in the long run might lose money because of the large number of individuals who would not gain vocational training and would be unable to support themselves without Government aid during times of unemployment.

In conclusion, I hope the pending amendment will be defeated, and that we shall do justice to our cold war veterans, and that we shall make another small step forward toward seeing that the brains of America are adequately trained for the dangerous days ahead.

Mr. YARBOROUGH. I yield 5 minutes to the Senator from Alaska [Mr. GRUENING].

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 minutes.

Mr. GRUENING. Mr. President, I rise in support of S. 1138, proposing to provide educational and other readjustment benefits for post-Korean veterans, and in opposition to the amendment proposed by the senior Senator from Kentucky [Mr. COOPER] and other Senators.

This bill provides needed and long-overdue legislation. It should be considered as a companion enactment to the draft extension which the Congress voted earlier this year.

The thousands of youths whose normal development is interrupted when they are drafted are deserving of the assistance which would be provided under this bill after their active service with the Armed Forces has ended.

Since January 31, 1955, the cutoff date for acquiring eligibility under the Korean GI bill, our draft law has been operating unfairly in calling upon only certain of our youths to make sacrifices for the defense of their country which others are not called upon to do, and with no recompense by their government .

Even if we had a truly universal military draft, with uniformity of sacrifice. I would say that there would be an obligation on the Federal Government to assist in returning to civilian life those called to the colors. How much greater is the need for such assistance when the sacrifice is called for unevenly and by happenstance.

While we should have an even greater regard for human rights and freedoms than we have for property rights, it is deplorable to have to point to a concrete example where the reverse is true. We do not commandeer the great productive machines of our giant industries and require that they be put to the task of turning out planes and guns and all the remaining paraphernalia of war without compensation.

On the contrary, for that purpose we have contracts and payments, with costs plus a fixed fee designed to insure a profit.

Why, then, the distinction against human beings? Why should only a selected number of our youths be called upon to disrupt their education, to disrupt their preparation for future manhood, and for the time when they resume

their rightful place in the civilian economy and contribute to its strength and growth, without compensation?

No one can seriously contend that the period of his service as a draftee is not disruptive of a youth's life. We cannot give him back the years taken from him. All we can do is lessen the impact upon him of the lost years and opportunities.

That is what this bill is intended to accomplish.

The point has been made—and doubtless will be made often concerning this bill—that the post-Korean draftee served in peacetime and that we should therefore deal less generously with him than we did with his brother who served in the Korean conflict or his father who served in World War II. I cannot support that point of view, since it seems to me to miss the objective of the bill. We are not attempting to compensate the draftee for the dangers he faced from shot and shell during armed conflict. A grateful nation will ever find it difficult to compensate fully any of its citizens for risking life and limb in its defense on the field of battle. Some acts which a citizen in a free society may be called upon to perform are beyond recompense in terms of dollars. Compensation comes through the enjoyment of the very freedoms which we as citizens in such a society stand ready at all times to defend.

But because these sacrifices and risks cannot be fully compensated for by dollars, there is no reason why we, who are the beneficiaries of the sacrifices of others, cannot make some effort to aid their readjustment to civilian life and to make up in some small measure for the opportunities which they have missed because of their period of service.

I cannot accept the argument that because we do not know how long the draft will last, how long the cold war is going to last, we cannot embark on this enterprise. We do not stop defense appropriations because we do not know how long we shall be obliged to make them. The same lack of logic seems to me should not be applied to the assistance proposed to be given to post-Korean draftees.

I shall, therefore, support S. 1138, and oppose the amendment to deny the draftees grants. I believe so long as we have a draft law in effect this bill provides needed benefits and simple justice for those who are drafted.

Mr. YARBOROUGH. Mr. President, I yield 3 minutes to the Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, as one of the sponsors of the Veterans Readjustment Assistance Act of 1959, I want to express my conviction that the bill as reported by the Senate Labor and Public Welfare Committee, specifically, S. 1138, should be passed without amendment.

The amendment proposed by my good friend, the Senator from Kentucky [Mr. COOPER] would change the education and vocational training program for cold-war veterans into an education loan program. This would be in lieu of the education allowance provided by S. 1138 as reported.

I favor the bill as reported because it follows the Korean GI bill concept, that is, providing assistance in the form of monthly allowances. This concept has been tried and found to be highly successful. I do not think it should be changed.

Frankly, from what I have been able to learn about the Cooper amendment, it could possibly kill the bill entirely, for all practical purposes. Certainly it would kill all training in vocational or trade schools, in on-farm training, on-the-job training, or any other type of training at less than the college level.

My reason for making this statement is that a loan program for this type of training is not practical. The reasons for this are fully and convincingly stated on page 17 of the committee report.

I was proud to read in the committee report that 171,000 of the 253,000 veterans of World War II in Alabama entered some phase of GI training. Of these, 32,300 studied at institutions of higher learning; 70,000, in schools below the college level; 30,000, institutional on-farm training; and 38,700, on-the-job training.

The GI training program for veterans of World War II has meant a great deal to the economy of Alabama, with those receiving the training commanding yearly incomes considerably larger than those not receiving it.

Of the 57,400 Alabama veterans who served during the Korean war, 20,600 studied at institutions of higher learning; 32,200, at schools below college level; 1,000 took farm training; and 3,600 took on-the-job training. These figures are cumulative through June 17, 1959. This training is also serving as a further benefit to Alabama's economy and increasing the tax-paying potential of the veterans so trained.

I know that members of the Labor Committee will roundly discuss what they consider the merits and demerits of this bill. It is my firm belief that the merits far outnumber the demerits. And I believe the major merit is the fact that we have a draft law in effect which requires that some of our young men serve time in the Armed Forces. So long as the draft law is on our statute books, I think an adequate program of veterans' training should also be on the statute books.

Mr. YARBOROUGH. Mr. President, I yield 10 minutes of the time on the amendment to the distinguished Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER. The Senator from Oregon is recognized for 10 minutes.

Mr. NEUBERGER. Mr. President, as a cosponsor and supporter of S. 1138, I am indeed pleased that this bill is now before the Senate, which provides educational, housing, and other benefits for those who served in the Armed Forces following the end of the Korean war.

I have long believed that these men and women are entitled to educational benefits, and in the last two sessions of Congress, I have sponsored legislation to this effect.

The United States today is faced with a crisis in education which must be dealt with promptly and effectively or the machinery which sustains our material prosperity will begin to slow down, endangering not only our standard of living but also our position in the world. We are engaged with Russia in the cold war of the classroom. We cannot afford to lose this cold war to the Communists; however, we are falling behind in the race for trained and skilled manpower.

In the 84th and 85th Congresses I sponsored legislation to restore the Veterans' Readjustment Assistance Act of 1952, which includes these veterans, so as to grant them educational benefits. I was thus eager to join this year with the distinguished chairman of the Senate Veterans' Subcommittee [Mr. YARBOROUGH] in sponsoring S. 1138 to restore educational benefits to those who served in the Armed Forces after the Korean conflict. Our bill is sponsored by 25 Members of the Senate and has bipartisan sponsorship.

The so-called GI bill was allowed to die, and those who entered military service after January 31, 1955, are not receiving the benefits of the Veterans' Readjustment Act of 1952.

First and foremost of all the aspects of the GI bill of rights, the educational benefits should be restored. Let me explain why this program should be restored.

FAIRNESS DICTATES RETURN OF GI BILL

In the first place, it is a matter of simple equity to our present servicemen. We still are drafting men for duty with the military. We are still sending them to such remote and potentially dangerous outposts as Okinawa, the Aleutians, northern Alaska, Greenland, north Africa, our zone of Berlin and to many other spots which are either unpleasant as localities in which to live, or are in close juxtaposition to our possible foes.

Why should these boys, dispatched to lonely outposts, be denied the GI bill benefits which went during World War II to many servicemen who never left the shores of the United States? Can such discrimination be defended? I think not.

Furthermore, think of the vast benefits which the GI bill brought to the United States as a whole while it was still in effect. This measure raised the average educational level of millions of World War II veterans by three full grades—from the second year of high school to the freshman year of college. If better education is good for our Nation—and who would dispute this premise—then this program was of incalculable good.

About 50 percent of the high school students who graduate in the upper 25 percent of their classes are not now receiving a college education. To lose the mental ability and alertness of these students is as much a wasted resource as if a timbered forest burns or topsoil is washed away, perhaps more so. Let us send to college as many of our talented young people as possible.

The GI bill of rights, while not a panacea, will by the sheer law of averages add to the Nation's human resources the full capabilities of many of the gifted young men and women who might otherwise be permanently lost to college classrooms.

Mr. President, the need for scientists and engineers and other trained and skilled manpower is clearly recognized. The veterans educational program after World War II and the Korean veterans educational program provided thousands of young men and women with the skills vital to our country. The reenactment of the GI educational benefits bill would be a great step forward and will contribute greatly to the wealth and strength of our Nation.

ALL SOLDIERS SHOULD HAVE EQUAL TREATMENT

Mr. President, I wish to mention several other aspects of this situation, with particular reference to the amendment proposed by the very able and illustrious Senator from Kentucky [Mr. COOPER].

To begin with, I desire to say there is no Senator with whom I would rather agree than the Senator from Kentucky. I remember when he and I stood almost alone one night, against all the other Members of the Senate, with respect to a so-called no surrender resolution which he and I, with such wisdom as we either have or lack, felt was not advisable to enact.

However, I think the Senator from Kentucky is mistaken with regard to the amendment which he is sponsoring to the bill of the Senator from Texas [Mr. YARBOROUGH]. To begin with, I have a very strong feeling that since we had a GI bill of rights for those who served during World War II and the period thereafter, which provided benefits to many servicemen who never left a training camp or never got farther than a smoke-signal distance from home, certainly we should not diminish the program to loans with respect to the men we are now drafting and sending to farflung outposts at the remote corners of the earth.

Secondly, I doubt if there is any situation in our country which has more offended the sensibilities of the American people, but about which nothing is ever done, than the contrast between the huge profits made by those who manufacture the weapons of war and the trivial pay which goes to the men who may be called upon to die using those weapons.

WHY NOT SAME TREATMENT FOR CAPITAL AS FOR BOYS?

I remember when I was a boy in high school, in my native State of Oregon, I heard that the veterans' organizations, the labor organizations, and all kinds of other organizations, had adopted resolutions ad infinitum, stating that in the next war we were going to draft capital as well as men. I remember this as though it were yesterday. Yet when another great war descended like a dark curtain on mankind, the most enormous profits were made out of the manufacture of munitions, while $1 or $2 a day was paid to the men who slogged ashore at Iwo Jima, Attu, Normandy Beach, and the other places where they lost their lives or risked their lives.

ARMAMENTS PROFITS ARE RISING TO NEW HEIGHTS

The same thing is happening again. I have seen recent studies in the business sections of the New York Times and the Washington Post and Times Herald, which describe the enormous profits being made by the firms that today are manufacturing solid propellant rocket fuels. These articles also describe the enormous profits being made by the manufacturers of military aircraft. For example, a story in the New York Times business section of March 1, told of a certain stock, of a firm engaged in manufacturing munitions and armaments for the Defense Department, which had realized a gain of some 230 percent in a period of only 2 years.

So long as this country is going to have an armaments budget of $40 billion, and so long as a vast proportion of that budget is to go in profits to the manufacturers of armaments, how can we stand in the Senate Chamber and say that some very modest compensatory benefits for those who are called upon to risk their lives using these weapons should be only under a loan program? It seems to me that would be highly inconsistent and unfair.

I have always thought that if we should ever have another war, and it should become necessary to go into a person's house and take away a husband or a son or a grandson beloved by those who live in the house, we should also say to those who own the armament factories and to those who work in the armament factories, "You are going to get the same pay as the man who goes ashore on some terrible beachhead risking his life using the weapons you are producing."

What happened in World War II when Franklin Roosevelt, the then President of the United States, suggested there be a $25,000 ceiling on all incomes during World War II, when men were dying for a dollar or so a day? He was denounced as a Communist. I can remember that vividly. President Roosevelt vetoed a tax bill passed by the Senate and the House, which he said favored the big munitions manufacturers, and it came back to Congress and was whipped through over his veto. The President had called upon the Congress to collect in taxes a substantial portion of what was being spent on the war, so that the debt would not be passed on to future generations. His advice was disregarded, and a vast new crop of war millionaires and multimillionaires was later produced.

It seems to me we cannot separate the pending bill, sponsored by the Senator from Texas [Mr. YARBOROUGH], from the enormous profits which are being made by armaments manufacturers today, as described in the business sections of our leading newspapers.

GI EDUCATIONAL BENEFITS WILL ENRICH NATION

Only last week we voted for a military appropriation bill of, as I recall, $40 billion. A vast proportion of that money is going to be paid in profits to the manufacturers of weapons. How we can say, at the same time, that we should have only a loan program for the men who are drafted to fly the planes, to operate the tanks, to fire the missiles, or to use the jet propellant fuel, produced by such manufacturers, is beyond my comprehension.

I repeat that I remember very vividly that all the veterans' organizations said that when we had another war we were going to draft capital as well as men. I am sure the distinguished junior Senator from Texas recalls that when we did have another war we drafted the men, all right, and we produced a new crop of war millionaires and multimillionaires, or perhaps even billionaires—who knows? We came out of the war with an enormous debt, because those who were making the huge sums out of the war were apparently unwilling to pay the taxes necessary to pay for the costs of the war as we went along. So, today, we have a huge debt of nearly $300 billion, much of which stems from the cost of armaments and war profits.

I think that the Senate would be acting very inconsistently if it provided only a loan program for the GI's who are being drafted.

I think we would be consistent if, at the same time we adopted the loan program, we reimposed the excess profits tax of the Korean war on some of the armament manufacturers, but I doubt if we are going to do that. I introduced a bill, which has been available since early March, to restore the excess profits tax on armaments producers, but it rests somnolently in the committee, as soundlessly as Rip Van Winkle ever slept in the tale of the Catskills written by Washington Irving.

So, Mr. President, regretful as it is to me, I must disagree with the amendment sponsored by my warm and devoted friend from Kentucky, whom I admire personally so much; and I support the position taken by the distinguished junior Senator from Texas [Mr. YARBOROUGH]. I trust the amendment will be rejected.

Mr. THURMOND. Mr. President——

Mr. COOPER. Mr. President, how much time does the Senator need?

Mr. THURMOND. Would the Senator yield me 15 minutes?

Mr. COOPER. I yield 15 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 15 minutes.

Mr. THURMOND. Mr. President, I am pleased to join the distinguished and able Senator from Kentucky and other Senators in offering the amendment to the bill.

The Senator from Kentucky was a member of my subcommittee and, as I shall point out, we held hearings for a period of 2 years. The Senator is very familiar with the situation, and I congratulate him for the fine work he has done in connection with this matter.

Mr. President, there are several factors which I feel should be brought to the Senate's attention in connection with the pending amendment.

First, let me assure the Senate that this amendment is not a hastily drawn, haphazard approach. As a matter of

fact, it is identical to the bill reported by the Veterans' Affairs Subcommittee of which I was chairman, to the Senate Labor and Public Welfare Committee in 1958, as a result of extensive hearings held in 1957 and after much thought and consideration by the then members of the Veterans' Affairs Subcommittee. The Senator from Massachusetts, the Senator from Kentucky, and I, who are among the cosponsors of this amendment, were all members of the Veterans' Affairs Subcommittee in the 85th Congress.

There were a number of factors which contributed to our conclusion that a loan program would be much preferable to a program of grants. I should like to mention briefly a few of these factors.

In the first place, a distinction has always been made between wartime and peacetime service in connection with veterans benefits. This historical distinction is not arbitrary but is based on logical and sound reasoning. This reasoning was well summarized by the Veterans' Administration in its report on S. 1138, and I quote from page 37 of the hearings:

> In considering this matter, the committee will recognize that except for actual disability the hazards and other handicaps of wartime service are not present to the same extent during peacetime. The specific period of peacetime service is generally of shorter duration and is known in advance and, we understand, present Selective Service policies are designed to promote a reasonable integration of schooling plans with military service. Hence, the individuals affected are afforded a better opportunity of anticipating the interruption of civilian life and consequently of making the necessary arrangements for minimizing the impact. Moreover, the element of mass demobilization, such as existed at the end of World War II, is not present and the civilian economy is, in general, able to absorb these young men upon discharge.

It should also be noted that the representative of the Veterans of Foreign Wars emphasized this historical distinction; and I quote from the testimony of Mr. Stover, of the VFW, from page 131 of the hearings:

> Some may wonder why the Veterans of Foriegn Wars is not in favor of a complete readjustment program on the same basis and to the same extent as previous so-called GI bills. The VFW has traditionally held there is a sharp distinction between wartime and peacetime service. We believe there must be a differential maintained between benefits granted wartime veterans as opposed to similar benefits granted to peacetime veterans.

It should be noted that the largest of all veterans' organizations, the American Legion, has no recorded position whatsoever on the legislation which is being considered. However, at two annual national conventions, the American Legion has rejected proposals to support a peacetime GI bill.

By adopting a loan program, all existing need will be adequately met. Opportunity, the essential ingredient to success, will be provided; for with the availability of a loan, any ambitious peacetime veteran can obtain an education.

In considering any program for veterans' benefits, the Congress must not overlook the effect of the proposed program on the personnel problems of the Armed Forces. Only last year the difficulties of personnel retention in the services was so severe that the Congress passed an extensive overhauling of the pay schedules of servicemen. The Military Pay Act of 1958 was enacted for the primary purpose of enabling the military to retain trained personnel. The effects of a large-scale grant program such as that proposed in S. 1138 would undo the good accomplished by passage of the incentive pay bill last year and would cause a deterioration in the personnel retention program of the armed services below that which existed prior to the passage of the Military Pay Act. I call the Senate's attention to the statement of the Department of the Air Force on page 35 of the hearings. I quote two paragraphs of that report:

> The Department of Defense recognized that S. 1138 involves questions of broad national policy beyond the scope of the Department of Defense. However, it must be pointed out that proposals of this nature have a very definite effect on the ability of the Armed Forces to retain qualified personnel. Programs of educational and vocational assistance encourage personnel to leave military service immediately after accruing the maximum benefits which can be gained. This results in a serious handicap to the Armed Forces in their efforts to attract and retain qualified personnel on a career basis. The Department of Defense has emphasized before that the maintenance of a force-in-being of sufficient strength to assure the peace and security of the Nation without unreasonable expenditures of funds requires that a large percentage of personnel who volunteer for service in the Armed Forces remain there on a long-term basis.
>
> Despite all of the best efforts of the Armed Forces themselves, and despite the enactment by the Congress of legislation designed to increase the attractiveness of a career in the Armed Forces, retention of personnel remains one of our most crucial problems. Enactment of a bill reinstituting benefits available only to the person who separates from the service will compromise the effectiveness of the efforts now being directed toward personnel retention.

Not the least of the factors which should influence the Senate's judgment on this amendment is the impact which S. 1138 would have on the fiscal condition of the Federal Government. Beginning in 1960, with an estimated cost of approximately $93 million, the program would progressively become more expensive until it reached a cost in excess of $500 million a year. From the outlook of the world situation at present, it is most unlikely that the draft will die any time in the foreseeable future, and for that reason this program, if enacted now, will continue almost indefinitely. I do not believe that sufficient need for this legislation exists to justify an expenditure of a half-billion dollars annually for an indefinite period.

We all know the fiscal condition which exists in this country today. We know that the United States now has a debt of between $285 billion and $290 billion. This is more money than all the other nations in the world combined owe. I cannot imagine the Senate seriously considering a bill which would incur a further responsibility of more than half a billion dollars a year, after the proposed legislation has been in effect only a few years.

It is my firm conviction that any young man who wants an education should only want the opportunity to obtain the education. I do not believe it is the responsibility of the Government to give him an education.

The amendment offered by the Senator from Kentucky [Mr. COOPER], on behalf of himself and other Senators, among whom I am proud to be a cosponsor, provides such an opportunity. We provide for a loan to the young man who goes into the service, of the same amount of money which the bill of the distinguished Senator from Texas would give to such a young man. We feel that what he should seek is the opportunity, and not a handout from the Government.

We are fast becoming a welfare state. We cannot continue along the line we are now following, and we must take steps to protect the fiscal condition of the Nation.

As everyone knows, we are facing a formidable enemy in the Communists. We must devote our efforts to a strong national defense. We are spending billions of dollars to protect the United States and keep it prepared; but we cannot continue to prepare the country adequately if we are to siphon away, for such purposes as those provided in the bill, the funds which are available. Our economy simply will not stand it.

This year alone our country incurred a deficit to the extent of about $13 billion. How long can we continue to go in debt at that rate?

The United States could become insolvent if such a condition should continue. The amendment would enable us to accomplish the same objective without appropriating a large amount of money which will not be returned.

This amendment offers opportunity to any young veteran to go to college. He can borrow the money and can repay it. We think the amendment is sound.

As I stated, we conducted hearings for a period of a year on this particular matter, and the subcommittee came to the conclusion that the loan amendment which is being proposed here today was the proper answer to the problem.

It is my sincere hope that the Senate will seriously consider and adopt this loan amendment, and not in this instance set another example of making grants which can be avoided.

Mr. COOPER. I call the attention of the junior Senator from Texas to the fact that there are certain technical amendments to my amendment which should be made to bring it into conformity with S. 1138, and I move to modify my amendment in those respects.

The PRESIDING OFFICER. The Senator from Kentucky has that right, because the yeas and nays have not been ordered on the amendment.

The modifications of the amendment of Mr. COOPER are as follows:

On page 1, before line 1, to insert:

"TITLE II—EDUCATIONAL AND VOCATIONAL TRAINING LOANS"

In line 1, to change the title, so as to read:

Part I—Statement of policy; definitions"

At the beginning of line 2, to change the section number from "102" to "200"; on page 2, after line 5, to strike out:

"TITLE II—EDUCATIONAL AND VOCATIONAL TRAINING LOANS

"Part I—Definitions"

On page 4, line 18, after the numerals "101", to insert "(4)"; in the same line, after the word "of", to strike out "the Veteran's Benefit Act of 1957" and insert "title 38, United States Code"; in line 21, after the numerals "101", to insert "(5)"; at the beginning of line 22, to strike out "the Veteran's Benefit Act of 1957" and insert "title 38, United States Code"; on page 6, after line 21, to insert:

"Notwithstanding the preceding sentence, any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this chapter within the period prescribed by the preceding sentence because he had not met the nature of discharge requirements of section 201(1)(B) of this title before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, United States Code, the correction of the military records of the proper service department under section 1552 of title 10, United States Code or other corrective action by competent authority, shall be permitted to initiate a program of education or training under this title within three years after the date his discharge or dismissal was so changed, corrected, or modified."

On page 7, line 17, after the word "service", to strike out "and" and insert "except that any eligible veteran who is eligible to initiate a program of education or training by reason of the second sentence of section 203 shall be permitted to pursue, subject to the other provisions of this title, such program for a period of not more than five years after the date of initiation thereof; but"; on page 8, line 18, after the letter "(a)", to strike out "title II of the Veterans' Readjustment Assistance Act of 1952, of the War Orphans' Educational Assistance Act of 1956" and insert "section 12(a) of Public Law 85-857, chapter 33 or 35 of title 38, United States Code; in line 21, after the word "under", to strike out "part VII, Veterans Regulation Numbered 1(a), or Public Law 894, Eighty-first Congress", and insert "chapter 31 of title 38, United States Code"; on page 12, line 6, after the word "one", to strike out "objective or level of education or training to the pursuit of a higher objective or level of education or training in the same field of study or training" and insert "program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second"; on page 13, line 9, after the word "discontinue", to insert "making"; on page 14, line 1, after the word "under", to strike out "Part VII of Veterans Regulation Numbered 1(a), title II of the Veterans Readjustment Assistance Act of 1952, the War Orphans' Educational Assistance Act of 1956" and insert "chapter 31, 33, or 35 of title 38, United States Code"; on page 15, line 15, after the word "training", to strike out "loan" and insert "loans"; on page 23, line 21, after the word "Administrator", to strike out "and"; on page 24, after line 14, to insert a new subsection, as follows:

"(5) shall be canceled for service as a full-time teacher in a public elementary or secondary school in a State, at the rate of 10 per centum of the amount of such loan which was unpaid on the first day of such service, for each complete academic year of such service"; and

At the beginning of line 15, to strike out "(5)" and insert "(6)"; on page 29, line 18, after the word "under", to strike out "title II of the Veterans Readjustment Assistance Act of 1952" and insert "chapter 33 of title 38, United States Code"; on page 47, line 1, after the word "under", to strike out "part VII of Veterans Regulation Numbered 1 (a), as amended" and insert "chapter 31 of title 38, United States Code"; on page 54, line 16, after the word "to", to strike out "War Orphans' Educational Act of 1956 and the Veterans' Benefits Act of 1957" and insert "Title 38, United States Code"; in line 18, after the word "Section", to strike out "202 (b)" and insert "1711 (b)"; in the same line, after the word "of", to strike out "the War Orphans' Educational Act of 1956" and insert "title 38, United States Code"; in line 19, after the word "inserting", to strike out after "of 1952" the following: ", the Peacetime Veterans' Educational Loan Act of 1958," and insert before the period at the end thereof the following: "the Veterans' Readjustment Assistance Act of 1959,"; in line 22, after the word "of", where it appears the first time, to strike out "the Veteran's Benefits Act of 1957 is amended by striking 'and' immediately preceding 'Section 501 (a)' and" and insert "title 38, United States Code, is amended by"; on page 55, line 1, after the word "the", where it appears the second time, to strike out "Peacetime Veterans' Educational Loan Act of 1958," and insert "Veterans' Readjustment Assistance Act of 1959,"

On page 52, after line 13, to insert:

"TITLE III—VOCATIONAL REHABILITATION"

And in line 14, delete "SEC. 3." and insert "SEC. 300."

On page 55, before line 1, to insert:

"TITLE IV—HOME AND FARM LOANS"

And in line 1, delete "SEC. 4" and insert "SEC. 400".

The Cooper amendment, as modified, is as follows:

On page 1, beginning with line 5, strike out all through line 13 on page 52, and insert in lieu thereof the following:

"TITLE II—EDUCATIONAL AND VOCATIONAL TRAINING LOANS

"Part I—Statement of policy; definitions

"SEC. 200. The Congress of the United States hereby declares that the veterans' education and training loan program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reasons of active service in the Armed Forces during a period when compulsory military service under the laws of the United States was in effect, and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country.

"SEC. 201. For the purpose of this title—

"(1) the term 'basic service period' means the period beginning on February 1, 1955, and ending on the day before the date of termination of compulsory military service under the laws of the United States, except that with respect to a person in the active service of the Armed Forces on such day, such term means the period beginning on February 1, 1955, and ending on the date of the person's first discharge or release from service after such day;

"(2) the term 'eligible veteran' means any person who is not in the active service in the Armed Forces and who—

"(A) has served in the active service of the Armed Forces at any time during the period beginning on February 1, 1955, and ending on the day before the date of termination of compulsory military service under the laws of the United States,

"(B) has been discharged or released from such active service under conditions other than dishonorable, and was not given a bad-conduct discharge, or if an officer, did not resign for the good of the service, and

"(C) has served in the active service of the Armed Forces continuously prior to such discharge or release for six months or more subsequent to January 31, 1955 (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education and training which was substantially the same as established courses offered to civilians, or a cadet or midshipman at one of the service academies), or has been discharged or released by reason of an actual service-incurred injury or disability;

"(3) the term 'date of termination of compulsory military service under the laws of the United States' means the day following the last day on which involuntary induction of civilians (other than individuals liable for induction by reason of a prior deferment) into the Armed Forces of the United States is authorized under (A) the Universal Military Training and Service Act, as now in effect or hereafter amended, or (B) any law enacted after the date of the enactment of this Act, if such law is enacted within six months after the Universal Military Training and Service Act ceases to be effective;

"(4) the term 'program of education or training' means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

"(5) the term 'course' means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

"(6) the term 'dependent' means—

"(A) a child (as defined in section 101(4) of title 38, United States Code) of an eligible veteran,

"(B) a parent (as defined in section 101(5) of title 38, United States Code) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

"(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

"(7) the term 'educational institution' means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

"(8) the term 'training establishment' means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

"(9) the term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

"(10) the term 'State' means each of the several States, the Territories and possessions of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Panama Canal Zone;

"(11) the term 'Administrator' means the Administrator of Veterans' Affairs; and

"(12) the term 'Commissioner' means the United States Commissioner of Education.

"Part II—Eligibility

"Entitlement to Education or Training Loans Generally

"SEC. 202. Each eligible veteran shall, subject to the provisions of this title, be entitled to education and training loans for the purpose of assisting him in pursuing a program of education or training. Such loan shall be repayable by such veteran to the Government as hereinafter provided.

"Commencement; Time Limitations

"SEC. 203. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title more than three years from the date of the enactment of this Act, or after three years after his discharge or release from active service, whichever is later.

"Notwithstanding the preceding sentence, any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this chapter within the period prescribed by the preceding sentence because he had not met the nature of discharge requirements of section 201(1)(B) of this title before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, United States Code, the correction of the military records of the proper service department under section 1552 of title 10, United States Code or other corrective action by competent authority, shall be permitted to initiate a program of education or training under this title within three years after the date his discharge or dismissal was so changed, corrected, or modified.

"(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than twelve consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"(c) In the event an eligible veteran returns to active service in the Armed Forces prior to the date on which compulsory service under the laws of the United States terminates, his date of discharge or release shall, for the purposes of this section and section 204, be the date of discharge or release from his last period of active service which began prior to the date on which compulsory service under the laws of the United States terminates.

"Expiration of All Education and Training

"SEC. 204. No education or training loan shall be provided an eligible veteran under this title beyond eight years after his discharge or release from active service, except that any eligible veteran who is eligible to initiate a program of education or training by reason of the second sentence of section 203 shall be permitted to pursue, subject to the other provisions of this title, such program for a period of not more than five years after the date of initiation thereof; but in no event shall an education or training loan be provided under this title more than ten years after the date on which compulsory service under the laws of the United States terminates.

"Computation of Veteran's Loan Entitlement

"SEC. 205. (a) Each eligible veteran shall be entitled to receive education and training loans under this title to assist him in obtaining education or training over a period equal to one and a half times the duration of his active service in the Armed Forces during his basic service period (or to the equivalent thereof in part-time training), except that—

"(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

"(2) the period for which an eligible veteran shall be entitled to receive education and training loans under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

"(3) the period for which an eligible veteran shall be entitled to receive education and training loans under this title, together with education or training received under part VIII of Veterans Regulation Numbered 1(a), section 12(a) of Public Law 85-857, chapter 33 or 35 of title 38, United States Code, or of vocational rehabilitation training under chapter 31 of title 38, United States Code, shall not, except as provided in subsection (b), exceed thirty-six months in the aggregate.

"(b) Whenever the period of entitlement to education and training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"Part III—Enrollment

"Selection of Program

"SEC. 206. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

"Applications; Approval

"SEC. 207. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"Change of Program

"SEC. 208. (a) Subject to the provisions of section 207, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

"(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second.

"Avocational and Recreational Courses

"SEC. 209. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"(b) The Administrator shall not approve the enrollment of an eligible veteran—

"(1) in any photography course or entertainment course, or

"(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

"(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"Discontinuance of Education and Training Loans for Unsatisfactory Progress

"SEC. 210. The Administrator shall discontinue making education and training loans to an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"Minimum Number of Nonveteran Students Required

"SEC. 211. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are paying all or any part of their tuition, fees, or other charges with the assistance of loans obtained under this Act, or are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under chapter 31, 33, or 35 of title 38, United States Code.

"Period of Operation for Approval

"SEC. 212. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

"(b) Subsection (a) shall not apply to—

"(1) any course to be pursued in a public or other tax-supported educational institution;

"(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

"(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

"(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

"Institutions Listed by Attorney General

"SEC. 213. The Administrator shall not approve the enrollment of, or disbursement of an education and training loan to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

"Part IV—Loans to veterans

"Education and Training Loans

"SEC. 214. (a) The Administrator shall provide to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training loan to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

"(b) The education and training loans for an eligible veteran shall be provided, as provided in section 215, only for the period of the veteran's enrollment as approved by the Administrator, but no loan shall be provided—

"(1) to any veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

"(2) to any veteran enrolled in an institutional course which does not lead to a standard college degree or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

"(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No education and training loan shall be provided to an eligible veteran for any period until the Administrator shall have received—

"(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training loans shall, insofar as practicable, be disbursed within twenty days after receipt by the Administrator of the certifications required by this subsection.

"Computation of Education and Training Loans

"SEC. 215. (a) The education and training loan of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training loan under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"(1) If such program is pursued on a full-time basis, such loan shall be computed at the rate of $110 per month, if the veteran has no dependent, or at the rate of $135 per month, if he has one dependent, or at a rate of $160 per month, if he has more than one dependent.

"(2) If such program is pursued on a three-quarters time basis, such loan shall be computed at the rate of $80 per month, if the veteran has no dependent, or at the rate of $100 per month, if he has one dependent, or at the rate of $120 per month, if he has more than one dependent.

"(3) If such program is pursued on a half-time basis, such loan shall be computed at the rate of $50 per month, if the veteran has no dependent, or at the rate of $60 per month, if he has one dependent, or at the rate of $80 per month, if he has more than one dependent.

"(b) The education and training loan of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) $90 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent.

"(c) The education and training loan of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) $70 per month, if he has no dependent, or (2) $85 per month, if he has one dependent, or (3) $105 per month, if he has more than one dependent; except that his education and training loan shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training loan as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator provide an education and training loan under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of $310 per month. For the purpose of computing loans under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training loan for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"(d) The education and training loan of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent; except that his education and training loan shall be reduced at the end of the third, and each subsequent, four-month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $80 per month, if he has one dependent, or $100 per month, if he has more than one dependent, as four months bears to the total duration of such veteran's institutional on-farm training reduced by eight months. For the purpose of computing loans under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training loan for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"(e) The education and training loan of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such loan shall be disbursed quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(f) The education and training loan of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) $110 per month for a full-time course, whichever is the lesser.

"(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training loan to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition

for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be provided an education and training loan under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the loan provided under this subsection shall be in addition to any education and training loan provided to him under one of the preceding subsections of this section for education or training other than flight training. Such loan shall be disbursed monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each $1.25 which is provided to the veteran as an education and training loan for such course.

"(h) No eligible veteran shall be provided an education and training loan under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law, where the payment of such loan would constitute a duplication of benefits provided to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

"Loan Requirements

"SEC. 216. Education and training loans made under the provisions of this title—

"(1) shall be made without security, except that the veteran shall execute a promissory note, or notes, payable to the United States;

"(2) shall be repaid in equal or graduated periodic installments, in accordance with such schedules as may be approved by the Administrator over such period of time as the Administrator shall prescribe, not exceeding ten years, beginning one year after the date on which the veteran ceases to pursue his program of education or training, except that—

"(A) periodic installments may be readjusted in the case of any veteran if the Administrator finds that a readjustment would be in the best interest of the veteran and the Government, and

"(B) periodic installments need not be paid during any period (i) in which the veteran is pursuing a full-time program of education or training, or (ii) during which the veteran is a member of the Armed Forces, if such veteran is recalled to active duty and is in a pay grade which makes repayment an undue burden, as determined by the Administrator;

"(3) shall be interest free, except that if such loan is not repaid within the period prescribed by the Administrator interest shall accrue on the unpaid principal, beginning on the day following the date on which the last payment is due, at a rate of 2 per centum per annum. If a veteran fails to make payments in accordance with the schedule of repayment prescribed for him by the Administration, and the Administrator determines that adherence to the prescribed schedule would not constitute an undue hardship on the veteran, the Administrator shall declare the entire remaining amount of such loan due, and interest shall accrue on the unpaid principal of such loan at the rate of 2 per centum per annum from the date of such declaration.

"(4) shall be canceled upon the death of the veteran, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Administrator;

"(5) shall be canceled for service as a full-time teacher in a public elementary or secondary school in a State, at the rate of 10 per centum of the amount of such loan which was unpaid on the first day of such service, for each complete academic year of such service; and

"(6) shall be subject to such additional terms, conditions, and requirements as the Administrator may determine to be necessary to protect the financial interests of the United States and to carry out the purpose of this title.

"Actions To Enforce Repayment of Loan

"SEC. 217. (a) In addition to any legal action brought to recover a loan made under this Act, the Administrator is authorized to utilize all other resources to effect recovery of such loans, including setoffs of such loans against veteran benefits, national service life insurance dividends, or any other Federal funds otherwise payable to the veteran.

"(b) If an education and training loan provided under this title is not repaid, it shall be lawful for the Administrator or his delegate to collect such indebtedness in the same manner, and to the same extent, insofar as applicable, as the Secretary of the Treasury may collect a tax under the provisions of section 6331 of the Internal Revenue Code of 1954.

"(c) In addition to any State court of competent jurisdiction, any United States district court for any district wherein the veteran resides or was resident at any time shall have jurisdiction of any action brought by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title. No legal service of any kind shall be required to be made upon the veteran other than notice of the institution of such action stating the date of entry and name of court; such notice shall be sent by registered mail to the last-known address of such veteran as indicated in the records of the Veterans' Administration.

"(d) In any action by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title, the fact that the veteran was an infant at the time of signing such promissory note shall not be a defense.

"Measurement of Courses

"SEC. 218(a). For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

"(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard workweek through bona fide collective bargaining between employers and employees.

"Overcharges by educational institutions

"SEC. 219. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of $10 per month for a full-time course.

"Part V—State approving agencies

"Designation

"SEC. 220. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

"(b) (1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"(2) In the case of courses subject to approval by the Administrator under section 221, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

"Approval of courses

"SEC. 221. (a) An eligible veteran shall receive the loans provided by this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

"(c) Any course offered by educational institutions or training establishment shall be considered approved for the purposes of this Act if it is approved for education or training under chapter 33 of title 38, United States Code.

"Cooperation

"SEC. 222. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the

Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

"(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

"Use of Office of Education and Other Federal Agencies

"SEC. 223. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 224, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

"(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

"Reimbursement of Expenses

"SEC. 224. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

"Part VI—Approval of courses of education and training

"Apprentice or Other Training on the Job

"SEC. 225. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"(2) The length of the training period;

"(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"(6) The number of hours of supplemental related instruction required.

"(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

"(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

"(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"(10 Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"(13) That the course meets such other criteria as may be established by the State approving agency.

"Institutional On-Farm Training

"SEC. 226. (a) An eligible veteran shall be entitled to the loans provided by this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"(5) The eligible veterans will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group-instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"Approval of Accredited Courses

"SEC. 227. (a) A State approving agency may approve the courses offered by an educational institution when—

"(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

"(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree. For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"Approval of Nonaccredited Courses

"SEC. 228. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 227, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

"(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"(1) Identifying data, such as volume number and date of publication;

"(2) Names of the institution and its governing body, officials and faculty;

"(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness and interruptions for unsatisfactory attendance;

"(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"(10) A description of the available space, facilities, and equipment;

"(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

"(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

"(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"(9) The institution is financially sound and capable of fulfilling its commitments for training.

"(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

"(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"(14) Such additional criteria as may be deemed necessary by the State approving agency.

"Notice of Approval of Courses

"SEC. 229. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"(1) date of letter and effective date of approval of courses;

"(2) proper address and name of each educational institution or training establishment;

"(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"(4) name of each course approved;

"(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"(6) signature of responsible official of State approving agency; and

"(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

"Disapproval of Courses; Cancellation and Discontinuance of Loans

"SEC. 230. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

"(b) The Administrator may cancel and discontinue the education and training loan of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provisions of this title or fails to meet any of its requirements.

"(c) Each State approving agency shall notify the Administrator of each course

which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under chapter 31 of title 38, United States Code.

"Part VII—Miscellaneous provisions

"Authority and Duties of Administrator

"SEC. 231. (a) Education and training loans made under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

"(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

"(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training loans under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education, and for trained personnel in the various crafts, trades, and professions: *Provided,* That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"Advisory Committee

"SEC. 232. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor shall be ex officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

"Control by Agencies of the United States

"SEC. 233. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided,* That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"Conflicting Interests

"SEC. 234. (a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

"(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such as officer or employee, owned any interest in, or received any wages, salary dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

"(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

"Reports by Institutions

"SEC. 235. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

"(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of $1 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certificates to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

"Overpayments to Veterans

"SEC. 236. In any case where it is found by the Administrator that a loan or an excessive amount of an otherwise proper loan has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided,* That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

"Examination of Records

"SEC. 237. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

"False or Misleading Statements

"SEC. 238. The Administrator shall not provide loans or make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"Criminal Penalties

"SEC. 239. Whoever knowingly and willfully—

"(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for a loan or for payment of money under this title, or pertaining to any matter arising under this title.

"(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

"(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

"(4) accepts and converts to his own use loan moneys for any period during which he was not actually pursuing a course of education or training under this title for which period the loan moneys were provided shall be fined not more than $5,000 or imprisoned not more than three years, or both.

"Waiver of Loans

"SEC. 240. The Administrator is authorized to waive the unpaid balance, including interest, of any loan made under this title—

"(1) if such loan has been outstanding for a period not less than ten years from the date of the beginning of the repayment period prescribed for such loan; and

"(2) if the Administrator determines that further efforts to recover such loan would be impracticable or against equity and good conscience.

"Information Furnished by Federal Trade Commission

"SEC. 241. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

"Amendment to Title 38, United States Code

"SEC. 242. (a) Section 1711(b) of title 38, United States Code is amended by inserting before the period at the end thereof the following: 'the Veterans' Readjustment Assistance Act of 1959,'.

"(b) Section 211(a) of title 38, United States Code, is amended by inserting immediately before 'the decisions' the following: 'and section 231 of the Veterans' Readjustment Assistance Act of 1959,'.

"Authorization for Appropriations

"SEC. 243. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

"Effective Date

"SEC. 244. This Act shall take effect on the date of its enactment, but no education and training loan shall be made for any period prior to the first day of the first month which begins more than thirty days after the date of enactment of this Act."

Mr. COOPER. I yield to the Senator from Vermont.

Mr. PROUTY. Mr. President, the proposed legislation and the pending amendment represent an entirely new and different approach to veterans' benefits and veterans' legislation.

This proposal represents the first time in our history it has ever been suggested that peacetime veterans should receive benefits comparable to those received by soldiers who served in time of war. We also must recognize that this is the first time in our history when we have found it necessary to maintain a peacetime draft. So we are taking a new and somewhat different approach.

I am very happy to support the amendment offered by my distinguished friend from Kentucky. I am proud to serve as a cosponsor of the amendment.

There is a difference between peacetime veterans and veterans who have served during time of war, who were subject to combat duty, who were called upon to risk life and limb. Obviously there are certain peacetime veterans who experience a certain degree of hardship and dislocation, but on the whole I think it is not comparable to the service rendered by those who serve in periods of war. At the same time, it seems to me that, under the circumstances, they are entitled to benefits, because many youths in the same age bracket are able to avoid military service of any kind.

I should like to point out, first, that peacetime veterans are receiving certain benefits at the present time. I will go over them very hurriedly. They receive compensation for service-connected disability. Survivorship benefits to widows are available. Hospitalization benefits are available. Out-patient care and compensation for service-connected disability are available to the peacetime veterans. Special housing grants are available; low-cost life insurance; burial allowances; unemployment compensation; social security benefits. These are some of the benefits already available to those who serve in our Armed Forces during a period of peace.

I should like to point out that nowhere in the committee report is the cost of this program indicated. I thumbed through it rather carefully, and at no point can I find any reference to the overall cost of the program. It seems to suggest that there are some who fail to believe that the whole is not equal to the sum of its parts.

We are considering a great many different programs. Many of them are meritorious in themselves; but they must be considered in relationship to total expenditures, and we must recognize that the impact of a program of this magnitude is going to be felt by the millions of veterans of World War I and millions of veterans of World War II and Korean veterans, and persons living on social security payments and small annuities.

We are faced with an inflationary problem at the present time, and I think the impact of this program could be very serious indeed if it is placed on the basis of grants.

Let me point out that I am not one who always thought a balanced budget would solve all our problems. I have in the past, and will on occasions in the future, vote for borrowing authority, granting various agencies and departments that right, when I consider it to be practicable and realistic; but I think that at the present time we should not overlook the fact that since 1932 or 1933 borrowing authority has grown from about $1 billion to more than $25 billion and it is vitally important that we maintain a stable economy and hold to a minimum inflationary pressures.

It must be admitted that the impact even of a loan program is going to be felt, because the loans will not be paid for a period of years; but I feel that it is a reasonable and logical approach.

Let me say to those who suggest that a loan program will discourage many of the young veterans from seeking an education that in my judgment they are absolutely wrong, and such a suggestion constitutes a reflection upon our young people.

I might point out that under the provisions for funds which have been authorized under the National Defense Education Act, the demand for loans far exceeds the authorization. Under that act we have authorized about $295 million. The cost of the program for education and training which we are considering at the present time will be, according to estimates of the VA, between $3 and $3½ billion; and then there will be the additions, of course, for the vocational rehabilitation and other features of the program.

I think the young people of this country who really want an education will welcome the opportunity afforded by the amendments. What is proposed is a way of helping our young veterans. I wish it could be extended to all young people in the country, and perhaps eventually it will, and they will be given a chance for an education. If they want it on a silver platter, if they are not willing to pay something for the right and the opportunity, then I do not think they deserve it.

Mr. WILLIAMS of New Jersey. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from New Jersey?

Mr. PROUTY. I yield.

Mr. WILLIAMS of New Jersey. I know the Senator from Vermont is concerned that the report does not state the overall cost of the program.

Mr. PROUTY. I believe that is correct.

Mr. WILLIAMS of New Jersey. Does the Senator have an estimate of the number who would avail themselves of a loan program?

Mr. PROUTY. I think the information was that at the college level the figure would be about 202,000. I have it here somewhere.

Mr. WILLIAMS of New Jersey. And what are the estimates of the amounts which would be lent under the program?

Mr. PROUTY. I can give the Senator the figures as to what the estimated cost of the program would be. Under the loan guarantee, for the period from 1960 to 1973, it is estimated there would be $39,900,000 for vocational rehabilitation, $35,466,000-plus, for education and vocational training, and the total is given as $2,459,400,000, but the VA has estimated that it would exceed that, and probably be somewhere between $3 and $3½ billion.

Mr. WILLIAMS of New Jersey. Let me ask the Senator from Vermont what the estimate is for the vocational training separate from the total program.

Mr. PROUTY. I have not been able to get the exact figures. We have been trying to get them, but we have been unable to obtain them.

Mr. WILLIAMS of New Jersey. Under the amendment, as I understand it, vocational training also would be on the basis of a loan program.

Mr. PROUTY. That is correct.

Mr. WILLIAMS of New Jersey. In that connection the American Vocational Association, which is, of course, very close to the problem of vocational education, has this to say, referring to the loan program:

> If this program were placed on a loan basis, it is our experience that it would render vocational training meaningless because few could afford to make the double sacrifice of both foregoing job opportunities and at the same time placing an additional financial burden on his future.

Mr. PROUTY. I point out to the Senator from New Jersey—and I think this is important—that of those who are at present serving in the Armed Forces, that is, under Selective Service and as enlistees, the average age at enlistment is 20, and the average age at induction or drafting is 23.

We find that of those serving and who will come under the program, 16 percent have had only some elementary school education, and 29 percent have had some high school education.

I think it is reasonable to assume that those persons will not be interested in any such program. Most of them have educational backgrounds which is too limited to qualify them for admission to a technical school. When a man is 23, 24, or 25 years of age, he is not likely to go back to elementary school, and he probably is not equipped for vocational training or technical training of any kind, certainly at the college level.

I think we are concerned primarily with those who have had high school or some college training. To me, that is the important aspect of the program.

It has been suggested that the Russians have an entirely different educational approach. The Russian Government sends to college or to other institutions of higher education only the most qualified students. During the course of

their training they are forced to work a part of the time on farms or in factories. The others go into the army or industrial plants.

A great many industrial plants in the United States have their own training programs. Also, a great many high schools throughout the country have their own training programs. So it does not seem to me that vocational training is a very important part of the bill, although it is provided for.

Mr. WILLIAMS of New Jersey. I wondered whether the Senator thought the provisions for vocational training were important, or if they would be effective. My information is that they will be ineffective, and that those persons who have lost time by being in the service of the country, who represent 46 percent of the total age group eligible, have lost the opportunity to get the training they otherwise would have if a grant program were made effective.

Mr. PROUTY. Under present restrictions, many of those persons cannot qualify for technical schools. The restrictions imposed are so rigid that I doubt that anyone not having a high school education could get the training provided in the program, which has been tightened up considerably from what it was following World War II.

Mr. WILLIAMS of New Jersey. A general education is going to be harder for the bright but average youngster to get in terms of financing. The Newark Star Ledger has today published a very good article, written by Benjamin Fine, which states that the increases in educational costs, now pushing close to $1,000 a year, are going higher. Hundreds of thousands of young persons will be foreclosed from a college education merely because of the financial burden. To impose on them the additional burden of 2 years of absence from civilian life, with no opportunity to make money with which to go to college after they are through, is, I think, unwise as national policy. I think the national welfare will be weakened by the fact that these young men and women will not have the opportunity to obtain the education they need.

Mr. PROUTY. Those who deserve an education and who really want it will welcome the opportunity to borrow money under a program whereby they will have 11 years in which to repay it, without interest.

Mr. WILLIAMS of New Jersey. Sputniks and other things to the contrary, it looks as though we are not furnishing education to all the talent which this country needs for its national welfare.

Mr. PROUTY. I agree with the Senator from New Jersey.

Mr. WILLIAMS of New Jersey. I thank the Senator from Vermont for yielding.

Mr. JAVITS. Mr. President, I ask unanimous consent that there be a quorum call, the time for the call to be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, it is so ordered.

Mr. COOPER. Mr. President, I yield 10 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. JAVITS. Mr. President, I rise in support of the amendment, which really is the heart of the bill. This measure provides for assistance to peacetime veterans, to enable them to obtain vocational training and education and, in the case of disabled veterans, to obtain vocational rehabilitation; and it provides for loan assistance, chiefly for homes and farms. However, the very essence of the bill is to be found in the educational and vocational training assistance provision.

Mr. President, it is a fact that peacetime veterans have not previously had these benefits. But since we are now in a cold war, in which service in the Armed Forces is essential in the national interest, and since their periods of service are being taken from the civilian lives of our young men, and since a certain number of the veterans of World War II or the Korean war may have served only briefly at those times, but nevertheless they have received all the GI bill benefits, I believe that equity and nondiscrimination require us to provide these benefits for those who since that time were drafted or volunteered for a 2-year period.

I hasten to state that regardless of what plan may be adopted in the case of educational benefits, the fact is that a veteran will receive only 1½ days of such training or education for each day he served. So the maximum for 2 years of service will, generally, be 3 years.

I support the amendment because it proposes to convert what would be a grant program by the Government into a loan program. The maximum amount of the loan will be approximately $5,300, which is ascertained by multiplying the maximum liability of 3 years by the maximum subsistence payment of $160 a month for a married veteran with two dependents.

Under section 2 of the bill as reported by the Senator from Texas [Mr. YARBOROUGH], a grant would be made to a veteran who was accepted by an institution of higher learning. But under the amendment proposed by the Senator from Kentucky [Mr. COOPER], on behalf of himself and myself and certain other Senators, a loan, not a grant, would be made; the loan would commence to be repayable 1 year after the veteran completed his educational course; and the payments would be extended over a period of 10 years. In short, roughly speaking, he would repay a maximum of about $50 a month; and the loan would not bear interest unless he defaulted on the payments.

Mr. President, what is wrong with that plan? Why do some say it is not fair? I should like to consider the chief argument against the amendment—namely, as I heard the senior Senator from Pennsylvania [Mr. CLARK] say that this particular group of veterans is being discriminated against.

Mr. President, the fundamental difference between the philosophy of the amendment submitted by the Senator from Kentucky and the philosophy of the bill as reported by the Senator from Texas is to be found in the fact that the proponents of the bill state that if a veteran is a high school graduate and if he is accepted by a college or university, then, ipso facto, as we lawyers say, he will become eligible for these subsistence allowances.

We say that such a veteran should be eligible for this assistance only if he is so anxious to obtain an education that he is willing to borrow money for it, to be repaid on easy terms.

I believe the proponents of the bill are mistaken in their belief that every veteran who applies for admission to a college or a university will be a meritorious student and will be accepted. But that is not the case at all.

Certainly the pending bill should not be regarded as a new National Education Act, with scholarships—which is fundamentally what the proponents of the bill desire. They want to use the bill for the purpose of having a scholarship program.

Mr. President, I favor a scholarship program; I say that at once. But I favor it in the case of meritorious students whose merit is ascertained by aptitude tests and educational-qualification tests. I do not favor it on the hit-or-miss proposition that a certain number of veterans will be, beyond question, meritorious in terms of deserving an education at the public expense.

Mr. SCOTT. Mr. President, will the Senator from New York yield to me?

Mr. JAVITS. I yield.

Mr. SCOTT. The argument the Senator from New York has just advanced as one made by the proponents of the bill without the amendment reminds me of the story about a man who supported the idea of revolution. He said, "Comrade, comes the revolution, you will eat strawberries."

The man to whom he was talking said, "But I don't like strawberries."

The first man said, "Comrade, comes the revolution, you are going to have to eat strawberries." [Laughter.]

The pending proposal seems to me very much the same—namely, regardless of whether a veteran is really very much concerned about going to college, and has the qualifications of a potential college student, and could possibly be graduated from college—regardless of all that—this bill will make college so attractive that any veteran who does not go to college will be regarded in his community as something of a schnook, to put it mildly. [Laughter.]

I wish to say to the Senator from New York that I support the amendment offered by the Senator from Kentucky. I support it because it changes the aspect of the program from a grant, a giveaway, a throw away, to a loan.

I do not state now how I shall vote in regard to the bill itself; but I am not

presently favorably disposed toward the bill, particularly if this amendment is not agreed to. I may not vote for the bill, anyway.

But without this amendment, the bill will be a big foot in the door to Federal control of education, not only to the point where the Federal authorities would insist on what must be taught and what the students must say, but there would be Federal Government interlocutors, under the guise of teachers, in all our schools and colleges, if this whole program of Federal control of education went too far.

I agree with the Senator from New York in his support of a scholarship program for meritorious students.

But the argument that a cold war is the same as a hot war is the old argument of "crash" and "crisis" and the argument that we are constantly in an emergency, and, therefore, that any spending is all right, provided enough money is spent. It is the old argument that everyone is entitled to everything, and that the Federal Government is supposed to pay for it, no matter where the taxes and the resources come from.

I think this program of outright grants, if it were to be put into effect, should be described on big billboards as what it really would be, namely, a program to have a man's children send him through college; and if it is too much for one's children to send him through college, let the grandchildren take over.

Mr. President, I do not see anything wrong with loans and with repayment of loans. I have had some experience in college, as a college student and a college instructor. I do not see anything wrong with the fact that a good many of us had loans, and had to pay for them; that a good many of us had to work our way through college. I do not think the next generation, or this one, should be or is so soft that the Federal Government ought to send some of them through college as compensation for doing their duty in the Armed Forces.

There are a good many Members of this body who served in the Armed Forces without hope of remuneration; who took their chances; who did not know whether they would go overseas or not; who did what they were told to do.

If we extend this kind of legislation to peacetime, we are saying, "Your Government hereafter is not going to ask you to do anything for your country unless we give you a great big fat cash award for which your children or your grandchildren are going to pay."

I am becoming a little tired of hearing the argument that the Federal Government can do all these things without increasing the cost of living, without causing further inflation, or without passing the burden on to the taxpayers.

I am glad the Senator from New York supports the amendment of the Senator from Kentucky. I too will support it, in the hope of making the bill a better one, regardless of what happens to it on the question of its passage.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. Mr. President, I yield 1 minute on the bill to the Senator from New York.

Mr. JAVITS. Mr. President, I appreciate what the junior Senator from Pennsylvania has said. I speak as a friend of the bill. I voted in committee to report the bill to the Senate. I expect to vote for the bill on the floor. It is my desire to make it truly representative of our best efforts and ideas.

My colleague the senior Senator from Pennsylvania [Mr. CLARK] in his statement used one other point which I think it is important to stress, and that was a comparison of the system of education in the United States with the system of education in the Soviet Union. Ours is a money economy. The Soviet Union runs a Socialist economy, of which free education is a part. In return for free education, the young man serves on a farm, or he may serve on a labor battalion. When he finally gets a position and obtains the perquisites of the position, he gets it on the assumption that the education has been paid for by the state.

We live in a money economy, and it seems to me that fact clinches the validity of the amendment. The fact is that when a man has had training, whether vocational or higher education, he earns more money than does a man who has not had such training. I ask why, in fairness and equity, he should not be asked to return some of the money which has enabled him to earn more money.

We get, from the National Education Association, the fact that the starting salary of an individual who is a graduate of a college is, on the average, $5,268 a year. That is at least $1,000 more than the average annual wage that a man receives who has not had that kind of education.

From the Department of Health, Education, and Welfare, we learn that the lifetime earnings a college graduate is expected to make are $268,000, on the average, whereas a high school graduate is expected to earn about $165,000. Are we asking anything unreasonable when we say that, on the easiest possible terms, the man who has, by this training, been given an opportunity to earn that much more money, shall at least reimburse the taxpayer for the training afforded him? Are we not being very fair and equitable to him when we say we give him this opportunity, which other young men do not have, regardless of whether he is especially meritorious or not, because we have taken 2 essential years out of his life? Let us remember we are not taking his life—only 2 years, essential as they may be to his education. We should give him recompense in terms of dollar loss, but the recompense should have some sense and some adjustment in view of the practicalities of the situation.

Finally, the argument was made by my senior colleague from Pennsylvania [Mr. CLARK] that we would be preferring rich boys over poor boys. It is a fact that if a young man has the money, he can go to college, whether he gets the benefits proposed or not. But if a boy is not poor, but is rich, is it better to give him a grant? Does not that increase discrimination if we give to a rich boy a grant instead of giving him a loan, which would be the same opportunity afforded to the boy of modest circumstances?

We face in this bill a cost of $504 million a year by 1965. The Department estimates that there will be 379,000 trainees if the bill is passed. The question is, Shall we lend or grant the money?

I have never been distinguished as being one of the most passionate economizers on the floor of the Senate. I have never pretended to be. I have been willing to pay my own taxes and to vote for taxes and to stand before my electorate and justify such action on the ground that the country needed to do the things which had to be done. I deeply feel that if I were responsible for an expenditure which could not intelligently, justly, or equitably be justified after getting the facts, I could be accused of having been born with a soft head and of not performing the duties which I was sent to the Senate to perform. I want all men who must serve in the Armed Forces and who will have lost 2 years to have an opportunity to have education and training, but I am not going to be softheaded about it. If they earn more money when they get jobs after such training, they should reimburse the taxpayers. We fortify the opportunity, and make it better, stronger, and more dignified if we so provide. I deeply feel we should give an opportunity for education, as provided under this bill, to a young man, but he should undertake the basic and fundamental responsibility of repaying the loan on what are considered very reasonable terms, after he starts earning money.

Mr. YARBOROUGH. Mr. President, I yield 5 minutes on the bill to the Senator from Oregon.

Mr. MORSE. Mr. President, my objection to the substitution of loans for the educational grants in the committee bill stems from the fact that it would not meet one of the principle needs we are trying to meet in this measure and that is the need of keeping abreast of Russia in brainpower.

There are many families that continue to be financially able to send their sons to college; we know that a great many exemptions from the draft are granted for the very reason of attendance at an institution of higher learning.

The work of the Veterans' Subcommittee and the full Committee on Labor and Public Welfare brought out that it is the young man who cannot afford to go to college who is drafted, or who enlists because he knows that a career is difficult so long as he has the possibility of military service hanging over his head.

I submit that a young man who lacks the family financial backing to go to school is not very likely to be a young man who will go into debt to the extent of $2,000 or $3,000 or $4,000 in order to attend college after he gets out of service. Let me ask Senators how many young men of 18 to 23 or 24 they know who are familiar with the local banker, and who understand the logic and even the desirability of going into debt for the purpose of improving one's educational qualifications? It is easy for us to forget that the farm boy or the young

man who is in need of vocational training, as well as the one who could qualify for college, if he had the wherewithal to go, is the one least likely to borrow money to do it.

I do not say that none would do so. But to a great extent, the young noncareer serviceman who has no family finances to call upon in the first place is not likely to think in terms of large-scale borrowing for educational purposes, either vocational or academic.

In the subcommittee's hearings, Dr. Robert G. Bernreuter, dean of admissions at Pennsylvania State University, testified as follows on this point:

I concur that, at best, the loans can be supplemental and cannot do the whole job.

I am impressed with the fact that it is a very new thing for college students to borrow money to go to college. There have been small-loan funds at some universities for a long time, but very few families and very few students think in terms of borrowing money for their educations.

In business, it is a very common thing for a man to borrow money in order to make a capital investment. But such loans are usually made by older men who know it is not too difficult in times of good prosperity to repay loans.

Young men lack the experience to know that it is good business to borrow, and many of them will drop out of college in order to earn money rather than to borrow.

While the Congress is providing a fine resource for students when it provides them with a chance to borrow money, students do not recognize this; they are unwilling to recognize it, and they drop out of college. The advantages that might accrue to them are lost simply because, through their inexperience, they do not want to go out on their first job saddled with a debt.

I think most of the wives of veterans do not like to see the family debt pile up, and there is pressure from the wives to earn money immediately rather than to delay earning money for greater gain later on (hearings, pp. 60–61).

And Dr. Price Ashton, president, Ranger Junior College, Ranger, Tex., testified:

I do not think that the loans as such, just as a loan program, would help veterans very much. In fact, no loan program has been proposed that would be adequate to cover the expenses of a person in college so far as I know. * * *

We feel as if it would be a very poor substitute to try to put a loan program in place of a readjustment program.

Mr. President, as one who taught college boys and girls for 21 years, I wish to stress that the loan proposal of the Senator from Kentucky simply will not meet the great need our country faces of training brainpower in this country.

NATION BENEFITS AS WELL AS INDIVIDUALS

It is simply not in the national interest for us to take the position that we do not wish to strengthen the brainpower of this country by sending these boys, who are capable of college work, to college on the basis of a grant program. It is not only these boys who will benefit. Our whole Nation will benefit as a result of the program.

Let us take a look at the record of the committee hearings. The record shows, from the statistics of the Veterans' Administration, that the GI bill for education of veterans of World War II increased the tax returns to this country by a billion dollars, by 1954, simply because of the increased earning power of the boys who had gone to college and had increased their education.

On the 10th anniversary of the World War II GI bill—June 22, 1954—the Veterans' Administration stated:

Through the GI bill, World War II veterans have become the best educated group of people in the history of the United States.

Because of their training, they have raised their income level to the point where they now are paying an extra billion dollars a year in income taxes to Uncle Sam.

At this rate, GI-bill-trained veterans alone will pay off the entire $15 billion cost of the GI education and training program within the next 15 years.

The Bureau of Census in December 1958 reported as follows under the heading "Veterans' Rising Incomes Outstrip Those of Nonveterans":

During the past decade, the income of World War II veterans has increased more rapidly than that of nonveterans. In 1947, shortly after the end of World War II, the income of veterans in the 25- to 34-year age bracket which included a majority of the veterans was slightly lower than that of nonveterans in the same age group. Between 1947 and 1957 the average income of these veterans (now 35 to 45 years of age) more than doubled from $2,400 to $5,000. And that of the nonveterans rose by about 65 percent, from $2,600 to $4,300. Thus in 1957 the average income of these veterans was about 15 percent higher than that of the nonveterans.

Mr. President, I am aghast at our reluctance to make these relatively few millions of dollars available by way of grants to strengthen the security of this country through increased brainpower, when on the floor of the Senate not so long ago we voted millions upon hundreds of millions of dollars of subsidies to American industry. American industry has a patriotic duty also, Mr. President.

Senators may say, "What subsidy?" The argument was used, when the foreign aid bill was before us, that most of the money in the foreign aid bill was going to be spent in the United States and would inure to the benefit of American business. Of course it will. I am for that kind of expenditure, so far as our getting benefit from it is concerned, but I do not blind myself to the fact that those American businessmen are, in effect, being subsidized by the American taxpayers.

So a few of us raise our voices and plead for some grants for some young men, so that these young men may go to college, when otherwise they would not go to college, not only for their benefit but also for the benefit of the security of our Nation. Only to the extent that we keep lifting and raising the level of American brainpower are we going to meet the needs we have so far as competing with Russia is concerned.

Let me point out that these grants, as proposed in the bill, are not going to be sufficient to pay all of the expenses of these boys. The bill does not provide enough money to pay all the educational costs of these boys. They will still have to work, or borrow money over and above what we grant to them.

But I want Senators to take a look at the program. I do not sentimentalize about it. I simply point out to Senators that they should judge from their own experiences. All Senators know this is true. Who are these boys about whom we talk? They are young men, many of whom have recently been married, and many of whom are planning to get married. Some of these young men already have their first child, and others have one on the way. These young men have to make a choice. Is the young man going to take the job which is available, although it may be a dead-end job so far as the development of economic potentialities is concerned, to support that wife and baby? Or is that young man going to borrow money to go to college? As an old professor, I will tell Senators that most of these young men will take a job and will not borrow the money.

If we agree to this proposal, we are going to reduce the number of boys who otherwise could go through the college portals, to the everlasting strengthening the security of our country by way of the eduction they would receive.

The same is true of vocational education, which is equally important. Today I received a telegram from Mr. O. I. Paulson, the director of vocational education in Oregon, which reads, and I quote:

Appreciate your supporting Senate bill 1138 as reported from committee, and oppose any amendments, such as loans which would seriously cripple vocational training for veterans.

I am surprised that we get so economy minded all at once on the floor of the Senate. When a committee or an individual comes forward with a great bill to perform a great service for the welfare of this country, by putting boys in college, so economy-minded that it is said, "We will loan them the money; we will not give it to them." All the evidence indicates that a loan program would be pretty meaningless, both to the veteran and to the trained brainpower of the American Nation.

OBLIGATION TO SERVE COUNTRY IS NOT CONFINED TO HANDFUL OF DRAFTEES AND ENLISTEES

The whole argument made against the grants for education our bill provides comes down to the oft-repeated contention that today, with 22 million Americans who are veterans of military service, everyone should really assume military service as a part of his life, and should neither expect nor receive anything more than his service pay for it.

Where that contention falls to the ground is in the fact that every man and woman owes an obligation of defense to his and her country. It is not for U.S. Senators to point to those few young men of military age, those few who do not have the financial resources already in hand to enable them to go to college and so escape, perhaps permanently, military service, and to say to them only: "You owe your country 2 or 3 years of your life and service, just as an obligation of citizenship, and because you owe military service to the Nation, you are not going to get anything in return for it."

I say to my colleagues: It is an obligation every citizen owes equally. Every individual who enjoys citizenship in this Nation owes to it the moral obligation to come to its defense. Many, a great many, citizens have not served in the Armed Forces and never will. But that does not mean we have no obligation. It only means that someone else who is of military age and qualifications and who was unable to avoid military service by going to college is serving it for us.

For that handful of young men who serve the obligation for all of us, I believe their fellow citizens should compensate them for the time and experience they lost out of civilian life while they were serving in the Armed Forces because their fellow countrymen said they were needed. That is all that this or any GI bill of rights seeks to do.

I simply do not think it is fair for a small group to have to foot the whole bill for the Nation when it comes to the obligation of military service for national defense. That is what we are now making them do. It is time for all Americans to share that burden in fact, because we already share it in moral principle.

A few weeks ago, I discussed this matter in connection with the draft law, and I raised some serious questions on the Senate floor as to the desirability of extending the draft law in its present form. I do not think we can justify the draft in its present form. We have almost reached the point, in its administration of the situation at the time of the Civil War. At that time the exemptions were so many that almost any person who had the money could get out of the draft. It has almost gotten to that point under our draft law today.

To those who say these young men bear an obligation, I point out that so does everyone, so they should be advocating complete uniformity of the draft with no exceptions, no exemptions, and no loopholes.

Yes; patriotic service is a uniform obligation, but it is not being applied on a uniform basis. When we take these boys out of civilian life for a couple of years or more under the extension of the draft law, we owe them something over and above the small pay we give them during that term of military service. We owe them, it seems to me, an opportunity, if they have the ability, to go to college or to go into vocational training. That is what the bill proposes.

I shall only add that I am not going to vote for any loan fund arrangement, because I consider it to be a duty of this Government to make available to these boys who serve in the armed services an opportunity to go to college. I am going to vote against the loan fund because I am satisfied—and the testimony in the record supports my position—that it would greatly reduce the number of boys who otherwise would go to college.

We cannot afford that kind of a waste of brainpower in this country. The national interest does not justify it.

When I think of the so-called investments we make in regard to defense, when I think of the rationalizations which are advanced on the floor of the Senate for appropriations of hundreds upon hundreds of millions of dollars for so-called military aid to certain foreign countries, none of which, I am convinced, will ever do the security of this country one whit of good, I am surprised that Senators oppose the expenditure of defense dollars for the development of the brainpower of America.

How large a price tag do we want to put on a nuclear physicist who may be the result of such an expenditure? How much do we want to say a surgeon or a doctor is worth?

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. How much will we say is the price tag for any trained mind?

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. YARBOROUGH. Mr. President, I yield 2 more minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. MORSE. We cannot put a price tag on a trained mind.

Senators talk to me about defense dollars, but I cannot imagine of a better expenditure of a defense dollar than to spend it on a boy who has served his country in the Military Establishment, who is capable of going to college. If we make it possible for this boy to go to college, Mr. President, there can be no better expenditure.

I simply cannot reconcile myself to the fairness of our saying, "You go on in the Army. You miss the 2 or 3 years it will take out of your civilian life. You suffer the setback it will give you, so far as a future career is concerned. Then, if you want to go to college, we will make money available to you on a loan basis. But you must pay it back."

Mr. President, it is pretty hard to get any reduction in the oil depletion allowance in the Senate. It is pretty difficult to get any plugging of the loopholes in the tax structure which work to the benefit of those who already have the ability to pay much more than they are paying for the support of this Government. But it seems to be relatively easy to get through the Senate a proposal which will take advantage of a boy who otherwise would go to college, to whom it is proposed we say, "You can go to college only if you borrow the money. We will not give you anything in the form of a benefit, even though we do give these unconscionable benefits to selfish vested interests in this country, whose benefits ought to be checked rather than extended."

It is proposed that we take this away from the boys in the armed services, who come out of service and want to go to college, and that we not extend to them a grant fund, but the records before our committee show the education program has returned great benefits to our country. In fact, by 1954 there was returned to the Treasury an increase of a billion dollars in taxation because of the increased earning power of those boys previously given additional education.

The Senate can buy this loan proposal if it wants to, but I will tell Senators, Mr. President, it is no bargain for the future security of America, and I want none of it. I shall vote against it.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. COOPER. Mr. President, I yield 4 minutes to the Senator from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER. The Senator from Arizona is recognized for 4 minutes.

Mr. GOLDWATER. Mr. President, I was one of the members of the subcommittee who joined in the minority views expressing opposition to the passage of S. 1138. I wish to discuss my reasons later, but, Mr. President, I rise to support the amendment offered by the Senator from Kentucky and other Senators, because I honestly feel it will improve the bill, and will remove some of the objections against this type of program.

We have heard a great deal of argument today about young veterans deserving these grants, so that they may have an education. I join with the Senator from New York in asking, How do we know they deserve them? How do we know these young men want the education?

I will extend the argument a bit further and say, if these young men deserve the grants, in the same manner so does every young man in this country; and, I might suggest at the same time, so does every young woman.

Let us supply these grants across the board. If they are good for one segment of our people, they are good for all segments.

Mr. COOPER. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order. The Senator from Arizona may proceed.

Mr. GOLDWATER. Mr. President, we have heard some National Education Association figures to the effect that a college-trained man earns almost twice as much in a lifetime as a high-school-trained man.

We have heard from the distinguished senior Senator from Oregon that a billion dollars in new taxes is being realized from the veterans of World War II and the Korean war who trained under the GI bill of rights.

Mr. President, if that is the argument which is to prevail, let us expand this to a program which will finance a college education to every young person in this country, whether he needs it or not. The results will be a Russian system. We have heard the Russian system described as one which deals in people and which does not deal in a money economy such as ours. If that is what the opponents of the amendment want, then I suggest that they should introduce a measure to make a "money bag" available to anyone in this country who says he wants to go to college, regardless of whether he has the ability to go through college.

Mr. President, another argument which we have heard today is that by adoption of the amendment we would be acting against some veterans, that we would be dividing veterans into

groups. The veterans we are considering are different. I do not buy the statement for one moment that a young man today cannot plan his term of service to his country or cannot plan it so that it will not affect his education or will not affect his own life, if he happens to be married at the age of 18½, 19, or 20 years.

The difference between a peacetime veteran and a wartime veteran is so vast that I cannot understand a person even being willing to try to compare the two. During World War II and the Korean war a young man did not have any choice. He was drafted and was put into the military service. He did not have any choice as to what service he served in, unless he happened to enlist for a particular service. If he were married at any age—it did not make any difference whether he was 20 or 30—he was drafted and went into the service anyway. It upset his family life. It upset his educational life, if he happened to be in college. It upset his business life, if he were just starting in business for himself, or was working for somebody else.

Mr. President, we cannot compare the veteran of today, who goes in the service for a stated period of time, who can select that period of time and who can plan his life around that period of time, with the veteran who was forced to go to war. Whether the veteran ever heard a shot fired or not is unimportant. He did have his life upset because of something over which he had no control.

Mr. President, it has been my experience, in the few days since the bill was reported from the subcommittee and the full committee, that there is not much interest in the bill from among the veterans' groups or the veterans themselves. I believe from my State of Arizona I have received not over a dozen letters supporting the bill which came from veterans, but I have had many letters, Mr. President, from schools which would benefit by the proposed legislation—not colleges, not universities, but schools that have been operated chiefly because of the enactment of the GI bill of rights. There are other perfectly legitimate schools which have contributed much to the education of our young people.

There is one thing further which I think we must consider about a grant——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GOLDWATER. May I have 1 more minute?

Mr. COOPER. I yield 2 additional minutes to the Senator from Arizona on the bill.

Mr. GOLDWATER. I think this is one of the most important things we should consider as we weigh the value of the pending amendment compared to the bill as it is now written. What would a grant do to the permanence of service which the Cordiner Report recommended, and the adoption in the last Congress of segments of the Cordiner report? We did a very valuable thing for the defense of our country when in the previous Congress we made it possible for a man to have more permanency in the armed services of our Nation, but if we now say, "We are going to give you a college education; all you have to do is to spend 2½ years in the service," we shall be setting out to destroy much of the good we did, which resulted in a saving of $3 billion a year, as compared with the $1 billion which I heard mentioned a few minutes ago, in the case of veterans who deserve this grant.

A grant is not the way to accomplish the desired result. If we want to give the young people serving in peacetime things which other young people cannot get from the Government, the best way to do it is through a loan arrangement, as suggested by the Senator from Kentucky and other Senators. I rise at this time to congratulate him for writing and presenting the amendment, and to inform the Senate that it is my intention, as a veteran, to vote for the amendment.

Mr. YARBOROUGH. Mr. President, I yield back my remaining time on the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. COOPER. Mr. President, I yield back such time as I have remaining on the amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 210) for the relief of Pantaleon Ibarra, also known as Elmo Gomes Arcibal.

The message also announced that the House had passed the bill (S. 994) to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills and joint resolution of the House:

H.R. 322. An act for the relief of Monmouth County, N.J.;

H.R. 1605. An act for the relief of Harry F. Lindall; and

H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H.J. Res. 353) to facilitate the admission into the United States of certain aliens.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 255. An act to amend section 358 of title 38, United States Code, to provide for apportionment of compensation of veterans who disappear;

H.R. 267. An act to amend title 38 of the United States Code to provide that multiple sclerosis developing a 10 percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected;

H.R. 270. An act to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes;

H.R. 271. An act to amend title 38 of the United States Code to provide a further period for presuming service connection in the case of veterans suffering from Hansen's disease (leprosy);

H.R. 968. An act to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon;

H.R. 2398. An act to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania;

H.R. 4002. An act to authorize the use of Great Lakes vessels on the oceans;

H.R. 4059. An act to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States;

H.R. 4328. An act to amend the provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes;

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap;

H.R. 5257. An act to amend section 1915 of title 28, United States Code, relating to proceedings in forma pauperis;

H.R. 5854. An act to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes;

H.R. 5996. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected;

H.R. 6500. An act to amend Public Law 85–818; and

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes."

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 106) expressing the sense of the Congress with respect to the recognition of the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam," in Oakwood Cemetery, Troy, N.Y., as a national shrine, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 56. An act to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes;

S. 114. An act to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States;

S. 175. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 1234. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965;

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with

respect to insurance of ship mortgages, and for other purposes;

S. 1877. An act to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 1976. An act to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax; and

S. 2148. An act to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar as indicated:

H.R. 255. An act to amend section 358 of title 38, United States Code, to provide for apportionment of compensation of veterans who disappear;

H.R. 267. An act to amend title 38 of the United States Code to provide that multiple sclerosis developing a 10-percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected;

H.R. 270. An act to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes;

H.R. 271. An act to amend title 38 of the United States Code to provide a further period for presuming service connection in the case of veterans suffering from Hansen's disease (leprosy); and

H.R. 5996. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected; to the Committee on Finance.

H.R. 968. An act to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon; to the Committee on Interior and Insular Affairs.

H.R. 2398. An act to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania;

H.R. 4328. An act to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes; and

H.R. 5854. An act to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4002. An act to authorize the use of Great Lakes vessels on the oceans; placed on the calendar.

H.R. 4059. An act to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States; and

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap;

H.R. 5257. An act to amend section 1915 of title 28, United States Code, relating to proceedings in forma pauperis; to the Committee on the Judiciary.

H.R. 6500. An act to amend Public Law 85-818; to the Committee on Armed Services.

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes;" to the Committee on Agriculture and Forestry.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 106) expressing the sense of the Congress with respect to the recognition of the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam," in Oakwood Cemetery, Troy, N.Y., as a national shrine, was referred to the Committee in Interior and Insular Affairs, as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam", marked by a bronze tablet in the Oakwood Cemetery, Troy, New York, be, and is so recognized, a national shrine.

VETERANS READJUSTMENT ASSISTANCE ACT OF 1959

The Senate resumed the consideration of the bill (S. 1138) to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963.

Mr. LONG. Mr. President, I offer an amendment to the amendment of the Senator from Kentucky. I shall read the first few lines of it to make it clear.

My amendment would be the same as the pending amendment with regard to a veteran's college education, with the exception of the few lines I am about to read:

§ 1933. Type of assistance; grant or loan

(a) All eligible veterans shall be entitled to education and training allowances as provided in section 1932 on a grant basis, except as provided in subsection (b).

(b) (1) An eligible veteran pursuing an approved course of education in an institution of higher education who does not in any school year attain a scholastic average sufficient to place him in the upper half of his class for such year shall not, during the immediately succeeding school year, be eligible for allowances under section 1932 on a grant basis, but shall be eligible for such allowances on a loan basis if he so elects. Any veterans electing to receive allowances on a loan basis shall be subject to the provisions of section 1934.

(2) In any case in which an eligible veteran attains a scholastic standing sufficient to place him in the upper half of his class for a school year during which he was eligible for education and training allowances on a loan basis only, the Administrator, upon application by such veteran, shall—

(A) Cancel the amount of the loan or loans, if any, made to the veteran as an education and training allowance for such school year, and

(B) Pay to such veteran an amount representing the difference, if any, between the amount received by such veteran as education and training allowances (on a loan basis) during such year and the amount he would have been entitled to receive had he been paid education and training allowances on a grant basis.

(c) Any eligible veteran pursuing an approved course of education who, on the basis of his scholastic standing during any school year, fails to qualify for education and training allowances on a grant basis for the immediately succeeding school year may qualify for such allowances on a grant basis for any school year thereafter which is immediately subsequent to a school year in which he attains a scholastic standing sufficient to place him in the upper half of his class for such year.

My amendment would not interfere with the trade school opportunities of a veteran. Let as assume that a young man gives his country 2 years of his life, and that after 2 years he wishes to go to a trade school and learn a trade. He may do that on a grant basis, and he will be given the grant provided for in the bill. That provision would not be changed at all. We would accept the so-called Cooper amendment, with this exception:

A young man would give 2 years of service, and he would have 1 year to go to college on a grant basis. If at the end of that year he were in the upper 50 percent of his class, he would have an additional year to continue his education on a grant basis. If he were not one of the better students, if he were in the lower half of his class, he could borrow the money provided for under the Cooper amendment, to go through school, in which event the Government would be giving him nothing, but merely lending him the money to continue his education.

This amendment is consistent with the National Defense Education Act, which Congress passed last year. Under the provisions of that act we said that it was in the national interest that the better students should be assisted to continued their education, in order to provide atomic scientists, engineers, doctors, and other trained men to fulfill the needs of the national defense and economy. We cannot afford to lose the vast resources of talent and brains in this country. The should be educated.

Over a period of 10 years the taxes on additional income would mean that we would get our money back with interest, by providing good students with an opportunity to obtain an education. If the veteran is a less-than-average student, he could borrow the money and continue his education in his own interest. I believe this is a fair compromise between the position of those who are offering the substitute and those who are supporting the bill as reported by the committee.

My amendment would reduce the cost of the bill by almost $1 billion, or from $2.6 billion to $1.7 billion, a net saving of about $900 million. It would offer a veteran who gives his country 2 years of his life an opportunity to obtain an education.

I really feel that it is less of a sacrifice to give one's country 2 years in wartime, when one wants to fight for his country, than it is to give 2 years in peacetime, when there is no such opportunity.

My amendment would give a veteran an opportunity to acquire a college education on a merit basis. It would provide a tremendous incentive for veterans to do good college work, so that they could receive their education on a grant basis. If they failed the first year to make the upper half of their class, but could in a subsequent year get into the

upper 50 percent, they would have an opportunity to continue on a grant basis.

It would save about $900 million, and it would provide the opportunities the veterans themselves request. If they cannot get in the upper 50 percent, I do not think they should necessarily be carried through college on a grant basis.

Mr. YARBOROUGH. The first sentence in the explanation which has just been distributed, reads:

This amendment would apply only to college training. It would leave the vocational training program of S. 1138 on a grant basis.

I would like to inquire whether all subcollege training would be left on the present basis.

Mr. LONG. Yes; it would be left exactly as the bill provides. The amendment would provide for only the college education, and that would be on the basis that a veteran would have 1 year to establish himself in college, and after 1 year's education he could borrow the money if he was not in the upper 50 percent. If he was in the upper 50 percent, he would receive his education on a grant basis.

Mr. YARBOROUGH. I am trying to clarify the status of a subcollege student. That would remain exactly as it would be under the bill as the committee reported it. Some doubt has been expressed as to whether the Senator's amendment would clarify the situation. If it would not, would the distinguished Senator accept a modification to make it clear?

Mr. LONG. I would, but I do not think it is necessary. In other words, the amendment says that the Administrator shall discontinue the education and training unless for an eligible veteran enrolled in any course at or above the collegiate level.

In other words, if he is below the collegiate level, then he still continues as under the pending bill.

Mr. YARBOROUGH. In paragraph 2, do I correctly understand that for the first year in college he would attend on a grant basis?

Mr. LONG. Yes.

Mr. YARBOROUGH. Is that correct? And then in his second year college education as to whether he got a grant or not would have to be determined on whether he could make high enough grades to remain in the top 50 percent of his class.

Mr. LONG. That is correct. He would be in this position: Suppose he were a young man who attended college for 1 year and failed to make better than the average grade for his class. He could apply for a loan, and if during the second year he made better than the average for his class, the loan would be forgiven and he would receive money on a grant basis. In the years thereafter, once he had achieved his right to his third year, let us say, if he failed to be above the average again he would get a second chance to apply for a loan, and if during the succeeding year he could do better than the average of his class, again that loan would be forgiven.

Mr. President, in this fashion the amendment would provide a tremendous incentive to these young men to do good college work. I know that my experience in law school was that students there worked twice as hard as they did below the law school level because they all were on a competitve basis. They knew that whatever average they made would have much to do with their earning capacity. The same thing would be true in this instance. Every young man would be competing to stay in the upper 50 percent, but if he failed to go that high, he would have an opportunity to redeem himself in a subsequent year.

Mr. CARROLL. I commend the distinguished Senator from Louisiana for some creative thinking in this field.

I should like to come to a dollars and cents argument, if I may for a moment. I am reading, I think from an observation of the Senator from Louisiana, that the vocational training program under S. 1138 would remain on a grant basis.

Mr. LONG. Yes.

Mr. CARROLL. Can the Senator from Louisiana or the Senator from Texas tell us how much money is involved in that vocational training program in this fiscal year?

Mr. LONG. I would have to rely on the Senator from Texas for that. He is my expert on this bill.

Mr. CARROLL. Of the veterans of the Korean conflict, the statistics show that 51 percent go to college. Less than 51 percent are considered subcollege with respect to all types of training, high school and everything else. It is estimated that the cold war veterans will attend college, if given an oppportunity, in about the same percentage as the veterans of the Korean conflict, so let us estimate that 52 percent will be college students, and 48 percent will be below college level.

Can the Senator give us some idea in dollars and cents what this means? In this fiscal year what does this mean in terms of vocational training program in dollars and cents?

Mr. LONG. Please understand that my amendment would not change in any respect the vocational aspect of this bill.

Mr. CARROLL. I understand. I am trying to show if I can the savings. In the next fiscal year the bill as introduced would cost $93 million. As I understand, 48 percent of that would be allocated to substandard college training, 48 percent of $93 million for vocational high school, pre-college level, is approximately $47 million. Has the Senator from Louisiana any estimate of savings by his amendment; assuming, if I understand correctly, that about $47 million would be needed in this fiscal year for the vocational training program?

Mr. YARBOROUGH. That will be subcollege standard training.

Mr. LONG. In the first year there would be no saving because every veteran would have a chance to go to school for 1 year, whether he goes to college or to a vocational school.

If he went to college, that is expected to be more than a 1-year proposition. Assuming he is a successful student, he will take at least a 4-year course. So if the veteran wants a college education, after 1 year he must be in the upper 50 percent to continue on a grant basis. That is where the saving starts, because it would be assumed that about half the students would be above average and about half would be below average. So there would be a very large saving in the second, third, and fourth years for the college student, approximately $300 million per college year, and therefore about $900 million would be saved.

Mr. CARROLL. Would there also not be a saving because the veteran is put on notice that if he does not have a real interest, a sincere intent to complete his education and really qualify himself in the field of higher education, he will not be allowed to go on for more than 1 year. Naturally it would seem to me that if he does not achieve the scholastic standard as set forth in the Senator's amendment, then he knows he will have to go on a loan basis.

Mr. LONG. That is right.

Mr. CARROLL. That provides a further incentive, because if he does go on a loan basis, as I understand the amendment, and then achieves a higher scholastic standard, then his slate is wiped clean again.

Mr. LONG. Yes.

Mr. CARROLL. I think it is a good inducement, a fair incentive, and I commend the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, the facts will show these veterans are better than average students. In my own experience, my impression is that those who left college to go to the last war—I mean World War II—and after 3 years in the service came home and returned to college, made substantially better grades than they made before they went to war. They were more serious. They were more determined. They were more mature, they studied harder, and they made much better grades. My guess is that the majority of the veterans who would take advantage of this bill as it is now written would do better, but I believe that with a saving of $900 million on one hand, we would provide a tremendous incentive with the other for these young men and women to do better work, and therefore I think the Nation would win on both counts.

Mr. PROUTY. Mr. President, I am interested to learn how the Senator reaches the figure $900 million. For example, how does he determine how many of this new group are going to be in the upper 50 percent of their classes and how many in the lower 50 percent?

Mr. LONG. Perhaps the figure is a little optimistic. It was arrived at by a calculation that about half of the veterans would be average and half would be below average.

Mr. PROUTY. Half the veterans or almost half, who might come under this program in its various ramifications have not had a high school education. About 16 percent have not had an elementary school education.

Mr. LONG. The estimate I had before me was to the effect that it would cost $650 million to provide 1 year's college education for all veterans who were eligible. That may be too high, but it seems to be an accepted estimate.

In the second year, it is estimated that more than half would succeed, so the amendment is estimated to cost about $355 million in the second, third, and fourth years to carry the veterans along on a grant basis. It would probably be more accurate to say that about 60 percent could be expected to exceed average, and about 40 percent, or somewhat more than 40 percent, would not do that well.

Mr. PROUTY. Do I understand correctly that the Senator's amendment would restore vocational training education to a grant basis?

Mr. LONG. It would continue to be on a grant basis as provided by the committee bill.

Mr. PROUTY. It is not on a grant basis under the Cooper amendment.

Mr. LONG. That is correct. The bill would carry out the theory of the Cooper amendment for those who wanted to go to college in the second, third, and fourth years, provided they were below their class average.

Mr. PROUTY. But it would increase the cost very substantially for vocational education.

Mr. LONG. It would leave vocational education exactly as the bill provides.

Mr. PROUTY. I was comparing it with the Cooper amendment.

Mr. LONG. I am offering my amendment as a substitute for the Cooper amendment. I hope it will be agreed to, because I think it is a fair compromise between the two positions. I frankly feel we owe a young man something when he gives 2 years of his life to his country in peacetime. Some persons ask: Would you do as much for the young men who serve in the Armed Forces in peacetime as for those who serve in wartime? I would do more for them, because I regard it as a special privilege for one to fight for his country in wartime. It is a waste of time to spend 2 years of one's life learning to fight, but not actually putting the training to any use. We owe as much to a young man who spends 2 years of his life in the armed services in peacetime as we do to a man who serves in wartime.

Mr. President, I believe I have explained the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HUMPHREY. I had hoped to be able to address myself to the amendment offered by the Senator from Kentucky and other Senators to the bill. I say most respectfully to the Senator from Kentucky [Mr. COOPER], whom I admire much, that I am compelled to disagree with the amendment he offered for himself and other Senators. I sincerely believe that the provisions in the original bill are sound from an educational point of view as well as from the point of view of reward for service to the country.

Let me understand precisely one part of the amendment in the nature of a substitute offered by the Senator from Louisiana. Do I correctly understand that if a student has failed after the first year in college, he is not eligible for an additional grant but is eligible for a loan?

Mr. LONG. That is correct.

Mr. HUMPHREY. I think it is important to note that if he is in the lower half of his class at the end of the first year, he is not eligible for a grant in the second year.

Mr. LONG. That is correct.

Mr. HUMPHREY. But if he still has passing marks, he is eligible for a loan.

Mr. LONG. Yes.

Mr. HUMPHREY. Under the stipulations and criteria as set forth by the Senator from Kentucky and other Senators; is that correct?

Mr. LONG. Right.

Mr. HUMPHREY. However, if in his freshman year, either because of his own lack of attention to his studies or through no fault of his own, he does not pass—he receives less than a passing grade—he is finished in terms of any Government assistance, so far as a grant is concerned.

Mr. LONG. I am glad the Senator from Minnesota asked that question. The Senator from Minnesota was at one time a student at Louisiana State University on a fellowship basis. We had a bitter debate with the British team during that time. The Senator from Minnesota, then a student at Louisiana State University, debated the British and did outstandingly well. It was probably the only debate in which Louisiana State University clearly outclassed the British.

My amendment in the nature of a substitute would provide a tremendous incentive on this basis: The Senator knows, I presume, that boys who come from rural high schools do not have nearly the preparation which boys who come from city high schools have.

Mr. HUMPHREY. That is correct.

Mr. LONG. It takes them about a year to get into the stride so that they can compete on equal terms with city-educated boys.

My amendment provides that if such a boy fails to be in the upper 50 percent of his class during his first year, the Government will lend him the money for his second year. If during the second year he achieves the upper 50 percent, then he can go on a grant basis, and the loan will be forgiven. So a boy who comes from a rural school will have the opportunity to study for 1 year. If he fails to be on the grant basis because he was behind at the start, he will have an opportunity during the next year in which to climb to the upper 50 percent, go on the grant basis, and be forgiven his loan.

Mr. HUMPHREY. In other words, the grant would become retroactive if in the second year the student achieved a rating which placed him in the upper 50 percent of the entire class.

Mr. LONG. That is correct.

Mr. HUMPHREY. Does the Senator's proposal include the student's being in the upper 50 percent for both semesters, or does it mean at the end of the school year If the student's grade at the end of the second semester is in the upper 50 percent of the class, is he then entitled to the grant provisions of the bill?

Mr. LONG. It means at the end of the year. A person has a year in which to achieve the upper 50 percent of his class.

My amendment would provide an incentive. It would operate on the merit basis. The Senator knows as well as I do that those who do not do too well in college tend to drop out anyway. The Government should not, in my judgment, spend money trying to educate young men and women who do not intend to complete their education anyway. But those who are really serious and are determined to educate themselves should have the opportunity to be educated on a grant basis or, if they are passing students but below average, on a loan basis.

Mr. HUMPHREY. In order that we may understand the other details relating to the amendment, it is possible for a student to enroll in a college for a particular kind of training course which does not actually meet what are called the college requirements for the degree of bachelor of arts, bachelor of science, or one of the other degrees. For example, there are courses for technicians, such as medical technicians, which may not require the 4 or 5 years necessary for a college course leading to a degree. The actual time for a technician's course may be 1 or 2 years.

There are courses in which students become affiliated with a college for the first year, such as in nursing, and then take the remainder of their nursing training in an accredited hospital, not on a 4-year basis, but on a 3-year or a 2-year basis.

I believe this proposal has to be defined as to whether these are vocational courses which fall within the grant provisions, or whether they are called college courses, which fall within the incentive provisions of grants and loans.

Mr. LONG. I agree with the Senator's logic. If the amendment is agreed to, the conferees should look carefully into that particular situation, to see whether such education would be described as vocational education. That would be my intention.

Mr. HUMPHREY. When we speak of a college education, we are thinking of a program entered into by a student for the purpose of obtaining a degree on the basis of an established course of study, such as a 4-year course—or at least a number of credit hours—leading to the degree of bachelor of arts, to the degree of bachelor of science, or to a master's degree or a doctor's degree, for a number of hours spent in a curriculum prescribed by a university or college.

Mr. LONG. The Senator is completely correct.

Mr. HUMPHREY. On the other hand, other than for a degree in nursing, nursing training, or technician training which is adequate, let us say, for a general hospital or a specialized hospital would be a legitimate type of vocational course which may encompass some college work but does not necessarily meet the standards required to obtain the college degree in nursing.

Mr. LONG. Yes; that is correct.

One other advantage of my amendment is this: In addition to providing an incentive, the amendment will preserve

to those who want the bill in the way in which it came from the committee the opportunity to take a second look. If we should decide to provide this opportunity for all veterans, we will have another year in which to think about it and then decide whether to go further and be more liberal. We can look at it in the following year and go as far as the committee has proposed if that seems desirable.

My amendment provides the opportunity and the incentive for young persons who are veterans to educate themselves and qualify themselves if they have something to offer the Nation.

We should keep in mind the difference between the income of a college-educated person and the income of a person who has not had a college education is such that in 10 years the Government will have the money back with interest, simply from the additional tax collections by reason of the income differential.

If the only ones who receive such an education are those who earn it, those in the upper 50 percent of their class, my guess is that the Nation will be far ahead, both from the monetary point of view and from the point of view of the national interest.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield at this point?

Mr. LONG. I yield.

Mr. HUMPHREY. It had been my intention, in case the Cooper amendment were adopted—although certainly I would have vigorously opposed it—to submit to the bill an amendment to authorize the Administrator of Veterans' Affairs to award scholarships to eligible veterans, in order to enable them to pursue programs of education or training, with each scholarship to be in the amount of $1,000, to be paid in quarterly installments. The scholarships would be obtained through competitive examinations, and on the basis of merits; and my amendment would have provided for allocation of the scholarships on the basis of 1,400 to eligible veterans who were discharged or released before January 1, 1959; 1,000 scholarships to those released during the calendar year 1959; and 1,000 scholarships to those released each year thereafter.

The substitute amendment the Senator from Louisiana has proposed incorporates the essence of the scholarship provision. He proposes that one who merits such a grant must prove by his accomplishments in his studies that he is qualified for further education. The Senator from Louisiana also proposes that one who qualifies only for a loan, can, instead, receive a grant if he studies hard enough to rank in the upper 50 percent of his class. In addition, the grant provisions would apply at all times to students who perform reasonably well. The loans would be obtainable, after the first year, by students who made passing grades.

I think the Senator from Louisiana has demonstrated, as was stated a moment ago, creative thought which is most helpful.

I repeat that in my opinion these programs are among the most worthy we have. If Senators are willing to vote, without batting an eye, for appropriations of $40 billion year after year, for the Defense Establishment; and if Senators are willing to vote, often without very much debate, for appropriations of hundreds of millions of dollars for the construction of atomic bombs; and if Senators are willing to vote, after very little debate, for many other appropriations for the military preparedness of the country, they likewise should support this educational bill. The Congress should be vitally concerned with improving the lives of the people, rather than only with instruments of death.

I am strongly in favor of helping the living.

The Senator from Louisiana, by means of his amendment—and the same may be said of the amendment of the Senator from Texas [Mr. YARBOROUGH]—is in favor of making provisions for continuation of a program which has worked well for our country. I do not know what other evidence regarding it is needed.

I do not know why it is necessary to interfere with a program which is working well. The GI educational program is one of the best in the history of the country. It has worked well. It has produced good results. It has helped make better citizens, and it has increased the productivity and the educational standards of the country. It has worked well—so well, that now someone says it should be stopped. Senators talk about boondoggling, but this program is just the reverse of boondoggling.

The very best program the people can remember, since the Civilian Conservation Corps program, is the GI educational program. I do not know of any critic of it. Of course, a few persons established poor schools and tried to take advantage of the veterans. But, by and large, the country is the better and the richer, and the people are the happier, and the goods produced are of higher quality, because millions of our young men and young women received an education under the GI bill.

Mr. President, I ask my colleagues, does the Nation have to be blown to pieces before the Congress will find some of our people are entitled to an education? Must bombs fall on the country before some will realize that a war is going on? I disagree absolutely with those who argue that this is a period of peace. Anyone who thinks this is a peacetime period surely has a different definition of peace than I have.

Mr. President, today a war is going on. The Communists are on the march. I hope it is not necessary for bombs to fall on Baltimore or Washington before some Senators will realize that a war is going on. It is a political and an economic war; and certainly we need to have strong armed services.

After all, Mr. President, what were our Armed Forces doing in Lebanon a year ago? Certainly they were not there for a picnic, with box lunches. [Laughter.] What were our boys doing in our fleet off Formosa, when the Communists were lobbing shells at Quemoy and the Matsus? Certainly our boys were not in our fleet there simply to sample the joys of cruising.

Mr. President, I strongly support the amendment of the Senator from Louisiana.

The PRESIDING OFFICER. The time available to the Senator from Louisiana has expired.

Mr. LONG. Mr. President, I send to the desk my amendment in the nature of a substitute for the Cooper amendment.

The amendment in the nature of a substitute for Mr. COOPER'S amendment, submitted by Mr. LONG, is as follows:

On page 1, beginning with line 5, strike out all through line 13 on page 52, and insert in lieu thereof the following:

"SEC. 2. (a) Title 38 of the United States Code is amended by adding after chapter 39 the following new chapter:

"'CHAPTER 40—EDUCATION OF VETERANS WHO SERVE BETWEEN JANUARY 31, 1955, AND JULY 1, 1963

"'*Subchapter I—Definitions*

"'Sec.
"'1908. Definitions.

"'*Subchapter II—Eligibility*

"'1910. Entitlement to education or training generally.
"'1911. Duration of veteran's education or training assistance.
"'1912. Commencement; time limitations.
"'1913. Expiration of all education and training.

"'*Subchapter III—Enrollment*

"'1920. Selection of program.
"'1921. Applications; approval.
"'1922. Change of program.
"'1923. Disapproval of enrollment in certain courses.
"'1924. Discontinuance for unsatisfactory progress.
"'1925. Period of operation for approval.
"'1926. Institutions listed by Attorney General.

"'*Subchapter IV—Payments to veterans*

"'1931. Education and training allowance.
"'1932. Computation of education and training allowances.
"'1933. Type of assistance; grant or loan.
"'1934. Loans.
"'1935. Actions to enforce repayment of loans.
"'1936. Measurement of courses.
"'1937. Overcharges by educational institutions.

"'*Subchapter V—State approving agencies*

"'1941. Designation.
"'1942. Approval of courses.
"'1943. Cooperation.
"'1944. Use of Office of Education and other Federal agencies.
"'1945. Reimbursement of expenses.

"'*Subchapter VI—Approval of courses of education and training*

"'1951. Apprentice or other training on the job.
"'1952. Institutional on-farm training.
"'1953. Approval of accredited courses.
"'1954. Approval of nonaccredited courses.
"'1955. Notice of approval of courses.
"'1956. Disapproval of courses and discontinuance of allowances.

"'*Subchapter VII—Miscellaneous provisions*

"'1961. Authority and duties of Administrator.
"'1962. Educational and vocational counselling.
"'1963. Control by agencies of United States.
"'1964. Conflicting interests.
"'1965. Reports by institutions.

"'Sec.
"'1966. Overpayments to veterans.
"'1967. Examination of records.
"'1968. False or misleading statements.
"'1969. Information furnished by Federal Trade Commission.
"'1970. Effective date and retroactive allowances.

"'*Subchapter I—Definitions*

"'§ 1908. Definitions

"'(a) For the purpose of this chapter—

"'(1) The term "eligible veteran" means any veteran who is not on active duty and who—

"'(A) served on active duty at any time between January 31, 1955, and July 1, 1963;

"'(B) was discharged or released therefrom under conditions other than dishonorable; and

"'(C) served on active duty for a period of more than one hundred and eighty days (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as cadet or midshipman at one of the service acadamies), or was discharged or released from a period of active duty, any part of which occurred between January 31, 1955, and July 1, 1963, for an actual service-connected disability.

"'(2) The term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"'(3) The term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given.

"'(4) The term "dependent" means—

"'(A) a child of an eligible veteran;

"'(B) a parent of an eligible veteran, if the parent is in fact dependent upon the veteran; and

"'(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon her.

"'(5) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults.

"'(6) The term "training establishment" means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training.

"'(7) The term "State" includes the Canal Zone.

"'(8) The term "Commissioner" means the U.S. Commissioner of Education.

"'(9) The term "education and training allowance" means education and training allowance made on the basis of either grant or loan, unless otherwise indicated.

"'(b) Benefits shall not be afforded under this chapter to any individual on account of service as a commissioned officer of the Coast and Geodetic Survey, or of the Regular or Reserve Corps of the Public Health Service.

"'(c) The Congress of the United States hereby declares that the veterans' education and training program created by this chapter is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active duty between January 31, 1955, and July 1, 1963, and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country.

"'*Subchapter II—Eligibility*

"'§ 1910. Entitlement to education or training generally

"'Each eligible veteran shall, subject to the provisions of this chapter, be entitled to the education or training assistance as provided under this chapter.

"'§ 1911. Duration of veteran's education or training assistance

"'(a) Each eligible veteran shall be entitled to education or training assistance as provided in this chapter (either on a grant or loan basis as provided in section 1933) for a period equal to one and a half times the duration of his service on active duty between January 31, 1955, and July 1, 1963, and, with respect to an eligible veteran on active duty on June 30, 1963 service on active duty after such date until his first discharge or release from such active duty after such date (or to the equivalent thereof in part-time training), except that—

"'(1) in computing the duration of such service, there shall be excluded (A) any period of active duty which is creditable to an eligible veteran in determining entitlement to education or training under chapter 33 and (B) a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or served as a cadet or midshipman at one of the service academies;

"'(2) the period of education or training to which an eligible veteran shall be entitled under this chapter shall not, except as provided in subsection (b), exceed thirty-six months reduced by a period equivalent to any period of educational assistance afforded him under chapters 33 and 35 of this title; and

"'(3) the period of education or training to which an eligible veteran shall be entitled under this chapter together with vocational rehabilitation training received under chapter 31 of this title, and education or training received under part VIII of Veterans Regulation Numbered 1(a), and section 12(a) of the Act enacting this title shall not, except as provided in subsection (b), exceed thirty-six months in the aggregate.

"'(b) Whenever the period of entitlement to education or training under this chapter of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such service may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"'(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"'§ 1912. Commencement; time limitations

"'(a) No eligible veteran shall be entitled to initiate a program of education or training under this chapter after three years after his discharge or release from active duty or after three years after the date of enactment of this chapter, whichever is later. Notwithstanding the preceding sentence, any otherwise eligible veteran whom the Administrator determines to have been prevented from initiating a program of education or training under this chapter within the period prescribed by the preceding sentence because he had not met the nature of discharge requirements of section 1908(a)(1)(B) of this title before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, shall be permitted to initiate a program of education or training under this chapter within three years after the date his discharge or dismissal was so changed, corrected, or modified, or within three years after the date of enactment of this chapter, whichever is later.

"'(b) The program of education and training of an eligible veteran under this chapter shall, on and after the delimiting date for the veteran to initiate his program, he pursued continuously until completion, except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"'(c) For the purposes of computing the three-year period under this section and the eight-year period under section 1913, the date of an eligible veteran's discharge or release shall be the date of his discharge or release from his last period of active duty which began before July 1, 1963, but no period of active duty performed after July 1, 1963, shall be included in computing such periods unless it follows a break in active duty status of more than 90 days.

"'§ 1913. Expiration of all education and training

"'No education or training shall be afforded an eligible veteran under this chapter beyond eight years after his discharge or release from active duty or eight years after the enactment of this chapter, whichever is later, except that any veteran who is eligible to initiate a program of education or training by reason of the second sentence of section 1912(a) of this title shall be permitted to pursue, subject to the other provisions of this chapter, such program for a period of not more than five years after the date of initiation thereof, but in no event shall education or training be afforded under this chapter after June 30, 1973, unless the veteran's date for initiating his program occurs after June 30, 1968.

"'*Subchapter III—enrollment*

"'§ 1920. Selection of program

"'Subject to the provisions of this chapter, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, of vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not

located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this chapter of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

"'§ 1921. Applications; approval

"'Any eligible veteran who desires to initiate a program of education or training under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this chapter, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"'§ 1922. Change of program

"'(a) Subject to the provisions of section 1921 of this title, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time before the end of the period during which he is entitled to initiate a program of education or training under this chapter, make not more than one change of program of education or training.

"'(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this chapter, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"'(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"'(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"'(c) As used in this section the term "change of program of education or training" shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second.

"'§ 1923. Disapproval of enrollment in certain courses

"'(a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"'(b) The Administrator shall not approve the enrollment of an eligible veteran—

"'(1) in any photography course or entertainment course; or

"'(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective; or

"'(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"'(c) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this chapter, chapter 31 or 33, of this title, or section 12(a) of the Act enacting this title.

"'§ 1924. Discontinuance for unsatisfactory progress

"'The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"'§ 1925. Period of operation for approval

"'(a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

"'(b) Subsection (a) shall not apply to—

"'(1) any course to be pursued in a public or other tax-supported educational institution;

"'(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

"'(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

"'(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

"'§ 1926. Institutions listed by Attorney General

"'The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

"'*Subchapter IV—Payments to Veterans*

"'§ 1931. Education and training allowance

"'(a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this chapter, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment. Such allowance shall be in the form of a grant or loan, as prescribed by section 1933.

"'(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 1932 of this title, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

"'(1) to any veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this chapter;

"'(2) to any veteran enrolled in an institutional course which does not lead to a standard college degree or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation; or

"'(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"'(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

"'(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution; and

"'(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

"'§ 1932. Computation of education and training allowances

"'(a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"'(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of $110 per month, if the veteran has no dependent, or at the rate of $135 per month, if he has one dependent, or at the rate of $160 per month, if he has more than one dependent.

"'(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of $80 per month, if the veteran has no dependent, or at the rate of $100 per month, if he has one dependent, or at the rate of $120 per month, if he has more than one dependent.

"'(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of $50 per month, if the veteran has no dependent, or at the rate of $60 per month, if he has one dependent, or at the rate of $80 per month, if he has more than one dependent.

"'(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-

job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) $90 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent.

"'(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) $70 per month, if he has no dependent, or (2) $85 per month, if he has one dependent, or (3) $105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of $310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"'(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) $95 per month, if he has no dependent, or (2) $110 per month, if he has one dependent, or (3) $130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of the third, and each subsequent, four-month period as his program progresses by an amount which bears the same ratio to $65 per month, if the veteran has no dependent, or $80 per month, if he has one dependent, or $100 per month, if he has more than one dependent, as four months bears to the total duration of such veterans' institutional on-farm training reduced by eight months. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"'(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"'(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this chapter in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) $110 per month for a full-time course, whichever is the lesser.

"'(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each $1.25 which is paid to the veteran as an education and training allowance for such course.

"'(h) No eligible veteran shall be paid an education and training allowance under this chapter for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this chapter, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b) on a less-than-full-time basis.

"'§ 1933. Type of assistance; grant or loan

"'(a) All eligible veterans shall be entitled to education and training allowances as provided in section 1932 on a grant basis, except as provided in subsection (b).

"'(b)(1) An eligible veteran pursuing an approved course of education in an institution of higher education who does not in any school year attain a scholastic average sufficient to place him in the upper half of his class for such year shall not, during the immediately succeeding school year, be eligible for allowances under section 1932 on a grant basis, but shall be eligible for such allowances on a loan basis if he so elects. Any veteran electing to receive allowances on a loan basis shall be subject to the provisions of section 1934.

"'(2) In any case in which an eligible veteran attains a scholastic standing sufficient to place him in the upper half of his class for a school year during which he was eligible for education and training allowances on a loan basis only, the Administrator, upon application by such veteran, shall—

"'(A) Cancel the amount of the loan or loans, if any, made to the veteran as an education and training allowance for such school year, and

"'(B) Pay to such veteran an amount representing the difference, if any, between the amount received by such veteran as education and training allowances (on a loan basis) during such year and the amount he would have been entitled to receive had he been paid education and training allowances on a grant basis.

"'(c) Any eligible veteran pursuing an approved course of education who, on the basis of his scholastic standing during any school year, fails to qualify for education and training allowances on a grant basis for the immediately succeeding school year may qualify for such allowances on a grant basis for any school year thereafter which is immediately subsequent to a school year in which he attains a scholastic standing sufficient to place him in the upper half of his class for such year.

"'§ 1934. Loans

"'Education and training assistance provided under this title on a loan basis—

"'(1) shall be made without security, except that the veteran shall execute a promissory note, or notes, payable to the United States;

"'(2) shall be repaid in equal or graduated periodic installments, in accordance with such schedules as may be approved by the Administrator over such period of time as the Administrator shall prescribe, not exceeding ten years, beginning one year after the date on which the veteran ceases to pursue his program of education or training, except that—

"'(A) periodic installments may be readjusted in the case of any veteran if the Administrator finds that a readjustment would be in the best interest of the veteran and the Government, and

"'(B) periodic installments need not be paid during any period (i) in which the veteran is pursuing a full-time program of education or training, or (ii) during which the veteran is a member of the Armed Forces, if such veteran is recalled to active duty and is in a pay grade which makes repayment an undue burden, as determined by the Administrator;

"'(3) shall be interest free, except that if such loan is not repaid within the period prescribed by the Administrator interest shall accrue on the unpaid principal, beginning on the day following the date on which the last payment is due, at a rate of 2 per centum per annum. If a veteran fails to make payments in accordance with the schedule of repayment prescribed for him by the Administrator, and the Administrator determines that adherence to the prescribed schedule would not constitute an undue hardship on the veteran, the Administrator shall declare the entire remaining amount of such loan due, and interest shall accrue on the unpaid principal of such loan at the rate of 2 per centum per annum from the date of such declaration;

"'(4) shall be canceled upon the death of the veteran, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Administrator; and

"'(5) shall be subject to such additional terms, conditions, and requirements as the Administrator may determine to be necessary to protect the financial interests of the United States and to carry out the purpose of this title.

"'§ 1935. Actions to enforce repayment of loan

"'(a) In addition to any legal action brought to recover a loan made under this Act, the Administrator is authorized to utilize all other resources to effect recovery of such loans, including setoffs of such loans against veteran benefits, national service life insurance dividends, or any other Federal funds otherwise payable to the veteran.

"'(b) If an education and training loan provided under this title is not repaid, it shall be lawful for the Administrator or his delegate to collect such indebtedness in the same manner, and to the same extent, insofar as applicable, as the Secretary of the Treasury may collect a tax under the provisions of section 6331 of the Internal Revenue Code of 1954.

"'(c) In addition to any State court of competent jurisdiction, any United States district court for any district wherein the veteran resides or was resident at any time shall have jurisdiction of any action brought by or on behalf of the Federal Government

to recover any amount payable under any promissory note executed to evidence a loan made under this title. No legal service of any kind shall be required to be made upon the veteran other than notice of the institution of such action stating the date of entry and name of court; such notice shall be sent by registered mail to the last known address of such veteran as indicated in the records of the Veterans' Administration.

"'(d) In any action by or on behalf of the Federal Government to recover any amount payable under any promissory note executed to evidence a loan made under this title, the fact that the veteran was an infant at the time of signing such promissory note shall not be a defense.

"'§ 1933. Measurement of courses

"'(a) For the purposes of this chapter (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

"'(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a); except that, the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard workweek through bona fide collective bargaining between employers and employees.

"'§ 1937. Overcharges by educational institutions

"'The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of $10 per month for a full-time course. Any educational institution or training establishment disapproved under this section shall also be disapproved for the enrollment of any veteran not already enrolled therein under chapter 31 or 33, or for the enrollment of any eligible person not already enrolled therein under chapter 35.

"'*Subchapter V—State approving agencies*

"'§ 1941. Designation

"'(a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this chapter.

"'(b)(1) If any State fails or declines to create or designate a State approving agency, the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"'(2) In the case of courses subject to approval by the Administrator under section 1942 of this title, the provisions of this chapter which refer to a State approving agency shall be deemed to refer to the Administrator.

"'§ 1942. Approval of courses

"'(a) An eligible veteran shall receive the benefits of this chapter while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institutions or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this chapter and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this chapter. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"'(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this chapter.

"'(c) Any course offered by an educational institution or training establishment shall be considered approved for the purposes of this chapter if it is in an approved status for education or training under chapter 33 of this title, and has not been disapproved under the provisions of this chapter.

"'§ 1943. Cooperation

"'(a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this chapter.

"'(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this chapter.

"'§ 1944. Use of Office of Education and other Federal agencies

"'(a) In carrying out his functions under this chapter, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 1945 of this title, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this chapter.

"'(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made, either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this chapter are authorized to be appropriated directly to such Office.

"'§ 1945. Reimbursement of expenses

"'The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this chapter, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this chapter. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this chapter.

"'*Subchapter VI—Approval of courses of education and training*

"'§ 1951. Apprentice or other training on the job

"'(a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"'(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"'(2) The length of the training period;

"'(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"'(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"'(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"'(6) The number of hours of supplemental related instruction required.

"'(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"'(1) The training content of the course is adequate to qualify the eligible veteran

for appointment to the job for which he is to be trained.

"'(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"'(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"'(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"'(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

"'(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"'(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"'(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"'(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"'(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him, and his training period shortended accordingly, and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"'(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"'(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"'(13) That the course meets such other criteria as may be established by the State approving agency.

"'§ 1952. Institutional on-farm training

"'(a) An eligible veteran shall be entitled to the benefits of this chapter while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"'(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"'(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"'(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"'(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"'(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"'(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"'(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"'(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"'(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"'§ 1953. Approval of accredited courses

"'(a) A State approving agency may approve the courses offered by an educational institution when—

"'(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"'(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"'(3) such courses are conducted under sections 11–28 of title 20; or

"'(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this chapter the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be a reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"'(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"'§ 1954. Approval of nonaccredited courses

"'(a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 1953 of this title, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this chapter unless, the educational institution offering such course, submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this chapter.

"'(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"'(1) Identifying data, such as volume number and date of publication;

"'(2) Names of the institution and its governing body, officials and faculty;

"'(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"'(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"'(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

"'(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"'(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"'(8) Detailed schedules of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"'(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"'(10) A description of the available space, facilities, and equipment;

"'(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"'(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"'(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"'(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"'(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

"'(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"'(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"'(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"'(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"'(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

"'(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"'(9) The institution is financially sound and capable of fulfilling its commitments for training.

"'(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (A) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (B) has, if such an order has been issued, given due weight to that fact.

"'(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"'(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"'(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"'(14) Such additional criteria as may be deemed necessary by the State approving agency.

"'§ 1955. Notice of approval of courses

"'The State approving agency, upon determining that an educational institution has complied with all the requirements of this chapter, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this chapter, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"'(1) date of letter and effective date of approval of courses;

"'(2) proper address and name of each educational institution or training establishment;

"'(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"'(4) name of each course approved;

"'(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"'(6) signature of responsible official of State approving agency; and

"'(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

"'§ 1956. Disapproval of courses and discontinuance of allowances

"'(a) Any course approved for the purposes of this chapter which fails to meet any of the requirements of this chapter shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a certified or registered letter of notification and a return receipt secured.

"'(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this chapter or if he finds that the educational institution or training establishment offering such course has violated any provisions of this chapter or fails to meet any of its requirements.

"'(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section.

"'*Subchapter VII—Miscellaneous provisions*

"'§ 1961. Authority and duties of Administrator

"'Payments under this chapter shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921 and the Budget and Accounting Procedures Act of 1950.

"'§ 1962. Educational and vocational counseling

"'The Administrator may arrange for educational and vocational counseling to persons eligible for education and training under this chapter. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"'§ 1963. Control by agencies of United States

"'No department, agency, or officer of the United States, in carrying out this chapter, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment. Nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by law to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this chapter in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"'§ 1964. Conflicting interests

"'(a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter shall be immediately dismissed from his office or employment.

"'(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this chapter, he shall discontinue making payments under section 1945 of this title to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans' Affairs or State Department of Education.

"'(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"'(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

"'§ 1965. Reports by institutions

"'(a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this chapter.

"'(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this chapter, an allowance at the rate of $1 per month for each eligible veteran enrolled in and attending such institution under the provisions of this chapter to assist the educational institution in defraying the expenses of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that if any institution fails to submit reports or certifications to the Administrator as required by this chapter, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

"'§ 1966. Overpayments to veterans

"'Whenever the Administrator finds that an overpayment has been made to a veteran as the result of (1) the willful or negligent

failure of the educational institution or training establishment to report, as required by this chapter and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This section shall not preclude the imposition of any civil or criminal liability under this or any other law.

"'§ 1967. Examination of records

"'The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this chapter shall be available for examination by duly authorized representatives of the Government.

"'§ 1968. False or misleading statements

"'The Administrator shall not make any payments under this chapter to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"'§ 1969. Information furnished by Federal Trade Commission

"'The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this chapter.

"'§ 1970. Effective date and retroactive allowances

"'The provisions of this chapter shall take effect as of September 1, 1959. In the event this chapter is enacted subsequent to such date, the Administrator shall prescribe regulations for making retroactive payments of education and training allowances, upon application therefor, to eligible veterans for education or training pursued by them on or after September 1, 1959, and prior to the date of the enactment of this chapter.'

"(b) The table of contents at the beginning of such title is amended by inserting immediately after

"'39. Automobiles for Disabled Veterans..... 1901'

the following:

"'40. Education of Veterans Who Serve Between January 31, 1955, and July 1, 1963..... 1908'.

"(c) The table of chapters at the beginning of part III of such title is amended by inserting immediately after

"'39. Automobiles for Disabled Veterans..... 1901'

the following:

"'40. Education of Veterans Who Served Between January 31, 1955, and July 1, 1963..... 1908'.

"(d) Such title is further amended—

"(1) by inserting in section 102(a)(2) immediately after 'chapter 33' the following: 'or 40', and by striking out 'chapters 19 and 33' in section 102(b), and inserting in lieu thereof 'chapters 19, 33, and 40';

"(2) by striking out in section 111(a) '33 or 35', and inserting in lieu thereof the following: '33, 35, or 40';

"(3) by inserting in section 211(a) after '1761,' the following: '1961,';

"(4) by striking out in section 1662(b) 'chapter 31 or 33', and inserting in lieu thereof the following: 'chapters 31, 35, and 40';

"(5) by striking out in section 1711(b) 'chapter 31 and 33', and inserting in lieu thereof the following: 'chapter 31, 33, or 40';

"(6) by striking out in section 1734(a) 'chapter 31 or 33' and inserting in lieu thereof the following: 'chapter 31, 33, or 40';

"(7) by striking out in section 3013 'and 35' and inserting in lieu thereof the following: '35, and 40';

"(8) by inserting after 'chapter 35' in section 1611(a)(2) the following: 'or education or training under chapter 40'; and

"(9) by inserting in section 1634 immediately before the comma following 'therein' the following: 'under this chapter or chapter 40'.

"(e) Public Law 85-857 (72 Stat. 1264) is amended by adding at the end of section 12(a) the following: 'The period of education or training to which a veteran is entitled under part VIII, Veterans Regulation Numbered 1(a) as saved from repeal by this subsection together with education or training received under chapter 33 or 40 of title 38 of the United States Code shall not exceed forty-eight months in the aggregate.'"

The PRESIDING OFFICER. The time in opposition to the amendment of the Senator from Louisiana is under the control of the majority leader, if he is in opposition to the amendment. If the majority leader is in support of the amendment, the time in opposition to the amendment is under the control of the minority leader or some Senator designated by him.

Mr. COOPER. Mr. President, I shall control the time in opposition to the amendment of the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. COOPER. Mr. President, as has been demonstrated this afternoon, many Senators who oppose an amendment commence their remarks by complimenting the author of the amendment. [Laughter.] Certainly I have had that experience this afternoon.

Mr. President, the Senator from Louisiana knows that I think very highly of him. However, I must oppose his amendment.

It is clear that the bill reported by the committee calls for a program of grants. It is also clear that the amendment which I have proposed, on behalf of myself, the Senator from New York [Mr. JAVITS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Vermont [Mr. PROUTY], the Senator from South Carolina [Mr. THURMOND], the Senator from New Jersey [Mr. CASE], and other Senators, calls for a loan program.

But the program called for by the amendment of the Senator from Louisiana is neither fish nor fowl. It is essentially a grant program for vocational training benefits; but it it also a kind of grant and loan program for college benefits. The amendment provides that a veteran who makes certain grades in his studies will receive a grant. It could be difficult to explain this to a veteran who receives a loan.

In reply to the arguments which have been made by a number of my colleagues who have referred very kindly to me, let me state that a strong argument can be made in favor of providing a program of grants for all veterans. But the same argument can be made in behalf of every boy or girl in the country. Last year we began such a program by writing a bill which we called the National Defense Educational Act and it is based on loans.

But today we are dealing with the responsibilities we have toward the post-Korean veterans or, peacetime veterans. I do not say they are wholly peacetime veterans. They make sacrifices, and they do face danger. If war should come—and we hope it will not—today's veterans will immediately receive the same treatment accorded Korean war veterans and World War II veterans.

But, Mr. President, let us get down to earth and realize that we are dealing with a special group of veterans, and that we are attempting to develop a program which will meet their needs.

The question is simply whether we wish to adopt a program of grants or whether we wish to adopt a program of loans.

As has been stated today, a program of grants will mean that the Federal Government will have to say to everyone who serves in the Armed Forces from now on, "Because you have entered the armed services, your Government will give you additional compensation"—in return for the greatest duty a citizen can pay his country—service under the flag.

The loan program, according to our traditional American system, will be available to every young man or young woman who enters the armed services, and, completing 6 months' service, wishes to take advantage of the program and the opportunity provided to receive an education or to receive vocational training.

Other Senators who joined in the amendment, and I, believe that a loan program is appropriate for the young men and women, who are post-Korean veterans—veterans who, as the Bradley Commission reported, will number 26 million before the end of this century, if the draft continues.

Considering the claims of wartime veterans and the necessities of this country for defense, the loan program is a reasonable one, and one which offers opportunity for our country to discharge its obligations to those who served in the post-Korean period.

I hope the Senate will defeat the amendment of my friend from Louisiana, and that the amendment which I have offered will be adopted.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. The Senator from Kentucky has stated admirably the views of those who sponsored the amendment with him. Again we get down to the fundamental philosophical question: Are we to have a program in which the only criterion will be whether the university or the vocational institution will admit the applicant—which is the theory of

the bill—or are we going to say, because these are peacetime veterans, that we have a visceral feeling that the veteran really wants an education and, in return for a loan, he is going to undertake some obligation, bearing in mind that if he gets the education he will earn more money, so he is only repaying the taxpayers, in a money economy, for having permitted him to earn more money? We should not be influenced by the pattern of the wartime veteran, to whom we have a different kind of obligation. Qualitatively, I think this proposal discharges very fully what ought to be the national obligation.

I hope the amendment of the Senator from Kentucky will prevail.

Mr. YARBOROUGH. Mr. President, I yield 2 minutes on the bill to the distinguished Senator from Wyoming [Mr. McGEE].

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes.

Mr. McGEE. Mr. President, as a former educator, I have sat here somewhat alarmed at the trend the debate has taken this afternoon. I think the question with which we are concerned has been reversed. We are trying to measure this question in dollars and cents. We are trying to measure it in terms of what it will cost the taxpayer. The central question we ought to be raising is: What is our potential education resource? If we have too many educated people, then we ought to consider the question on a luxury basis, and permit only those in the top half of the class to go to college. If we do not have an excess of brains, we ought not to penalize and deny the opportunity to those even in the lower half of the class to become better educated.

Most of us have been saying that the war with the Reds or with totalitarianism is not going to be won on the battlefield in the old-fashioned sense, or is not going to be won in outer space, but is going to be won in men's minds and in the classroom. If we really believe that, let us ask ourselves, "What is our greatest potential resource in the classroom? How can we increase understanding among the maximum number of people?" If that is the question we should be considering, we ought to get at the issue in the reverse manner from which we have been discussing it.

I commend the Senator from Louisiana, not because I agree completely with his amendment, but because it stops the trend toward making a dollar sign the issue, and considers it in terms of our resources and strength, which, God knows, we are going to have to take full advantage of if we are to win in the battle of ideas. Therefore I support the amendment as the lesser of the two evils facing us.

Mr. COOPER. Mr. President, I yield 2 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I think the remarks the junior Senator from Wyoming [Mr. McGEE] just made point up the basic argument involved in the whole matter. He asked, "What is the question? Is it a dollar sign?" I think that is getting close to the issue, because the basic question involved is whether we should put a dollar sign on patriotism.

Nobody is going to argue about the need for education. Nobody is going to deny that we should develop the best brains of which we are capable. But I think it is a sad day in our history when a young man has to be paid for a patriotic discharge of duty.

I think in wartime, when men are called away from home, when they are subjected to constant hazards, when they find themselves at a disadvantage upon coming home, an entirely different question is presented. But when we say to any young man, "We are going to pay for your education if you discharge your duty to your country," I think we have come to a very sad day in the history of Congress and the American people.

I support the amendment of the Senator from Kentucky [Mr. COOPER]. I do not know if I shall support the bill. I doubt if I will. But, at least, the amendment of the Senator from Kentucky puts the question on the proper basis.

Providing money on a loan basis is one thing. Saying we are going to give it to the young man is another thing.

The amendment offered by the Senator from Louisiana still hangs the dollar sign on patriotism. As an American, I do not like it. I will support the amendment of the Senator from Kentucky.

Mr. COOPER. Mr. President, I yield 4 minutes to the Senator from New York [Mr. KEATING].

The PRESIDING OFFICER. The Senator from New York is recognized for 4 minutes.

Mr. KEATING. Mr. President, it seems to me the amendment of the distinguished Senator from Louisiana (Mr. LONG) is an improvement in the bill as it came to the Senate, but certainly, in my judgment, it should not be substituted for the amendment offered by the Senator from Kentucky [Mr. COOPER].

I am in sympathy with the general purpose of the bill. I think the educational benefits under the GI bill of rights have been one of the best programs Congress has enacted. But it does not shock me at all to say to the young men who will benefit under the program that they should repay, over a long period of time, and on very modest terms, the amounts which have been loaned to them. It seems to me we are doing a service for those young men by placing the matter on a loan basis. Sometimes I fear we do not give enough thought to building the character of these young people. Certainly their character is built while their education is going on, provided they have the responsibility of repaying the loan. Their education is more appreciated if it is not given to them too easily. They will realize that in later life. They may not realize it immediately, but they will ultimately.

We sometimes are apt to make our young people too soft by giving them too much. I think the building of character is highly desirable.

I suport the general principle behind the bill. I think it is a worthy bill, but certainly it makes the proposed legislation more acceptable it seems to me, if the educational benefits are placed on a loan basis.

Secondly, I believe these young people would be more serious in their work if they had the responsibility of repaying the loan. Under the bill not most of them, but some of the young people might take advantage of its benefits by not wanting to go to work for another 3 years. I do not mean, by any stretch of the imagination, to say that would be the universal practice, but we all know that in some cases it has been done under the GI bill of rights.

The beneficiaries will certainly be more serious about their obligations if they realize all the time, as again I repeat, that under this very modest measure they have the responsibility to make repayment.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. KEATING. I am happy to yield to the Senator from Pennsylvania.

Mr. SCOTT. We have heard a great deal about the obligation of the United States Government to the men in the service. I am thinking in terms of the obligation of the man in service, when he becomes a civilian again, to his fellow citizens and to his family as a taxpayer. If the obligation is mutual, does the Senator agree that perhaps the best way by which a mutual obligation can be expressed is for the Government to give the man a chance for an education, and to give him a chance over a lengthy period of years to repay the money?

Mr. KEATING. I think so. I think the time will come when the veteran will realize we have performed a service by placing the program on a loan basis.

Finally, Mr. President, the loan program is certainly fiscally sound.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KEATING. Mr. President, will the Senator yield me 1 more minute?

Mr. COOPER. I yield 1 minute to the Senator from New York, Mr. President.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 additional minute.

Mr. KEATING. We will not be performing a service for these young men and women if we forget our fiscal responsibility. Neither they nor we will have any chance to take advantage of their education and their contribution—and we all know they will contribute to the future welfare of our country—if we forget we have to maintain fiscal responsibility. I do not say that is be-all and end-all and the most important thing, but it is certainly something, that it is our obligation to consider when we are approaching passage of a measure of this kind.

It is said that this proposal will cost $3 billion, or nearly that, over the period of the entire life of the program. Under the proposal of the Senator from Kentucky nearly all, if not all, of the loans would be repaid, and we would not be undergoing such an obligation as is involved in the original bill. We would be performing at the same time every-

thing we set out to do in this excellent program of providing greater educational opportunities for those who serve their country.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Does the Senator from Kentucky desire to yield additional time on the amendment?

Mr. COOPER. Mr. President, I yield 2 minutes to the Senator from Colorado [Mr. ALLOTT].

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. ALLOTT. Mr. President, I appreciate the effort and the honesty of purpose which have gone into the various amendments. There is one thing about the amendments which concerns me very greatly; namely, the fact that I am sure that if we continue the cold war upon the basis we now observe it is being carried on, and if we continue to our draft policies upon the present basis, there will be a certain number of young men who will in all probability bear more than their fair proportion of responsibility toward the Government in the way of military service.

If we concede that, as I believe we must, then we arrive at the question, What are we to do to place these young men on a par?

Most of the men in this body served in World War I or in World War II or in the Korean war, or perhaps in two or even three of those wars. In each instance, as these men came home, they had to set themselves up and reestablish themselves, in competition with people who had been on the ground all the time.

Admitting that there is some injustice in being drafted into the military service and that we must do something to aid the draftees, I feel that taking the initial step the Senator from Louisiana has outlined would represent a step which would go entirely too far. For that reason I shall support the amendment of the Senator from Kentucky. I feel that I cannot support the amendment of the Senator from Louisiana.

There is a peculiar feature concerning this bill in regard to my own State. Almost all the communications I have received from my State, for whatever this statement may be worth——

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. I think I should have an opportunity to finish my sentence, Mr. President. These communications have been from institutions of learning, business colleges and other institutions, and I have had very little by way of communication from people who themselves wanted the bill passed.

Mr. COOPER. Mr. President. I yield back my remaining time.

The PRESIDING OFFICER. The Senator from Kentucky yields back his time.

Mr. COOPER. Mr. President, I ask for the yeas and nays.

Mr. YARBOROUGH. A parliamentary inquiry, Mr. President. Is the request for the yeas and nays with regard to the substitute amendment?

The PRESIDING OFFICER. The Senator from Kentucky has asked for the yeas and nays on agreeing to the substitute amendment offered by the Senator from Louisiana [Mr. LONG].

The yeas and nays were ordered.

Mr. YARBOROUGH. Mr. President, I yield 3 minutes to the Senator from Louisiana, from the time on the bill.

Mr. LONG. Mr. President, the amendment I have offered will save $900 million, and will reduce the cost of the committee bill by one third.

I submit to the Senate that the amendment will save money, as compared with the Cooper amendment, and I can prove it. If we permit the Cooper loan provision to go into effect, to give these veterans an opportunity to get an education, and if we wait 4 years, until about 4 or 5 million veterans owe the Government $4,000 each, and then let a Senator introduce a bill in the Senate to forgive the loans, I would like to see the yeas and nays ordered on that vote, because, Mr. President, I have known what it is to vote against a post office pay raise bill.

I recall at one time I cast one of the deciding votes on a question which lost by 2 votes. I voted not to override President Truman's veto of a post office pay raise bill. The junior Senator from Louisiana had just been reelected to this body by the largest vote in the history of Louisiana, and he returned to his State.

Every time I ran into a post office employee, he said, "Hello, you low-down, dirty so-and-so."

"Do not tell me you are talking this way to me."

"It is you I have in mind, you lousy so-and-so."

"What did I do against you?"

"When you voted against the post office pay raise, you reached into my pocket and removed $450 for me and my wife and my children. I will hate you until my dying day."

Mr. President, I have taken 10 years recovering from that vote. [Laughter.]

If the Senate adopts the Cooper amendment, then a single Senator can introduce a bill to forgive the $4,000 loans the Senate wants to provide, and I wonder who would vote against such a bill.

Senators may do it, but they will live in a much more unpleasant situation than did the junior Senator from Louisiana in helping President Truman to sustain that veto. Senators who voted to sustain it know what I mean. It was probably the most unpleasant vote they ever cast.

The vote to sustain the veto involved only one-third of the membership of the Senate. It would be a great deal more difficult to make the Cooper amendment stick 4 years from now than it was to make the post office veto stick.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. COOPER. It can be argued that it is less difficult for Senators to vote for the Long amendment, than to vote for loans.

Mr. LONG. The Senator is voting for something that will not stick even if his amendment is adopted. My amendment would save $900 million, as compared with the Senator's amendment. Four years from now we would be faced with a bill to forgive the loans.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. YARBOROUGH. Mr. President, I yield 2 minutes on the bill to the distinguished senior Senator from Minnesota.

Mr. HUMPHREY. Mr. President, of course I support the bill as it came from the committee. I believe that the bill as reported is sound. I believe that the experience we have had with such legislation in the past proves that it is meritorious. The burden of proof rests on the opponents. The burden of proof has not been sustained.

We have had years of experience with this type of legislation in connection with other veterans, and the record is excellent.

One final comment. I keep hearing Senators say, "No one in my State has written to me about the bill." All I can say is that I sympathize with them. Plenty of people have written to me about this bill from the sovereign State of Minnesota. I point out that the people of that State have pretty good educational standards, and that our record in connection with the GI bill of rights was a very good one.

I am hearing from young men, not from trade schools. I do not recall a single letter from a trade school, but I have received many letters from posts of the American Legion, the Disabled American Veterans, and other veterans organizations. I have also received many letters from individuals who are interested in this particular program.

But we do not need letters. The thing to do is to do what is right. I think it is about time for the Congress to make up its mind whether it will adopt a loan program, which the Senator from Louisiana properly characterizes as a facade. It would not be a real loan program. Later a proposal would be made to forgive the loans. The choice is between a loan program and a program of actual grants. In the case of the Long substitute, such grants would be based upon merit, upon incentives, and upon need.

It seems to me that the least we can do is to be as generous in some of the provisions for men in the armed services as we have been in the case of the industries and other organizations in the country which have received generous grants in peacetime for research, and generous grants for a host of other activities. But when we speak about the life of an individual, particularly if it pertains to education, he is supposed to sweat; he is supposed to go through agony. He is supposed to go through an agonizing reappraisal of his whole life.

What is wrong with a man having an education? We provide education for him in his elementary and secondary school days. What is wrong with his having an opportunity to go to college or

to a trade school, in order to become a productive citizen?

The proposal before us represents a wise investment. If a veteran needs a loan beyond what the grant provides, he can obtain it. There is no university in the land that does not provide a loan program. There is no university in the land that does not have more money in its loan fund than is being used. If we want more loans, we do not have to provide them under this program.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. YARBOROUGH. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed in the quorum call be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk proceeded to call the roll.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YARBOROUGH. I yield 6 minutes to the distinguished senior Senator from Oklahoma [Mr. KERR] on the bill.

Mr. KERR. Mr. President, I rise to support the Long substitute for the Cooper amendment. I do so because I believe it is just. I do so because I believe it would make my country stronger.

I am impressed by the sincerity of Senators sponsoring the Cooper amendment; but I say to them that, in my opinion, the result of their action, if the amendment were agreed to, would be to hang three balls above the door of every Veterans' Administration office in the country. It would cease to be one of the great organizations serving the humanities and the strength of our Nation, and it would become a loan agency. Our men returning from the service to the open arms of a grateful country would find themselves embraced by a loan agency.

I have been impressed by the discussion of fiscal responsibility. I know what the position of fiscal responsibility is. I also know what it means to want to desire to go to school, and either be unable to do so, or to be able to go only on the basis of borrowing money.

The Senator from Oklahoma had 1 year, Mr. President, in a university after finishing the junior college that was in his hometown, by reason of the fact that four good men together signed a note that enabled him to go to that university 1 year. When the 1 year was finished, they did not feel they could afford to guarantee a further loan, and the Senator from Oklahoma did not feel that he could afford to become further involved. So he went to work, and during the next year World War I broke out and he went into the service, and when he returned he never saw the inside of another college or university.

The Senators who have been talking about fiscal responsibility here have it. Look at them. They are men of fiscal responsibility. But in this bill we are not dealing with men of fiscal responsibility. We are dealing with young men coming back from the service; 9 out of 10 of them either have a wife—or will get one—and it will not be long before they have a baby, or will be getting one, and there they are with perhaps one child in the corral and another one in the chute; and yet Senators are talking about whether they will borrow the money to enable them to go to school. If they were in the position of those fighting for the Cooper amendment, they could have an objective viewpoint about fiscal responsibility.

Mr. President, when one is looking down the barrel of economic stringency and poverty, with a wife and one or more children depending upon him to make a living, I can hear him say to his wife, "Would you make this loan, and would you continue to bear the burden of raising our children, doing the cooking, and other work around a house; or should I get a job?"—most of them, Mr. President, will come to the decision that they had better get work and try to lift themselves into a little better economic position.

Oh, it will be some comfort to think that some day they can speak from the position of fiscal responsibility occupied by the proponents of the Cooper amendment, but it will not be necessary for them to getting an education then.

I do not know whether the Senate wants to build the economic strength or the military strength of our country, but it will be contributing to both if it improves the opportunity of these young men to get an education.

I believe in the bill that came from the committee, but I believe that with the Long amendment much of the objection of those whose case is based on fiscal responsibility will have been met, and at the same time the opportunity will be given all young men to start to acquire an education; and if they stay in the upper bracket of their classes—and there will be more of them there than some imagine—they will be able to continue to get the benefits under the provisions of the Long substitute.

I think that the least the Senate can do is to approve the Long substitute by its vote.

Mr. YARBOROUGH. I thank the distinguished Senator from Oklahoma for his clarification of the bill. I do wish to state that, though in agreement with the distinguished senior Senator from Oklahoma, I prefer the committee bill, but there were so many who thought that the incentive contained in the Long amendment should be added, that I shall support the Long amendment and though I cannot commit the committee, I hope the other members of the commitee will go along with me in supporting the arguments of the able and distinguished Senator from Oklahoma in favor of the Long substitute.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The question is on agreeing to the amendment, in the nature of a substitute, offered by the Senator from Louisiana [Mr. LONG] to the amendment of the Senator from Kentucky [Mr. COOPER]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from North Carolina [Mr. JORDAN] are absent on official business.

The Senator from New Mexico [Mr. ANDERSON] is absent on official business attending the launching of the atomic merchant ship *Savannah*.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

On this vote, the Senator from Wyoming [Mr. O'MAHONEY] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Utah would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from New Jersey [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business to attend the launching of the atomic-powered merchant vessel *Savannah*.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Wyoming would vote "yea."

The result was announced—yeas 49, nays 39, as follows:

YEAS—49

Bartlett	Hennings	Moss
Bible	Hill	Murray
Byrd, W. Va.	Humphrey	Muskie
Cannon	Jackson	Neuberger
Carroll	Johnson, Tex.	Pastore
Chavez	Johnston, S.C.	Proxmire
Clark	Kefauver	Randolph
Douglas	Kennedy	Russell
Eastland	Kerr	Smathers
Frear	Long	Sparkman
Fulbright	McCarthy	Symington
Gore	McGee	Talmadge
Green	McNamara	Williams, N.J.
Gruening	Magnuson	Yarborough
Hart	Mansfield	Young, Ohio
Hartke	Monroney	
Hayden	Morse	

NAYS—39

Aiken	Dworshak	Martin
Allott	Engle	Morton
Beall	Ervin	Mundt
Bush	Goldwater	Prouty
Butler	Hickenlooper	Robertson
Byrd, Va.	Holland	Saltonstall
Capehart	Hruska	Scott
Carlson	Javits	Smith
Church	Keating	Stennis
Cooper	Kuchel	Thurmond
Cotton	Langer	Wiley
Curtis	Lausche	Williams, Del.
Dirksen	McClellan	Young, N. Dak.

NOT VOTING—10

Anderson	Case, S. Dak.	O'Mahoney
Bennett	Dodd	Schoeppel
Bridges	Ellender	
Case, N.J.	Jordan	

So Mr. LONG's amendment, for Mr. COOPER's amendment, in the nature of a substitute was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the amendment in the nature of a substitute was agreed to be reconsidered.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Kentucky [Mr. COOPER] for himself and other Senators, as amended by the amendment in the nature of a substitute offered by the Senator from Louisiana [Mr. LONG], is not open to further amendment.

All time on the amendment has expired. The question now is on agreeing to the amendment offered by the Senator from Kentucky for himself and other Senators, as amended.

The amendment, as amended, was agreed to.

Mr. KUCHEL. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in support of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1138

I support the bill (S. 1138) now before the Senate to provide readjustment assistance to veterans who have served on active duty in the Armed Forces since January 31, 1955.

The merit of such a program was proven by the results of the GI bills for veterans of World War II and the Korean conflict.

I have maintained that readjustment assistance be extended to cover post-Korean veterans. As a matter of fact, I introduced bills to this effect in both the 84th Congress and the 85th Congress, and it was my privilege to join as a cosponsor of the bill now before us.

Before discussing this measure, I first wish to pay special tribute to the junior Senator from Texas [Mr. YARBOROUGH], the chief sponsor of S. 1138 and chairman of the Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare, which conducted full and exhaustive hearings on this proposal. The Senator from Texas has, as usual, done a conscientious and competent job for which he deserves to be commended.

Under the terms of this bill, veterans would be eligible for (a) education and vocational training assistance, (b) vocational rehabilitation training for veterans with service-connected disabilities, and (c) loan guarantees for the purchase of homes, farmlands and farm equipment.

I need not spell out in detail to Senators how much the GI bills have meant to the young veterans in preparing them for their life's work.

As is shown in table 7 on page 30 of the excellent committee report, in my own State of Minnesota 143,000 World War II veterans and 50,000 Korean veterans received training of various types under the GI bills. It is estimated that some 83,000 young Minnesotans will have served in the Armed Forces between January 31, 1955, and July 1, 1963, when the present draft law expires. Of these 83,000 young people, an estimated 30,000 of them will take advantage of the training provisions contained in S. 1138, should it become law.

The training which the young men and women who served in World War II and the Korean conflict have received has benefited not only them as individuals, but the society as a whole. The training which these veterans received at our universities and colleges, and in vocational schools and through on-the-farm training has made it possible for them to contribute more to the Commonwealth.

They have made their contributions in the fields of medicine, science, law, engineering, education, business, farming, and as skilled craftsmen sorely needed by our industrial enterprises in this scientific age.

Needless to say many of these veterans would not have had the opportunity to receive the training to develop their talents if it were not for the GI programs. The loss would not only have been their own, but that borne also by society.

In reading the minority views of the three members of the committee who opposed S. 1138, it is interesting to note that no objection is made as to the program itself or as to the benefits which it will bring to the veterans and the country as well. The opponents' argument is that readjustment assistance should not be extended to veterans who served in the Armed Forces during peacetime rather than wartime.

While it is true that since the end of the hostilities in the Korean conflict, American servicemen have not engaged in combat, we are engaged in a very real cold war. No one can say that this cold war could not turn into a very hot shooting war overnight.

It should also be recalled that the Presidential proclamation of December 19, 1950, which proclaimed the existence of a national emergency, has never been withdrawn.

There can be today no sharp delineation between wartime and peacetime service These are very vague terms in an age of swift and deadly weapons of mass destruction which can strike virtually without notice.

Our Armed Forces today are required to be prepared to move into action on a moment's notice should an enemy strike. So I say respectfully to the opponents of this measure that I cannot quite accept their argument that members of the Armed Forces are serving on peacetime duty.

It should also be remembered that the GI bills for World War II and Korean veterans provided assistance whether a veteran was subject to hazardous duty or not. Literally millions of veterans who received GI benefits never left the shores of the United States; yet they were not declared ineligible.

Readjustment assistance to veterans is not on the basis of a reward for time spent in actual combat or being subjected to threat of loss of limb or death itself. Rather the purpose of such legislation is to aid in the readjustment to civilian life of young people who served in the Armed Forces due to the exigencies of the war—be it a cold war or a hot war—young people who would normally not go into military service.

If the Nation requires young people to serve in the Armed Forces under a compulsory draft law, thereby taking them away from their normal civilian pursuits, it is only reasonable to suggest that it assist them to make up for the lost time, so to speak, through constructive training programs.

The opponents argue that this program is too expensive. It is estimated by the Veterans' Administration that it will cost $500 million a year. I do not deny that this is a lot of money; it surely is. But it is literally a drop in the bucket compared to the $40 billion a year we are spending on defense. If we can afford such a vast sum for armaments, I maintain that we can certainly afford $500 million a year on this positive and constructive program to train our young veterans.

I hope the bill will be approved by an overwhelming vote. It is a good bill. It will be money well spent to assist our young people who have been called upon to protect the Nation. It will make these veterans better and more able citizens, and the Nation will receive the benefits of their learning and skills.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. GOLDWATER. Mr. President, who is in charge of the time on the bill?

The PRESIDING OFFICER. The proponents of the bill have 58 minutes remaining; the opponents have 46 minutes remaining.

Mr. JOHNSON of Texas. Mr. President, I have talked to the minority leader. As soon as action on the pending bill is completed, we expect to have the Senate proceed to the consideration of executive business, and then take up the international sugar agreement, and take a yea-and-nay vote on the question of ratification of that agreement. So I should like to have all Senators be informed that that vote will soon be taken.

Mr. KUCHEL. Mr. President, I yield 8 minutes to the able junior Senator from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER. The Senator from Arizona is recognized for 8 minutes.

Mr. GOLDWATER. Mr. President, having served as a member of the Armed Forces during wartime, I am well aware of the problems which confronted many of our citizens, including family dislocation and disruption of business or a professional future.

Many men, close to me, were killed or wounded during war. This close personal experience has prompted me to support measures to assist wartime veterans in reestablishing their civilian lives. None of us questions the need of providing generously for those whose earning capacity and life were disrupted because of their military service. I supported numerous measures to assist disabled veterans, as well as the orphans of the veterans of World War II and Korea in securing educational benefits which they would have enjoyed had their parents lived out their lives as civilians.

I can see no comparison between a program for peacetime service and one for wartime service, which the pending measure would tend to merge into one basic program.

Mr. President, I want it clearly understood at once that I believe that any man who has been injured in the defense of his country, whether in combat service or otherwise, should receive anything that the Nation can give him. But a man who has not been injured particularly a man serving during peacetime certainly is not entitled to receive the same benefits as those received by one who was injured in combat service for his country.

As I have stated in my individual views, I see no reason for expending public funds to provide benefits to one who merely discharged his obligation to his country, without suffering any wartime risks, such as family dislocation,

disruption of a business or a professional future, or death or injury from combat.

Since colonial times, our citizens have accepted the obligation of discharging their military service in the militia or National Guard without expecting pensions or other benefits unless they were subjected to the hazards and risks of wartime service. In these difficult days, in order to assure adequate forces to deter the Communists from a foolhardy aggression, Congress has extended the Selective Service Act so that the Armed Forces may be maintained at a level which will prevent Mr. Khrushchev from assuming that our negotiators at Geneva do not mean what they say. Because it is now clearly evident that Soviet leaders have no intention of abandoning their plans for world domination, military service is an obligation which every young man must expect. Unlike the earlier wartime periods when mobilization was required on short notice, the Selective Service System has now worked out plans and procedures which enable young men to plan both their educational development and their obligation for national service on the basis of a personal time schedule which will cause them the minimum inconvenience. Under such conditions, a program to reinstate the education and vocational training assistance provided wartime veterans for those not subject to the risks and hazards of war is clearly unnecessary and unwarranted.

Mr. President, there is still another consideration. The budget resubmitted by President Eisenhower which embodies his legislative program was a tight budget, and the Congress cannot afford to authorize programs which will entail vast further expenditures not contemplated in his budget without, at the same time, assuming the unpleasant duty of providing the funds to finance these programs.

Since 1954 defense spending has decreased $1.1 billion, while in the same period, nondefense spending has increased by $10.3 billion. Unless we limit the authorization of new programs which impose new obligations on the Treasury which must be met if the Government is to keep faith with its citizens, larger and larger deficits will result. Deficit spending with the resultant monetization of the debt through the banking system has the same inflationary effect as though we authorized the Bureau of Engraving and Printing to print new greenbacks without any substance behind them.

Mr. President, as a veteran, I can wholeheartedly support section 3 of the pending measure, which provides for a permanent extension of vocational rehabilitation training to veterans disabled as a result of national service. This provision was recommended by the President in his budget, and has been perfected by recommendations suggested by the Veterans' Administration. I will always support measures that are just and equitable to assist those who have been injured as a result of service.

Mr. President, again based on my own personal experience as a Reserve officer, I suppported the enactment in the 85th Congress of many recommendations included in the Cordiner report which were conceived so as to induce capable individuals to serve in our Armed Forces as a career. The provision of educational benefits as provided in section 2 of this bill would tend to encourage individuals to leave the service in order to secure the benefits we now contemplate authorizing. The enactment of this proposal would thus undo the work of the last Congress in attempting to improve the morale of the services and to reduce personnel turnover, which is not only costly, but impairs the efficiency and readiness of our forces.

At the present time, it is unconscionable for the Congress to authorize programs not included in the President's legislative program, which will result in additional deficits, which will feed the fires of inflation. If the time ever arrives when we can in good conscience authorize the expenditure of $500 million, the approximate annual cost of the program contemplated in section 2 of this measure, I believe that we should first consider how we can improve the incentives for those who have shown an aptitude for a military career so as to further reduce the costly turnover of personnel. If this could be accomplished, it might ultimately be possible to dispense with compulsory military service which the sponsors of this measure use as the justification for this program.

Mr. President, I must also take exception to section 4 of the pending measure directed toward assisting those who have served since the end of the Korean conflict in the purchase of homes and farms. The average Korean veteran at the time of his discharge is far younger than the veterans returning to civilian life after World War II or Korea. He is also well below the usual home-buying age of the general population. By the time he would normally enter the housing market, programs authorized by the Congress available to all citizens, including the FHA mortgage insurance program, should permit him to purchase a home without the additional assistance provided in this bill.

Mr. President, if we are to keep the faith with those who have made the sacrifice of life and limb on behalf of a future America, we must resist authorizing any new programs which may appear beneficial to some segments of our population, but which would ultimately destroy the economic base upon which the strength of the free world depends.

This bill is not an isolated measure providing for increased authorizations of Federal funds. Nonduplicating bills introduced in this Congress for new programs provide for the expenditure of many billions of dollars not recommended in the President's legislative program. Many of these measures, such as the one before us, would authorize individuals, States, or communities, to make demands upon the Treasury which the Appropriations Committee cannot refuse to meet without destroying the good faith of our Government. The vetoed housing bill, the airport bill, the depressed area legislation and the highway program all permit some evasion of normal appropriation procedures. Last year, the distinguished chairman of the House Committee on Appropriations, the gentleman from Missouri, Mr. CANNON, estimated that the Senate had authorized almost $9 billion of new spending which would not be subject to the complete scrutiny of the Appropriations Committees.

If we continue to enact measures such as S. 1138, our free enterprise economy will be destroyed and the Communists will have won the cold war without having fired a single shot.

This proposed legislation must be considered in terms of the national welfare, and I must oppose the enactment of measures which would undermine our national strength and solvency.

Mr. President, I cannot understand those who constantly berate the President for failing to maintain some degree of stability in our economy talk about future brains, and at the same time hold these young men up to us and say, "Do not neglect them"; for what good will it do the young man we are going to provide with an education if when he graduates from college he finds that the dollar is worth one dime, or nothing at all?

Mr. President, I oppose the bill not only on economic reasons, but I see no reason to put the dollar mark on patriotism. I will not be among those who entertain the idea we have to do that.

Mr. President, there is no demand for this legislation among the veterans groups. There has been no demand on the part of the American Legion for it. I have no official information that the Veterans of Foreign Wars are supporting it on a national basis. I have not been swamped with demands on the part of veterans that the bill be enacted into law.

I agree with what the Senator from Kentucky said earlier, that the enactment of the bill will seriously jeopardize the present legitimate veterans benefits now on the program.

Let us not allow our country to fall into such a weak state that we have to say to the young men, "Go ahead and perform your duties to your country. We are going to pay you for it, and we are begging you to take what we offer." I remember the time in this country when it was a source of pride to belong to the Armed Forces. Young men could not wait to join them. I think we have reached a low point when we have to pay our young men for exercising their responsibilities of patriotism.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the able senior Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, I supported the Cooper amendment because I think it was a sound approach. I think in the Long amendment we have taken a step which will cost us budgetary money which it was unnecessary to spend. Nevertheless, I shall support the bill. I shall support the bill because I feel when we have taken 2 years out of a young man's or a young woman's life we have deprived them of the kind of opportunity for higher education which we are

obliged to fill in for them, if they deserve it. We all know that only a minority percentage will have the necessary educational qualifications to avail themselves of the opportunities afforded by the established institutions of the country.

I have the greatest respect for those who feel there is no price tag on patriotism. I point out I do not think that statement is particularly applicable to this situation, because we pay our soldiers, sailors, and Marines a salary; we give them other perquisites. This proposal represents just one added element of the response of our country to their needs—very much in the same category as the other provisions which we make for them. I think the national interest is served by having such of these young men who have the capabilities for doing so, attain a higher education and vocational training.

All of these things are on balance, Mr. President. It is my deep opinion that, on balance, this is the wisest kind of provision to make for veterans. Many other provisions would be far less wise and far less constructive. This will contribute the most to their own strength to take care of themselves and the most to their capability for making a maximum effort in terms of the national interest.

For those reasons, I shall support the bill.

Mr. KUCHEL. Mr. President, I yield 3 minutes to the able senior Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 3 minutes.

Mr. COOPER. Mr. President, I have discussed S. 1138 and its provisions several times today, so I shall not detain the Senate long.

In the time during which I have served in the Senate, I believe I have voted for every bill which has been called a veterans' bill. I am proud that I am a veteran, as are all of those who have served in the Armed Forces. My natural sympathies and my heart go out to those who have served our country in time of war, or serve today. Nevertheless, I think there is a principle involved in the bill before us which we will have to face for many years. Because in my judgment we can except an extension of the draft year after year, and year after year, until the awful confrontation of our country with Russia is finally ended. Today there seems to be no assurance of any solution.

If there is inequity in the draft law, which leads the Congress of the United States to believe we ought to give a special inducement to those who serve their country, such as S. 1138 proposes, then I say we ought to review our draft law and we ought to have universal military training in this country. If an inequitable draft law demands special payments for those who serve our country, let us see to it that the inequitable situation is cured and that all of our young men participate in the service and defense of our country.

I had hoped that some reasonable program could be devised to give recognition to those who serve in peacetime as distinct from those who have served in wartime, because the claims of both must be considered. I hope it will be possible, either in the House, or in the conference, or at some future date, to devise a program which will be better than the one which we have adopted today.

I hate very much to vote against any bill which accords recognition and benefit to those who serve in the armed services, but I cannot help believing this bill adopts a principle which is not best either for our country or for veterans. So I am constrained to vote against it. I hope that the Congress will yet pass a fairer, more equitable bill for our country and for post-Korean veterans.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. KUCHEL. Mr. President, first I will yield 4 minutes to the able senior Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 4 minutes.

Mr. LAUSCHE. Mr. President, I will vote against the bill for several reasons.

First, by its provisions the bill declares unequals to be equals.

Second, the bill implies that the youth of our country are unwilling to serve the Nation, except upon the basis of being viewed as mercenaries.

Third, the bill constitutes an inducement to the youth to withdraw from the armed services because of benefits which will be given to them when they leave the service. The inducement is specifically contrary to the principles which were enunciated in the bills recently passed, giving added compensation to those in the military service of our country for the purpose of persuading them to stay in the service.

With reference to my first ground for opposing the bill—which, as I said, is that the bill constitutes a declaration that unequals are equals—no one can convince me that from the standpoint of gratitude on the part of the people of my country the man who serves in peace is entitled to the same consideration as the man who serves on the battlefield in the face of fire and iron. I predict that even before I leave the Senate there will come before it the request of the wartime veteran, saying, "You are treating me unjustly. I stood in the face of fire. I have seen my friends and colleagues die on the battlefields. I have stood in the atmosphere of fear. Yet you say to me that I am not to be given any greater consideration than the man who serves in the time of peace."

The bill is false in the expression of what I call the facts. Truth will not be suppressed. Truth will not be crushed. Truth will stand silently by, but the time will come when it will arise and demand recognition and atonement.

Second, we say that the youth of our country will not serve unless we compensate them in a measure far beyond what has ever been done in the history of our country. I served in World War I. I considered it to be an honor and a duty. There are no happier moments in my life—including the recollections of my service as a judge, as a mayor, and as a governor—than the recollections of the days I served in the military.

Third, the bill constitutes an inducement for the men to get out of the Army. I think it does.

Finally, we face the question, where are we heading? What is our direction? Do we have to ingratiate ourselves with every economic group and social group in the country in order to gain reelection? Or, do we owe it to our Nation to follow that course which will insure its security?

My belief is that we are misjudging the temper of the soldiers. My belief is that if we were able to test them individually they would tell us, "Preserve the country first. Then think of us secondly."

But, to the contrary—and this is perhaps true of myself, for I do it frequently—we want to follow a course which is going to bring us votes. I do not contemplate following that course.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. KUCHEL. Mr. President, I yield 4 minutes to the able senior Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I rise to support the position taken by the distinguished Senator from Kentucky [Mr. COOPER] and will vote against the bill for that reason. I look upon this as a discriminatory piece of legislation, which is unwarranted at this time. I agree with those who hold that military duty, at this time in our history, is not only a duty, but a privilege for the young men and women of this country. I think there devolves upon this country no duty whatever to hold out rewards of the nature offered in this bill, to those who are called upon, and should be called upon, to do their duty in the service of their country in this great national emergency in which we live, and probably will continue to live for a long time.

If we are to spend the amount of money involved in the bill, $3,700 million, in the period from 1960 to 1973, in the interest of education, there are many better ways to spend it for the benefit of the United States in this critical period than as a reward for those who have been called upon to do their plain duty as young men and women for the potential defense of their country.

I understand that the figure of $3,700 million represents an average of about $300 million a year. The figure rises to more than $500 million in about 4 or 5 years. This amounts to a bonus for the individual, estimated at about $5,900 each, for a period of 3 years.

As has been said before, it is significant that the American Legion, which is very mindful of the interest of veterans, takes no position; and by its silence I believe it opposes the proposed legislation.

I feel that while our soldiers are performing a duty in going into the armed services, they are well paid while they are in the service. The military service they render during the 3 years in the service is in itself an education.

As the distinguished Senator from Ohio [Mr. LAUSCHE] said a little while ago, they get something from that experience which will remain with them

for the rest of their lives, and be of benefit to them. So I do not think we should take the position that the country owes any great debt to these young men. On the contrary, we should rather look upon military service as an advantage, an opportunity, a privilege, as well as a duty to be performed.

I speak as a veteran of World War I, and the father of five sons who have been veterans of World War II or peacetime veterans. I have one son in the service now, in camp, as a part of his military training. So I am not speaking in a vacuum.

I hope the bill will be defeated, and that the point of view represented by the able Senator from Kentucky [Mr. COOPER] and the Senator from Arizona [Mr. GOLDWATER] will be sustained by the Senate.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the able senior Senator from Arkansas.

Mr. MCCLELLAN. Mr. President, I am reluctant to vote against this or any other bill which carries with it any suggestion of benefits to veterans. To do so, may well be poor politics, and that is a risk I have to take. But there are other considerations that must be taken into account.

I am aware that from time to time we have increased the remuneration of those who serve in the Military Establishment, and we have offered inducements by way of increased benefits and increased salaries to those who are inducted into our military by the selective service procedure.

There is obligation on the part of this Government to deal fairly, honestly, and properly with those who serve in a military capacity. I have always tried to be generous, particularly with those who serve in time of war. I expect to continue to do so. But we have a measure before us today which I think puts the cart before the horse. If we are to spend some $300 million to $500 million a year additional in recognition of service to this country in a military capacity, we ought to begin by giving a pension of some amount, at least, to World War I veterans who are today disabled, not from military service but from old age and other normal afflictions and who find it impossible or difficult to hold a job and to earn a livelihood. Most of them are now past 60 years of age. In keeping with the traditional policy of our country we should now start by giving a pension to World War I veterans, who have now reached that period in life where their earning power is no longer sufficient to sustain them, and who are in need.

I therefore associate myself substantially with the remarks of the distinguished senior Senator from Ohio [Mr. LAUSCHE].

I know that there are those who scoff at the idea that a balanced budget has any vital meaning to the welfare of this country. There are those who think we can continue deficit spending indefinitely. But anyone who gets the idea that there is no danger in a $13 billion deficit annually in this country, in my judgment, will not vote in the interest of the veterans or in the interests of the veterans' children, or the veterans' grandchildren by so voting to continue pyramiding the national debt. It will collapse on us some day, and when it does the temporary benefits we may give, beyond our immediate capacity to carry on and maintain a balanced budget and a stable fiscal status in this Government, will disappear. When we do such a thing, we do it at the expense not merely of the veterans whom we are trying to provide for and take care of in this bill, but we do it at the expense and to the detriment and final injury of all of our people.

I believe that consideration should be given by this Congress—and certainly no later than in the next session—to the justifiable claim of the World War I veterans for a pension particularly for those who are in need and who are unable to work and earn a living. I think we should make a start toward taking care of them. If and when we shall do that and bring the expenditures of the Government within its revenues, I shall be ready to consider providing additional educational benefits or increase in salaries for those who serve the country in time of peace. But until we take care of those who have served it in time of war, and take care of them properly, I am not willing to put this country further in debt to the longrun injury of all our people by passing a measure of this kind.

Mr. KUCHEL. Mr. President, no other Senator desires to speak in opposition to the pending bill. The minority leader is prepared to yield back the remainder of the time on his side, if the remainder of the time may be yielded back on the other side.

Mr. JOHNSON of Texas. Mr. President, does my colleague from Texas desire to consume some further time?

Mr. YARBOROUGH. Mr. President, I desire to yield back all the remaining time on the bill except for about 5 minutes.

Mr. JOHNSON of Texas. I have received some requests for time, but the Senators involved are not in the Chamber.

Mr. YARBOROUGH. Then I will postpone yielding back the time.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the junior Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. President, I support the pending bill as amended.

In doing so, I am mindful of the many arguments which have been made against it. I know that it is not a part of the President's legislative program, nor does it fit into his budgetary scheme of things. I am aware of the costs involved in the making the benefits provided by this bill available to our peacetime veterans.

But even more, Mr. President, I am acutely aware of what continued neglect of education can mean to this Nation's chances for survival in this increasingly troubled world.

Further, to those who argue that this program should not be enacted because we do not owe the benefits provided in the bill to our peacetime veterans because they have not served the Nation in time of war, I would say that they are, nevertheless, responsible for our national security. And conceding that military service is an obligation which should be born willingly conceding that we do not owe these benefits to the veterans concerned, I would say that we, nevertheless, owe enactment of this measure to ourselves as a Nation.

In light of international developments since the close of World War II, I shudder to think of the position our country would be in today had not the Congress enacted the World War II and Korean GI bills. I think even the strongest opponents of the pending measure concede the worth and the value of these programs to the benefit of the Nation.

I believed at one time, Mr. President, after we became aware of the achievements of the Soviet Union in the field of education, that this Congress would surely begin seriously to consider the challenge such progress posed. But time and again I have seen us fail to take advantage of opportunities to help ourselves. We have approached the problem in a piecemeal, halfhearted manner when we should have and could have seen our duties clearly and discharged them by bold action.

This measure is not all that might be desired. It is not a complete answer. Much else must be done. But enactment of this bill would extend a program the success of which no responsible person has challenged. Failure to pass this bill would mean abandonment of a program which we need. Our effort in the field of education and training of our citizens is inadequate, but if we fail to approve this proposal we will have once again failed to see the light which should by this time be opening the eyes of all but the totally blind. I shall vote for S. 1138.

Mr. President, the house of representatives of the State of Arkansas has memorialized the Congress to extend GI education benefits to post-Korean veterans. I ask unanimous consent that the resolution of the house of representatives of the State of Arkansas on this matter be printed in the RECORD following my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE RESOLUTION 14

Whereas millions of veterans of World War II and of the Korean conflict have been educated under the provisions of the veterans' education program established by the Federal Government; and

Whereas many veterans were able to obtain further education through the benefits of the veterans' education program which would not otherwise have been possible; and

Whereas the education of millions of veterans has contributed to an increase in the educational level of this country and has

produced a major national asset which has contributed much to the economy of this country; and

Whereas reliable statistics have proved that increased income to veterans arising out of their higher education level will more than reimburse the National Treasury of the entire cost of the GI training program by 1970; and

Whereas the President of the United States, by Executive order on January 31, 1955, stopped the educational benefits for persons serving in the Armed Forces of the United States after February 1, 1955; and

Whereas it is believed that as long as the draft is continued that all persons serving in the Armed Forces should be extended the educational opportunities enjoyed by veterans serving prior to February 1, 1955; and

Whereas it has been demonstrated that the investment in the education of such veterans will be more than repaid to the Public Treasury through increased taxes resulting from higher incomes of such veterans: Now, therefore, be it

Resolved by the house of representatives of the 62d General Assembly of the State of Arkansas, That the house of representatives of the Arkansas General Assembly do hereby memorialize the Congress of the United States to extend GI educational benefits to all veterans who entered, or who enter, military service from and after February 1, 1955, and that such educational benefits be extended so long as the provisions of the draft law exist; and be it further

Resolved, That upon adoption of this resolution that a copy thereof be mailed, by the chief clerk of the house of representatives, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each Member of the Congress from the State of Arkansas.

Mr. YARBOROUGH. Does any other Senator desire time in support of the bill? If not, Mr. President, I yield back the remainder of my time with the exception of 2 minutes.

Mr. President, I desire on behalf of myself and the 25 cosponsors of the bill to thank the majority leader and the leadership for the able assistance they gave us on this bill and the expeditious manner in which it was brought to the floor after the policy committee had approved it. I desire to express the appreciation of those who cosponsored the bill and the policy committee for the consideration they gave it, and for the prompt manner in which they approved what I think is a most worthwhile measure, and for the very strong support this bill received in the Democratic Policy Committee and from the leadership.

I also desire to express appreciation for the very able arguments in support of this bill made by a number of the Senators on the floor, and for the very, very able leadership by the distinguished senior Senator from Oklahoma [Mr. KERR] in his closing 6-minute statement, in which he covered 30 minutes' or an hour's ground.

There were some very fine arguments, Mr. President, made during the noon hour, when very few were here.

I would be remiss if I did not mention the distinguished junior Senator from Oregon [Mr. NEUBERGER], who made one of the most able arguments on this bill on either side.

All the arguments made in opposition to the bill can be answered specifically and economically with figures and charts taken from the Bureau of the Census, the American Legion Weekly, and from many other sources, but in the interest of time, and since many Senators have indicated a desire to vote, I shall not go into these figures and charts.

This is not a giveaway bill. This is an investment in the future of America. It will pay rising dividends to the Government because of increasing the capacity of our people, and because of the increased gross national product which will result from the greater skill many of them will possess.

The amount which we will spend is about one one-hundred-forty-fifth part of the $40 billion defense bill and the $3,500 million foreign aid bill, a total of $43,500 million. This is 145 times greater than the $300 million this bill will cost. This is an extension of the national defense.

Mr. President, I yield back all the remainder of my time.

The PRESIDING OFFICER. All time has expired. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], and the Senator from North Carolina [Mr. JORDAN] are absent on official business.

The Senator from New Mexico [Mr. ANDERSON] is absent on official business attending the launching of the atomic merchant ship *Savannah.*

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

On this vote, the Senator from Wyoming [Mr. O'MAHONEY] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Utah would vote "nay."

I further announce that if present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], and the Senator from North Carolina [Mr. JORDAN] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from New Jersey [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business to attend the launching of the atomic powered merchant vessel *Savannah.*

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Wyoming would vote "yea."

On this vote, the Senator from New Jersey [Mr. CASE] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas, 57, nays 31, as follows:

YEAS—57

Aiken	Humphrey	Moss
Bartlett	Jackson	Mundt
Bible	Javits	Murray
Byrd, W. Va.	Johnson, Tex.	Muskie
Cannon	Johnston, S.C.	Neuberger
Carroll	Keating	Pastore
Clark	Kefauver	Proxmire
Douglas	Kennedy	Randolph
Eastland	Kerr	Russell
Frear	Kuchel	Smathers
Fulbright	Langer	Smith
Gore	Long	Sparkman
Green	McCarthy	Symington
Gruening	McGee	Talmadge
Hart	McNamara	Wiley
Hartke	Magnuson	Williams, N.J.
Hayden	Mansfield	Yarborough
Hennings	Monroney	Young, N. Dak.
Hill	Morse	Young, Ohio

NAYS—31

Allott	Curtis	Martin
Beall	Dirksen	Morton
Bridges	Dworshak	Prouty
Bush	Engle	Robertson
Butler	Ervin	Saltonstall
Byrd, Va.	Goldwater	Scott
Capehart	Hickenlooper	Stennis
Carlson	Holland	Thurmond
Church	Hruska	Williams, Del.
Cooper	Lausche	
Cotton	McClellan	

NOT VOTING—10

Anderson	Chavez	O'Mahoney
Bennett	Dodd	Schoeppel
Case, N.J.	Ellender	
Case, S. Dak.	Jordan	

So the bill (S. 1138) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. YARBOROUGH. Mr. President, there has been some misinformation—I am certain it was not intentional on the part of any Senator—with reference to the position of the veterans' organizations concerning the bill. I think every organization endorsed the bill as it came from the committee except the American Legion, which took no stand on it.

I talked by telephone with Mr. Hull, of the national office of the American Legion. He stated that the executive committee had taken no stand on the bill and that they were not authorized to do so.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated July 20, 1959, from Omar B. Ketchum, director of the Veterans of Foreign Wars of the United States, to the Senator from Alabama [Mr. HILL], chairman of the Committee on Labor and Public Welfare, endorsing the bill, and stating that in its original form the Veterans of Foreign Wars opposed the bill because they thought there should be a differential between benefits for wartime veterans as opposed to veterans with peacetime service. They call attention to the fact that one of the conditions for entitlement to training under this program is at least 6 months of active military service, and that training under the several reserve programs, including the 6 months' active duty period, will not count as eligibility time under the bill.

In addition, the Veterans of Foreign Wars stated in the letter that they were opposed to the loan provisions.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
NATIONAL LEGISLATIVE SERVICE.
Washington, D.C., July 20, 1959.

Senator LISTER HILL,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR HILL: This is to officially advise you of the position of the Veterans of Foreign Wars with respect to S. 1138, the so-called peacetime veterans GI bill, which has been favorably reported by the Senate Committee on Labor and Public Welfare and is now before the Senate for consideration and debate.

The Veterans of Foreign Wars has two resolutions adopted at our 59th National Convention held in New York City, August 17–22, 1958, which are embodied in this bill, which are as follows:

(1) "A provision to make vocational rehabilitation a permanent program provided that a 30 percent degree of disability shall be a minimum requirement in peacetime cases." (Resolution 5c.)

(2) "A provision to extend education and training benefits to veterans who first entered service after January 31, 1955, and prior to termination of the present program of involuntary military service." (Resolution 5e.)

You will note our resolutions do not spell out the terms and conditions of a peacetime education and training or vocational rehabilitation programs. We have, however, insisted that there must be a differential between benefits for wartime veterans as opposed to veterans with peacetime service. S. 1138 makes one of the conditions for entitlement to training under this program at least 6 months of active military service. In addition, we understand that training under the several Reserve programs, including the 6 month active duty periods, will not count as eligibility time under this bill. In the section of the bill pertaining to vocational rehabilitation, it provides that for any veteran with less than 30 percent disability there must be found a "pronounced handicap" for a veteran to be entitled to training under this section of the bill.

These are distinctions between peacetime and wartime service and in view of the fact that we have no specific recommendations, the Veterans of Foreign Wars is not opposed to S. 1138 and believe this bill will carry out our National mandates with respect to this legislation.

There have been some who have recommended that instead of a training and education allowance being paid directly to the veteran, as is provided in this bill, that a substitute provision is more preferable whereby a veteran could obtain an equal allowance in the form of a repayable loan. In other words, the program would be the same except that instead of a grant to a veteran he would be provided a repayable loan. One serious question in a repayable loan program is the possibility the Congress would be urged in a few years hence to adopt a "forgiveness act." We suspect that any program of this nature will eventually find many veterans in circumstances to which Congress will make exceptions to the repayment of the loans and in the end will enact general legislation forgiving all those who have failed or are unable to pay the loan. For this reason alone it would seem more feasible and equitable for both the veteran and the Government to approve a grant program. The VFW, therefore, favors a grant program in lieu of a loan program.

Respectfully yours,

OMAR B. KETCHUM,
Director.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated July 21, 1959, from AMVETS to me, signed by John R. Holden, the national legislative director. The letter states that the bill is sound. They are opposed to the loan provision, but unequivocally endorse the bill as it was reported by the committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMVETS NATIONAL HEADQUARTERS,
Washington, D.C. July 21, 1959.

Hon. RALPH W. YARBOROUGH,
U.S. Senator,
Senate Office Building, Washington, D.C.

DEAR SENATOR YARBOROUGH: We of AMVETS wholeheartedly endorse the provisions of S. 1138, a bill to provide readjustment assistance of veterans who served in the Armed Forces between January 31, 1955, and July 1, 1963. Our sincere thanks and appreciation are extended to you for having conducted the thorough and impartial hearings on this subject in your capacity as Chairman of the Veterans' Affairs Subcommittee of the Labor and Public Welfare Committee.

The bill, as reported, is sound legislation. If enacted into law, it will to some extent discharge the Nation's obligation to the present-day servicemen. Even more important, however, it will benefit the Nation as a whole by providing a better educated citizenry. It will provide more revenue for the Federal Government in greater income tax returns from the recipients of education.

It has been reported that amendments substituting educational loans for the educational grants proposed in S. 1138 will be offered. We respectfully urge that you oppose such amendments. Such amendments would nullify the readjustment aspect of this legislation. Instead of readjusting a former serviceman to civil life, an education loan would create an added burden making readjustment even more difficult. It is our considered view that few of the eligible veterans would avail themselves of this legislation because of a reluctance to assume this tremendous financial burden. Your active opposition to such crippling amendments will be appreciated.

Sincerely yours,

JOHN R. HOLDEN,
National Legislative Director.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a telegram I have received from Peter J. Hopkins, national commander of the Catholic War Veterans, urging support of S. 1138 without the loan provision.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *July 18, 1959.*

Hon. RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.:

Earnestly urge endorsement S. 1138 as reported without loan amendment provision.

PETER J. HOPKINS,
National Commander,
Catholic War Veterans.

THE STEEL STRIKE

Mr. JAVITS. Mr. President, over the weekend a number of us suggested that there ought to be factfinding with respect to the steel strike; that the public is really the judge as between the two contending parties and ought to be given the opportunity to crystallize its point of view and bring its weight to bear on one side or the other. At least one objective thinker, Walter Lippmann, agrees with us.

Mr. President, I ask unanimous consent that Mr. Lippmann's column, entitled "Factfinding and Steel," published in the New York Herald Tribune of today, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACTFINDING AND STEEL

(By Walter Lippmann)

Among the many big questions posed by the steel strike, perhaps the most important is what should be the role of the Federal Government. For there is much confusion about this. The strike is taking place just as Congress is working on a law for the regulation of labor unions, a law which calls for comprehensive and far-reaching Federal intervention in the internal affairs of the unions. Yet on the steel strike there are many, including now the President himself, who want no Federal intervention and wish to see the issue settled by the test of economic power.

The President's views on intervention in the steel controversy have crystallized only recently. A month ago, at his press conference of June 17, he was asked this question by Mr. Raymond P. Brandt, of the St. Louis Post-Dispatch: "Both the steel management and the steel unions are using self-serving statistics which are in great conflict. Is there any way that Government can bring out some impartial figures on profits and wages and productivity so that people can understand the issues and make their own decision?"

The President answered Mr. Brandt, saying: "Well, I think you have asked about the most intelligent question on that particular question, particular matter; and I haven't thought about it in this particular way. I don't know whether this would be helpful or not, but I'll take your suggestion and have it studied."

Last week, at his press conference on July 15, the President had had the matter studied. He had learned that "as far as a factfinding board is concerned, I believe that all the facts are pretty well known. * * * In all our reports, in the labor statistics and the commerce and other figures that are published, some quarterly, some monthly, they are all there."

Whoever did the studying of the question for the President did not understand the question, or he did not want the President to understand it. For while it may well be true that the facts are all there in some of the many reports that are published, how is the public to know, how is Congress to know, how are newspaper editors to know which of the facts are important and relevant? The task of finding the facts that matter and of judging how they matter is a semijudicial function. It cannot be done without a specialized inquiry by trained minds.

If there is no impartial tribunal to find the facts, then there can be no such thing as an enlightened public opinion. And if there is no enlightened opinion that can be

brought to bear upon it, a strike of this magnitude must become a test of power in a whirl of propaganda and of prejudice.

When the President rejected the idea of a factfinding which he had thought rather well of a month before, he affirmed a new doctrine: "I believe that we have got thoroughly to test out and use the method of free bargaining." Where great and vital interests are involved how much free bargaining do we really believe in?

In the steel controversy today, the companies happen to have the stronger bargaining position, their customers have large stockpiles, public opinion is stoutly opposed to another round of wage and price increases. The union appears to be far from solid within itself.

But this favorable balance to the companies will not always be the case, and I wonder whether it is wise and prudent for them to set it up as a principle that in these great controversies involving the national interest the issue shall be decided by a contest of power?

I do not believe it is true, as has been said recently, that this is "one of the ways in which freedom functions." If freedom is to function it must insist that the struggle of powerful interests be regulated by rational and just procedure. Freedom does not mean that the powerful interests shall fight it out as best they can.

We live in a time when the vital industries and services of the Nation are in the hands of giant companies and giant unions. We cannot entrust the interests of the Nation to a combination of the companies and the unions, which is what we have had for some years until recently in the steel industry. Nor can we entrust the interests of the Nation to a power struggle between the unions and the companies, however much this struggle be prettified by calling it free bargaining.

In these great conflicts the national interest must be represented and asserted by the Federal Government. The place to begin this is by a clarification of the contending claims. This alone may be enough to provide the basis of an opinion on which the Government can exert its influence, and to which the public can rally.

Mr. WILEY. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. WILEY. Is there not a third party also—the public?

Mr. JAVITS. Exactly; and that is the jury we want in this situation. I think it is urgently needed.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Pernie B. Middleton, to be postmaster at Verda, Ky., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Brig. Gen. Clyde H. Mitchell, and sundry other officers, for appointment in the Air Force Reserve.

INTERNATIONAL SUGAR AGREEMENT OF 1958

The Senate, as in Committee of the Whole, proceeded to consider the agreement, Executive D (86th Cong., 1st sess.), dated at London, December 1, 1958, which was read the second time, as follows:

INTERNATIONAL SUGAR AGREEMENT OF 1958

The Governments party to this Agreement have agreed as follows:

CHAPTER I—GENERAL OBJECTIVES

Article 1

The objectives of this Agreement are to assure supplies of sugar to importing countries and markets for sugar to exporting countries at equitable and stable prices and, by these and other means, to facilitate steady increases in the consumption of sugar and corresponding increases in the supply of sugar, to contribute to the improvement of the living conditions of consumers throughout the world and to assist in the maintenance of the purchasing power in world markets of producing countries or areas and especially of those whose economies are largely dependent upon the production or export of sugar by providing adequate returns to producers and making it possible to maintain fair standards of labour conditions and wages; and, in general, to further international co-operation in connexion with world sugar problems.

CHAPTER II—DEFINITIONS

Article 2

For the purposes of this Agreement

(1) "Ton" means a metric ton of 1,000 kilogrammes.

(2) "Quota year" means calendar year, that is, the period from 1 January to 31 December, both inclusive.

(3) "Sugar" means sugar in any of its recognized commercial forms derived from sugar cane or sugar beet, including edible and fancy molasses, syrups and any other form of liquid sugar used for human consumption, except final molasses and low-grade types of non-centrifugal sugar produced by primitive methods. Sugar destined for uses other than human consumption as food is excluded, to the extent and under such conditions as the Council may determine.

Amounts of sugar specified in this Agreement are in terms of raw value, net weight, excluding the container. Except as provided in Article 16, the raw value of any amount of sugar means its equivalent in terms of raw sugar testing 96 sugar degrees by the polariscope.

(4) "Net imports" means total imports of sugar after deducting total exports of sugar.

(5) "Net exports" means total exports of sugar (excluding sugar supplied as ships' stores for ships victualling at domestic ports) after deducting total imports of sugar.

(6) "Free market" means the total of net imports of the world market except those excluded under any provisions of this Agreement.

(7) "Importing country" means one of the countries listed in Article 33.

(8) "Exporting country" means one of the countries listed in Article 34.

(9) "Basic export tonnages" means the quantities of sugar specified in Article 14(1).

(10) "Initial export quota" means the quantity of sugar allotted for any quota year under Article 18 to each country listed in Article 14(1).

(11) "Export quota in effect" means the initial export quota as modified by such adjustments as may be made from time to time.

(12) "Stock of sugar," for the purposes of Article 13, means either:

(i) all sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries and warehouses or in the course of internal transportation for destinations within the country, which is solely for distribution for internal consumption and on which such excise or other consumption duties as exist in the country concerned have been paid; or

(ii) all sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries and warehouses or in the course of internal transportation for destinations within the country which is solely for distribution for internal consumption:

according to the notification made to the Council by each Participating Government under Article 13.

(13) "Price" and "prevailing price" have the meanings specified in Article 20.

(14) "The Council" means the International Sugar Council established under Article 27.

(15) "The Executive Committee" means the Committee established under Article 37.

(16) "Special Vote" has the meaning specified in paragraph (2) of Article 36.

CHAPTER III—GENERAL UNDERTAKINGS BY PARTICIPATING GOVERNMENTS

1. Subsidies

Article 3

(1) The Participating Governments recognize that subsidies on sugar may so operate as to impair the maintenance of equitable and stable prices in the free market and so endanger the proper functioning of this Agreement.

(2) If any Participating Government grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of sugar from, or to reduce imports of sugar into its territory, it shall, during each quota year, notify the Council in writing of the extent and nature of the subsidisation, of the estimated effect of the subsidisation on the quantity exported from or imported into its territory and of the circumstances making the subsidisation necessary. The notification referred to in this paragraph shall be given at the request of the Council, which request shall be made at least once each quota year in such form and at such time as may be provided in the rules of procedure of the Council.

(3) In any case in which a Participating Government considers that serious prejudice to its interests under this Agreement is caused or threatened by such subsidisation, the Participating Government granting the subsidy shall, upon request discuss with the other Participating Government or Governments concerned, or with the Council, the

possibility of limiting the subsidisation. In any case in which the matter is brought before the Council, the Council may examine the case with the Governments concerned and make such recommendations as it deems appropriate.

2. Programmes of Economic Adjustment

Article 4

Each Participating Government agrees to adopt such measures as it believes will be adequate to fulfill its obligations under this Agreement with a view to the achievement of the general objectives set forth in Article 1 and as will ensure as much progress as practicable within the duration of this Agreement towards the solution of the commodity problem involved.

3. Promotion of Increased Consumption of Sugar

Article 5

With the object of making sugar more freely available to consumers, each Participating Government agrees to take such action as it deems appropriate to reduce disproportionate burdens on sugar, including those resulting from—

(i) private and public controls, including monopoly;

(ii) fiscal and tax policies.

4. Maintenance and fair labour standards

Article 6

The Participating Governments declare that, in order to avoid the depression of living standards and the introduction of unfair competitive conditions in world trade, they will seek the maintenance of fair labour standards in the sugar industry.

CHAPTER IV—SPECIAL OBLIGATIONS OF THE PARTICIPATING GOVERNMENTS OF COUNTRIES WHICH IMPORT SUGAR

Article 7

(1). (i) To prevent non-participating countries from gaining advantage at the expense of participating countries, the Government of each participating country agrees that it will not permit the import for any purpose from non-participating countries as a group during any quota year of a total quantity of sugar larger than was imported from those countries as a group during any one of the three calendar years 1951, 1952, 1953; provided that the said total quantity shall not include imports purchased by a participating country from non-participating countries during any period when by virtue of paragraph (3) of Article 21, quotas and limitations on exports are inoperative, and provided further that the Government of the participating country has notified the Council in advance that such purchases may be made.

(ii) The years referred to in sub-paragraph (i) of this paragraph may be varied by a determination of the Council on the application of any Participating Government which considers that there are special reasons for such variation.

(2). (i) If any Participating Government considers that the obligation it has assumed under paragraph (1) of this Article is operating in such a way that its country's re-export trade in refined sugar or trade in sugar-containing products is suffering damage therefrom, or is in imminent danger of being damaged, it may request the Council to take action to safeguard the trade in question, and the Council shall forthwith consider any such request and shall take such action, which may include the modification of the aforesaid obligation, as it deems necessary for that purpose. If the Council fails to deal with a request made to it under this sub-paragraph within 15 days of its receipt the Government making the request shall be deemed to have been released from its obligation under paragraph (1) of this Article to the extent necessary to safeguard the said trade.

(ii) If in a particular transaction in the usual course of trade the delay resulting from the procedure provided for in sub-paragraph (i) of this paragraph might result in damage to a country's re-export trade in refined sugar or trade in sugar-containing products, the Government concerned shall be released from the obligation in paragraph (1) of this Article in respect of that particular transaction.

(3). (i) If any Participating Government considers that it cannot carry out the obligations in paragraph (1) of this Article, it agrees to furnish the Council with all relevant facts and to inform the Council of the measures which it would propose to take in that quota year and the Council shall, within fifteen days, take a decision as to whether or not the obligation laid down in paragraph (1) of this Article should be modified for that quota year in respect of such Government. However, if the Council is unable to reach a decision, the Government concerned shall be released from its obligations under paragraph (1) of this Article to such extent as may be necessary to permit it to carry out in that quota year the measures it has proposed to the Council.

(ii) If the Government of any participating exporting country considers that the interests of its country are being damaged by the operation of paragraph (1) of this Article, it may furnish the Council with all relevant facts and inform the Council of the measures which it would wish to have taken by the Government of the other participating country concerned, and the Council may, in agreement with the latter Government, modify the obligation laid down in paragraph (1).

(4) The Government of each participating country which imports sugar agrees that as soon as practicable after its ratification of, acceptance of, or accession to this Agreement, it will notify the Council of the maximum quantities which could be imported from non-participating countries under paragraph (1) of this Article.

(5) In order to enable the Council to make the redistributions provided for in Article 19(1)(ii), the Government of each participating country which imports sugar agrees to notify the Council, within a period fixed by the Council which shall not exceed eight months from the beginning of the quota year, of the quantity of sugar which it expects will be imported from non-participating countries in that quota year; provided that the Council may vary the aforesaid period in the case of any such country.

(6) The Government of each participating importing country agrees that in any quota year the total exports, if any, of sugar from its country, excluding sugar supplied as ships' stores for ships victualling at domestic ports, shall not exceed the total imports of sugar into that country in that quota year.

CHAPTER V—SPECIAL OBLIGATIONS OF GOVERNMENTS OF PARTICIPATING EXPORTING COUNTRIES

Article 8

(1) The Government of each participating exporting country agrees that exports from its country to the free market will be so regulated that net exports to that market will not exceed the quantities which such country may export each quota year in accordance with the export quotas established for it under the provisions of this Agreement. Subject to such tolerances as the Council may prescribe, any amount by which total net exports of an exporting country in any quota year exceeds its export quota in effect at the end of that year shall be charged to the export quota in effect of that country for the next following quota year.

(2) The Council, may, if it deems necessary because of exceptional circumstances, limit the proportion of their quotas which participating exporting countries having basic tonnages in excess of 75,000 tons may export during any part of a quota year, provided that no such limitations shall prevent the participating exporting countries from exporting, during the first eight months of any quota year, 80 percent, of their initial export quotas and provided further that the Council may at any time modify or remove any such limitation which it may have imposed.

Article 9

The Government of each participating exporting country agrees that it will take all practicable action to ensure that the demands of participating countries which import sugar are met at all times. To this end, if the Council should determine that the state of demand is such that, notwithstanding the provisions of this Agreement, participating countries which import sugar are threatened with difficulties in meeting their requirements, it shall recommend to participating exporting countries measures designed to give effective priority to those requirements. The Government of each participating exporting country agrees that, on equal terms of sale, priority in the supply of available sugar, in accordance with the recommendations of the Council, will be given to participating countries which import sugar.

Article 10

The Government of each participating exporting country agrees to adjust the production of sugar in its country during the term of this Agreement and insofar as practicable in each quota year of such term, by regulating the manufacture of sugar or, when this is not possible, the acreage or plantings, so that the production shall result in such amount of sugar as may be needed to provide for domestic consumption, exports permitted under this Agreement and stocks specified in Article 13.

Article 11

(1) The Government of each participating exporting country agrees to notify the Council, as soon as possible, but not later than 15 May whether or not it expects that its country's export quota in effect at the time of notification will be used and, if not, of such part of its country's export quota in effect as it expects will not be used, and on receipt of such advice, the Council shall take action in accordance with Article 19(1)(i).

(2) In addition to the notification provided for in paragraph (1) above, the Government of each participating exporting country agrees to notify the Council, as soon as possible after 15 May, but not later than 30 September, whether or not it expects that its country's export quota in effect at the time of that notification will be used and, if not, of such part of its country's export quota in effect as it expects will not be used, and on receipt of such advice, the Council shall take action in accordance with Article 19(1)(i).

Article 12

(1) If the actual net exports to the free market of any participating exporting country in a quota year fall short of its export quota in effect at the time of notification by its Government in accordance with paragraph (1) of Article 11, less such part, if any, of that quota as the Government has notified under paragraph (1) of Article 11 that it expected would not be used, and less any net reduction in its export quota in effect made subsequently by the Council under Article 21, the difference shall be deducted from that country's export quota in effect in the following quota year to the extent that such difference exceeds 50 per cent. of the amount notified under paragraph (1) of Article 11.

(2) Without prejudice to the provisions in paragraph (1) of this Article, if the

actual net exports to the free market of any participating exporting country in a quota year fall short of its export quota in effect at the time of notification by its Government in accordance with paragraph (2) of Article 11, less any reduction in its export quota in effect made subsequently by the Council under Article 21, an allowance of 50 per cent. of the amount notified in accordance with paragraph (2) of Article 11 shall be made against the deduction of that shortfall from that country's export quota in the following quota year.

(3) If no notification is given under Article 11, the whole of any shortfall of total net exports during the quota year below the export quota in effect at the end of that quota year shall be charged to the export quota of that country in the following year.

(4) The Council may modify the amounts to be deducted under this Article if it is satisfied by an explanation from the participating country concerned that its net exports fell short by reason of force majeure.

(5) The Government of each participating exporting country undertakes to notify the Council before 1 April in any quota year of its total net exports in the previous quota year.

CHAPTER VI—STOCKS

Article 13

(1) The Governments of participating exporting countries undertake so to regulate production in their countries that the stocks in their respective countries shall not exceed for each country on a fixed date each year immediately preceding the start of the new crop, such date to be agreed with the Council, an amount equal to 20 per cent. of its annual production.

(2) Nevertheless, the Council may, if it considers that such action is justified by special circumstances, authorise the holding of stocks in any country in excess of 20 per cent. of its production.

(3) The Government of each participating country listed in Article 14(1) agrees:

(i) that stocks equal to an amount of not less than 12½ per cent. of its country's basic export tonnage shall be held in its country at a fixed date each year immediately preceding the start of the new crop, such date to be agreed with the Council, unless drought, flood or other adverse conditions prevent the holding of such stocks; and

(ii) that such stocks shall be earmarked to fill increased requirements of the free market and used for no other purpose without the consent of the Council, and shall be immediately available for export to that market when called for by the Council.

(4) The Council may increase to 15 per cent. or reduce to 10 per cent. the amount of minimum stocks to be carried in each quota year under paragraph (3) of this Article. If any Participating Government considers that owing to special circumstances, the amount of the minimum stocks required to be held in its country under paragraphs (3) or (4) of this Article should be less, it may state its case to the Council. If the Council finds the contentions of the Government concerned well founded, it may vary the amount of minimum stocks to be held in the country concerned.

(5) The Government of each participating country in which stocks are held under the provisions of paragraph (3) as they may be modified by the provisions of paragraph (4) of this Article, agrees that unless otherwise authorized by the Council, stocks held under those provisions shall be used neither for meeting priorities under Article 14 C, nor for meeting increases in quotas in effect under Article 21 while such quotas are lower than its country's basic export tonnage, unless the stocks so used can be replaced before the beginning of its country's crop less in the ensuing quota year.

(6) The Government of each participating exporting country agrees that, so far as possible, it will not permit the disposal of stocks held under this Article, following its withdrawal from this Agreement or following the expiration of this Agreement, in such a manner as to create undue disturbance in the free market for sugar.

(7) At the time of deposit of its instrument of ratification, acceptance or accession, each Government shall notify the Government of the United Kingdom of Great Britain and Northern Ireland for transmission to the Council, which of the two definitions of "stocks of sugar" in Article 2 it accepts as applicable to its country.

CHAPTER VII—REGULATIONS OF EXPORTS

Article 14

A. Basic export tonnages

(1). (i) For the first 3 quota years during which this Agreement is in force the exporting countries or areas named below shall have the following basic export tonnages for the free market:

	In thousands of tons
Belgium (including Belgian Congo)	[1] 55
Brazil	550
China (Taiwan)	655
Colombia	5
Cuba	2,415
Czechoslovakia	275
Denmark	75
Dominican Republic	655
France	[2] 20
Germany, Eastern	[2] 20
Haiti	45
Hungary	40
India	100
Indonesia	350
Italy	20
Mexico	75
Kingdom of the Netherlands	[3] 40
Peru	490
Philippines	25
Poland	220
Portugal (including Overseas Provinces)	20
Turkey	10
USSR	200

[1] In calculating Belgium's net exports, the first 25 thousand tons of exports to Morocco shall be excluded.

[2] Having regard to the links existing between France and Morocco and Tunisia within the French franc monetary zone and considering that Morocco and Tunisia import from the free market, France is authorised to export, in addition to its export quota in effect, a net annual amount of 380 thousand tons of sugar.

[3] The Kingdom of the Netherlands undertakes not to export over the years 1959, 1960 and 1961, taken as a whole, a greater amount of sugar than it imports during the same period.

(2). (a) The export quotas of the Czechoslovak Republic, Hungary and the People's Republic of Poland do not include their exports of sugar to the USSR and these exports are outside this Agreement.

(b) The USSR export quota is calculated without taking into account imports of sugar from the Czechoslovak Republic, Hungary and the People's Republic of Poland in excess of 50,000 tons.

(3) Costa Rica, Ecuador, Guatemala, Nicaragua and Panama, to which no basic export tonnages have been allotted under this Article, may each export to the free market up to 5,000 tons raw value a year.

(4) This Agreement does not ignore, and does not have the purpose of nullifying, Indonesia's aspiration as a Sovereign State for its rehabilitation to its historical position as a sugar exporting country to the extent that may be practicable within the possibilities of the free market.

B. Special reserve

(5) A special reserve is established for each of the first three quota years of this Agreement and is allocated as follows:

	In thousands of tons
China (Taiwan)	95
India	50
Indonesia	50
Philippines	20

Notwithstanding that these allocations are not basic export tonnages, the provisions of the Agreement other than those of Article 19 shall apply to them as if they were basic export tonnages.

C. Priorities on shortfalls and on increased free market requirements

(6) In determining export quotas in effect the following priorities shall be applied in accordance with the provisions of paragraph (7) of this Article:

(a) The first 50,000 tons will be allotted to Cuba.

(b) The next 25,000 tons will be allotted to Poland.

(c) The next 25,000 tons will be allotted to Czechoslovakia.

(d) The next 10,000 tons will be allotted to Hungary.

(7) (i) In redistributions resulting from the provisions of Articles 19(1)(i) and 19(2), the Council shall give effect to the priorities listed in paragraph (6) of this Article.

(ii) In distributions resulting from the provisions of Articles 18, 19(1)(ii) and 21, the Council shall not give effect to the said priorities until the exporting countries listed in paragraph (1) of this Article have been offered export quotas equal to the total of their basic export tonnages, subject to any reduction applied under Articles 12 and 21 and thereafter shall give effect to the said priorities only in so far as the said priorities have not already been brought into effect in accordance with sub-paragraph (i) of this paragraph.

(iii) Reductions resulting from the application of the provisions of Article 21 shall be applied pro rata to the basic export tonnages until the export quotas in effect have been reduced to the total of the basic export tonnages plus the total of the priorities allotted due to increases in free market requirements for that year, after which the priorities shall be deducted in the reverse order and thereafter reductions shall be applied pro rata to basic export tonnages.

Article 15

This Agreement does not apply to movements of sugar between the Belgo-Luxembourg Economic Union (including the Belgian Congo), France, the Federal Republic of Germany, Italy and the Kingdom of the Netherlands up to a net amount of 150,000 tons of sugar per year.

Article 16

(1) The Government of the United Kingdom of Great Britain and Northern Ireland (on behalf of the British West Indies and British Guiana, Mauritius and Fiji), the Government of the Commonwealth of Australia and the Government of the Union of South Africa undertake that net exports of sugar by the exporting territories covered by the Commonwealth Sugar Agreement of 1951 (excluding local movements of sugar between adjoining Commonwealth territories, or islands, in such quantities as can be authenticated by custom) shall not together exceed the following total quantities:

(i) In the calendar year 1959 2,500,000 English long tons (2,540,835 tons) tel quel;

(ii) In the calendar years 1960 and 1961 2,575,000 English long tons (2,617,060 tons) tel quel per year.

In addition to providing for the export of the quantities set out above, the Governments above-mentioned agree that except by reason of drought, flood or other adverse conditions stocks to a total of not less than 50,000 English long tons (50,817 tons) tel quel shall be held in the exporting territories as a group covered by the Commonwealth Sugar Agreement at all times in each calendar year unless and until they have been released with the consent of the Council, and that those stocks shall be immediately available for export to the free market when called for by the Council.

(2) These limitations have the effect of leaving available to the free market a share in the sugar markets of Commonwealth countries. The Governments aforementioned would, however, regard themselves as released from their obligation thus to limit exports of Commonwealth sugar if a Government or Governments of a participating exporting country or of participating countries having a basic export tonnage or tonnages under Article 14(1) should enter into a special trading arrangement with an importing country of the Commonwealth which would guarantee the exporting country a specified portion of the market of that Commonwealth country.

(3) The Government of the United Kingdom of Great Britain and Northern Ireland, with the concurrence of the Government of the Commonwealth of Australia and the Government of the Union of South Africa, undertakes to provide the Council sixty days in advance of the beginning of each quota year with an estimate of total net exports from the exporting territories covered by the Commonwealth Sugar Agreement in such year and to inform the Council promptly of any changes in such estimate during that year. The information supplied to the Council by the United Kingdom pursuant to this undertaking shall be held to discharge fully the obligations in Articles 11 and 12 so far as the aforementioned territories are concerned.

(4) The provisions of paragraphs (3) and (4) of Article 13 shall not apply to the exporting territories covered by the Commonwealth Sugar Agreement.

(5) Nothing in this Article shall be held to prevent any participating country exporting to the free market from exporting sugar to any country within the British Commonwealth nor, within the quantitative limits set out above, to prevent any Commonwealth country from exporting sugar to the free market.

Article 17

Exports of sugar to the United States of America for consumption therein shall not be considered exports to the free market and shall not be charged against the export quotas established under this Agreement.

Article 18

(1) Before the beginning of each quota year the Council shall make an estimate of the net import requirements of the free market during such year for sugar from exporting countries listed in Article 14(1). In the preparation of this estimate, there shall be taken into account among other factors the total amount of sugar which the Council is notified could be imported from non-participating countries under the provisions of Article 7(4).

(2) At least thirty days before the beginning of each quota year the Council shall consider the estimate prepared in accordance with paragraph (1) of this Article. After considering that estimate and all other factors affecting the supply and demand for sugar on the free market the Council shall forthwith assign a provisional initial export quota for the free market for such year to each of the exporting countries listed in Article 14(1) pro rata to their basic export tonnages, subject to the provisions of Article 14C, and to such charges and deductions as may be required under Article 8(1) and Article 12, provided that if at the time of fixing provisional initial export quotas the prevailing prices is not less than 3.15 cents the total of the provisional initial export quotas shall, unless the Council otherwise decides by Special Vote, be not less than 90 per cent of the basic export tonnages, the distribution among exporting countries being made in the same manner provided in this paragraph.

(3) Prior to 1 April in each quota year, the Council shall make a further estimate of free market requirements in the manner provided in paragraph (1) of this Article. After considering that estimate and all other factors affecting the supply and demand for sugar on the free market, the Council shall, not later than 1 April and in the manner provided in paragraph 2 of this Article, make a final determination of initial export quotas. Thereafter, any references to initial export quotas in other Articles of this Agreement shall be deemed to be references to the initial export quotas as finally determined.

(4) As soon as the final determination of initial export quotas has been made, export quotas in effect shall immediately be adjusted as if the provisional initial export quotas had been the same as those finally determined, due account thus being taken of any variations in those provisional quotas made by the Council under other Articles of this Agreement prior to the final determination. Adjustment of export quotas in effect in accordance with this paragraph shall be without prejudice to such powers or duties to vary quotas in effect as are possessed by the Council under other Articles of this Agreement.

(5) At the time of the adjustment of export quotas in effect in accordance with paragraph (4) of this Article, the Council shall also review the supplies of sugar available for the free market for that quota year and shall consider the variation of export quotas in effect of particular countries by the exercise of its powers under Article 19(2) of this Agreement.

(6) The Council shall have power by Special Vote to set aside in any quota year up to 40,000 tons of the net import requirements of the free market as a reserve from which it may allot additional export quotas to meet proved cases of special hardship.

Article 19

(1) The Council shall cause export quotas in effect for participating countries listed in Article 14(1) to be adjusted, subject to the provisions of Article 14C, as follows:

(i) Within 10 days after the Government of any exporting country has given notice pursuant to Article 11 that a part of the initial export quota or export quota in effect will not be used, to reduce accordingly the export quota in effect of such country and to increase the export quotas in effect of other exporting couutries by redistributing an amount of sugar equal to the part of the quota so renounced pro rata to their basic export tonnages. The Council shall forthwith notify Governments of exporting countries of such increases, and those Governments shall, within 10 days of receipt of such notification, inform the Council whether or not they are in a position to use the increase in quota allotted to them. On receipt of such information, a subsequent redistribution of the quantity involved shall be made, and Governments of exporting countries concerned shall be notified forthwith by the Council of the increases made in their countries' export quotas in effect.

(ii) From time to time to take into account variations in the estimates of the quantities of sugar which the Council is notified will be imported from non-participating countries under Article 7, provided, however, that such quantities need not be redistributed until they reach a total of 5,000 tons. Redistributions under this subparagraph shall be made on the same basis and in the same manner as is provided in paragraph (1)(i) of this Article.

(2) Notwithstanding the provisions of Article 11, if the Council, after consulation with the Government of any participating exporting country, determines that such country will be unable to use all or part of its export quota in effect, the Council may increase pro rata the export quotas of other participating exporting countries on the same basis and in the same manner as is provided for in paragraph (1)(i) of this Article; provided, however, that such action by the Council shall not deprive the country concerned of its right to fill its export quota which was in effect before the Council made its determination.

CHAPTER VIII—STABILISATION OF PRICES

Article 20

(1) For the purposes of this Agreement any reference to the price of sugar shall be deemed to be to the spot price in United States currency per pound avoirdupois free alongside steamer Cuban port, as established by the New York Coffee and Sugar Exchange in relation to sugar covered by Contract No. 4, or any alternative price which may be established under paragraph (2) of this Article; and where any reference is made to the prevailing price being above or below any stated figure, that condition shall be deemed to be fulfilled if the average price over a period of seventeen consecutive market days has been above or below the stated figure, as the case may be, provided that the spot price on the first day of the period and on not less than twelve days within the period has also been above or below the stated figure, as the case may be.

(2) In the event of the price referred to in paragraph (1) of this Article not being available at a material period, the Council shall use such other criteria as it sees fit.

(3) Any of the prices laid down in Articles 18 and 21 may be modified by the Council by a Special Vote.

Article 21

(1) The Council shall have discretion to increase or reduce quotas to meet market conditions, provided that:

(i) when the prevailing price is not less than 3.25 cents and not more than 3.45 cents no increase shall be made so as to bring into effect quotas greater in total than the basic export tonnages plus 5 per cent, or the initial export quotas, whichever are the greater, and no decrease shall be made so as to bring into effect quotas which are less in total than either the initial export quotas less 5 per cent. or the basic export tonnages less 10 per cent., whichever are the greater;

(ii) when the prevailing price exceeds 3.45 cents the quotas in effect shall be not less than the initial export quotas or the basic export tonnages, whichever are the greater;

(iii) when the prevailing price exceeds 3.75 cents the Council shall meet within seven days to consider the market situation and to take such action in regard to quotas as may be appropriate for the purpose of achieving the general objectives of this Agreement. In the absence of agreement by the Council on the action taken the quotas in effect shall forthwith be increased by 2½ per cent. If, after action decided by the Council has been taken or the quotas have been increased by 2½ per cent., the prevailing price continues to be above 3.75 cents, the Council shall meet again within seven days in order to give further consideration to the market situation;

(iv) when, after quotas in effect have been raised in pursuance of sub-paragraph (iii) of this paragraph, the prevailing price falls below 3.75 cents, quotas in effect shall be restored to the level at which they were before the above-mentioned increase;

(v) if the prevailing price is below 3.25 cents the export quotas in effect shall at once be reduced by 2½ per cent. and the Council shall meet within seven days to decide whether any further reduction shall be made; and if no agreement is reached at such meeting the percentage of the reduction shall be raised to 5 per cent., provided that reductions shall not be made so as to reduce the quotas below 90 per cent. of the basic export tonnages unless the prevailing price is below 3.15 cents in which case further reduction may be made within the limits prescribed by Article 23; and

(vi) if the prevailing price has risen above 3.25 cents and the export quotas in effect are below 90 per cent. of the basic export tonnages, the export quotas in effect shall be increased at once by 2½ per cent. and the Council shall meet within seven days to decide whether a further increase shall be made; and if no agreement is reached at such meeting the percentage of the increase shall be raised to 5 per cent. or such lesser amount as is required to restore the quotas to 90 per cent.

(2) In considering changes in quotas under this Article the Council shall take into account all factors affecting the supply and demand for sugar on the free market.

(3) If the prevailing price exceeds 4.00 cents all quotas and limitations on exports under any of the Articles of this Agreement shall for the time being become inoperative, provided that if subsequently the prevailing price falls below 3.90 cents the quotas and limitations previously in effect shall be restored, subject to the power of the Council to vary quotas under paragraph (1) of this Article.

(4) If the Council is satisfied that a new situation has arisen which endangers the attainment of the general objectives of the Agreement it may, by Special Vote, suspend temporarily for such period as it may think necessary the limits imposed under the preceding paragraphs of this Article upon its discretion to increase quotas; and during the period of such suspension the Council shall have full discretion to increase quotas as it may think necessary and to cancel such increases when they are no longer required.

(5) All changes in quotas made under this Article shall be pro rata to the basic export tonnages, subject to the provisions of Article 14C; and any references to percentages of quotas shall be construed as percentages of the basic export tonnages.

(6) Notwithstanding the provisions of paragraph (1) of this Article, if the export quota of any country has been reduced under Article 19(1)(i) such reduction shall be deemed to form part of the reductions made in the same quota year under the terms of paragraph (1) of this Article.

(7) The Council shall notify Participating Governments of each change made under this Article in the export quotas in effect.

(8) If any reduction made under the preceding paragraphs of this Article cannot be fully applied to the export quota in effect of any exporting country because, at the time the reduction is made, that country has already exported all or part of the amount of such reduction, a corresponding amount shall be deducted from the export quota in effect of that country in the following quota year.

Article 22

(1) During the first quota year of this Agreement, the Council shall consider, and make recommendations to interested participating Governments concerning the negotiation of arrangements for multilateral options drawn up in accordance with the provisions of this Article.

(2) Such arrangements shall be designed to secure that, if the prevailing price moves beyond the highest or lowest price of the range set out in Article 21, the Participating Governments concerned will have the right to exercise options for sale or purchase, as the case may be, in respect of such quantities of sugar as may be prescribed in the arrangements.

(3) The options shall be exercisable in accordance with such limits as to time and frequency, or otherwise, as may be prescribed in the arrangement.

(4) The arrangements shall take into account the traditional pattern of the trade in sugar.

(5) The Council may establish such Committees as it deems desirable to assist it in the examination of these questions and to formulate the recommendations provided for in paragraph (1) above.

CHAPTER IX—GENERAL LIMITATION OF REDUCTIONS IN EXPORT QUOTAS

Article 23

(1) Except in respect of penalties imposed under Article 12 and reductions made under Article 19(1)(i), the export quota in effect of any participating exporting country listed in Article 14(1) shall not be reduced below 80 per cent. of its basic export tonnage and all other provisions of this Agreement shall be construed accordingly; provided, however, that the export quota in effect of any participating exporting country having a basic export tonnage under Article 14(1) of less than 50,000 tons shall not be reduced below 90 per cent. of its basic export tonnage.

(2) A reduction of quotas under Article 21 shall not be made within the last forty-five calendar days of the quota year.

CHAPTER X—SUGAR MIXTURES

Article 24

Should the Council at any time be satisfied that as the result of a material increase in the exportation or use of sugar mixtures, those products are taking the place of sugar to such an extent as to prevent full effect being given to the purpose of this Agreement it may resolve that such products or any of them shall be deemed to be sugar, in respect of their sugar content, for the purposes of the Agreement; provided that the Council shall, for the purpose of calculating the amount of sugar to be charged to the export quota of any participating country, exclude the sugar equivalent of any quantity of such products which has normally been exported from that country prior to the coming into force of this Agreement.

CHAPTER XI—MONETARY DIFFICULTIES

Article 25

(1) If, during the term of this Agreement the Government of a participating importing country considers that it is necessary for it to forestall the imminent threat of, or to stop or to correct a serious decline in its monetary reserves, it may request the Council to modify particular obligations of this Agreement.

(2) The Council shall consult fully with the International Monetary Fund on questions raised by such request and shall accept all findings of statistical and other facts made by the Fund relating to foreign exchanges, monetary reserves and balance of payments, and shall accept the determination of the Fund as to whether the country involved has experienced or is imminently threatened with a serious deterioration in its monetary reserves. If the country in question is not a member of the International Monetary Fund and requests that the Council should not consult the Fund, the issues involved shall be examined by the Council without such consultation.

(3) In either event, the Council shall discuss the matter with the Government of the importing country. If the Council decides that the representations are well founded and that the country is being prevented from obtaining a sufficient amount of sugar to meet its consumption requirements consistently with the terms of this Agreement, the Council may modify the obligations of such Government or of the Government of any exporting country under this Agreement in such manner and for such time as the Council deems necessary to permit such importing country to secure a more adequate supply of sugar with its available resources.

CHAPTER XII—STUDIES BY THE COUNCIL

Article 26

(1) The Council shall consider and make recommendations to the Governments of participating countries concerning ways and means of securing appropriate expansion in the consumption of sugar, and may undertake studies of such matters as:

(i) the effects of (a) taxation and restrictive measures and (b) economic, climatic and other conditions on the consumption of sugar in the various countries;

(ii) means of promoting consumption, particularly in countries where consumption per caput is low;

(iii) the possibility of co-operative publicity programmes with similar agencies concerned wth the expansion of consumption of other foodstuffs;

(iv) progress of research into new uses of sugar, its by-products; and the plants from which it is derived.

(2) Furthermore, the Council is authorized to make and arrange for other studies, including studies of the various forms of special assistance to the sugar industry, for the purpose of assembling comprehensive information and for the formulation of proposals which the Council deems relevant to the attainment of the general objectives set forth in Article 1 or relevant to the solution of the commodity problem involved. Any such studies shall relate to as wide a range of countries as practicable and shall take into consideration the general social and economic conditions of the countries concerned.

(3) The studies undertaken pursuant to paragraphs (1) and (2) of this Article shall be carried out in accordance with such terms as may be laid down by the Council, and in consultation with the Participating Governments.

(4) The Governments concerned agree to inform the Council of the results of their consideration of the recommendations and proposals referred to in this Article.

(5) The Council, in furtherance of Resolution No. 1 of the United Nations Sugar Conference of 1956, the purposes of this Article and the general objectives of this Agreement set forth in Article 1, shall appoint a Committee to assist it in carrying out its functions under this Article, especially those which relate to sub-paragraphs (ii) and (iv) of paragraph (1), including in particular the compilation of results of research, wherever, conducted, into the consumption and new uses of sugar and its by-products and the dissemination of those results.

CHAPTER XIII—ADMINISTRATION

Article 27

(1) The International Sugar Council established under the International Sugar Agreement, 1953, as amended by the Protocol of 1956, shall continue in being for the purpose of administering the present Agreement, with the membership, powers and functions set out in this Agreement.

(2) Each Participating Government shall be a voting member of the Council and shall have the right to be represented on the Council by one delegate and may designate alternate delegates. A delegate or alternate delegates may be accompanied at meetings of the Council by such advisers as each Participating Government deems necessary.

(3) The Council shall elect a non-voting Chairman who shall hold office for one quota year and shall serve without pay. He shall be selected alternately from among the delegations of the importing and exporting participating countries.

(4) The Council shall elect a Vice-Chairman who shall hold office for one quota year and shall serve without pay. He shall be selected alternately from among the delegations of the exporting and importing participating countries.

(5) The Council shall have in the territory of each Participating Government, with effect from 1 January 1959 and to the extent consistent with its laws, such legal capacity as may be necessary in discharging its functions under this Agreement.

Article 28

(1) The Council shall adopt rules of procedure which shall be consistent with the terms of this Agreement, and shall keep such records as are required to enable it to discharge its functions under this Agreement and such other records as it considers desirable. In the case of inconsistency between the rules of procedure so adopted and the terms of this Agreement, the Agreement shall prevail.

(2) The Council may, by a Special Vote, delegate to the Executive Committee set up under Article 37 the exercise of any of its powers and functions other than those requiring a decision by Special Vote under this Agreement. The Council may, at any time, revoke such a delegation by a majority of the votes cast.

(3) The Council may appoint such permanent or temporary Committees as it considers advisable in order to assist it in performing its functions under this Agreement.

(4) The Council shall develop, prepare and publish such reports, studies, charts, analyses and other data as it may deem desirable and helpful.

(5) The Participating Governments undertake to make available and supply all such statistics and information as are necessary to the Council or the Executive Committee to enable it to discharge its functions under this Agreement.

(6) The Council shall publish at least once a year a report of its activities and of the operation of this Agreement.

(7) The Council shall perform such other functions as are necessary to carry out the terms of this Agreement.

Article 29

The Council shall appoint an Executive Director, who shall be its chief administrative officer. In accordance with rules established by the Council, the Executive Director shall appoint such staff as may be required for the work of the Council and its Committees. It shall be a condition of employment of the Executive Director and of the staff that they do not hold or shall cease to hold financial interest in the sugar industry or in the trade in sugar and that they shall not seek or receive instructions regarding their duties under this Agreement from any Government or from any other Authority external to the Council.

Article 30

(1) The Council shall select its seat. Its meeting shall be held at its seat, unless the Council decides to hold a particular meeting elsewhere.

(2) The Council shall meet at least twice a year. It may be convened at any other time by its Chairman.

(3) The Chairman shall convene a session of the Council of so requested by

(i) Five Participating Governments, or

(ii) Any Participating Government or Governments holding not less than 10 per cent. of the total votes, or

(iii) The Executive Committee.

Article 31

The presence of delegates holding 75 per cent. of the total votes of the Participating Governments shall be necessary to constitute a quorum at any meeting of the Council, but if no such quorum is present on the day fixed for a meeting of the Council which had been called pursuant to Article 30, such meeting shall be held seven days later and the presence of delegates holding 50 per cent. of the total votes of the Participating Governments shall then constitute a quorum.

Article 32

The Council may make decisions, without holding a meeting, by correspondence between the Chairman and the Participating Governments provided that no Participating Government makes objection to this procedure. Any decision so taken shall be communicated to all the Participating Governments as soon as possible and shall be set forth in the minutes of the next meeting of the Council.

Article 33

The votes to be exercised by the respective delegations of exporting countries on the Council shall be as follows:

Canada	85
Ceylon	20
Chile	30
Finland	20
Federal Republic of Germany	45
Ghana	10
Greece	10
Ireland	10
Israel	10
Japan	150
Federation of Malaya	20
Morocco	45
Norway	20
Pakistan	15
Sweden	10
Tunisia	10
United Kingdom	245
United States of America	245
Total	1,000

Article 34

The votes to be exercised by the respective delegations of exporting countries on the Council shall be as follows:

Australia	45
Belgium	15
Brazil	70
China	65
Costa Rica	10
Cuba	245
Czechoslovakia	35
Denmark	15
Dominican Republic	65
France	30
Guatemala	10
Haiti	10
Hungary	15
India	35
Indonesia	40
Italy	15
Mexico	20
Kingdom of the Netherlands	15
Nicaragua	10
Panama	10
Peru	50
Philippines	20
Poland	30
Portugal	10
Union of South Africa	20
USSR	95
Total	1,000

Article 35

Whenever the membership of this Agreement changes or when any country is suspended from voting or recovers its votes under any provision of this Agreement, the Council shall redistribute the votes within each group (importing countries and exporting countries) proportionally to the number of votes held by each member of the group, provided that no country shall have less than 10 or more than 245 votes and that there shall be no fractional votes, and provided further that the votes of countries having 245 votes under Article 33 or 34 shall not be reduced, having regard to the substantial number of votes relinquished by each of those countries when accepting the number of votes attributed to them in Articles 33 and 34.

Article 36

(1) Except where otherwise specifically provided for in this Agreement, decisions of the Council shall be by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries provided that the latter majority shall consist of votes cast by not less than one-third in number of the importing countries present and voting.

(2) When a Special Vote is required, decisions of the Council shall be by at least two-thirds of the votes cast, which shall include a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries; provided that the latter majority shall consist of votes cast by not less than one-third in number of the importing countries present and voting.

(3) Notwithstanding the provisions of paragraphs (1) and (2) of this Article, at any session of the Council convened in accordance with Article 30(3)(i) or Article 30(3)(ii) to deal with any question relating to Article 21, decisions of the Council on action taken by the Executive Committee under the said Articles shall be by a simple majority of the votes cast by the participating countries present and voting taken as a whole.

(4) The Government of any participating exporting country may authorise the voting delegate of any other exporting country and the Government of any participating importing country may authorise the voting delegate of any other importing country to represent its interests and to exercise its votes at any meeting or meetings of the Council. Evidence of such authorisation satisfactory to the Council shall be submitted to the Council.

(5) Each Participating Government undertakes to accept as binding all decisions of the Council under the provisions of this Agreement.

Article 37

(1) The Council shall establish an Executive Committee which shall be composed of representatives of the Governments of seven participating exporting countries which shall be selected for a quota year by a majority of the votes held by the exporting countries and of representatives of the Governments of seven participating importing countries which shall be selected for a quota year by a majority of the votes held by the importing countries.

(2) The Executive Committee shall exercise such powers and functions of the Council as are delegated to it by the Council.

(3) The Executive Director of the Council shall be ex officio Chairman of the Executive Committee but shall have no vote. The Committee may elect a Vice-Chairman and shall establish its Rules of Procedure subject to the approval of the Council.

(4) Each member of the Committee shall have one vote. In the Executive Committee decisions shall be by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries.

(5) Any Participating Government shall have the right of appeal to the Council under such conditions as may be prescribed by the Council, against any decision of the Executive Committee. In so far as the decision of the Council does not accord with the decision of the Executive Committee the latter shall be modified as of the date on which the Council makes its decision.

CHAPTER XIV—FINANCE

Article 38

(1) Expenses of delegations to the Council, representatives on the Executive Committee

and on any other Committee established in accordance with this Agreement shall be met by their respective Governments. The other expenses necessary for the administration of this Agreement, including remuneration which the Council pays, shall be met by annual contributions by the Participating Governments. The contribution of each Participating Government for each quota year shall be proportionate to the number of votes held by it when the budget for that quota year is adopted.

(2) At its first session under this Agreement the Council shall approve its budget for the first quota year and assess the contributions to be paid by each Participating Government.

(3) The Council shall, each quota year, approve its budget for the following quota year and assess the contribution to be paid by each Participating Government for such quota year.

(4) The initial contribution of any Participating Government acceding to this Agreement under Article 41 shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current quota year, but the assessments made upon other Participating Governments for the current quota year shall not be altered.

(5) Contributions shall become payable at the beginning of the quota year in respect of which the contribution is assessed and in the currency of the country where the seat of the Council is situated. Any Participating Government failing to pay its contribution by the end of the quota year in respect of which such contribution has been assessed shall be suspended of its voting rights until its contribution is paid, but, except by Special Vote of the Council, shall not be deprived of any of its other rights nor relieved of any of its obligations under this Agreement.

(6) To the extent consistent with the laws of the country where the seat of the Council is situated, the Government of that country shall grant exemption from taxation with effect from 1 January 1959 on the assets, income and other property of the Council and on remuneration paid by the Council to its employees.

(7) The Council shall, each quota year, publish an audited statement of its receipts and expenditures during the previous quota year.

(8) The Council shall, prior to its dissolution, provide for the settlement of its liabilities and the disposal of its records and assets.

CHAPTER XV—CO-OPERATION WITH OTHER ORGANISATIONS

Article 39

(1) The Council, in exercising its functions under this Agreement, may make arrangements for consultation and co-operation with appropriate organisations and institutions and may also make such provisions as it deems fit for representatives of those bodies to attend meetings of the Council.

(2) If the Council finds that any terms of this Agreement are materially inconsistent with such requirements as may be laid down by the United Nations or through its appropriate organs and specialised agencies regarding inter-governmental commodity agreements, the inconsistency shall be deemed to be a circumstance affecting adversely the operation of this Agreement and the procedure prescribed in Article 43 shall be applicable.

CHAPTER XVI—DISPUTES AND COMPLAINTS

Article 40

(1) Any dispute concerning the interpretation or application of this Agreement, which is not settled by negotiation, shall, at the request of any Participating Government party to the dispute, be referred to the Council for decision.

(2) In any case where a dispute has been referred to the Council under paragraph (1) of this Article, a majority of Participating Governments or Participating Governments holding not less than one-third of the total votes may require the Council, after full discussion, to seek the opinion of the advisory panel referred to in paragraph (3) of this Article on the issues in dispute before giving its decision.

(3). (i) Unless the Council unanimously agrees otherwise, the panel shall consist of—

(a) two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience, nominated by the exporting countries;

(b) two such persons nominated by the importing countries; and

(c) a chairman selected unanimously by the four persons nominated under (a) and (b), or, if they fail to agree, by the Chairman of the Council.

(ii) Persons from countries whose Governments are parties to this Agreement, shall be eligible to serve on the advisory panel.

(iii) Persons appointed to the advisory panel shall act in their personal capacities and without instructions from any Government.

(iv) The expenses of the advisory panel shall be paid by the Council.

(4) The opinion of the advisory panel and the reasons therefor shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

(5) Any complaint that any Participating Government has failed to fulfil its obligations under this Agreement shall, at the request of the Participating Government making the complaint, be referred to the Council which shall make a decision on the matter.

(6) No Participating Government shall be found to have committed a breach of this Agreement except by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries. Any finding that a Participating Government is in breach of the Agreement shall specify the nature of the breach.

(7) If the Council finds that a Participating Government has committed a breach of this Agreement, it may by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries suspend the Government concerned of its voting rights until it fulfils its obligations or expel that Government from the Agreement.

CHAPTER XVII—SIGNATURE, ACCEPTANCE, ACCESSION AND ENTRY INTO FORCE

Article 41

(1) This Agreement shall be open for signature from 1 December to 24 December 1958 by the Governments represented by delegates at the Conference at which this Agreement was negotiated.

(2) This Agreement shall be subject to ratification or acceptance by the signatory Governments in accordance with their respective constitutional procedures, and the instruments of ratification or acceptance shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

(3) This Agreement shall be open for accession by any Government referred to in Article 33 or 34 and such accession shall be effected by deposit of an instrument of accession with the Government of the United Kingdom of Great Britain and Northern Ireland.

(4) The Council may approve accession to this Agreement by the Government of any Member of the United Nations and by any Government invited to the United Nations Sugar Conference 1958, but which is not referred to in Article 33 or 34, provided that the conditions of such accession shall first be agreed upon with the Council by the Government desiring to effect it. Conditions agreed by the Council in accordance with this paragraph shall be consistent with the provisions of this Agreement, and where the Council agrees a basic export tonnage in respect of a Government of an exporting country not named in Article 14, it shall do so by Special Vote. Where any Government desiring to accede to this Agreement requests amendment of the Agreement as a condition of accession, the accession shall not be approved unless and until the Council has recommended such amendment and it has taken effect in accordance with Article 43.

(5) Subject to the provisions of paragraph 6(i) of this Article, the effective date of a Government's participation in this Agreement shall be the date on which the instrument of ratification, acceptance or accession is deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

(6). (i) This Agreement shall enter into force on 1 January 1959 between those Governments which have by that date deposited instruments of ratification, acceptance or accession, provided that such Governments hold 60 percent of the votes of importing countries and 70 percent of the votes of exporting countries in accordance with the distribution established in Articles 33 and 34. Instruments of ratification, acceptance or accession deposited thereafter shall take effect on the date of their deposit.

(ii) For the purposes of entry into force of this Agreement in accordance with sub-paragraph (i) above, a notification containing an undertaking to seek ratification, acceptance or accession in accordance with constitutional procedures as rapidly as possible and if possible before 1 June 1959 received by the Government of the United Kingdom of Great Britain and Northern Ireland on or before 1 January 1959 shall be regarded as equal in effect to an instrument of ratification, acceptance or accession.

(iii) Any notification given in accordance with sub-paragraph (ii) of this paragraph may indicate that the Government concerned will, from 1 January 1959, apply this Agreement provisionally. In the absence of such an indication, the notifying Government shall be regarded as a non-voting observer, provided, however, that such a Government may cease to be an observer if it indicates, before 1 June 1959, that it will apply this Agreement provisionally.

(iv) If any Government giving a notification in accordance with sub-paragraph (ii) of this paragraph fails to deposit an instrument of ratification, acceptance or accession by 1 June 1959, it shall thereupon cease to be entitled to the status of provisional participant or observer, as the case may be. If, however, the Council is satisfied that the Government concerned has not deposited its instrument owing to difficulties in completing its constitutional processes, the Council may extend the period beyond 1 June 1959 to such other date as it may determine.

(v) The obligations under this Agreement of Governments which have deposited instruments of ratification, acceptance or accession by 1 June 1959 or such later date as is determined by the Council in accordance with sub-paragraph (iv) of this paragraph shall apply as from 1 January 1959 for the first quota year, except to the extent that any Government is required by existing legislation to take action inconsistent with this Agreement by reason of it not being in force either fully or provisionally for that Government at that time.

(vi) If at the end of the period of five months mentioned in sub-paragraph (ii), or at the end of any extension of that period, the percentage of votes of importing countries or of exporting countries which have ratified, accepted or acceded to this Agreement is less than the percentage provided for in sub-paragraph (i), the Governments which have ratified, accepted or acceded to

this Agreement may agree to put it into force among themselves.

(7) Where, for the purposes of the operation of this Agreement, reference is made to Governments or countries listed, named or included in particular Articles, any country the Government of which has acceded to this Agreement on conditions agreed with the Council in accordance with paragraph (4) of this Article shall be deemed to be listed, named or included in those Articles accordingly.

(8) The Government of the United Kingdom of Great Britain and Northern Ireland will notify all signatory Governments of each signature, ratification, acceptance of, or accession to this Agreement and shall inform all signatory and acceding Governments of any reservation attached thereto.

CHAPTER XVIII—DURATION, AMENDMENT, SUSPENSION, WITHDRAWAL, RESERVATIONS AND TRANSITIONAL MEASURES

Article 42

(1) The duration of this Agreement shall be five years from 1 January 1959. The Agreement shall not be subject to denunciation.

(2) Without prejudice to Articles 43 and 44, the Council shall in the third year of this Agreement examine the entire working of the Agreement, especially in regard to quotas and prices, shall take into account any amendment to the Agreement which in connexion with this examination any Participating Government may propose, and shall propose amendments or make such other arrangements as are necessary to provide for the amendment of this Agreement in respect of its operation during the fourth and fifth years.

(3) Not less than three months before the last day of the third quota year of this Agreement the Council shall submit or arrange for the submission of a report on the matters referred to in paragraph (2) of this Article to Participating Governments.

(4) Any Participating Government may within a period of not more than two months after the receipt of the report referred to in paragraph (3) of this Article withdraw from this Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland. Such withdrawal shall take effect on the last day of the third quota year.

(5). (i) If, after the two months referred to in paragraph (4) of this Article, any Government which has not withdrawn from this Agreement under that paragraph considers that the number of Governments which have withdrawn under the said paragraph, or the importance of those Governments for the purposes of this Agreement, is such as to impair the operation of this Agreement, such Government may, within thirty days following the expiration of the said period, request the Chairman of the Council to call a special meeting of the Council at which the Governments party to this Agreement shall consider whether or not they will remain party to it.

(ii) Any special meeting called pursuant to a request made under sub-paragraph (i) shall be held within one month of the receipt by the chairman of such request and Governments represented at such meeting may withdraw from the Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland within thirty days from the date on which the meeting was held. Any such notice of withdrawal shall become effective thirty days from the date of its receipt by that Government.

(iii) Governments not represented at a special meeting held pursuant to sub-paragraphs (i) and (ii) may not withdraw from this Agreement under the provisions of those sub-paragraphs.

Article 43

(1) If circumstances arise which, in the opinion of the Council, affect or threaten to affect adversely the operation of this Agreement, the Council may, by a Special Vote, recommend an amendment of this Agreement to the Participating Governments.

(2) The Council shall fix the time within which each Participating Government shall notify the Government of the United Kingdom of Great Britain and Northern Ireland whether or not it accepts an amendment recommended under paragraph (1) of this Article.

(3) If, within the time fixed under paragraph (2) of this Article, all Participating Governments accept an amendment it shall take effect immediately on the receipt by the Government of the United Kingdom of Great Britain and Northern Ireland of the last acceptance.

(4) If, within the time fixed under paragraphs (2) of this Article, an amendment is not accepted by the Governments of exporting countries which hold 75 per cent. of the votes of the exporting countries and by the Governments of importing countries which hold 75 per cent. of the votes of the importing countries it shall not take effect.

(5) If, by the end of the time fixed under paragraph (2) of this Article, an amendment is accepted by the Governments of exporting countries which hold 75 per cent. of the votes of the exporting countries and by the Governments of importing countries which hold 75 per cent. of the votes of the importing countries but not by the Governments of all the exporting countries and the Governments of all the importing countries:

(i) the amendment shall become effective for the Participating Governments which have signified their acceptance under paragraph (2) of this Article at the beginning of the quota year next following the end of the time fixed under that paragraph;

(ii) the Council shall determine forthwith whether the amendment is of such a nature that the Participating Governments which do not accept it shall be suspended from this Agreement from the date upon which it becomes effective under sub-paragraph (i) and shall inform all Participating Governments accordingly. If the Council determines that the amendment is of such a nature, Participating Governments which have not accepted that amendment shall inform the Council by the date on which the amendment is to become effective under subparagraph (i) whether it is still unacceptable and those Participating Governments which do so shall automatically be suspended from this Agreement; provided that if any such Participating Government satisfies the Council that it has been prevented from accepting the amendment by the time the amendment becomes effective under sub-paragraph (i) by reason of constitutional difficulties beyond its control, the Council may postpone suspension until such difficulties have been overcome and the Participating Government has notified its decision to the Council.

(6) The Council shall establish rules with respect to the reinstatement of a Participating Government suspended under paragraph (5)(ii) of this Article and any other rules required for carrying out the provisions of this Article.

Article 44

(1) If any Participating Government considers its interests to be seriously prejudiced by the failure of any Government referred to in Articles 33 or 34 to ratify, accept, or accede to this Agreement or by reservations approved by the Council in accordance with Article 45 of this Agreement, it shall so notify the Government of the United Kingdom of Great Britain and Northern Ireland. Immediately on the receipt of such notification, the Government of the United Kingdom of Great Britain and Northern Ireland shall inform the Council, which shall, either at its first meeting thereafter, or at any subsequent meeting held not later than one month after receipt of the notification, consider the matter. If after a period of two months following the notification to the Government of the United Kingdom, the Participating Government still considers its interest to be seriously prejudiced, it may withdraw from this Agreement by giving notice of withdrawal to the Government of the United Kingdom within a period of thirty days thereafter.

(2) If any Participating Government demonstrates that, notwithstanding the provisions of this Agreement, its operation has resulted in an acute shortage of supplies or in prices on the free market not being stabilised within the range provided for in this Agreement, and the Council fails to take action to remedy such situation, the Government concerned may give notice of withdrawal from this Agreement.

(3) If, during the period of this Agreement, by action of a non-participating country, or by action of any participating country inconsistent with this Agreement such adverse changes occur in the relation between supply and demand of the free market as are held by any Participating Government seriously to prejudice its interests such Participating Government may state its case to the Council. If the Council declares the case to be well-founded the Government concerned may give notice of withdrawal from this Agreement.

(4) If any Participating Government considers that its interests will be seriously prejudiced by reason of the effects of the basic export tonnage to be allotted to a non-participating exporting country not named in Article 14 seeking to accede this Agreement pursuant to Article 41(4) such Government may state its case to the Council which shall take a decision upon it. If the Government concerned considers that, notwithstanding the decision by the Council, its interests continue to be seriously prejudiced, it may give notice of withdrawal from this Agreement.

(5) The Council shall take a decision within thirty days on any matters submitted to it in accordance with paragraphs (2), (3) and (4) of this Article; and if the Council fails to do so within that time the Government which has submitted the matter to the Council may give notice of withdrawal from this Agreement.

(6) Any Participating Government may, if it becomes involved in hostilities, apply to the Council for the suspension of some or all of its obligations under this Agreement. If the application is denied, such Government may give notice of withdrawal from this Agreement.

(7) If any Participating Government avails itself of the provisions of Article 16(2), so as to be released from its obligations under that Article, any other Participating Government may at any time during the ensuing three months give notice of withdrawal after explaining its reasons to the Council.

(8) In addition to the situations envisaged elsewhere in this Agreement, when a Participating Government demonstrates that circumstances beyond its control prevent it from fulfilling its obligations under this Agreement it may give notice of withdrawal from this Agreement subject to a decision of the Council that such withdrawal is justified.

(9) If any Participating Government considers that a withdrawal from this Agreement notified in accordance with the provisions of this Article by any other Participating Government, in respect of either its metropolitan territory or all or any of the non-metropolitan territories for whose international relations it is responsible, is of such importance as to impair the operation of this Agreement, that Government may also give notice of withdrawal from this

Agreement at any time during the ensuing three months.

(10) Notice of withdrawal under this Article shall be given to the Government of the United Kingdom of Great Britain and Northern Ireland and shall become effective thirty days from the date of its receipt by that Government.

Article 45

(1) Any Government which was, on 31 December 1958, party to the International Sugar Agreement 1953, or to that Agreement as amended by the Protocol of 1956, with one or more reservations shall be entitled on signature, ratification, acceptance or accession to this Agreement to make an identical reservation or reservations.

(2) Any Government represented at the United Nations Sugar Conference 1958 may make one or more reservations in similar terms to those referred to in paragraph (1) of this Article and in the same manner. Any dispute arising under this paragraph shall be settled in accordance with the procedure contained in Article 40.

(3) Any other reservation to this Agreement whether made on signature, ratification, acceptance or accession, shall require the consent of the Council.

(4) Where any reservation or reservations are made in accordance with this Article which require the consent of the Council, the Council shall consider the matter as soon as may be practicable after the deposit of the instrument of ratification, acceptance or accession, as the case may be, of the Government concerned. The instrument shall be regarded as provisionally effective until such time as the Council has considered the matter and, if that Government is unable to obtain the consent of the Council to the reservation or to that reservation as modified, or is unwilling to withdraw the reservation, the instrument shall cease to have effect.

(5) The powers of the Council specified in this Article shall be exercised by Special Vote.

(6) Nothing in this Article shall prevent any Participating Government withdrawing, either in whole or in part, any reservation made by it.

Article 46

(1) Where in accordance with the International Sugar Agreement 1953 as amended by the Protocol of 1956 the consequences of anything done, to be done or omitted to be done in a quota year would, for the purposes of the operation of that Agreement, have taken effect in a subsequent quota year, those consequences shall have the same effect during the first quota year of this Agreement as if the provisions of the 1953 Agreement as amended by the Protocol of 1956 continued in effect for this purpose.

(2) Notwithstanding the provisions of paragraphs (1) and (2) of Article 18 and of paragraph (1) of this Article, the provisional initial export quotas for the quota year 1959 shall be assigned by the Council during the month of January 1959.

Article 47

The Government of the United Kingdom of Great Britain and Northern Ireland shall promptly inform all signatory and acceding Governments of each notification and notice of withdrawal received under Articles 42, 43, 44 and 48.

CHAPTER XIX—TERRITORIAL APPLICATION

Article 48

(1) Any Government may at the time of signature, ratification, acceptance of, or accession to this Agreement or at any time thereafter, declare by notification given to the Government of the United Kingdom of Great Britain and Northern Ireland that the Agreement shall extend to all or any of the nonmetropolitan territories for whose international relations it is responsible and the Agreement shall from the date of the receipt of the notification extend to all the territories named therein.

(2) Within thirty days following a request by the Council, each Government shall furnish to the Council a list, expressed in geographical terms, of the territory or territories to which, at that time, this Agreement applies either by virtue of ratification, acceptance or accession in accordance with Article 41 or of notification made under paragraph (1) of this Article by that Government.

(3) Any Participating Government may, by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland in accordance with the provisions for withdrawal in Articles 42, 43, and 44, withdraw from this Agreement separately in respect of all or any of the nonmetropolitan territories for whose international relations it is responsible.

(4) In the case of withdrawal by a Participating Government in respect of all or any of the nonmetropolitan territories for whose international relations it is responsible, and in case of changes in territorial application, metropolitan or nonmetropolitan, of any participating country as reported to the Council by any Participating Government under paragraph (2) of this Article, the Council, at the request of any Participating Government, shall examine whether it is pertinent to make changes in the status, quotas, rights and obligations of the Government concerned, and if it is found that such is the case, shall decide by Special Vote the changes to be made therein. If the Participating Government concerned considers its interests to be prejudiced by the decision of the Council, it may withdraw from this Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland within thirty days after the Council has reached its decision.

IN WITNESS WHEREOF the undersigned, having been duly authorised to this effect by their respective Governments, have signed this Agreement on the dates appearing opposite their signature.

The texts of this Agreement in the Chinese, English, French, Russian, and Spanish languages are all equally authentic, the originals being deposited with the Government of the United Kingdom of Great Britain and Northern Ireland, which shall transmit certified copies thereof to each signatory and acceding Government.

DONE at London the first day of December, one thousand nine hundred and fifty-eight.

For Australia:
E. J. HARRISON 19/12/58

For the Kingdom of Belgium:
R. L. VAN MEERBEKE 23. xii. 1958
This signature is given for the Belgo-Luxembourg Economic Union.

For Brazil:
A. B. L. CASTELLO-BRANCO London, December 15th, 1958

For Canada:
D. A. BRUCE MARSHALL 23/12/58

For Ceylon:

For Chile:

For China:
The Government of the Republic of China is the only legitimate Government of China. In signing this Agreement, I declare, in the name of my Government, that any statements or reservations made thereto which are incompatible with or derogatory to the legitimate position of the Government of the Republic of China are illegal and therefore null and void.
TCHEN HIONG-FEI 23–12–58

For Costa Rica:
Dr. ALFREDO ALFARO SOTELA 12–22–1958

For Cuba:
ROBERTO G. DE MENDOZA 18th December, 1958

For Czechoslovakia:
R. POPP 23. xii. 58
Signed with the following reservations:
In view of the fact that Czechoslovak economy is a fully planned economy, Article 3, relating to the subsidization of exports of sugar and Article 10 and 13 relating to limitations of production and stocks, are not applicable to Czechoslovakia.

In pursuance of the provisions of Article 11, par. (1) and (2), Czechoslovakia will notify the International Sugar Council as soon as possible to what extent the export quota in effect will be used, however, in view of the specific economic conditions in Czechoslovakia, the notification will be made not by May 15 and September 30 as provided under the Agreement, but by August 31.

In view of the reservations to Article 11, the provisions of Article 12 shall be applied to Czechoslovakia in such a manner as to discount from the export quota in effect for the next year the difference between the actual free market export in the quota year and the export quota in effect at the time of notification in terms of the above reservation to Article 11, reduced by that part which in terms of this reservation has been notified as a part which is not expected to be used.

Accepting the basic export tonnage fixed in Article 14(1)(i) for the first two quota years of the Agreement, Czechoslovakia will not, in view of the overall needs of its economy, consider the quantity of the basic export tonnage under Article 14(1)(i) as final for the third and following years covered by this Agreement.

The signing of the Agreement mentioning in Article 14 China (Taiwan) and in Article 34 China in no way signifies recognition of the Kuomintang authorities, power over the territory of Taiwan neither recognition of the so called "Nationalist Chinese Government" as a legitimate Government of China.

In pursuance of Article 28, par. (5) of the Agreement Czechoslovakia will supply the Council with relevant statistics and information as it will deem necessary, so as to enable the Council or the Executive Committee to discharge their functions under this Agreement.

On behalf of the Czechoslovak Republic I have the honour to state in connection with the signature to the International Sugar Agreement of 1958 that the expression "Germany, Eastern" to designate the German Democratic Republic in Article 14 of the Agreement is not correct.

The German Democratic Republic was established on October 7th, 1949 on the basis of the Constitution which was approved by the Third German People's Congress on May 30th, 1949. By virtue of a series of Acts undertaken by the Soviet Union the German Democratic Republic acquired full sovereignty under international law. The German Democratic Republic equally obtained international recognition by the establishment of diplomatic, economic and trade relations with many countries. The official designation of this sovereign state is, as can be seen, for example, in Article 2 of the above-mentioned Constitution, the German Democratic Republic, and hence this is the only correct designation to be used in international legal documents.

R. POPP.

For Denmark:
STEENSEN-LETH
Dec. 23rd, 1958
At the time of signing the International Sugar Agreement, 1958 I declare that since the Government of Denmark does not recognise the Nationalist Chinese Authorities as the competent Government of China they cannot regard signature of the Agreement

by a Nationalist Chinese representative as a valid signature on behalf of China.

STEENSEN-LETH

London, 23rd December, 1958.

For the Dominican Republic:

Dr. L. F. THOMÉN

December 23, 1958

For Finland:

For France:

J. CHAUVEL

December 23, 1958

For the Federal Republic of Germany:

HERWARTH

23. xii. 1958

For Ghana:

E. O. A. ADJAYE

Dec. 24th 1958

Ghana High Commissioner to the United Kingdom.

For Greece:

The Royal Greek Government declare that, owning to the fact that in Greece, for Treasury reasons, a high tariff, which cannot be abolished, is applied to sugar imports, they proceed to the ratification of the Agreement, while maintaining reservations as to the application of Article 5 concerning reduction of the burdens on sugar.

G. ST. SEFERIADES.

December 23rd, 1958.

For Guatemala:

J. D. LAMBOUR

22 Dec. 1958

For Haiti:

MAURICE CASSEUS

23. 12. 58

This signature will have full validity only after study of the Russian text.

MAURICE CASSEUS

23. 12. 58

For the Hungarian People's Republic:

For India:

For Indonesia:

SUNARIO

24 December 1958

For Ireland:

HUGH MCCANN

22nd December, 1958

For Israel:

DAVID SHOHAM

23. 12. 1958

For Italy:

VITTORIO ZOPPI 23. xii. 1958

For Japan:

KATSUMI OHNO Dec. 23rd 1958

For the Federation of Malaya:

For Mexico:

CARLOS GONZÁLEZ PARRODI 19–xii–58

For Morocco:

HASAN EL MAHDI 23–12–58

For the Kingdom of the Netherlands:

C. W. BOETZELAER December 23, 1958

For Nicaragua:

GUILLERMO GUERRA, CH.

19th December 1958

For the Kingdom of Norway:

For Pakistan:

For Panama:

C. F. ALFARO December 24th 1958

For Peru:

RICARDO RIVERA SCHREIBER 4–12–58

For the Republic of the Philippines:

L. M. GUERRERO 23rd December 1958

For the Polish People's Republic:

1. The signing of this Agreement, which in Articles 14 and 34 mentions China, may under no circumstances be regarded as a recognition of the authority of the Kuomintang over the territory of Taiwan nor of the so-called "Chinese nationalist government" as the legal and competent government of China.

2. Considering the fact that the Polish People's Republic is a country of planned economy, the provisions of the present Agreement concerning production, stock and subsidisation of exports especially Articles 10, 13 and 3 do not apply to the Polish People's Republic.

E. MILNIKIEL. 23/12/1958

The Polish Ambassador.

For Portugal:

AUGUSTO RATO POTIER 23rd Dec. 1958

For Sweden:

For Tunisia:

For the Union of South Africa:

W. A. HORROCKS

19th December, 1958

For the Union of Soviet Socialist Republics:

V. KAMENSKI December 24, 1958

It is assumed that in view of the social and economic system of the USSR and its planned national economy, Articles 10 and 13, dealing with the limitation of production and supplies, as well as Article 3, which deals with the subsidizing of sugar export, are not applicable to the USSR.

The signing, in behalf of the Union of Soviet Socialist Republics, of the present draft of the agreement, which in Articles 14 and 34 mentions China (Taiwan), by no means indicates a recognition of the Chiang Kai-shek government over Taiwan territory, nor the recognition of the so-called "National Government of China" as the legal and competent government of China.

V. KAMENSKI

December 24, 1958

For the United Kingdom of Great Britain and Northern Ireland:

At the time of signing the present Agreement I declare that since the Government of the United Kingdom do not recognise the Nationalist Chinese authorities as the competent Government of China they cannot regard signature of the Agreement by a Nationalist Chinese representative as a valid signature on behalf of China.

The Government of the United Kingdom interpret Article 38(6) as requiring the Government of the country where the Council is situated to exempt from taxation the assets, income and other property of the Council and the remuneration paid by the Council to those of its employees who are not nationals of the country where the Council is situated.

E. A. HITCHMAN. 22 December, 1958.

For the United States of America:

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the treaty.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that 5 minutes be allotted to the chairman of the Committee on Foreign Relations and 5 minutes to the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIRNESS TO AMERICANS OF ITALIAN LINEAGE—EDITORIAL IN IL PROGRESSO

Mr. JAVITS. Mr. President, the Italian language daily newspaper, Il Progresso, in an editorial published on July 12, entitled "High Time for Action," has issued a clear call to the conscience and the fairmindedness of all Americans by spearheading a campaign against expressions in the press, in the movies, and on the radio and television, which tend to identify with some organized ring involved in crime and vice, Americans of Italian lineage, as a group.

It is indeed anomalous that an American listening to a radio invented by Marconi, in a free country discovered by Columbus, in a home stocked with musical recordings of Verdi, Rossini, and Puccini, who admires historic works of art by DaVinci and Michelangelo, whose children are followers of such popular entertainers as Como, Durante, and Sinatra, and who honors as great Americans a whole host of Americans of Italian extraction, might come to feel that the gangster type has some identity with Americans of Italian extraction. Yet, we have but to look to recent world history to see how a distortion of the portrayal of a group of individuals—whose contributions and citizenship are among the highest, and are not open to question—can in the end come to mean destruction of the moral fiber of both the deceived and the deceiver, and of national institutions, as well.

Il Progresso, in its editorial, makes a strong point, in an area of individual civil rights, to which there is no direct solution by application of law—namely, the right of the individual to be judged on his own merits and by his own deeds, rather than by blurred impressions of sensationalism.

The fiction belies the fact. In a letter in response to an inquiry by two of our distinguished colleagues, the Senator from New York [Mr. KEATING] and the Senator from Pennsylvania [Mr. SCOTT], Attorney General Rogers clearly stated that to his knowledge "there is no nationwide ring consisting solely of criminals of any particular national origin; and certainly it would be most unfair to reflect adversely on people of any race, religion, or national origin by any method which would result in a blanket or indiscriminate indictment."

Unfair, indeed, Mr. President. The "criminal-type" is the criminal himself. To attribute these characteristics to a group not only does disservice to the innocent, and is an aid to the guilty who do not fall within the popular stereotype, but also does violence to the very tenets of our constitutional democracy. The Il Progresso editorial rightly calls for fairmindedness and "an end to the ill-founded, vague condemnation of a fine, loyal, and industrious people who—since the discovery of America by one of their forebears—have given it their full measure of devotion." In this cause, all of us are pledged to join.

So, Mr. President, all of us are very much indebted to our colleagues, the Senator from New York [Mr. KEATING] and the Senator from Pennsylvania [Mr. SCOTT], for clarifying this matter by means of the exchange of correspondence with the Attorney General. That correspondence makes it clear that no slur on Americans of Italian extraction is justified. I hope that point has been made clear to all the world; and I compliment these two Senators for helping all of us in that regard.

Mr. SCOTT. Mr. President, I appreciate very much what the Senator from New York has said.

I have been informed that the Attorney General has issued a directive to that effect, addressed to all employees of the Department of Justice, so that it becomes a matter of administration policy that no discrimination—by reason of the unfortunate allusion in connection with the investigation of criminal activities—shall be permitted in regard to the origin or race of any particular group of Americans.

Mr. JAVITS. I thank the Senator from Pennsylvania.

With such a very distinguished American as our colleague, the Senator from Rhode Island [Mr. PASTORE], in the Chamber, it is only fair that this matter become very clearly known to all the American people.

INTERNATIONAL SUGAR AGREEMENT OF 1958

The Senate, as in Committee of the Whole, resumed the consideration of the agreement, Executive D, 86th Congress, 1st session, dated at London, December 1, 1958.

Mr. JOHNSON of Texas. Mr. President, the Senate is to vote on the International Sugar Agreement of 1958.

Several Senators addressed the Chair.

Mr. JOHNSON of Texas. Mr. President, we shall remain here until midnight, if necessary, if Senators wish to address the Senate.

Mr. FULBRIGHT. Mr. President, the pending sugar agreement is the successor to the 1953 International Sugar Agreement, as amended by a 1956 protocol, both of which the Senate approved. Twenty-five exporting countries and nine importing countries signed the agreement. The United States was not a signatory, but early this year filed a notice of its intention to accede to the agreement, thereby being given the status of a nonvoting observer; and the Senate is now being asked to give its advice and consent to such accession.

The principal purpose of the new agreement is to stabilize the world price of sugar, through the assignment of quotas to exporting countries and through the agreement of importing countries to limit their imports of sugar from nonparticipating countries. The obligation of the United States, as an importer, is to purchase not more from nonparticipating countries, as a group, than it did in any of the years 1951, 1952, or 1953. In the past, this provision had some effect on U.S. imports; but it is not expected to have any effect in the future, since all of our sugar suppliers have indicated their intention of adhering to the new agreement. Otherwise, as has been the case before, all U.S. imports of sugar for consumption are exempted from the agreement.

The sugar dealt with in the agreement is that moving in the "free market"—that is, sugar not subject to protection or favored markets. It amounts to about one-third of the world trade. The price range in the agreement is 3.15 to 4 cents a pound, as compared with a present world price of about 2.70 cents and a U.S. price of about 5.75 cents.

The modifications contained in the new agreement are not major ones. They are principally designed to aid in price stabilization and to benefit importing countries.

The cost of U.S. participation in the agreement currently is $16,800 yearly. No substantial increase in cost is foreseen.

The agreement has no direct relationship to the U.S. Domestic Sugar Act of 1948, as amended, and does not require implementing legislation. It will benefit U.S. producers, however, insofar as their interests are advanced by a sound world sugar economy.

Our participation in the agreement, moreover, affords us a forum through which we may cooperate with other nations and may make our influence felt in dealing with world sugar problems.

The agreement is supported by the U.S. sugar industry; and U.S. accession to the agreement was urged by Assistant Secretary of Agriculture Marvin L. McLain and Assistant Secretary of State Thomas C. Mann in a public hearing which the committee held on July 14, 1959. On the same day, the committee ordered the pending agreement favorably reported to the Senate.

In the belief that U.S. participation in the agreement is worthwhile and in the national interest, the committee urges that the Senate advise and consent to U.S. accession.

Mr. President, several clerical and typographical errors appear in the print of Executive D, 86th Congress, 1st session, the pending sugar agreement which now is before the Senate. In order that these errors may be corrected, I ask unanimous consent that the following changes be made at the desk:

In article 17, which appears on page 18, delete the word "American," and insert in lieu thereof the word "America."

In article 26(5), which appears on page 24, delete the comma which appears after the word "'wherever."

In article 13(5), which appears on page 15, delete the word "less," which is the sixth word from the last in that paragraph.

The PRESIDING OFFICER. Without objection, the corrections will be made.

INCREASED USES OF AGRICULTURAL PRODUCTS FOR INDUSTRIAL PURPOSES

Mr. CAPEHART. Mr. President, at this point, I wish to ask the majority leader and the minority leader when they think the Senate will be able to pass Senate bill 690, which was introduced by the Senator from South Carolina [Mr. JOHNSTON], on behalf of himself and other Senators, and provides for the increased uses of agricultural products for industrial purposes.

An identical bill was passed last year by the Senate, by a yea-and-nay vote of 82 to 0.

After the Senate takes final action on the International Sugar Agreement, why cannot the Senate pass, in order to help the American farmers, Senate bill 690, perhaps this evening?

Mr. DIRKSEN. Mr. President, I cannot agree. I am opposed to that bill. The Department of Agriculture is opposed to it. The administration is opposed to it. If the bill is called up, we shall have to have a full-dress debate on it.

So I trust that no effort will be made to call up the bill tonight. I have no personal bias in the matter; but the bill would give that particular research effort a rather curious status in the Department of Agriculture—a procedure which in my judgment would violate almost every precept and every concept and every principle laid down by the Hoover Commission as a format for good responsible government.

Therefore, Mr. President, on that basis I shall have to oppose the bill.

Mr. CAPEHART. I do not know about the Hoover Commission's recommendations in that connection. But I wish to do something to help the American farmers; and this bill will do it.

I am perfectly willing, in order to help the American farmers, to vote to override what Mr. Hoover or anyone else has proposed. I do not believe, and I do not think the record should show, that the administration is opposed to finding new industrial uses for agricultural products, in order to help the American farmers.

Mr. HUMPHREY. Mr. President——

Mr. MAGNUSON. Mr. President, I call for the regular order.

Mr. RUSSELL. Mr. President, I demand the regular order.

The PRESIDING OFFICER. The regular order is requested.

Mr. DIRKSEN. Mr. President, I wish to say to the Senator from Indiana that certainly the administration is not opposed to research in the agricultural field.

However, the bill to which the Senator from Indiana has referred involves a question of procedure. An attempt is made to establish a virtually independent agency in the Department of Agriculture, and to tie the hands of the Secretary of Agriculture. That is quite a different matter. Such a proposal should receive thorough debate on the floor of the Senate.

Mr. CAPEHART. The bill has been here since April 16. How long must we wait before the bill is debated?

Last year the Senate passed, by a vote of 82 to 0, an identical bill. If anyone can obtain any satisfaction from the holding up of a bill which is identical to the one which the Senate passed last year by the vote of 82 to 0, at least I do not understand the reason for the delay.

Mr. JOHNSTON of South Carolina. Mr. President, I desire to thank the Senator from Indiana for bringing up this matter. Personally, I have desired for months to have the bill brought up.

The Committee on Agriculture and Forestry voted unanimously to report the bill; and, as the Senator from Indiana stated a moment ago, last year an identical bill was passed by the Senate by a yea-and-nay vote.

Mr. CAPEHART. Am I correct in understanding that it was exactly word for word?

Mr. JOHNSTON of South Carolina. I think it was exactly like it.

Mr. CAPEHART. Word for word.

Mr. JOHNSTON of South Carolina. All the members of the committee, and I am speaking for both Democrats and Republicans, think the bill as drafted at the present time will do much for the farmers of the Nation by finding new uses for farm commodities. I hope the bill will be brought up sometime in the near future. I did not make the inquiry at this time, but I am glad the Senator from Indiana did so.

Mr. DIRKSEN. Mr. President, I yield to the majority leader.

Mr. JOHNSON of Texas. Mr. President, I appreciate the concern of the Senator from Indiana and the Senator from South Carolina. The majority policy committee has cleared the bill, but we have not arranged a convenient time to have it discussed. The minority leader has asked that it be held up. I shall attempt at a later time to work out arrangements as to when we can debate the bill. We have no intention of taking it up this evening.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. Amendments have been suggested to the bill which I think Senators will want to have considered. I know of one that is very constructive. I thoroughly agree with the Senator from Indiana that this measure represents good legislation. It previously passed the Senate. It will undoubtedly be brought up for consideration. But the administration has been opposed to it, and there has been some desire to debate the bill on the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

INTERNATIONAL SUGAR AGREEMENT OF 1958

The Senate resumed the consideration of the agreement, Executive D, 86th Congress, 1st session, dated December 1, 1958.

The PRESIDING OFFICER. The agreement is open to amendment.

If there be no amendment to be offered, without objection, the pending agreement will be considered as having been passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will read.

The Chief Clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive D, 86th Congress, 1st session, a certified copy of the International Sugar Agreement of 1958, dated at London December 1, 1958.

The PRESIDING OFFICER. The question now is, Will the Senate advise and consent to the resolution of ratification? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from North Carolina [Mr. JORDAN] are absent on official business.

The Senator from New Mexico [Mr. ANDERSON] is absent on official business attending the launching of the atomic merchant ship *Savannah*.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that if present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. JORDAN], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from New Jersey [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business to attend the launching of the atomic-powered merchant vessel *Savannah*.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from New Jersey [Mr. CASE] would each vote "yea."

The vote resulted—yeas 85, nays 2, as follows:

YEAS—85

Aiken	Hart	Morse
Allott	Hartke	Morton
Bartlett	Hayden	Moss
Beall	Hennings	Mundt
Bible	Hickenlooper	Murray
Bush	Hill	Muskie
Butler	Holland	Neuberger
Byrd, W. Va.	Hruska	Pastore
Cannon	Humphrey	Prouty
Capehart	Jackson	Proxmire
Carlson	Javits	Randolph
Carroll	Johnson, Tex.	Russell
Church	Johnston, S.C.	Saltonstall
Clark	Keating	Scott
Cooper	Kefauver	Smathers
Cotton	Kennedy	Smith
Curtis	Kerr	Sparkman
Dirksen	Kuchel	Stennis
Dworshak	Langer	Symington
Eastland	Lausche	Talmadge
Ellender	Long	Thurmond
Engle	McCarthy	Wiley
Ervin	McClellan	Williams, N.J.
Frear	McGee	Williams, Del.
Fulbright	McNamara	Yarborough
Goldwater	Magnuson	Young, N. Dak.
Gore	Mansfield	Young, Ohio
Green	Martin	
Gruening	Monroney	

NAYS—2

Bridges	Douglas

NOT VOTING—11

Anderson	Case, S. Dak.	O'Mahoney
Bennett	Chavez	Robertson
Byrd, Va.	Dodd	Schoeppel
Case, N.J.	Jordan	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified that the Senate has today agreed to the resolution of ratification.

The PRESIDING OFFICER. Without objection, the President of the United States will be notified of the approval by the Senate.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 448, S. 819.

The PRESIDING OFFICER (Mr. CLARK in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 819) to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM AND ORDER FOR ADJOURNMENT

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader what is scheduled for consideration tomorrow; and also at what time the Senate will convene tomorrow.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, we have before the Senate Calendar No. 448, S. 819, introduced by the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Pennsylvania [Mr. CLARK.] I understand the Senator from South Dakota [Mr. MUNDT] and some other Senators have some amendments they desire to offer to the bill. I think there will be some discussion; how lengthy it will be I do not know.

We have cleared a number of bills on the calendar, the list of which I read into the RECORD earlier today, including Calendar No. 525, S. 2014. I shall not ask to have that bill considered tomorrow if the Senator from Illinois desires to have it go over. I had indicated earlier it could be taken up by motion.

Mr. DIRKSEN. It is a highly controversial bill. Quite a number of Members of the Senate want to examine some pertinent memoranda in the next day or two.

Mr. JOHNSON of Texas. Very well. I give notice, Mr. President, the bill will not be called up tomorrow, but Calendar No. 522, Senate bill 1110, will be considered.

I have listed a number of bills. We may have a short call of the calendar of measures to which there is no objection, if we finish early enough tomorrow. We may have reported by the committee the YCC bill.

Mr. JOHNSON of Texas subsequently said: Mr. President, I should like to make one further statement.

Calendar No. 434, S. 281, a bill to which I referred in the Senate earlier today, may be taken up by motion.

SIXTY-EIGHTH ANNIVERSARY OF PUBLICATION OF JORNAL DO BRASIL

Mr. SMATHERS. Mr. President, the Jornal do Brasil, one of the most in-

fluential newspapers of that country and one of the most highly respected in this hemisphere, recently observed its 68th anniversary of publication.

To commemorate that occasion, Senor M. F. Nascienento Brito wrote an editorial in which he made some observations which we would all do well to note and reflect upon. Senor Brito rededicates his paper "to the silent efforts of generations to construct a great and free country; to move forward while conserving the best that we have acquired from our experience."

These principles motivated our Founding Fathers in the early days of this Republic. They are the principles by which our actions today should be governed. Their enunciation in this fine editorial in a newspaper of Brazil has demonstrated once again the great heritage which the countries of this hemisphere have in common and the feeling of kinship which our peoples share.

Mr. President, I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIXTY-EIGHT YEARS

Today we round out 68 years. It is unlikely that many of the readers of our first issue are still alive. This newspaper has lived through generations, witnessing and reporting in its pages the most significant events of our national life and in the lives of other peoples. We made our place in the sun, thus fulfilling the hope and the prophecy with which we bowed to the public, that there was a place for Jornal do Brasil in our press. And if we were able to do this it was because we always "placed the higher and permanent interests of our society above the narrow interest of factions or parties."

We said on appearing that we would assume our responsibilities and commit ourselves to the duties of the press. Within human limits, we have been and will always try to be faithful to what, from the beginning, we set as our goal and to the examples which gave this newspaper roots and served as an inspiration.

On this day we cannot forget the examples left us by Count Pereira Carneiro. In the first place, that to build for the future it is necessary to be faithful to the past. Not only to our own past, but also to the past of the organization to which we devote our efforts. Also to the past of the nation, to the silent efforts of generations to construct a great and free country, because—and we said this on founding the newspaper—hatred toward the great strength of tradition would not only be a sacrilege; it would also be inappropriate and impotent.

For this very reason we learn to move forward while conserving the best that we have acquired from our experience. Then, there is moderation in judging men and events, because many is the time we have seen today the injustice of yesterday as a constant warning that it might befall us tomorrow. Finally, and not because it is less important, the need to be independent because without independence there cannot be a free press; it is simply not a press if it is not free.

By independence we do not mean an absence of any links. We have them: with our past, with our duty to the truth, in order to serve our country. We have them with our readers and with our advertisers. As for the readers, we respond to their favor by always trying to interpret their needs, supporting those that seem fair and legitimate and opposing those that are contrary to the general interest; as for the advertisers, we appreciate their choice of us as the bearer of their message; it is justified by the penetration achieved. And that is all. We have no links with political or economic groups of any kind; that is why we can report incisively and comment impartially, in the light of the general and national interests, on the actions of our public men, whether in politics or in all fields of our social life. This is the independence that we preserve, because of our need to be free, and because of the confidence placed in us by our readers.

And because we cannot conceive of a press without freedom, we defend it against incursions by the authorities, no matter how well-intentioned they may be. Also, for these reasons, we always support, as far as general and economic policies are concerned, a point of view opposed to privileges and/or maneuvers, even though they are allegedly intended to benefit the press. If the authorities are allowed to establish discriminations of any kind among the media, there will be no limit to the exercise of this prerogative, even though it be exercised at first in a manner that is apparently acceptable because of the benefits it might bring. Sooner or later, and in one way or another, payment must be made for favors received. They are payments in the moral weakening determined by the acceptance of improper benefits or benefits gained through other channels than one's own work; they are payments made in the strings connecting those who give and those who receive; the former establish inhibitions for the latter that quickly become obligations, the fulfillment of which could turn concessions into sanctions; they are payments made in the pawning of freedom by a press that has made itself unworthy of freedom. It is more to be condemned if the favors extended to certain parties, including newspapers, are at the expense of certain others; in the latter case the people of Brazil who work in the fields and ports from sun to sun to produce and export, and then see that the fruit of their labor is taken from them to benefit those who, because of their prestige and connections, have constituted themselves a privileged class.

The preservation of freedom of the press—and, therefore, of the independence that makes it possible—is more important today than ever. We live in an age and in a country to which freedom is not immune from attacks by totalitarians of all times and all colors. A house in disorder can easily be made into a house divided against itself. Moreover, there are those who plan to achieve political and economic benefits from a disorder that they themselves help to create and do not help to end. Only public understanding, achieved patiently and permanently, is capable of restoring spiritual equilibrium and of bringing to Brazil the days of abundance and tranquility that should be the permanent goal of those who do not accept "the destructive spirit, whether it be unconscious or evilminded."

ADDRESS BY SENATOR ELLENDER BEFORE THE LOUISIANA FARM BUREAU FEDERATION CONFERENCE MEETING

Mr. ELLENDER. Mr. President, yesterday, July 20, 1959, I delivered an address before the Louisiana Farm Bureau Federation at Monroe, La., and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR ALLEN J. ELLENDER, DEMOCRAT, OF LOUISIANA, JULY 20, 1959, BEFORE THE LOUISIANA FARM BUREAU FEDERATION CONFERENCE MEETING, VIRGINIA HOTEL, MONROE, LA.

Ladies and gentlemen, when your president, Larry Lovell, extended to me the invitation to address you, I had high hopes that I might be able to report that the President had signed into law, new legislation affecting the production of wheat. Unfortunately, such is not the case. The President vetoed the only wheat bill which both Houses of Congress had agreed to.

Suffice it to say that the existing chaos which plagues wheat is symptomatic of the difficulties which are infecting all segments of agriculture today. These factors lend increased emphasis to the theme of this meeting—teamwork—because today, as never before, American agriculture is in dire need of realistic, old-fashioned, down-to-earth teamwork and cooperation.

I urge each and every one of you to put this theme into practice not only at this meeting, not only in your contacts with all segments of Louisiana agriculture, not only in your relationship with other State farm bureaus, but in each and every activity in which you, as farmers and citizens, may engage.

If American agriculture is to progress, if it is to move forward, if we are to ever clear up the muddle in which our agricultural economy finds itself today, we are going to need teamwork at all levels and among all groups, both in and out of Government—principally in Government, may I add, where we have had an administrator of our farm programs who has never been in sympathy with them.

I have served in the Senate, and as a member of the Senate Committee on Agriculture and Forestry, for nearly 23 years. At no time have I observed American agriculture so divided, so much in disagreement, as it is today.

Our agriculture faces a crisis without precedent. We are in even worse straits than we were during the middle and late 1920's and early 1930's, and heaven above knows those were dark days, indeed. At that time, there was at least some degree of understanding and sympathy for the plight of the farmer, and some appreciation of the difficulties confronting him.

Such is not the case today. As a matter of fact, if credence were given to all we read in some of the newspapers and slick-paper magazines, one would conclude that the American farmer has both feet in the Federal trough, both hands in the Federal Treasury, and is living the life of Riley—a life of ease and splendor at the expense of the consuming, and taxpaying, public.

You and I know this is not true, but it is high time for all of us to understand that unless prompt steps are taken to get the true story of agriculture and farm problems across to the nonfarming public, unless American agriculture unites, rolls up its sleeves, and gets down to work, there is no hope at all of obtaining realistic and helpful farm legislation.

So I am here before you today to plead for teamwork—not only teamwork within the Louisiana Farm Bureau Federation, not only teamwork within and among other State federations, but teamwork among all segments of agriculture—among all persons with an interest in the well-being of a strong, vigorous agricultural economy.

We are confronted today with a farm program "cold war." There is cold war among farm organizations. Each seems determined upon having its own way, or having nothing at all.

There is a cold war in the making between the Congress and the executive branch. Our present Secretary of Agriculture, more or less, demands that Congress enact only the bills the administration desires, without change, or face the prospect of a veto.

There is a cold war, which shows signs of developing into a hot war, between farmer and consumer.

Just recently, a member of the House Committee on Agriculture suggested to the Secretary of Agriculture that he arrange for an agricultural summit conference—a meeting to achieve some agreement on agricultural legislation—a meeting to be attended by the President of the United States, Secretary Benson, farm organization leaders, and some of the ranking Members of both the Senate and House Committees on Agriculture.

It strikes me that it is a sad state of affairs when relations between the executive and legislative branches, relations among farm organizations, and relations between farmers and consumers, are so bad that a Member of the Congress must suggest the possibility of a "summit conference" on agriculture. Nevertheless, such is the case. I would be less than frank if I indicated otherwise.

What, then, is the answer—if, indeed, there is one?

There must be the understanding and realization that unless some action is taken promptly, the entire farm program structure is going to come tumbling over us, whether we like it or not. This is basic, and it is from this point we must begin.

First, steps must be taken to end this farm program cold war.

Next, all "pride of authorship" in farm legislation must be forgotten. Factional organizational difficulties are a luxury agriculture cannot afford today. In this regard, I urge all farm organizations to forget the pet projects they may have advocated in the past, to meet at their own "summit" level, and, working together, try to hammer out an agreement on farm legislation which will benefit farmers, benefit the government, and stop the piling up of surpluses and the rising cost of present programs. This can be done if all involved will but forget their past differences and begin anew.

Third, both the executive branch and the legislative branch must come to grips with realistic agricultural legislation, by creating a nonpartisan atmosphere conducive to constructive accomplishments. Emphasis must be upon positive achievements, not upon partisan advantage.

I realize this will be difficult; 1960 is a Presidential election year. Quite a few Members of the Congress must stand for reelection. Incidentally, I happen to be in that category, and I hope the people of Louisiana will respond favorably.

But I say this: If the choice boils down to my either accepting the continuation of a farm program which will injure rather than benefit both our farmers and our consumers; if I am offered the choice of either playing high-cost politics with American agriculture, or facing the prospect of possible defeat at the polls next year, I will choose the latter course without any qualms at all. The situation in which agriculture finds itself today it much too serious to be compounded and confused by the injection of petty, partisan politics—even in an election year.

Finally, ways and means must be found to dispel the fog of misunderstanding which presently separates farmers and consumers. We must convince the urban consumer, the laboring man, the businessman and the busy housewife, that all American agriculture desires is the same kind of treatment extended to other segments of our economic society. Our free system of agriculture does not want—indeed, it could not long survive—in an atmosphere of Government regulation, Government control, or Government handouts.

Agriculture's public relations are, and have been, extremely bad. Story after story has appeared from east to west and from north to south about the so-called excessive costs of the present farm program. The press has been filled with stories about so-called payments made to large producers of cotton, wheat and rice—about the tremendous storage payments made to certain warehouses and storage companies. Stories of this kind have generated a tremendous amount of antifarm feeling. They resulted in the inclusion in the vetoed wheat bill of a $35,000 limitation on price support loans to farmers, and an amendment to the 1960 USDA appropriations bill providing for a $50,000 limitation. I suspect that any farm legislation considered this year will carry similar provisions limiting price support. Those who are unaware of the philosophy underlying the price support program do not realize that present CCC price support operations were conceived as a loan program, and were adopted in order to facilitate orderly marketing. They are not, and must not become, a system of direct doles or handouts.

In addition to the adverse publicity generated by large price support loans to certain cooperators, agriculture has also suffered by the adverse publicity given the soil bank.

There were two parts to the soil bank program, both designed to pay farmers for not planting and harvesting crops. The present climate of public opinion bears witness to the fact that the American public is not and will not be disposed to favor any program, agricultural or otherwise, whose purpose is to pay people for doing nothing.

Thank goodness, the acreage reserve program is done with. This is a blot on agriculture that will take years to erase. I fear that the conservation reserve program, the second part of the soil bank, wherein whole farms are taken out of production, will also be received by the American public in much the same light.

In this regard, earlier this year, the Secretary of Agriculture requested $375 million to finance this program. The Congress approved this sum. Only last week the administration requested legislation to extend for another 3 years the conservation reserve program, and to increase funds for this purpose to $500 million annually.

The sole purpose of this program is to reduce production and if it were to accomplish this aim, there could be little to complain about, but in my humble judgment, to do any measurable good, it would require a much larger effort, probably twice as large as that proposed.

Judging from the present temperament of the nonfarming public, a program of such magnitude would not be acceptable. As a matter of fact, the continuation of even the present conservation reserve may well generate increasing antifarm feeling, unless steps are taken to explain its purpose, and to make sure that it works in strict accord with the intent of Congress.

Here is where Mr. Benson could be of immense help; here is an area where he should be attempting to present and explain the facts, instead of confusing and distorting them. As one of my colleagues mentioned the other day, there seem to be growing doubts as to whether Mr. Benson is the Secretary of Agriculture or the Secretary against Agriculture.

Now, I do not intend to criticize Mr. Benson too severely, but I do believe that the record more or less speaks for itself.

In a recent television broadcast, at which the Secretary of Agriculture and I appeared, we discussed the cost of price supports. Mr. Benson said the cost of the program amounted to over $20 billion. This was absolutely untrue, and he should have known it. I had the exact figures in front of me on the actual cost of the price support program and I quoted these figures, but he refused to accept them and insisted that the farm program cost about $20 billion.

In this connection, I am sure that you have read newspaper and magazine articles which were in complete disagreement as to the cost of the program. I receive letters daily, requesting information on the true cost of the program. People are confused because of the conflicting amounts that are placed before them. As a result, I would like to take just a few minutes tonight to cite the actual losses of the price support program as reported by the Commodity Credit Corporation and to set the record straight with respect to the losses involved in moving Commodity Credit Corporation-owned commodities into commercial channels.

As of April 30, 1959, the latest date for which information is available, total losses under the price support program, from its beginning, October 17, 1933, through April 30, 1959, amounted to about $6.6 billion. Of this total about $5.5 billion occurred under Mr. Benson, that is, since July 1, 1953. In the previous 20 years, that is, from October 17, 1933 to June 30, 1953, the total cost of the price support program amounted to only $1.1 billion.

This is a far cry from the $20 billion figure that Mr. Benson likes to cite, without explanation. He invariably leaves the impression that the price support program has cost that huge sum.

Furthermore, instead of extending cooperation to the Congress in an effort to reach an acceptable solution to the farm program, Mr. Benson has in recent months steadfastly refused to accept any program except those he, himself, has suggested. What is even worse, the Secretary and his associates insist upon denying paternity of those programs which they have fostered in the past.

For example, just recently, Assistant Secretary of Agriculture Marvin McLain responded to a New Orleans resident who had written the Secretary of Agriculture complaining about the cost of the farm program.

In his letter, Mr. McLain stated, and I quote: "Before we took office, the previous administration committed the Government to provide high price support levels for the 1952 and 1953 crops of the basic commodities."

Mr. McLain's statement, is, of course, factually correct. What he neglects to state is that the high level price supports were continued, and, in the case of cotton, acreage restrictions were suspended, because we were at war in Korea. The military demands generated by that conflict, as viewed in 1951 and 1952, required continued, abundant production. Thankfully, that war ended in 1953—but the armistice was not foreseeable when 1953 support levels and acreages were established almost a year previously.

Furthermore, Mr. McLain ignores, as did Secretary Benson in his statement before the House Agriculture Committee earlier this month, the fact that President Eisenhower promised to maintain 90 percent of parity for at least a year, during the 1952 campaign. On September 6, 1952, Candidate Eisenhower stated:

"And here and now, and without any 'ifs' and 'buts,' I say to you that I stand behind—and the Republican Party stands behind—the price support laws now on the books. This includes the amendments to the basic farm act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity."

Mr. Benson and Mr. McLain, as well as the President, like to refer to the present

price support program as the "old" program, and consistently seek to place the blame for its high costs on Congress.

It is true that the Congress is far from lily-white in this regard, but the administration is not simon-pure, either. The farm price support laws now on the statute books—including those which have produced the present huge wheat surplus—were recommended, and, upon enactment, praised by this administration.

On April 2, 1957, Mr. Benson cast himself in the role of la "proud papa" of the program. In an address before the fifth annual Republican Women's Conference in Washington, D.C., he said, and I quote:

"We have passed the peak of our surplus accumulations. We are moving these stocks into the hands of those who can use them, at home and abroad, with a variety of new and established programs. We are cutting down our acquisitions of wheat, corn, and cotton by means of the soil bank. We are moving toward a better balance of supply and demand."

Thus, while Mr. Benson was anxious to take credit for his program in 1957, when the prospects were bright, he does not want to identify himself with it today, since it has proved to be a failure.

The Secretary of Agriculture was not alone in his prognostication. Listen to what the President of the United States said when he submitted the present sliding scale bill to Congress back in 1954. I quote:

"The agricultural program proposed in this section and in Part II which follows, will open new market outlets both at home and abroad, not only for current supplies but for future production. It will provide a firm floor on which our farmers can rely while making long-term plans for efficient production and marketing. Year in and year out, it will provide the best prospects for the stability and growth of farm income.

"It will help the farmer attain full parity in the market. It will avoid creating burdensome surpluses. It will curtail the regimentation of production planning, lessen the problems of diverted acreage, and yield farmers greater freedom of choice and action. It will bring farmer production into closer balance with consumer needs. It will promote agricultural interest, along with the public interest generally. It will avoid any sharp year to year change in prices and incomes."

Yet, this is the program that has been a complete and total failure. It has not reduced surpluses.

As a matter of fact, total investment in price support commodities by the Commodity Credit Corporation has increased from $6 billion in 1954 to an estimated $10 billion as of June 30, 1960, despite the fact that the Commodity Credit Corporation, within that same period, will have disposed of about $17.7 billion of agricultural commodities. It has not been less costly.

The yearly losses experienced by the Commodity Credit Corporation on disposition of agricultural commodities has increased from about $112.3 million in 1953 to $1.7 billion in 1958.

Regardless of the measure used, the cost of running the Department of Agriculture has increased tremendously under the administration of Mr. Benson. In fiscal 1952, the total budget for the Department of Agriculture amounted to about $2 billion, while in fiscal year 1959, which ended on June 30, the total cost of operating the Department of Agriculture amounted to about $6.3 billion.

Of course, not all of this went to farmers. As a matter of fact, only about one-half of the total agricultural budget is earmarked for programs which are of benefit primarily to farmers. The remainder of the budget is for the exercise of those functions and programs which benefit the Nation generally. However, we cannot lose sight of the fact that the agricultural program, as sponsored by Mr. Benson—until last year, when new legislation was passed for cotton, corn, and rice—has been extremely costly. Its costs, I submit, have been far out of proportion to its benefits to either farmers or to the Nation.

Farmers, taxpayers, consumers deserve more than partisan-politics-inspired "buck-passing" of the Benson-Eisenhower variety. In my opinion, if the Secretary of Agriculture had spent half the time working with Congress and farm organizations in an effort to devise a successful farm program, as he has spent junketing across the country making political speeches, all concerned would be in much better shape than they are today.

What agriculture needs is its fair share of the national income derived from sales in the marketplace, not political haymaking or paritisan-inspired blame-shifting. I commend this advice to some of my colleagues in both Houses of Congress, as well as the administration, I might add.

I would also like to see a greater realization that there is no overall panacea for today's farm problem. There is no magic wand we can wave over the farm program, no magic words we can pronounce and expect that, presto, all our problems will disappear. Any solution to agriculture's ills must recognize that our problems today have been a long time in the making, and will require a long time to be solved.

Basically, agriculture is caught in a technological revolution. Through the near miracles of research and farmer ingenuity, the productivity of American farmland has reached an alltime high. Any solution to the farm problem must recognize this overriding development.

In my humble judgment, a number of factors must be stressed in reaching some workable solution.

First, we must increase farm research, particularly, in the field of utilization. In this connection, I do not see any need whatsoever for the creation of a huge, unwieldly separate government agency to conduct utilization research. We do not need to authorize the expenditure of hundreds of millions of dollars for this purpose. By making maximum use of authority presently vested in the Department of Agriculture, and by shifting some of the emphasis given present programs within the Agricultural Research Service, it is possible to produce all the utilization research we need, at a modest cost.

Second, steps must be taken to encourage shifts in farm production. Areas which cannot remain competitive on a long-established one-crop basis must shift production to other crops. The Department of Agriculture, working in cooperation with appropriate State agencies, has a duty to increase its efforts to find supplemental crops, and to encourage farmers to shift to them.

Here, difficult problems are encountered. Farmers are not anxious to move from a surplus commodity, for which Government price protection is available, into another commodity, for which price support may not be available, unless they have some assurance that they will be able to readily market the fruits of their labor.

In this area, another element of teamwork will be required. Better liaison must be established among all departments of the Federal Government, and among the States and the Federal Government. Perhaps some temporary incentive may be required to encourage farmers to shift from a surplus crop, to one more readily marketable. But the shifts could be accomplished, if more emphasis were placed upon deeds instead of words.

The Department of Agriculture has available a number of new crops which could gain ready farmer acceptance, if a demand were created for them. If the proper cooperation existed between the Department of Agriculture and the Departr_ent of Commerce, for instance, I believe that markets for such commodities could be developed as their production is emphasized.

There should also be better teamwork between the Department of Agriculture and the Department of State. Much, much more of our surplus commodities could be moved through normal trade channels, without the need for bigger, better, more costly surplus disposal plans, (such as some of the so-called food-for-peace plans which have been suggested) if the Department of State only took a more sympathetic view of our own needs. For example, of the local currencies derived from sales under title I of Public Law 480, only token amounts have been earmarked and spent for trade and market development abroad. The great bulk of this money has been used for under-the-table military foreign aid, for long-term loans to foreign governments, and for similar programs.

The Department of State has a very short memory insofar as this program is concerned. Public Law 480 was initially enacted as a trade development program. Through the efforts of the Department of State, the foreign-aid planners, and some internationally minded Members of the Congress, it is well on the road to degenerating into a supplemental source of unadulterated foreign economic aid.

This we cannot permit, but to stop it, we will need the help of the executive branch, particularly the President and the Secretary of Agriculture.

There must be a broader realization among farmers of the need for, as well as a willingness to accept, price adjustments. This is particularly true insofar as wheat, corn, and feed grains are concerned. It is in this area that the most difficult problems arise.

Insofar as exports are concerned, American farmers are caught in the same economic mousetrap as producers of other commodities. We are being priced out of our markets. Again, however, aggressive selling, stressing the high quality of American farm products, coupled with modest price adjustments and some Government assistance, can, I am convinced, permit our agriculture to compete in foreign markets.

Here, again, I do not believe it is fair to expect farmers to accept such drastic price reductions as may be required in some instances to become fully competitive. The facts are that our standard of living is so high that it would be ruinous for either agriculture or industry to be compelled to compete solely on a strict dollars and cents basis with a number of low-cost foreign countries. This is particularly true when our own Government, through foreign aid, is often actually fostering and expanding the foreign production of commodities, both agricultural and industrial, to compete with our own.

I have already spoken much longer than I intended, but, to be perfectly frank, I suppose I am pretty much "wound up" on this subject. I have lived near the land all my life; I love agriculture, and I believe in the way of life it offers.

In closing, I want to express again my deep appreciation for being accorded this opportunity to speak to you. I hope I have furnished you with food for thought pertaining to the problems all agriculture faces today, the elements of those problems, and the need for a broader and more effective application of the principle which this gathering has adopted as its slogan tonight—teamwork.

I count myself as a member of the agricultural team in Washington, and while I do not cast myself in the role of quarterback, I do hope that you will permit me the honor of regarding myself as the legislative counterpart of the young man who shares this platform tonight. Just as halfback Billy Cannon carries the ball on so many

occasions for the Tigers, I stand ready to do my part in carrying the ball for you, as farmers, and as citizens of our great State.

CORRUPT PRACTICES IN LABOR UNIONS

Mr. WILLIAMS of Delaware. Mr. President, during the past 2 years the McClellan committee has been exposing corrupt practices of certain unscrupulous labor leaders.

The committee has shown how some of these corrupt leaders have been embezzling the funds of the union members' pension accounts and ofttimes diverting these trust funds to their own personal use. Numerous examples of how some corrupt and arrogant leaders have been shaking down the American businessmen under what has almost been a threat of blackmail has shocked the American people. It has been with disgust that the American citizens have seen paraded before this committee officials with long criminal records and who when questioned concerning their activities hid behind the fifth amendment.

Certainly, we all agree that the American businessman should not have paid this blackmail, and yet let us be realistic and look at the situation from his standpoint.

Here is a group of arrogant and corrupt labor officials, some with long criminal records, but a group which notwithstanding its questionable background is still enjoying the protection of an inadequate law because of a timid Congress.

Businessmen realize that notwithstanding all the corruption which has been exposed, the members of the union as well as the employers are still unprotected by the Congress. The American people still see the Congress of the United States passively bowing to the will and mandates of these arrogant labor leaders.

When the Kennedy-Ervin bill passed the Senate, it was recognized by practically everyone that it did not have adequate teeth with which to correct and control the many corrupt practices which had been exposed and denounced, but even this mild approach has now been rejected by the House committee in favor of a milktoast proposal, a proposal practically drafted by these same highhanded labor officials.

No one is advocating legislation to destroy the unions. Labor unions are an important part of our system of free enterprise, and certainly no one is suggesting legislation to restrict unduly or to prohibit these unions from acting as bargaining agents representing the membership.

All that anyone has advocated is adequate legislation to curtail the corrupt practices of union officials and to protect the union members, the American businessmen, and the American public.

Let us not forget that the money which has been embezzled by these corrupt officials represents the hard-earned wages of the American workingman. Why should not those who have stolen this money or misappropriated it be punished? Why should we not have laws which would guarantee the membership of a union the right of a secret ballot in elections whereby without any fear of reprisal they could cast their votes to overthrow these corrupt leaders?

Congress has spent several millions of dollars through the McClellan committee to expose the corrupt practices of these racketeering officials. If now, after all these exposures, Congress should adjourn without having passed adequate legislation to correct these abuses our failure to act will go down as a shocking indictment against the 86th Congress.

As Members of Congress, this is our responsibility. We cannot dodge it. Those of us who are in favor of enacting adequate legislation in this field to correct these abuses should join together and serve notice that we will resist every effort to adjourn the 86th Congress prior to having effectively dealt with this problem.

In this connection, I ask unanimous consent to have incorporated in the RECORD at this point two editorials, one published in the Washington Daily News of July 20 and the other published in a recent issue of the Washington Post and Times Herald.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, July 20, 1959]

THE STORY TOLD, BUT—

When the Senate's McClellan committee, investigating labor rackets, finished with Jimmy Hoffa last week, it had developed a story sordid enough and conclusive enough to stun the most callous.

But, save for the enlightenment provided the general public, the results of this investigation until now are at least dubious.

Certainly, Hoffa in no wise has reformed. Hence, the promised cleanup of the Teamsters Union remains an empty promise. Hoffa, on his last appearance, was sassier, more defiant, than ever.

And the primary purpose of the investigation—laws which would curb the pilfering, violence, arrogance, and abuses the committee has exposed—seems certain to be short-circuited. There may be a labor bill, but it will not be the specific, tooth-studded measure the McClellan committee has sought, or the evidence justified.

In this inquiry, literally hundreds of witnesses—mostly union officials—have taken the fifth amendment. Hoffa was the exception, but he continually passed the buck to other Teamster officials, and about 100 of them took the fifth. Same effect.

This, and the long list of convicted hoodlums, some even now in the penitentiary while still on the union payrolls, hardly could leave much question of Hoffa's methods, his power, his ambitions, and his threat to business, unionism, and the economy.

Yet, Hoffa's sidekicks were among the most potent lobbyists against the bill. The same bunch which wouldn't answer a civil question from a congressional committee is putting the heat on Congress to kill any legislation which would restrict the rackets the committee has revealed in such repulsive abundance.

The whole mess, to put it lightly, raises serious doubt about the devotion of Congress to the public duty—and to its often-spoken concern for the oppressed, the exploited, and the voiceless little man.

[From a Washington, D.C., newspaper]

DISCOURAGED SENATOR

Indiana's Senator CAPEHART says it is "very discouraging" to see honest businessmen—in this instance the head of a trucking concern—paying protection money to corrupt Teamster officials.

There is some basis for the Senator's discouragement. An honest businessman, we suppose, should refuse to bow to blackmail—even though his alternative is to be put out of business by the union racketeers. For our part, however, it is far more discouraging to watch a Senator wring his hands in deprecation of extortion while Congress meekly acquiesces in this outrageous abuse of union power.

As the sordid picture unfolds before the McClellan committee, it becomes clearer every day that tough Federal legislation is needed if the thieves in the union movement and their political henchmen are to be put out of business. But this Congress is not going to do anything about it. It is easier to tell honest businessmen to get in there and fight, and, if they are put out of business, so what?

PROBLEMS OF THE POULTRY AND EGG INDUSTRY

Mr. WILLIAMS of Delaware. Mr. President, on June 17, 1959, I placed in the RECORD a report showing the expanded activities of the Farmers Home Administration and the Small Business Administration in pouring out the taxpayers' dollars through loans to finance an already overexpanded poultry industry. I severely criticized this action as being in part responsible for the demoralized condition of the poultry and egg market.

In that report, I called attention to the manner in which the Small Business Administration had, during the past 2 years, expanded its poultry loans by 300 percent over the preceding 2-year period, during which they had loaned $3,415,831 to the poultry industry.

The Small Business Administration has just issued another release listing its activities for the most recent 60-day period, and this latter report shows that it is now pouring out money at an even faster rate.

During the past 60 days, this one agency has loaned to various segments of the poultry industry an additional $1,124,000.

All this money is being poured out to finance the production of more poultry and more eggs and will further aggravate an oversupplied market.

The ironical point is that during the past 6 months the Department of Agriculture has spent over $19 million to support the demoralized poultry and egg market, with over $7 million of this being spent in the past 60 days.

Certainly there can be no justification for this practice of one Government agency financing expanded production while another Government agency spends money to remove the surplus. The time is long overdue when these agencies should begin conducting their business with some degree of common sense.

NATIONAL FARM SAFETY WEEK

Mr. CARLSON. Mr. President, this is National Farm Safety Week and the theme this year is "Safety Makes Sense."

The National Safety Council, in cooperation with the U.S. Department of Agriculture, the State Agriculture Extension Service, farm organizations, and

other groups, is rendering a real service in carrying out an educational campaign on the problem of farm accidents.

The present president of the National Safety Council is Hon. Howard Pyle, former Governor of New Mexico, and he is ably assisted by Mr. Maynard Coe, executive director. These men are dedicated to a program that will reduce accidental deaths in the rural areas.

Farm families suffered 500 fewer deaths in 1957 than in 1947. The accidental death rate has been reduced from 66 deaths per 100,000 farm population in 1947 to 57 in 1957. More than half of the fatal farm accidents occur through the use of farm machinery and drowning. The large number of deaths resulting from drowning in rural areas is no doubt the result of a greatly expanded farm pond building program during the past two decades.

President Eisenhower issued a proclamation setting aside this week as Farm Safety Week and I ask unanimous consent that it be included as a part of these remarks.

The National Safety Council has prepared a schedule of programs by topics for each day of National Safety Week and I ask unanimous consent that this schedule be made a part of these remarks.

There being no objection, the proclamation and schedule were ordered to be printed in the RECORD, as follows:

PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA ON NATIONAL FARM SAFETY WEEK, 1959

Whereas the continued well-being and economic progress of our rural families are vital to the strength of the Nation; and

Whereas accidents each year bring suffering and hardship to many rural inhabitants of our land and constitute a serious problem throughout the national community; and

Whereas programs of safety education and information have demonstrated their effectiveness in preventing accidents in the fields, in the homes, and on the highways and have greatly reduced the needless loss of life and property:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby call upon the people of the Nation to observe the week beginning July 19, 1959, as National Farm Safety Week, and I urge farm families and persons allied with agriculture to join their efforts in a continuing campaign to prevent accidents. I also request all persons and organizations concerned for the welfare of farm people to support and participate in National Farm Safety Week.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the city of Washington this 17th day of April in the year of our Lord nineteen hundred and fifty-nine, and of the independence of the United States of America the one hundred and eighty-third.

[SEAL] DWIGHT D. EISENHOWER.

By the President:

CHRISTIAN A. HERTER,
Acting Secretary of State.

WORK FOR SAFETY, IT WORKS FOR YOU

Sunday, reverence for life: Take time to take care; realize that haste makes waste. Plan to avoid an overcrowded schedule.

Monday, safety begins at home: Keep your farm and farm home in order; eliminate hazards as you find them. Try to be a good housekeeper in your home and on your farm.

Tuesday, livestock: Be openminded to safety suggestions; keep small children away from animals. Check and repair livestock equipment regularly. A wise farmer listens to safety lessons his children bring home from school or from farm youth meetings.

Wednesday, prevent falls: Plan ahead; good planning reduces the temptation to hurry, means better production and fewer accidents. Repair and discard broken and unsafe ladders. Make sure the stairways are adequately lighted and properly handrailed.

Thursday, highway safety: Be courteous on the highway. A courteous driver believes in living and letting live. Know and obey all traffic laws and follow safe driving practices. To make rural roads safer remove trees and shrubs from farm driveway entrances.

Friday, farm machinery: Don't depend on luck. Make sure your equipment is in safe operating condition. Make certain all guards and safety devices are in place. Always stop the machine before unclogging, oiling or adjusting.

Saturday, review your year's safety program: Take safety seriously. Check up on farm and farm home hazards that may have been overlooked. Try to eliminate at least two additional unsafe conditions that you have found around your farm.

FOREIGN STUDENTS STUDYING IN AMERICAN EDUCATIONAL INSTITUTIONS

Mr. CARLSON. Mr. President, last week Members of Congress had an opportunity to meet and visit with hundreds of foreign boys and girls who have spent the past year here as students in our schools and universities.

Having the opportunity of visiting with many of these boys and girls as they were returning home gave me greater hope and confidence in the future.

One thousand, one hundred and fifty-six students were in Washington on their way home after having spent a year here under the sponsorship of the American Field Service.

Foreign students are giving American schools a pat on the back and all of them with whom I visited were greatly pleased with the education and training they had received in this country. Not only that, they had an opportunity to live with and become acquainted with American culture and domestic programs. They were greatly impressed by our American living standards and on their return home will be able to present an honest view of conditions as they found them in American schools and homes.

A recent survey by the Institute of International Education shows that 47,245 foreign students are now studying in American educational institutions.

There has been an 86-percent increase in enrollments of foreign students in this country in the past 10 years.

There was a time when the United States exported thousands of students and we still send many students overseas to study, but it is most encouraging to have this greatly expanded number of foreign students come to the United States for education and training.

The effect of the training of these foreign students in the United States may not be felt immediately, but it will have a long-range effect. Their stay in the United States and their return home should help clear up many of the prevalent misunderstandings about American motives and ideals.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I want all Senators to be on notice that the Senate may have before it for consideration tomorrow the mutual security bill conference report, in the event the House acts. I should like to have Senators prepared to discuss it.

CONCENTRATION IN INDUSTRY AND ADMINISTERED PRICES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD some remarks prepared by me on the subject of concentration in industry and administered prices.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR LANGER

The Senate Antitrust and Monopoly Subcommittee has for some time been conducting significant hearings in the best interests of the public on the subject of concentration in industry and administered prices and its impact on inflation and our economy. The subcommittee has gone into several areas which affect common products of everyday use by the housewife and her family such as meats, milk, dairy products, grocery goods and now the current hearings on bread.

In listening to the witnesses and examining the transcript of record in these hearings, I have become greatly concerned with the status of the independent businessman in what may shape up into a battle between the nationwide chainstores and the large producers of the above mentioned food products. Of course, this battle could very well be related in the terms of products other than food products.

Currently we are studying the question of why the price of bread has increased 45 percent in 10 years whereas the price that the farmer gets for his wheat and flour has dropped significantly during the same period. During these hearings, Mr. John E. Lange, general manager, American Bakers Cooperative, Inc., of Teaneck, N.J., testified as follows:

"The sharp growth of chainstores has forced the closing of many independent grocers, further limiting the number of sale outlets available to wholesale bakers." In his testimony, he cited the Federal Trade Commission figures which revealed the merger trend in food industries over the past decade and showed chains concentrated 75 percent of their acquisitions of new outlets in the past 4 years or 1,678 stores in the past 4 years compared with only 250 in the previous 6 years.

Further the testimony shows that many of these major food chains have set up their own bakeries to produce baked food products for their retail outlets. He further noted that this in itself would not have been too harmful to the small independent baker had not the major food chains imposed certain restrictions upon the independent baker who is interested in selling his products in their stores. Mr. Lange further noted that food chains which operate their own bakeries force other chain grocers, who do not have their own bakeries, to demand from the baking industry, as a whole, price concessions

or other types of advantages to enable them to compete effectively with the chainstores who have their own bakeries.

Mr. Lange asks this question—is it possible that these chainstores are using bread as a loss leader? Also he asks this question—are the chainstore bakeries, through their chainstore outlets, selling bread below cost or without a profit? He added one point further that there have been instances where supermarkets or chain grocery stores, who do not operate their own bakeries, sold bread at prices lower than their cost. This was done, no doubt, in order to attract customers into the store or retaliate against competitors or as a promotion of some other item.

Mr. Lange then noted certain price concessions being forced upon the wholesale bakers by the giant chain food stores. These wholesalers either complied or were forced to give up that business to his wholesale baker competitor.

The net result of this can be reflected in the testimony of the eight largest bakery wholesalers who show that their net profit on sales have decreased in the past 5 years and the independent wholesale bakers had not only showed less profit on sales during the same period but a number of them have either gone into bankruptcy or have been sold to the larger wholesale bakeries as pointed out by the statement of Mr. George M. Graf, general manager, Quality Bakers of America Cooperative, Inc.:

"At the very root of our problems in the wholesale baking industry lie the chain grocery stores and the impact of the tremendous revolution that has taken place in grocery marketing in the past decade. * * * The concentration of business and buying power into the hands of the chain grocer and the supermarket has been almost fantastic and this concentration has been the greatest single known cause of the elimination of small business in any field."

This last statement of Mr. Graf brings me to the meat of my discussion. Recently Chairman Senator ESTES KEFAUVER had to leave the subcommittee hearing to go to the floor to discuss the pending Tennessee Valley Authority (TVA) bill which was the pending business. He turned over the chairmanship of the hearing to me. During the course of the hearing, Mr. George Burger, vice president of the National Federation of Independent Business, was following the hearings and at the conclusion of the testimony I asked him, as a representative of the independent businessman, if he had any comment to make on the testimony of the witnesses that the concentration of business and buying power into the hands of the chain grocer and the supermarket has been almost fantastic and this concentration has been the greatest single cause of the elimination of the independent wholesale baker.

Mr. Burger's observation was that the difficulty that the independent wholesale baker finds himself today is similar to what confronts the independent wholesale ice cream manufacturer, milk producer and other such independent business in this country.

From our various hearings of the Antitrust and Monopoly Subcommittee, we have learned that the independent meat packers, especially in the West, have had a most difficult time because of the tremendous buying power in the hands of the chain food stores. In some instances chain food stores have gone into the meat packing business as competitors to the meat packers.

Also, in our hearings on S. 11, the price discrimination bill, we had testimony that independent canners of vegetables, fruits, juices, etc., have been at the mercy of the large grocery store chains who encourage these independent canners, as well as some of the large canners, to distribute their products to the large grocery store chains in such quantities that the canner then became dependent upon the business of the large grocery chains to such an extent that the canner finds that he is gradually getting less and less in his distribution to the large grocery chain stores that he serves, and there is nothing that he can do about solving his dilemma.

We know that little by little the large grocery chains are eating up or putting out of business the independent grocery stores and they are also becoming their own manufacturers and producers of such products as bread and bakery goods, milk, ice cream, meat, various types of canned and bottled goods, as well as other items that are being sold in their grocery chainstores on a large regional or national basis, and thereby are driving independent producers and wholesalers of such products out of business.

I would like to give several illustrations of what the chain food stores, through their own manufactured products, are doing to the independents as well as the large producers of related products. Recently there was an advertisement in the newspaper by the Breyers Ice Cream Co., reducing its price from $1.25 a half gallon of its price of ice cream to $1 a half gallon, as an introductory offer for a new flavored ice cream. Now this independent ice cream company must compete in the same neighborhood with an introductory price of only 69 cents a half gallon of ice cream produced and sold by the national food chains in the Washington, D.C., area.

How can it be possible for an independent like Breyers to compete with the chainstores on such a big variance in their prices?

Another illustration can be found in the testimony in the bread hearings where the witness, Mr. James Kettering, of the Kettering Baking Co., of Fairmont, W. Va., testified that in his area, "In some markets the spread between the retail price of the chain produced loaf and the loaf sold by independent grocers has grown to as much as 6 or 7 cents a loaf. We contend that these chains are knowingly and voluntarily relinquishing either production profits or retail profits or a good portion of both. They have made a leader (loss) of a perishable high turnover product in order to build store traffic. * * * The spread of 6 or 7 cents cannot be the result of large production economies alone. Many of the large national wholesalers have comparable production but cannot produce a light retail selling price."

Again I state, how can either a large national wholesaler or an independent wholesaler of bakery goods compete with a 7-cent spread in the price of bread that is being produced and sold in the chain grocery stores?

Mr. R. L. Lane, former manager of the Meadville Bread Co., of Pennsylvania, testified that in 1948 his company sales had been brought up to almost $1 million. However, because of a combination of factors of competition from the national bakery producers plus the merger of the food chains in the last 4 years combined with the baking of their own products, the Meadville Bread Co. went into bankruptcy within a 10-year period.

I might point out that the Honorable Louis Marhoefer, an honorary senator of Heidelburg, advised me that in the Pittsburgh area there has been a tremendous drop in the number of wholesale bakers, and the reason for these people going out of business is the growing problem of the chain grocery food stores that produce and operate their own baking products. Mr. Marhoefer has been a very successful independent wholesale baker in the Pittsburgh area for many years and is well acquainted with the situation, and he consented to appear before the Senate subcommittee and give us the benefit of his experience and advice as to how to meet this problem.

In the Topeka, Kans., area, Mr. Norman Jordan testified, "In some areas the chainstore baker wants only a 2-cent differential between the retail price of his standard white loaf of bread and that sold by the regular wholesale baker. In our area, however, the spread runs 6.5 cents in most instances, and in some cases as much as 9 cents."

Can anyone tell me how it would be possible for the independent wholesale baker to compete under those circumstances against the chain food store bakery products?

Last year the subcommittee heard testimony of independent milk producers in the Missouri area. In that instance we found that one milk producer was producing milk in special wax cartons and servicing only the national food chain stores and thereby undersold the price of milk to such a degree that it was ruining the independent milk producer in the State of Missouri. Again the chain food stores come into the picture. That situation was investigated by the Department of Justice and the Federal Trade Commission.

Back in the old days when the giant meatpackers were being charged with monopoly practices the Supreme Court issued a decree in which the meatpackers were prohibited to own any retail stores and were permitted to act only as the producers or manufacturers of meat products. Today we have found the situation as stated previously that some of the chain food stores have either used their tremendous buying power to obtain extremely favorable prices of meat from the independent meatpacker or they have actually gone into the meatpacking business.

Would you say that the time has come when Congress might want to look into the question of whether the nationwide food chainstores should be permitted to only engage in the retail business and be prevented from becoming the producers of the products that they sell in their stores, especially when those products are used as loss leaders to bring in big volume, but the net effect of such activity is to drive the independent meatpacker, the independent wholesale baker, the independent ice cream manufacturer and other independent manufacturers and producers of food products out of business.

Almost every witness who has appeared in the bread hearings, whether it be the large national wholesale bakeries or the independent wholesale bakeries agreed that the recent mergers of the food chains and their entering the field of producing their own baked goods for their retail stores have created the major difficulty that the baking business finds itself in today.

Also the questions which we must consider is this: Has the impact of this tremendous revolution that has taken place in chain grocery marketing in the past 5 years been so great as to cause us to reevaluate Congress and the executive departments approach to the problem so as to prevent the elimination of the independent and the small businessman in this field or in any field in which there has been a revolution in the chainstore marketing processes.

I know that the Federal Trade Commission has been for some time conducting a study into the chain food store operations in this country. Further, I know that we have pending in both Houses of Congress, numerous bills which are directed toward helping the small businessman and the independent businessman but in view of the testimony that we have received in the Antitrust and Monopoly Subcommittee and also which has been brought forth by the Small Business Committee of both Houses, I believe that Congress should evaluate all pertinent future legislation to meet this one great and specific problem: the concentration of business and buying power into the hands of the chain grocer and the supermarket has been almost fantastic and this concentration has been the greatest single known cause of the elimination of small business in any field.

REDUCTION OF COMPENSATION OF A CERTAIN VETERAN

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD remarks prepared by me on the reduction of the compensation of a certain disabled veteran.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR LANGER ON THE SUBJECT OF REDUCING THE COMPENSATION OF A SERVICE-CONNECTED DISABLED VETERAN WHOSE LEFT LEG WAS AMPUTATED

I thought I was reasonably familiar with the injustices being done veterans by the application of the Veterans' Administration rating schedule, but the case I want to bring to your attention now has shocked me beyond measure—I am somewhat at a loss to find words to tell you what I think about it. This case first came to my attention by a letter dated May 15, 1959, from Mr. Alexander Schafer, of Mandan, N. Dak., who wrote me that he was a World War II veteran, that he had been rated 50-percent disabled, service-connected, based on the amputation of his left leg, but that his compensation had now been cut from 50 percent to 40 percent. With his letter to me, he enclosed the notice to him from the Veterans' Administration showing that what he had written me was true. On the reverse side of this printed form the following paragraph appears:

"Your service-connected rating for a condition of amputation, left leg, has been reduced from 50 percent to 40 percent. The previous rating of 0 percent for your blood vessel condition of the right leg remains unchanged.

"Additional benefits because of dependents are not authorized when the veteran's rating is less than 50 percent, so the additional payments in your case will be discontinued as of September 30, 1958."

This meant that this veteran's compensation was reduced from $178 a month to $120 a month, a loss to Mr. Schafer of $58 a month. Well, whatever else this veteran may have lost, he seems to have kept his sense of humor as in his letter to me, he said the Veterans' Administration says that his condition has improved but that he doesn't see how an amputation can improve as "it didn't grow back any that I can see."

I personally feel that a rating of 50 percent is entirely too low for a young man who has lost a leg in the service of his country. Now if you are going to base this tragedy of the loss of a young man's leg strictly on mathematics, perhaps the Veterans' Administration is right—since a human being is born with two legs and since 100 percent is the norm, it follows that if you lose one leg and divide 100 by 2, you get 50. But this is not only an unrealistic approach but the most callous way of reasoning I have ever seen.

Well, to get back to the case of this particular veteran, Mr. Schafer, after receiving his letter of May 15, I wrote to him under date of May 19 and told him I would do everything I could to help him have his compensation restored to the original rating of 50 percent and on that same date, I wrote to the Veterans' Administration center at Fargo. Under date of May 25, I received a report from the center and the pertinent paragraph reads as follows:

"Under the provisions of our current rating schedule, amputation at a lower level permitting the use of a prosthesis evaluates in the degree of 40 percent. In order to have a higher rating for an amputation, the amputation must not be improved by prosthesis controlled by natural knee action. Since Mr. Schafer's disability is at a lower level, he has normal, natural knee action, and his disability is improved by the use of a prosthesis. According to our schedule, his maximum evaluation is 40 percent."

Thereupon, I took Mr. Schafer's case up with the Administrator of the Veterans' Administration by letter dated June 3, and under date of June 25, I received another report of which I want, at this point, to quote just a part of one sentence, as later, with your permission, Mr. President, I want to introduce all of this correspondence in the RECORD. This portion of that sentence is as follows: "The determining factor in the degree of disability sustained is whether or not there is natural knee action with prosthesis in place."

I have read that statement several times and each time it becomes more absurd. This veteran, Mr. Schafer, has his left leg off below the knee and the Veterans' Administration holds that because he has knee action he has a lesser degree of disability. But the question is, Knee action on what? He has no leg below the knee for the knee action to act on. Now this device that the Administration calls "prosthesis" is in this case, nothing more nor less than an artificial leg whether it be made of wood, cork, aluminum or some sort of composition, when he uses his knee action the most that can happen is to cause this artifical appendage to wobble, and because he can accomplish this, his disability is not equal to 50 percent.

If the operation of the Veterans' Administration rating schedule can work an injustice such as this, something should be done to revise this schedule and the sooner the better.

At this point in my remarks I attach the letter of May 15 addressed to me by Mr. Schafer, my letter of May 19 to the Veterans' Administration Center at Fargo, the report dated May 25 from the center at Fargo, my letter of June 3 to the Administrator of Veterans' Affairs, and the report of June 25 from the Chief Benefits Director.

MANDAN, N. DAK., *May 15, 1959.*

DEAR MR. SENATOR LANGER: I am a World War II veteran with a service-connected disability.

Last year I had trouble with my leg and had to go to the veterans' hospital at Fargo for treatment. After my release from the hospital I received this letter.

They say that my condition has improved, but I just can't see how an amputation can improve. It didn't grow back any that I can see.

Would you please straighten this out for me.

Please answer me as soon as possible as I have only 3 months left to appeal my case. Letter from the Veterans enclosed.

Yours truly,

ALEXANDER SCHAFER.

MAY 19, 1959.

Hon. WALTER R. BYRD,
Manager, Veterans' Administration Center, Fargo, N. Dak.

DEAR MR. BYRD: There is enclosed herewith a copy of the letter from Mr. Alexander Schafer, C–9054640, regarding the reduction of his disability compensation.

Since this veteran writes me that his compensation is based on the amputation of a leg, it is a little hard for me to see how there could be any improvement. I shall be most appreciative if you will give me a report on this case, in order that I may help this veteran in every way possible.

With kindest regards, I am,

Sincerely,

WILLIAM LANGER.

VETERANS' ADMINISTRATION CENTER,
Fargo, N. Dak., May 25, 1959.

The Honorable WILLIAM LANGER,
U.S. Senate, Washington, D.C.

DEAR SENATOR LANGER: I have the copy of the letter that you received from Alexander Schafer of 802 Fifth Street NW., Mandan, N. Dak., concerning reduction of his disability compensation.

Mr. Schafer served successfully in the Armed Forces from April 10, 1943, until August 15, 1946. In the latter part of 1945, he sought treatment for difficulty that he had had for the past 18 months in connection with intermittent claudication of both calves and both feet. From that time on until sometime in December, every effort was made to effect improvement in connection with the legs, but on November 24, 1945, it was determined that amputation of the left leg was necessary; this was accomplished on December 5, 1945.

Service department records never clearly indicated the exact site of the amputation, and from the day following the date of his discharge, we had assumed that his amputation was at a level less than 2 inches below the insertion of the hamstring tendons. As a result, Mr. Schafer's disability was evaluated in the degree of 50 percent.

On May 12, 1958, Mr. Schafer entered our hospital. He was discharged on May 21, 1958. The treatment was for a superficial skin ulcer on the stump below the knee amputation of the left leg. During this hospitalization a definite determination as to the exact site of the amputation was requested. It was disclosed that the amputation was approximately 5 inches below the knee.

Under the provisions of our current rating schedule, amputation at a lower level permitting the use of prosthesis evaluates in the degree of 40 percent. In order to have a higher rating for an amputation, the amputation must not be improved by prosthesis controlled by natural knee action. Since Mr. Schafer's disability is at a lower level, he has normal, natural knee action, and his disability is improved by the use of a prosthesis. According to our schedule, his maximum evaluation is 40 percent.

I regret that it has been necessary to take this action to reduce Mr. Schafer's compensation but, because the site of the amputation has now been definitely determined, an evaluation in excess of the 40 percent cannot be authorized.

I am glad that you wrote me concerning Mr. Schafer's problem as it has permitted me to make an explanation of a rather difficult problem.

Very truly yours,

W. R. BYRD,
Manager.

JUNE 3, 1959.

Hon. SUMNER G. WHITTIER,
Administrator, the Veterans' Administration, Washington, D.C.

DEAR MR. WHITTIER: This is in reference to the case of Mr. Alexander Schafer, C–9054640, a veteran of World War II, who is receiving disability compensation based on amputation of a portion of his left leg.

Under date of May 15, 1959, Mr. Schafer wrote me that his compensation had been reduced from 50 percent to 40 percent. Thereupon, I took his case up with Mr. Walter R. Byrd, the manager of your center at Fargo. There are enclosed herewith copies of Mr. Schafer's letter to me, of my letter to Mr. Byrd, together with the report from the Veterans' Administration.

In my contacts with Mr. Byrd, I have found him to be most cooperative and this is in nowise to be construed as any criticism of this official. However, I do feel that the

rating schedule of the Veterans' Administration is in need of revision if a veteran's degree of disability is based upon the number of inches of amputation of his leg. If such is the case, I am willing to introduce remedial legislation. However, before doing this I shall be most appreciative if you will advise me what may be done to restore this veteran to his original disability rating.

With kindest regards, I am,

Sincerely,

WILLIAM LANGER.

VETERANS' ADMINISTRATION,
DEPARTMENT OF VETERANS' BENEFITS,
Washington, D.C., June 25, 1959.

The Honorable WILLIAM LANGER,
U.S. Senate, Washington, D.C.

DEAR SENATOR LANGER: This has further reference to the case of Alexander Schafer, C-9054640.

I have had the specialists on the disability rating schedule thoroughly canvass the evidence and the resulting 40 percent evaluation for this veteran's leg amputation.

These specialists are in agreement with you that the previous provision in the rating schedule, wherein the degree of disability—50 percent—for below the knee amputation based on the number of inches of amputation of the leg, was unrealistic. It was this unsatisfactory basis of measuring the true residual disability which brought about the schedular revision. The present basis is more realistic in measuring the actual residual condition, that is, the determining factor in the degree of disability sustained is whether or not there is natural knee action with prosthesis in place. The revision has resulted in reducing the 50 percent rating in some cases to 40 percent where there is, as in this case, a satisfactory prosthesis permitting natural knee action; other cases have been elevated to 60 percent where natural knee action is lost with prosthesis in place.

Very truly yours,

W. J. DRIVER,
Chief Benefits Director.

THE WHITE FLEET

Mr. HUMPHREY. Mr. President, for 12 years now—despite occasional thaws and occasional hopeful moments, and despite the longing for peace on both sides of the Iron Curtain, among the peoples of both East and West—the task of securing any top-level political agreements with the Soviet bloc has become increasingly difficult. And, most unfortunately, after a string of diplomatic rebuffs from the Soviet leaders, the tendency among the leaders of the West has been to fall back upon an essentially negative and defensive attitude.

Our leadership has come to react almost in a conditioned response. Encouraged to believe there may be a possibility of an agreement, we come to the conference table, only to have our hopes dashed to the ground. Each time this is repeated, our leadership becomes more alergic to the possibility of a rebuff—indeed, becomes obsessed with the probability of a rebuff. And finally, I am afraid, our leadership has tended to become so frustrated as to be unable to venture anything at all.

The very words which our leaders use are indicative of their frustration and disorganization: "Stand fast." If ever there was a negative, defensive, and defeatist phrase, it is that famous pair of words that seems embedded in every official American pronouncement in recent months on the subject of foreign policy.

Mr. President, standing fast can be a virtue. But I submit that in a world of dynamic change, of ebbing and flowing forces, of seas of power and conflict, standing fast is not necessarily the thing to do under all circumstances.

It was not particularly helpful for the French to stand fast in the Maginot Line in 1940 nor did it do General Custer or the 4th Cavalry a great deal of good on the Little Big Horn.

Somehow, the West must abandon this passive, if obstinate, defensive thinking. Somehow we must recapture the initiative which has been lost so clearly in the past several years.

While continuing to press every opportunity for political agreements with the Soviet leadership, we should press forward in other areas of foreign policy, whether or not such agreements are achieved.

For one thing, we must base American foreign policy far more firmly on the natural advantages of the United States, upon our very considerable physical, economic and cultural resources. While maintaining a shield of military strength, we must seriously embark upon more creative, imaginative and sustained policies based on what I term "the works of peace."

With our abundant food and fiber production in a hungry world, with our leadership in medicine in a world filled with disease and suffering, with our tremendous experience in universal education, we are in a position to spearhead an international drive to feed the hungry, clothe the naked, heal the sick, and teach the illiterate.

Food, shelter, health, knowledge, self-respect and freedom—these are after all the real objective of the downtrodden peoples of Asia, Africa, and Latin America. Men seeking these objectives for their people are carrying forward the nationalist uprisings and revolutions which have shattered the old order throughout Asia, Africa, and South America.

Now, Mr. President, the United States has indeed demonstrated the generosity and sympathy of the American people in vast programs of relief and rehabilitation after the war. Much has been done by our Government, and through the many voluntary organizations to which Americans have contributed their time and money, to relieve distress throughout the world. This traditional concern with the sufferings of other less fortunate peoples has made itself felt especially since World War II, in the massive rebuilding and rehabilitation of Europe, and in the many programs which have attempted to follow President Truman's concept of point 4—the providing of technical assistance, helping others to help themselves.

Under the operation of Public Law 480, we have been gradually moving toward the active use of our food and fiber abundance, in programs of economic and technical assistance, and in the relief of suffering. There is far more that we could do under this law, as I have proposed in my food-for-peace legislation now before the Committee on Foreign Relations.

In all these programs, we Americans have been acting partly through the traditional spirit of generosity, and partly through enlightened self-interest. We have done many good deeds simply because it was the compassionate, the humanitarian, the right thing to do. In other cases, we have also been motivated by the knowledge that human suffering and degradation are breeding grounds for violence, despair, disorder, and the growth of totalitarian government. Communism does thrive on disorder and unrest, and the Communist movement throughout the world does ceaselessly attempt to gain control of the revolutions which have shattered the old orders.

Too, the Communists have managed in many instances to persuade the people of developing nations that they, the Communists, are for the people, while United States aid has been used simply to bulwark existing institutions. They have used many dramatic devices, and seized many inviting opportunities, to bring Soviet "friendship" to the attention of the masses of people in these developing areas.

Our own programs of technical assistance have, indeed, often been undramatic, with a disproportionate share of funds being devoted to military assistance, military preparations and arms buildup rather than to economic and technical assistance at the grassroots level. A man without a job, a family without adequate food, shelter, health, and opportunity, is not apt to be much encouraged and heartened by the sight of tanks and artillery rolling by.

Our economic development and technical assistance programs, too, have been far below the level that we can afford, and equally far below the needs of the developing nations. Yet point 4 programs are among the most helpful types of international effort, measured in any terms—economic, social, or political. Only by raising the general level of health and productivity, can new nations hope to gain stability and strength. Anything less than a rise in the living standards of the mass of the people is only a castle built on sand.

For almost 2 years, now, Mr. President, I have been making a special effort to seek new ways and means of increasing our total effort in the field of technical assistance. At the same time, I have been studying the various means by which the American effort can be readily understood and recognized by the peoples of the developing nations. Deeds mean far more than words, and cut straight across the barriers of language.

I have sought ways and means by which the splendid relief efforts already undertaken by the great voluntary organizations could be augmented and strengthened through action and cooperation of the Federal Government.

And in the three major fields of feeding the hungry, healing the sick and teaching the illiterate abroad, I have introduced or will shortly introduce major legislation which will authorize renewed

and strengthened programs on the part of our Government.

During the past year, Mr. President, it has been my privilege to conduct a continuing study of our Government's activities in the field of medical research and public health, both here at home and abroad. And in the course of this study of the Subcommittee on Government Reorganization and International Organizations, the importance of sharply expanding our efforts in these fields has become increasingly clear.

Mr. President, what I call for is first of all a new spirit of venture on the part of our leadership, a willingness to take initiative, to experiment, and to invest in promising proposals.

I call for a stepped-up pace of American foreign policy efforts based on the relatively untapped strengths of our Nation. I ask that we clearly understand what it is that drives the revolutions now sweeping the world, and that we tailor our policies to reflect this understanding.

Finally, I ask that we consider the importance of drama, of emphasis, and of identification of the American effort abroad. It is vitally important that American efforts in behalf of other peoples should be seen and understood, for throughout the have-not areas of the world, the Communist propaganda apparatus is saturating the airwaves, the bookstalls, and the television channels with lies and distortions of American policy and American intentions. It is important that our assistance be given in ways that can be clearly, unequivocally understood and identified, in ways that cannot be distorted by propaganda or misunderstood through lack of information.

For all these reasons, I was much impressed last year by an idea from a young naval officer, Comdr. Frank Manson, U.S. Navy, to make use of some of our mothballed Navy hospital ships and other vessels, in a fleet for a technical assistance and disaster relief effort. Discussing this with Representative EDMONDSON, of Oklahoma, we determined to explore the legal problems that might be involved in such an effort, the logistics of the effort, and the costs.

I asked Commander Manson at that time to draft the idea further, and I am pleased to note that after many further discussions, the original idea today finds itself a finished proposal in one of the leading journals of the Nation, Life magazine.

During the months between last summer and this spring, I discussed the idea of a White Fleet, a mercy fleet, both privately, as I have indicated, and on the public platform. On radio and television, on such programs as College News Conference and Youth Wants to Know, before college and civic organizations, and in articles and statements, I sounded out public opinion. The response was uniformly enthusiastic and encouraging. In my newsletter of March 6, 1959, for example, I outlined the proposal, and I ask unanimous consent that that newsletter be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. I also ask unanimous consent that a press release dated March 11, 1959, and a news story of the same date in the Washington Evening Star, discussing my proposal, be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. Mr. President, early this spring we were much pleased to see a separate effort undertaken by the People to People Foundation, Inc., to demothball a former Navy hospital ship, the U.S.S. *Consolation*, and to raise private funds to refit her and equip her as a people-to-people vehicle for medical teaching and training in southeast Asia, at an estimated cost of $3,500,000 to take her through the first year.

This splendid undertaking is well on the way to financing, and I understand has had an overwhelming number of offers from physicians, nurses, and medical technicians, to serve aboard the ship. Dr. William B. Walsh, director of Project Hope, estimates the sailing date of the vessel at January 22, 1960.

Mr. President, I ask unanimous consent to have printed at this point in my remarks an article entitled "Medical Project for Asia Gaining," from the July 12, 1959, New York Times. This article describes this unusual and public spirited project fully.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEDICAL PROJECT FOR ASIA GAINING—FORMER NAVY HOSPITAL SHIP DUE TO SAIL ON JANUARY 22—DOCTORS OPTIMISTIC

SAN FRANCISCO, July 11.—January 22 has been tentatively chosen as the day when the former Navy hospital ship *Consolation* will head through the Golden Gate to carry medical and nursing skills to underdeveloped nations of Southeast Asia.

More than 1,000 doctors and nurses have submitted applications to Project Hope, which is headed by Dr. William B. Walsh, a Washington internist. They are seeking places in this "people to people" medical program.

Nearly $700,000 has been raised, chiefly through corporate giving, toward costs of the project, described as a floating hospital center. The initial goal of $1,500,000 should be reached by October, according to Dr. Walsh. A public subscription campaign is expected to get under way in November. It is estimated that $3,500,000 will carry the project through its first year.

Dr. Walsh and his associates have become so enthusiastic over the program that they envision it as a permanent means for this country to improve health standards not only in Southeast Asia, but also in Latin America, Africa, and elsewhere.

PLANS ARE REVIEWED

Dr. Walsh reviewed the plans and accomplishments at a press conference here this week. John I. Spreckelmyer, of Washington, a Government worker who has served, among other things, as a hospital administrator with the Veterans' Administration, was present as the new administrator of Project Hope.

The 800-bed *Consolation*, which has been a part of the Navy's mothball reserve fleet, will be moved October 1 to a west-coast shipyard for overhaul and outfitting as a floating medical center, according to a revised timetable.

Mutual security funds are to be allotted to the Navy to cover the cost of the conversion. Once the ship is out of the yard it will be on charter to Project Hope, presumably for $1 a year.

Except for managerial phases, which the American President Lines is handling without cost, the project itself will pay all the bills, including maintenance and operating charges. These will cover wages of the crew, salaries of the permanent staff of doctors and nurses and expenses of rotating groups of physicians who will be flown, 35 at a time, from the United States to the ship every 4 months.

UNIT FOR INTERIOR

Dr. Walsh said that 422 of the hospital beds would be used in the project. In addition, a 500-bed mobile hospital unit will be available to be taken into the interior of countries while the ship is berthed at a seaport city.

Project Hope has made a commitment to spend time in Indonesia. Other countries, including Vietnam, have sent emissaries to discuss the matter but have not issued formal invitations, a prerequisite for a visit by the floating medical center.

Dr. Walsh estimated that the ship would spend 8 months in the Indonesian archipelago, servicing that country and perhaps others. Teams of five to seven physicians and a couple of nurses will use the ship as a base but will fly to other areas to give treatment and help train villagers in doctoring and nursing. At least one local physician is to be on hand with the teams.

TEN- OR FIFTEEN-MAN STAFF

"We are amazed at the quality of the applicants we have had for places in the program," Dr. Walsh related. "We have interviewed about 200 by now and are impressed by their dedication. Several doctors have said, 'I can't take 4 months off from my practice but can you take me for a month and I'll pay my own expenses'? Many of these are highly qualified in specialties who could write their own ticket anywhere."

The ship's permanent staff of doctors will be kept to 10 or 15 according to present plans. The rotating system for the others means, however, that close to 125 American physicians a year will participate. Medical schools, Dr. Walsh said, want to send out additional small units of volunteers.

There is only 1 doctor for 80,000 patients in some areas the ship will serve. This means, Dr. Walsh noted, that when one doctor leaves to come to this country or to go elsewhere for advanced training, he will leave 80,000 persons without medical care.

It is this kind of situation that Project Hope, which has the blessing of the White House, expects to help alleviate.

The Navy has recommended that the name *Consolation* be retained for the vessel. It is understood, however, that backers would like to rename it the *Hope*, giving it the same name as the project itself.

Dr. Walsh said Project Hope might not stop with one ship. Depending on funds, consideration is being given to similar programs for Honduras, parts of Africa, and the Aegean Islands off Greece.

"We see such a growing interest in the program," he declared, "that some of us hope to build this into a $20 million foundation in 3 years."

Mr. HUMPHREY. Mr. President, the experience of the People to People Foundation and Project Hope is extremely significant, for it bears out clearly what we had felt would be true—that the great medical profession of our Nation would respond strongly and favorably to the idea embodied in Project Hope.

I add, Mr. President, that the pharmaceutical industry has likewise responded. I recall addressing the pharmaceutical industry representatives in New York City more than a year ago,

and on that occasion calling upon American pharmacists not only to help staff pharmacy colleges abroad, but for the pharmaceutical industry to join in this great proposal, in this imaginative proposal of the Mercy Fleet, or the White Fleet, by supplying the necessary drugs.

There are in many of the laboratories of American pharmaceutical establishments and in their warehouses literally untold quantities of modern drugs which could be of tremendous help in any undertaking such as a hospital ship or a medical ship included in the White Fleet concept.

Mr. President, it lies well within our resources and our capabilities to provide a vast enlargement and extension of this modest yet imaginative proposal for a single hospital ship to carry the American flag in the service of humanity.

Therefore, Mr. President, I submit, on behalf of myself and the Senior Senator from Vermont [Mr. AIKEN], a concurrent resolution calling upon the President to establish a fleet of ships and aircraft put to the service of humanity—a great White Fleet embarked on peaceful missions, equipped to render prompt and vigorous assistance in natural disasters, and to serve as a permanent vehicle for public health training and other technical assistance programs undertaken by the U.S. Government and the voluntary agencies.

Mr. President, I ask unanimous consent that the resolution remain at the desk until noon, Monday, July 27, to permit additional Senators to associate themselves with the resolution.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution will lie on the desk, as requested by the Senator from Minnesota.

The concurrent resolution (S. Con. Res. 66), submitted by Mr. HUMPHREY (for himself, Mr. AIKEN, and Mr. CLARK) was referred to the Committee on Armed Services.

Mr. HUMPHREY. Similar resolutions are being submitted in the House today by Representative ED EDMONDSON, of Oklahoma, and Representative WILLIAM BATES, of Massachusetts.

Once before, a fleet of American ships in peacetime dramatically signaled a turning point in American history, when President Theodore Roosevelt sent the first White Fleet on a 3-year, round-the-world voyage. As a demonstration of the emergence of the United States as a world power, Teddy Roosevelt's White Fleet was a visible, tangible, and extraordinarily effective device.

So, too, a new White Fleet, sent forth from this maritime Nation over the seas of the world to the coasts of Asia and Africa and South America, could dramatize the America of mid-20th century as it brings American help to the disaster stricken, and American knowledge and teaching to the emerging peoples of these continents, a symbol not of American power, but a symbol of American good will, friendship, and maturity, the real power of a great Nation.

Just as our warships in trouble spots of the world are tangible forces-in-being readily understood as representing American capability, so too would the mercy ships of the White Fleet represent friendship-in-being to the peoples along the coasts of Asia, Africa, and South America.

The work of our great missionary doctors carried on over the generations in these areas and still an active force for good, would be supplemented by such a fleet. The existing programs of relief carried on by the church groups and by private voluntary organizations such as CARE, could be strengthened by the provision of the facilities of this new White Fleet.

In famines and floods, earthquakes, hurricanes, during epidemic diseases and other natural disasters, the ships and planes of the White Fleet could move swiftly to bring relief. With hospital ships for emergency treatment, with power ships to furnish power to knocked-out port facilities, with food and clothing and other supplies available in transports, with vehicles for the projection of the relief operations far inland from the coast, task groups of such a White Fleet of mercy could bring organized, effective assistance much more swiftly than is now possible with the hasty improvisations which similar efforts have been heretofore.

The well-proved task concept of having fleets broken down into task forces, and then subdivided into task units, could be applied to the White Fleet, to provide a flexibility and mobility and a seasoned organizational structure to the entire operation. Task groups, each consisting of a hospital ship as the nucleus, with supporting vessels and aircraft, could operate in various parts of the world on separate missions, and yet could be readily joined for projects of broader scope and in emergency situations.

Mr. President, in my discussion last March 11, I described in some detail what the proposed White Fleet would do and how a task force could be organized and operated. I suggested, for example, that—

> Each of these White Fleet task groups—composed of one 800-bed hospital ship, two cargo vessels for emergency supplies and food, and a converted electrical power ship—could throw into an emergency situation 800 to 1,000 hospital beds, operating facilities and laboratories, power for a good-sized city, and emergency rations for 300,000 people for a full week.

This gives some idea of what we have in mind.

Each group could serve, between disaster missions, as a floating center of service, the natural focal point for the exchange of information between our own doctors and teachers and technicians and their counterpartrs in other countries, as well as of preventive medicine and public health programs.

I envision a sort of floating university which technicians, professional persons, social workers, agriculturalists, and others could visit, not in the United States as such, but in their own harbor, in their own area, on ships provided by the United States in cooperation with our great voluntary agencies.

We are proposing a partnership operation, of two kinds; first, the Federal Government would cooperate with private voluntary organizations, providing ships and planes and other vehicles from the mothball fleet, providing surplus food and supplies from Government-owned stocks, and providing logistics support through the many facilities of the Government scattered throughout the world.

Operation of the fleet could be undertaken, as it is being undertaken with the Project Hope idea, by voluntary groups. I am confident that the opportunity to serve would capture the imagination of many thousands of Americans, and that the existing programs of the voluntary agencies could well absorb and utilize the facilities of the White Fleet.

A second partnership might develop in bilateral agreements with nations receiving the aid, to permit joint governmental efforts utilizing the facilities of the fleet.

The costs of operating a typical four-ship White Fleet task group—aside from the cost of supplies and provisions and nonseaman personnel—are estimated at between $5 million and $7.5 million annually, with a group made up of a hospital ship, a DE power ship conversion, and two supply ships.

Costs of demothballing a mothballed hospital ship are estimated at approximately $200,000. These costs might well be assumed, at least in part, by the Federal Government.

With surplus food available from American-owned stocks, with surplus materials of every kind available from the Federal Government, with the availability of American-owned soft currencies in many instances to purchase local supplies and services, if medical supplies could be furnished at cost—or even as gifts from the great pharmaceutical industry of the United States—the overall costs of the operation of such a White Fleet task group would be very small compared with the tremendous effect it could have.

Consider a disaster situation to which such a group were dispatched. Planes, on call from United States and allied air stations, could fly in ahead with priority technicians, blood plasma, and drugs.

A hospital ship could move into the area at a speed of 300 miles per day, bringing 200 doctors and 200 nurses, and surgical facilities. A ship loaded with food could bring in at the same time enough packaged rations to feed 250,000 to 300,000 people for a week. In fact, more could be provided by the use of bulk food. And a power ship could move in at the same speed to furnish the power to restore community facilities for a large city, thus speeding rescue work and reestablishing normal life in a destroyed area. Clothing, emergency shelter, and other necessities of life could be immediately on hand for distribution.

Such disasters happen more frequently than we realize, taking a great toll of suffering. By having an organization designed from the keel up to deal with disasters, unquestionably a great saving in lives and property could be accomplished. In fact, this would become, in

a sense, an international civil defense operation.

Mr. President, there are four hospital ships now in mothballs. During the Korean action, only one such ship was put back in commission, indicating that at least three might be continuously available except in case of general war. There are approximately 11 power ships in mothballs, converted destroyer escorts. Of course there are very many cargo vessels and aircraft carriers stored in mothballs. It is my understanding that there is adequate authority under present law to make all or any of these ships available to voluntary nonprofit organizations.

In the event that additional legislation would be required, I feel sure that Congress would act promptly to furnish the required authority.

Here, Mr. President, is a dramatic way of beating swords into plowshares—by converting ships designed for war into ships used for peaceful purposes—a White Fleet of peace and friendship and mercy.

Mr. President, as I indicated earlier in my remarks, the issue of Life magazine which appears today carries a lead article devoted to the idea of such a White Fleet, written by Comdr. Frank Manson, U.S. Navy.

Because this article discusses in considerable detail the way in which such a fleet would operate, I ask unanimous consent that the text of the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW WHITE FLEET

(By Frank Manson, Commander, U.S. Navy)

The idea of organizing a new White Fleet grew out of things I witnessed at the close of World War II. Like thousands of U.S. servicemen, I saw diseased, destitute, and poverty-stricken peoples living on the Asiatic rimland and in parts of Europe and Africa. In some areas I saw people actually dying on the streets of starvation and disease. Such sights made deep and lasting impressions on me. Even then it was apparent that the urgent problems facing the impoverished and underdeveloped countries were far from settled.

Something more was needed, something to combat poverty's eroding influences, something to make the benefits of civilization available on a broad scale. The primitive societies wanted something more than a bare subsistence. We were moving swiftly into an era of increased desire and rising expectations. To paraphrase President Lincoln, the world simply could not peacefully continue to exist half starved and half free.

But it was many years before a specific plan occurred to me. At my Pentagon office on a December afternoon in 1957 I happened to thumb through a photographic World War II file that included pictures of auxiliary and hospital ships. Later that same afternoon I talked with an observant Navy doctor who had just returned from a brief journey through southeast Asia. The doctor had seen medical conditions almost too sad and painful to describe. He had administered a few drugs, serums and vaccinations and had performed one major surgical operation in addition to his official duties, but it was only a droplet in a desert of need. The doctor suggested that disease and inadequate nutrition might be contributing to the area's social and political problems.

It was not the first time I had heard this theory, but it made plenty of sense. In addition to inefficient food production methods one of the major problems of underdeveloped nations is the vicious circle of deprivation. Because of malnutrition the farmers grow too weak to work with maximum efficiency and are thereby unable to produce the full potential of their land—and this in turn keeps them undernourished. Something from outside is needed to break the circle.

And so I asked the doctor, "Would hospital ships help?" I think the doctor's enthusiastic response to my questions was the actual trigger. In any case, as I drove home to Falls Church that evening, I suddenly thought: Why not have an entire fleet of mercy ships—grain ships, hospital ships, education ships, power ships—a fleet designed to make the benefits of the free enterprise system available to the entire human race?

The people of the United States are builders by nature. They like positive and creative programs. And their organizational brilliance is beyond dispute. At the same time they have fallen grievously behind the Soviet Union in the field of propaganda. Why not take advantage of the American ability to organize for material well-being so as to make up the lost ground in world propaganda?

Ordinarily as I drive home I fume about the traffic situation. But that particular afternoon I counted our national blessings. The United States leads the world in the field of medicine. Why not put this splendid advantage to full use in a White Fleet? Ships painted white have long been an established worldwide symbol. They are recognized by international convention as a symbol of peace and helpfulness, even in the midst of war. Doctors are still welcome diplomats in all lands.

It seemed to me that the cost of such a fleet would not be great. Certainly it would not be great compared to the sums being spent in preparation for war or even to the sums spent on foreign-aid programs. Besides, the ships could be drawn from the mothball fleet that has been growing more and more obsolescent.

One thought led to another. The new White Fleet would be supported by a campaign in which every American would have a chance to participate and contribute. I felt that Americans wanted to help wage peace, and I knew they were willing to sacrifice as long as their sacrifices were made in behalf of sensible goals. The problems facing the underdeveloped countries were not beyond human comprehension. They were not very different from those of the American wilderness in the 17th century. They were practical problems and lent themselves to practical solutions. By the time I got home these and many other thoughts were swirling through my mind.

My wife thought my idea had promise, but she brought me to earth in a hurry. A thing like this was beyond the scope of my job as Special Research Assistant to Chief of Naval Operations. In fact, we could not even decide whom I should see to get the White Fleet started. We finally agreed that I should simply talk to anyone in an influential spot. Starting the next day, I told my idea to everyone who would listen: business and labor leaders, other naval officers and people in many walks of life.

The new White Fleet gained acceptance faster than I could have imagined. One of my jobs in the Pentagon was congressional liaison, and the first U.S. Senator to hear of the idea asked me for a memorandum on it. A short time later he asked for more detailed data. Soon another Senator indicated a personal interest in the proposal. My own Congressman indicated his enthusiastic support as did other Congressmen from both parties.

But I needed time to work out the details. Fortunately in the spring of 1958 I was sent to the U.S. Naval War College. There as a student I had the opportunity to reflect and to research the White Fleet concept.

After talking to literally dozens of highly qualified people, both civilian and military, I have yet to find one person who is against the proposal. All have favored the fleet's formation. Many have made specific recommendations regarding its composition and its mission. Some have underlined the importance of assigning personnel particularly well qualified for this type of duty. They point out, for example, that those responsible for the Navy's nuclear power program have insisted on competent and highly qualified personnel for many reasons, not the least of which is the cost of one mistake. The same would hold true with White Fleet operations. Mistakes would prove incalculably expensive. The fleet should be manned by qualified, imaginative and understanding personnel. One Congressman suggested the White Fleet should start from the heartland of America and sail out through the St. Lawrence Seaway. One retired admiral who is now busily engaged in civilian pursuits volunteered to drop everything he was doing to get the White Fleet organized.

The ships might be named for foreign countries or cities, for rivers that flow through several countries or for world-famous events or mountains. They might be named for eminent figures in the age-old fight against disease and ignorance—Clara Barton, Louis Pasteur, Albert Schweitzer. Or they might be named for the principles which underlie the U.S. system of government.

What kind of emergencies will rate a White Fleet visit? One thing is certain: There will never be a lack of such emergencies. Today, for example, malaria is rampant in Indonesia. Each year India suffers untold deaths from dysentery.

I have no illusions that a new White Fleet will bring peace to the world in one sweeping movement. Progress toward peace will come only a bit at a time. America may never be able unilaterally to bring peace to the world, but American leadership can prevent the people of the world from losing hope. That is why I propose the new White Fleet. The main efforts for peace must of course be made through regular government channels and through institutions that governments have established. But, as President Eisenhower has frequently said, much can be done "people to people." This is my hope; that the new White Fleet will bring people closer to people.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the text of the concurrent resolution be printed at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(a) The President at the earliest practicable time should take such action as may be required to provide for the establishment of a White Fleet designed and equipped to render prompt emergency aid and assistance to peoples of the coastal regions of other nations upon the occurrence of famine, epidemic disease, earthquake, flood, hurricane, or other disaster; and to further serve as a vehicle for the carrying out of technical assistance and training on a continuing basis in the developing nations of the world;

(b) Such fleet should be established through the restoration to active service and the equipment of suitable vessels of the United States Navy now mothballed in storage but could be operated by appropriate

nonprofit private philanthropic organizations of the United States devoted to the rendition of emergency aid and assistance to relieve human suffering;

(c) The vessels of such fleet should be suitably identified to proclaim to the world their peaceful and beneficient purpose, and should be divided into task groups, each of which should include a hospital ship for the rendition of medical aid, a vessel suitably equipped to generate electrical energy required to meet emergency needs, and one or more cargo vessels suitable for use in the transportation of clothing, medical supplies, and other necessary supplies and equipment;

(d) Fuel and operational supplies, and port, repair, and navigational facilities, of the United States Navy throughout the world should be made available to such fleet in support of its operational activities;

(e) Provision should be made for the utilization of surplus food commodities of the United States for the relief of hunger, and for the furnishing by the United States of medical and other supplies required for the rendition of other necessary aid and assistance, through the use of that fleet; and

(f) The cooperation of private charitable organizations of the United States should be utilized for the furnishing of clothing and other relief supplies for donation to meet the emergency needs of inhabitants of regions to which task groups of the fleet would be directed to provide assistance.

Mr. HUMPHREY. Mr. President, the concurrent resolution which I submitted earlier is also being submitted today in the House of Representatives.

EXHIBIT 1

NEWSLETTER FROM THE DESK OF SENATOR HUBERT H. HUMPHREY

RECAPTURING THE INITIATIVE

For 12 years now, despite occasional thaws, the West has found it increasingly difficult to obtain any top-level political agreements with the Soviet bloc. And, unfortunately, after a string of diplomatic rebuffs, the tendency in the West has been to fall back on an essentially negative and defensive attitude. Now you just can't win by standing fast alone. We must somehow get off the defensive, and recapture the initiative—particularly in the underdeveloped areas of the world, where the Soviet leaders have been successfully pretending to represent a new and more humane order of things as opposed to the old regimes of colonialism.

WORKS OF PEACE

We must reorient our foreign policy to make better use of our considerable natural advantages—while at the same time maintaining our shield of military defenses. We are a generous and outgoing people—equipped both by nature and by our tremendous technical achievements to undertake a new policy based on positive works of peace. With our magnificent food and fiber production in a hungry world, with our leadership in medicine in a world filled with disease and suffering, we are in a position to spearhead an international drive to feed the hungry, clothe the naked, heal the sick, and teach the ignorant. Food, shelter, health, and knowledge—these after all are the real objectives of the downtrodden peoples of Asia and Africa—and the way to political democracy, in those areas, rather than communism, if we can beat the Soviet leaders to the punch.

POSITIVE ACTION

We must make more aggressive use of our food abundance, and we should lead an International Health Year assault on the great disease killers and cripplers of the world. This would be positive action.

A WHITE FLEET

A dramatic symbol of American intentions in this area would be to demothball a number of U.S. Navy ships and form them into a vivid and effective task force for peace. We could reoutfit two or three hospital ships and renovate several other ships to carry supplies and food and to furnish emergency power to disaster-stricken areas in Asia and Africa. Such a White Fleet could be sent to the scenes of earthquake, flood, hurricane, famine, or disease epidemics. For between $10 million and $15 million, two groups of White Fleet ships could be kept operating each year—one in the Mediterranean and the other in southeast Asia—each able to bring help within 3 or 4 days to any disaster area within 1,000 to 1,200 miles. They could be given priority call on U.S. and allied ambulance planes for first wave relief ahead of the ships. Each group could throw into a port 800 to 1,000 hospital beds, operating facilities and laboratories, power for a city, and emergency rations for 300,000 people for a full week.

TRAINING FOR HEALTH

When not on disaster assignment, the White Fleet groups could undertake a yearlong training and technical assistance program in health and medicine, in the ports of scores of underdeveloped nations. In a fine burst of initiative, a private group—the People to People Health Foundation—is already planning to outfit one U.S. Navy hospital ship for this purpose, and send it on a world cruise. Our Government could well afford to follow this lead in at least helping to finance an even broader White Fleet effort.

EXHIBIT 2

SENATOR HUMPHREY CALLS FOR FOREIGN POLICY OF BOTH "SUBSTANCE AND DRAMA"

Senator HUBERT H. HUMPHREY, Democrat of Minnesota, said last night that "American foreign policy must not only develop more substance and vitality, but it must have more dramatic impact," citing, as an example of what can be done, a proposal for an American White Fleet of mercy ships.

"Even as we demonstrate to the world that we are utterly determined to resist Communist aggression, in this latest Soviet-precipitated crisis," Senator HUMPHREY declared, "we must be alert to the opportunities to wage peace—consistently, vigorously and dramatically."

"We must constantly seek to express the American dedication to people, peace and progress throughout the world—not only in the words of peace, but in the very deeds and works of peace," he told the Council of Jewish Women in Washington.

"As an example of a way by which we could forcefully underline a constructive American foreign policy founded on health and education and food for peace," he said, "we could develop with a small expenditure of funds a new American White Fleet of hospital ships and disaster relief vessels—as a dramatic symbol of American intentions and American concern with the well-being of other peoples."

Senator HUMPHREY announced that he will introduce legislation to provide two such White Fleet task groups of presently mothballed U.S. Navy ships—designed to be operated partially by Government and partially by voluntary agencies—as disaster relief and technical assistance units along the coast of Africa and Asia.

"For a maximum cost of between $10 million and $15 million per year," he estimated, "the United States could provide effective—and vivid, easily recognized—relief to coastal areas which are the victims of earthquake, flood, hurricane, famine or disease epidemics; and in between they could carry on a dramatic program of medical and public health training and technical assistance."

"Each of these White Fleet task groups—composed perhaps of one 800-bed hospital ship, two cargo vessels for emergency supplies and food, and a converted electrical power ship, could throw into an emergency situation 800 to 1000 hospital beds, operating facilities and laboratories, power for a good-sized city, and emergency rations for 300,000 people for a full week," Senator HUMPHREY said.

Pointing out that an earlier American White Fleet had been used by President Theodore Roosevelt to dramatize to the world the emergence of the United States as a world power, Senator HUMPHREY declared, "A White Fleet of mercy, armed with food, clothing, and medicine, literally stretching out the hand of friendship and compassion to other peoples, would do more to bring home to the peoples of Asia and Africa the real spirit of the American people than 10 years of broadcasting of American good intentions."

Senator HUMPHREY stressed that American foreign policy must "recapture the initiative," and it must be reoriented to make better use of America's natural advantages.

"With our magnificent food and fiber production in a hungry world," he said "with our leadership in medicine in a world filled with disease and suffering, we are in a magnificent position to spearhead an international drive to feed the hungry, clothe the naked, heal the sick, and to teach the ignorant."

"The works of peace—food for peace, health for peace, education for peace, science for peace—ought to be as conspicuous in American foreign policy as the Washington monument in our capital city," Senator HUMPHREY declared. "We must hammer away on this theme unrelentingly—and develop a whole series of specific, concrete programs to implement—generalities are not enough."

Senator HUMPHREY predicted that the Senate would shortly take favorable action in one such concrete program—the proposal by Senator LISTER HILL, Democrat of Alabama, Senator HUMPHREY, and others, to establish an International Medical Research Institute.

"Here again," he said, "is an example of constructive programing, with dramatic impact—the kind of action and program that cannot be discounted or effectively disregarded by the most virulent Communist propaganda attacks."

Senator HUMPHREY, whose subcommittee is conducting a searching study of international medical research, told the Council of Jewish Women that the "outstanding progress" of health and medicine in Israel was one of the great achievements of the Jewish culture—"a vivid example of what can be done through the works of peace, a dramatic beacon light to encourage similar achievement throughout Asia and Africa."

[From the Washington Evening Star, Mar. 11, 1959]

SENATOR PROPOSES FLEET

A proposal for a fleet of American white mercy or hospital ships to lend impact to this country's foreign policy was made last night by Senator HUBERT HUMPHREY, of Minnesota.

"American foreign policy must not only develop more substance and vitality, but it must have more dramatic impact," he told a meeting of the Washington section of the National Council of Jewish Women in the Adas Israel Temple.

"As an example of a way by which we could forcefully underline a constructive American foreign policy founded on health and education and food for peace," the Senator said, "we could develop with a small expenditure of funds a new American White Fleet of hospital ships and disaster relief vessels—as a dramatic symbol of American in-

tentions and American concern with the well-being of other peoples."

TO LEGISLATE

Senator HUMPHREY announced that he will shortly introduce legislation to provide two such White Fleet task groups of presently mothballed U.S. Navy ships—designed to be operated partially by Government and partially by voluntary agencies—as disaster relief and technical assistance units along the coasts of Africa and Asia.

Pointing out that an earlier American White Fleet had been used by President Theodore Roosevelt to dramatize to the world the emergence of the United States as a world power, Senator HUMPHREY explained that such a fleet "would do more to bring home to the peoples of Asia and Africa the real spirit of the American people than 10 years of broadcasting American good intentions."

FOREIGN POLICY

Senator HUMPHREY stressed that American foreign policy must "recapture the initiative" and that it must be reoriented to make better use of America's natural advantages.

"With our magnificent food and fiber production in a hungry world," he said, "with our leadership in medicine in a world filled with disease and suffering, we are in a magnificent position to spearhead an international drive to feed the hungry, clothe the naked, heal the sick, and teach the ignorant."

The speaker predicted that the Senate may soon take favorable action on a proposal to establish an International Medical Research Institute. "Here again," he said, "is an example of constructive programing, with dramatic impact—the kind of action and program that cannot be discounted or effectively disparaged by the most virulent Communist propaganda attacks."

Mr. MORSE. Mr. President, I wish to compliment the Senator from Minnesota for the speech he has made during the last few minutes. I commend him for its humanitarian motivation. I wish to compliment him for its manifestation of the high moral principles for which our Republic historically has stood. I compliment him because I believe he has offered a program which presents us with a great opportunity to demonstrate to the world that we are not only a Nation which seeks peace, but we are also a Nation which places human values first and which recognizes that human values are bottomed on spiritual values.

Mr. President, I believe the speech we have heard in the last few minutes does honor to those who formed our Republic, because when we read the great constitutional debates which gave birth to our Republic, we find in them the kind of spiritual value to which the Senator from Minnesota has referred today. I want him to know that as a member, with him, of the Foreign Relations Committee, I shall do everything I can to support the noble, humanitarian, and moral cause for which he had pleaded this afternoon.

Mr. HUMPHREY. Mr. President, I express to the Senator from Oregon my thanks and my appreciation for his reference to me personally, and, above all, for his support of the idea and the concept embodied in the resolution. I know he will be, as he always is, of tremendous help in making it a reality, because it fits into the moral and ethical philosophy of the Senator from Oregon.

Mr. MORSE. I appreciate the remarks of the Senator from Minnesota.

ESTABLISHMENT OF COMMISSION ON A DEPARTMENT OF SCIENCE AND TECHNOLOGY

Mr. HUMPHREY. Mr. President, last month the Committee on Government Operations favorably reported Senate bill 1851, which it was my privilege to introduce, on behalf of myself and Senators CAPEHART, MUNDT, GRUENING, MUSKIE, YARBOROUGH, and KEATING. This bill would establish a Commission to be known as the Commission on a Department of Science and Technology. The purpose of the Commission would be to make a full and complete investigation and study to determine the desirability of establishing a Department of Science and Technology, as well as to explore what functions now exercised by other departments should be transferred to such a new Department, if it is recommended that the establishment of such a Department is desirable. I am hopeful that in the near future the bill will be called up for Senate consideration.

The support for this measure to create such a Commission has been most encouraging. I ask unanimous consent that a copy of a letter which I recently received from Joseph Kaplan, Chairman of the U.S. National Committee for the International Geophysical Year 1957–58, of the National Academy of Sciences, National Research Council, in support of this proposal, be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ACADEMY OF SCIENCES,
NATIONAL RESEARCH COUNCIL
OF THE UNITED STATES OF AMERICA,
Washington D.C., July 8, 1959.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Washington, D.C.

DEAR SENATOR HUMPHREY: Thank you very much for sending me a copy of the recent report on the proposal for a commission to study the problem of establishing a Department of Science and Technology. My reaction to the proposal for establishing a Commission is a very favorable one.

I was particularly struck by your emphasis on the need for more direct relationships between scientists and Members of the Congress. Those of us, who were privileged to represent the National Academy of Sciences in the hearings on the International Geophysical Year, enjoyed and valued these contacts, and felt that they played a significant part in the eventual success of the IGY.

Thank you again.

Sincerely,

JOSEPH KAPLAN,
Chairman, U.S. National Committee, International Geophysical Year, 1957–58.

SUBVERSIVE ACTIVITIES REPORT OF AMERICAN LEGION COMMITTEE

Mr. HUMPHREY. Mr. President, the Department of Minnesota of the American Legion, and particularly the antisubversive committee of the department, has done an outstanding job in setting forth in clear, unequivocal terms the role of good government in dealing with subversive activities.

The annual report of the committee, whose chairman is Mr. Wilbur T. Lindholm, and whose other members are Mr. Ed Ryan, sheriff of Hennepin County of Minnesota; and Mr. William F. Proetz, chief of police of St. Paul, Minn., is a splendid document.

Therefore, Mr. President, I ask unanimous consent to have printed at this point in the RECORD the report, entitled "Subversive Activities," issued by the antisubversive committee of the American Legion.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SUBVERSIVE ACTIVITIES

During the year, this committee continued to function as it has in the recent past. Our participation in antisubversive activities concentrated on cooperating with the Federal Bureau of Investigation. We did not attempt to compete with them in matters involving police work.

We have tried to encourage the practice of real Americanism without resorting to demagoguery or bigotry. It has been our feeling that this country can most effectively combat communism through demonstrating by deeds, as well as words, the advantages of freedom over totalitarianism. In taking this stand, we reaffirm our unshaken confidence in the superiority of our form of Government and its ability to triumph in this fundamental struggle of liberty versus slavery.

We have expressed concern and opposition to loose, unsupported accusations of un-American activity. We have promoted the doctrine of individual freedom and human rights by advocating a strict adherence to the basic principle of government by law which presumes innocence until guilt has been proved under due process.

We have not underestimated the cunning evil of atheistic communism, nor have we been unaware of the insidious methods employed by Communists to gain their fixed goal of world conquest. We refuse, however, to become so overwhelmed with fear that we are willing to abdicate our democratic principles.

We have concluded that true Americanism represents that which is best for America. This has led us to completely reject the philosophy of isolationism in this modern era. We are convinced that our involvement in world affairs makes our very existence dependent on our ability to cooperate with the remainder of the free world.

As veterans of wars that were fought to protect world freedom, we believe that our efforts are now best directed when they promote positive, 100-percent Americanism that is in keeping with 20th century facts.

We are willing, therefore, to leave subversive police work in the very capable hands of the Federal Bureau of Investigation.

GOVERNMENT TIMBER CONTRACTS

Mr. MORSE. Mr. President, recently, at the request of the Western Pine Association, of Portland, Oreg., I presented to the Comptroller General of the United States a problem relating to the estimation of timber volumes upon which sales of Government timber are based.

The Comptroller General supplied a very comprehensive reply; and I ask unanimous consent that his letter be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, because this particular statement of the Comptroller General will be of interest to many in the forest-products industry who purchase Government timber, I am using this means of making the letter available as a matter of general knowledge.

In substance, the Comptroller General makes it clear that when the Government sells timber, it is quite likely that more than the estimate, not less, will be cut. The sale of timber by the Government is on a caveat emptor basis. It would be prejudicial to the Government's interest to guarantee these estimates. Dissatisfied contractors may take unsatisfactory administrative decisions to the Comptroller General, as provided in title 31, United States Code, section 71, and also to the courts, as provided by title 28, United States Code, sections 1346 and 1491. It is the opinion of the Comptroller General that adequate appeal procedures exist in this field.

EXHIBIT 1

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, July 2, 1969.

Hon. WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: Further reference is made to your letter of April 10, 1959, forwarding for our attention a letter dated April 1, 1959, from the Western Pine Association concerning the estimation of timber volumes by the Government upon which the sales of timber are based. You specifically request that we advise you of the relief that presently can be obtained by purchasers where the amount of timber actually cut is less than the estimated volume, and whether any special steps are needed to afford a more equitable treatment of purchasers than is now provided by law.

Our review of this matter undertaken at the Forest Service, Department of Agriculture, and the Bureaus of Indian Affairs and Land Management, Department of the Interior, is set out below with particular reference to the contracting procedures and remedies afforded timber-sale contractors for shortages in estimated contract volumes.

In the Forest Service, timber volumes, road construction costs, and other data used in appraising timber are stated as estimates and the volume of timber offered for sale is stated in the invitation for bids as an estimate, followed by the words "more or less." All bidders are put on notice to make their own estimates of volume if they so desire before submitting bids. In the event a dispute arises as to any administrative action or decision taken with respect to performance under a timber sales contract, 36 CFR 211.2 provides an appeal procedure from such actions or decisions if filed within 30 days from the date of the action or decision. No finality, however, is accorded the administrative decision finally reached (Cf. 41 USC 321, 322).

Our review of the methods and procedures utilized by the Forest Service to determine timber-volume estimates revealed the following information.

The Forest Service estimates road construction, logging, and other costs that would be incurred by a timber operator of average efficiency and deducts these costs and an allowance for profit and risk from average selling prices to arrive at the appraised value of the timber. The appraised value then becomes the minimum price the Service will accept for the timber. Where bidding competition exists, timber generally sells at prices well in excess of appraised values. When there is only one bidder, the timber sells at the appraised value because there is no reason for the bidder to pay more.

In making the appraisals, the Service prorates the estimated costs over the estimated volume of timber in the sale area to arrive at cost allowances per thousand board feet of timber. (Similarly, the selling prices, the allowances for profit and risk, and the appraised values are stated in terms of dollars per thousand board feet.) Thus, the allowance for road costs is a certain amount per thousand board feet of timber based on estimated costs and estimated timber volume, and errors in either estimated costs or estimated volume will affect the accuracy of the allowance.

The Service does not verify actual construction costs incurred by purchasers and we do not know to what extent differences do exist or whether they are generally in favor of the purchaser or the Government. When the actual volume of timber cut exceeds the estimated volume, the actual road cost allowance exceeds the costs estimated by the service. When actual cut is less than estimated volume, the actual allowance for road costs exceeds the Service estimate of road costs. We have reviewed a large number of sales during our audits in the past 3 years and generally the errors in estimating timber volumes tended to favor the purchasers.

In our audit report to the Congress on the Forest Service for fiscal years 1955–56, we noted that overallowances for road costs resulted from the fact that the actual volume of timber cut exceeded the volume estimated to be cut. On 14 sales reviewed in regions 5, 6, and 7, the actual amount allowed for road costs exceeded the service estimates allowance by 21 percent. In our audit report to the Congress on regions 3, 4, and 8 of the Forest Service, dated June 1957, we stated that our reviews in region 4 disclosed frequent underestimates of volume and that it was not unusual for the volume of timber cut to exceed estimated volume by 50 percent or more. On one sale noted, where the volume of timber cut exceeded the estimated volume by about 49 percent, the overrun resulted in an overallowance of road costs of about $10,000.

Findings similar to the above were also included in our fiscal year 1957 audit report to the Congress on region 6 of the Forest Service and in various reports for fiscal years 1955 and 1956 which were addressed to the Chief, Forest Service.

In our view, it would not be to the Government's interests to require the selling agency to guarantee its estimates. Estimates, whether of timber volume, road costs, logging cost, or any other element in the appraisal, cannot be completely accurate since they predate any costs to be incurred and the actual cutting and scaling of the timber. However, whatever cost information was then available to the Government was also available to all bidders.

In the Bureau of Land Management, Department of the Interior, an appeal procedure for aggrieved contractors is provided in 46 CFR 221. While that procedure provides that no appeal will lie in the Department from a decision of the Secretary, such decision is not accorded finality as to questions of law (41 U.S.C. 322) or as to questions of fact if such decision fails by reason of the proviso to 41 United States Code 321.

We were informed by officials of the Bureau of Indian Affairs that the only provision made for the appeal rights for purchasers of Indian timber is included in the Bureau's General Timber Sale Regulations which are made a part of the Bureau's timber sale contract by reference. Paragraphs 53 and 54 of those regulations provide:

"53. Complaints by the purchaser arising from any action taken by the forest officer in charge under the terms of any contract will not be considered unless made in writing to the Commissioner of Indian Affairs within 30 days of the alleged unsatisfactory action.

"54. The decision of the officer approving any contract will be final in the interpretation of the contract and of the regulations, and the terms of the contract or regulations cannot be varied in any detail without the written approval of the officer approving the sale."

We were further informed that the Bureau's forestry regulations in 25 CFR 141 and the Bureau's timber contract provisions are in the process of being revised. The revised regulations will include an appeals procedure to the Secretary pursuant to applicable general appeal regulations, and the revised contract will include a complaint and an appeals procedure.

These proposed regulations should provide for greater appeal rights for the purchaser, and for more detailed appeals procedures. The proposed CFR revision grants the purchaser the right to appeal to the Secretary of the Interior any action taken by an approving officer exercising delegated authority from the Secretary or by a subordinate official of the Department exercising an authority by terms of the contract. Such appeal shall not stay any action under the contract unless otherwise directed by the Secretary. Appeals are to be filed in accordance with general regulations covering appeals. We were informed by the Department's Solicitor, Indian Affairs, that these general appeals, regulations and procedures which would relate to appeals in connection with all Indian Affairs activities and functions have not been issued but are presently in draft form. They will be issued sometime in the near future.

The proposed revision of the timber sales contract will provide that the parties to the contract may submit complaints to the Superintendent on any action or decision under the contract by the officer in charge. The revised contract will provide that the decisons of the Superintendent or his superior officers may be appealed in accordance with the rules and regulations issued by the Secretary of the Interior and promulgated in the Code of Federal Register.

In regard to instances of gross errors by the Bureau of Indian Affairs in estimating timber volume for public sale, cognizable officials could recall only one such case. This case related to a 1952 sale on the Klamath Indian Reservation in which the total volume to be cut was overestimated by Bureau personnel by more than 10 percent. Officials stated, however, that the purchaser never filed a complaint in connection with the error.

Generally, as in many contracts of sale of Government property, the purchaser contracts on a caveat emptor basis with full knowledge that he must, at his peril, ascertain for himself the quality and quantity of the products offered for sale. As a strict matter of law, a purchaser has no standing after consummation of a contract of sale to complain that the goods are deficient in quantity where the sales contract specifically was tendered on an "estimated" quantity. See *Brawley* v. *United States*, 96 U.S. 168; *S. O. Stray & Co.* v. *Totter, Ide & Co.*, 280 F. 249; *Oak Investment Co.* v. *United States*, 67 C. Cls. 177. In those cases, the courts held that all that was required of the party making the estimate of quantity was that it should be made in good faith and without gross disregard of the facts. In the case of *Lipshitz & Cohen* v. *United States*, 269 U.S. 90, the court held that the mentioning of quantities cannot be regarded as in the nature of a warranty, but merely as an estimate of the probable amounts in reference to which good faith only could be required of the party making it. See, also, *United States* v. *Hathaway*, 242 F. 2d 897.

We believe that, in the sale of Government property, it would be grossly prejudicial to the interests of the Government to guarantee the quantity of property offered for sale. Essentially, the Government is not in the business of obtaining goods for resale. It is only when goods become surplus to the needs of the Government or constitute an impediment to operations that the Government tenders goods for sale. It has neither the facilities nor the qualified personnel to accurately forecast the quantum of sale. This situation is generally recognized by qualified purchasers who protect their interests by independent inspections and appraisals prior to submitting bids or quotations. The courts, also, have recognized these facts which underlie the principle of disclaimer of warranty. See *Sabin Metal Corporation* v. *United States,* 151 F. Supp. 683, affirmed 253 F. 2d 956.

Timber contractors who are dissatisfied with administrative decisions rejecting claims for relief in shortage cases are entitled to pursue their claims before the United States courts pursuant to 28 United States Code 1346 and 1491, and before the General Accounting Office under 31 United States Code 71, subject, however, to the defenses discussed above.

In view of the foregoing, it is the opinion of our Office that adequate appeal procedures are afforded timber contractors claiming shortages based upon contract estimates both in the administrative sales agency and before the courts. We do not feel that any special steps are required to afford more equitable treatment to this individual class of Government vendees. While this method of selling Government-owned timber on an estimated basis may, on rare occasions, result in a loss to a contractor, we feel that such contracting practice is definitely in the interests of the Government.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

LABOR LEGISLATION

Mr. MORSE. Mr. President, on last Thursday, I announced my intention to speak today concerning labor legislation and the shape it should take.

Nearly 3 months ago the Senate engaged in one of its most important debates of this session; for 8 days it considered, section by section, a complex piece of legislation, the Kennedy-Ervin bill. I happen to be one of the sponsors of the bill, and I believe it is destined to have far-reaching effects upon an important segment of our national life. It has been properly named a reform bill. Interestingly enough, it has been principally the leadership of the teamsters union—through the unwise actions of James Hoffa—which has betrayed its trust and has brought about the realization that reform is in order.

The Kennedy-Ervin bill was passed by a vote of 90 to 1, in an impressive demonstration of unanimity. I, along with other Senators, voted in favor of that bill, although I had my reservations about it. But I would vote for it again today, if I were given no other alternative.

Two developments which have taken place since April require me to make clear my views on this controversial subject, as I believe we now move into the last legislative stretch prior to the conference on the bill.

The House Labor Committee with due deliberation continued holding hearings, during April and May, on labor legislation. In June, it commenced in executive session the discussions which culminated only last Friday in a decision to report a bill. The sessions have been arduous and exhausting for the members of the committee. But the reports of progress and of the fair-mindedness of enough Members on both sides of the aisle have been encouraging. The other development is the growing volume of mail from my home State. Some of it is from the employer side; but much more of it comes from the employees, the rank-and-file union members of Oregon. They are worried about legislation that will impoverish their local treasuries, they fear, because of the necessity of paying fees for accountants, lawyers, and other specialists. They are reluctant to see the burdens of holding office in a local increased, because they know it already is difficult to persuade their fellow workers to hold office. They do not want to be in the position of being compelled to walk through picket lines. They know from experience that employers frighten employees away from unions, and "get away with it," no matter how hard the National Labor Relations Board endeavors to prevent it.

These are important developments in the area of labor legislation. They suggest the need for a moment of reflection before the House holds its debate on the bill which its committee is about to report. I think the country should keep its eye and its attention on the essentials of what the Congress is attempting to do in the field of labor legislation. We should be most wary that reform legislation which we need badly, should not become antilabor legislation. We should take careful aim at the wrongdoings of the Hoffas; but we must avoid union busting.

It seems to me the Congress had two different mandates in the labor-management field: First, the need to eliminate racketeering, dishonesty, misuse of union funds, and the type of abuses by some unions and employers which have been disclosed by the McClellan committee's hearings; and second, the need to examine after 12 years of experience, the Taft-Hartley Act, and to make changes in it, not solely changes sought by labor, but changes sought by employers, as well, and changes in the public interest.

After all, Mr. President, as has been made very clear by some of us, it is most important, in the interest of both groups which are particularly concerned with the legislation which is enacted in this field, that the changes which are made in the Taft-Hartley Act be changes which are made in the public interest. I have always held the position, as one who has done a great deal of professional work in the field of labor negotiations, mediation, and arbitration, that anything which was in the public interest in the field of industrial relations was in the legitimate interest of both labor and industry.

I thought the Senate, under the able leadership of the junior Senator from Massachusetts, had made a good start in this field. We passed a reform bill requiring full reporting to the Secretary of Labor of all expenditures of any relevance to our problem. We adopted criminal penalties for a wide range of misuse of union moneys. We set up standards for union elections and trusteeships. We adopted a statement of basic rights for union members. I know that some of these provisions might be rewritten to better carry out their intent and reduce their potentialities for hardship.

Perhaps one clue to our success has been the extraordinary attack by James Hoffa upon the Senator from Massachusetts—upon his integrity and his real leadership in this most difficult of tasks. Let me say this to the Nation: Nobody has shown greater courage and greater skill than has the Senator from Massachusetts [Mr. KENNEDY] in his handling of the bill which bears his name.

I say that as one who advocated amendments to the bill. I say that as one who voted for final passage of the bill after I had been defeated on certain amendments, and as one who hopes some of the principles of those amendments can still be added to the bill in conference. If I happen to be one of the conferees, I shall seek to get some of those principles adopted. Nevertheless, just because I did not agree with the Senator from Massachusetts in every detail and in connection with every provision of the bill does not mean I underestimate his remarkable job as our leader on the floor of the Senate in support of the measure that was finally passed.

I am at a loss to understand the unrestrained extremes to which the head of the Teamsters Union has gone in his attack on the Senator from Massachusetts.

Mr. President, I am going to have something to say, before I finish this speech, about some proposals for modification of labor legislation advanced by some of the labor lawyers of the country, including some of the labor lawyers for the Teamsters Union. But I approach these problems from the standpoint of the legal problems involved, without any reference to the sponsor of any given proposal. I am a lawyer, and when a lawyer comes to me and presents a legal argument, or presents a case in support of an amendment to any piece of legislation, I give it the careful analysis a lawyer should give to it. It does not make one whit of difference to me who the client of the lawyer may be.

Therefore, I intend to pass on the legal principles of the proposals for amendment without being influenced whatsoever by the identity of the clients of any lawyer who has talked to me about possible amendments.

Mr. President, the part that some national leaders of the Teamsters Union are playing in the field of legislation is a different thing. I want to go on record this afternoon, as I have many times before, in opposition to the tactics and strategy of Mr. Hoffa.

All one has to do is read the record of Mr. Hoffa's testimony before the Senate committee, of just a few days ago, and he will understand why the senior Senator from Oregon will always do what he can to bring to an end that kind of leadership, whether it is in labor, business,

politics, or wherever it rears its head in American public life.

It is almost unbelievable to have a president of the Teamsters Union boast about the fact that he does not take the fifth amendment, and, in answer to questions put to him by the McClellan committee last week, in regard to the sources of some of its funds, to have him reply, "Ask Brennan." He could not recall. He suffers the malady of loss of memory. On occasion, it seems to overcome his mental processes.

What happens when Mr. Brennan is put on the stand? He takes the fifth amendment.

I wonder whom Mr. Hoffa thinks he is really fooling. I hope not the rank and file of the Teamsters Union, because he is not fooling the rank and file of the American public, may I say to the rank and file of the Teamsters Union.

It was a sorry spectacle and a frightening display that Mr. Hoffa put on before the McClellan committee last week. And it demonstrated, Mr. President, the need for some reform legislation. It demonstrated the need for legislation with legal teeth in it so that there can be no question about the power of the Government to find out where he got his funds.

I want to make it very clear, Mr. President, that although I think labor legislation over on the House side is in need of some amendment, I am strongly of the opinion that we must see to it that teeth are kept in the legislation so that it will never again put us in the position of having prevail the kind of display Mr. Hoffa gave last week.

Mr. President, I also think it is most unfortunate that before the McClellan committee there was presented a Mr. Brennan, who took the fifth amendment, although he was the official of the Teamsters Union to whom Mr. Hoffa kept referring by saying "Ask Brennan." He did not recall. He suffered a lapse of memory. But I am sure that those who observed the performance knew he had not suffered a loss of memory, but he was using a fifth amendment stooge to protect him.

Mr. President, I am a good enough lawyer to know if a witness simply says, "I do not recall," there is not anything one can do about it; but I also know that when a witness suffers from the malady of loss of memory and says time and again that he cannot recall in answer to question after question, and constantly replies, "Ask Brennan," so far as I am concerned he too has in effect taken the fifth amendment. In spirit and intent he takes the fifth amendment when he takes it through the lips of another such as Brennan.

So, Mr. President, I think it is very unfortunate that the President of the Teamsters' Union took this position, and I hope the rank and file of the Teamsters' Union will come to recognize that that kind of leadership is doing great damage in public good will to the union, but also is doing great damage to labor generally.

Nevertheless, as a legislator, Mr. President, I have to keep my eyes on the content of legislation, because the Hoffas will come and go but the rights of free men and women organized into the free labor movement of this country must go on if freedom itself is to prevail in America. If we ever follow a course of action which destroys the freedom of effective collective bargaining, if we ever take a course of action in this country which destroys the rights of the house of labor, then we shall have pulled down one of the great citadels of freedom in our country, and others will topple thereafter.

So I wish to talk for a few minutes about some of the problems raised by the labor legislation, which I think still needs correction.

One of the features of the Senate bill which concerned me during our deliberations was the need to make certain that the rights of American citizens who happened to be union officers should not be subjected to the danger of an all-powerful government bureaucrat. I proposed six amendments, and four of them were adopted by the Senate. I think my reputation as a guardian of due process is sufficiently well known for all to know that I will be sharply on the lookout for any new provisions in the House bill which will impair the rights of a citizen to a fair hearing before he is found guilty.

During the House debate or during the conference, the Administrative Procedure Act requirements should be written into every section of the House bill which gives any power of decision over any union or any employer activity to the Secretary of Labor.

Mr. President, some of the labor lawyers, including two labor lawyers from the Teamsters' Union, have discussed this matter with me and have satisfied me that there are portions of the House bill which still need to have added to them the Administrative Procedure Act protection against arbitrary or capricious discretion exercised by the Secretary of Labor or by any other Government official acting in his capacity.

Mr. President, in this Government of ours, the decisions of mere men must be subject to review and appeal if we are to avoid government by mere men. The essence of a system of government by law is nothing but procedural protection of the people from decisions of men when those decisions may not stand up under fair appeal. I have talked about it so many times in the last 15 years, Mr. President, that I am sure I need say no more, other than to point out I think there are still places in the House bill where the Administrative Procedure Act protections should be written into the bill.

In regard to the Taft-Hartley Act problem, I think our record is good, even though the pace has been necessarily slower. The Kennedy-Ervin bill, which was reported from the committee, contained some half dozen changes in the Taft-Hartley Act, which either have been frequently studied by the committee in past years or have been repeatedly recommended by the Eisenhower administration. We thought of them in the Senate committee as being noncontroversial.

The present Presiding Officer of the Senate, the Senator from Pennsylvania [Mr. CLARK], who is one of the very able members of the Senate Committee on Labor and Public Welfare, knows well whereof I speak when I point out we had very thorough discussion of this problem of amendments to the Taft-Hartley law. We took the position that those amendments which could be generally classified as noncontroversial rightfully belong in the Kennedy-Ervin bill, leaving to the select committee, about which I shall speak in a moment, the task of recommending to the Senate proposed legislation dealing with the more controversial features of the problem.

Our most difficult task was to solve the no-man's-land situation. This is a vacuum in government in which many small employers and their employees have no administrative remedy, no labor board, to protect them from abuses normally the subject of legislation. We also clarified a badly muddled legal situation in the construction industry, in which labor and management are currently being subjected to punitive money damages, in part because the Government itself is in doubt as to the full meaning of the law.

We changed the non-Communist oath requirements so that some of the delays of the National Labor Relations Board proceedings could be avoided.

We also acted to cut down delays in election cases handled by the Board arising from blocking tactics used solely to gain time for electioneering.

For some of the more complex problems such as secondary boycotts, organizational picketing, National Labor Relations Board internal machinery, jurisdictional disputes, injunctions, and union shop regulation—we on the Commitee on Labor and Public Welfare felt we wanted the help of experts. A panel of 12 eminent authorities drawn from labor, management, and the public was appointed, and met some 20 times. This panel is in the process of preparing a report, and it should be available during the recess this fall. I will say, however, I think the no-man's-land provision of the Kennedy-Ervin bill, as it left the floor of the Senate, is a workable provision until such time as this group of experts brings in a specific program for an improvement of the legislation with regard to no-man's-land cases.

I would have preferred holding to our plan and resisting the effort to write legislation on the floor regarding boycotts and organizational picketing. On picketing, I made an analysis during the debate of what I believe to be the essence of the problem, and I should like to have it printed in the RECORD at the conclusion of my remarks. I ask unanimous consent that I may do so.

The PRESIDING OFFICER (Mr. KUCHEL in the chair). Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, on boycotts we adopted language which some have interpreted—and I think it is a close legal question—to overrule the *Rockaway News* case (345 U.S. 71). This was not my understanding. Had I been of that understanding, I would not have voted for it. It is not now my understanding. Nevertheless, Mr. President, there are competent lawyers who do not

share my legal opinion about the effect of the language in our bill. Among those are counsel for the Teamsters Union and counsel for certain other unions in the country with whom I have discussed this matter at some length.

Mr. President, a primary picket line which is legally engaged in an appeal to employees is normally respected by employees of another employer whether that employer is a common carrier or not. I think an agreement protecting an employee's right to respect such a picket line and to refuse to cross it is a legitimate aspiration and should not be banned.

It is not my belief that it is banned in the Kennedy-Ervin bill; but, as I say, there are those who do not share that point of view. However, it is alleged that it is banned in the present version of the House bill. If it is, that is a great mistake, and it should be modified by the House in debate, or modified in conference.

I hold in my hand two documents, one from the counsel for the Teamsters Union, and the other from the chairman of our subcommittee, the Senator from Massachusetts [Mr. KENNEDY]. I believe that in fairness to counsel for the Teamsters I should offer his memorandum for the RECORD, I offer it as a matter of legal courtesy from one lawyer to another, but I offer it for more than reasons of courtesy. I offer it because I think the legal point of view presented by counsel for the Teamsters Union is entitled to the consideration of the Congress, and believe that the memorandum should be in the CONGRESSIONAL RECORD for reference by Members of the House who may wish to refer to it before the final vote is taken in the House. I wish to make it perfectly clear that I do not share a considerable number of the legal points of view and conclusions reached by counsel for the Teamsters. On the other hand, I think there are parts of this memorandum which deserve the very careful consideration of the Congress.

The memorandum deals with a criticism of the bill as considered by the House committee, up until this date. I shall read the memorandum, because I wish to make brief comments on parts of it.

Counsel for the Teamsters' Union says in this memorandum:

> Section 707 of the Kennedy bill makes it an unfair labor practice for any labor organization and any employer who is a common carrier, subject to part II of the Interstate Commerce Act, to enter into any contract or agreement, express or implied, whereby such employer ceases or refrains, or agrees to cease or refrain from handling, using, or transporting any of the products of any other employer, or to cease doing business with same. It has been pointed out that this provision would make it unlawful for a labor union and an employer to agree that members of the union employed by such employer would not be required to go through a picket line since such agreement would be in effect an agreement that the employer would not transport the products of the employer who is either the shipper or the consignee of the goods which are to cross the picket line. In order to meet this objection, the House Committee on Education and Labor has amended section 707 by providing "that nothing in this paragraph shall be construed (i) to require any employee to enter upon the premises of an employer (other than his own employer) where such employer is engaged in a primary labor dispute, or (ii) to invalidate a collective-bargaining agreement which provides that such refusal shall not be cause for the discharge of such employee." This proviso meets some of the objections. It does not meet all. For one thing, there is no readily apparent reason which permits refusal to enter upon the premises of any employer "other than his own employer." The effect of such exclusion means that truck drivers or other employees of a common carrier are required to enter upon the premises of their own employer for the purposes of handling, using, or transporting the products of another employer even though other employees of their own employer may be engaged in a primary dispute with their employer. For example:
>
> (1) Assume the city drivers of a freight company, which is a common carrier under the Interstate Commerce Act, are out on strike for higher wages and are picketing a terminal of that employer in St. Louis. If at such time the employer has on his dock goods belonging to the XYZ Manufacturing Co. and if the over-the-road truckdrivers are directed to go to such dock for the purpose of loading their trucks with the goods belonging to such other employer—the XYZ Manufacturing Co.—such over-the-road drivers would have to respond to such request. They are not covered by the new proviso to section 707 because the primary dispute in this example is on the premises of "his own employer." Therefore, the language of 707 would apply since any agreement that such driver need not transport the goods of the XYZ Manufacturing Co. by going through a picket line would be an agreement in violation of section 707.

I believe this analysis is pretty farfetched, but I think it is important that we make the issue crystal clear in the legislation. I believe that counsel for the Teamsters Union is quite mistaken in his analysis and in his interpretation of section 707 of the Kennedy bill.

As I stated earlier in my speech, it certainly was not my interpretation at the time the bill passed, and it is not now my interpretation that section 707 applies to the kind of primary situation to which counsel for the Teamsters Union refers in this memorandum. Nevertheless, this presents a great fear on the part of many in the labor movement, in and out of the Teamsters Union. Why? Because it raises the whole question as to whether there is an intention to get self-respecting union men and women to go through the legitimate picket line of a sister union.

As I stated during the hearings, as the present occupant of the chair [Mr. CLARK] knows, when I cross-examined the Secretary of Labor; as I said in the debate on the floor of the Senate; and as I said in the memorandum I obtained permission a few moments ago to have inserted in the RECORD as a part of this speech, I am opposed to any legislation which seeks to force self-respecting union men and women through a picket line that has been established in a legitimate labor dispute with another employer over hours, wages, and conditions of employment.

This is pretty fundamental to the free labor movement, and I think we need to be on guard against attempts to maneuver labor into a position in which it must go through a good-faith picket line, or find itself confronted either with a heavy damage suit or an injunction—or, in some instances, with a prison sentence if guilt is established.

Counsel for the Teamsters Union, who made this memorandum available to me, continues:

> (2) Under the same example set forth above, the mechanics who are employed at the terminal in the repair of trucks, office workers who are employed at the terminal in billing operations, building service employees, etc., all of whom are employees of a common carrier are required to go through the picket line of their company's employees for the purpose of handling, using, or transporting the goods belonging to shippers or consignees.
>
> (3) In the event the picketing is carried on in any other premise owned by the common carrier, for example at a terminal in another city, the same result would follow, that is all other employees of the common carrier would be required to go through the picket line.
>
> It thus becomes obvious that as long as "other than his own employer" remains in the proviso, common carrier employees will be required to break the strikes of other common carrier employees in different collective bargaining units.

Although I think counsel for the Teamster Union is making a very extreme interpretation of the language of the Senate bill—and although I am not sufficiently familiar with the final language in the House bill to make more than a tentative conclusion at this time, I am inclined to believe he is also making a rather extreme interpretation of the language of the House bill. Nevertheless, the language in both the Senate bill and in the House bill has aroused enough concern within the rank and file of American labor that I believe it should be made perfectly clear that it is the duty of the Congress, before the final legislation is passed, to clarify this particular point.

Next, the legal memorandum submitted to me by counsel for the Teamsters Union says:

> Additionally, the proviso may create difficult problems of interpretation because of the use of the word "primary" in the phrase "primary labor dispute." It is conceivable that because of the use of the word "primary" the right to respect a picket line will depend upon the Board's or the court's interpretation as to whether a dispute is primary, secondary or otherwise. For example, if there is a losing strike like the Kohler Co., will it lose its status as a primary labor dispute; is a strike for recognition primary? Does the definition depend upon the nature of the demand, the reasonableness of the demand, or the number of employees supporting the demand? The term "labor dispute" is defined in the act and has a well-adjudicated meaning. The problem should not be confused by the inclusion of additional words which are not otherwise defined and which are subject to many constructions.

I think this is a very unsound conclusion which is reached by this lawyer. I say most respectfully that he needs to go to the law books and study the decisions which have already been rendered with regard to the meaning of the word "primary." I do not think there is any real problem here at all, but if it is necessary to make legislative history, I hope the House will make it in the debate, because

it now has the opportunity to make the legislative history. We have such opportunity no longer in the Senate, because the bill has passed the Senate, and there is nothing we can say in the debate in the Senate which will make legislative history on the bill. Such statements must be made, so far as their subsequent use in court is concerned, prior to the passage of the bill.

I think, Mr. President, that this particular objection of the counsel for the Teamsters Union is without any real legal merit, but nevertheless it does represent a fear and a concern in the ranks of labor. I think it is a matter that can be very easily handled in a 5-minute speech over in the House of Representatives by somebody during the course of debate by way of making a statement as to the intention and the meaning of the language.

Then the memorandum goes on to say:

Additionally the proviso limits the right of refusal to enter upon the premises. Thus by the simple expedient of moving goods to an adjoining lot or onto the public street the provisions of the exception become meaningless. It would require very little ingenuity on the part of a picketed employer to remove the goods from his premises so as to require strikebreaking by the employees of a common carrier.

Here again counsel is not aware of decisions of the National Labor Relations Board already rendered. They do not support the position taken by counsel. I do not think that the arguments of counsel are meritorious, but nevertheless it is a matter that again I think someone in the House should remove the fear of those that entertain this point of view expressed in this memorandum by a statement during the course of debate that will clarify it for legislative history.

Counsel then observes:

The proviso does not meet the objections that section 707, even as amended, would prohibit a union from agreeing with an employer that only uniforms and garments with union label would be used, since this would be an agreement by the carrier not to use nonunion goods which are the product of another employer and not to do business with nonunion garment companies.

For the same reason, a union could not agree with a common carrier that only union-made trucks, parts, and other automotive supplies shall be used.

Similarly, the union could not agree with a common carrier that only a union contractor shall build or repair its terminals, because this would be an agreement not to do business with another employer.

Mr. President, I think that is probably so, and I think there is considerable merit, from labor's viewpoint, in the objection raised at this point in the memorandum that I am discussing. Here again, I think the issue ought to be clarified in the legislation itself. It certainly ought to be clarified in debate, and it certainly ought to be resolved if it is not resolved by the time it gets to conference.

The memorandum then goes on to say:

Any subcontracting clause in the contract with a common carrier would be invalid. As an example, if the machinists organized the mechanics in the garage and wanted to prevent the subcontracting of repair work to nonunion shops, this would be in violation of the law.

Certainly this needs to be clarified. It would not be in the public interest to pass a law that would have the result that counsel fears. It would, in my judgment, destroy legitimate rights of labor, and if the bill in its present form on the House side is subject to that legal finding, it certainly ought to be modified.

Finally—

Counsel says—

any contract clause under which the employer agreed to recognize the jurisdiction of the union, or agreed not to invade the jurisdiction of another union, would be illegal. For example, if the Truckdrivers Union asked the employer to agree not to require truck drivers to handle goods on the shipping platform, on the docks, etc., this would be a request to a common carrier that it agree to refrain from handling the products of any other employer.

I think this is a pretty strained interpretation, a pretty stretched interpretation, Mr. President. I seriously doubt if the court would agree with counsel, but to help the courts when, as, and if the problem gets into litigation, a little legislative history on it should be made on the House side.

Counsel then states:

These prohibitions apply not only to Teamsters' contracts with common carriers, but also apply to Machinists Union, office workers, and building trades contracts with common carriers.

Mr. President, I think in fairness these critical comments on section 707, made by counsel for the Teamsters in this written memorandum, should be made part of the CONGRESSIONAL RECORD, but let me say that similar arguments have been presented to me orally by representatives of other unions who seem to share the same fear.

In fairness to the chairmen of our committee and because I share his point of view also, Mr. President, I would like to insert in the RECORD at this point a letter which Senator KENNEDY wrote to Mr. James Hoffa, president of the Teamsters, under date of July 2, 1959.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. SENATE,
COMMITTEE ON LABOR
AND PUBLIC WELFARE,
July 2, 1959.

Mr. JAMES R. HOFFA,
President, International Brotherhood of Teamsters, Washington, D.C.

DEAR MR. HOFFA: Your telegram referring to our exchange during the recent hearings of the McClellan committee relating to the accuracy of the analysis of S. 1555, the labor-management reform bill, distributed early in May from your office, has been received.

At the outset I want to make clear what I consider to be the basic difference between us on this legislation. I am in favor of the enactment of an effective labor-management reform bill. You, on the other hand, judging from your own statements and the activity of Teamster Union representatives in the Halls of Congress for the past several months, clearly are not for an effective bill. Contrary to your public statements I do not favor legislation which would in any way restrict the collective bargaining power of unions or make impossible the orderly conduct of a union's internal affairs.

With respect to the specifics of our colloquy I am setting forth in an attachment to this letter the places in which I consider your analysis of the labor-management reform bill inaccurate and misleading. I would be very pleased to have your staff consult with members of my staff who are concerned with this legislation when you and your advisers have had an opportunity to examine carefully these comments on your memorandum of May 6.

If there are further questions in your mind as to my viewpoint on your analysis of the Kennedy-Ervin bill after these staff discussions, I would be very pleased to take them up with you when you appear before the McClellan committee next week.

Sincerely,

JOHN F. KENNEDY.

Mr. MORSE. In the course of his letter, the Senator from Massachusetts [Mr. KENNEDY] says:

At the outset I want to make clear what I consider to be the basic difference between us on this legislation. I am in favor of the enactment of an effective labor-management reform bill. You, on the other hand, judging from your own statements and the activity of Teamster Union representatives in the Halls of Congress for the past several months, clearly are not for an effective bill. Contrary to your public statements I do not favor legislation which would in any way restrict the collective bargaining power of unions or make impossible the orderly conduct of a union's internal affairs.

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If there are further questions in your mind as to my viewpoint on your analysis of the Kennedy-Ervin bill after these staff discussions, I would be very pleased to take them up with you when you appear before the McClellan committee next week.

Mr. President, the Senator from Massachusetts [Mr. KENNEDY], in his analysis, commented on section 707 as follows:

1. Hot cargo: Your analysis maintains that section 707 of S. 1555 would require a trucking employee to go through a picket line or lose his job. There is no requirement in section 707 that an employee must go through a picket line and certainly nothing in the section which necessitates that such an employee be discharged, if he does. As a matter of fact, the Taft-Hartley Act already protects the right of an employee to refuse to cross the picket line of an employer other than his own employer, if the employees of such an employer are engaged in a strike ratified or approved by a representative of such employees. Section 707 makes no change in this provision of existing law.

Mr. President, it is my legal judgment that the Senator from Massachusetts [Mr. KENNEDY] is right. That is the position I took when the bill was before the committee. It is the point of view I shared when the bill was on the floor of the Senate, and I voted for the bill with the interpretation of section 707 that I discussed earlier in my remarks tonight.

2. Picketing: Section 708 does not bar all picketing as the May 6 memorandum implies. Picketing an unorganized shop is lawful before an election under section 708.

Section 708 does not bar picketing of a shop where the employer has entered into a "sweetheart" agreement. The bill provides (p. 69, lines 20–23): "that where a charge is filed under section 8(b)(7) it shall be a defense to show that an unfair labor practice within the meaning of section 8(a) has been committed."

A sweetheart agreement is an unfair labor practice within the meaning of section 8(a).

Then Mr. KENNEDY discusses "Labor Czar," "Disqualification From Holding Union Office," "Removal From Office," "Power To Investigate," and a host of other topics in the Kennedy-Ervin bill, about which Mr. Hoffa testified, and to which the Senator from Massachusetts replies in his memorandum.

Mr. President, I ask unanimous consent that the entire memorandum be printed at this point in my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

INACCURACIES IN HOFFA MAY 6, 1959, ANALYSIS OF THE LABOR-MANAGEMENT REFORM BILL

1. Hot cargo: Your analysis maintains that section 707 of S. 1555 would require a trucking employee to go through a picket line or lose his job. There is no requirement in section 707 that an employee must go through a picket line and certainly nothing in the section which necessitates that such an employee be discharged, if he does. As a matter of fact, the Taft-Hartley Act already protects the right of an employee to refuse to cross the picket line of an employer other than his own employer, if the employees of such an employer are engaged in a strike ratified or approved by a representative of such employees. Section 707 makes no change in this provision of existing law.

2. Picketing: Section 708 does not bar all picketing as the May 6 memorandum implies. Picketing an unorganized shop is lawful before an election under section 708. Section 708 does not bar picketing of a shop where the employer has entered into a "sweetheart" agreement. The bill provides (p. 69, lines 20–23) "that where a charge is filed under section 8(b)(7) it shall be a defense to show that an unfair labor practice within the meaning of section 8(a) has been committed."

A sweetheart agreement is an unfair labor practice within the meaning of section 8(a).

3. Labor czar: The reporting requirements of S. 1555 were intended to be met by all unions. Power was granted to the Secretary to exempt certain small unions. Due process in this circumstance does not require a hearing.

4. Disqualification from holding union office: It is absolutely untrue to say that the Secretary under S. 1555 "may bar or remove from office * * * persons found to have violated the Act unintentionally." Before an officer can be declared ineligible to hold union office, there must be a hearing and proof that the information required by statute was not filed and such a hearing could only be held "after written notice by the Secretary directing him to file such information." A failure to file after receiving explicit instructions can hardly be called "unintentional."

5. Removal from office: Section 401(g) provides a means of removing an officer from union office only on two limited conditions. First, that he be guilty of serious misconduct, and only where the union's constitution and bylaws make no provision for his removal.

6. Power to investigate: The power to investigate violations which the Secretary enjoys under this act is exactly the same as that which he has to enforce the Fair Labor Standards Act. It is exactly the same as possessed by other Federal agencies in enforcing the Federal Trade Commission Act and the Securities and Exchange Act. Are the people regulated under these various statutes harassed and made political targets?

7. Rules for keeping records: It is simply untrue that the Secretary has any authority under section 205 of the bill to impose any particular type of accounting system.

8. Exemption of small unions: More than 50 percent of all unions in the United States are small unions. The bill recognizes the difficulty faced by the officers of small unions and provides for simplified forms of report and even exemption of small unions where the members have full information available to them. But the bill does recognize that members of small unions as well as members of large ones are entitled to equal protection of the laws.

9. Duplication of penalties (sec. 208): This section has no duplicate penalties. It provides direct criminal penalties for willful and knowing violation of the act. Removal of an officer who willfully and knowingly violates the law is not a penalty on the person but a protection afforded to union members by the law.

10. Blackmail picketing: Letter refers to section 702; the proper section reference is section 213 on page 32. The section specifically excludes picketing for a wage increase or other employee benefits and refers only to extortion.

11. Payment of fines and defense costs: Since section 207(b) refers only to violations of the act—embezzlement, failure to file reports, rigged elections—it does not bar payment of fines or defense costs of union officials engaged in legitimate trade union activity (p. 22, line 10).

12. Secretary's power to investigate: See point 6 above.

13. Secretary's power of disclosure: This power of investigation and disclosure is limited to situations where there is a refusal or failure to file information required to be reported by the bill. This information is required to be made public by the act and most legitimate unions publish this information for the public and their members now. The language of the bill is specific.

14. Injunction to force compliance: The Secretary may seek an injunction but the court grants it after examining the allegations. This power to seek injunctions is not an unusual remedy as it is depicted in this memorandum. For instance, the Secretary of Labor now uses the civil injunction to prevent employer violation of the Wage and Hour Act. Similarly the Attorney General enjoins violations of the antitrust laws.

15. Criminal penalty for embezzlement of union funds: Is it undesirable to make it a crime to embezzle union funds?

16. Exhaustion of internal remedies: This applies only to crooked elections. Speedy action is required to remedy an improper election. Any union should be able to settle an election case in three months. To delay longer is to make the question academic.

17. Setting aside elections: Elections may only be set aside if a court decides after a trial on the merits and on a preponderance of the evidence that the results of the election were questionable because of violations of the act. Under the test suggested in the Hoffa memorandum an election could not be set aside if 50 percent of the voters were denied the right to vote because no one could prove how they would have voted, if permitted to do so.

Mr. MORSE. Mr. President, I have one other topic I desire to discuss. The whole secondary boycott problem, or issue, as to small business should be fought out in terms which economists as well as lawyers can understand. The boycotting of a low-wage competitor or one who is committing unfair labor practices is one thing. A boycott in aid of monopolistic practices or ruthless bargaining tactics is quite another. In fact, I do not know of a single subject in the whole field of labor relations which is more misunderstood by the public generally than the matter of boycotts.

As I have said on other occasions, a very effective job has been done on American public opinion in that, I am afraid, an overwhelming majority of the American people really believe that all boycotts are bad. They forget that labor has won much of its present precious freedom by the exercise of the boycott. The unfair list is a good example. A strike against an employer who maintains sweatshop conditions—and there are still many in the country who do, the general understanding to the contrary notwithstanding—and the refusal of unionists in other unions to go through that picket line, has been an economic weapon which labor has had to use. The time will repeat itself over and over again when labor must not be afraid to use it in order to stop anti-labor practices on the part of too many employers who still engage in union-busting tactics.

So what is so difficult to have understood is that there are legitimate boycotts and illegitimate boycotts, just as there are legitimate picket lines and illegitimate picket lines. I have been in a quasi-judicial position time and time again when I have, on a set of operative facts in a given labor dispute case, had to rule on whether I had before me for judgment a legitimate or an illegitimate picket line. The legal literature is voluminous as to the characteristics of a legitimate picket line and the characteristics of an illegitimate picket line.

I say to Congress: Why not let the courts run their course on these cases in the light of existing law, which has been pretty well established?

A collusive picket line is an illegitimate picket line under most circumstances. Of course, it ought to be declared illegal. But the danger is that the public has become so confused about the matter of picket lines that there is a strong public opinion movement in this country really to infringe upon the precious right of free speech in connection with the organizational picket line.

I was quite surprised in the examination of the Secretary of Labor, when he was on the witness stand before our committee, to learn that he had apparently been drawn into the movement in this country to illegalize a great many picket lines which for a good many years, now, have become recognized as legitimate picket lines—such as the organizational picket line.

As the record will show, the Secretary wanted to know if I would be willing to answer questions, too. I told him I did not think any Senator had a right to call a Cabinet officer before a committee and ask him questions without being willing to answer questions in return. So the Secretary proceeded to ask me my views on picket lines. I gave them to him, and here they are:

I will not support any legislation which seeks to make illegal a legitimate

picket line. A legitimate picket line is a peaceful picket line in which the picketers seek to express to the public their views concerning the labor practices of the plant which is being picketed. I would not restrict that precious right of free speech. It is for the public to judge whether they want to do business with that kind of employer.

So I am always willing to discuss what is considered the strongest case against me. It is usually cited as the restaurant case, in which the restaurants of a town—an overwhelming majority of them—are organized. But there is one restaurant—restaurant X—in which both the employees and employer refuse to organize. There may be various reasons why the employees refuse to organize. It may be that they know very well that if they did organize, they would get fired. Or it may be—and I take the most extreme case—that each of those employees is an antiunionist—which they have the right to be. They do not have to join a union. They do not have to believe in unionism. But neither should they be given the right to deny to unionists the right to exercise their freedom of speech and call to the attention of the general public the nature of the restaurant in which those employees work.

We cannot get away from the hard, cold, economic fact—and labor has learned it the hard way—that the hours, wages, and working conditions of employees in nonunion shops have a tendency to drag down the working conditions in union shops.

So we have the great struggle for organization. I want the RECORD to show that once again the senior Senator from Oregon takes the position that he does not favor a ban on organizational picket lines. But that does not mean that there are not limits within which organizational picket lines must operate. First, I give the limit in regard to the conduct of the picket line itself: It must be peaceful, and it certainly must not be a mass picket line in the sense that it obstructs passage on the sidewalks and on the streets. As the courts have held, the rule of reasonableness applies here, too. So long as the rule of reasonableness is applied, then I am against a ban on that kind of picket line, so far as any restriction upon peaceful conduct is concerned.

Then we get into another type of ban which I think is reasonable. I think it is reasonable, in regard to the first item, to say, "Your conduct must be peaceful." But let us take a case in which an organizational picket line has been established. There has been a decision of the proper tribunal in regard to a finding as to whether employees in that restaurant want to organize, and the decision is that they do not want to organize. I think it is reasonable to impose a reasonable period of time following that election whereby an organizational picket line would be banned. But, it may be asked right away, "Are you not then restricting the right of freedom of speech?"

No. What I am doing, under those circumstances, is saying that it is proper to establish reasonable rules for conducting a labor dispute within that particular restaurant. I think it would be reasonable to provide that the picketing cannot be conducted for a reasonable period of time following that decision. But a permanent ban on an organizational picket line in front of that restaurant, in my judgment, would be an infringement of the legitimate rights of labor.

So I take the position that a boycott of a low-wage competitor or of an employer who is committing unfair labor practices is one thing; but a boycott in aid of monopolistic practices or ruthless organizing tactics by a union is quite another.

Mr. President, this leads us to a consideration of the racketeering type of activities by certain labor unions, and it also leads us to a consideration of situations of the type which I wish to mention—situations which throughout my career as an arbitrator I have opposed.

Moreover, in the Taft-Hartley Act, as it is now written there are loopholes in connection with boycotts. I am thinking, for example, of the type of activity which sometimes is engaged in—namely, the destruction of perishable food, including the pouring of milk into gutters and the turning of fresh fruit into garbage, as a part of a boycott campaign. I have always said that such activities by unions are absolutely inexcusable. Union activities which result in the destruction of economic goods and the destruction of perishable goods cannot be countenanced in a free society.

Furthermore, Mr. President, in such cases some rather tough employers are involved, too. Because they know that perishable goods are involved and because they know that the natural reaction of the public will be against a union which destroys such goods, such employers only have to "sit tight"; and usually not only the union loses, but labor generally loses.

I have been at a loss to understand why in such cases labor has not been willing to offer what I believe are reasonable, commonsense procedures for the handling of cases of this type. Of course, such procedures are used in some individual cases; but it is interesting that within the ranks of labor there has been no organized movement to propose such a procedure as the one I have referred to. I suppose one of the reasons is that there is a fear that it would lead to compulsory arbitration. But I have always been at a loss to understand why there could not be supported by labor, in connection with the enactment of legislation, a procedure which would authorize various government units—whether of local governments, State governments, or, in the case of a national emergency type of strike, the National Government—to move in with a fact-finding board, with the understanding that the work would proceed until the case was settled by the board—which would mean that there could be no destruction of the perishable goods, but that there would be a fact-finding board and an agreement by the parties that they would accept voluntary arbitration on the basis of the findings of fact by the fact-finding board.

Labor has fought against that procedure just as hard as employers have. But again I wish to serve notice—and I have discussed this many times before—that I shall support such legislation as a substitute for any legislation which would seek to make illegal all forms of secondary boycotts.

Of course the legislation I am suggesting would, in effect make illegal a secondary boycott in the case of perishable goods.

In sum, I think the Congress has an obligation to do a whole piece of work, not produce a patchwork quilt with holes.

Therefore, Mr. President, in closing I wish to say that in the days ahead, when our colleagues in the House of Representatives will stand and be counted, I hope they will be able to pass a bill which will meet the tests I have described—a bill which will reform, but not punish; a bill which will allay public concern about the abuses which have been revealed by the McClellan committee, but will not create a whole new set of conflicting, hastily considered concepts for the National Labor Relations Board to administer. Despite the sounds of fear and concern from some in the labor movement, I think the Labor Committee of the House of Representatives has helped fashion a very useful bill which can meet many of the problems which I have discussed in the course of my speech. Despite the sincere concern of the leaders of the labor movement, I hope the House of Representatives will be presented with a reform bill, not one which will injure the great and important associations of American workers known as trade unions.

EXHIBIT I

Mr. MORSE. I should like to address myself to what I consider to be the single most important labor relations issue before this body, and before the country, a challenge to the labor movement of major dimensions.

The challenge arises in many forms in the various amendments even now on the table—the challenge of curbs on peaceful organizational picketing.

This is an issue which should not be considered in a context of stamping out crime, of preventing a ruthless and powerful labor organization from exacting a tribute from small employers and their employees. It is, instead, an issue involving a basic right of labor to protest with a historic and legally approved economic practice.

We are asked to enact amendments which will make it an unfair labor practice for a union to picket or threaten to picket with the object of forcing an employer to bargain under varying circumstances. The true thrust of these amendments is to prohibit traditional and proper union activity in organizing employees and securing recognition. But it prohibits without regard to what the employer has done before the picketing started, and without regard to the threat of nonunion employees to undermine the working conditions obtained through organization.

To call the picketing which has been talked about in the Senate this afternoon extortion or blackmail picketing, I think, misses the point entirely. I think it simply recognizes the failure to understand the kind of problems which face unions which are trying to organize in the face of the opposition of antilabor employers.

We are here talking about peaceful picketing—violent picketing or mass picketing is banned by the Taft-Hartley Act and subject

to restraint by State courts in the exercise of their police power.

We are talking about a basic constitutional right to communicate; and while peaceful picketing is no longer considered to be an absolute expression of free speech, it is the single means of communication available to workers and their representatives.

In very much the same way that picketing has more effects than ordinary verbal expression, so the employer's speech to his employees, his heart-to-heart talk to employees before an election, his prophecies and predictions which the Labor Board recognizes as free speech—these also have a force independent of persuasion. We do not prohibit the employer's utterances because of their independent force; nor should we prohibit peaceful picketing. Both are a form of free speech in a context of uneasy balance—where perhaps there is abuse by some strong unions and most employers, but where the dangers to upsetting the delicate balance dictate extreme care.

We are asked then to curb the exercise by workers of their constitutional right of free speech expressed through peaceful picketing. And we are asked to curb it in an area where there can be no question that it serves a thoroughly legitimate purpose. Organizational picketing is as old as the labor movement. The valid reason for its being is elementary economics and hornbook law.

I do not intend to discuss all the cases, but I shall place enough in the record to cover the point I want to stress. We are dealing with a whole body of American law handed down by the courts in protecting the precious constitutional rights of labor.

The nonunion status of any firm is always a threat to the welfare of organized labor and its unionization is therefore always a proper end of trade union activity.

"Unions obviously are concerned not to have union standards undermined by nonunion shops" (*International Brotherhood of Teamsters* v. *Hanke*, 339 U.S. 470, 475). "The interdependence of economic interest of all engaged in the same industry has become commonplace" (*American Federation of Labor* v. *Swing*, 12 U.S. 321, 326).

For union organization to be "at all effective, employees must make their combination extend beyond one shop. It is helpful to have as many as may be in the same trade in the same community united, because, in the competition between employers, they are bound to be affected by the standard of wages of their trade in the neighborhood. Therefore, they may use all lawful propaganda to enlarge their membership, and especially among those who labor at lower wages will injure their whole guild."

Who said that? Not the senior Senator from Oregon. That is from the decision of the Supreme Court of the United States in the case of *American Steel Foundries* v. *Tri-City Central Trades Council*, 257 U.S. 184, 209.

Now listen further to these words from landmark Supreme Court decisions:

"In order to render a labor combination effective it must eliminate the competition from nonunion goods, an elimination of price competition based on differences in labor standards is the objective of any national labor organization" (*Apex Hosiery Co.* v. *Leader*, 310 U.S. 469, 503).

Indeed, the policy of the Taft-Hartley Act is based on explicit recognition that an evil against which the statute is directed is "preventing the stabilization of competitive wage rates and working conditions within and between industries"—section 1, paragraph 2. In the long run, to deprive organized workers of the means of competing with unorganized workers, dooms their objective to defeat.

Now let us return to the details of some of the amendments and what is wrong with them.

These amendments seek to curb picketing after a union loses an election. That is the aim of the Prouty amendment now before the Senate.

This has considerable superficial appeal to those of us who are accustomed to abide by the decision of the ballot box. It may also appeal to others who, assuming a state of affairs which exists only rarely, conceive an employee's rejection of unionism as the result of his reasoned weighing of the arguments underlying realities for and against. But let us examine more.

Second. Such amendments would apply to prevent picketing irrespective of the employer's countermeasures. They would, for instance, ban picketing where the purpose was to advertise that, while the union lost a Board election, it did so because the employer exercised his rights of free speech and thus filled the air with such dire prophecies that the employees voted against the union.

Third. In the event the union chanced to consent to an election despite the employer's illegal conduct—because it takes several years to remedy violations of the statute—the union would be foreclosed from raising these violations as objections of the election. Under these circumstances, the election might be thought of as valid and any picketing for organization would be banned.

Fourth. It would appear, based upon the National Labor Relations Board's own decisions, that in most circumstances the ban against organizational and recognition picketing would, as a practical matter of fact, be construed to constitute a ban against all kinds of protest picketing after an election—see the various cases set forth in the hearings at pages 371–400. Certainly if the intent of these amendments is otherwise, it should be made very clear.

For instance, would these amendments permit the union after it lost an election to picket for these substantial reasons: (a) To persuade customers to patronize establishments paying better wages; (b) to protest antiunion propaganda issued by the employer; (c) to protest the discharge of union leaders; and (d) to protest various kinds of working conditions such as excessive workloads, lack of sick leave benefits, and so forth.

Fifth. By providing for a mandatory injunction—as nearly all these amendments do—the Board's General Counsel would have no discretion to decline the use of this extraordinary remedy even if he is reluctant to do so. He is therefore forced to use an artillery shell to kill a mouse. He is forced to use the remedy without regard to the equities involved. He must, for instance, give top priority to an employer's charge against a union and obtain an injunction even though the employer had embarked upon a large-scale campaign of unfair labor practices. In the meantime, the union's charge against the employer would be doomed to proceed in due course for several years. I know that this would be the procedure because this is the way it has worked under the Taft-Hartley Act. The Secretary of Labor's vagueness on this point when he appeared before the committee—see the hearings at page 343—makes apparent his unfamiliarity with NLRB procedures. A violation of a part of the act requiring mandatory injunctions compels an injunction against the union despite violations of the nonmandatory sections of the act committed by the employer. If the Board's General Counsel is to use his discretion and seek an injunction against such an employer and thus consolidate the cases, then we should be told so. A memorandum appears in the hearings at pages 400–407 discussing this problem. If indeed this is the intent, such amendment might properly contain an additional appropriation to cover the cost of an expansion program in the injunction branch of the NLRB. To say again what I said before, the thrust of these amendments ignores what the employer has done before the picketing started.

Labor law in America reflects increasing awareness that no sound economic theory permits free market thinking to be applied to wages and working conditions, as it is to prices. In the absence of collective bargaining the wage market is a fiction for wages and working conditions are established unilaterally by the employer. Competition among workers against each other for jobs produces not fair wages, but sweatshops; not increased productivity, but depressions. Society should not, under the guise of preserving freedom to compete, force them to bear the competitive burden which an entrepreneur, in hope of profit, voluntarily assumes. In modern industrial society, meaningful economic freedom for the vast majority of employees can be attained not through individual, but from collective action.

This was the reasoning behind Congress' declaration in 1914 in the Clayton Act that "the labor of a human being is not a commodity or article of commerce" and that labor unions shall not "be held or construed to be illegal combinations in restraint of trade under the antitrust laws." That declaration reflected recognition that "to render a labor combination effective it must eliminate the competition from non-union-made goods," and that elimination of price competition based on differences in labor standards is the objective of any national labor organization. Once the purpose of employee combination was thus recognized, sanction of the conventional tactics of organized labor in its effort to improve its material conditions followed inevitably. These tactics, peaceful primary picketing are the only civilized means through which organized workers can safeguard their own wages and working conditions against the competition of unorganized workers; the only way—short of governmental wage fixing—through which price competition based on differences in labor costs can be eliminated. To deprive organized workers of these means of competing with unorganized workers dooms their objective to defeat.

Once we recognize that establishment of uniform wages and hours through collective bargaining as desirable, common sense should accept peaceful tactics by which unions traditionally seek in their own self-interest, to enlist nonmembers. Those who choose to work as nonunionists, by that very choice, tend to defeat and undermine the economic interests of union members in maintaining good wages and working conditions for themselves. In defense of their own economic position and in the face of varying shades of employer hostility, union members should accordingly be free to utilize such economic power as they possess to persuade employees of the value of their cause.

Freedom of choice of workers in the area of unionization, which some would transform into the central fact of labor policy, is unquestionably an attractive and serviceable principle. Few will disagree that freedom of employees to join unions should be protected from economic coercion by the employer. But prohibition of employer coercion is justified by considerations which are wholly inapplicable to the organizational tactics of unions. When the employer utilizes his power to persuade or control over jobs to defeat unionization, he takes advantage of his superior position to prevent his employees from obtaining even relative equality of bargaining power with him. But union members and nonunion members who are engaged in the same industry, trade, craft, or occupation are in competition with each other. Therefore, where the majority

of a unit refuses despite lower wage standards to join a union for reasons unfathomable, the unit as a whole remains in competition with organized units in the industry. To forbid union members to attach economic consequences to such refusals—by peaceful picketing—would change the law in favor of nonunionism and create a sanctuary behind which incessant undermining of union standards would proceed with immunity.

More importantly, we all know that individuals or groups who reject unionization do not do so out of rational conviction that their economic interests will be better served by individual than by collective bargaining. Employees strongly suspect that their employer is antiunion and that by joining or voting for a union they will incur his hostility and invite reprisal. Moreover, under the law, employers are left free to exploit that fear by making their opposition to unionization explicit. Employees do not reach an objective basis for decision. When to the more subtle pressures the employer adds threats, discriminatory discharges, and so forth, even those few employees who are most convinced of the advantages of unionization are often unable to resist. Such overt employer pressure is illegal, but the legal remedy, at best, comes far too late, and it is far too risky to offer real assurance to an employee whose livelihood is at stake. Only economic counterpressure from the union can begin to even the scales. To outlaw such union pressure in organizational campaigns would thus tend to destroy, rather than to create, actual freedom of choice by employees.

I have endeavored to cover this subject with more than usual thoroughness—the legal background, the economic foundations, and the practical everyday procedures involving the dangers to curbing organizational picketing.

Mr. President, what I am pleading for is the protection of that great body of labor rights already handed down by the Supreme Court of the United States. I am pleading for the adoption by the Senate of only those amendments which provide for the principle of mutuality.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. MORSE in the chair). Without objection, it is so ordered.

THE FISCAL RECORD OF THE DEMOCRATS

Mr. CLARK. Mr. President, the New York Times carries in today's edition a letter to the editor by our eminent colleague who is the Senate's outstanding economist, the senior Senator from Illinois [Mr. DOUGLAS]. His letter deserves the attention of every Senator.

In the letter, the Senator from Illinois refutes, in a fashion that I think will be convincing to every fairminded reader, the contention that the Democratic Party, and in particular the Democratic Congress, is totally irresponsible on fiscal matters. He points out that our record is, on the whole, superior to that of the Eisenhower administration.

I ask unanimous consent that Senator DOUGLAS' letter be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEMOCRATS' FISCAL RECORD—POLITICAL MOVE SEEN TO DISCREDIT ACTIONS IN CONGRESS

TO THE EDITOR OF THE NEW YORK TIMES:

Your paper has recently carried a series of articles and editorials which have referred to the Democrats and to the Joint Economic Committee and myself as advocates of "unlimited easy money" and as spenders, and to our economic report as a "fiasco." Let us, however, examine the facts.

The 84th and 85th Democratic Congresses cut the President's budget requests by $8 billion.

In almost every case "back door" financing has been requested by the President himself, including the most recent example of $4.5 billion for the International Monetary Fund and the World Bank.

The charge is also made that the Congress is responsible for the $13 billion deficit in the fiscal year 1959. But an examination will show that a great proportion of the deficit ($6 to $7 billion) was due to the falling off of receipts because of the recession, and that the increase in expenditures was the result of the recession; that is, unemployment compensation and welfare payments; increases in price supports, and of running the Agriculture Department ($2.2 billion); or spending on defense.

INCREASED DEFICIT

Net Eisenhower deficits have been $22.1 billion in 6 years compared with $2.5 billion in 6½ peacetime years under President Truman.

This year we will cut the President's budget by from one-half to a billion dollars. We Democrats are not such wild spenders.

Let us now turn to the question of inflation. Do we have a monetary inflation where too much money is chasing too few goods? The answer is "No." There are still almost 5 percent of our people who are fully unemployed and the equivalent of another 1 percent fully unemployed who are working only part time. Industry is not yet operating at full capacity.

Prices have been as stable in the last year as they have been in any recent period in our history. What we have seen is a rise in the prices of medical care, transportation, services, and finished durable goods. At the same time the prices of raw materials, farm products, food, and most competitive products have either fallen in price or have remained stable. Consequently, an overly restrictive monetary policy would have its main impact in the competitive areas—but would fail to affect decisively the problem of price increases in the noncompetitive sectors.

In our economic report we pointed out that "in periods of rapid growth and high employment * * * considerable emphasis may well have to be placed on curbing inflationary strains," and that "those responsible for public economic policies must remain alert to the possibility of a resurgence of inflationary pressure," and that "public policies (to provide full recovery) * * * should be designed * * * to avoid laying the groundwork for future inflation," and that "while we urge a less restrictive monetary policy for the months immediately ahead, we are nonetheless acutely aware of the potential dangers of further inflation," and that "we should * * * seek substantial stability in the price level."

These statements would not indicate that we were advocates of unlimited easy money or of continuous cheap money.

BUDGET PRIORITIES

What we fundamentally object to are the misplaced priorities in the President's budget and the insistence on continuing numerous subsidies to the strong and powerful while the President and his followers are against the programs designed to help the weak and the poor.

The President's budget includes subsidies of $260 million to the shipbuilding industry, of half a billion to newspapers and publishers, of unlimited payments of price supports for a dozen or so farm products on which no production limitations of any kind have been applied, and of the huge wastes in the defense procurement program which are now to provide some $60 billion in surplus items in the next 4 to 5 years. Furthermore, our tax system is rife with abuses and special privileges, particularly for the oil and gas industry, and for stockholders.

These abuses continue and remain untouched by the budget or by administration policies at the same time that vehement objections are made to clearing the slums, aiding the unemployed, helping the depressed areas, building schools, or increasing funds for medical research.

What we really have is a full-blown political campaign to discredit the responsible fiscal actions of the Democratic Congress, to apologize for every act of the President and the fiscal and monetary policies which have brought such uneven conditions, and to make the false charges of monetary inflation and budget busting the 1960 campaign issue.

The responsible position for the President and his Budget Bureau to take would be to cut back on military fat and use the savings to increase our actual fighting strength; to cut back on business and farm subsidies and to use the savings for slum clearance, depressed areas, schools, and hospitals, and to close tax loopholes so as to provide for an adequate budget surplus, to make some payment on the debt and for needed tax revision and reform.

PAUL H. DOUGLAS,
U.S. Senator.

WASHINGTON, D.C., *July 13, 1959.*

THE PRESIDENT'S CRITICISM OF THE PUBLIC WORKS APPROPRIATION BILL—IMPORTANCE OF PUBLIC WORKS PROJECTS IN PENNSYLVANIA

Mr. CLARK. Mr. President, this morning's newspapers carry a report that President Eisenhower has criticized the public works appropriation bill, as passed by the Senate, on the ground that it contains 82 new starts at a time when he recommended no new starts at all. He says that the ultimate cost of these new starts will be $1.2 billion, and that the national welfare demands that this kind of spending be stopped.

Mr. President, the trouble with this administration is that it has one blind eye. It sees only one side of the ledger.

Nowhere in the news accounts do I find any reference to the benefits to be derived from these expenditures. The $1.2 billion is called "spending." It is called "cost." But nowhere is it referred to as capital investment in national assets.

Any bookkeeper in a private firm who took such a half-blind view of his firm's operations would not last very long. A business executive always measures an expenditure or a cost against potential

earnings and potential profits. The Eisenhower administration boasted that it would bring "businesslike" methods and ideas to the Government. Yet it continually violates one of the most fundamental concepts of private business, which is that an investment is good and desirable if it will produce more in benefits than it costs.

Mr. President, to examine this proposition further, I have reviewed the figures on the two new starts in Pennsylvania which are provided for in the public works bill. These are the Shenango River Reservoir above Sharon and flood-control works at Brookville.

These are probably typical of the 82 new starts in the bill. Both have been needed for many years. The Shenango River Reservoir was authorized by the Congress more than two decades ago—in 1938.

The cost-benefit ratio for Shenango is 1.7 to 1; for Brookville, 2.7 to 1. Yet the President speaks only of costs.

In the past 9 years, flood damage at Sharon alone has amounted to almost $11 million. This damage occurred in 11 floods, as follows:

	Damages
February 1950	$331,000
December 1950	478,000
January 1952	883,000
March 1954	26,000
October 1954	1,341,000
March 1955	104,000
November 1955	204,000
March 1956	94,000
July 1958	2,333,000
January 1959	4,900,000
February 1959	180,000
Total	10,874,000

All of this damage would have been prevented by the Shenango River Reservoir. In addition to Sharon, other cities downstream have suffered damage which this reservoir would, in the main, have prevented.

And these figures do not include other benefits—such as the provision of recreational areas, for which the country has an ever-increasing need, municipal and industrial water supply, regulation of stream flow, and so forth.

The total cost of the project, which will be $28 million, will be much more than paid for by benefits accruing within the foreseeable future.

The same is true of the project at Brookville. This is a levee project, costing $1,340,000. But in the last 7 years alone, 10 floods have caused damage amounting to more than half the cost of the project. The figures are as follows:

	Damages
January 1952	$88,000
March 1954	67,000
October 1954	70,000
February 1956	163,000
May 1956	53,000
April 1957	23,000
May 1958	6,700
July 1958	71,000
January 1959	165,000
February 1959	12,000
Total	718,700

All of this damage would have been prevented by the project.

CV——875

Mr. President, let us have an end to "one-eyed bookkeeping." Let us look at benefits, as well as costs.

Mr. President——

The PRESIDING OFFICER. The Senator from Pennsylvania.

A NEW RECORD IN NATIONAL OUTPUT

Mr. CLARK. Mr. President, the limited and one-sided view which the President and his advisers take on public works is not limited to that field alone. Their approach to our economy generally is not one of growth and expansion. They are preoccupied with the danger of inflation which might accompany growth; but instead of dealing directly with inflation, they are continually pursuing policies which will choke off the very growth we need in order to raise our living standards and create a stronger America.

This morning's newspapers also carry a story to the effect that a new record in national output was set during the second quarter of 1959. This is good news—provided that the administration and the Federal Reserve Board do not conclude that things are getting much too good and that the boom has got to be checked.

In order to temper the fears that our economy may be growing too rapidly, I offer a table showing that on a per capita basis, in constant dollars, the gross national product has risen by only a little over 1 percent a year.

The per capita gross national product, in 1958 dollars, is as follows:

1952	$2,505
1953	2,575
1954	2,482
1955	2,634
1956	2,653
1957	2,648
1958	2,537
1959 (2d quarter)	2,719

The gain of $214 over a period of 7 years is 8.5 percent—or 1.2 percent a year.

The same newspapers which hail this boom carried, on the inside pages, a story, out of Stanford, Calif., that the industrial growth rate of the Soviet Union is over twice as great as ours; and that unless present trends change, Soviet industry will overtake American industry in 13 to 16 years.

Mr. President, I ask unanimous consent that this report, as printed in the Wall Street Journal, be printed at this point in the RECORD. The growth rates referred to in the story differ from those I have used just now, because the former pertain to industry only, and are not adjusted on a per capita basis.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIAN OUTPUT MAY EQUAL UNITED STATES IN 16 YEARS, FRB OFFICIAL SAYS

STANFORD, CALIF.—Russia's industrial output will equal the United States in 16 years if the present rate of economic growth of both remains unchanged.

This estimate was presented to the annual Stanford Business Conference by Robert C. Sprague, chairman of the Federal Reserve Bank of Boston. Mr. Sprague reported that Russia's output currently is 40 percent of the United States and is growing at the rate of 9.5 percent a year. U.S. production grew at the rate of 3.6 percent a year from 1951 to 1957.

"If our rate of growth were to fall to 2 percent a year, a rate which often has held in our economy," he said, "Russian industrial output would equal ours within 13 years."

Mr. Sprague, who also is chairman and treasurer of Sprague Electric Co., North Adams, Mass., said there were two basic reasons for concern about comparative economic growth of Russia and the United States.

"The first and most obvious is the threat to our security," he said, "because Russia is willing to spend more for military purposes than the United States is."

The second is the attitude of developing nations. These, he said, might conclude that if Russia does in a few years what the United States took many decades to accomplish, the Soviet system obviously would more quickly meet their needs.

But Mr. Sprague indicated belief the United States would be able to continue its economic growth through advanced technology and science, coupled with organizational ingenuity.

To assure continued growth, he said, inflation must be checked. Inflation makes our money less useful, may cause the United States to price itself out of world markets and, by putting too much pressure on the credit mechanism, result in widespread depression, he said.

Overemphasis on security programs, he said, also may slow growth.

CURRENT ECONOMIC POLICIES

Mr. CLARK. Mr. President, I call attention, finally, to a story from Mackinac Island, Mich., which contains some searching criticism of current economic policies by seven of the country's most noted and respected economists.

At the end of a 3-day conference, these economists made a number of interesting comments and recommendations. But the one that most caught my eye—in view of all the talk we have heard from the administration about inflation—was the assertion that the United States Government has no meaningful anti-inflationary policy.

The exact words of these economists were:

> At the present time our country has no adequate Federal policy to promote economic growth and stability and no meaningful anti-inflationary policy. It is a rudderless ship drifting on what is at the moment a rising tide of economic activity. Without a firm policy we will descend again into the trough of economic stagnation and retrogression.

They suggest a fact-finding procedure to deal with price and wage increases in steel and other basic industries—a procedure proposed in separate bills which have been introduced in the Senate by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] and by myself, with several of my colleagues as cosponsors. The House Government Operations Committee has approved a bill by Representative HENRY REUSS, of Wisconsin, which is a companion bill to my own.

Mr. President, I can summarize what I have been saying in three sentences:

To achieve our national goals and compete successfully with the Soviet Union, we must have rapid and continuous economic growth. Since the fear of inflation paralyzes this administration into refusing to adopt or maintain policies that will sustain economic growth—and brings vetoes to growth-producing bills like the Housing bill—inflation must be controlled. To control inflation, we must deal with "administered price" increases in the concentrated industries, and not just talk about it.

Mr. President, I ask unanimous consent that the report of the Mackinac Island conference, taken from the New York Times of July 20, be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAGE-PRICE STUDY BY UNITED STATES FAVORED—SEVEN ECONOMISTS WOULD SUBJECT BASIC INDUSTRY INCREASES TO FACTFINDING

MACKINAC ISLAND, MICH., July 17.—A proposal to subject price and wage increases in steel and other basic industries to compulsory Federal factfinding emerged here today at a conference sponsored by Gov. G. Mennen Williams.

A panel of seven prominent economists, some with years of experience in Government, urged that the factfinding commission, when established, should have power to subpena witnesses and compel the submission of documents.

It suggested that the commission ascertain the facts and make recommendations within a specified time interval.

Proposed price increases would have to be announced in advance of their effective date. Acting on the basis of factfinding information, the President could declare "that a price and/or wage increase was contrary to the public interest."

Such a finding would be sufficient to stay the effective date of the increase for another 60 days.

POLICY HELD LACKING

Keyed to this and other recommendations for firm Federal action to stimulate orderly economic growth was this general panel statement:

"At the present time our country has no adequate Federal policy to promote economic growth and stability and no meaningful anti-inflationary policy. It is a rudderless ship drifting on what is at the moment a rising tide of economic activity. Without a firm policy we will descend again into the trough of economic stagnation and retrogression.

"We reject the notion that that government governs best which governs least. The Federal Government is our only instrument for guiding the economic destiny of the country."

GALBRAITH ON PANEL

Participating in the 3-day conferences were Prof. J. Kenneth Galbraith of Harvard, author of "The Affluent Society"; Gerhard Colm, chief economist of the National Planning Association, and Prof. William Haber of the University of Michigan.

Also, Prof. Richard A. Lester, of Princeton, Prof. Richard A. Musgrave, of the Johns Hopkins University; Robert R. Nathan, of Washington, a consulting economist; and Prof. Daniel Fusfold, of Michigan State University.

Governor Williams joined in sessions but did not participate in formulation of the report nor did he sign it. Neither did Gov. Orville L. Freeman, of Minnesota, who also attended.

Both Governors are Democrats and Mr. Williams has been mentioned for a place on the party's national ticket next year..

Other changes in Government policy proposed were these:

Authorizing the President, acting jointly with the appropriate committee of Congress, to adjust the rates of both taxation and expenditures within specified limits.

Extending the duration of unemployment insurance to at least a year and extending the amount of compensation.

Making Federal, State, and local tax systems "less regressive."

Using "expansion of investment in the public sector" to meet the needs of the times and assure "greater growth in the private sector in which the greatest economic growth must occur."

Undertaking research like atomic energy and synthetic materials development requiring investment "of a character and size that even the largest industries and private research organizations are unable to finance."

Instituting new studies of "the tools of credit and debt management" rather than adhering to tight money and high interest rate policies restrictive upon small business.

FIVE PERCENT GROWTH URGED

The report found that economic growth at a 4- to 5-percent annual rate was "well within our capabilities." It said such growth would raise Federal revenues by $4 billion to $5 billion a year and by $10 billion in a decade.

"This offers the opportunity of a substantial expansion in Government programs at present tax rates," the report said. "What changes in tax rates, up or down, will become necessary and possible depends largely on the development of the international situation and of economic conditions."

Governor Williams said the report would provide "a guideline for future action" since it showed "that America could afford the things we need—adequate support for education, proper provision for the aged, adequate national defense, the redevelopment of metropolitan areas and the revival of depressed areas."

Mr. CLARK. Mr. President, I express my deep appreciation to the present occupant of the chair [Mr. MORSE], who has sat in the chair during these remarks at my request so that they could be made on the floor after I had issued a press release.

I should also like to express appreciation to the Senator from California [Mr. KUCHEL], acting minority leader, who, under the Senate procedures, found it necessary to remain.

The PRESIDING OFFICER (Mr. MORSE in the chair). In violation of the rule, let the Chair state that the Senator from Pennsylvania and I have demonstrated the principle of reciprocity.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 21, 1959, he presented to the President of the United States the following enrolled bills:

S. 56. An act to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes;

S. 114. An act to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States;

S. 175. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 1234. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965;

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes;

S. 1877. An act to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 1976. An act to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax; and

S. 2148. An act to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes.

ADJOURNMENT

Mr. CLARK. Mr. President, under the order previously entered, I move that the Senate stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 13 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, July 22, 1959, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 21, 1959:

SECRETARY OF COMMERCE

Frederick Henry Mueller, of Michigan, to be Secretary of Commerce.

U.S. DISTRICT JUDGE

Ted Dalton, of Virginia, to be U.S. district judge for the western district of Virginia, vice John Paul, retired.

U.S. ATTORNEY

Lynn J. Gillard, of California, to be U.S. attorney for the northern district of California for a term of 4 years, vice Robert H. Schnacke, resigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

August Larson Frederick L. Wieseman
Richard C. Mangrum Victor H. Krulak

First Lt. James B. King, Jr., U.S. Marine Corps, for permanent appointment to the grade of captain.

POSTMASTERS

The following-named persons to be postmasters:

Elvin W. Kennamer, Section, Ala., in place of L. P. Thomas, retired.

Virginia L. Simonds, Annette, Alaska, in place of G. A. Cobb, resigned.

William G. Ollikainen, Fairbanks, Alaska, in place of M. H. Boyle, retired.

Alice P. Harris, McGrath, Alaska, in place of O. S. Felmley, resigned.

Norma I. King, McKinley Park, Alaska, in place of Elvira Hehr, resigned.

Buell M. Loftis, Maynard, Ark., in place of J. A. Poynor, retired.

Wiley L. Lawson, Roe, Ark., in place of I. D. Trice, resigned.

Ralph B. Gump, Tarzana, Calif., in place of D. M. Benedict, retired.

Veda W. Gilman, Tomales, Calif., in place of A. B. Dickinson, retired.

Ella S. O'Quinn, Copeland, Fla., in place of J. L. Blanchet, retired.

Richard L. Green, Jr., Greensboro, Fla., in place of L. G. Green, retired.

Dorothy C. Simmons, Oceanway, Fla., in place of K. E. Harris, resigned.

Laura Mae S. Dominy, Danville, Ga., in place of M. H. Stevens, Jr., transferred.

William T. Wood, Dry Branch, Ga., in place of M. B. Smith, retired.

Woodrow W. Sutton, Ocilla, Ga., in place of L. B. Tucker, retired.

George P. Shell, Sargent, Ga., in place of C. W. Smith, resigned.

Donald V. Vincent, White, Ga., in place of H. H. Bell, removed.

Ralph G. Dean, Chicago Ridge, Ill., in place of L. M. Florian, resigned.

Irma L. Dodds, Eola, Ill., in place of G. L. Dodds, transferred.

Loren C. Bowman, Greenup, Ill., in place of R. A. Carrell, retired.

Leonard E. Kaffenberger, Red Bud, Ill., in place of A. H. Brandt, retired.

Alice J. Rodgers, Griffin, Ind., in place of M. L. Freeman, transferred.

Floyd H. Winsor, Brandon, Iowa, in place of M. L. Larsen, transferred.

Laurence E. O'Connor, DeWitt, Iowa, in place of J. L. Torpey, removed.

Worth Van Clark, Indianola, Iowa, in place of L. P. Williams, retired.

Wayne H. Henning, Latimer, Iowa, in place of R. A. Johnson, retired.

Mary B. Dinneen, Melrose, Iowa, in place of J. A. Ward, retired.

Robert D. Gallup, Blue Rapids, Kans., in place of Dixie Hickman, retired.

Ralph L. Oswald, Luray, Kans., in place of A. L. O'Leary, resigned.

William E. Wilson, Columbia, Ky., in place of Ray Flowers, retired.

James C. Griffin, Kuttawa, Ky., in place of W. R. White, removed.

Louis W. Bowden, Orrington, Maine, in place of E. A. Spencer, deceased.

Richard P. Coombs, Petersham, Mass., in place of W. B. Barnes, deceased.

Frances R. Bessom, South Orleans, Mass., in place of M. D. Bessom, deceased.

William R. Brazell, Fair Haven, Mich., in place of V. M. Meyer, retired.

Marvin L. Lorentz, Hastings, Minn., in place of A. L. Erickson, deceased.

Richard C. Zimmerman, Kent, Minn., in place of L. C. Clark, transferred.

Howard K. Uhren, Vining, Minn., in place of P. A. Nyberg, transferred.

Dennis H. Kilmartin, Zimmerman, Minn., in place of S. E. Jones, retired.

Levi C. Jenkins, Jr., Sallis, Miss., in place of H. A. Robertson, deceased.

George W. Wolfmeyer, Jr., Arcadia, Mo., in place of G. K. Hunt, deceased.

Norman E. Paul, Chilhowee, Mo., in place of L. H. Inglish, retired.

Michael F. Casey, Jr., Labadie, Mo., in place of G. M. Schmidt, resigned.

Russell M. Lee, Lesterville, Mo., in place of H. B. McKibbin, retired.

Harold F. Courtois, Mineral Point, Mo., in place of P. C. Walton, retired.

Robert L. Raby, Peculiar, Mo., in place of D. E. Whitten, resigned.

Austin C. Wood, Rocheport, Mo., in place of Mary Slade, retired.

William H. Lea, Steelville, Mo., in place of J. D. Marsh, deceased.

Don D. Swift, Crofton, Nebr., in place of V. K. Maule, resigned.

Greta A. Chambers, Elwood, Nebr., in place of J. L. Withers, retired.

Doretta E. Klopping, Harrisburg, Nebr., in place of Jessie Cross, retired.

Kenneth E. Taylor, Harrison, Nebr., in place of C. N. Umphenour, resigned.

Lloyd L. Ginkens, Jr., Mullen, Nebr., in place of J. A. Gibson, retired.

Burton H. Curley, Northwood, N.H., in place of E. G. Woodman, retired.

Rufus E. Whiteman, Gallup, N. Mex., in place of Dominic Rolle, deceased.

Paul M. Davis, Greenfield Center, N.Y., in place of Helen Wheatley, resigned.

Gerald W. Reamer, Kendall, N.Y., in place of M. F. Drennan, deceased.

Mildred T. Wadsworth, Niverville, N.Y., in place of G. L. Crausway, retired.

Lewis A. Davis, Owego, N.Y., in place of A. B. Stiles, retired.

George L. Clemons, Port Henry, N.Y., in place of L. J. Hollister, Jr., retired.

Alfred B. Woodard, Bayboro, N.C., in place of H. A. Miller, resigned.

Alton B. Parker, Fairmont, N.C., in place of T. S. Teague, retired.

George M. Turner, Jr., Pink Hill, N.C., in place of J. J. Smith, retired.

Robert C. Ridenour, Berea, Ohio, in place of M. E. Maher, retired.

Valera K. Whisler, Laurelville, Ohio, in place of F. M. Lappen, retired.

Charles E. Dennis, Madison, Ohio, in place of A. R. Miller, transferred.

Edward A. Hunt, Mechanicsburg, Ohio, in place of J. M. Cligrow, deceased.

Marvin D. Wolford, Rawson, Ohio, in place of Pearl Burket, retired.

Jack E. Brewer, Heavener, Okla., in place of R. L. Knecht, retired.

Bernice A. Fiolle, Perkins, Okla., in place of G. E. McClain, deceased.

Eugene E. Berry, Echo, Oreg., in place of J. S. Spike, transferred.

William H. Dyroff, Jersey Shore, Pa., in place of F. H. Barrett, retired.

Samuel H. Auman, Paxinos, Pa., in place of S. F. Snyder, retired.

Dorothy S. Hull, Rutledge, Pa., in place of Viola Cleland, retired.

Harry K. Barnett, Sipesville, Pa., in place of C. E. Holder, resigned.

Robert C. Guth, Vanderbilt, Pa., in place of G. E. Reed, retired.

Alexander H. Woodle, Greenwood, S.C., in place of G. C. Henderson, retired.

James F. Miller, Brownsville, Tenn., in place of J. A. Hudson, deceased.

Elza L. Hearne, Asherton, Tex., in place of M. L. Taylor, retired.

Hurley R. Ammons, Ben Wheeler, Tex., in place of J. W. Veazey, transferred.

Grover C. Gibbs, Jr., Glen Rose, Tex., in place of W. E. Porter, retired.

Annie B. Ansley, Hungerford, Tex., in place of L. H. Hudgins, retired.

Corolee J. Wismar, Sabine Pass, Tex., in place of D. F. Wiess, resigned.

David F. Renfro, Zavalla, Tex., in place of C. A. Barge, Jr., transferred.

Lynn J. Iverson, Tremonton, Utah, in place of James Walton, retired.

William H. Jenks, Danville, Vt., in place of M. R. McDonald, retired.

Wendell E. Morse, North Ferrisburg, Vt., in place of S. M. Hicks, deceased.

Alden F. Atwood, Orwell, Vt., in place of M. D. Wolcott, deceased.

Mary E. Lynch, Bowling Green, Va., in place of F. G. Beale, retired.

Wilbur F. Fitzgerald, Cheriton, Va., in place of W. M. Upshur, Jr., deceased.

Clarence E. Cougill, Jr., Penn Laird, Va., in place of G. R. Smith, deceased.

Orville K. Allen, Wenatchee, Wash., in place of J. F. Lester, deceased.

Helen L. Buchanan, Gilbert, W. Va., in place of H. A. Buchanan, resigned.

Dodd M. Fisher, Mount Storm, W. Va., in place of T. E. Schaeffer, retired.

August Kasten, Maribel, Wis., in place of W. M. Touhey, deceased.

Theresa A. Rainsford, Washington Island, Wis., in place of Magnus Magnusson, retired.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 21, 1959:

POSTMASTER

Pernie B. Middleton, to be postmaster at Verda, Ky.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 21, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 41: 6: *They helped everyone his neighbor; and everyone said to his brother, Be of good courage.*

Eternal God, our Father, whose divine help we so greatly need, inspire us to be more conscious of Thy all-pervading presence and sustaining power when we face the tensions and pressures of each new day.

May our labors be crowned with success as we endeavor to widen the areas of cooperation and good will among the nations of the earth, with none seeking their own selfish advantage.

Grant us the faith to believe that the kingdom of righteousness and peace is slowly and surely being built, no matter how dark the clouds of national and international welter and woe, at times, may seem to be.

We beseech Thee to accept our praises and answer our petitions through the merits and mediation of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

FACILITATING THE ADMISSION OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H.J. Res. 323) to facilitate the admission into the United States of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 3, strike out lines 13, 14, and 15.

Page 3, line 16, strike out "7" and insert "6".

Page 3, line 24, strike out "8" and insert "7".

Page 4, line 4, strike out "9" and insert "8".

Page 4, line 12, strike out "10" and insert "9".

Page 4, line 20, strike out "11" and insert "10".

Page 5, line 5, strike out "12" and insert "11".

Page 5, line 9, strike out "13" and insert "12".

Page 5, line 13, strike out "14" and insert "13".

Page 5, strike out lines 18 to 22, inclusive.

Page 5, line 23, strike out "16" and insert "14".

Page 6, strike out lines 7, 8, and 9.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FACILITATING THE ADMISSION OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H.J. Res. 353) to facilitate the admission into the United States of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 3, strike out lines 4 to 11, inclusive,

Page 3, line 12, strike out "5" and insert "4".

Page 3, line 14, strike out "Michaline," and insert "Michaline and".

Page 3, line 14, strike out ", and Pancrazio".

Page 3, line 18, strike out "6" and insert "5".

Page 3, line 23, strike out "7" and insert "6".

Page 3, lines 24 and 25, strike out "the minor child,".

Page 4, line 1, after "the" insert "minor".

Page 4, line 2, after "Palatos" insert ", citizens of the United States".

Page 4, line 6, strike out "8" and insert "7".

Page 4, line 11, strike out "9" and insert "8".

Page 4, line 15, strike out "10" and insert "9".

Page 4, line 23, strike out "11" and insert "10".

Page 5, line 1, strike out "12" and insert "11".

Page 5, after line 3, insert:

"SEC. 12. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Yoko Kawamura shall be held and considered to be the natural-born minor alien child of Mr. and Mrs. Donat Beland, citizens of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MONMOUTH COUNTY, N.J.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 322) for the relief of Monmouth County, N.J., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 per centum thereof".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HARRY F. LINDALL

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1605) for the relief of Harry F. Lindall, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That sections 15 to 20, inclusive, of the Act entitled 'An Act to provide for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, as amended (5 U.S.C. 765–770), are hereby waived in favor of Harry F. Lindall, of Port Orchard, Washington, and his claim for compensation for disability allegedly caused by his employment in the Puget Sound Naval Shipyard beginning in May 1946 is authorized and directed to be considered and acted upon under the remaining provisions of such Act, as amended, if he files such claim with the Department of Labor (Bureau of Employees' Compensation) not later than six months after the date of enactment of this Act: *Provided*, That no benefits except hospital and medical expenses actually incurred shall accrue for any period of time prior to the date of enactment of this Act."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

A NEW WHITE FLEET

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I have today introduced a resolution calling upon the President to revive the Great White Fleet of Theodore Roosevelt's day and to put such a fleet to work in the cause of peace.

The resolution, also introduced in the House by the Honorable WILLIAM BATES and in the other body by Senators HUBERT HUMPHREY and GEORGE AIKEN, was inspired by a 38-year-old naval officer from Oklahoma, Comdr. Frank A. Manson.

It urges that naval vessels be taken from mothballs to serve as mercy ships in the delivery of surplus American foods, medicine, and other supplies to disaster and distress areas of the world.

The Manson proposal, described in today's issue of Life magazine as a bold proposal for peace, makes a great deal more sense to me than some parts of our foreign-aid program as it is now being administered.

The plan combines two basic pioneering ideas often missing in our foreign-aid program. These ideas are giving direct help to a neighbor in distress and using the tools at hand to do the job.

By using our mothballed fleet to carry surplus food and American technical help to disaster and distress areas of the world, we can place at least a part of our mutual aid program upon a direct, people-to-people basis, and assure maximum benefit to our own country's interests in the process.

At a cost that is only a fraction of existing foreign-aid projects—with no danger of resulting injury to American industries—we can launch and maintain a Great White Fleet to serve both American interests and world peace.

Later this week I will speak at length on the new white fleet proposal, and I urge your support of this bold proposal for peace.

COMMITTEE ON FOREIGN AFFAIRS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a conference report on the bill H.R. 7500.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FINANCING THE HIGHWAY BUILDING PROGRAM

Mrs. KEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from West Virginia.

There was no objection.

Mrs. KEE. Mr. Speaker, before this session of Congress ends, a decision must be made concerning the future financing of our Federal interstate highway building program.

The administration has proposed increasing the Federal excise tax on gasoline, aviation fuel, and diesel fuel as a means for raising sufficient additional revenue to continue the urgently needed road building program at the present level.

Mr. Speaker, I am unalterably opposed to increasing the gasoline tax 1½ cents per gallon as proposed by the administration.

In the first place, the gasoline tax has been historically regarded as the province of the States. The States rely upon a gasoline tax as the primary source of revenue for highway building and maintenance. A further increase in the Federal tax will close this tax door to the States.

In addition, Mr. Speaker, many States have just recently approved increases in State gasoline taxes. West Virginia reluctantly voted such an increase. To ask the people of West Virginia to face a second increase within a year is a step which I cannot support.

The Governors of more than 30 States oppose an increase in the Federal gasoline tax. I trust the House Ways and Means Committee will keep this fact in mind when hearings on the proposal open this week.

Other methods of financing the highway building program are available to the Government. West Virginia is one of the many States which subscribe to the principle that highway users taxes should be used for highway purposes and in 1942 such a principle became a part of our State constitution.

Observance of this principle on the Federal level would erase any need for new taxes on motorists.

COMMITTEE ON BANKING AND CURRENCY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on H.R. 8305.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GIFTS TO GENERALS OF THE ARMY BY FOREIGN GOVERNMENTS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I notice on the Private Calendar, to come up in a few minutes, a bill out of the Committee on Foreign Affairs to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments.

Since it is impossible to ask any questions concerning bills on the Private Calendar, I wonder if anyone can tell me what the "other things" are that these generals would be authorized to accept and wear. Would they be striped pants or knee breeches or whatever? Can anyone tell me what the "other things" might be?

Mr. MORGAN. There are involved in these awards a centennial medal to General Marshall from Liberia and a belt and dagger and cigarette box awarded to General Marshall from Yemen.

Mr. GROSS. So this provides then that they can wear daggers?

Mr. MORGAN. Then besides the medal to General Marshall, there are awards to General MacArthur and General Bradley who have been awarded various medals and decorations from other countries.

Mr. GROSS. Would they have to get a permit to wear a weapon of that kind from a sheriff or a chief of police; does the gentleman know?

Mr. MORGAN. The legislation will permit the generals of the Army to receive these awards that have been tendered to them.

Mr. GROSS. I thank the gentleman for his explanation, but I am still unable to understand how a general can "accept and wear" a cigarette box as the bill provides.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

PANTALEON IBARRA, ALSO KNOWN AS ELMO GOMES ARCIBAL

The Clerk called the bill (S. 210) for the relief of Pantaleon Ibarra, also known as Elmo Gomes Arcibal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Pantaleon Ibarra, also known as Elmo Gomes Arcibal, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NELS LUND

The Clerk called the bill (H.R. 5880) for the relief of Nels Lund.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nels Lund, Polk City, Iowa, the sum of $9,467.40, as a gratuity for the death of his son, Roy Nels Lund (Veterans' Administration claim numbered XC-3,154,087), who was reported missing in action on or about February 13, 1943, and the War Department established the presumptive date of death as of December 12, 1945, while serving on active duty with the Army of the United States: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Polk City" and in lieu thereof insert "Ankeny".

Page 1, line 5, strike out "$9,467.40" and in lieu thereof insert "$9,441".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. CHRISTIAN VOSS

The Clerk called the bill (H.R. 1437) for the relief of Mr. and Mrs. Christian Voss.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the national service life insurance (certificate No. N 88 12 69) upon the life of the late Vernon A. C. Voss (Veterans' Administration claim numbered XC 3099771), who died on October 29, 1942, shall be held and considered to have been in effect in the amount of $10,000 at the time of his death. The Administrator of Veterans' Affairs shall pay such insurance (including a lump-sum payment equal to the difference between the total of the installments which would have been paid had such insurance in the amount of $10,000 been in force at the time of death, and the total of the installments actually paid, between the date of death and the date of enactment of this Act) in accordance with the National Service Life Insurance Act of 1940, as amended, except that any payments made as a result of the enactment of this Act shall be made directly from the national service life insurance appropriation.

With the following committee amendments:

Page 1, line 7, strike out "$10,000" and insert "$5,000."

Page 2, line 1, strike out "$10.000" and insert "$5,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. WILLIE SOHER

The Clerk called the bill (H.R. 7745) for the relief of Mrs. Willie Soher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Willie Soher, Oroville, California, the sum of $8,000.54. The payment of such sum shall be in full settlement of all claims of Mrs. Willie Soher against the United States arising out of overpayment made by her with respect to her income tax liability for 1947: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING HON. THOMAS F. McALLISTER, JUDGE OF U.S. COURT OF APPEALS, TO ACCEPT AND WEAR DECORATION TENDERED HIM BY THE GOVERNMENT OF FRANCE

The Clerk called the bill (H.R. 2067) to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Honorable Thomas F. McAllister, judge of the

United States court of appeals, is authorized to accept and wear the decoration of the Chevalier of the Legion of Honor tendered him by the Government of France, and to accept any supporting documents of such decoration. The Secretary of State shall deliver such decoration and any such supporting documents to the said Honorable Thomas F. McAllister.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING MAJ. GEN. BERNARD W. KEARNEY, U.S. ARMY (RETIRED), TO ACCEPT AND WEAR THE PHILIPPINE LEGION OF HONOR IN THE DEGREE OF COMMANDER

The Clerk called the bill (H.R. 5477) to authorize Maj. Gen. Bernard W. Kearney, U.S. Army (retired), a former Member of Congress, to accept and wear the Philippine Legion of Honor in the degree of commander, conferred upon him by the Government of the Philippines.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Major General Bernard W. Kearney, United States Army (retired), who retired as a Member of Congress on January 2, 1959, is authorized to accept and wear the Philippine Legion of Honor in the degree of commander, conferred upon him by the Government of the Philippines, and the consent of the Congress is hereby expressly granted for such purpose, as required by clause 8 of section 9 of article I of the Constitution of the United States. The Secretary of State shall deliver such decoration, together with any supporting documents, to the said Bernard W. Kearney.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL & BEEKMAN, INC., ET AL.

The Clerk called the bill (H.R. 6733) for the relief of Paul & Beekman, Inc., and the Columbia-Southern Chemical Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the case of the option contained in the lease agreement dated May 31, 1947, entered into between the United States and Portable Products Corporation, which lease agreement was assigned to Paul and Beekman, Incorporated, on July 14, 1947, by and with the consent of the United States, and the option contained in the lease agreement dated March 22, 1946, entered into between the United States and the Columbia-Southern Corporation (formerly the Southern Alkali Corporation), both such options are hereby confirmed and declared to be effective in accordance with their respective terms, and that the Administrator of General Services is authorized and directed to convey and transfer all right, title, and interest of the United States in and to the properties covered by such options in accordance with the terms of such leases and options.

With the following committee amendments:

Strike out all after the enacting clause and insert: "That in the case of the options contained in the following lease agreements:

"(a) Lease agreement dated May 31, 1947, entered into between the United States and Portable Products Corporation, which lease agreement was assigned Paul and Beekman, Incorporated, on July 14, 1947, by and with the consent of the United States,

"(b) Lease agreement dated March 22, 1946, entered into between the United States and the Columbia-Southern Chemical Corporation (formerly the Southern Alkali Corporation):

"(c) Lease agreement dated November 5, 1948, entered into between the United States and the Republic Steel Corporation,

"(d) Lease agreement dated April 1, 1946, entered into between the United States and the Republic Steel Corporation,

"(e) Lease agreement dated June 26, 1946, entered into between the United States and the Anken Film Company,

"(f) Lease agreement dated September 5, 1947, entered into between the United States and the General Motors Corporation,

all of such options are hereby confirmed and declared to be effective in accordance with their respective terms, and that the Administrator of General Services is authorized and directed to convey and transfer all right, title, and interest of the United States in and to the properties covered by such options in accordance with the terms of such leases and options and such conveyances and transfer shall be effective as of the date of exercise by the lessees of their options to purchase under the lease agreement."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "a bill for the relief of Paul & Beekman, Incorporated, and others."

A motion to reconsider was laid on the table.

AUTHORIZING CERTAIN GENERALS OF THE ARMY TO ACCEPT AND WEAR DECORATIONS, ORDERS, MEDALS, PRESENTS, AND OTHER THINGS TENDERED THEM BY FOREIGN GOVERNMENTS

The Clerk called the bill (H.R. 6587) to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the following named generals of the Army are hereby authorized to accept and wear such decorations, orders, medals, presents, and other things as have been tendered them as of the date of approval of this Act by the foreign government or foreign governments listed immediately following their names, and that the consent of Congress is hereby expressly granted for this purpose as required under article I, section 9, clause 8 of the United States Constitution:

Name	Donor Government	Award
George Catlett Marshall	Liberia	Centennial Medal.
	Yemen	Belt and dagger; silver filigree cigarette box; and 2 filigree bon bon dishes.
Douglas MacArthur	Cuba	Grand Cross of the National Order of Merit Carlos Manuel de Cespedes.
Omar Nelson Bradley	Argentina	Order of General San Martin, degree of Gran Oficial.
	Brazil	Order of Military Merit, degree of Grand Officer.
	Italy	Grand Cross of the Military Order of Italy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1960

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent, if it is agreeable to the gentleman from Iowa [Mr. JENSEN], that general debate be limited to 1 hour, one-half to be controlled by the gentleman from Iowa and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8283, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent request the gentleman from Missouri [Mr. CANNON] will be recognized for 30 minutes and the gentleman from Iowa [Mr. JENSEN] for 30 minutes.

The Chair recognizes the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, this bill deals with one of the most important subjects that could be considered by this House.

It is merely a question of time before the major application of power to industry will be through atomic energy. In addition, the adaptation of this new form of energy branches out in many fields to affect the welfare, the health and progress of the Nation and of the world.

The bill as submitted is $58,186,000 below the budget estimate.

The budget request was for $2,687,300,000 in direct appropriation.

As submitted by the committee to the House the bill provides $2,629,114,000 in direct appropriation, a reduction not only below the budget estimate but also—which is so seldom the case—a reduction below the appropriations for the fiscal year 1959.

The bill as reported is $18,221,000 below the funds provided for the fiscal year ending July 31, and yet provides ample funds for all essential requirements.

Counting the reappropriation of $113,200,000, and an unobligated item under the title of "Plant Acquisition and Construction" of $152,216,000, there is available in the coming fiscal year $234,457,568 more in obligational authority than was used in fiscal year 1959.

Not only are we recommending more obligational authority in the coming year than was provided in the fiscal year just ended but we are also taking care of all plant and construction projects in the authorization bill.

As stated in the report, the committee has directed that steps be taken to draw the supplies of aluminum from the stockpile, which will mean savings of more than $4 million annually to the Federal Government.

I would like to emphasize at this time, Mr. Chairman, the dubious advantage of the growing tendency to increase our stockpiles of every character of material that can possibly be considered reserve material for future use. The Government has today over $8 billion in stockpiles of what is presumed to be strategic materials in reserve, presumably in expectation of war or war conditions or unforeseen domestic developments, under which ample supplies of raw material may be needed for plants and factories.

This system while it had its beginning on a very logical theory is too often being exploited by producers to the disadvantage of the best interests of the country.

Too frequently processors and producers, when they accumulate a surplus above what industry will absorb, find a ready market in the stockpiles being maintained by the Nation for future emergency.

I trust committees having jurisdiction will make note of the large stockpiles of all kinds of material, some strategic and some not strategic being built up, at profitable rates, and get them back into commerce, and relieve the Government of the vast expense of supporting reserves for which there is no necessity whatever.

In the beginning the stockpile was maintained in anticipation of war. That was particularly true in the First World War. But in those days war was a long, drawn out process. After war was declared our Allies kept the enemy out of America while we started our plants and outproduced the enemy. These stockpiles were of real service under those conditions.

But as everybody is now aware the next war will be of short duration. It will be fought in the air and whoever secures control of the air in the first few days or hours will take over. There will be neither time nor opportunity to use stockpiles. The war will be fought with the weapons we have at our disposal when the attack comes. It will be over before the factories can turn a wheel.

So, Mr. Chairman, I trust, as in this case, the House will give early consideration to the disposition of these great stockpiles through the channels of commerce and industry.

Funds for one unbudgeted but otherwise authorized project have been included. We have included $3 million for design and advance procurement.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

Mr. CANNON. Concluding my statement, Mr. Chairman, we have provided $3 million for design and advance procurement of the superheat reactor. We made this exception because the concept holds such great promise for economical atomic power in the immediate future that its development should be speeded up, in order to make it available as soon as possible.

Mr. Chairman, the bill as reported meets every need and serves every legitimate purpose. It is both adequate and economical and I trust will be agreed to without amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. JENSEN. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, this bill as reported to the floor makes a request of $2,629,114,000. The budget request was $2,687,300,000. We reduced the budget by $58,186,000.

Now, Mr. Chairman, that is a rather small reduction percentagewise, but dollarwise it is significant. It is difficult, of course, for the committee to know exactly where to cut this bill, because it is difficult for any layman who is not schooled in the nuclear sciences to evaluate the fund requirements of the Atomic Energy Commission for the many, many programs included in this bill.

CALL OF THE HOUSE

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting]. Fifty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the folowing Members failed to answer to their names:

[Roll No. 112]

Abernethy	Coffin	Hagen
Alger	Collier	Hargis
Ashley	Curtis, Mo.	Harris
Auchincloss	Daniels	Hays
Bailey	Dent	Healey
Barden	Dorn, N.Y.	Hoffman, Ill.
Barry	Downing	Hogan
Bates	Durham	Holifield
Blatnik	Farbstein	Holland
Bonner	Flynn	Jennings
Bowles	Foley	Johnson, Colo.
Buckley	Frelinghuysen	Johnson, Md.
Cahill	Fulton	Jonas
Canfield	Gallagher	Kasem
Casey	Glenn	Kearns
Celler	Goodell	Kilburn
Clark	Grant	Kluczynski
Lafore	Montoya	Sikes
Landrum	Mumma	Staggers
Lennon	Nix	Steed
Mailliard	Norblad	Teague, Tex.
Meader	Norrell	Teller
Merrow	Perkins	Tollefson
Miller, George P.	Powell	Vanik
Miller, N.Y.	Preston	Weaver
Minshall	Prokop	Westland
Mitchell	Rabaut	Wolf
Moeller	Rivers, S.C.	Zelenko
Monagan	Rogers, Tex.	
	Rostenkowski	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8283, and finding itself without a quorum, he had directed the roll to be called, when 346 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. JENSEN. Mr. Chairman, when the absence of a quorum was suggested I had spoken but a few minutes on this bill making appropriations for the Atomic Energy Commission.

I am sure most of you know that today Mrs. Eisenhower will christen the first atomic merchant ship at Camden, N.J. This is one of the great accomplishments which was started by Admiral Rickover, the father of atomic-powered vessels. Admiral Rickover came before the committee and gave testimony for about half a day; testimony that was very valuable to the committee and to the country. His testimony will be found in the hearings, beginning on page 172.

Now, of course, there were many things said off the record in that committee because of the fact that there is considerable classified material in the budget request. I would suggest that every Member of the Congress read this report. It is not voluminous, but I believe you will get quite a liberal education by reading these hearings relative to all of the duties and responsibilities and the progress that has been made by the Atomic Energy Commission and by others who cooperate in that field.

I would like to refer to just a few statements found in the hearings. There has been much talk about atomic fallout. On page 23 of the hearings you will find quite a full explanation of that problem, and I am quite sure that you will be quite satisfied with the progress that is being made in developing a clean bomb. I will include an excerpt from this page of the hearings:

FALLOUT PROBLEM

Mr. JENSEN. Very well, but I would like to have it answered. You have not talked much about the huge explosions today. You talked more about the smaller atomic units. An awful lot of people in America and all over the world are greatly concerned about this fallout and we, on the committee, are responsible in some degree at least in finding out and having explained to us just why we must go on, if we must go on, with these huge explosions that cause this deadly fallout material. I think it is one thing that this committee would like to know. I know I would like to know. What is being done to make a clean bomb so we won't have this

strontium 90 falling all over the United States and causing greater anxiety and possibly disease among our people? I think it is one of the big things we all have to work together on in order to find and answer. Is there anybody here that wants to try to answer that question? Must we continue to explode these big atomic bombs?

Mr. McCONE. Mr. Chairman, if I could answer that question, or discuss it. We have, as this committee knows, made very substantial developments and a case can be made for further improvement of those weapons which might require further testing.

(Discussion off the record.)

Mr. JENSEN. But such explosions are very minor compared to the explosions we have had in the past.

Mr. McCONE. But they, too, can be done underground. Specifically. I think that the developments which are apparent to us now could be done without testing in a way that would contaminate the atmosphere. I would like to add this caveat—that is, that there are new requirements continually being placed before us by the military and a requirement now, not thought of, may be placed before the AEC, which would cause us to reconsider the position I have just stated. However, I don't expect that.

With respect to fallout, I would like to say to this committee that this is a question that gives the Commission and gives me a very great deal of concern. I have discussed with a great number of scientists and people who are knowledgeable in this field. As you know, the Joint Committee has had rather exhaustive hearings; also, our General Advisory Committee has gone into the question in considerable detail. I have reached two conclusions in my mind. One is that all of the tests conducted to date, the Soviets and the British and ours, have not created a condition of radioactivity in the atmosphere and consequent fallout that appears to offer serious danger to the people of this country or the world.

Second, it is my opinion that, if testing were continued unrestricted for a period of years, a very serious situation might result. For that reason we have to give a great deal of thought to the future.

In commenting on weapons developments, one of the principal areas of our effort has been in the development of clean weapons. We have succeeded in developing clean weapons in large weapons.

Now, on page 52 of the hearings you will find another interesting thing that was quite surprising to the members of the committee. The Atomic Energy Commission, working through commercial organizations, has perfected an instrument which can be installed in radios in every home in America—and we hope at a price that will not be prohibitive—which will show the amount of atomic fallout that might occur in the vicinity of that home. By that knowledge the people of America will be in a better position to protect themselves against this great threat of atomic fallout. That will be found on pages 52 and 53, as follows:

Dr. DUNHAM. One other aspect before I finish my presentation of our program, is the development of instruments to detect radiation. This is a part of our day-to-day operation and also is a part of our contribution toward civil defense against nuclear war. I believe you are aware that hearings are going on in the Joint Committee right now about the nature and shape of the nuclear war.

Largely, at Dr. Libby's instigation Mr. Johnson here, head of our Radiation Instruments Branch, working through commercial organizations, developed these two instruments which are essentially a very ordinary portable radio which happens to be RCA-Victor and this is a transistorized Emerson job but into which has been incorporated a radiation detection device. You can actually read this one while the other makes the noise spontaneously as the radioactivity increases in intensity.

(Demonstration.)

Dr. LIBBY. We hope this will be sufficiently inexpensive so that it will be generally available to everyone.

In case of war people will have the instrument in their homes which would tell them they are in danger.

Dr. DUNHAM. At the same time they will be in touch.

Mr. JENSEN. Will it register the amount of radioactivity?

Dr. LIBBY. Yes, sir.

Mr. JENSEN. Will that be made a part of a radio?

Dr. LIBBY. A commercial radio, we hope, if we can get it cheap enough. That is our problem, to see whether we can get it made cheap enough. I think we have a pretty good chance of doing it.

On page 54 you will read about the great experiments that the Atomic Energy Commission has conducted in agricultural products. They have increased the yield of fruit. They have also increased the yield and made a better quality of peanuts, for instance, and many other very important discoveries, by the use of isotopes.

Then on page 58 you will read about the strides which the Atomic Energy Commission in cooperation with the doctors of America has made in finding the cause and, we hope soon, the cure of cancer. It is quite revealing and very interesting as indicated by the following excerpt:

Mr. JENSEN. Who wants to comment on the success we have had in the cure of cancer? When do you expect to be able to prove conclusively that you can cure cancer with isotope treatment?

Dr. DUNHAM. I do not think one can make sweeping statements about cancer. Many times people have stated that 10 years from now we will have the answer. I don't think there will be a single answer, Mr. JENSEN. On the other hand, a number of cases, I don't know exactly how many, of cancer of the thyroid gland have been essentially cured with radioiodine, something which could not have happened before.

The use of cobalt 60 for the treatment of cancer is very similar to that from 2- or 3-million-volt X-ray and, as you know, they have cured selected cases of cancer.

Mr. JENSEN. In the early stages?

Dr. DUNHAM. Yes; or even some later stages have been destroyed. Recently—and I think some of your committee visited the large accelerator at Berkeley—they have taken patients who were hopelessly riddled with cancer, breast cancer, and destroyed the pituitary gland with the beam of the large cyclotron. John Lawrence tells me that several of them now, after 3 years have no evidence of active growth of the cancer. So that progress is being made, but I would certainly not want to say when one has the final answer to cancer, because whatever I say I am sure I will be proven wrong.

Mr. JENSEN. Can it be said and proven that there have been up to this time cancerous conditions cured in the early stages of cancer by radioactive isotopes?

Dr. DUNHAM. Yes. In a similar way with skin cancer, Dr. Low-Beer did this some years ago in Berkeley with radiophosphorus. He dipped a piece of blotting paper in radiophosphorus, put it on the skin cancer for a few hours, threw it away, and the skin cancer was cured.

Mr. CANNON. The medical profession has never announced authoritatively or officially that they are able to cure cancer?

Dr. DUNHAM. I think, Mr. Chairman, that the medical profession will state categorically that many cancers have been cured, but that there is a cure for cancer in the sense that all cancers can be cured or even most cancers can be cured—this has not happened yet.

Mr. CANNON. Mr. FOGARTY.

Mr. FOGARTY. Doctor, is it a fair statement to say that because of some of this research that life has been extended in some patients that was not possible 4 or 5 years ago?

Dr. DUNHAM. Very definitely. I think the statistics of the Cancer Society show that.

Mr. FOGARTY. Is it a fair statement that the longer you can keep a person living, the better the chances are that you might make further progress in that area?

Dr. DUNHAM. Not only that, you might find a special answer to his case. I always think of the case of Dr. George Minot, who was later one of the codiscoverers of liver as treatment for pernicious anemia. He was dying of diabetes when insulin was discovered. Fortunately, he was one of the first people for whom insulin was made available in this country by Dr. Banting.

On page 87 you will find a list of atomic reactor plants showing whether they are fully financed by private industry or whether they are a cooperative enterprise between private industry and the Government.

On page 105 you will find a list of atomic energy reactor plants for commercial power. You will find that two plants are already in operation, one at Shippingport, Pa., and the Vallecitos boiling water plant at Pleasanton, Calif. There is also a complete list of other types of plants and the amount of power which each plant is producing or will produce, in kilowatts.

I may say that we are making great strides in the development of atomic reactor plants for peaceful power. In fact, the cost of power made now by atomic reactor plants, we understand, is about 8 mills per kilowatt-hour and they hope that in due time they can bring it down to where it is competitive with thermopower and hydro power.

On page 322 you will find a discussion concerning the possible use of grain alcohol in our motor fuel, as follows:

Mr. JENSEN. I am hoping the day will come very soon when the Atomic Energy Commission or someone else will discover how to extract alcohol from grains cheaply so we can then use this grain alcohol in our motor fuel and by so doing soon consume this great surplus of grains which the Government has in storage.

Mr. CANNON. Which was once consumed by the Missouri mules.

Mr. JENSEN. Before the advent of the Iron Horse our flesh-and-bone horses and mules used the production of 43 million acres of our land. Knowing that, no one need wonder why we have a great surplus of grain, especially since we have all these new hybrids and new fertilizers which even the Atomic Energy Commission is assisting in making more effective. So I hope that our scientists will put themselves to work in developing a process by which alcohol can be extracted from grain.

Mr. McCone, can I have the assurance that you will look into that field?

Mr. McCONE. Yes, sir. There is no money provided in the budget for it. We will have to do it after hours.

Mr. JENSEN. Would you do it if we would provide some money? There is some sense to it. If you could do the almost impossible—we thought it was impossible a few years ago with isotopes—then certainly the extraction of alcohol from grain is possible by some method which you folks have the ability to find. I would not hesitate, as much of a nickel pincher as I am with the American people's money, even without a budget request to ask this committee to include a few thousand dollars to start looking into that field.

I am very serious about this. I just believe that with the great brains that are contained in the heads of the Atomic Energy Commission and your great and wonderful and efficient and intelligent staff, you can come up with the answer and really do a great job for America and for the world.

Some folks may laugh at that idea, but the Atomic Energy Commission has done what most of us feel is the impossible. So we hope that they can come up with the answer as to how we can extract alcohol from this great quantity of surplus grains which we have in storage and which is costing so much and depressing farm prices.

We state in the report that they may use up to $10,000 to start a preliminary study to ascertain whether or not this kind of program is feasible, as follows:

The possibility of radiation in the conversion of grains to chemical fuels was discussed in the course of the hearings. It is the committee's understanding that while no work has been done on this particular problem studies may show the possibilities of such conversion. The Commission is urged to undertake a study of the technical and economic feasibility of this idea from funds being made available under the heading of isotope development. It is understood that an initial study would cost not in excess of $10,000.

Mr. Chairman, I say again that it is most difficult for any Member of Congress, for any layman who is not schooled in the art of atomic energy and the nuclear sciences to say exactly what the Atomic Energy Commission should have in appropriations, but we did find what we thought were a few soft spots where we could reduce their request, in the total of $58,186,000.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, the Public Works Subcommittee on Appropriations has given thorough study and consideration to the overall needs of the Atomic Energy Commission.

We all recognize the fact that the AEC is one of the most important cogs in our defense machinery. It is also the agency on which our hopes for harnessing the awesome power of the atom to peaceful purposes are concentrated. None of us, I am sure, would want to handicap its operations or throw obstacles in its path. But we have the same responsibilities toward the AEC that we have toward all other agencies, of reviewing its operations objectively. Indeed, in view of the great importance of its missions, we have an even greater obligation to see to it that it discharges its duties and functions effectively and in the public interest. More than that, the AEC was established as a creature of the Congress and was made responsible to the Congress. Thus, in the end, we must share with the Commissioners the responsibility for the AEC program.

As has been pointed out by the distinguished chairman, some $58 million has been cut from the budget request for the present year. I think it might be well to point out, however, that there are seven departments or divisions of the Atomic Energy Commission that were not reduced. These include the weapons program. The committee made no reduction in the weapons program of the Atomic Energy Commission. This is, of course, a very significant and very important program of the Commission and they are apparently going forward in their weapons program. Also in medicine and biology, no reductions have been made because their studies on the fallout effects are most important to the American people. These are two very important areas of the AEC's activities.

There have been some reductions in the reactor program, because it is my impression, at least, that it is spread all over the lot, all over the field. They have so many prototypes, so many various types of reactors that it would appear to be well to concentrate on a few special programs rather than spread the research all over the field. So some direction has been made by the committee in this area. Certainly, the Congress and the Committee on Appropriations as well as the Joint Committee have a responsibility with the Atomic Energy Commission in seeing that this program is kept in the right direction.

I have great respect for my colleague, the gentleman from Iowa [Mr. JENSEN], a member of the committee who has just spoken about the program. I believe he would give you the impression we are going forward at a great rate of speed. He emphasized or referred to the fact we have a project at Shippingport, Pa., which is said to be operational. Actually, England has had electric power on the line for several years now from their atomic energy program. A number of members of this committee visited England and have seen the operations there. In our country, I have a feeling we do not have the sense of urgency about this that England and other countries do. As a matter of fact, we are falling behind and dragging along. A few years ago they said: "Well, the consumer and the public are going to have the benefit of this electric power 10 or 15 years from now." In testimony during the hearings this year, it was pointed out that the next generation will receive the benefits of electric power from atomic energy. On that basis, it does not seem that we are going forward at a fast pace, but rather that we are slowing the process down.

Certainly, there is opposition by the electric power people. There is opposition by the coal people. There is opposition by other sources of conventional fuel and power in this country, and we feel the Atomic Energy Commission is not putting the sense of urgency on the reactor development program that they should address to it.

Certainly we may be permitted to hope that those of us still alive today may eventually enjoy some of the benefits of the billions we have spent on this program.

The public interest can best be served by the Commission proceeding with greater urgency in the reactor development program.

There are other phases of the program that are tremendously important. Certainly, the committee recognizes the importance of this agency of our Government. As always, under the able and patient leadership of our distinguished chairman, the gentleman from Missouri, the Committee on Appropriations has carefully screened and reviewed the budget. The subcommittee has taken under consideration the available testimony given in the other body and also before the Joint Committee. The bill provides just short of $3 billion for this great agency for the next fiscal year. I might point out that this is some 50 percent more than was appropriated for the agency 3 years ago. So the Congress is not hampering the agency, but is giving it encouragement to go forward.

In 1957 the AEC received roughly $2 billion. We increased this amount last year and against this year. I repeat, we are giving them some 50 percent more than they had 3 years ago although there is a cut this year. The reductions made by the committee recommended in this bill are not great in comparison to the huge overall amounts appropriated. They have been carefully distributed so that they will not materially affect the program in any important degree.

The total reduction in new funds is a little over $58 million, or about 2 percent of the total funds the Commission will have availabe. Even so, the Commission will have $234 million more in this coming year than it had last year. The relatively minor reductions made can easily be absorbed and should certainly present no problems to the Commission. Certainly they should not in the least affect any important program of the Commission.

I want to point out there is no reduction in the weapons program and in the biology and medicine program. On the contrary, the Biology and Medicine Division will receive $6 million more than last year. This Division is the one that is responsible for research into the dangers of radioactive fallout and the means of combating it. This is a problem that is of great concern throughout the world. I was pleased to note at the hearings that some small but significant steps are being made by the Biology and Medicine Division toward finding ways of dealing with radioactivity. There was some indication that some protection against radiation hazards might not be beyond the realm of possibility. In view of the controversy about the present level of radioactive fallout to which we are all exposed, and in view also of the seeming inability to come to an agreement with the Russians on reducing the

atom bomb tests and the radiation hazards, the work of the Biology and Medicine Division takes on greater importance.

Mr. Chairman, may I repeat in conclusion, that this bill reflects a thorough and objective review of the operations of the AEC. It provides the funds and the encouragement for the Commission to continue its most important work in the public interest. I urge the adoption of the committee recommendations without amendment.

Mr. JENSEN. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I would like to draw the attention of the Congress to two items included in H.R. 8283, the appropriations bill for the Atomic Energy Commission being considered by the House of Representatives today, which I believe are indicators of promise for peaceful uses of atomic energy to the great benefit of mankind and which are a tribute to the scientific achievement of the United States.

The first of these is the new production reactor facility project at Hanford, Wash. This reactor, which is being designed so that it later may be converted to the production of power, is already being developed and Kaiser engineers are on the job after recently being awarded the major contract for its construction. Appropriated for this new production reactor in H.R. 8283 is the sum of $75 million which will allow construction to proceed to meet the completion target date of September 1962, when the reactor is expected to be put year and again this year. I repeat, we into operation. Last year $45 million was appropriated for work to date on this important project, and it is anticipated by the Atomic Energy Commission that an additional $20 million should be appropriated next year for fiscal 1961, and the remaining $5 million should be appropriated for fiscal 1962. The Federal Power Commission is now looking into the feasibility of later conversion of this reactor to the production of power. Arrangements are being made for the dissemination of pertinent technical and economic information on the new production reactor to outside groups for the purpose of studying the reactor and its potential power recovery. This is a project that is tremendously important to the United States which is paving the way to utlimate use of atomic energy in the everyday lives of our citizens.

The second item included in the Atomic Energy Commission appropriations bill which I would like to draw your attention to is the inclusion of $5 million for continuation of the plutonium recycle program at Hanford, Wash. These are operating funds for research and development toward the use of plutonium as a generator of electricity for power production. The United States is pioneering in this vital field. In 1958, $3.4 million was appropriated as operating funds for the development of this reactor. In fiscal 1959, the appropriated sum was $4.8 million, and the current appropriations bill will allow the program to continue on schedule for completion in fiscal 1961. Besides tremendous international interest in this project to develop an important use for plutonium to the benefit of mankind, the U.S. knowledge of the use of heavy water will materially increase because heavy water will be utilized in this plutonium recycle reactor.

There can be no doubt that these two programs, the development of the new production reactor, and the plutonium recycle program, promise great benefit to the well-being of our citizens, and it is heartening to know that these benefits will be realized in our time and for many generations to come.

Mr. JENSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, in submitting these estimates for appropriations for the atomic energy program for fiscal year 1960, your Appropriations Subcommittee does so with a great deal of satisfaction. At least, I have been so impressed.

The Atomic Energy Commission directed by Dr. John A. McCone certainly went "all out" to inform the subcommittee of the work they are doing.

To my mind, Chairman McCone and his Commissioners have surrounded themselves by a very fine and capable staff. Each and every one of them demonstrated the exceptional qualifications that they have, in their testimony before us.

Regardless of what we might hear both on and off the floor of the House, I am convinced that the United States is far in the lead in this type of work. I certainly think it is a shame that Members come to the floor of the House and criticize the fine work that the Atomic Energy Commission has been doing; and, when we know that what they have done is the greatest deterrent to the Communists. I for one refuse to accept any argument that any other nation is ahead of this country in research work along this line.

The budget estimate was for $2,687,300,000. The committee recommends $2,629,114,000—a reduction of $58,186,000.

However, this amount together with the unobligated balances will give the Commission $2,945,845,000. As the report shows, this is $234,457,568 more than fiscal 1959.

Without attempting to discuss the details of this very technical topic, and it is technical and difficult, I would like to mention the fine work that is being done on isotopes—the peacetime application of the atom explosions—Operation Plowshare.

Dr. McCone said:

> We place a great deal of importance on the peaceful uses of nuclear explosions known as Operation Plowshare. We think that there is really a very great and important area of development here. Therefore, we think that in any agreement which might curtail nuclear testing, we must not curtail experimentation and development in the peaceful uses of nuclear explosions. We can see the usefulness in innumerable ways ranging from the possible production of oil from shale or from the Athabaska sands to opening up waterways and doing a great many things.

To me the testimony of Dr. C. L. Dunham, Director of the Division of Biology and Medicine and Dr. P. C. Aebersold, Director, Office of Isotopes Development were very interesting and informative. I would recommend to the membership the reading of the testimony of these gentlemen.

Mr. Chairman, I recommend the passage of H.R. 8283 as reported by your subcommittee.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. Mr. Chairman, the Subcommittee on Appropriations for the Atomic Energy Commission has made a careful study of the requests which the administration has made for the use of the Commission this year.

We have cut some $58 million out of the requests, but in my opinion our estimates are more accurate than the ones which were presented to us, and we believe this is sufficient money to operate this Commission in an efficient manner during the coming fiscal year.

While we have made progress in the development of atomic energy and its uses, it is going to take a long time to realize the full efficiency of this newly discovered source of power, not only for weapons, which was the primary purpose for the development of this new type of energy in the beginning, but also in the development of its uses in private life and peaceful pursuits.

In the weapons program, we are still devoting some 75 percent or more of all of the moneys in this appropriation for the development of defense weapons in order to defend this country. The Commission is learning every day that it can concentrate more power in a smaller package than heretofore. So our weapons are becoming lighter and more mobile. They are also learning they can develop these weapons so there will not be an excessive fallout, which injures human life and which is the fear of many.

In the development of the smaller and more mobile weapons there will be required further experimentation, further research, and further development. I am told, and in going through the record you will find, it is possible to continue this research and development underground to a large extent, and while it is not as efficient in method as on the earth's surface, still they can make these experiments underground and control the strontium 90 and the fallout that comes from these experiments.

My distinguished colleague from Tennessee has told you we have not reduced the appropriation request for the weapons program at all, because the primary purpose in the establishment of this Commission and the primary purpose of the original Project Manhattan was to provide weapons for the defense of the country. Now we have expanded the program to cover useful purposes in peacetime. We have such projects as the SS *Savannah*, which is being christened today, the first merchant marine ship powered by atomic energy.

We have submarines that have gone around the world many times powered by atomic energy. It is not unreasonable to suppose that as the power is increased and concentrated into smaller packages, and radiation controlled, someday we will have an atomic-powered airplane.

Then, in connection with biological and medical research, great possibilities exist, as the gentleman from Pennsylvania has told you, such as in cases of cancer, heart disease, arteriosclerosis, anemia, polio, multiple sclerosis, and so forth. It has been proved that the isotope has proven very beneficial in those cases.

The point I want to impress upon you is that this is a longtime program to be developed as knowledge of man is improved, and discoveries are made. The possibilities of this great new energy are almost unlimited.

You will recall with me that for 60 years there has been the development of the automobile, competitive development I should say, yet today we are still improving that automobile. And so with the Atomic Energy Commission we are now just scratching the surface. We have provided the necessary money to continue this great program and I therefore request passage of this bill as presented.

Mr. JENSEN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I have requested this time because of my concern over the cut in funds for physical research. The overall appropriation makes a cut of some $43 million in amounts requested by the Administration. A little over $10 million of this comes out of funds for physical research. The reason this is an unreasonable cut is that the committee has recommended in its report that $10 million be taken out of what is known as the off-site research program. Actually, as against last year, there was some $24 million more for physical research, but $8 million goes to the Project Sherwood, leaving $16 million net increase for general physical research. Every dollar of that $16 million is taken up by additional costs for operating the expensive accelerators that Congress has authorized to be installed throughout the Nation and which are coming into operation. These are the giant pieces of machinery that delve into the secrets of the inside of the atom and are so necessary for knowledge today. But, of like necessity is the knowledge acquired by the off-site research program. These are simply contracts with the universities and the like for research in the fields of physics, chemistry, and metallurgy. Why it is basically important is this: The gentleman from Tennessee a moment ago said in effect, "Well, things are not going along fast enough and we are not getting this or we are not getting that developed." What he complains we are not getting is not because we do not have the knowledge of how to do but because we are running up against materials problems in trying to do them. Problems in physics, chemistry, and particularly metallurgy which must be solved to give us the new materials needed to fabricate new devices. In other words, we do not have the physical materials to make our ideas work by construction of these complicated new devices. New materials which will withstand new conditions of reactor temperature, chemistry, physics and irradiation that materials never before have had to stand. That knowledge can only come through basic research. And, the basic research being done on site at the scene of installation simply is not enough. The balance of the needed basic research program must be done off site at universities and the like. The effect of the Committee's action is to provide only a $3 million increase over last year for this purpose. The Commission wanted in the first place and was advised by the advisory group to get $50 million for this purpose. Then, through the budgetary process, $44 million was finally requested, and now through the Committee on Appropriations we are down to $33 million, a 40-percent cut in the program which was first present as the proper U.S. effort for the year ahead.

I do not believe the Nation can afford that kind of a cut in developing this new basic information which we need right now to go ahead with our atomic program. In addition to that, there is another cut, a hidden cut, involved in this that all of you have worried about at one time or another. These research programs are carried on at the universities. The detail and particular work is done by the graduate students, the men who are becoming Ph. D.'s in physics, chemistry, and metallurgy. Those men, so long as they live and so long as they apply that knowledge, are vast assets to the United States in this race for world supremacy today, and this $10 million cut means exactly that you are going to have that many less Ph. D.'s in these important fields, men who not only contribute specific knowledge under the off-site program, but who, by reason of this training they receive are put in a position to continue contributing knowledge toward the U.S. scientific supremacy. So, I think the committee has perhaps not given the understanding to this particular item that it should.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Colorado.

Mr. ASPINALL. Mr. Chairman, I wish to commend the gentleman from California on the statement which he has just made and associate myself with his thinking. I think he has touched upon a very important part of the work of those engaged in nuclear atomic research problems.

Mr. Chairman, I ask unanimous consent to extend my remarks at the conclusion of the remarks of the gentleman from California.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HOSMER. I again say the reason I have made these remarks is that many times we pinpoint our complaints at the wrong source, particularly those relating to scientific developments, and you simply cannot make scientific developments without basic research and without trained men who do that basic research.

Mr. ASPINALL. Mr. Chairman, I join the other members of the Joint Committee on Atomic Energy in the hope that some of the cuts to the AEC program in this bill can be restored, particularly the $10,280,000 cut in the physical research program. This cut might hold back research and new discoveries in new nuclear particles, "strange" particles and "antimatter."

Eventually when problems of safety have been resolved, the Plowshare program should hold great promise for the future, including development of oil from shale deposits. I would hope that the cut to this program and to the isotopes development program might be restored.

With these few changes and the others mentioned by my colleagues, Mr. PRICE and Mr. VAN ZANDT, the appropriations bill would then be completely satisfactory to me. I hope that our committee can work closely with the Appropriations Committee to accomplish at least some of these small increases, and that the Congress will approve them.

Mr. EVINS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, of some 24 governmental boards, agencies, and departments that I am privileged to sit in on in justification for their budgetary requests, I do not believe any is more important and more fascinating than the Atomic Energy Commission. I think it is one of the great agencies of the Federal Government. It is staffed with some of the most dedicated employees of the entire Federal system. Fission and fusion have unlocked the unknown secrets of matter that give top priority for the peaceful use as well as the terrible war potential of the atom.

The bill before us covers a multiplicity of activities in the field of atomic energy, and most of them concern the welfare and security of the Nation and, let me add, also the world. A list of the activities can be found in the hearings. There are some 13 activities covered by the $2,629 million that this committee has granted. As was indicated by other members of the committee, the reduction is some $58 million, a little more than 2 percent of the request of the Department and of the President.

I think that the committee has done a good job. As the gentleman from California a moment ago indicated, and apparently joined in by other members of the Joint Committee on Atomic Energy, they are concerned over the cut in physical research. Well, let me say that this is an area in which we can spend trainloads of money, and I think we have done that so far. There is no doubt about the fact that we have benefited thereby, and there is no question about the fact that we do come up with some solutions. But, with respect to physical research, we have tripled the budget of the Atomic Energy Commission over the past 4 years. In 1956 this Congress appropriated $57,137,000 for physical research. Today we are appropriating, in fiscal 1960, $143 million for physical research alone. The

reduction of $10,280,000 which the committee recommends is on the on-site program which finances research grants to colleges and research institutions. Currently there are over 300 contracts in being, many of which have been in effect for more than 5 years. There will be available a total of $33,794,000 for this program which is $3,694,000 above the amount allocated for fiscal 1959. This means that additional contracts can be made or moneys can be spent on those in being or in bulk. It is recognized that some expansion in this program must occur if full advantage is to be taken of new machines which we have built and are building, particularly in the high-energy physics field. These machines generally speaking are at locations considered to be on site. We have provided sufficient money to operate these tremendous machines.

One of the other areas in which we might find some disagreement is the area with respect to ANP, aircraft nuclear propulsion program. Appropriations for this particular program have been running at $150 million for the last several years. The total amount of appropriations for the A-plane today is more than $900 million, almost $1 billion. We have yet to get an A-plane in the air. There has been some publicity to the effect that the Russians have put one up there. There were pictures in the paper I think just a few months ago and a story out of the Air Force magazine indicating that the Russians have put an A-plane in the air and that we ought to go into a crash program in this field.

The fact of the matter is that in a crash program we could waste millions and perhaps billions of dollars.

Funds appropriated in this bill total some $65 million to the Atomic Energy Commission which is responsible for the development of the power plant for the A-plane. But in addition to that we also have in the Department of Defense budget for the fiscal year 1960 some $75 million appropriated to the Air Force. They are responsible for engine development and crew shielding work. This is a very interesting aspect of the atomic energy program as it is in the Department of Defense.

There are some people in positions of responsibility in the Department of Defense who say that we will not be able to fly an A-plane until we have spent $10 billion. I quote as an authority Dr. York, Director of Research and Engineering in the Office of the Secretary of Defense.

Admiral Hayward, in charge of Navy Research and Development, says the Air Force direct cycle system has no prospect and that the development work of the Navy on the air indirect cycle reactor is the only hope.

As a matter of fact, Mr. Chairman, Admiral Rickover says it will take another billion to get an A-plane up as a stunt, and there is no evidence that the Secretary of Defense wants it or that there is a mission for it. There never has been a determination by the Joint Chiefs of Staff as to whether or not there is a military requirement for an A-plane. All the testimony indicates that the plane will be a slow, lumbering giant, that could be shot down, that it would be a sitting duck, just as aircraft carriers are.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Illinois.

Mr. PRICE. Of course we have all of the stated requirements by the Air Force and the Navy for a nuclear-powered aircraft. But no one expects the first product in any new line to be a perfect machine. If we had felt that way about it, we would never have the jet-propelled planes of today. They would have had to wait for a second generation.

Mr. BOLAND. I can understand the gentleman's concern. The gentleman has done a magnificent job on the Joint Committee. But also I understand the concern of people who think that we ought not to go into a crash program. I do not believe the gentleman from Illinois wants to go into a crash program.

Mr. PRICE. Neither the gentleman from Illinois nor any of our committee has recommended a crash program. We have recommended, however, a consistent program, a program which would eventually do the job.

Mr. BOLAND. Will the gentleman from Illinois agree that this is a consistent program? This keeps us on a level that enables those who are responsible to go ahead and do the job that the gentleman and I want them to do and expect them to do.

Mr. PRICE. No, I do not agree that we have been engaged in a consistent program. I think we have studied this project to death. I think with a few more millions of dollars, not a billion dollars, if we establish definite target dates, we could put an A-plane in the air.

Mr. BOLAND. I do not think there is any doubt about it; that is, that within the long foreseeable future we could get an A-plane in the air. That is something that the gentleman from Illinois wants, it is something that the gentleman from Massachusetts wishes and something which all of us in the Congress also desire.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, as a member of the Joint Committee on Atomic Energy since its inception in 1946, I wish to express concern over certain cuts to the AEC budget made in this AEC appropriations bill.

First and foremost, I am concerned about the $10,280,000 cut in the AEC physical research program, because this program is needed to keep our AEC laboratories and scientists on the frontiers of nuclear research. Without a vigorous physical research program, we will lose the initiative in this field and we will be working on yesterday's discoveries, not tomorrow's.

My distinguished colleague from Illinois, Congressman PRICE, and I have served together on the Research and Development Subcommittee of the Joint Committee, and we know the importance of this program. MEL PRICE and I also visited in 1957 the Soviet Union Nuclear Research Institute at Dubna and observed the world's largest atom smasher, and we realize the high priority which the Russians place on basic nuclear research. Only last week the Joint Committee held hearings on a proposed new linear accelerator at Stanford University, and we heard detailed scientific reports from our brilliant nuclear researchers who must receive support and encouragement in order to keep constantly moving ahead. It seems to me paradoxical and inconsistent that we should be encouraging construction of new machines and then not provide the necessary operating funds to run them, and also the other important work in the AEC physical research program, such as chemistry, metallurgy, and the off-site program in our universities.

I hope, therefore, that our friends on the Appropriations Committee might be willing and anxious to join with us in an amendment to restore this $10,280,000. If the distinguished chairman of that committee might be willing to consider such an amendment, I for one would vigorously support it, as I believe would all the other members of the Joint Committee on Atomic Energy.

Second, I am concerned about some of the restrictions placed upon the reactor development program, which might particularly discourage construction and operation of new test reactors to develop new nuclear materials. In this case, I do not feel that it is vital that the $10 million cut be restored but rather that some flexibility be left to the Commission in order that they may follow promising new developments. I hope, therefore, that the members of the committee would allow the Commission certain flexibility in this highly important program.

Third, I am concerned about the $1,300,000 cut in the training, education, and information program. This is only a small dollar amount but it affects the universities in the districts of practically every Member of Congress, and I can assure you that you will be hearing from these universities if the AEC education program is cut back.

Last, I would hope that some of the funds for isotopes and nuclear explosives will eventually be restored. It is true that industry can eventually be expected to participate actively in these programs. But more development work is necessary and if we expect industry to participate at this time, we will probably be delaying both of these programs.

In conclusion, Mr. Chairman, I wish to pay tribute to the Appropriations Committee for appropriating almost all of the funds required for our important and developing atomic energy program, but I do hope that the committee might agree to restore $10,280,000 to the physical research program and to consider some of these other points which I have briefly mentioned.

Mr. TABER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, it is recognized that some expansion in this program must occur if full advantage is to be taken of new machines which we have built and are building, particularly in the high-

energy physics field. These machines, generally speaking, are at locations considered to be on site. No reduction has been made in the budget program for such on-site laboratories and research centers. In fact, an increase of $24 million above last year's program for such work has been allowed.

The reduction of $10,280,000 which the committee recommends is in the off-site program, which finances research grants at colleges and research institutions. Currently, there are over 300 contracts in being, many of which have been in effect for 5 years and more. There will be available a total of $33,794,000 for this program, which is $3,694,000 more than last year. This means that additional contracts can be made or more money can be spent on those in being, or both.

The committee and the Congress has provided exceptionally large increases in appropriations for the physical research program. including the Sherwood project, in recent years as follows:

1956	$57,137,000
1957	71,078,000
1958	90,585,000
1959	119,000,000
1960	143,000,000

Mr. Chairman, this means that we have been exceedingly liberal with the physical research operation all the way through. I do not have the slightest doubt but what we have provided all they need to carry them through.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated for the fiscal year ending June 30, 1960, for the Atomic Energy Commission, and for other purposes, namely:

ATOMIC ENERGY COMMISSION

Operating expenses

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; rental in or near the District of Columbia; services authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of equipment; purchase, maintenance, and operation of air craft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $6,000); official entertainment expenses (not to exceed $30,000); not to exceed $3,550,000 for expenses of travel; reimbursement of the General Services Administration for security guard services; not to exceed $52,750,000 for personal services; purchase (not to exceed three hundred and ninety-six, of which three hundred and sixty-six are for replacement only, including one at not to exceed $4,000) and hire of passenger motor vehicles; $2,374,114,000, together with the unexpended balances, as of June 30, 1959, of prior year appropriations made available under this head to the Atomic Energy Commission, and, in addition, any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 (42 U.S.C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484): *Provided,* That of such amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further,* That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That no part of this appropriation shall be used in connection with the payment of a fixed fee to any contractor or firm of contractors engaged under a cost-plus-a-fixed-fee contract or contracts at any installation of the Commission, where that fee for community management is at a rate in excess of $90,000 per annum, or for the operation of a transportation system where that fee is at a rate in excess of $45,000 per annum: *Provided further,* That in the event the Commission deems it desirable to design and construct at a Commission installation any power reactor prototype for which cooperative arrangements are authorized under the Commission's authorization act for the fiscal year 1960, as part of the cooperative power reactor demonstration program, and for which direct construction by the Commission is authorized as an alternative to a cooperative arrangement, not to exceed $16,000,000 of the amount appropriated herein may be transferred to the appropriation for "Plant acquisition and construction".

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe the bill before us will, in general, provide adequate support for activities of the Atomic Energy Commission in the coming fiscal year. I was particularly gratified at the action of the Appropriations Committee in approving the modest increase in physical research facilities authorized by the Joint Committee. As the Appropriations Committee rightly points out in its report, "Physical research is the foundation for the entire atomic energy program."

But, in stepping up our basic research efforts, we must make sure that the new facilities we are providing for are accompanied by sufficient funds to operate them and the expensive research equipment they house. Without adequate operating funds, we can only realize a partial return on our investment.

Another important consideration is the steadily increasing cost of operating the high energy accelerators or "Atom Smashers" which are being built to keep this country in the forefront of scientific advancement. I know from personal experience in my visit to the U.S.S.R. 2 years ago that the Russians are pushing ahead rapidly in the field of high energy physics and I believe our increasing expenditures in this field are fully justified.

At the same time, we must face up to the fact that with these increasing costs of operating our accelerators, which are in the nature of fixed charges, less money is available to support the other two important areas of physical research; namely, chemistry and metallurgy. The result has been that these other areas are becoming squeezed for funds, particularly in the so-called off-site program in our universities where a good deal of this important work is being carried out.

The Joint Committee in its report on the AEC authorization bill for fiscal year 1960 recommended that in addition to a stepup in construction of facilities for the physical research program, increased operating funds should also be made available. The Joint Committee concurred in the views of the AEC General Advisory Committee that the operating budget, exclusive of Project Sherwood, should be increased from the $114 million approved by the Budget Bureau to $125 million.

The bill before us today provides $107 million in operating funds for the physical research program, some $18 million less than that recommended by the Joint Committee and some $13 million less than that recommended by the AEC in its submission to the Budget Bureau. Unless at least some of these funds are restored, over and above the $104 million level in the present bill, the physical research program will suffer these serious effects:

First, little if any new research work can be initiated this coming year. In fact, there is a strong probability that existing research programs may actually have to be cut back or eliminated.

Second, the high energy accelerator program, with mounting fixed operating costs, will absorb most of the total increase in operating funds from last year, leaving insufficient funds even to maintain the status quo in the other important areas of chemistry and metallurgy. This will result in lopsided research effort which will weaken the effectiveness of the overall program.

Thirdly, there will be a severe cutback in university research work which is one of the backbones of the physical research program.

For the reasons I have cited, it is my sincere hope that operating funds for the physical research program will be restored at least to the level of $114 million to provide for urgent needs of the program.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take this time to ask a question or two of the committee: Is there any money in this bill for the procurement and turning over to foreign countries of enriched uranium?

Mr. TABER. There is no such appropriation provided in this bill. That would come in under another bill following authorization.

Mr. GROSS. Is there any money in this bill to give to foreign countries for the construction of reactors?

Mr. TABER. That comes in the other picture.

Mr. GROSS. I thank the gentleman.

Mr. CANNON. May I say that $5 million is provided for research and development.

Mr. TABER. But no direct appropriation for that purpose.

Mr. CANNON. It is part of the Euratom program.

Mr. GROSS. That is the so-called atoms-for-peace program; $5 million, is that correct?

Mr. CANNON. It is a part of that program.

Mr. GROSS. But this is not the bill that sustains the setup over in Vienna, Austria, is it?

Mr. TABER. No.

Mr. GROSS. Other than indirectly through this $5 million appropriation. Is that correct?

Mr. TABER. That is right.

Mr. GROSS. It is another bill in which Congress appropriates for the headquarters over in Austria?

Mr. TABER. That is right.

Mr. GROSS. Is there any money in this bill for further stockpiling of minerals?

Mr. CANNON. No. None at all.

Mr. GROSS. None at all? I thank the gentlemen on both sides of the aisle.

Mr. Chairman, I desire to insert in the RECORD at this point an extract from the hearings of the Appropriations Subcommittee on this bill. This extract is to be found on page 144 of the printed hearings of the date of June 15, 1959. It is a statement by the distinguished gentleman from Ohio [Mr. KIRWAN], a member of the Appropriations Committee, and it reads as follows:

Mr. KIRWAN. I just left the Deficiency Subcommittee on Appropriations. I would like to quote from that hearing where we were considering a request for an appropriation to cover losses in the purchase of minerals under the Defense Production Act revolving fund.

"Mr. KIRWAN. What is the cost of the strategic materials which we have in inventory and on order under all the programs as of December 31, 1958?

"How much have we bought?

"Mr. FLOETE. Total investments?

"Mr. KIRWAN. Yes.

"Mr. FLOETE. Total inventories as of March 31 are $8.2 billion.

"Mr. KIRWAN. How much of this was required to meet the maximum stockpile objective? In other words, about half?

"Mr. FLOETE. Yes, sir.

"Mr. KIRWAN. So we have spent over $4 billion that was never necessary to be taken from the American taxpayers."

Now all we hear in America is about the farm surpluses piling up. But there is one thing about the surplus wheat—we can eat it if we ever get into a crisis or have a depression. What will taxpayers say about this $4 billion worth of material we don't need. On top of that, with respect to certain tungsten contracts the grade of the ore was reduced so we purchased millions of dollars worth that was below stockpile grade at prices far in excess of the market price. Now we have to spend millions more to refine it to make it useful for stockpile purposes.

Surely AEC should profit by the costly experience we have had in the purchase of these other minerals. When the domestic tungsten purchase program went into effect in 1951, it was to stabilize the industry. By 1953 the authority was all used up and the act was extended for 2 more years. We bought over $187 million worth of tungsten and all of it was surplus to the stockpile requirement. Then Public Law 733 was passed authorizing the purchase of millions of dollars worth of more tungsten. That is when we refused to appropriate the funds. When this purchase program started, Nevada, a tungsten State, had only three people producing tungsten. But when it was stopped, there were over a hundred producing. They even left Hollywood, bought a couple of scrapers and went on up to Nevada and dug under about 10 feet to sell it to the Government.

Many letters I got came from Hollywood condemning me for not supporting further Government purchases of tungsten when we had already purchased millions of dollars' worth we didn't need. And we have purchased far in excess of our needs in case of many other minerals—over $4 billion in excess of the maximum stockpile objectives—and we are still purchasing because of long-term contract commitments.

This agency that is here this morning should certainly profit from this costly experience and take all necessary steps to assure that we do not make the same mistake under the uranium purchase program.

Mr. Chairman, no Member of the Congress has fought harder or more courageously than the gentleman from Ohio [Mr. KIRWAN] to stop this fantastic spending for a minerals stockpile that is far beyond any possible need by this Nation. Through his persistent opposition to increasing this stockpile, there is no question but what the taxpayers of this country have been saved millions of dollars and it is good to know that he is keeping a watchful eye on the uranium purchase program.

I want the record to show that as one Member of the House I am deeply grateful to the gentleman from Ohio [Mr. KIRWAN] for standing firmly in behalf of the American taxpayers and against a further waste of their money.

The Clerk read as follows:

PLANT ACQUISITION AND CONSTRUCTION

For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and hire of passenger motor vehicles; $255 million, to remain available until expended.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to commend the committee for the language they have put in the committee report with regard to the acquisition of raw materials. On page 2 of that report they say:

The committee fully supports the efforts of the Commission to avoid unnecessary stockpiling of uranium by balancing acquisition of materials as nearly as possible with requirements.

I say that coming from one of the major producing areas. It was not until after full discussion that the producers came around to the viewpoint that they should not overproduce for a stockpile only to have the rug pulled out from under them. I am proud to say that the vast majority of the producers did come to that viewpoint. When they see the continuing and more aggravated problems in other metals that took the stimulus of Government stockpile purchases, I think there will be even stronger support for continuing to manage production wisely by relating supply to real demand.

When this Atomic Energy Commission appropriation bill was marked up in full committee I was given assurances by members of the committee who are most involved in consideration of raw materials that foreign uranium raw material procurement contracts which are now in force and will be expiring in the not too distant future would be watched closely.

I want to point out now, as I did when the bill was before the full committee, that the foreign contracts are the expensive end of raw material procurement and it is in our own best interests to forever keep this strictly in mind and act accordingly. The cost of foreign procurement is much higher. I, personally, want to keep this fact constantly before the executive branch and before the Joint Committee on Atomic Energy and before the entire legislative branch, because we do not want anyone in a giveaway moment to negotiate a big foreign raw material procurement contract which will be to the detriment of our domestic raw material producers and contrary to the best interests of our own country.

We should be fair to domestic suppliers. We must do everything we can to be fair. As a matter of fact, in this case, the cheapest raw material, for a change, is the domestic material, and not—as is the case usually—the foreign supplier. We must remember this. To forget it, in a weak, do-good moment, would be disastrous.

As shown by the committee report, to anyone who will take the time to read it, the peacetime uses of uranium are getting close to reality and it is reasonable to see in the future 8-mill power produced from this source. It has not been done yet, but it is a reasonable probability. With this and other startling developments just around the corner for the use of uranium for peacetime enterprises, we must watch the cost of the raw material closely.

Even a small saving in the cost of the raw material can mean the difference between economic and uneconomic use.

It is vitally important that we provide the most economic fuel, and the domestic supplier is the source. Along this line, it is unfortunate that because the committee has rightfully recommended against an unbalanced stockpiling of uranium, some of the most promising domestic prospects are not being developed. They have been stopped. It can be expected that the cost of material from them may be even lower if they prove out.

That is why it is of extreme importance that we here in the legislative branch and others in the executive branch remember this fact as foreign contracts expire. By buying the raw material from domestic suppliers, we can move forward with the peacetime use program at the best economic level.

Above all, uranium is certainly a material with regard to which we do not want to be placed in a position of dependency on a foreign source of supply.

After this bill is acted upon today, there will remain only two major appropriation bills for the House to consider. In view of this situation, I wish that I had the time to fully evaluate the work of the House Appropriations Committee, the work of this House itself, and what has happened to the appropriation bills as they have gone to the other body. The time available to me does not permit full consideration of this problem,

which would be of interest to the entire country, I am sure. But I would like to try to evaluate it particularly with reference to another problem which is also facing us, that of providing revenue for continuation of the interstate highway program at a reasonable level.

There seems to be substantial agreement that the highway program will be continued. The question is how it will be financed. Some suggest increased taxes; others, deficit spending. I have not and do not subscribe to either of these.

This is not a problem that suddenly confronts us, even though it is just now coming to a real showdown. The President recognized it at the time he presented his message last January. At the outset, I want to make it clear that I commend him for his position and am, if anything, more adamant than he is, that we cannot continue to add to deficit spending, by revenue bonds or any other name that you call it.

From the outset, however, I took the position that we could, if we had the political courage, provide for adequate highways and other necessary functions of Government without increasing taxes, by reducing spending.

Last January 20, when the Appropriations Committee first began its deliberations, the Secretary of the Treasury and the Director of the Bureau of the Budget appeared before the full committee. At that time, I directed questions to the Secretary concerning this problem and the apparent inadequacy of the highway trust fund. It was brought out that in 1958 the highway users paid $2,116 million to the trust fund for building highways and, in addition, paid $1,510 million more in special taxes that went to general revenues. This totaled over $3,600 million and far exceeds the amount required for the highway program.

At that time, I stated that "We can look for further cuts in the expense items, which is another way of balancing the budget." I then and there rededicated myself to the proposition that we should make sufficient cuts in the General Government spending that all of the revenues collected from highway users could, if necessary, go to the highway trust fund, so that we could build highways without increasing taxes, and at the same time could avoid deficit spending, either for highways or for general governmental purposes.

Apparently, either consciously or unconsciously, a majority of the House membership agreed with this proposition. Although in some instances we have appropriated more than myself and the majority on this side of the aisle would have preferred, when we analyze the appropriation bills acted upon to date, it comes down to this: The House has generally stayed within the bounds of good sense. We have stayed well below the budget requests. The Senate has not. They have not only wiped out the House savings, but have gone above the budget requests.

Now is a good time to stop and take a look. It is a good time to evaluate the actions of the other body, as compared to some of the political statements that have been made by the leadership of the other body, and some of the statements that have been pumped into my District of Wyoming by some of the individual members of the other body in the form of news releases, just as I think they have been pumped into each and every congressional district of this country. It is time to take a look at the hard, cold facts and let them speak for themselves. It is time to call the spenders to task.

What are these facts?

The House Appropriations Committee, by very careful consideration and sincere effort, has been able to reduce budget requests to date, including this bill, by $1,396 million. In spite of the efforts by some Members of this body, and altogether too often on close votes, the action of the committee has generally been sustained. As a matter of fact, as these bills were passed and submitted to the other body, again assuming the $43 million budget reduction in the bill presently under consideration, the House in its final action has still appropriated $1,219 million less than the budget requests.

In all fairness, I must point out that some of these cuts are phony. Take, for example, the $100 million cut in Commodity Credit Corporation funds, passed at about the same time as the vote was taken to increase farm supports. Nevertheless, there is well over a billion dollars of honest-to-goodness savings. I wish it were more, and think that it might well have been more without interfering with necessary and proper programs. Be that as it may, the House has done a good job.

But what has in fact happened as these bills have moved to the other body?

There, not only have all of the House savings been knocked out, but in fact, as they have cleared the Senate, instead of savings we find that the budget requests have been exceeded by over $500 million. The total appropriations of the other body, then, have exceeded the amount voted by the House, by over $1,700 million.

Most of these bills are now in conference. On those that have cleared conference, we have managed to sustain a position which leaves us $353 million below budget estimates. The big ones, though, I repeat, are still in conference. Now is the time to do everything we can to strengthen the hands of our conferees to see that they prevail in sustaining the House position.

How does this tie in with the problem of highways and increased taxes on fuels?

I think it is important to reflect upon that problem as the Ways and Means Committee begins its consideration of a bill to raise taxes on the American public by 1½ cents a gallon on gasoline and other motor fuel for the Nation's highway program. From the beginning of this Congress, as I earlier stated, it was my philosophy that we needed an antidiversion policy and reduced general spending to solve the problem. I still believe that. It was my opinion that there is more than one way of skinning a cat. In this instance we could make things solvent by reducing general expenditures.

The House has done a good job. We could still have the necessary roads, an Interstate System, provided we could prevail in these conferences that are ahead of us and the House position could be sustained whereby budget requests have been reduced by over $1.2 billion. Even leaving out some of these phony cuts there would still be an adequate amount.

I would say that if we should now increase taxes we would be weakening the position of the House conferees as they go to these all-important conferences. I think it would be a poor thing to do. It would be succumbing to the spenders and their fiscal foolishness. The House conferees should be kept in a position where they can go to a conference and say to the other body: The House has acted with responsibility. We have shown we can have representative government and at the same time responsible government, and if we prevail here we will not have to have any more taxes and we will not have to resort to deficit financing to have an adequate highway program.

We must stop, and stop cold, this deficit spending, this fiscal irresponsibility, be it under any guise, front-door, backdoor, or side-door spending.

There has been great pressure from the spenders to increase and increase and increase more and more outlays by the Federal Government. Now is the time we must put the tab on them and curb their on-to-bankruptcy schemes.

The way to do that is to cut spending to maintain a balanced budget and avoid deficit financing, and by such action we can still provide for a highway program rather than doing it by increasing the tax load on the American people, which is already beyond what we can expect a reasonable and free people to endure.

Mr. PASSMAN. Mr. Chairman, I move to strike out the requisite number of words.

Most of the Members have probably read yesterday's Washington Daily News article relative to the operation of the foreign aid program in south Vietnam. The conditions described are positively deplorable; however, I say to you that such tremendous waste is not limited to that one country. In all probability the malpractices and mismanagement and waste in Korea, for example, are even worse than in south Vietnam. In Taipei, Cambodia, and Laos, as well as in other countries where there are similar aid programs, the situation is just about on a par with that existing in south Vietnam.

I have been out in that section of the world, accompanied by representatives of the Foreign Operations Appropriations Subcommittee, of which I have the honor to serve as chairman. We have carefully studied the conditions there; and I have endeavored to convey to the Members, in the handling of the bill on the floor of the House, documented information and evidence to the effect that there is more waste and mismanagement and profiteering in this program than in probably any other program ever devised by the mind of man. With reference to

shakedown and graft, I am speaking of officials of the recipient nations, and not of our own personnel.

The time is near at hand when we shall again mark up the foreign aid money bill and report it to the full Committee on Appropriations, and then to the floor of the House. If we succeed in making reductions from the amounts authorized, I hope you will keep in mind the current series of articles with respect to operation of the program in south Vietnam. These articles describe a pattern that is prevalent, to a greater or lesser extent, in practically all of the countries of the Far East where we have foreign aid programs, and also in many other countries of other regions, including Africa, the Near East, and south Asia. Certainly the matter is an extremely serious one.

Therefore, I ask you to also take into consideration in advance of the time the appropriation bill is brought to the floor of the House the fact that, among other authorities, the Comptroller General of the United States has emphasized time after time, in the course of our subcommittee's hearings, that we are giving these programs and countries entirely too much money—more money, unquestionably, than they can prudently utilize.

Even though the Congress has made a reduction from foreign-aid budget requests for funds in the last 4 years totaling almost $3 billion, this was accomplished only by the sweat of our brows, by extremely hard work. And it is becoming even more difficult to make substantial money reductions in this program, notwithstanding the weakness and lack of justification for funds and the rampant waste and mismanagement in the operations of the program.

Before concluding, Mr. Chairman, I want to remind the Members that the Congress this year saw fit to approve a supplemental fiscal 1959 appropriation in the amount of $150 million for that phase of the aid program which is called the Development Loan Fund, yet the program reached the end of the fiscal year on June 30 with $225 million in unobligated funds. The Department states, however, that a total of $212 million of the $225 million is committed.

I think these facts, among others, fortify me in my position that, even with the reductions which we have made each year, we have been appropriating for foreign aid much more money than has been needed.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the requisite number of words and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WHEN MUST THE INDIVIDUAL BE DENIED A CONSTITUTIONAL RIGHT?

Mr. HOFFMAN of Michigan. Mr. Chairman, that question is brought to mind by the fact that the schedule of the House Committee on Education and Labor requires the reporting out of legislation designed to lessen, if not end, at least some of the shocking abuses to be disclosed by the McClellan rackets committee of the Senate on Thursday next.

The practical answer is that the constitutional right of the individual must yield when its assertion comes in conflict with the welfare of all of us.

The overwhelming evidence produced by the committee shows that the right granted to labor organizations by the Congress to organize and to bargain collectively has been shamefully misused and abused.

Professional criminals desiring power and wealth have infiltrated labor organizations to such an extent that the objective of the legislation, that is, protection of the individual who must work, receive an adequate wage which he is privileged to use in accordance with his own desire, has been denied him. The employer has been denied the right to carry on a legitimate business and has been subjected to almost unlimited extortion.

Knowledge of this situation has, through the activities of the McClellan committee, been spread throughout the land, and this Congress cannot in decency adjourn without enacting legislation designed to remedy the situation. Nor can the Congress, in the future, permit the executive department to ignore the law which it writes.

All too long the courts have sanctioned unjust, illegal acts on the part of individuals and organizations professing to exercise authority under so-called labor legislation.

The Supreme Court itself upheld the collecting of tribute—extortion—from interstate commerce entering the State of New York, on the unsound reason that the practice was an established union activity. This, even though Chief Justice Stone, in a minority opinion, characterized it as "highway robbery."

More recently, the Supreme Court—or at least a majority of the members—has recognized the fact that it has gone too far in protecting the constitutional right of the individual where the exercise of that right undermines the public welfare. This situation is referred to in an editorial of the Saturday Evening Post dated July 25. That editorial reads:

THE HIGH COURT MAKES SOME CHANGES IN THE LAW OF THE LAND

The confusion over when Supreme Court decisions become the law of the land has been dramatically underscored in recent weeks by the Court itself. Thus it is now the law of the land that the States may enforce their own laws against sedition although, after the Steve Nelson decision, the States were considered preempted from the security field. Again it is now the law of the land that the Committee on Un-American Activities has the right to compel a witness to answer questions pertaining to his possible membership in the Communist Party. After the Watkins decision, which made it difficult for a congressional committee to frame a question that would be recognized by the Court as pertinent to the inquiry, it seemed to be the law of the land that a Communist could thumb his nose at a Committee of Congress and get away with it.

In view of these contradictions, it would appear wise for Congress to define the law of the land by statute where this is necessary so that today's law may not become void when a Supreme Court Justice follows the election returns, or a new member joins the Court.

Some people think that the Court has retreated too far from its liberal position, and cite the Baltimore rat case as evidence. This case involved an old Baltimore city ordinance authorizing health inspectors to demand entry to private premises when there is cause to suspect that a dangerous nuisance to the health of the city exists. Owners who refuse admission to such inspectors face a fine of $20.

However, Aaron D. Frank, in the rear of whose place neighbors said they saw a pile of filth which was later described as "rodent feces mixed with straw and trash and debris to approximately half a ton," refused admission to the health officers. For this refusal, Frank was fined. This penalty was upheld all the way to the Supreme Court, to which the case was appealed on the ground that the Baltimore officers had denied Frank his right under the fourth amendment, guaranteeing citizens immunity from unreasonable search and seizure.

The Supreme Court's opinion upholding Baltimore represents an apparent change in its attitude on one point; namely, the current tendency to extend the constitutional protection of persons accused of crime into fields never contemplated by the authors of these guaranties. As the late Chief Justice Taft complained many years ago, our courts have tended to give these protective amendments "a wider scope than the letter of the limitation seemed to require." Today a man applying for a passport, or even a job in the Federal bureaucracy, is thought to have as much right to take the fifth as if he stood a good chance of being drawn and quartered, instead of merely being required to remain at home from a Communist conference in Minsk.

Of course, it is necessary to be on guard against bureaucratic excesses. Concern for the general health could be extended to justify exercises of force not now contemplated. Nothing like that happened in Baltimore, and the Supreme Court, in its retreat to the high ground of common sense, seems justified in finding no denial of due process of law.

Not so long ago, Justice Frankfurter said that, in connection with strikes, a certain amount of physical "exuberance" might be expected. And the courts have long excused intimidation, force and threats of force, and the destruction of private property, when the offender was a picket or a union organization.

One need but recall the sitdown strikes in Michigan, which began on the last day of December 1936, to realize that the Court has been very, very reluctant to protect the public.

More recently, Justice Frankfurter and others of the Court, in other cases, have called attention to the fact that the individual's constitutional right to, for example, free speech, or for that matter any other activity, is not unlimited—that in civilized society there is no such thing as an absolute right.

If the Congress will now perform its duty and write legislation which, while protecting the individual's constitutional right, takes into consideration the constitutional right of all of us to be protected from unjust, illegal activities by any individual or any group, we will be well down the road toward a solution of much of the trouble which now confronts us in connection with labor disputes.

Mr. MEYER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take this opportunity to ask the committee several questions, the first of which is: Is there any amount of money involved in this appropriation that will be used in any way to implement the seven agreements with the NATO powers for the sharing of nuclear information and weaponry?

Mr. CANNON. There is no direct appropriation in the bill for that purpose.

Of course, the personnel which operates under the provisions of the bill would possibly be in position to participate in event a contingency should arise, but there is no direct appropriations of funds for that purpose in the pending bill.

Mr. MEYER. There would be no direct appropriation of funds; there might be technical services made available?

Mr. CANNON. Exactly.

Mr. MEYER. There is another question I would like to ask. There is a great deal of concern in America about the need for more research in the biological aspects of nuclear problems. Of course, we have a good deal of research in the physical aspects—chemistry, physics, metallurgy, and things of that type. May I have a rather comprehensive statement on how much is going to be done in this biological field?

Mr. CANNON. The gentleman will find in the bill an appropriation of $49 million for that purpose. That is an increase of $6 million over the current program.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MEYER. I yield to the gentleman from Iowa.

Mr. JENSEN. I might say, if you read the hearings, you will find that we went into this item very thoroughly, and I would direct the gentleman's attention to the hearings on this particular item which he is interested in.

Mr. MEYER. I would like to ask the gentleman if he could maybe enlighten us a little bit about some of the aspects of this biological research and what they propose to do.

Mr. BOLAND. Mr. Chairman, if the gentleman will yield, on page 269 of the hearings it is dealt with at length. The $49 million, which the chairman indicated a moment ago, applies to several categories, and you will find there a list of the separate categories. If you would like to have me read them, I will:

Radiation effects on biological systems.
Combating radiation detrimental effects.
Beneficial applications of atomic energy.
Biomedical problems in atomic energy operations.
Dosimetry and instrumentation.
Civil effects.
Equipment not included in construction projects.

All that adds up to $49 million, which the chairman mentioned.

Mr. MEYER. Would the gentleman have any idea how much of this $49 million total is to be expended for research on harmful effects of nuclear testing, in a biological sense?

Mr. BOLAND. The first category, I believe, answers the gentleman's question: Radiation effects on biological systems. The total amount recommended for this year is $16,089,000; $3 million of this is for research on effect of radiation on human beings.

Mr. MEYER. I thank the gentleman. I would just like to say that I feel that because of the importance of this problem we should be paying considerably more attention and spending a considerably higher proportion of the money in research for this program, and I feel it is our duty to do so in the interest of the American people.

The Clerk concluded the reading of the bill.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

DEPOSED DICTATOR BATISTA SHOULD NOT BE ADMITTED TO THE UNITED STATES

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, yesterday I sent a telegram to President Eisenhower requesting him to exercise his Executive authority to direct Secretary of State Herter, Attorney General Rogers, and General Swing, Director of the Immigration and Naturalization Service, to cease forthwith consideration of a visa application by former dictator president of Cuba, Gen. Fulgencio Batista, pending my request to the House Judiciary Subcommittee on Immigration and Nationality, to conduct a thorough investigation into the visa application made by General Batista.

I am alarmed that our U.S. Ambassador to the Dominican Republic, Joseph Farland, who approved the entrance into the United States of the deposed Venezuelan dictator president, Gen. Marcos Perez Jimenez, may be about to approve the admission of Batista.

Attorney General Rogers in a statement made to the Associated Press and printed in the Washington Evening Star on January 7, 1959, said that Batista would not be granted asylum in the United States.

Attorney General Rogers said in this statement to the press that there were "feelers" about Batista coming to the United States. Mr. Rogers further stated:

There seems to be no question about any physical danger to Batista in the Dominican Republic. Therefore, the question of asylum would not arise.

Now, 6 months later, there is an attempt by Ed Hart, Batista's $5,000 per month representative, to create a "physical danger" to General Batista.

Let us examine this newly created "physical danger."

Batista's attorney, William A. Roberts, is quoted in the Washington Evening Star of Saturday, July 18, 1959, and the Washington Post of Sunday, July 19, 1959, as follows:

I was called at 3 o'clock this morning by someone close to Batista. This person told me Batista is in the greatest danger and that it is necessary that something be done in 72 hours.

Who was this someone close to Batista? Was it Batista's own personal representative, Ed Hart?

I have been studying the facts relating to the admission to the United States of Gen. Marcos Perez Jimenez. On May 22, 1958, I introduced House Resolution 574, which reads as follows:

Whereas the United States has during its entire history served as a safe haven for the oppressed and persecuted people from many lands, and

Whereas all forms of dictatorship and authoritarian types of governments violate the concepts of individual liberty and human freedom which form the bulwark of our American way of life, and

Whereas the Government of the United States has been required to assume a position of leadership in defense of individual liberty and human freedom throughout a world threatened by tyranny, despotism, and the degrading rule of dictatorship, and

Whereas the American people have made great sacrifices in support of the cause of human freedom and are now being called upon to continue this support, and

Whereas proven friends of the United States who are suffering under an enforced Communist dictatorship and those who but recently have cast off the rule of dictatorship, are confused and shocked at the conduct of the Government of the United States with respect to recently deposed dictators as well as ruthless dictators whose regimes violate all the basic tenets of liberty and justice, and

Whereas the admission into the United States of deposed dictators does violence to our most sacred beliefs, shakes the faith others have in us as leaders of the cause of human freedom, and reduces our prestige

among the people of the world: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the Government should take steps to cause the immediate departure from the United States of the deposed dictator Jimenez and his entire entourage.

My remarks on the floor of the House at the time of the introduction of my resolution appear in the CONGRESSIONAL RECORD of May 22, 1958, at page 9369, and are as follows:

Mr. FEIGHAN. Mr. Speaker, the American people were shocked at the shabby treatment accorded Vice President NIXON and Mrs. Nixon during some phases of their recent good-will trip to Latin America. For years we have prided ourselves on maintaining good relations among all the people of the Americas. The Western Hemisphere, at this critical point in history, needs understanding and solidarity more than ever before. The destiny of our Nation and that of all the other nations of the Western Hemisphere has been linked together by a long series of events in the past, many of which characterized the common struggle of the people of the Americas against the encroachments of imperialism, colonialism, despotism, and dictatorship. The association of American States has stood as a symbol for all of the world, expressing a common determination of all the people of the Western Hemisphere to defend the integrity and well-being of the member nations.

Recent events tell us that the long era of harmony and unity which has characterized the relations between the nations of the Western Hemisphere is falling into a state of disrepair. There are undoubtedly a number of basic reasons for this unhappy trend of events. I address myself to only one of those trends about which I have certain and full knowledge. I refer to the presence in the United States of the deposed former dictator of Venezuela, who today is vacationing upon the sunny sands of Florida. He has with him an entourage, as is the custom of most deposed dictators. Among this entourage is the infamous head of the oppressive police establishment set up by the dictator, Jimenez.

It will be recalled that during the unfortunate incident which attended the visit of the Vice President to Caracas, Venezuela, at a time when a violent attack was made against the very life of the Vice President, the demonstrators carried signs criticizing the United States for allowing the dictator, Jimenez, and his entourage admission into our country. Responsible citizens of Venezuela who are proven friends of the United States have been shocked by our laxity in allowing the deposed dictator who oppressed the people of Venezuela to come into our country where he is now enjoying the liberties and freedoms and physical comforts which he denied to so many loyal and democratic citizens of Venezuela.

Mr. Speaker, I now offer a resolution expressing the sense of the House of Representatives that the deposed former dictator of Venezuela, Jimenez, be forthwith removed from our country.

Gen. Marcos Perez Jimenez is still in the United States and it will take an unascertainable number of years, perhaps a decade or more, to deport him.

U.S. Ambassador Joseph Farland, who allegedly has endorsed the issuance of a visa to General Batista, is the same U.S. Ambassador who arranged for the issuance of a visa to General Jimenez.

The validity of the issuance of a visa to General Jimenez is being challenged by the Department of Justice.

The Subcommittee on Immigration and Nationality of the House Committee on the Judiciary expects soon to commence hearings on the granting of a visa to Gen. Marcos Perez Jimenez with a view to recommending legislation to prevent the recurrence of such a mistake.

Joseph Farland is the same U.S. Ambassador who claimed he was trapped into having his picture taken with Lt. Col. Ventura Simo on the latter's promotion from the rank of captain by Dominican Republic dictator Trujillo as a reward for luring Dominican exiles in Cuba to return to their native land in the belief that they were joining an invading force to overthrow the dictator Trujillo, whereas in reality they were being led into a trap to their death.

The U.S. Government, unfortunately, has built up a wall of resentment in Latin America because of favoritism shown to dictators. The admission into the United States of deposed dictators does violence to our most sacred beliefs, shakes the faith others have in us as leaders of the cause of human freedom, and reduces our prestige among the people of the world.

Our Government acknowledges that in admitting General Jimenez it made a mistake. This mistake should never be repeated. General Batista should never be admitted to the United States.

The following articles which appeared in Washington newspapers trace this continuing attempt to get Batista admitted to the United States:

[From the Washington (D.C.) Evening Star, Jan. 7, 1959]

BATISTA ASYLUM RULED OUT BY UNITED STATES

Attorney General Rogers says deposed Cuban President Fulgencio Batista would not be granted asylum in the United States if he sought it.

The question of such an admission for General Batista was put to Mr. Rogers by a newsman on the basis of reports that some "feelers" had been put to U.S. officials about General Batista's coming here from the Dominican Republic where the Trujillo regime has granted him asylum after his flight from Havana last week.

"There seems to be no question about any physical danger to Batista in the Dominican Republic," Mr. Rogers said. "Therefore, the question of asylum would not arise. If the former president should apply for U.S. entry on some other basis, he would have to be treated like any other applicant. We have had no such application."

Mr. Rogers noted that U.S. grants of asylum, of which many hundreds have been issued in recent years, always involved a showing that the person seeking entry would be in physical danger if he remained where he was.

Several members of the Batista family, including the ex-president's children, have been admitted at U.S. ports on a temporary parole basis.

[From the Washington Post and Times Herald, June 11, 1959]

GETTING BATISTA IN UNITED STATES IS $5,000-MONTH JOB

A Washington public relations man has been retained for $5,000 a month by Cuba's former president Fulgencio Batista. He is Ed Hart, 55, whose office is at 1122 19th Street NW.

Hart said his main job is to get Batista a visa so he can join his family in Daytona Beach, Fla. At the same time he wants to correct the "gigantic falsehoods" about Batista.

A former reporter, radio commentator, and consultant to congressional committees, Hart said that he'll receive less than his full salary during slow months and the full $5,000 plus major expenses in busy months.

Hart said he spent 4½ hours with Batista recently in the Dominican Republic, where he has been staying since he was forced into exile by Fidel Castro.

"I'm convinced he doesn't want to return to Cuba," Hart said. "He spent 8 years in Daytona Beach after World War II, and there are petitions going around there asking for him to come back."

[From the Washington Evening Star, July 18, 1959]

BATISTA FEARS FOR LIFE, ASKS REFUGE IN UNITED STATES

Ousted Cuban President Fulgencio Batista is seeking political refuge in the United States partly because he believes his life is in "very great danger" in the Dominican Republic where he is now an exile, his Washington attorney said today.

The lawyer, William A. Roberts, said General Batista and 16 aides have been seeking permission to go to General Batista's home at Daytona Beach, Fla., for more than 2 months. His wife reportedly is living there.

The State Department disclosed only yesterday that General Batista was seeking a visa. A Department spokesman had denied repeatedly that he was seeking haven in this country.

WOULD SHUN POLITICS

Mr. Roberts said General Batista has promised to avoid all political activity if he is allowed to enter the United States on a visitor's permit.

Mr. Roberts said Joseph Farland, U.S. Ambassador to the Dominican Republic, has endorsed General Batista's plea.

Mr. Roberts said he had decided to discuss the Batista request because of the "extreme gravity of the situation." He said General Batista's life is in danger "not necessarily from the Dominican Government but from paid assassins and other elements in the expeditionary forces being organized in the Dominican Republic."

General Batista has refused to endorse or support these forces reported being gathered to move against Cuba, and as a result has incurred violent enmity of many persons in the movement, the lawyer said.

FOUR THOUSAND BEING TRAINED

Mr. Roberts said some 4,000 persons are now being trained in the Dominican Republic and many of them are Cubans who fled their homeland.

"I was called at 3 o'clock this morning," he said, "by someone close to Batista. This person told me Batista is in the greatest danger and that it is necessary that something be done in 72 hours."

Mr. Roberts said that General Batista told him "a man cannot live in fear of death all day, every day." He added that the ousted dictator wants to live out the rest of his life without controversy.

General Batista yesterday tried to hire a private pilot to fly him from the Dominican Republic to Florida. He was stopped by Dominican authorities because he did not have a U.S. visa.

[From the Washington Post and Times Herald, July 19, 1959]

BATISTA'S LIFE IN DANGER, HIS LAWYER HERE SAYS

Ousted Cuban President Fulgencio Batista is seeking political refuge in the United States partly because he believes his life is in "very great danger" in the Dominican Republic, where he is now an exile, Batista's Washington attorney said yesterday.

The lawyer, William A. Roberts, said Batista and 16 aides have been seeking per-

mission to go to Batista's home at Daytona Beach, Fla., for more than 2 months.

The State Department disclosed only Friday that Batista was seeking a visa. A Department spokesman had denied repeatedly that Batista was seeking haven in this country.

Roberts said Batista has promised to avoid all political activity if he is allowed to enter the United States on a visitor's permit.

Roberts said Joseph Farland, U.S. Ambassador to the Dominican Republic, has endorsed Batista's plea for admission to the United States.

Roberts told a reporter he had decided to discuss the Batista request because of the "extreme gravity of the situation." He said Batista's life is in danger "not necessarily from the Dominican Government but from paid assassins and other elements in the expeditionary forces being organized in the Dominican Republic."

Roberts said Batista has refused to endorse or support these forces reported being gathered to move against Cuba, and as a result has incurred violent enmity of many persons in the movement.

"I was called at 3 o'clock this morning," Roberts said, "by someone close to Batista. This person told me Batista is in the greatest danger and that it is necessary that something be done in 72 hours."

ARE WOMEN A FOREIGN POWER?

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include an article.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, I was delighted when reading the Washington Star recently to notice an interview with the vice chairman of the Democratic National Committee, Mrs. Katie Louchheim, and her Republican counterpart, Mrs. Clare Williams. These two charming and able ladies were asked about the special issues which were of interest to women. I was particularly pleased that Mrs. Louchheim, speaking, I am sure, for the Democratic Party as a whole, rejected the 19th century notion that women are interested only in part of the world around them. Katie Louchheim, I am proud to say, has long since abandoned, if indeed she ever held, the notion that women need special issues, special appeals, and special interests to lead them to the ballot box.

Under unanimous consent, Mr. Speaker, I include the aforementioned interview at this point in my remarks.

What are the big political issues, so far as women are concerned, just a year before the two national political conventions get under way?

"Fiscal integrity, as applied to the market basket," says Senator THRUSTON MORTON, chairman of the Republican National Committee, echoing President Eisenhower's oft-expressed concern for a balanced budget.

"This budget business," says Mrs. Clare Williams, assistant G.O.P. chairman, hitting the same note.

"Inflation—the cost of living —the effort of this administration to increase the interest rate on the public debt," says Paul Butler, chairman of the Democratic National Committee.

"The same issues that interest the men," says Mrs. Katie Louchheim, vice chairman of the Democrats.

Mrs. Williams suggests that pocketbook issues are the great common denominator that get through to everyone, but particularly to women.

"The amount you have to spend for bread, milk, and children's shoes is not a matter of partnership," she declared. "Everybody is interested, women especially, because they are the ones who spend most of the paycheck each week. I think the housewife has already gotten the issues pretty well—the fact that the cost of living went up 50 percent under President Truman, and 8 percent under President Eisenhower."

PEACE STRESSED

Peace also was stressed by both Republican leaders.

"Women are awfully interested in anything hitting their family," said Mrs. Williams. "Certainly the question of boys going off to war or not going off to war hits awfully close to women. The President's firm stand on Berlin is another in his long series of not backing down before the Communists."

Mr. Morton put it this way:

We are pursuing a course which is intended to insure peace. The three wars we have fought in this century were partly caused by miscalculations on the part of the aggressor. The President and the Secretary of State have tried to make our position firm and clear so that would not happen again.

Mrs. Williams lists several other issues which she said together form the pattern of what the Eisenhower administration has done, and which will help the party win again in 1960. They are:

WILL HELP PARTY

No activity in Congress on controlling union rackets; concern of citizens about the fact that States are going broke; the refusal of Congress to approve Mrs. Clare Boothe Luce as Ambassador to Brazil and Lewis L. Strauss as Secretary of Commerce; the fact that this country under Eisenhower has been more prosperous than ever before (the average factory wage was $67-odd in 1952; it is $90-odd now, with more left over for the worker than ever before); vibrant economic growth of the country, which has led to construction of more school classrooms in the last 6 years than in the preceding 20; the Department of Justice drive against gangsters and the Post Office Department's drive against pornography.

Mr. Butler puts his inflation argument this way:

Anything concerning the cost of living is of particular interest to women. The effort of this administration to increase the interest rate on the public debt, which will necessarily result in increased interest rates on private and individual debt, will add further to the inflationary spiral.

Women will be particularly interested, too, in what is done about education, public health, and public housing, he suggested.

A DISSENT

Mrs. Louchheim raises a dissenting voice.

"There are no special 'women's issues,' she says flatly.

"It is time we stopped talking about women as if they were a foreign power, or regarding them as a special interest group with a special ax to grind either in interests or voting appeal," she said heatedly.

"I think the candidate who talks to women today differently than he would talk to men is apt to be considered out of date and very coldly received," Mrs. Louchheim continued, adding:

"If someone were to come to me and say, 'Joe Zilch has just been nominated; how do you advise him to get the women's vote?' I would say:

"Forget the women's vote. Remember that women are people. They are vitally interested in all the problems that confront us, and they look to the Democratic Party for new solutions—for an answer to the ferment that surrounds us and besets us on all sides.

"Women will never present a solid front politically, for the simple reason that politics is an exercise of the mind—and brains have no sex," the woman Democratic leader declared.

"Every skilled politician knows this," she added. "He knows he can divide men and women according to racial, religious, geographical and age groups, but not according to sex. He knows there can be no women's issue in an age when one-third of the women are in the labor force and some men are pushing shopping carts."

PARTY OF PROGRESS

Women will flock to the Democrats in 1960, Mrs. Louchheim maintains, "because, like men, they know the Democratic Party is the party of progress and always will be. Democrats are dynamic. They are innovators. They believe in new solutions—always moving forward—as the Democrats did with the Marshall plan, NATO, the United Nations."

Republicans "have not come up with any new solutions during their 6 years in office," Mrs. Louchheim charged. "They have embraced most of those Democratic programs, after having bitterly criticized many of them in the past. They have successfully mismanaged the public debt. Government bonds, which were the one thing people could rely on, have now become unreliable."

MODERNIZATION OF THE FOREIGN SERVICE OF THE UNITED STATES

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. O'BRIEN] is recognized for 60 minutes.

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to revise and extend my remarks; and that all Members desiring to do so may have permission to extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, I hesitate to intrude upon the time of the House today. I have rarely taken to the well of the House. I have tried to do so only on a subject on which I felt very deeply. This is such an occasion. However, I do not propose to take all of the time allotted to me.

Mr. Speaker, 23 months ago, 10 Members of this House—5 Republicans and 5 Democrats—introduced a resolution the purpose of which was to provide a massive transfusion of Main Street into the arteries of the U.S. Foreign Service. Those 10 Members represented districts from Massachusetts to California indicating the national interest and desire to bring about a modernization of the Foreign Service of the United States.

My colleagues in the drive to open the Foreign Service doors to the rank and file of young Americans were Edward P. Boland, of Massachusetts, Gordon Canfield, of New Jersey, Joseph L. Carrigg, of Pennsylvania; Ed Edmondson, of Oklahoma; Gerald R. Ford, Jr., of Michigan; Don Magnuson, of Washington; John J. Rhodes, of Arizona; Walter Rogers, of Texas; James B. Utt, of California, together with myself.

Many things have happened since that resolution calling for a study was introduced. We have had as a best-seller book in this country a book called "The Ugly American." May I say that it is my personal belief that "The Ugly American" is not a portrait or a photograph of our Foreign Service. It is, in my opinion, an ugly caricature, but it did have the effect I believe of arousing public interest in and concern about our Foreign Service.

We also have had more recently a considerable amount of public controversy over the nomination of various persons to represent our country abroad as ambassadors. I do not take any position in those controversies except to say that it is an indication to me that we have been more concerned about the nose cone than about the launching pad. I think that these controversies would have been avoided if Congress had provided for the State Department the machinery required to build up in this country an adequate career Foreign Service. If we had done so in the past I think we would have obviated the necessity of selecting our ambassadors to key positions in the world from one-one hundredth percent of the population of our country, and I am referring to the people of great wealth. How fortunate we are that we have among us people of great wealth who have the ability to serve us in London and other expensive places. How unfortunate we have been, however, that it has been necessary in a democracy or a republic, call it which you will, to select our ambassadors from this tiny minority of our people. I know the reasons. I know that the cost of being an ambassador in London and in several other places is enormous. I think the Congress has been miserly in not providing for the expenses involved in those positions. I think the Congress has fallen far short of what other nations are doing. But, I contend, if we are to have in this country a true Foreign Service, a career service, that Congress should take care of this matter.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. BOW. The gentleman made the statement that Congress has fallen short in certain areas, and I read so many times that Congress has fallen short in the matter of representation allowances. I assume the gentleman has some reference to that situation, but I should like to point out the Congress this year appropriated the full amount requested by the Department of State in that field, and the charge should not be made against the Congress in that particular instance.

Mr. O'BRIEN of New York. The gentleman undoubtedly is correct. Perhaps, I have been attempting to shift some of the burden in this direction, but I want to make it crystal clear that what I propose is not intended in the slightest degree as a criticism of the Department of State, but only as to the tools which the Department of State is compelled to use in its recruitment program. It is my earnest hope that if we can bring about this study, the Department of State will cooperate to the hilt.

Our resolution might appear on its face to call only for the fresh roasting of an old chestnut—the creation of a West Point for diplomats. Nothing could be further from the fact. I believe we should consider such an academy, but I personally would be opposed to it because I think you would separate even more than now our Foreign Service from Main Street, USA. I think you would establish a group of snobs, if you will, who would be more concerned about the old school ties than they would be about thoughts of the American people. What I have in mind might be called Operation Main Street or Operation Open Door. This is not an idea conceived during a sleepless night. It began before I came to the Congress. It began about a decade ago when my son was in college and I discovered that the average young American did not then, and does not now, include our vitally important Foreign Service among the prospective careers that young Americans might look forward to. If you challenge my statement in this respect, some of you who have children who are still in school might take the trouble to listen when they are talking among themselves. You will find that one week they are toying with the idea of being lawyers, perhaps Congressmen, perhaps journalists, perhaps scientists, perhaps even President of the United States. But you will listen long and hard before you will hear any of your children or their friends suggest that they are interested in the Foreign Service. Why should that be? Certainly, it is a glamorous service. Certainly, it would appeal to me, if I were much younger than I am now. But, I think you know the answer. These young people, the cross-section of our country, are not toying with the idea of embarking upon this vital career because subconsciously they believe there is a silken curtain between them and their Foreign Service. Rightly or wrongly, they have a vague impression that the Foreign Service is for a special group of our society. I read a column the other day by Peter Edson in which he stated that 47 percent of the persons in our Foreign Service come from 10 colleges or universities, which means that a little more than half come from over 135 colleges and universities. I have no quarrel with the Ivy League. Some of my best friends are distinguished graduates of Yale or Harvard or Princeton or one of the other great colleges. But I do quarrel with a system under which the men and women who attend those colleges seem to have an edge over those who attend the small university, or perhaps a Middle Western or Far Western university. Why is it? Perhaps we have the answer.

Along about May of every year representatives of great corporations descend upon our college campuses. We have people there from General Motors, General Electric, Bell Telephone, and so forth, carrying in their hands contracts for the young people they want to employ. I know our State Department has done its best; it has sent its representatives to those colleges and universities; but what do they have in their hands? A speech, and a suggestion that perhaps the young people, if they are interested, might take an examination. I think it is about time, in a field where our entire future rests, that we enable the representatives of our Government to go to those colleges, to go to the ranks of the men in service, to go among people who have completed college, with a firm offer of a job.

I have always envied and respected people who attained Phi Beta Kappa rating in college. I fell far short of that mark, but if we look at the world of diplomacy today we find that there are many places where a rugged halfback from the University of Michigan or Notre Dame can do a better job than any Phi Beta Kappa who ever came out of the Ivy League. Our whole diplomatic picture has changed in this world. We are now in an era of business-suit diplomacy. We are in many places in an era of table-thumping diplomacy. Unfortunately we seem to be still operating on the outmoded theory that if you can dangle a teacup in the proper manner or make polite small talk that you have an edge on the fellow who mishandles a teacup or who has trouble making small talk. Occasionally we get some very excellent people. I have in mind a man no longer with us, a gentleman named John Peurifoy. The older Members of this House will recall that he helped save Greece for our side when he was Ambassador to Greece. They will also recall that he helped save Guatemala, and they will recall that at the time of his untimely death he was in Thailand, a trouble spot indeed. He died while he was in his forties and had a tremendous career behind him.

What was that man's background? I took the trouble to find out one day. I asked him. He said he had been appointed to West Point but that in his freshman year he became ill and had to retire because of a lung condition. So he got a job as assistant manager of a diner down in Queens County, and then he came to Washington. His first job had a civil-service rating of laborer. I think that John Peurifoy dealing with the public in that diner in Queens was in a better position to find out what the man in the street wanted than somebody who spent all his time in the drawing room.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. GROSS. Was it Mr. Peurifoy who got the British out of Greece? That is what saved Greece for our side, getting the British out of there. I want to compliment Mr. Peurifoy if he did.

Mr. O'BRIEN of New York. I do not know whether he got the British out, but I do know that he got himself out of the Embassy and went out and talked with the people of Greece. I am afraid that under our present system we have too many people around the world who are speaking the language of a special class of our society and not the language of a cross-section of the American people.

Mr. GROSS. Speaking the language of the $80 billion that has been given away in so many places around the world with little or no beneficial results as far as this country is concerned.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. TEAGUE of California. The gentleman referred to speaking languages, which brings to mind a very important subject about which I have been concerned for some time and which I think we should deal with here in the Congress. We have out on the west coast an institution known as the Army Language School which is capable of training 2,500 persons in foreign languages. It is utilized to the extent of about 1,500 to 1,600. I hope the gentleman's group will agree with me that this subject of languages is extremely important and it would be well for the State Department to utilize some of those in filling spots out there in Monterey, Calif., where we have the faculty and the physical facilities to do a splendid job.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Washington.

Mr. PELLY. I think that the gentleman will recognize that in some of our embassies there are no careers because we use behind the Iron Curtain the citizens of those countries. We have in our Moscow Embassy foreign agents who are listening on the telephone, we have the receptionists, the chauffeurs, all the minor sort of work which is being done by Soviet citizens. We do not allow our people to go over there and learn the language. So we are under a constant espionage vigilance whereas those countries over here use their own citizens in their embassies.

Mr. GROSS. I may say to the gentleman from California that there is a Foreign Service Training Institute located in the Arlington Towers Apartment Building, absorbing about 100,000 square feet of space. Languages are taught there. A man may be trained to speak French in this Foreign Service Institute and then be sent to the Philippines, or he may be trained to speak German and then sent to Guatemala, for instance. If you want to know how some of these people are handled, take a look at the hearings before the House Appropriations Subcommittee this year dealing with State and Justice Department matters. You will learn where these people are being sent after they are trained in languages in the Arlington Towers Apartment Building and possibly out of the school in California.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Ohio.

Mr. BOW. May I say to the gentleman from Iowa that as a member of the subcommittee he referred to, I am familiar with the training school at Arlington Towers. I think that the training school at Arlington Towers is doing a real service for the Foreign Service. I think their teaching of languages is good. There should be some corrections, as in any institution, but I believe it is of a great deal of assistance to the Foreign Service.

Now, so far as teaching French is concerned and sending those people to the Philippines, it must be recognized that French is the second most important of diplomatic languages, that an officer who may be trained in French and sent to the Philippines may be sent to Vietnam where the people there will not all speak English but they will know French. The teaching of the French language to these men and sending them to these areas is not as bad as it may sound when we talk about sending them to the Philippines. So far as sending those who have been taught German to South America is concerned, I might say that in the Argentine and in other areas of South America, German is the second language. So when we criticize the fact that some of these people are sent to countries where it is not the No. 1 language, you do find that French, Spanish, and German are the No. 2 diplomatic languages throughout the world. I believe that the Institute is doing a good job for the Foreign Service.

Mr. GROSS. The gentleman's subcommittee made a very good record on that subject and I may say it was critical in some respects. I do not recall reading that the gentleman took exception to the testimony as it was developed before his subcommittee.

Mr. BOW. The gentleman from Ohio was one of those who was critical of certain areas of the Foreign Service School, but being critical in one instance does not mean you should condemn the entire school. It is rendering a service to the Foreign Service of this country and to our Nation.

Mr. GROSS. I do not condemn the school. The purpose is probably good; however, it seems to me that with Congress spending $56 million on a new State Department Building there ought to be space in that structure to take care of the school rather than renting space over in an apartment building, and the trainees ought to be sent to the countries where their newly acquired language is used.

Mr. O'BRIEN of New York. Before I yield further, I would like to interject this further thought. I am not so much concerned about what is taught in this school or how well it is taught; I am concerned about the people who are taught. I am willing to take a chance, if we can get somebody in there from Main Street, on what they are taught after they get the opportunity.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I would like to compliment the gentleman on the statement he is making. I was very pleased to join with the gentleman in introducing the legislation which is the subject of this discussion. I think it is a very necessary thing that this country train its people who are sent abroad to represent our great Nation as well as they can possibly be trained. Business is doing that, Mr. Speaker. Business is doing a better job in many ways of training people to go abroad than the Government is. In my district there is a very fine institution known as the American Institute of Foreign Trade, which was established right after World War II by General Yount, who was the commander of the Air Force Training Command during the war. This school was established for the purpose of training young men and women to go abroad, particularly in South and Central America, to represent the United States in a commercial way. This school has turned out many graduates; it is turning out graduates today. And, I am told that the end product is greatly desired by business. The people who have been graduated from this school have done a fine job in representing our country and have done well for themselves in this area. So, I certainly feel very strongly about it, Mr. Speaker. The gentleman from New York and those other Members who have joined with me and with him in introducing this bill are the sponsors of legislation which would provide means for the Federal Government to do as good a job as business is doing in providing unofficial, if necessary, good will ambassadors for the United States of America. If we could have this sort of a school established, I venture to say that in a very few years there would not be chapters written about the Foreign Service as was written by the author of "The Ugly American." Some of the chapters were about people who were doing a good job. And there are people who are doing a great job for our country now in the Foreign Service. It is a shame that they must be painted with the brush which is coated with the dishonor attached to the Foreign Service by some people who have not done a good job, sometimes because of their own lack of training, sometimes because of the fact that they just are not inherently capable of doing a good job.

So, I again congratulate the gentleman on the fine statement that he is making. I hope that this bill will become law before too long.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to join in commending the distinguished gentleman from New York whose name is now linked with Alaska and with Hawaii. I think what he is doing now will bring about a new state of democracy into the Foreign Service, and I think of the type of ambassador such as Benjamin Franklin.

Mr. Speaker, I would like to contemplate where in every capital of the world we will have a man or a woman, not seeking the prestige of the society page but in imprinting his or her personality in the hearts and the minds of the people of the countries in which they are stationed. I am not criticizing anybody. We have now some great ambassadors. We have some dedicated men and women, many of them—I will say most of them. And it is a hard life. But, the gentleman from

New York is suggesting—and I am joining with him in that suggestion—a different approach. I pick up the Sunday Washington newspaper, and here is the society page filled with the social doings of people representing other nations in our Capital. How much of that reaches out to the people of the United States? How many little fellows, little men and women, read the society pages? I would like to have international relationships personified by people who really will learn and understand the little people of the lands to which they go. So, I think much could come from an institution such as the gentleman from New York has suggested. Take West Point. Boys from the farms, from the humble homes and from the wealthy homes go to West Point, and for 4 years they have to learn discipline and how to take raps so that when they reach a position of command they know how to command. Perhaps from such an institution we might get a new type of ambassador and consul and the foreign servant that we need. I was ashamed 2 years ago when we learned that one of our ambassadors had been in the Service for 28 years and during that time had been in the United States of America, I think, less than a year's time. What is going to happen to a man when he goes out as an ambassador, and he is in a privileged climate, he is immune from the ordinary discipline of the law for minor infractions, and he lives in this rarefied atmosphere for 28 years? At the end of that time, of course, he has lost any semblance of democracy. Now, I want to give credit to our own State Department for being alert to that. It was largely because of that that the State Department, I think, inaugurated this new policy a year or two ago that one serving in the Foreign Service should serve a comparable period in the United States. But, I do wish to commend the gentleman from New York. In my opinion he has rendered a great service to our country by bringing this matter to our attention.

Mr. O'BRIEN of New York. I thank the gentleman.

Mr. LINDSAY. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from New York.

Mr. LINDSAY. Mr. Speaker, I am very much interested in the remarks of my distinguished colleague from New York and in what he is trying to do, along with some other distinguished Representatives. Since being here I have interested myself in the same subject and have spent some time in reviewing it. I have spent some time at the Language Training School in Arlington. I have just one or two questions. The comments that I get from the Department of State and from the Language Training School indicate that from their point of view, No. 1, they are oversubscribed to a substantial degree in their applications for the Foreign Service from all over the country; and No. 2, that it is a policy with them that their selections shall be based on the type of thing that the gentleman from New York is talking about. In other words, they are seeking widespread representation from every corner of the country, from every university, large and small; and they are indeed conscious of this whole problem.

What, specifically, would the resolution which is proposed do to improve upon what the State Department and the Foreign Service now say they are doing, assuming that they are correct?

Mr. O'BRIEN of New York. I might say as a preamble to my answer that I found when this idea first was advanced here, there was an icy air in the Department of State, a feeling that those of us who wanted to improve the system were being critical of them for their operation, which was not the case. I was quite interested, however, 2 years ago, when this resolution I am discussing today was introduced, that Roscoe Drummond, a very fine newspaperman, wrote a column in which he said that the State Department should be the first to accept this because it is to help the State Department. The column was reproduced in the Foreign Service magazine.

The gentleman has asked me specifically what I have in mind. I do not propose to close the door even to an academy. But I would like to see our State Department have the authority to go to any university or any place in the land and hire then and there any young person who might fit the need. I would suggest further that that young person be given on-the-job training in Washington or in the field or wherever the State Department might desire; but above all, because it is so easy to make a mistake in selecting someone for the Foreign Service, those who would desire to enter under this plan would waive the privilege and security of Civil Service for 5 years. Let them earn it. I say, if you went out and selected across the country 500 representative people, if only 100 of them survived after the 5 years, you would have the beginning of a hard core, a career corps in the United States, and you would not be brushing under the rug as we do repeatedly the whole idea by saying, "Maybe we should have a West Point of Diplomacy." Somebody gives lip service to that every year or 2 years. Nothing ever happens. In spite of the number of applications, I wonder if those applications are coming from a true cross section. As a result of the feeling on the part of our young people, many brilliant youngsters who make tremendous careers in law or business or medicine, are diverted to those pursuits because they think there is a closed door or at least a silken curtain to the Foreign Service and that is only for the privileged. I do not mean that the State Department is deliberately excluding those people, but I think as a result of the system we have, this overwhelming number of applications the gentleman speaks about comes from a comparatively narrow part of our country. Otherwise you would not have 47 percent from 10 colleges and only 53 percent from 135 colleges.

What I would like to create is a system under which my son or the gentleman's son, contemplating his future, could plan on being a member of the Foreign Service if he had what it takes. These kids plan to be physicists, and that is tough. They plan to practice medicine, and good heavens, they will be middle-aged before they are ready to practice. But they do it. And I think if we say, Here is the plan, here is the opportunity, you will get them from those other 135 colleges. And I think in justice to the Department of State they would be glad to have them.

Mr LINDSAY. I thank the gentleman for a very complete answer. May I ask, so that my own understanding is complete, is there a Federal statute now that requires all new entrants into the Foreign Service be selected by competitive examination? What I am asking is, whether congressional action of some sort is necessary in order to institute the program the gentleman has in mind.

Mr. O'BRIEN of New York. I cannot answer the gentleman precisely. I know there is an examination. I know that more and more in recent years, they have depended upon the evaluation of the character of the applicant and have not depended exclusively upon the written examination. But, I think we have to give the Department of State the same power and the same authority as the vice president of the Bell Telephone Co. has to hire the right guy for the right place. As I say, it might be the Phi Beta Kappa man in one situation and it might be the halfback in another situation because our problems vary, as the gentleman knows, around the world.

Mr. LINDSAY. Even though no congressional action is necessary, the gentleman would think as a matter of policy this resolution is desirable?

Mr. O'BRIEN of New York. I think congressional action is definitely necessary. I think, for example, if we are going to waive the civil service protection and make these young people earn their way in this fine career, that that would require congressional action. I think too many people are frozen into the Foreign Service who should not have been there in the first place. I do not advocate that we do what we do, for example, in the case of appointments to the service academies. But, there is a strange thing in this country. I can reach out in my district and select, because I desire to select him, a youngster who does not have a dime and who may not have any great family background, and I might have the idea that he could wind up as an admiral or a general. You know, they say in this country, and it is an old saying, that every mother can look in the cradle and see a future President of the United States. I think all of us will agree if the same mother looks in the same cradle seeking a future ambassador, she would have to be using trifocals.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. O'HARA of Illinois. I am interested in what the gentleman said when he suggested there was not an equal distribution of people in the Foreign Service on a geographical basis in our country. A few months ago, I had an experience. A young man from my district, and a very able young man, had taken the examination. After they take this exami-

nation for entrance into the Department of State, they are screened. They wait until they are called. This young man had taken the examination and he went to this screening. He came in and talked with me for about an hour on many, many subjects. He was a very capable young man and I thought a very well informed young man. I thought he would have nothing to worry about. He came back and he was turned down. I was interested. I got the names of the three people who screened him. All of them were from the East. Two of them had direct connections with large financial interests. All three represented a different philosophy. This young man came from Chicago. He came from my district. He was highly qualified, and yet he was turned down by that screening committee after he had stood high on his examination. Now to be fair, I had another case. A young man came in to see me. He was from Chicago. He had taken the examination. He had been approved and had been put on the waiting list. He remained in my office until he was called. After 3 or 4 months, he was called and went into the Service. So here I have one case where it looked to me that a very fine young man was rejected, and in another case where it seemed that they operated well. But, the gentleman is suggesting that there should be something that would accord to American youth an equal opportunity that would guard against this sort of situation. And I have no criticism of the ivy league colleges. But, there is a suspicion growing in the Middle West that things are pretty much in the nature of a closed corporation.

Mr. O'BRIEN of New York. I think that, perhaps, one reason for what has been called isolationism in the Middle West stems from that very fact. May I point out, as long as we are on that subject, something that is very significant 'n this whole matter which I have not yet mentioned. We worry about our foreign policy abroad. We are trying to sell it at the summit or on the way to the summit. Yet, I do not think we have sold it at home. We have a flop, we will say, or what is made to appear to be a flop, somewhere along the line. What do we say? The average person says "They"—meaning our Department of State—"took a licking." We disassociate ourselves from our own team. Now I think, and this, of course, will not cure the entire situation, but I think if we felt that the kid down the street has had a chance at least to try out for that team, we will stop saying "They" and we will say, "We." Then, for once in these days we will be united on our own foreign policy.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. O'HARA of Illinois. When I was in Africa, the question I heard most by many Africans in countries the population of which is 90 percent Negro is: Why do you have no Negroes in your Department of State or Negro ambassadors? In one country which has at least 90 percent Negro population, in the American consulate they had a sign over the washroom reading "Europeans only admitted" and Europeans, of course, means white men. I think we must, if we are going to really be a world power and to reach people, we must break down this restrictive selection. It is almost cruel. In our State Department with one or two showcase exceptions, there are no representatives of the great Negro race or other races. A program such as the gentleman suggests might very well be the remedy to bring about the needed change.

Mr. O'BRIEN of New York. I just want to make Main Street a through street, that is all.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. EDMONDSON. I would like to join my colleagues in commending the gentleman from New York with regard to his efforts in this field. I believe the gentleman as well as any man anywhere in this body has stated the plain facts of the matter about the struggle with the Communists, which is that this is not so much a struggle between governments and diplomats or opposing armed force with armed force, but, rather, it is a struggle of people with one point of view about mankind against people who have bought another point of view under the propaganda program of the Communist regime.

I think the gentleman has put his finger very squarely on the fact that if we first of all are going to reach the hearts and minds of other people throughout the world who are lagging today in what might be called the gray area that we are going to have to get the very best brains most representative of the people, get them enlisted in the cause of freedom as members of the diplomatic corps and in our Foreign Service around the globe. I believe the gentleman's thinking along this line is sound and very helpful. I want to express my appreciation to him for bringing the subject to the floor today.

Mr. O'BRIEN of New York. I thank the gentleman.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from New York.

Mr. STRATTON. I would like to join with my other colleagues in commending my good friend and colleague from New York [Mr. O'BRIEN], on all that he has been doing here for many years in an effort to develop a more vigorous Foreign Service which would be more reflective of the great bulk of the American people.

Mr. Speaker, as the representative of the district which adjoins that of the gentleman from New York in upstate New York, I would like to express to the Members of the House my conviction that the campaign which the gentleman has been waging for many years has certainly caught fire in our area of upstate New York; and I feel that if the gentleman will continue this fight that it will not only catch fire in upstate New York but throughout the length and breadth of the Nation.

I feel very strongly as other Members have expressed themselves today that the gentleman from New York has put the matter very eloquently and very clearly, and I hope that out of his efforts will develop a program more representative and reflective of the basic interests of the American people.

We are going to be faced with the Communist challenge, as the gentleman from Oklahoma has said, for a long time to come, and unless we can excite the enthusiasm and the interest of the great bulk of the American young men and women to the responsibilities of representing America, as the gentleman has suggested, a very practical gesture which he is proposing, I do not think we will be able to measure up to that challenge. We cannot do that with a limited group or a restricted group.

I was concerned the other day by an article which appeared in the newspapers of a reference made by a member of the other body to American representatives abroad and their living facilities, referring to them as an American ghetto. Our representatives abroad are too often inclined to live among themselves rather than to get out with the people of the countries to which they are sent. I think that is the kind of thing the gentleman's proposal will reach, and I would like to commend him for the fight that he has been carrying on. I believe it is in the best interests of our Nation and our interests abroad, and I would like to join in support of the gentleman's resolution.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. GROSS. The gentleman said something a little while ago about the Midwest being isolationist. I do not know what the gentleman means by "isolationist" but I do know something about Winston Churchill. I think I can best describe the feeling of the people of the Middle West by paraphrasing Winston Churchill who said he was not selected as the King's First Minister to liquidate the British Empire. We do not feel out there we should liquidate the United States of America on behalf of the foreigners. If that is being an isolationist we plead guilty to it out in the Middle West.

Mr. O'BRIEN of New York. Perhaps I should have said that the Middle West has been isolated as far as appointments to the Foreign Service are concerned. If we should dig more deeply into the great people you have in the Middle West we might improve our Foreign Service and there would be a greater confidence in it on the part of the people of the Middle West.

Mr. GROSS. I thank the gentleman and I compliment him for his statement that he can see no need for the establishment of another academy in this country to train people for the Foreign Service. I certainly would be opposed to the establishment of a Foreign Service Training Academy. Now, is the gentleman saying that the State Department cannot go out, for instance to Ohio State University, and contact those who are graduating next year?

Mr. O'BRIEN of New York. No.

Mr. GROSS. And enlist them to come into the Foreign Service?

Mr. O'BRIEN of New York. They have people there to contact and to solicit.

Mr. GROSS. Ohio State University is east of the Mississippi and does not necessarily fall in the category of the isolationist area.

Mr. O'BRIEN of New York. While the State Department contacts and solicits directly, a fellow from the Bell Telephone Co. is right alongside of him and hires the graduate. So you know who gets the young man.

Mr. GROSS. No, I really do not. I am surprised the Bell Telephone Co. cannot get employees out of the Ivy League. Apparently it is the Ivy League that has supplied all of the State Department personnel, or at least a substantial part. Is that not the contention of the gentleman?

Mr. O'BRIEN of New York. May I say in all fairness, one reason for that is that a larger percentage of applicants from the Ivy League exist. I think many others feel they cannot get in. I think the young men of the Ivy League may feel they can. If you will examine the applicants you will find that the State Department has not been discriminating as much as we might think but has been forced to choose the largest number from the largest group of applicants.

Mr. GROSS. May I make a suggestion. The Foreign Service might take a look at the American mission to the United Nations. They seem to have all of the answers to world problems and perhaps the Foreign Service could draw recruits from the United Nations, or, at least, from the American segment of that glorified debating society.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Ohio.

Mr. BOW. I want to again congratulate the gentleman for bringing this matter to the floor as he has in the past. I think we have had colloquies on this question before and I think the gentleman has answered them. In the broadest sense I support and agree with him in what he has had to say. I know that in the high schools of my district a number of people from the State Department have talked to the graduating classes of the high schools about the advantages of the Foreign Service and training themselves in their collegiate work to go into the Foreign Service. This should be done in that area. They should talk to the graduating class of the high schools, so that these young people can go to college and prepare themselves.

I agree with the gentleman from Iowa in one particular and that is that we should not have a Foreign Service Academy. We would build up a clique, the thing we are trying to get away from, that would exist in a Foreign Service Academy. I do believe in the Foreign Service School across the river in Virginia and I think the school in Mexico City is doing a good job so far as languages are concerned. I think they are doing a good job over there in Virginia.

There is one further thing I should like to congratulate the gentleman on and that is the statement he made in reference to the book "The Ugly American." I am glad to say when I looked at the newspaper where they put up the box scores of fiction and the best sellers to find that "The Ugly American" is under fiction, for it is fiction. There is some area in which they have taken some facts. But to make it a best seller it is based on fiction. There are things in there that do not apply to our Foreign Service and I think it is a shame that some people take "The Ugly American" as being the truth of our Foreign Service and take everything that is in it as fact when it is not all based upon fact. I think the good they say is based upon some facts, but the fiction part of it is that which is doing the damage, not only to our Foreign Service but to our country. May I say to the gentleman that if some youngster in high school who was getting ready to declare his future and his profession, what he wants to go into in life, were to read "The Ugly American" I am afraid he might choose some profession other than the Foreign Service. I think it does harm there. I think it is necessary to point out it is fiction to a great extent and is not a true picture.

The gentleman has visited throughout the world and has met some of our Foreign Service officers. In our Foreign Service we have fine Americans carrying the story of the United States throughout the world. I agree that they are our second arm of defense. They are to be complimented for the work they are doing.

May I say further to the gentleman I do not believe those who are doing a great service to our country are only those who have been appointed in the last 8 years. There are many who have been there years before who are dedicated public servants, dedicated to the interests of America and dedicated to peace. I think the gentleman should be congratulated for bringing this matter to the floor and trying to, in some way, render some service to this fine corps of patriotic Americans.

Mr. O'BRIEN of New York. I thank the gentleman.

Mr. Speaker, I want to emphasize, as I did in the beginning, that I have no thought whatsoever of criticizing the State Department. I think I never once publicly or privately ever criticized John Foster Dulles. I think that Secretary Herter is going to do a magnificent job. All I propose here is that we take the fetters off the State Department and permit them to do a better job, which I know they want to do.

Mr. LIBONATI. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Illinois.

Mr. LIBONATI. Mr. Speaker, I appreciate the contribution the gentleman from New York has made on this delicate and very important subject. I do not feel, though, that this is a question of whether or not a person is a graduate of a university of acceptance or is a member of a family that has a background of social acceptance. I think primarily the fault is with the Service itself. After an individual who is qualified joins the so-called career of his selection, he unfortunately is not treated with dignity or acceptance. They give him chores as a glorified baggage smasher or clerk with authority to send a cablegram or meet distinguished ministers plenipotentiary at the port of landing. Certainly, for many years his chores are very, I would say, menial, in the acceptance of the term, especially these men highly qualified in the languages and familiar with the historic background of the people. But, they are given no recognition by the Department of State, through the ambassadors who are politically appointed men, who had success in the field of manufacture or in the field of letters or as college presidents or career men in other fields. One must not necessarily feel that the diplomatic service as such is a specialization in itself. These men who have lived well-rounded careers, well informed in public affairs, understand the custom and background of the people, and who also have an understanding of etiquette and social acceptance are men who are well qualified to deal with those problems which they are confronted with, and they make very good men in the foreign fields of service. But, I say to you, in accordance with your statement covering some of your study and investigation of this matter, that the Department of State itself can make such improvement as is necessary to encourage those men who are capable and acceptable to remain in the service and give them a status, together with a competent salary, to fill this position with dignity and with presence of mind and with acceptance in the future and, further, that they will not be handled as you would a civil service employee, being assigned to whatever duties may come to mind or, in an emergency, acceptance of such menial duties that would be only befit the position of a man who is a chore man or glorified clerk, as I said before. These men, being college graduates and linguists, have a social acceptance of their own, and they will not remain in the service of their Government and stay, in accordance with the postulates of their chosen profession, unless you give them an adequate return both socially and financially. I congratulate you again on the treatment of this delicate subject, especially so delicate to the Department of State.

Mr. O'BRIEN of New York. I just want to leave this final thought. I have been very grateful to the Members here today for their participation in this discussion. I hope that when we finish it will not be another situation of a few voices crying in the wilderness. We have delayed too long in this matter, and I urgently request the great Committee on Foreign Affairs to go about this land after adjournment or send a special committee and ask the American people if they want Main Street in their Foreign Service. I guarantee from my own discussion with people that the answer will be a thunderous "Yes."

THE LATE ADM. WILLIAM D. LEAHY

The SPEAKER pro tempore [Mr. MORRIS of Oklahoma]. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, earlier this afternoon I spoke briefly in eulogy and appreciation of the great fleet admiral, William D. Leahy. I ask unanimous consent, Mr. Speaker, that I may include that statement at this point and also include as part of my appreciation a very fine description of Admiral Leahy's work during his service in the Government of the United States. This description appeared in the Washington Evening Star yesterday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday morning at Bethesda Naval Hospital, a very loyal and distinguished American passed from this life. Indeed, he was a great American in every sense of consideration.

Fleet Adm. William D. Leahy, blessed with a long life, devoted well over 60 years of his time to his country and to the naval service. With this heroic action in the Spanish-American War, together with his contributions in World War I and World War II in the naval service, his service as a diplomat, and his service as Chief of Staff to the Commander in Chief, Admiral Leahy helped to mold American history over this eventful half of the 20th century. A great naval officer, a great statesman, a man of vision, and a man of action, Admiral Leahy was indeed a great American whose contributions helped to shape our world of today.

It was my pleasure to know personally both Admiral Leahy and his wonderful wife. In the days before World War II when Admiral Leahy was Chief of Ordnance of the Navy Department and later as Chief of the Bureau of Navigation, as it was known then, and later on, when he was Chief of Naval Operations, Admiral and Mrs. Leahy honored me as my guests on many occasions. In those days we often talked over the problems of the Navy in relation to its responsibilities in the defense of our Nation.

In addition to knowing Admiral and Mrs. Leahy socially, there were times as a Member of Congress, I worked with him on professional matters that were not only of tremendous interest to the Navy but oftentimes of benefit to Massachusetts and to my congressional district. On every occasion, his vision, his intelligence, and his cooperation were of the highest. Without any doubt, his long association with the Navy added greatly to the prestige of the U.S. Navy throughout the world.

The passing of Admiral Leahy is a shock to me. The admiral and his wife were old friends of my late husband and me. As his career has unfolded and he has made his outstanding contributions to the welfare of America, I have always had a feeling of pride and honor because of his friendship and because of his willingness always to take time from extremely important work to consider problems which by comparison could only be unimportant.

Now that his many great contributions to our country have been completed, I know that I join with my colleagues here in being thankful the leadership of our country in grave and serious times had the benefit of his vision and counsel.

In the long distinguished history of the U.S. Navy, there have been many illustrious officers. As Americans, we are proud of them all for their accomplishments. Certainly none, however, commands more respect than does Fleet Adm. William D. Leahy. Honored by many countries, respected by national leaders over all the world, a loyal patriot, a gentleman and a friend, I know that as he turned over his command to those who follow him, the Commander in Chief from above has awarded him the Navy's highest tribute, "Well done—well done."

Following is the article regarding Fleet Admiral Leahy which appeared in yesterday's edition of the Washington Evening Star:

ADMIRAL LEAHY DIES; TOP WARTIME ADVISER

Admiral of the Fleet William D. Leahy, wartime chief of staff to President Franklin D. Roosevelt, died at 8:45 a.m. today at Bethesda Naval Hospital, the Navy announced.

The veteran naval officer, diplomat, and senior adviser to the White House was 84.

The Navy said death resulted from a "cerebral vascular accident," the usual medical term for a stroke. His only son, Rear Adm. William H. Leahy, commander of the Portsmouth (Va.) Naval Shipyard, was with him when he died.

Admiral Leahy, who was the senior five-star officer elevated to that rank during World War II, was a native of Hampton, Iowa.

During a career which stretched from 1897, the year of his graduation from the Naval Academy, he served in the Spanish-American War, the Philippine Insurrection, the Boxer Uprising in China and both World Wars.

REACHED PEAK IN 1937

Admiral Leahy reached the peak of his service in the Navy itself in 1937 when he was appointed Chief of Naval Operations.

After his retirement 2 years later he served successfully as Governor of Puerto Rico and Ambassador to France during the early stages of World War II.

In 1942 he was recalled to active duty at the age of 67 as Chief of Staff to the Commander in Chief. In that capacity he was the senior member of the Joint Chiefs of Staff and a member of the Combined Chiefs, which included senior officers of principal allies of the United States.

In civilian dress he looked like an average American businessman and was of a quiet demeanor, not given to dramatics. But in the Navy, where his close associates called him "Bill," he had a reputation as an extremely able executive—afloat or ashore—and as a "cold logician." Like nearly all four-star Admirals, he also was a stern disciplinarian.

Outside of the seafaring profession he was well grounded, particularly in the field of economics, and had a faculty for grasping details rapidly.

It was no mere coincidence that prompted President Roosevelt to pick him for diplomatic posts where tact was required. They had been friends since the days of the First World War when Mr. Roosevelt was Assistant Secretary of the Navy and Leahy was a junior captain. They had a mutual admiration for each other.

Thirty-one-year-old Assistant Secretary of the Navy Franklin D. Roosevelt, who was 7 years his junior, put all his trust in him. Through a circumstance favorable to both, Leahy was the skipper of the *Dolphin*, the Navy Secretary's dispatch boat, Josephus Daniels was the Secretary. Mr. Roosevelt loved to go to sea and made several voyages on the *Dolphin*.

"He had a lot of naval lore," the admiral said, "and a good naval library. He knew more about small-boat sailing than I did. I was out with him several times at his summer place, Campobello. He knew the Navy people. He would sometimes consult me about them, but he made up his own mind.

"I didn't agree with everything he did politically (the admiral was referring to their later relationship). One time he said to me, 'Bill, you don't know anything about politics.' I said, 'Mr. President, that's the finest compliment you've ever paid me.' It didn't make him mad. I knew it wouldn't."

VICHY ASSIGNMENT

The Vichy assignment was particularly important, for the situation, after the fall of France, was delicate and explosive. The President had first desired Gen. John J. Pershing as Ambassador, because of his close personal friendship with the aged marshal of France, Phillipe Petain—a friendship dating back to First World War days when they were comrades in arms. But General Pershing's health would not permit him to accept the post and the assignment went to Admiral Leahy.

With the Germans occupying much of France, the influence of Adolf Hitler seeped through to Vichy, where Marshal Petain was endeavoring to bring order out of chaos. The admiral and the marshal became good friends and many threatening political situations were ironed out by the tactful Leahy.

Meanwhile, Admiral Leahy suffered a personal tragedy when his wife, the former Louise Tennent Harrington, whom he married in 1904, died in France in the summer of 1942. Soon after he brought her body back to America for burial, the President named him to the newly created position as his Chief of Staff.

MOST DIFFICULT POSITION

This probably was one of the most difficult positions in his long career. The United States was then in the midst of its rapidly broadening war effort. In obtaining military information to form the basis of the President's global war strategy, Admiral Leahy had to deal intimately with the ranking officers of the Army, Navy, Marine Corps and the Air Force. Each branch of the service was traditionally jealous of its own prerogatives. But it was apparent, after the admiral learned the ropes, that he performed his mission smoothly.

Born far from salt water on May 6, 1875, he had an abiding interest, as a boy, in the military history of the Civil War as a result of his grandfather's participation in it. He decided upon a military career early in life.

After being graduated from high school at Ashland, Wis., he sought an appointment to West Point; but his Congressman informed him there were no openings at the Military Academy. However, he said he would be glad to nominate him for Annapolis and that's how he switched his ambitions from the Army to the Navy.

SERVED ON OREGON

Soon after his graduation from the Naval Academy, he was assigned to the battleship *Oregon* and participated in that man-o'-war's historic dash from the Pacific around the Horn in time to take part in the destruction of Admiral Cervera's fleet at Santiago de Cuba in the Spanish-American War. He was always proud of the old *Oregon*.

When the First World War broke out, he was in command of the dispatch boat *Dolphin*, which searched for German supply ships in Caribbean waters. Then he supervised the commissioning of the former German passenger liner, the *Princess Alice* which, under the new name of the *Princess Matoika*, with Leahy in command, was used to transport troops to France.

In that capacity he won the Navy Cross for distinguished service for "the exacting and hazardous duty of transporting and escorting troops and supplies to European ports through waters infested with enemy submarines and mines."

After the First World War he rose rapidly as chief of the Bureau of Ordnance with the rank of admiral, commander of the Destroyer Scouting Force, Chief of the Bureau of Navigation, vice admiral of the Battle Force and Chief of Naval Operations in 1937–39. When he retired the President started him on his diplomatic career.

WAS ACTING SECRETARY

During his tenure as Chief of Naval Operations he was acting Secretary of the Navy during the prolonged illness of the late Secretary, Claude A. Swanson.

He always was an ardent protagonist for a strong fleet and was the Navy Department's spokesman before Congress for the first "billion dollar Navy bill" in 1938.

One of the many stories told about him in the Navy was an incident when he was in command of the battleship *New Mexico* During gunnery practice, the chief gunner was exasperated by obstructions caused when officers and men walked in front of the gunsight at critical moments. Finally, he bellowed: "Get the hell away from that sight."

The obstruction was Captain Leahy. Amid a deadly silence, apologies were offered. The unsmiling captain gruffly said "Don't let it happen again." But there is no record that he ever blocked another gunsight.

PUBLISHED MEMOIRS

Admiral Leahy published his memoirs 9 years ago. It was a modest report. He made it clear that the strategic decisions were made, not by the Combined Chiefs, but by two men, Roosevelt and Churchill. He wrote it himself and it contains 19th century verbiage. The wives at the dinners were "gracious ladies"; the women at the press conferences, "female reporters."

After World War II, Admiral Leahy played a leading role in creating the National Intelligence Authority, which has since become the Central Intelligence Agency.

After President Roosevelt's death, Admiral Leahy continued as senior military adviser to President Truman, a post he resigned in March 1949. He continued as an adviser to successive Secretaries of the Navy until recently, when his health began to fail.

In recent years, Admiral Leahy had faded from the Washington scene, although in 1954 he still maintained an office in the Old Navy Building at Constitution Avenue and 17th Street NW. A reporter paid him a visit that year to ask what he was engaged in.

Admiral Leahy said he was there to do anything the President asked him to do. "And what is that?" asked the reporter.

"He doesn't ask me to do anything," said Admiral Leahy. "Oh, once in a while he asks me something about the war, but his memory is as good as mine."

His last known interview was given last September in his 17th-floor room at Bethesda Naval Hospital. The old gentleman lived out his days there, without either radio or television to disturb his tranquillity. He was the only patient on the floor.

Each weekday morning, his aide and his secretary used to bring the mail out from Washington, spend about an hour with him and leave. It was just about his only contact with the outside world.

HAD FEW VISITORS

Except for visits from his son, his two grandchildren and five great-grandchildren, the admiral's only callers were his doctors and his therapist.

In his latter days, Admiral Leahy's health was generally good, although he was bothered by the aftermath of a broken leg suffered 3 years ago and by arthritis. The weight was gone from his 5 feet 10-inch frame, and the skin was slack on his face but his memory was still clear.

At his death, the Washington he knew was history. Like the battleships he sailed, he had been left behind in the wash of an atomic age—an age he survived but didn't believe in.

THE BATTLE OF LEXINGTON AND CONCORD AND THE EARLY HISTORY OF THE AMERICAN REVOLUTION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may insert at this time a part of a narrative of "The Battle of Lexington and Concord" which are my district, and "The Early History of the American Revolution."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, so many persons have asked me to place in the CONGRESSIONAL RECORD appendix C of the narrative of the interim report of the Boston National Sites Commission pertaining to the Lexington-Concord Battle, which lies in my district, because they so much enjoyed appendix B which I placed in the RECORD last week.

Mr. Speaker, the gentleman from Cambridge [Mr. O'NEILL] and the Senator from Massachusetts [Mr. SALTONSTALL] introduced identical bills to establish a national park in that area. A hearing was held on our bills last week and we hope a bill will be reported to the House and Senate and passed. Other cities and towns mentioned in the narrative are practically all in my congressional district. The first blow for freedom was struck in that area.

APPENDIX C—EXPLANATORY NOTES ON HISTORIC PROPERTIES

(Arranged by towns and in nearly the same order as mentioned in the chronological narrative of app. B)

LEXINGTON

Settled as Cambridge Farms in 1642, Lexington was carved out of Cambridge as a separate township in 1713. Cambridge, settled in 1630, and Concord, in 1635, were originally contiguous towns.

Hancock-Clarke House

The old parsonage where John Hancock and Samuel Adams were staying with the Reverend Jonas Clarke when the British marched on the night of April 18, 1775, is about a quarter of a mile beyond Lexington Green in a northerly direction on the east side of the present Hancock Street. At the time of the opening bloodshed, no buildings interfered with the view from the house to the Green and the firing was clearly seen from the chamber windows. The house then stood on the opposite side of the street, but was moved across the road to its present location by the Lexington Historical Society in 1896 in order to save it. The owner from whom the society acquired it emphatically refused to allow it to remain on its original lot, and was proposing to tear it down when the society stepped in and rescued it. The old lot is unobstructed by buildings today and the society cherishes the hope of eventually restoring the house to its former and proper location.

The house consists of two parts, which were erected at different times. The little gambrel-roofed ell, containing a common living room or kitchen and a tiny parson's study downstairs and two low-ceilinged chambers above, was built in 1698 by the Reverend John Hancock, grandfather of the renowned patriot and signer of the Declaration of Independence. The main part, with a large central chimney and two rooms on each of the two floors, is of more ample proportions. It was added in 1734 at the expense of Thomas Hancock, second son of the clergyman and a successful Boston merchant.

The Revolutionary leader, John Hancock, spent 7 years of his boyhood in the home of his grandparents after the death of his own father, the Reverend John Hancock, of Braintree. In 1764, he inherited the large estate of his Boston uncle, Thomas Hancock, and when the Revolution broke he still had close family ties with the old home in Lexington, for his cousin, Lucy Bowes, was the wife of the Reverend Jonas Clarke.

The famous patriot's grandfather lived in the house for 55 years and his successor, the Reverend Clarke, for 50 years. The latter was an outstanding preacher and patriot, and through his sermons exerted a powerful influence in the popular resistance against the royal authority. The parsonage he occupied became a meeting place for patriot leaders and it was natural that John Hancock, his relative by marriage, and Samuel Adams, an important associate in the Revolutionary movement, should seek both his counsel and refuge in his home.

The Hancock-Clarke House owes its existence today to the efforts of the Lexington Historical Society and two clergymen, neither of whom were natives of the town, but who perhaps did as much to save its history in their own age as Hancock and Clarke had helped to make it in another. They were the Reverend Edward G. Porter, pastor of the Hancock Congregational Church from 1868 to 1891, and the Reverend Carleton A. Staples, minister of the First Parish Church, the original religious establishment in the town that had become Unitarian earlier in the century.

Porter, who had had the benefit of advanced study at Berlin, Heidelberg, and Athens before training for the ministry and going to Lexington, was both active in research and prolific as a writer and published much in local history as well as broader fields. Through his writings and travels, Porter never missed an opportunity to call attention to Lexington and in retrospect has been credited with doing "more than any other individual both at home and abroad to awaken the sense and to extend the knowledge of the town's exalted history."

Staples, though born in Massachusetts, had gone as a young minister to St. Louis and served as a chaplain in the Union Army, 1861–62. He did not take up his pastoral work in Lexington until 1881, but from then on until his death in 1904 was constantly occupied with uplifting the town's history as well as its religious life.

In 1884, Staples was instrumental in getting a town meeting to appoint a committee on historical monuments and tablets of which Porter was a member and he was chairman. The committee functioned for a year and with an appropriation of $1,500 put up the stone monuments and tablets that mark most of the sites along the route taken by the British in their march and retreat through the town and that have been mentioned in this report in connection with the chronological narrative in appendix B. This worthy project was the outcome of a

declaration that the "placing of appropriate tablets upon spots and objects associated not only with our town history, but with the history of our country, is a duty which we owe to the memory of the actors in the great event for which Lexington will ever be distinguished."

The next step in promoting the history of the town was the organization of the Lexington Historical Society in 1886. Staples and Porter signed and posted the notice for the first meeting over their names. Among the objectives of the new body, they included "the suitable commemoration from year to year, by appropriate services, of the great event which has rendered the town forever memorable in the annals of our country."

In another couple of years, Staples recognized and had come to grips with the problem of historical preservation. In a paper read before the society on April 10, 1888, he made a strong plea for saving the Hancock-Clarke House. The society was more fortunate than similar groups undertaking such a venture today, for it had 8 years in which to make up its mind and financial worries of less magnitude, finally buying the house and moving it in the fall of 1896 at a total expense, including the cost of a new lot and repairs, of $3,200.

A brick addition was made at the rear of the Hancock-Clarke House in 1902 with a fireproof vault to protect the more valuable possessions of the society, some of which have already been referred to in appendix B. All told, the society's collection now numbers over 2,400 items, the most important being related to the one day in the town's history that also belongs to the Nation.

It is extraordinary but fitting that a bronze tablet placed on a boulder beside the house in 1940 pays tribute to the Reverend Carleton A. Staples, whose endeavors in its behalf and that of the society now make him a part of their illustrious heritage. An important objective in the society's program was to encourage a better observance of the notable day in the town's history. Legislation to make the 19th of April a legal holiday in Massachusetts was initiated in 1894 and auspiciously achieved in 1904 to mark the year of Staples' death as another one of victory in a cause he had also fostered in order to inculcate respect and veneration for the historic past.

The society has kept the house under circumspect surveillance over the years both from the standpoint of regular maintenance and more thoroughgoing restoration. As a result, the aspect of any alterations or additions of the last century that would now be obviously recognized as incorrect in a dwelling dating back to 1698 and 1734 has been eliminated and the early character of the house fully revived. The major problem, if any, confronting the society in the quest for perfection is the happy prospect that someday the house may be moved back to the other side of the street and then remain forever in the spot where it was witness to events that contributed toward the making of the Nation.

Munroe Tavern

This structure is the principal building that survives as a permanent reminder of General Percy's rescue party and its destructive activities while the beaten British expeditionary force was being brought safely within its lines. It occupies an elm-shaded knoll on the west side of Massachusetts Avenue, almost a mile southeast of Lexington Green.

The old tavern, which was the second building to be acquired by the Lexington Historical Society, came to the local organization by bequest from Monroe descendants. The spirit in which James S. Munroe gave expression to his thoughts in offering the property to the society in 1911 on behalf of his deceased brother, William H. Munroe, and himself could well be emulated today by potential benefactors. He believed "that those landmarks in our country's history, which have become identified as monuments of great social and political events, ought to be preserved to posterity, not alone for their intrinsic interest but more especially for their power in bringing to the minds and hearts of that posterity a realization of the courage, self-sacrifice, and loyal devotion of our forefathers." The highest aim of the cause of historical preservation could not have been better stated.

The earliest part of the old tavern was built in 1695 by William Munroe. In 1775, it was run by his namesake and grandson, who has been encountered in the chronological narrative of appendix B as a sergeant in the Lexington company of minutemen. The structure was then larger than it is today. Sometime after 1770, an ell containing a recreation hall or ballroom about 60 feet by 20 feet was added at the northwest side as a second rear wing. This ell was later removed, leaving the main house and a single ell that have come down to the present and are maintained in good condition. Ample grounds with large trees provide an unusually attractive setting for the ancient structure. Members of the Munroe family now appropriately occupy part of the house as custodians for the society. The clapboarding of the exterior painted in an 18th century hue of bright red attained by mixing red ochre with buttermilk is a successful example of restoration in color.

Inside, a bullet hole in the barroom ceiling remains as evidence of the exuberance or fright of a Redcoat who discharged his musket. He was but one of many who crossed its threshold during the interval of rest before the united force of 1,700 or more men took up the retreat toward Boston. While the British were in the building and ruthlessly killed the cripple, John Raymond, Mrs. Munroe and her children hid in the woods behind the house.

Besides the visit by the British, the Munroe family had memories of one made under happier circumstances by the great leader who in the end prevailed over the common foe. On his tour of New England in 1789, General Washington was entertained at the Munroe Tavern on November 5. Several articles of furniture and household effects that he used have been carefully preserved and are shown to visitors.

Like the Hancock-Clarke House, the Munroe Tavern possesses many objects dating from the Revolutionary time. The exhibits are subject to periodic rearrangement and improvement by the society, but for the most part the building offers no serious or unsolved problems in preservation or display.

Buckman Tavern

The oldest of a dozen hostelries that did a thriving business in Lexington before the age of rapid transportation, the Buckman Tavern is also the one most intimately associated with the initial exchange of shots in the Revolution. Its walls still bear the scars left by British musket balls. Opposite the east side of the Battle Green, it appears in the background of almost every illustration depicting the brief contest between Major Pitcairn's platoons of light infantry and Captain Parker's double row of undaunted minutemen.

The original structure was erected about 1690 by Benjamin Muzzey, who in 1693 was licensed to keep a public house. A section of an original sidewall with its interesting clapboards was saved when a later addition was made and can be seen in the present building, which by 1775 had taken on the form it has for the most part kept ever since. Some restoration, to be sure, has been necessary and some yet remains to be performed. It is certain, however, that in the end results as satisfactory as those at the Hancock-Clarke House and the Munroe Tavern will be achieved.

The tavern takes its name from John Buckman, who in 1775 was the proprietor and also a member of the Lexington company of minutemen. His public house was a convenient gathering place for his comrades in arms on the days they trained on the green, and it was natural they should assemble there again during the evening and through the night that preceded the arrival of the King's Regulars. The first village store was located in the building, and in 1812 it housed the town's first post office.

The effects of these and subsequent uses had to be eradicated after the structure was acquired by the town of Lexington in 1913. With the grounds that surround it, the tavern provides a verdant border and significant extension of the triangle formed by the battle green. The Lexington Historical Society, already the owner of the Hancock-Clarke House and the Munroe Tavern, made a generous contribution toward its purchase by the town and under a 99-year lease took on the task of furnishing the building and showing it to the public. The officers and members of the society have persisted in this role with steady and satisfactory progress.

In addition to being exhibited as a historic house museum, the old tavern, which retains its 18th century taproom with a huge fireplace on the large central chimney, serves as the headquarters for the Lexington Minute Men, Inc., an organization which helps to keep alive the traditions of Captain Parker's company.

Lexington Green

Most important of the historic properties in Lexington being protected under local auspices is the common or green, where the short but famous skirmish with the expeditionary force sent out by General Gage occurred at sunrise on the day that was to initiate the long struggle for American liberty.

The common came into existence in 1711, 2 years before the town of Lexington itself was incorporated, when the inhabitants of Cambridge Farms bought an acre and a half of ground around the first meetinghouse. The latter had been erected in 1692, the year after Cambridge Farms or the north precinct of Cambridge, first settled about 1642, had been set off as a separate parish. A second meetinghouse replaced the first in 1713, the year Lexington achieved identity as a distinct town. This meetinghouse is the structure that shows up behind the British troops at the east end of the common in most of the prints and paintings illustrating the first fatal shedding of blood on the 19th of April. The initial purchase of land in 1711 had cost the inhabitants £16. In 1772, £25 more was expended by the town to enlarge the common by an acre.

The second meetinghouse, which would be a historic building of real significance if it remained today, gave way in 1794 to a third building, which burned in 1846. The new First Parish Church, completed the next year in the Greek revival style by the architect, Isaac Melvin, did not follow its predecessors on the green, but was erected opposite the southwest corner facing the triangular plot of hallowed ground. The approximate site of the first three meetinghouses, which served the community for 154 years, is marked by a stone monument in the form of a pulpit.

Monumentation, in fact, is the prevalent manner of treating the spots of historical interest on the green. It was also the site used in 1799 in creating a permanent memorial to the martyrs who now rest in peace not far from where they fell on the fateful morning. The so-called Revolutionary Monument, near the southwest corner of the common, is of outstanding interest not only for the eight victims of the action it commemorates, but for its pleasingly simple

design and forthright spirit of patriotism that were typical of the best examples of monumentation in the days of the early Republic. It comes somewhat as a shock to learn today that the Lexington Monument Association, organized in 1850, experimented with the idea of superseding it with a more fashionable monument, which without doubt would have expressed the degenerating taste of that age.

The Revolutionary Monument was built, as it states, "under the patronage and at the expense, of the Commonwealth of Massachusetts," on the site of the first schoolhouse the town had voted to "erect" in 1714. A plain shaft of granite, its south face bears an inscription that the ardent patriot and respected clergyman, the Reverend Jonas Clarke, lived long enough to compose and doubtless took rewarding satisfaction in dedicating as "sacred to liberty and the rights of mankind, the freedom and independence of America, sealed and defended with the blood of her sons."

The bodies of the eight minutemen who were killed on the Battle Green, were first interred together in one lot in the Old Burying Ground nearby, but on April 20, 1835, their remains were taken up and laid in a tomb constructed in back of the Revolutionary monument. The ceremony was the occasion for a stirring address by the famous orator, Edward Everett.

Other features of the Battle Green today are two inscribed boulders, a life-size statue of a minuteman, and a very tall flagpole for the national emblem and a scroll bearing the town's favorite sentiment or watchword, "Birthplace of American Liberty." One of the boulders marks the site of the Old Belfry, which was not placed on the meetinghouse but stood as a small separate structure on the south side of the Common near the meetinghouse from 1768 until 1797. Like the meetinghouse and the Buckman Tavern, the Old Belfry is depicted in most of the illustrations of the engagement on the Green. It is debatable whether revival of the Old Belfry on the Green, where it rang out the alarm on the eve of the Revolution, would not have been preferable to returning it to its original location of 1761 on a hill out of sight just south of the Green. In 1891, however, it was removed to the hill from the Parker Homestead, about 2 miles away, and reproduced there again after a destructive gale in 1909.

The second boulder on the Green, not far from the northwest corner, identifies approximately one end of the line where Captain Parker's courageous company formed and waited to defy Pitcairn's light infantry. Also inscribed on the smooth face of the boulder are the appropriate symbols of a flintlock musket and powder horn and the inspiring order delivered by Captain Parker to his men:

"Stand your ground. Don't fire unless fired upon. But if they mean to have a war, let it begin here."

The most ostentatious example of monumentation on the Green stands at the easterly corner facing the thoroughfare the British marched up at daybreak to find Captain Parker's little band drawn up to oppose them. It consists of a statue of a minuteman by the sculptor, Henry H. Kitson, perched on a pile of rather obviously contrived rocks over a stone fountain, that is now a nostalgic reminder of the days before all carriages became horseless. The statue and the public watering place "for men, horses, cattle and dogs" were unveiled in 1900 and collectively are known as the Hayes Memorial Fountain. A bequest to the town of $10,000 under the will of Francis B. Hayes, who was not born in Lexington but saw fit to become one of its benefactors, was used for the purpose. The project was conceived and carried out by a committee of which the ever active Rev. Carleton A. Staples served as the guiding light and chairman. A common misconception exists that the statue represents Capt. John Parker. It is in fact an ideal likeness of a minuteman, for no picture nor revealing description of Captain Parker has ever been found.

As a result of the additions made between 1885 and 1900 by the public-spirited generation of which the Reverend Staples was a striking example, the Battle Green was transformed from a casually maintained open space for the common use of the inhabitants into a monumental park. Prior to that time, the Green had been enclosed by stone posts and connecting rails and was used for playing baseball and other games. The Revolutionary monument was the only evidence of its importance as a historic site. The situation changed not only because of the growth of an interest in the town's illustrious history but the inception of new ideas about village improvement, ornamental planting, and park development. In this direction, the Lexington Field and Garden Club, which began to function in 1876, turned its hand and by another decade made its influence perceptibly felt in effecting a well-kept and planted appearance that the Common has retained ever since.

The Battle Green and the adjacent Buckman Tavern now comprise the major part of one of the three historic districts in Lexington that are protected by an act adopted at the State level in 1956. The other two districts have been set up for the benefit of the Hancock-Clarke House and the Munroe Tavern, both of which have been discussed in preceding sections of this appendix.

In conjunction with these historic districts, a historic districts commission functions with powers and duties directed primarily toward the proper control of changes that may take place amid the surroundings and settings of the significant landmarks specified. The basic legislation embracing both the districts and the commission is chapter 447 of the Laws of the Commonwealth of Massachusetts, approved June 11, 1956, and is provided for reference as appendix D. The districts themselves are shown on the comprehensive plan for the battle road in appendix F.

The principal manner in which Lexington's historic districts commission thus far has had occasion to act more or less parallels that of an architectural board of review. As the preparation of this report draws near completion, the full scope of the commission's authority is being put to a severe test by a church organization in need of expanding its plant in direct view of the historic Battle Green. Whatever the outcome, the concept of the historic district is an intelligent innovation and, from the standpoint of historical preservation, is an encouraging step in the right direction. At the very least, it furnishes the consoling assurance that, in anticipation of changes or improvements inside the boundaries of an established district, proper thought and consideration, as never before, will be given to saving historical values in their fullest implication.

The course that is now set by the town of Lexington and the Lexington Historical Society for the preservation of the well-known Revolutionary battle site and the several buildings along the historic wayside holds great promise of ground henceforth to be gradually gained instead of lost. To be sure, the compulsion to make any drastic changes or improvements in these areas is of less moment in this century than it was in the last. It certainly is not necessary to duplicate the feats of a previous generation in putting up monuments on Lexington Green.

The Green, however, could be made more interesting as a historic site than it is today. A definite need exists for better interpretation and interpretive devices that will provide better aids to visitors and more details about the opening encounter with the Redcoats at dawn and its relationship to other incidents of the historic day. A plethora of signs is not the solution to the problem. Yet more is desirable than the shreds and fragments the untutored visitor has to pick up here and there.

Restoration, to be sure, can be carried to excess, but in the case of Lexington Green the reappearance of the Old Belfry that sounded the alarm after midnight and the meetinghouse that was the first target of the British artillery would enhance the historic setting and distinctly recreate more of the Revolutionary atmosphere that alone is suggested today by the presence of the Buckman Tavern.

With a view toward exploring these ends and as a field in which progress might be made in the years that lie ahead, the Commission is of one accord in recommending that the town of Lexington and the Secretary of the Interior enter into a cooperative agreement as provided by the authority of the Historic Sites Act of 1935 (49 Stat. 666), the text of which may be referred to in appendix E of this report. In any case, a formal realization of mutual understanding and cooperation on the part of the town and the Nation is a preliminary step that will need to precede the larger aims and objectives for a national historical park that are proposed in the main body of this report.

Muzzey House

A full 5 miles of rural landscape lay between the outskirts of the villages of Lexington and Concord in 1775. Not less than 16 houses, and probably more, were then close enough to the road that crossed this stretch of agricultural countryside to be identified as landmarks along its path. Of these, eight are still standing today and five of them receive some measure of treatment under separate headings in this appendix.

The sole survivor in Lexington is the Muzzey House, just west of the Bluff and not far from the Lincoln line. Built about 1743, it is notable as the home of Yeoman John Muzzey, a minuteman himself and the sire of minutemen. His sons, John and Thaddeus, saw military service in the common cause after the 19th of April and the eldest of his offspring, Isaac, was one of the eight martyrs who gave their lives in the bloodshed at sunrise on Lexington Green.

The Muzzey House, in the 18th century, was a constituent and functional part of the homestead at Muzzey's farm, containing some 40 acres of fields, pastures, and woodland. The barn and other outlying buildings are now gone, leaving the old house as the only remaining structure of what was once a farm group typical of colonial New England. The house itself formerly had appendages at the rear besides the remaining lean-to that rises to a height of two stories.

The farm passed out of the hands of the Muzzeys in 1845, when an administrator's sale was held in order to settle the estate of John Muzzey's grandson and namesake. During the course of the next century, the farm had more than a dozen different occupants and owners, none of whom represented any enduring association with the place exclusive of Leonard A. Saville, a prominent citizen of the town and an officer of the local historical society, who was in possession for two decades, 1877–97.

It was during the period of Saville's occupancy that a committee appointed at a town meeting became engaged in the task of erecting suitable stone tablets and manuments to identify and commemorate significant sites relating to action and incidents on the historic 19th of April. It was particularly fitting that the granite boulder, weighing some 15 tons, that now marks the line of the minutemen on Lexington Green and that also bears the immortal words of Captain Parker to his company should have

been taken at this time from the old farm of one of their number—Pvt. John Muzzey.

The stoutly framed old Muzzey House suffered from lack of repairs and regular maintenance after the Saville ownership but, with the boom in real estate and demand for suburban housing that has followed World War II, it has been rehabilitated and adapted to the needs of a modern family. The integrity of the main house, which is dominated by a huge central chimney and still retains the original fireplace panels, has not been seriously affected by the postwar improvements. The essentials for a satisfactory restoration remain.

As a structure that is representative of the stanch yeomanry and resolute farmers who furnished the backbone of resistance on the historic day, the Muzzey House merits proper steps to assure its preservation. It is a logical choice for such action, since it lies within the boundaries of the continuous area, reaching from Route 128 to Meriam's Corner, that the Commission recommends for acquisition and unification into a national historical park.

LINCOLN

The town of Lincoln was incorporated in 1754. Prior to that date, the three houses discussed below, which were built in the late 17th and early 18th centuries, were in the town of Concord.

Sergeant Samuel Hartwell House

A typical New England farmhouse of the colonial period, this old dwelling has been added to and operated for about three decades as a country restaurant of real charm and high quality under the name of Hartwell Farm. The present owners claim it dates back to 1636, but the size and shape of this large clapboarded structure, the arrangement of its rooms, and the interior woodwork, including some fine pine paneling, suggest construction possibly as much as a century later.

Sgt. Samuel Hartwell of the Lincoln Minute Men, who occupied the house in 1775, was the fifth generation in descent from Samuel Hartwell, one of the early settlers who came to Concord in 1636. An older house, erected by the first Hartwell, may very well have prepared the way for the present one. The huge central chimney and perhaps a few other features may be partial survivals from a 17th century predecessor.

Sergeant Hartwell was 32 years old and his wife, Mary, 27 when Dr. Prescott rode up to their back door and made them part of a great day in history. The account of spreading the alarm to Capt. William Smith and of other incidents of the day was handed down by Mary Hartwell, who died in 1846 at the age of 98, to her grandchildren, Deacon Jonas Hartwell, Samuel Hartwell, and Mary A. Hartwell Rogers. The grandsons in turn made the dramatic family story available to Frank W. C. Hersey, a native of Lincoln and a Harvard University professor, who finally published the highlights of his earlier exploration of the history of his hometown on the 18th and 19th of April 1775, in "Heroes of the Battle Road." Hersey's narrative is valuable as it fills the gap of episodes in Lincoln, which writer after writer before him, concentrating on Lexington or Concord or both, had left open.

It is almost a century since the Sergeant Samuel Hartwell House passed out of the family. Its use as a popular and sensitively run eating place has doubtless brought many people across its doorstep who otherwise would never have become aware of its existence. If it continues to be operated as it has been by the proprietors who conceived the idea for its current form of exploitation, no harm beyond that already done in order to convert it to its present function may be expected. The presence of safeguards, however, is essential to prevent any future prospect of deterioration or debasing use that would destroy patriotic pride and pleasure in its Revolutionary associations with Samuel and Mary Hartwell.

Captain William Smith House

An earlier house on a knoll east of Sgt. Samuel Hartwell's was the home in 1775 of Capt. William Smith of the Lincoln Militia. The captain was a brother of Abigail Adams, wife of John Adams, the statesman of the Revolution and second President of the United States. A farm with the house had come to Smith through marriage to Catherine Louisa Salmon of Medford, who had inherited it from her mother and stepfather in 1770. The next year Smith and his wife had occasion to mortgage the place to his father, the Reverend William Smith of Weymouth. In 1774, Abigail Adams made a visit to the farm to see her father, a bit of information she relayed to her husband, who was away from home in the cause of the Colonies.

Before moving to the farm, Captain Smith had worked for an uncle, who was a successful Boston merchant. He had become a Son of Liberty, being one of the number who dined at the Liberty Tree Inn in Dorchester on August 14, 1769. Following the opening of the war, he fought at Bunker Hill and served elsewhere in the Revolution. A cloud, however, hung over him the last years of his life and his career had been a checkered one when he died of black jaundice in 1787.

The Reverend William Smith willed the farm back to his daughter-in-law, when he died in 1785, and she lived on until 1823. Her daughter, Betsey, the youngest of six children, who had married James H. Foster of Boston in 1798, then became the next owner. In her prolific correspondence, Abigail Adams mentions the Fosters. She knew Betsey well enough to describe her as possessing "a hereditary spice of the romantic in her constitution." John Quincy Adams, the sixth President, and his son, Charles Francis Adams, continued the family acquaintance and refer frequently in their diaries to calls on their cousins, the Fosters, whose ownership of the farm continued until at least 1875.

About this time the house was subjected to so-called modern improvements. Enough of its early character, however, is left today and enough about it is known to date it before 1700. Described by one authority as "the oldest house in Lincoln," it was probably built soon after Benjamin Whittemore, in 1693, purchased the land on which it still stands.

A neighbor of some 20 or more years ago recalled "that as a boy he helped his father take down the big chimney, 12 feet square in the cellar and built of soft brick made from clay beds on the farm." Early photographs show this huge central chimney had a top of the "ten commandments" style—the shape of "Moses' two tables of stone" being formed by recesses in the brickwork on the front face just above the ridge of the roof. Though this magnificent specimen of colonial craftsmanship is now gone and has been replaced by two smaller chimneys adequate only for heating by stoves or furnace instead of fireplaces, the wide plastered coving under the eaves at the front, the overhangs on both pediments of the main house, and the sparing use of windows in a house originally but one-room deep remain as strong indications of a structure of 17th century origin. An ell at the rear is demonstrated by photographs to be a later addition.

The chronological narrative in appendix B has related the incident of the wounded British soldier who was taken in by the Smiths and died in their home. The house, indeed, is an intrinsic part of the Battle Road and merits measures to assure its protection and revival in connection with the chain of incidents that marked the historic day.

Hartwell Tavern

The house which Ephraim Hartwell ran as a tavern in 1775 was also his lifelong home from 1707 to 1793. Like Samuel Hartwell at the next farm, his ancestor, William Hartwell, had settled at this place in 1636. The older part of the house, on the west side, is a typical specimen of a late 17th century gambrel-roofed dwelling, with but one story clear of the roof. The main house to which it is joined is probably not much later. It has two stories in the clear at the front and a pitch roof which runs as a lean-to down to the first-story level at the rear, forming the shape of a colonial dwelling that sometimes goes by the name of saltbox. Taken together the two parts embody and illustrate much that was common in domestic architecture prior to 1700 and after.

Details of repair work performed in recent years do not correspond with the structure as it appeared in early photographs, but the house is still basically the same and, other than a porch or two, has been spared the misfortune of later appendages. More distressing has been the elimination of farming, not only at this old homestead but also at the other two historic houses in Lincoln already described and the intrusion of contrasting styles of postwar, habitations that threaten to destroy what little is left of an appealing and time-honored setting. The situation may yet be saved, however, and in time corrected by planning in accord with the recommendations provided as part of this report.

CONCORD

A town with a history that goes back to 1635 and, until recently, spared exposure to severe suburban growth, Concord retains much that is rich from the past, including numerous buildings that were standing when Lieutenant Colonel Smith and Major Pitcairn paraded their troops in the public square and initiated the search for military stores.

Old Manse

A structure that looks even more venerable than it is, with its drooping gambrel roof and dusky-colored clapboards, the Old Manse was built in 1769 by the Reverend William Emerson, grandfather of Ralph Waldo Emerson, the famous man of letters. The first to answer the alarm in Concord, he was ever zealous and devoted to the cause of the American Colonies until he died of a fever on the way home in 1777 from Fort Ticonderoga, where he had served the Continental troops as chaplain. He was witness to the initial contest at arms in Concord at the North Bridge, just north of the Old Manse, and the account he left to the turn of events is one of the sources from which historians have benefited. His home was later intimately associated with his grandson, the philosopher and poet, and another renowned figure in American literary life, Nathaniel Hawthorne.

Both the house and the land around it are important as part of the authentic setting for the fight at the North Bridge. The American people are indebted to the Trustees of Reservations, a privately administered but voluntarily supported organization that was chartered in 1891 for the preservation of scenic and historic spots in Massachusetts. The Trustees, through the untiring and strenuous enterprise of their executive secretary and director, Laurence B. Fletcher, raised the money by subscription in 1939 to acquire the house and spare its surroundings, inimitably described by Hawthorne in "Mosses From an Old Manse," from a fate that might seriously have impaired a significant American scene.

The future of the property held by the Trustees seems reasonably assured, yet the plan recommended in this report for enlarging the protected area around the North Bridge and the Old Manse needs to be

adopted in order to cope with any unfavorable eventualities and to enhance an outstanding historic site, which, according to many visitors, is now too small and fragmentary to do justice and pay proper respect to the events they should signify to the thousands of Americans who come there.

The Old Manse has been well managed by the trustees with very limited funds available to maintain and show it to the public. Few historic houses in the country today carry the same conviction of undisturbed authenticity and antiquity. It is expected that the trustees will continue to keep the house unaltered and unimpaired for many years to come.

Wright's Tavern

A landmark more memorable and significant than is sometimes realized today is Wright's Tavern in the center of town. Built in 1747, this ancient, low-studded hostelry, distinguished by its red clapboards and roof of the monitor or double-hipped style, has come down through two centuries with fewer changes than many of its historic contemporaries. Its first proprietor, Ephraim Jones, who ran it until 1751, was a town official and captain in the militia. Facing the meetinghouse on one side and the training ground on the other, the establishment Jones started was destined to be a resort for the conduct of both town and military business, and where, between the meetings of selectmen and committees, the landlord served up refreshments customary to the time.

The place was operated by Amos Wright for only a little while, but this short period included the year 1775 and was of enough moment to associate his name with the old tavern forever. Within a few hours on the 19th of April, both minutemen and redcoats stepped over its threshold, the former congregating there on hearing the courthouse bell ring out the alarm and the officers of the British expeditionary force after their arrival in the public square. No doubt the latter helped themselves to the innkeeper's liquors and one of their number, whether it was the frequently maligned Pitcairn or some bragging subaltern mistaken for him, stirred his sugar and brandy with a bloody finger in expectancy of similar contact with the blood of Yankees before the day would be over.

Wright's Tavern, like several buildings along the route of the British march and retreat, has interesting associations with the local citizens in arms and the invader. On top of this connection, however, the old hostelry boasts an added and greater distinction that is seldom stressed or even mentioned. It is the relationship it bore to important events that transpired in the meetinghouse of the First Parish next door. The latter had been built in 1712 and was where 300 delegates from Massachusetts towns, with John Hancock as president and Benjamin Lincoln as secretary, were "called together to maintain the rights of the people" on October 11, 1774, and remained in session for 5 days. As the Provincial Congress, the assembled delegates assumed the government of the Province of Massachusetts Bay. Through the measures passed at this session and another, which met for 4 weeks before adjourning April 15, 1775, they "prepared the way for the War of the Revolution." The measures passed gave a formal status to the rebellion of the people by ending the payment of taxes to King George and making provision for a force under arms ready to resist his authority.

While the Congress sat in the neighboring meetinghouse, the little inn beside it served as a convenient meeting place for its committees. Their members passed back and forth between the two buildings in prolonged and serious deliberation of the epoch-making business at hand. Thus was the old tavern made doubly significant by its association with the Provincial Congress and the first day of the war.

After 1775, the building did not continue to be a place of lodging and entertainment. For a decade it was a bakery. Then, in 1793, Reuben Brown, the saddler who had put in a busy morning on receiving news of the British march, bought it. For a century thereafter, it was used variously by a liveryman, bookbinder, storekeeper, tinsmith, and shoe dealer. The Society of the First Parish finally rescued it from a precarious future, through the generosity of two of the town's prominent and public-spirited citizens, and, until recently, it again functioned discreetly in its original role as a public house.

The adjacent meetinghouse was briefly the Provincial Capital of the American Revolution. Built in 1712 with its long side parallel to the road, it was three stories high and adorned by neither a belfry nor cupola. Two handsome and imposing church structures in the Classical style of architecture have replaced it, the last in 1901. The modest little tavern nearby, however, where Amos Wright acted as host to the patriots who insisted on being free men, has lived on. It deserves more thoughtful recognition than it receives today as a reminder of that important interval of transition in the struggle with the motherland when Colonial resistance in the form of constitutional arguments came to an end and organized and overt acts of revolution began. The change, to be sure, was essential to the unfolding of ideas about independence and the union of the Colonies to create a new nation.

Reuben Brown House

The saddler, Reuben Brown, who in 1775 also made cartridge boxes and other articles needed by the minutemen, lived about 100 yards east of the meetinghouse and Wright's Tavern. His house and harness shop stood on the north side of Lexington Road along the historic stretch, from the public square to Meriam's Corner, now familiarly known as the "American Mile."

The liberty pole which the British light infantry chopped down as they marched into town had stood on the ridge behind Brown's house. Later in the morning, the grenadiers returned to search the harness shop and, in their zeal to destroy Brown's stock of war materials, set fire to the house as well as the shop, burning off the end of the kitchen before the neighbors could extinguish the flames. The British force under Lieutenant Colonel Smith had received instructions not to destroy private property. Reuben Brown's house proved to be the only private dwelling in Concord that was an exception to this order, and it may be said that it caught on fire by accident. After the British left town, one of their number who had been captured was held by Brown in the house as a prisoner.

The house is one of the oldest in Concord. It was built in 1667 by Col. Peter Bulkeley, a grandson of the Reverend Bulkeley, the first minister and one of the founders of the town. The addition of a vestibule entrance at the front and other refinements now give the structure the exterior aspect of a dwelling erected a century later. Inside, however, the size of the fireplaces on the central chimney, the character of the chimney pieces, and the paneling furnish indisputable evidence of an earlier origin. Several saddlers had occupied the house and shop before Reuben Brown came from Sudbury, not long before the outbreak of war, to practice his craft.

The story of the structure as a historic house museum is more unusual and is as interesting as its relationship to Concord's day of Revolutionary warfare. The house bears the unique distinction of having been one of the first historic houses in the country to be shown to the public as a museum and then retired again to the condition of a private residence, a status it retains today. The occasion for its use as a museum was inspired by farsighted individuals in the town, who conceived the idea of showing a fabulous collection of antiques of great local interest in the properly domestic atmosphere of an old home of appropriate age. The collection was the work of Cummings E. Davis, an ecentric of modest means and man of odd jobs, who, nevertheless, was able a century ago to indulge in the rare hobby of gathering at the cost of a few dollars what have now become treasures of great price.

Fine pieces of furniture by early Concord cabinetmakers and large quantities of glass, china, and other items, highly prized today but out of fashion and unappreciated at the time, were assembled by Davis in a room he rented from the town and shown to the public for an admission charge. This exhibition of antiques had gone on for some little time before it was realized the aged collector would not live forever and the preservation of the curiosities he had brought to light might prove to be a project of permanent interest and value to the community. As a result, the Davis Collection was purchased and arranged in the Reuben Brown House in 1886. The next year, the moving spirits in this shrewdly planned but unselfish undertaking incorporated the Concord Antiquarian Society.

One of the first presidents of the new organization, commenting on the acquisition of the Davis Collection, observed, "It furnishes a nucleus around which in the future will gather many interesting articles that will whisper of the past, and become rarer and more valuable with years." This early officer of the society prophesied even more accurately than perhaps he could dream at the date he wrote. By 1930, the collection of objects belonging to the society had become of such priceless value and extent that it was no longer wise to expose it to the hazards of ordinary protection in the Reuben Brown House. A new fireproof house of suitable design was erected for the rich inheritance of heirlooms, which are now mainly arranged and exhibited in 16 or more period rooms covering the evolution of domestic interiors from about 1660 down to 1840.

The building of the Antiquarian Society, which was put up at a fork in the Lexington road a few hundred feet beyond the old Reuben Brown House, contains a number of objects of such historical importance that they should be briefly mentioned here. Particularly notable is one of the signal lanterns hung in the steeple of the Old North Church. This curio was bought by Capt. David Brown, in command of one of the Concord companies of minutemen in 1775, from the sexton of the historic Boston edifice in 1782. The sword of Col. James Barrett of the Provincial Militia is another valuable relic, as is the musket of one of the two British soldiers killed at the North Bridge. Emerson's study, an exhibit of unusual interest, was moved intact from the great man's home across the street soon after the new fireproof building was completed. It seems assured of permanent survival in its new place of repose.

Meanwhile, the home of Reuben Brown, winding up a cycle of particular note in its existence, became once again a place of habitation for a citizen of the town. Its fortune illustrates a circumstance seldom encountered by groups interested in historical preservation today—that of a historic house being surpassed and outgrown by the abundance and quality of its collections and furnishings.

The house is but one of a dozen or more structures along the route of the "American Mile' that are of surpassing interest because of their association with the opening of the

Revolution, later 19th century literary figures, or simply because they are old homes that contribute to an inviting atmosphere reminiscent of a way of life that is pursued no more. The places of great literary interest, including Emerson's Home, Hawthorne's Wayside Inn, and Bronson and Louisa May Alcott's Orchard House, have long been open to the public.

Any attempt to put more of the buildings that border on the "American Mile" on exhibition would probably be impractical and prove to be excessive both from the viewpoint of the town and visitors. The aged structures that provide most of the setting for this important stretch, however, should be maintained and protected for all time against the whims of an absent or immature taste and physical growth or change that may be deliberately unsympathetic or merely the outcome of ignorance about the past. A step in the right direction will be taken when the town adopts historic districts legislation of the type already in force at Lexington and on Nantucket. The act that provides protective measures for the historic structures and sites of Lexington has already been mentioned, and the text of the legislation outlining the areas protected by it has been added to this report as appendix D.

Colonel James Barrett House and Farm

Some of the finest land under tillage in Concord today is on the farm of 100 acres settled about 1660 by the ancestors of Col. James Barrett, senior officer in the Middlesex Militia to answer the alarm on the 19th of April 1775. The farm, which was the final objective of the British march, lies on the north bank of the Assabet River about 2 miles beyond the North Bridge and not quite so far from the point where the Assabet and Sudbury join to form the Concord River.

The importance of the Barrett family in the vicinity in colonial times is demonstrated by the fact that the surviving Barrett house, built about 1725 to 1750, stands beside an old wagonway that is still called Barrett's Mill Road. The site of the ancient mill is yet in evidence beside a stream crossing the modern highway about half a mile before reaching the house. The original barn, sheds, and farmyard the companies of British light infantry searched for arms and ammunition are now gone. But the house, including the attic where musket balls and flints were successfully hidden in barrels filled with feathers, remains intact and is maintained in better condition than it was before the present owner, who operates a truck farm, purchased the property in 1904. The acreage under cultivation has been added to and the place as a whole now embraces nearly 200 acres. Included on the present farm are the same woods in Spruce Hollow beyond the field in back of the house that received kegs of powder and other stores it was so essential to conceal from the enemy.

Besides some of the outlying buildings, the stone walls which show up in early photographs as a picturesque part of the historic setting are also entirely missing. It is an oral tradition that no rocks were to be found on the alluvial formations of the fertile river bottom land. The Barrett pioneers, nonetheless, in true Yankee fashion insisted on having stone walls and by ox team carted the material to make them from the neighboring town of Acton.

The two-story frame house is of the typical central chimney style, with a three-story wing at the west end known as a jutby, presumably added after the Revolution. The interior woodwork around the central chimney has lost none of its 18th-century character as the result of subsequent painting. The stairway, of three flights to a story, rises in its original manner in front of the chimney. The front room to the right of the chimney on the first floor was Colonel Barrett's "muster room," where he conferred with fellow officers and examined recruits to augment the forces of the militia. The last member of the Barrett line was still living in the old house when the current proprietor first became familiar with it over half a century ago.

The prospect of the family of the present owner continuing to operate the place for large-scale vegetable gardening and field crops is promising, despite the fact that new dwellings are beginning to appear around its border. The most surprising thing about the house and site is the fact that they are not marked nor identified in any way to call attention to their historical significance. The farm and house were apparently so far out in the country in 1885 that a committee then appointed by the town on the occasion of its 250th anniversary to erect historical tablets did not consider them accessible to visitors. Seven tablets relating to the colonial and Revolutionary history of Concord, however, were erected elsewhere in the town, on boulders and in stone walls.

The Barrett Farm, of course, is much more easily reached today than it was in 1885. A hard-surfaced highway passes the house. Proper steps, therefore, to reveal its identity and importance should be taken at the first opportunity. The place was still a part of American history in the literature and schoolbooks of half a century ago. It is now time to rectify the neglect and oblivion that have crept over this farthest reach of the British march into the country on the opening day of the Revolution by the erection of a suitable marker that will bear a distinct relationship to other markers needed along the entire route traversed by the Redcoats.

North Bridge

The river crossings the commander of the British expeditionary force was especially anxious to secure were in opposite directions from Concord's public square. They were the North Bridge and the South Bridge. The North Bridge, a half mile out Monument Street beyond the square, is foremost not only among Concord's historic sites but those of the entire Nation. It is the location, moreover, of what is perhaps the country's most familiar piece of sculpture in bronze and virtually its universal symbol of patriotism—the renowned Minuteman Statue, first shown as a small plaster model in 1873 by Daniel Chester French, a 23-year-old resident of the town, and unveiled 2 years later at the centennial celebration of the epochal fight at the bridge.

A crowd of 10,000, including President Grant and other important officials of the United States, were present on the 19th of April 1875, when the statue and a new bridge to reach it across the Concord River were properly introduced to the public in elaborate ceremonies. The statue was received at once with enthusiastic approval and its popularity and fame have grown ever since. A cut of it is known to almost every American today as a reassuring pledge of the Nation's fidelity to its financial obligations, the inspiring figure of the young and earnest Minuteman appearing on all printed matter relating to sales of Government bonds during World War II and subsequent thereto.

In modeling the statute, French achieved a pleasant blending of reality and idealism in which the sculptor's technical skill in depicting a living man is delicately combined with a poetic feeling that perfectly personifies the American patriot and expresses the finest spiritual quality of our democracy. The great merit of the statue was readily grasped by the general public as well as cultivated critics and accomplished craftsmen. An observant Concord clergyman, writing a sermon on the subject some years later, in a few well-chosen words effectively states the essence of its timeless and wide appeal:

"The Minuteman speaks not to Americans only, but he speaks to the whole race of men in all times and all places. He stands there as the universal embodiment of human freedom. He represents the everlasting protest of mankind against tyranny and oppression."

The dedication of the Minuteman Statue in 1875 initiated the modern existence of the North Bridge as a historic site and brought it before the public eye as it never had been before. Eighteen years after the fight, use of the crossing was abandoned as new bridges to give access to the west bank of the river were built at other locations both upstream and down. The road leading into the North Bridge from the present Monument Street was no longer needed and upon the petition of the Reverend Ezra Ripley, who resided in the adjoining Old Manse, it was closed off and became a part of his cow pasture.

The Reverend Ripley lived at the Old Manse from the time he married the Reverend William Emerson's widow in 1778 until his death in 1841. Over the years, he attained a more or less proprietary interest in the story of the fight and came to regard himself as an authority, publishing a valuable though strongly biased pamphlet on the subject in 1827. He was also very conscious of the fact that he had an important parcel of historic ground in his charge and was fond of talking about it to visitors who called at the Old Manse. If the subject was not introduced in the course of ordinary conversation, the clergyman is reputed to have resorted to a device that never failed to draw attention to it. This consisted of summoning another member of the family into his presence and issuing an order, loud enough to be clearly heard and understood by the caller, to turn the cow into the battlefield.

The Concord River is a sluggish stream and in the spring of the year the slowly moving floodwaters spread out over the low-lying meadows beside it, exerting a pressure in the streambed that is often greater than that in steeper and more rapidly falling bodies of water. The maintenance of bridges under such conditions has always been a problem and the rude wooden structures of yesteryear were no exception. The simple spans the townsmen of Concord began to throw up 300 years ago and continued to build until the days of modern engineering and the use of materials more durable than wood were not infrequent casualties. One bridge after another followed its predecessor and was erected with the certainty that it would eventually be pried loose from its abutments and underpinning by floodwaters and washed away.

The bridge that served as the battleground between the Minutemen and the Regulars survived without mishap until the way to it was abandoned in 1793. It was then considered advisable to prevent any continued attempt to use it by tearing it down. From the second stanza of Emerson's "Concord Hymn," written for the dedication of the first battle monument erected on the east bank of the stream in 1836, a somewhat misleading impression of its passing is given that may be generously accepted as poetic license. Like the enemies who met around it on the fateful April morning, the poet has the bridge disappear, but suggests it was done by the hand of Nature instead of man:

"The foe long since in silence slept;
Alike the conqueror silent sleeps;
And Time the ruined bridge as swept
Down the dark stream which seaward creeps."

After the bridge was gone, the site also "in silence slept," its two old abutments standing empty and only an occasional pilgrim now and then searching out the place

where the initial blow for civil freedom was struck.

The approach of the 50th anniversary of the great events which marked the beginning of the War of the Revolution first aroused thoughts about putting up a permanent memorial at Concord. The general idea of erecting monuments worthy of those patriots "who boldly commenced and triumphantly achieved our national Independence" seems to have originated among a small group of prominent men in Boston, including such famous Americans as Daniel Webster, Edward Everett, and Joseph Story, who in 1823 organized the Bunker Hill Monument Association. The point of view of the men who banded together for this lofty purpose is expressed by the committee which, in their behalf, petitioned the Massachusetts Legislature for passage of an act to incorporate the association. In their petition, the committee explained their cause as follows:

"Emerging from the war for Independence, we have advanced in the routine of national glory with a rapidity unprecedented in the annals of empires; but, during our cheering progress in agriculture, manufacturers, commerce, literature, science and the arts, we appear to have been sufficiently mindful of the infinite obligations we are under to those who braved the hardships, privations, and dangers of the conflict, for the boasted privileges we enjoy. No monument designates the ever-memorable heights of Charlestown, or Saratoga, the plains of Trenton, Monmouth, or Yorktown."

The next year, the association prepared an address, appealing for subscription of funds, that was sent to the selectmen of every town in Massachusetts. Along with a plan to raise $75,000 to purchase the land in Charlestown where the Battle of Bunker Hill had been fought on June 17, 1775, and to build there the "grandest monument in the world," the association also proposed "to erect a suitable monument at Concord, where the first conflict was had, bearing proper inscriptions to commemorate the glorious spirit of independence which manifested itself there, and the names of the men who fell there, and whose memory should be forever cherished and honored."

The association felt that it was important to lay the cornerstones of the monuments proposed for Concord and Bunker Hill on the occasion of the semicentennial anniversaries coming up at both places in 1825. In order to encourage this step being taken in proper time, the association promised to make a grant of $500 for the monument at Concord. Edward Everett, the renowned orator and secretary to the standing committee of the association, who had also just been chosen a Representative to the 19th Congress, furthermore, agreed to assist in making the proposed celebration a success by attending and delivering the principal address.

The cornerstone was laid as planned on April 19, 1825, in ceremonies according to the Masonic form by the local Corinthian Lodge, with no less than 60 veterans of the "Concord Fight" in attendance, "distinguished by badges commemorative of the event." The cornerstone, however, was not placed where the epoch-making encounter had occurred half a century before, but by vote of the town "near the town pump" on the public square, nearly half a mile away from the North Bridge.

It was to be expected that the erection of a monument so far removed from where the historic action had taken place would be protested and a later historian of the Corinthian Lodge bears this out. He records, "A large number of the citizens of Concord disapproved of the selection of the site for the monument" and goes on to tell what they did about it. During the following winter, "a sham monument about 20 feet high, was erected in the night time—of empty casks and boards—over the foundation of the monument" or cornerstone. It bore the following inscription:

"This monument is erected here to commemorate the battle which took place at the North Bridge."

The next evening the hastily contrived structure was put to the torch and the fire produced such an intense heat that the cornerstone was ruined beyond repair. The town had received the contribution of $500 promised by the Bunker Hill Monument Association and placed it in the hands of three trustees, but disagreement on the question of locating the monument apparently remained so rife that nothing further was done about it until the next decade.

Finally, in 1834, the Reverend Ezra Ripley, approaching the final years of a long and useful life, offered some proposals that proved to be gratifying and acceptable to the town. They were put on record as follows:

"That a monument be erected near the site of the ancient bridge (North Bridge), and Dr. Ripley offers to give for that purpose a piece of land 80 feet wide measuring from the wall southerly, and from a point 90 feet easterly of the great elm tree to the middle of the river, with a passageway leading to said piece of land from the county road 30 feet wide within the walls, on conditions that the grounds be fenced with a good stone wall, and that a monument be erected within 3 years from the fourth day of July next; and, further, that a water course be made and kept open near the road at the entrance of the passageway."

In accordance with this offer, Dr. Ripley 1 year later gave back to the town some of the land he had gained as pasture for his cattle in 1793. When construction of the monument went forward, in 1836, and the parcel of ground was found to be too narrow to accommodate the monument and to permit an adequately spacious approach to it, he enlarged his gift of land by immediately drawing up a supplemental deed that provided for a passageway with a minimum width of 40 feet clear of the walls.

The so-called Concord Monument that was then erected was designed by Solomon Willard, who had achieved fame as the architect of the great but as yet uncompleted Bunker Hill Monument. In comparison with the latter, which was to rise to a height of 220 feet the Concord project was a modest one, the granite monument in the shape of an obelisk, 25 feet high, consisting of but four pieces cut from a boulder found in the woods of the neighboring town of Westford. A slab of white Italian marble was inserted on the east face of the plain shaft, with the following inscription attributed to the Reverend Ripley:

"Here, on the 19th of April 1775, was made the first forcible resistance to British aggression. On the opposite bank stood the American Militia. Here stood the invading army, and in this spot the first of the enemy fell in the war of that Revolution which gave independence to these United States.

"In gratitude to God, and in the love of freedom, this monument was erected, A.D. 1836."

The monument was finished and enclosed by an iron fence, and the land fenced by a stone wall as required by Dr. Ripley prior to July 4, 1837, the date he had set for the expiration of his proposals. On that day, the citizens of Concord and surrounding towns held suitable exercises to dedicate the new monument. A most notable part of the ceremonies from our perspective today was the singing to the tune of "Old Hundred" of Emerson's famous "Concord Hymn," written specifically for the occasion.

Expenditures of $882.61 had been incurred for the work on the monument and walls, which was done through a building committee of seven members appointed by the town. The grant of $500 from the Bunker Hill Monument Association had grown while being held in trust to $697.36, and subscriptions from 20 inhabitants of the town, including members of the building committee, netted $185.25 to cover the total cost of the undertaking.

The old road or passageway leading down to the new monument beside the river presented rather a bleak and barren appearance devoid as it was of any quantity of trees or other shade. The committee, therefore, made an appeal for a donation of trees to be placed in double rows on either side of the old road in order to form a pleasant avenue to the monument. The plea of the committee was not in vain, for on the 63d anniversary of the fight in 1838 it is reported that "upwards of 200 trees were brought in an planted on that day, consisting of elm, buttonwood, maple, white oak, larch, fir, pine, ash, hickory, and horn beam." Thus was an initial attempt at formal monumentation carried out, more acceptably perhaps than might have been the case some years later.

The Concord Monument definitely marked the position the British troops under Captain Laurie had taken in the fight and where some of them had become victims of the volleys of musket balls poured down by the minutemen. Back in 1825, the question of laying the cornerstone at the bridge or in the public square had been bitterly disputed. Whether the monument should be on the east or west bank of the river now became a matter for controversy. Some citizens of the town felt strongly that the monument should have been erected where the minutemen rather than the British had fallen. The absence of any bridge to reach the farther side of the stream whence the minutemen had advanced, however, had posed a practical problem. When the monument was finally built, the issue had been resolved with the least trouble by accepting Dr. Ripley's donation of land on the same side of the river as the road by which the monument would be mainly approached.

The fact that the monument had in the end been placed at the British position on the east bank of the river and no stone designated the spot on the other side, where Major Buttrick had given the order to fire and Capt. Isaac Davis and Abner Hosmer of the Acton Minute Men had been killed was a source of deep chagrin and dissatisfaction to one of Concord's best known inhabitants and personalities. Ebenezer Hubbard, who lived in the house where his grandfather had entertained John Hancock and other members of the Provincial Congress that had paved the way to Revolution, was sorely distressed and was determined to correct the sad state of affairs. As a child, he had seen the battle bridge and was acquainted with some of the participants in the fight. The fulfillment of his desire to have the bridge renewed and the site marked where the patriots had first directed their fire upon the enemy became so important to him that when he passed on in 1870 he left in his will the sum of $1,000 "towards building a monument * * * on the opposite side of the river from the present monument." Before his death, Hubbard also placed in the hands of the town treasurer a fund of $600 to be used for erecting a bridge on the site of the old one.

A committee to consider action on Hubbard's bequest was appointed at a town meeting in 1872. A year later, this committee recommended that the town should accept the gift of its patriotic benefactor and "procure a statute of a Continental Minuteman, cut in granite, and erect it on a proper foundation, on the American side of the river with the opening stanza, quoted below, from Emerson's immortal poem en-

duringly engraven for an inscription on the base":

"By the rude bridge that arched the flood,
Their flag to April's breeze unfurled,
Here once the embattled farmers stood,
And fired the shot heard round the world."

It was also recommended by the committee "that a suitable bridge be constructed to give access to the spot," and, finally, that the work on both the statue and bridge "be completed and dedicated on the 100th anniversary of the day."

The plans of the committee, which before it was through included Emerson among its members, were carried out with only slight deviations from its original recommendations. Daniel Chester French, a talented young citizen of the community, who was then training in Boston for his preeminent career as a sculptor, sought the commission for the statue. The meaning and significance of the design he went to work on and fashioned have already been discussed. The model, only 27 inches high, was that of the now famous figure and likeness of a typical minuteman of 1775 that stands at the farther side of the bridge—a young farmer, with musket in hand, leaving his plow to answer the alarm of the British march.

Complete confidence in the ability of the inexperienced young sculptor was expressed at a town meeting presided over by Emerson in November 1873, when his model was accepted without dissent as the design for the statue. At the meeting, the sum of $500 was also appropriated toward the expense of having French make a full-sized model. As a workshop for this job, French rented a room on the third floor of the Studio Building at the corner of Tremont and Bromfield Streets in Boston and during the following winter turned out the 7-foot figure in clay from which the well-known statue in bronze was to be cast.

Though the initial plan of the committee had called for a granite statue as well as a granite base to bear the familiar inscription by Emerson in verse, bronze was finally selected as the material most suitable for French's design and most durable for the climate. The importance with which the undertaking was now regarded was appropriately demonstrated by bringing the Nation into the picture and making it one of the contributors and participants. Through legislation introduced by E. Rockwood Hoar, a prominent citizen of the town and a member of the 43d Congress, an act was passed and approved April 22, 1874, authorizing the Secretary of War "to deliver to the municipal authorities of Concord, Mass., 10 pieces of condemned brass cannon, to be used in the erection of a monument at the Old North Bridge, to commemorate the first repulse of the troops of Great Britain in the war of the Revolution, on the 19th day of April, 1775." The cannon were sent soon afterward to the factory at Chicopee, Mass., where the statue was cast during the following autumn and winter.

While final plans for modeling and producing the bronze statue were being worked out, preparations progressed for the centennial anniversary and dedication at the bridge. Stedman Buttrick, grandson of Maj. John Buttrick, who had ordered the Militia to fire on the British, cooperated in the project to the extent of donating to the town a quarter of an acre of ancestral ground beside the old abutment on the west bank of the stream "for the purpose of erecting a monument there, and for no other purpose, and on condition that the grantee shall make and forever maintain a fence around the same, and that a bridge shall be constructed across the river, from the easterly side, to pass to the above premises, and without any right of way over my land."

It was now certain that a bridge spanning the river would have to be built in order to provide access to the spot chosen for the minuteman statue. The task of constructing the bridge, consequently, went forward during the summer and autumn of 1874. An unusual opportunity was provided the committee to engage seriously in restoration work in an era in which highly stylized and formal monumentation was the prevailing pattern and objective in dealing with the great places of history. The committee, in fact, saw the possibility of building a replica of the old battle bridge "in its essential features" on the basis of pictorial evidence furnished by the wood engraving of Amos Doolittle and paintings by Ralph Earl, two artists in the Connecticut Militia, who from Cambridge visited the scene of the fight several weeks after it occurred and drew sketches.

The committee found in Doolittle's and Earl's work "that faithfulness of detail which characterizes most untutored art," but in the end they could not rise above the affected elegance in fashion at the time and even on a "rude bridge," some 100 feet long, slightly arched and supported by half a dozen rows of piles, had to attach some fripperies that would put the stamp of their own age upon it. A member of the committee, the report of the centennial celebration reveals, "generously undertook to add some decoration to the rigid simplicity of the old model" and procured a plan from a Boston architect to suit the ornate taste of the day. The report describes as follows the embellishments, that no doubt were considered quite an improvement artistically over the Doolittle and Earl delineations of the original battle bridge:

"The place of the rough railing of 'followers' of the old bridge was supplied by a paling of graceful pattern, made of cedars with the bark on; and two rustic half-arbors were placed in the middle of the bridge, projecting over the water, with seats where pilgrims might sit and watch the quiet river brimming its meadows."

It was regrettable that the faithful work and historical accuracy of the sculptor of the minuteman statue did not prevail also in constructing the new bridge for the centennial. Like the taste of the age it represented, however, the bridge was not destined to last forever and was washed away by a flood in 1888. Its successor, which was put up soon after, was a sturdier structure and endured for 20 years. This time the builders aimed not to have their work undone so readily and gave more size and strength to the structural timbers. The dainty aspect of cedar palings and rustic arbors or canopies on the centennial bridge was now missing as heavy piles, posts, railings, and diagonal props created an effect just the opposite.

Despite the noble effort to achieve permanence, the bridge of 1888 went out in 1908 and the next year was replaced by a span that the selectmen of the town hoped might be the final solution to the problem of floodwaters. The original as depicted in the famous print by Amos Doolittle was followed closely as only the fewest number of structural members essential to hold the structure together were reproduced in concrete, and opened as the new pathway across the stream.

The artificial but new and highly popular building material was hardly the thing to represent accurately the "rude bridge" of the heroic forefathers. Though the mistake in using it was eventually recognized and abhorred, the material lived up to its reputation for durability and the concrete bridge remained unimpaired for a long time. No excuse provided sufficient impulse to get rid of it until a structural weakness developed in the great flood that accompanied Hurricane Diane in August 1955, and the Department of Public Works of the Commonwealth of Massachusetts agreed to build a replica of suitable materials from funds appropriated to repair flood damage.

A sketch based on a study of the features of the bridge shown in Doolittle's engraving was prepared by a well-known historical architect and used as the source for the engineer's detailed structural drawings. The new bridge was built by a contractor for the Department of Public Works at a cost of approximately $48,000 and dedicated on September 29, 1956. The posts and rails of this most recent of replacements are handhewn and the structure as a whole, exclusive of mill-sawn planking and bolts and nuts to hold the framework supporting the posts outside the rails, is a reasonably good reproduction of the original. It represents a rare if not the sole instance in which the Commonwealth of Massachusetts has actively participated in any major reconstruction or restoration work on a site or structure of outstanding significance. Too often, sites or structures of historical importance have been unwittingly or carelessly obliterated or transformed by agencies of the State.

Besides the Concord Monument, the Minuteman Statue and the replica of the battle bridge itself, the North Bridge area is also the burial site of the two British soldiers who fell in the fight but were not carried away by their fleeing comrades. Their grave is beside the stone wall on the left side of the tree-lined lane close to the bridge. For years, the grave was identified only "at head and foot" by "unhewn stone." Finally, "some English citizens of Waltham" were prompted in 1875 to enclose it by stone posts and iron chains and to have a squared block of granite placed on top of the wall with the words "Grave of British Soldiers" inscribed on the exposed face. An anonymous donor gave the present slate tablet to the town in 1910. It was inserted in the wall underneath the old granite block, which now had its inscribed face turned down so it no longer showed. The same words, however, were cut on the new slate slab as a heading for the following lines from a poem James Russell Lowell was inspired to write after a visit to the spot many years before:

"They came three thousand miles, and died,
To keep the Past upon its throne;
Unheard, beyond the ocean tide,
Their English mother made her moan."

Soon after World War I, the British Naval and Military Veterans Association of Massachusetts got interested in erecting a more impressive memorial to their fellow Britons of the earlier conflict and plans were laid to raise $10,000 for a monument, 6 feet high, depicting the Lion and the Eagle in a suitably symbolic manner. The plans, however, never materialized and a site that is too small to receive any more manifestations of monumentation was spared an addition that could not have been appropriately absorbed. The grace and simplicity of the slate tablet and Lowell's verses seem right for the place. Never again should occasion arise to dispute their preservation and survival as part of the battle site.

The number of visitors at the North Bridge increased rapidly in the decade that followed World War I, especially those from a distance who arrived by sightseeing buses and private automobiles. As late as 1926, an employee of the Commission, who was then a boy of high school age, recollects the congestion of motor vehicles and lack of adequate space for them around the Concord Monument at the eastern abutment of the bridge as a bus he was on tried to make a turn around the granite shaft.

The problem was shortly recognized, as the Old North Bridge Protective Association, a civic-minded group made up of a few

keenly interested citizens, came momentarily into existence to study it and to work out an arrangement that would take care of the objectionable vehicular traffic and keep it out of the historic site. Some thought was given to acquiring the house lot and parcel of ground that lie north of the lane approaching the bridge and placing a parking area in that location. Plans for constructing the new fireproof museum building of the Concord Antiquarian Society were also first projected about that time and a site for it adjacent to the proposed parking area was shown on a layout prepared for the Protective Association. In the end, however, the property was not acquired and the plan was abandoned as the so-called Antiquarian House of the Society was erected on Lexington Road not far from the Reuben Brown House it then occupied.

The problem was finally resolved in 1929 as the triangular plot of ground on the east side of Monument Street, directly opposite the entrance to the lane or avenue that leads down to the bridge, was purchased by the town of Concord. The development of the present parking area soon after provided sufficient space for automobiles and buses, and it was possible henceforth to close the approach to the bridge to all vehicular traffic.

The construction of an ample parking space for visitors took care of an immediate and pressing problem, yet it did not fulfill all of the needs of the North Bridge area. The latter is presented to the American people today with neither the sufficiency in scope nor degree of excellence that is commensurate with its place in the Nation's history. A fundamental deficiency is that of size. The historic site barely covers the immediate battleground at the bridge and is even smaller than its parking area.

It is particularly inadequate from the standpoint of the visitor who is interested in comprehending the relationship of events on the historic day. The occasion for seizure of the bridge by the British light infantry in the first place was to protect the crossing it was essential for the companies to use that marched on to Colonel Barrett's farm and to prevent the movement of any force of patriots into the town while it was being occupied and searched by Colonel Smith's grenadiers.

Far from conveying any impression of being used for such strategic purposes, the bridge, in the physical landscape that surrounds it today, appears erroneously to mark the terminal point of the British march. The path across the bridge ends abruptly at the Minute Man Statue and a heavy screen of shrubbery behind it bars any outlook on the low-lying and spring-flooded riverside meadow, where the old road once passed over a causeway until it reached higher ground and then swung upstream beside the river toward the Barrett Farm. The shrubbery also conceals the brow of Punkatasset Hill, where the minutemen had their muster field and assembled before descending on the Redcoats at the bridge. On the opposite side of the river, moreover, the wooded slope of Ripley Hill that was occupied by part of the American force both before and after the fight at the bridge lies unrecognized and forgotten.

It is the considered opinion of the Commission that the present historic site at the North Bridge should be expanded at its borders to include the properties named above. In addition to these properties that have a direct bearing and relationship to the fight and, furthermore, are needed to improve interpretation of the great event in the public interest, sufficient buffer strips should also be either purchased or assured permanent protection by other means in order to forestall residential development or other use that would further mar the existing historical scene. The enlarged boundaries of an adequate historical area for the North Bridge as a whole, including buffer as well as strips of historical significance, are shown as part of a plan relating to the Battle Road that accompanies this report. They are also covered in a more general way in the Commission's recommendations.

The North Bridge area is certain to be visited by an increasing number of Americans and foreign travelers in the years that lie ahead. The famous Minuteman Statue is a constant source of inspiration and interest to thousands of citizens, and, since the new replica of the battle bridge was completed last year, the upsurge of visitors has been noticeable. No attendance records have been kept as no guides or other attendants are provided at the site by the town. A conservative estimate of visitation, however, is 150,000 persons annually, and it is likely that an actual count might show a figure of 250,000. A spot check made at the bridge by an employee of the Commission over the course of a half hour in the afternoon of a day at midweek this past summer revealed that no less than 230 people arrived at the historic site.

Such a concentration of visitors points to the crying need for better interpretive facilities and maintenance than are now provided. Exclusive of a small bronze marker with a narrative text that is hard to read and can be of service to only a few people at a time, informative devices to help the public understand what it sees are conspicuous by their absence. The inscriptions on the monuments and tablets, indeed, are poetic and inspirational, yet in themselves require interpretation that is not furnished.

The answer to the problem of explaining the site and its story, the Commission feels, lies in the provision of uniformed attendants, who during the summer months of travel at least would be kept continually busy providing the forms of interpretaive service that the American people have come to associate with the National Park System. A plausible way to improve the situation in this regard would be to place responsibility for the interpretation of the existing area under the National Park Service, irrespective of whether it is ever actually incorporated in a projected national historical park as property of the United States or title to it is retained by the town of Concord. In the latter case, the need could be met through the negotiation of a cooperative agreement in accordance with section 2(e) of the Historic Sites Act approved August 21, 1935 (49 Stat. 666). The text of this act is added to this report as appendix E.

Hand in hand with better interpretation, better maintenance of the immediate surroundings of the interesting and important features of the North Bridge area should be achieved. The wear and tear on shrubs and other plantings, and on roads, pathways, fences, and other structures under such a heavy load of public use are severe. Closer surveillance and more intensive care than are now provided are required in particular if the site is to continue to be one in which the entire Nation can take pride. This end, specifically with reference to maintenance, the Commission believes might also be worked out by recourse to an arrangement similar to that suggested in the preceding paragraph for improving interpretation.

South Bridge

Concord's South Bridge, a mile from the public square, and its immediate environs are now almost completely overlooked as being associated with the 19th of April 1775. The modern bridge of concrete that carries the present State highway, route No. 62, across the river, indeed, possesses little to remind the traveler of conditions at the time the company of British light infantry under Capt. Munday Pole paid a visit there in order to block passage into the town and to search the neighborhood for military stores. Neither the existing bridge, which was erected in 1909, nor any of the three historic homes nearby that the Redcoats entered are marked or otherwise recognized today.

The most significant of the houses to which the troops gained access during their stay of an hour and a half at the bridge was that of Joseph Hosmer, adjutant to the Concord Militia. It was Hosmer who put the decisive question in the conference of officers that preceded the fight at the North Bridge—"Will you let them burn the town down?" Hosmer was a fine cabinetmaker and he had a fine home. The latter survives today in a splendid state of preservation thanks to the care and interest of its present owner, who has lived in it for more than 30 years.

The Regulars sent to search Hosmer's house were met at the door by Mrs. Hosmer. She led them from room to room as they conducted their investigation until she paused before a chamber door beyond which she said was a sick woman. The story goes that the soldiers were satisfied to peer into the room careful not to disturb the woman who lay stretched out on a featherbed well filled with articles of a warlike nature they had been ordered to seek.

Besides its association with the British search, the house has real charm and historical value as the home of Joseph Hosmer, a man of affairs and a craftsman of unusual talents. Being a cabinetmaker, he had a flair for the convenient and skillful arrangement of cupboards and panel work, both of which are beautifully illustrated by the workmanship in his parlor and office. The latter occupies the ground floor of a unique little wing at the east end of the main house and by itself comprises almost a separate miniature dwelling. It has a curious roof, with a hip from the top and a gambrel gable.

This part of the house may go back to the early 1700's if not before, while the squarely built main house with handsome corner pilasters dates from 1758. A number of features in the latter, such as the enormous central chimney with eight fireplaces, a cellar under only a part of the house, low ceilings, and the presence of handsomely chamfered summer beams in the parlor and a chamber, suggest a house of earlier origin or at least features salvaged from one. At any rate, Hosmer is credited with building the main house with his own hands at the age of 23 in preparation for his marriage, which took place 2 years later.

Adjutant Hosmer's commodious domicile stands on the north side of Main Street, just beyond the South Bridge and a sharp turn through a railroad overpass. Well back from the road, on the opposite side, is the house where Amos Wood resided in 1775. The addition of a modern porch across the front and other changes on the outside have robbed the house of most of its pre-Revolutionary character. Nevertheless, it is a house the British visited and where they behaved themselves in exemplary fashion. They were fed by Amos Wood's household and gave each of the ladies a guinea for their trouble. Here again the soldiers were outwitted in their quest for military supplies, a gallant officer denying himself and his men access to a locked but well-stocked chamber in the belief that women were hiding there.

The house where Ephraim Wood lived on the present Wood Street has lost less of its original exterior form and can be identified without difficulty. Despite the addition of large wings at either side and in the rear, the main house is readily recognized as an 18th century style of structure very common to New England—clapboarded, two stories high, and with a large central chimney. The search of this house was performed without any notable incidents. Like Amos Wood and Joseph Hosmer, Ephraim

Wood was not at home when the British arrived. A Concord historian some years later records the fact that Ephraim was a very strong man and was busy moving powder. Carrying a keg of it on his back, he was headed toward the South Bridge when he spotted the British light infantry and escaped by turning down the river and taking a boat to cross to the other side.

Both of the Wood houses and the home of Joseph Hosmer as well as the site of the South Bridge of 1775 merit inclusion among the sites and structures that should be pointed out by a uniform system of markers calling attention to the entire route of the British march and the succession of incidents on the historic day.

The South bridge has as long a history as its more famous counterpart at the opposite end of the town. Damaging floods made periodic replacements of the early wooden spans necessary here as at the North Bridge. Continued use of this crossing on a main highway during the last century, however, was the occasion for building a more permanent structure of stone, with pracefully proportioned arches, which lasted until the innovation of concrete made its removal inevitable almost 50 years ago. The stone bridge took the place of a wooden structure—the successor or, perhaps, the same one from which Captain Pole's men ripped up the planks before hurrying back to the center of town on hearing the sound of musketry at the North Bridge.

Nashawtuc Hill, known as Lee's Hill in 1775, which is approached today from the South Bridge over Wood Street, is part of the historic South Bridge area. No particular spots on this elevation, however, can be connected now with the British soldiers who visited it for observation purposes and no markers or other form of treatment for it are recommended. The growth of shade trees and the building of fine residences on and around the hill during both the last and the present centuries have without question much altered its appearance of Revolutionary days.

Hunt-Hosmer House

Two interesting Colonial dwellings that stood in the same dooryard when the British infantry under Captain Parsons marched by on the way to Colonel Barrett's farm were those associated with the Hunt and Winthrop families. The structures referred to in the chronological narrative as the Hunt-Hosmer House and the Governor John Winthrop House were a quarter of a mile or so beyond the crossing at the North Bridge. Of the two, the Hunt-Hosmer House, with its ancient barn, remains today just off the road in a shady nook that abruptly transports one from the present into the past.

The houses were built on a farm that originally contained 1,200 acres when granted in 1638 to Gov. John Winthrop, the venerated founder of the Colony of Massachusetts Bay. The estate was eventually divided by Adam Winthrop, the Governor's grandson, and the parcel which contains the homestead where the two dwellings stood side by side in 1775 was purchased by John Hunt in 1703. The latter probably erected the main part of the two-story house, with a lean-to at the east side, that survives today, but it is sometimes dated as early as 1680. If this date is correct, the structure was built during the time the second and third generations of the Winthrops were in possession of the property. A wing at the west side is perceptibly of later origin and was definitely not put up until the period of ownership that began with the Hunts. The last member of this family to occupy the house more than a century ago was Capt. Humphrey Hunt.

Edmund Hosmer, a farmer, philosopher, and friend of Emerson and Thoreau, bought the place in 1852 and tilled its fertile acres beside the river until his death in 1881. The farm was a favorite haunt of both Emerson and Thoreau and a part of rural Concord that furnished Emerson with thoughts about country men and country living that he expresses in his poem "Hamatreaya"—

"Bulkeley, Hunt, Willard, Hosmer, Merriam, Flint,
Possessed the land which rendered to their toil
Hay, corn, roots, hemp, flax, apples, wool and wood.
Each of these landlords walked amidst his farm,
Saying, 'Tis mine, my children's, and my name's.' "

The unpainted house and barn, now brown with age but tenderly preserved by their current owner, are sheltered in the summer from rapidly passing vehicles on the highway in front of them by a luxuriant cover of greenery. They should be components of any enlarged area to receive greater protection in the historic scene beside the Concord River and, in their turn, they should not be overlooked as colonial survivals that were a part of the setting on the 19th of April 1775.

Gov. John Winthrop House

Gov. John Winthrop, the stanch leader of the Puritan migration from old England, had a taste for natural beauty as well as material gain, and he undoubtedly took pleasure in developing the portions of the large estate he acquired as grants in the back country of his New England paradise. By 1641, he had built a house on the Concord farm of 1,200 acres he had been granted 3 years before, but it is improbable that his activity in public life and business ventures spared him much time for visits to that part of his domain before he passed on in 1649. The house he at least began, however, endured long enough to be visually recorded in the pioneering days of photography. An account of its reduction was also confided in the diary of Henry David Thoreau, the shrewd observer and romantic interpreter of nature and the out-of-doors.

The house came to Edmund Hosmer, the farmer friend of Emerson and Thoreau, with his purchase of the farm and later dwelling of the Hunt family, that have been treated under the title of the Hunt-Hosmer House. Hosmer apparently had no use for the old Winthrop House and, as it was probably out of repair, finally got the notion to tear it down. On March 11, 1859, Thoreau saw the work of its demolition drawing to a close and made the following entry in his journal describing what he had seen:

"I go to get one more sight of the old house which Hosmer is pulling down, but I am too late to see much of it. The chimney is gone and little more than the oblong square frame stands. E. Hosmer and Nathan Hosmer are employed taking it down. The latter draws all the nails, however crooked, and puts them in his pocket, for, being wrought ones, he says it is worth the while.

"It appears plainly, now that the frame is laid bare, that the eastern two-thirds of the main house is older than the western third, for you can see where the west part has been added on. * * * All the joists in the old part are hewn; in the newer, sawn. But very extensive repairs had been made in the old part, probably at the same time with the addition. Also the back part had been added on to the new part, merely butted on at one side without tenant or mortise. The peculiar cedar laths were confined to the old part. The whole has oak sills and pine timbers. The two Hosmers were confident that the chimney was built at the same time with the new part, because, though there were flues in it from the new part, there was no break in the courses of brick about them. On the chimney was the date 1703(?)—I think that was it—and if this was the date of the chimney, it would appear that the old part belonged to the Winthrops, and it may go back to near the settlement of the town. The laths long and slender of white cedar split. In the old part the ends of the timbers were not merely mortised into the posts, but rested on a shoulder. * * *

"The fireplace measures 12 feet wide by 3 deep by 4½ high. The manteltree is log, 14 feet long and some 15 to 16 inches square at the ends, and now charred. It would take three men to handle it easily. The timbers of the old part had been cased and the joists plastered over at some time, and, now that they were uncovered, you saw many old memorandums and scores in chalk on them, as "May ye 4th," "Ephraim Brown," "0–3–4d," "oxen 111111," so they kept their score or tally—such as the hatcher and baker sometimes make."

The part of the framework Thoreau calls the "eastern two-thirds" bore the features of solid construction by use of hewn logs that were characteristic of the labor of the earliest pioneers and axmen. This part, among the three broken down by Thoreau into separate units presumably built at different times, was without question the oldest and inevitably dated from the period of Gov. John Winthrop.

When the house was photographed in 1858 or before, the whole exterior of the main structure showed the wide overhang between the first and second stories that was typical of New England frontier homes of the 17th century. If Thoreau's memory served him well and the date on the chimney was 1703, he was referring to a specimen of brickwork which doubtless was contributed by the first Hunt rather than the Winthrops. This date would also suggest that Hunt made use of the old structure as well as the less ancient Hunt-Hosmer House still standing behind the site once occupied by the Winthrop House.

As Gov. John Winthrop was a figure of outstanding importance in the founding of the English settlements and colonies in the New World, a development that was also a necessary antecedent to the founding of the Nation, it would be very appropriate to mark in a suitable manner the location of the abode that was erected in the Concord wilderness at his direction more than a century and a quarter before his descendants took up arms and severed with finality the ties which had bound them to the motherland. This end should be accomplished without fail if the site of the Winthrop House and its surviving companion, the Hunt-Hosmer House, should become part of the greater area encompassing the North Bridge.

Elisha Jones House

A conspicuous landmark in the North Bridge area is the dwelling opposite the Old Manse that takes its name from its Revolutionary occupant, Elisha Jones, a blacksmith. Jones had declared himself a patriot and had supplies of beef and salt fish in his custody for the Provincial Militia when the British light infantry marched up the road and drank from the well in his dooryard. None of the soldiers entered the house, but Jones was alarmed at the sight of the Redcoats and took his wife and small children down cellar, where they hid among the barrels of beef. When they heard the volleys of muskets at the North Bridge, Mrs. Jones and her young offspring were even more frightened. Her oldest daughter, then 4 years of age, recalled in later years her tears on returning upstairs and seeing the ghastly spectacle of the wounded Regulars fleeing in pain and disorder from the bridge.

The aspect of the house and its dependencies, it is regrettable to say, has changed since 1775. Curiously enough, the modern improvements that have been most destructive of the ancient building's survival values were effected by a resident who should have been

most solicitous for their retention. A distinguished local citizen, who lived there at the turn of the century, was conscious of the house's history and even wrote an account of it. Yet the scope of his historical interest in that day and age did not include historical preservation or restoration. It now seems a bit strange in a period marked by somewhat more enlightenment in this field of endeavor to read of the pride that was taken about 1902 in ripping out the old and irreplaceable in favor of the stylish and new. In a manner forthright if not boastful, the owner-occupant describes what he did to the house:

"With much labor and expense it was carefully repaired and renovated; a new outside and inside finish put on the building; the old chimneys taken down and replaced by new; the rooms finished in native woods; the small windows enlarged; and Lutheran, long and bay windows, porch and piazza added, and the interior so changed that its former owners would hardly recognize it. The outside retains the lean-to roof on the north, and the general shape of the old house. The barn was moved across the road from where it had been an eyesore to the manse, and placed nearly on the site of the blacksmith shop, and the view over the meadows and battleground improved."

The barn that was thus moved to the spot where Elisha Jones' blacksmith shop had stood no longer exists, but its location can be traced from the rather deep foundation wall remaining, that was cut into the side of Ripley Hill to receive it. The well from which the thirsty British troops drank is in the front yard, but is unused and covered at the surface of the ground by a solid stone slab. The view across the meadows and to the battleground at the North Bridge, which the owner of the house no doubt had half a century ago, has been largely eliminated by the growth of trees and shrubs. Some of them, especially beside the lane leading to the bridge, are evergreens and screen out the year round any vista that was formerly enjoyed from the Jones or Bullet Hole House.

Besides the well, the bullet hole has been saved, despite the fact that over the years and before it was protected by a glass panel curiosity seekers tried to cut it out and carry it away. The musket ball, fired from the hip of one of the retiring Redcoats in the road, passed through the boarding of the shed adjoining the north side of the house about a yard to the right of the doorway in which Jones was standing. The ball then glanced off an oak joist before going out the back wall of the shed and into the rising ground behind it.

As first erected, the Elisha Jones or Bullet Hole House was one of Concord's earliest. The original grantee of the property, John Smedley, probably arrived before 1640 and built on his land a dwelling of two rooms, with siding of overlapping pitch pine boards and a large chimney laid up at the bottom in stone and clay mortar. His son and namesake, about 1669, added two more rooms to form another half south of the original, with a new entry and stairway in the center. A lean-to at the rear also appeared about this time or during the occupancy of the second John's daughter and her husband, Ebenezer Hartwell. The property was acquired for £210 by Elisha Jones' grandfather in 1724.

The antiquities that were swept away in the quest for improvements shortly after 1900 cannot be recovered now, but the place, nevertheless, retains the two things that will associate it forever with the British at the North Bridge—the bullet hole and the well. The preservation of these features is doubtless assured, but perception generally of their existence and historical worth is less certain so long as the property remains in private ownership and is not directly consolidated with a larger public area around the North Bridge.

Buttrick House

A good example of one of Concord's better preserved homesteads is the Buttrick House, a little to the north of the muster field on the brow of Punkatasset Hill, where the minutemen assembled before decending the slope to attack Captain Laurie's companies of light infantry at the river crossing. Next to Colonel Barrett, Maj. John Buttrick was the officer of highest rank in the Concord Militia and it was he who gave the order to return the British fire at the North Bridge. His home, being close to the muster field, served as a headquarters for local military business and was a convenient rallying point for the men who came to the muster field.

The house occupied by Major Buttrick in 1775 was built in 1712 by Jonathan Buttrick, a member of one of Concord's most numerous families of farmers. The upland and low meadows beside the river, it formerly had a clear view of, were for the most part Buttrick property from the beginning of the town. They were included in the grant to William Buttrick, who arrived from England in 1635 and became one of Concord's original settlers. During the last century, the house and the land behind it passed into the hands of the Derbys, another prominent family in the town. In more recent years, however, the Buttrick name has once again become appropriately identified with the place through ownership.

As part of a superbly maintained estate, the Buttrick House has received additions at the side and rear done in good taste and harmonious style. The front retains much of its early if not original appearance. An enclosed entrance porch at the central doorway is probably later than 1775, but a slight overhang in the clapboarding of the pediments at both ends of the main roof is evidence of the age of the old structure and suggests that a similar overhang may once have existed between the first and second stories. The house that survives today is presumably the same basic structure shown with such an overhang in the famous print delineated by Amos Doolittle only a few weeks after the historic 19th of April under the title "Plate III—The Engagement at the North Bridge in Concord."

The home is kept more attractively by the present owner than Major Buttrick could ever have imagined in his day. Besides the house in which he lived, Major Buttrick is also properly commemorated in a more formal fashion. At the corner across the street from the house, a stone monument contains a bronze tablet with a bas-relief figure of the major holding his musket in hand. The figure is accompanied by a suitable inscription that leaves no doubt as to the incidents which took place nearby and the part played in them by one minuteman who did not have to go far from his door in order to make history.

Now that the old home is again Buttrick property, it would be appropriate that the continuity with the past, thus revived, go on forever. In view of the unpredictable future, however, and further changes that are inevitable as the result of suburban expansion and development, any plan for eventual and lasting safeguards embracing a larger area at the North Bridge should not exclude this historic property.

Meriam House

A Revolutionary landmark veritably identifying the start of the day's running fight and warfare without reprieve until the surrender of Cornwallis at Yorktown is the venerable Meriam House at Meriam's Corner, a full mile or more east of the public square in Concord. An inscription cut on a large boulder in the remains of a stone wall that once enclosed the bounds of the Meriam property along both the Lexington and old Bedford roads signifies Meriam's Corner. Removal of most of the wall half a century or more ago left the old house, several hundred feet from the corner, isolated as it never was before from the significant site with which it is so closely associated. The inscribed boulder was one of seven tablets in stone set up in 1885 by direction of the committee formed to carry out a historical marking project as part of the town's 250th anniversary.

The house is one of Concord's most ancient and has a history that goes back almost to the beginning of the town. John Meriam, who was among the initial holders of house lots that ran the "Strate strete" from the mill pond in the center of town out to Mill Brook, which still flows through the property today, built his house without question before 1660. The most recent owner of the old two-story dwelling, that has a lean-to also two stories high at the rear, claims that evidence on the huge central chimney points to a date of origin not later than 1639. In a new town book of land records begun in 1663, Meriam held not only his house lot of 1½ acres but 262 acres in the Great Meadows beside it.

Meriam's home lay on the edge of both the village and the Great Meadows, and it became a logical place of refuge at times when raids by the Indians were threatened. It, therefore, is not surprising to find the sturdily constructed old building designated as one of Concord's garrison houses in 1675 during King Philip's War. It was another century, however, before the house was to achieve its greatest significance, when the companies of militia from Reading, Billerica, Chelmsford, and Woburn took shelter in back of it and its stone walls and drew the fateful fire of the British grenadiers that sparked off the continuous struggle that was to lead to the independence of a new nation.

This truly important house was owned by Meriam descendants until 1871. It then fell gradually into a state of neglect and disrepair until it was purchased about a decade ago by the present proprietor, who was particularly interested in its aspects of both age and tradition. A few improvements have been added to make it convenient for modern living, especially in the kitchen part of the lean-to and an adjoining shed at the east end. The distinctly early architectural features, however, which give the house its real character of antiquity, such as the chamfered summer beams supporting the first-story ceiling and the great fireplaces on the central chimney, have been saved and treated in such a manner that nearly perfect restoration could be achieved.

The prospect of further change or possible misuse of the Meriam House, Meriam's Corner, and the adjacent Mill Brook, which are significant links in the story of the opening day of the Revolutionary War, should be conscientiously avoided. Measures looking in particular toward the preservation of the Meriam House and its surroundings as a part of the Nation's heritage should be initiated without delay. Any subdivision of the land in front of the house for residential or commercial development would be disastrous. The sustained interest and regard of the current owner for his responsibilities of stewardship are anticipated so long as his residence on this tract of historic ground continues, but any change in ownership could mark the beginning of unfortunate developments that should be forestalled before it is too late.

ARLINGTON

The parish of Menotomy was incorporated as the town of West Cambridge in 1807. Sixty years later, it was renamed Arlington and it is since that time that the town has filled up both residentially and commercially. Land for the initial plantation was

conveyed by the Indian squaw, Sachem, to townsmen from Charlestown and Cambridge in 1638. The place was then known as Wenotomie or Menotomy, and also as as Charlestown End soon after the first settlement. Menotomy was the named used to the exclusion of all others in later colonial and Revolutionary times and it long comprised the second parish of Cambridge, an identity it maintained until it was set off as West Cambridge.

Jason Russell House

The Revolutionary village of Menotomy and the countryside around it have been ruthlessly altered, especially during the past 50 years. Practically all of the landmarks, in fact, associated with the British retreat that formerly lay east of Lexington, through the present Arlington to Charlestown, are now gone as a result of the gradual and uncompromising outspread of urban population. A notable and fortunate exception is the Jason Russell House near the corner of Massachusetts Avenue on Jason Street just west of the center of Arlington. The house is remarkable not only in its own right, but also because it is one structure out of many that stood in the path of the redcoats that has not succumbed entirely to the dictates of utility and change.

The old house is a monument both to Arlington's Colonial and Revolutionary past, and no better choice as a subject for historical preservation could have been found by the Arlington Historical Society in 1923. Erected about 1680 by Martha, widow of William Russell, an early inhabitant of the parish, the gray-clapboarded dwelling has real worth as an architectural antiquity in addition to its unusual interest as the scene of the mass murder of a dozen Revolutionary patriots.

Originally but one-room deep, with a large chimney at one end, the house soon received another half which put the chimney in the center, with a steep and turning staircase in front of it leading to chambers and an attic above. The great chimney fills the center of the attic so completely that separate stairs starting at a common base in the second-floor hall are needed in order to reach the free space on either side of it. An ingenious pair of sliding panels in the second-story ceiling open up to allow access and headroom. Sections of the house added since the Revolution but early enough to show in photographs taken nearly a century ago are a vestibule entrance before the front door and an ell at the rear, which provides the Society with an assembly room and living quarters for a resident caretaker.

When Samel Adams Drake, a writer of historical guidebooks, called on Mrs. Teel, a granddaughter of Jason Russell, and her son about 1873, the historic farmhouse was still surrounded by the old barn, other farm buildings, and a broad expanse of pastures and fields. Twenty-five years later, however, Edwin M. Bacon, another expositor of historical pilgrimages, found conditions that suggested the beginnings of encroaching suburbia. The last Teel and Russell descendant had vacated the house in 1890 and it had been turned about and moved back from the road. The stone tablet beside Massachusetts Avenue, erected about this time, refers to the "Site of the House of Jason Russell." Though the house may have been considered as good as lost when it was moved, the Arlington Historical Society persevered in recovering it at a later date and it survives today concealed by neighboring residences that have succeeded all too well in transforming the aspect of a Colonial farm into part of a densely occupied suburb.

The house can probably never be restored to its original location any more than the farmlands and stone walls that gave it a proper setting can be revived. The Arlington Historical Society, through the generosity of the second and third generations of a family with a profound interest in the history of the town, however, plans to remove the large building that hides the Russell home from Massachusetts Avenue and the stone tablet that calls attention to its Revolutionary significance. It is expected that the obstruction will be cleared away within the next year or two.

The cellar in which eight of the minutemen pursued by the British Regulars took refuge and thereby saved their lives was not moved with the house, but the stairway with bullet holes made by shots from their muskets is one of the priceless relics of the remaining structure. A bullet hole is also in evidence in the parlor to the right of the front door. The room to the left, which was the kitchen of the original dwelling with a huge fireplace for cooking and its necessary utensils, is the most important in the house. The floor on which the bodies of Jason Russell and 11 fellow patriots were laid out "almost ankle deep" in blood was taken up, with bloodstains still visible, about 1863. The present floor shows authentic signs of age, but is the probable result of good restoration work performed by the Society since it rescued the house in 1923.

The society, which was organized in 1897 and existed for years before it acquired the historic house that now gives it a particular distinction, has done well whatever restoration it has attempted. A feature of unusual interest in the early kitchen are the black dots of uniform size painted on the beams, joists, and boards of the ceiling, which were preserved under later plaster. This unique form of decoration, doubtless from the late 17th century, was uncovered by the society as part of its restoration project. The shade of gray that was then applied to the exterior of the house may not be based on the evidence provided by any original color, but at least it helps to correct any erroneous impression to the effect that the popular color scheme introduced in the last century—a white house with green blinds—antedates the American Revolution.

The Jason Russell House has become the repository of a number of valuable objects that will always be connected with the British as they fought and plundered their way down the long village street of Old Menotomy. The home of Deacon Joseph Adams and his family, who had experiences that would never permit them to forget the marauding Regulars, disappeared long ago under the impact of the growing suburb, but in the Society's collection at its historic headquarters is to be seen today the chest that a thieving redcoat pried open in order to carry off the parish communion silver. The latch was then broken and has never since been repaired. The silver, which was later recovered by Deacon Adams, is on exhibition at the Museum of Fine Arts in Boston. On the first stair landing of the Russell House, is the case of the deacon's tall clock. The face and works are missing. A British soldier paused long enough to take them out and put them in his bundle of booty, and they never were replaced afterward.

The colonial farmhouse the Arlington Historical Society took the pains to save and retains in its charge is one of the most significant yet least known survivals from the first day of the War of the Revolution. The construction of speedier throughways and the solidly built-up and congested condition of Massachusetts Avenue have in recent years been the cause of discontinuing use of the latter as a common route of travel in and out of Boston. As a result, few tourists from any distance or unfamiliar with Boston's suburbs now ever have the opportunity to find the Jason Russell House.

The society, in truth, requires help with the responsibility it has assumed less than it has need of being readily located. An integrated system of markers to cover the entire route of the British march and retreat could do a great deal to guide visitors to this rare specimen of the American heritage. Such a system, indeed, would aid this historic house immeasurably and other sites and structures that the chronological narrative in appendix B has either brought to light again or endeavored to present in their true relationship as components parts of the incidents that make the 19th of April 1775 a famous day in American history.

A FALSE "NATIONAL HOLIDAY" FOR POLAND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, on the 22d of July, the people of Poland will be compelled to participate in festivities forced upon them by their present Communist rulers in commemoration of a so-called national holiday which the Communists brazenly proclaim as the "Liberation Day for Poland." At the outset, let me say that this hypocrisy by the Communists ironically falls during the week when America, by Presidential proclamation, is observing Captive Nations Week.

I think it is important that at least we here in America and the Members of this Congress become fully familiarized with just what are the historical facts on which the Communists attempt to establish this so-called national holiday for Poland, one of our stanchest wartime allies.

It was on the 22d of July 1944, in the Polish town of Lublin that a committee had been organized by the Soviet Communists which consisted of a small group of Polish Communists and fellow travelers. The sole purpose of this committee was to seize control of Poland's postwar government as quickly as possible after the withdrawal of Nazi troops from that country, following the occupation of Poland by the Soviet armies. The members of this small Communist committee formed under Soviet auspices in Lublin were completely unknown to the people of Poland, nor did they have any responsible positions in the Polish community prior to the beginning of World War II. Their only claim to membership on this so-called provisional government committee, which was being organized in Lublin, was the fact that they had the full support and blessing of the Soviet army and the dreaded and brutal Soviet secret police.

In one of the most shocking and brazen acts of deception and hypocrisy ever perpetrated on the people of Poland, and the world this small pro-Soviet committee formed in Lublin gave itself the name of "Committee for the Liberation of the Polish Nation," and under this totally fallacious banner, the pro-Soviet committee issued an appeal to the Polish nation, which has since become known as the Lublin Manifesto.

Using the techniques of deception perfected almost to a science by the Communists, this committee pledged to the Polish nation to continue and uphold the principles of democracy and freedom, the respect for law and order, continued adherence to the principles of freedom embodied in Poland's prewar constitution,

and this committee pledged further to undertake the rebuilding of Poland, which lay ravaged after 5 years of brutal war. The committee further, falsely, pledged to the people of Poland to uphold the complete independence and sovereignty of their nation and to restore Poland as a free nation.

As part of this diabolical plot to vest control of postwar Poland in the hands of these Soviet puppets which constituted the Lublin committee, the Soviet secret police, through deceit and deception, took to Moscow the 16 ranking leaders of the legal Polish underground government, who represented all of the political parties of prewar Poland. The secret polices lured these 16 leaders to Russia under the guise of promising them protection while they discussed an orderly restoration of a legal postwar Polish government with Soviet leaders. It should be noted here that once these 16 heroic Polish leaders, who had participated in the struggle for Poland's liberation and represented the true democratic ideals of the Polish nation, arrived in Moscow, they were quickly arrested by Soviet authorities and in mock trials sentenced to long prison terms. One of the great postwar tragedies of the world is that most of these 16 heroic Poles died a miserable death in Russian prisons, and only three of them managed to ultimately return to their native land.

At the same time that these Polish leaders were being imprisoned in Moscow, the Soviet occupation forces in Poland, using the most barbaric of methods, completely demobilized the Polish home army and in a multitude of instances evacuated into the interior of Russia large forces of Polish partiots, where, to this late date, no further word has been heard of these people. It is safe to presume that tens of thousands of Polish soldiers who had fought Nazi aggression are today either languishing in Soviet forced labor camps in Siberia or have long since met a terrible death at the hands of the Communists.

Tragically, the Polish people were thrown into a giant Soviet concentration camp in their own homeland on the basis of the Lublin Manifesto of July 22, 1944, and to this date, this once proud nation, dedicated to the principles of freedom and democracy, finds itself a helpless victim of Soviet deceit. As a result of this July 22 manifesto, Poland, a great and traditional ally of the United States, today finds herself in the Soviet orbit as a satellite nation completely stripped of its national sovereignty and prewar freedom.

There should be no question in the minds of the world that Poland today is ruled by leaders of the Communist Party, who represent an infinitesimal fraction of the people of Poland. Nor should there be any doubt that the people of Poland have nothing but contempt for the present rulers of that nation, who continue to sustain themselves in power only through the brute force of secret police and the continued presence of Soviet troops within the borders of Poland. Where the Soviet Union does not have troops stationed in Poland today, Communist forces in large numbers are stationed around the borders of Poland, prepared to move swiftly against the Polish nation, should it make any attempt at self-liberation.

This small and totally unrepresentative clique of Communist leaders, who today control the Government of Poland, is nothing more than the alter ego of the Soviet rulers in Moscow. Despite various claims of independence within the Polish nation by these rulers, they continue to take their orders from Moscow and pledge their allegiance to the dictates of the Soviet high command. This becomes clearly apparent in observing the conduct of Poland's present rulers not only within the borders of that nation, but in their conduct in foreign affairs, which in every instance echo the orders from the Kremlin.

The Polish people as a nation are today completely stripped of any democratic participation in their government affairs or any effort to seize control of their own government.

Despite the hollow statements of Poland's Communist leaders, imposed on that nation by deceit and brute force, there are no civil rights in Poland, nor does the individual have any guarantee against arbitrary and capricious persecution by the Communist Polish Government.

Above all, there is virtually a complete ban on the development of Poland's cultural and spiritual qualities in line with this nation's traditional ties to Christianity and the freedoms of the West.

The entire concept of internal economy in Poland under her present Communist leaders prohibits any efforts at raising the standard of living for the masses of Polish people through the concept of free enterprise as we know it. Poland has been forced into the economic bloc of the Soviet Union and today continues to be totally and completely exploited economically by her Soviet rulers in Moscow. Whatever plans for economic and industrial expansion in postwar Poland the nation would want to undertake, it must first ascertain how they fit into the entire pattern of Soviet domination over the entire Communist satellite bloc.

And so it is, my colleagues, that the proud Polish people, dedicated to the spirit and tradition of freedom through the 1,000 years of Polish history, today must suffer the indignities and humilities of a mere satellite to Soviet tyranny. If the people of Poland must today live in virtual serfdom, it is only because of the deceit which was imposed upon them by the Lublin Manifesto of July 22, 1944. This tragic day, not only for the freedom-loving people of Poland, but indeed for the entire free world, was dramatically described by former U.S. Ambassador to Poland Arthur Bliss Lane in his book, "I Saw Poland Betrayed."

Today, on the eve of this false national holiday being imposed by force upon the people of Poland, these gallant people cannot speak out in opposition. But we, who know the tortures they have suffered, know fully well that in the memories of the people of Poland shall always remain indelibly inscribed the recollection of thousands upon thousands of gallant Polish officers who were executed by Communist secret police in the Katyn Forest massacre; the long lines of Polish prisoners forcefully taken out of Poland to Russia by the dreaded Soviet NKVD Secret Police. They shall always remember the millions of Poles hauled like cattle to Soviet slave labor camps in Siberia, nor shall they ever forget the brutal massacre of tens of thousands of members of the Polish home army, who had fought so bravely before the altar of freedom.

The Polish people who, on this July 22, against their will and under compulsion, must pay tribute to a phony national holiday, shall never forget those heroic 16 Polish underground leaders who were the tragic victims of Soviet deceit. Nor shall these gallant Poles ever forget the scandalous Ribbentrop-Molotov agreement dictated by Stalin and Hitler in 1939 and executed 4 days before the Nazi panzer divisions stormed across the borders of Poland, a pact under which the Soviet leaders brazenly stole from this Polish nation her eastern lands, including her historical cities of Wilno and Lwow.

This, then, is the barbarity and deception which the Polish people are being asked to honor on July 22. And in traditional Communist mockery of the truth, the people of Poland are being told to raise their voices in reverence to this triumph of Soviet deceit.

It would, indeed, be a difficult task to search through the annals of history and find a more dramatic example of brutality and deceit forced upon a free people than this manifesto of July 22, which the Soviet rulers will attempt to hail in Poland. Is there, in the minds of free man today, a more tragic or ironic example of an act which has so completely destroyed the freedom of a nation which for centuries has been dedicated to the principles of Christianity and democratic rule?

Too soon, the free world has forgotten that in 1920 the Polish nation wrote an inspiring chapter of heroism when virtually singlehandedly it stopped the Bolshevik drive against central Europe through the gateway of Poland. Today these heroic people are being asked to pay tribute to the brutality which forced them into submission in later years.

Much could be said about the Polish people, but the free world even today frequently fails to understand that the indomitable spirit and dedication to freedom transcends all obstacles and time in these gallant Poles. And we, as the free world, must never acquiesce in any scheme or proposal that the rights to these freedoms shall be denied to the Polish people because just as night follows day, we must accept as inviolate the fact that this great nation's God-given right to freedom cannot be indefinitely denied. You cannot eradicate from the hearts and minds of these people traditions of liberty which have been ingrained during the 1,000 years of Poland's history.

The beasts of the Kremlin and their puppets in Warsaw may be able to place a red circle on the calendar around July 22 and through their tyranny proclaim

this as a national holiday, but they will never be able to wipe from the spirit of these people the deep-seeded dedication and longing that someday Poland again shall be free. The Polish spirit is indeed made of tough fibers; and just as tyrants in the past have failed, so will the rulers of Moscow fail in breaking this great spirit of freedom in the Polish people.

Loyal to their long history and tradition of independence and resolute in their faith in the future, the people in Poland, as well as Poles scattered throughout the world because they could not return to their homeland at the conclusion of World War II, shall always honor May 3 as a great national holiday of liberation for Poland, for it was on May 3, in 1791, that the Polish nation adopted a constitution which guaranteed to Poland the same principles of freedom and liberty contained in the Constitution of the United States. This great charter, adopted by Poland in 1791, startled students of political science throughout Europe because for the first time in the entire history of the European Continent, a nation had adopted a charter which recognized the freedom and dignity of man.

I am sure that neither the powerful force of the Soviet rulers, the tyranny of Communist Soviet police, nor even the deception of Poland's own present Communist rulers will ever change the minds of the Polish people, who shall continue to recognize only the 3d of May as their true Polish Independence Day in their hearts, even though today they must pay hollow tribute to the manifesto of July 22 in their streets and parks.

We in this country, however, must display the same degree of awareness and resolve against Soviet deception that the heroic Polish people are attempting to display in their persistent resistance to Communist ideologies. On the 22d of July, Soviet agents and apologists throughout the world will attempt to beguile free people into thinking that July 22 is indeed a great holiday in Poland. The Communist diplomatic corps throughout the world will not only sponsor, but also will participate in various festivities designed to focus attention on July 22d. They undoubtedly will invite, and perhaps in some instances even succeed in deceiving, well meaning and dedicated defenders of freedom to these festivities. It is through this type of deception that they will try to impress upon the free people of the world that Poland today is indeed free. I sincerely hope that no right thinking American will be deceived by this hypocrisy on the part of the Communist representatives, and I hope that no responsible members of our own State Department will add any dignity to this tribute to Communist brutality and deception.

I believe it is only fair to caution those who might unwittingly fall into this Communist propaganda trap that any participation in such festivities will be thoroughly exploited behind the Iron Curtain and will indeed pose some serious questions as to the real intentions of the West in hoping ultimately to see the Polish nation free again. I am sure that we all know that the whole Communist conspiracy thrives only on propaganda and, therefore, it is no surprise to me that these Soviet agents scattered the world over—yes, even here in Washington—go to great pains to attract outstanding people to their festivities so that they can subsequently exploit these prominent citizens as acquiescing in the illegal and inhuman occupation of Poland today by Communist forces.

Any participation in these festivities will be immediately interpreted by the Communists to the people of Poland that the free world subscribes to the denial of freedom which the people of Poland must endure today.

It would indeed be well for the free world to use the 22d of July not as a tribute to the deceit of Soviet forces, but rather as a day when free people throughout the world should resolutely demand that the traditional freedoms enjoyed by Poland and the other satellite nations before the war should be restored before any further negotiations can be conducted between East and West. There is, indeed, a great deal more vigor in defending a right than in complaining about a wrong; and even at this late date, when the people of Poland and the people of other satellite nations have endured such tragic hardships at the hands of their Communist oppressors, the free world should rise with an overwhelming voice in demanding freedom for these nations. Perhaps it would be wise for our own Government on this 22d of July to reaffirm our great determination that we shall continue to work for the restoration of freedom to Poland and the other satellite nations and that under no circumstances will we ever acquiesce in finalizing the treachery and deception imposed on these people by the Soviet Union 15 years ago in Lublin.

We should call attention today to the entire world that this week, July 19 to 25, at the suggestion of the distinguished Senator from Illinois, PAUL DOUGLAS, has been proclaimed by President Eisenhower as Captive Nations Week.

The President's message, which follows, is indeed fitting at this particular time when the Communists are trying to force this phony holiday on the people of Poland.

President Eisenhower stated:

> Many nations throughout the world have been made captive by the imperialistic and aggressive policies of Soviet communism.
>
> The peoples of the Soviet-dominated nations have been deprived of their national independence and their individual liberties.
>
> The citizens of the United States are linked by bonds of family and principle to those who love freedom and justice on every continent.
>
> It is appropriate and proper to manifest to the peoples of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence.

I wish to associate myself with these remarks. But I think the United States could do even more to weaken the hand of Poland's present Communist rulers by formally acknowledging the western boundaries of Poland as agreed to at the Potsdam Conference. Such action by the United States would at once destroy the claim of Poland's present Communist rulers that they must remain loyal to Moscow because it is only from the Soviet Union that they can get a guarantee that Poland's western boundaries shall remain intact. The United States could do much to inspire the people of Poland by firmly asserting that it has not agreed, and does not agree, to the acquisition of Poland's eastern territories seized by the Soviet Union during World War II.

Finally, the United States could inspire the people of Poland by demanding before the United Nations the return to their homelands of hundreds of thousands of Poles deported by the Communists to Soviet concentration camps in Siberia.

As I make these suggestions today, it is not because I am guided only by sympathy for the people of Poland but because, above all, I am firmly convinced that such action lies in the best interests of American security and survival. In the present gigantic struggle between the free world on the one hand and the slave world of the Communists on the other, a free Poland can indeed be the key to our survival. And I can tell you, my colleagues, that in this great struggle it will not be the military strength or rocket superiority that will ultimately be the winning factor, but rather it will be the moral strength with which we capture the imagination of the enslaved world today that could give us the deciding factor for victory.

In this great ideological struggle for the minds and souls of millions of people, the United States must gain the confidence of those who continue to endure the humility of Communist tyranny, and only when we have gained the confidence of the millions of people can we look forward to loyal allies in our great struggle for survival.

In these troubled days, only decisive, determined, uncompromising, and bold action by the United States, which sets as its unequivocal goal the firm dedication that the world cannot long endure as half free, and half slave, can we indeed win the great struggle for the minds of men.

This is the message that the free world should send to the people of Poland on the 22d of July, when they will be forced by their Communist rulers to pay tribute to a phony national holiday engineered only through the deceit of the Communists.

THE SUBCOMMITTEE ON FOREIGN OPERATIONS AND MONETARY AFFAIRS, COMMITTEE ON GOVERNMENT OPERATIONS, HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 40 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, tomorrow, the House will consider the conference report on mutual security legislation and shortly, an appropriations bill for fiscal 1960. I have voted consistently for mutual security legislation but my record shows, too, an equally consistent desire to eliminate the waste and excesses of the program, to make it provide more security per dollar and gradually to replace Government grants by private capital investment. My convictions have been fortified by the results of the inquiries of the Foreign Operations and Monetary Affairs Subcommittee of the House Committee on Government Operations, on which it is my privilege to serve.

The subcommittee is under the very able chairmanship of the Honorable PORTER HARDY, JR., of Virginia's Second Congressional District. It's work has made available to the Congress a wealth of information in the form of detailed studies of foreign aid. That reservoir of knowledge provides the material for a foundation for sound legislative judgments with respect to mutual security.

The Foreign Operations and Monetary Affairs Subcommittee has a brief but, in my judgment, distinguished history. It was created in the 83d Congress under the chairmanship of our former colleague, Charles B. Brownson of Indiana. It has been my privilege to serve on this subcommittee since its inception.

It is charged with the duty of examining the overseas operations of the Federal Government with a view to determining their economy and efficiency. The subcommittee with a very small staff has compiled an impressive record. Because foreign aid expenditures are by far the largest area of activity moneywise, the subcommittee has naturally devoted more of its attention to this field, not neglecting, however, the activities of the U.S. information program, administrative and personnel problems in the Department of State and Foreign Service, and relationships between the various Government agencies engaging in activities overseas.

The subcommittee has reported on 16 inquiries, taken the testimony of 380 witnesses, and has compiled in its hearings records of that testimony and documents totaling 9,000 pages, this in a period of 7 years.

The subcommittee's reports have been unanimous without exception and have been unanimously approved by its parent Committee on Government Operations. Some conception of the scope of the subcommittee's inquiries can be gained from the titles of the reports which I include at this point in my remarks together with the date the reports were filed and the official House document number:

EIGHTY-THIRD CONGRESS

July 17, 1953: "A Fiscal Analysis of the International Operations of the United States for the Fiscal Years 1952, 1953, and 1954" (H. Rept. No. 1505).

March 9, 1954: "Security and Personnel Practices and Procedures of the Department of State" (H. Rept. No. 1334).

March 24, 1954: "Use of Nonappropriated Funds by Executive Agencies (Bonna—Bad Godesberg Area Construction Program)" (H. Rept. No. 1387).

April 7, 1954: "A Fiscal Analysis of the International Operations of the United States for the Fiscal Years 1953, 1954, and 1955."

April 7, 1954: "German Consulate-America House Program—Pt. 2" (H. Rept. No. 168).

May 25, 1954: "Foreign Service and Departmental Personnel Practices of the Department of State."

July 29, 1954: "Relief and Rehabilitation in Korea" (H. Rept. No. 2574).

EIGHTY-FOURTH CONGRESS

January 23, 1956: "Foreign Service Promotions Under the Wriston Program" (H. Rept. No. 1663).

March 29, 1956: "United States Technical Assistance in Latin America" (H. Rept. No. 1985).

May 16, 1956: "Administrative Management of the Department of State" (H. Rept. No. 2172).

EIGHTY-FIFTH CONGRESS

January 28, 1957: "United States Aid Operations in Iran" (H. Rept. No. 10).

May 15, 1957: "Review of the Budget Formulation and Presentation Practices of the International Cooperation Administration" (H. Rept. No. 449).

August 14, 1957: "State Department Public Opinion Polls" (H. Rept. No. 1166).

February 22, 1958: "Use of Defense Support Funds for Economic and Political Purposes" (H. Rept. No. 1374).

June 26, 1958: "Foreign Aid Construction Projects" (H. Rept. No. 2012).

EIGHTY-SIXTH CONGRESS

June 15, 1959: "U.S. Aid Operations in Laos" (H. Rept. No. 546).

Mr. Speaker, frequently the question is raised not only by the American public, but sometimes by the Members of this body, as to the usefulness of congressional investigations. Frequently after an exposé of wrongdoing, stupidity, waste or mismanagement, we are met with the query, "So what? Has any law been changed or any improvement in administration resulted?"

The record of achievement of the Foreign Operations and Monetary Affairs Subcommittee furnishes an excellent example of the manner in which a well-run congressional investigating committee can make its contribution to the improvement of legislation or to the improvement of its administration.

An outstanding example of such a contribution is the most recent report of the subcommittee entitled, "U.S. Aid Operations in Laos"—House Report No. 546, 86th Congress, 1st session—filed with the House on June 15, 1959. That report was filed just a few days before the House considered the mutual security bill, and it was available to the Members during the consideration of that legislation and, indeed, was referred to frequently during the debate.

Perhaps the most tangible result of the subcommittee's study of foreign aid operations, including our program in Laos, was the presentation by the chairman of the subcommittee made to the Foreign Affairs Committee of the House. He suggested amendments designed to make the standards by which the International Cooperation Administration administers the mutual security program more definite and certain and requiring the agencies to make full and accurate information on the administration of the program available to the Congress and its committees.

In addition, the subcommittee's study of Laotian aid and the deficiencies in administration exposed by the subcommittee are being studied by both the State Department and the International Cooperation Administration as evidenced by the 45 pages of comment those agencies prepared on our Laos report, which admitted the existence of some deficiencies and promised improvements.

In addition, the case of Edward T. McNamara, public works officer of the U.S. Operation Mission in Laos, who received $13,000 in bribes from contractors, is under study by the Department of Justice with a view to possible prosecution. The Justice Department's investigation is facilitated by the sworn testimony taken by the subcommittee with respect to Mr. McNamara's conduct.

Less tangible than the foregoing is the fact that the information developed, contained in about 1,000 pages of printed hearings and summarized in 51 pages of the subcommittee's report, is available to all Members of the House who tomorrow must pass judgment on the conference report on the mutual security authorization bill and later on the appropriations for the program.

One naturally would think that agencies under criticism by a congressional committee would strive to eliminate the deficiencies pointed out to them and to improve their operations. Unfortunately, in the case of the State Department and the International Cooperation Administration this expectation, in my judgment, has not been realized. Again and again our subcommittee has pointed to laxity, absence of adequate supervision and controls, inadequate advance planning, extravagance, and wastefulness and in some instances corruption, which unfortunately has seemed to have little effect upon the impervious monolithic bureaucracy which the International Cooperation Administration has become. All too frequently such deficiencies have been passed off by the State Department and the International Cooperation Administration either as inconsequential or in their words, as ancient history—with the claim that inefficiencies and maladministration had been corrected before the subcommittee learned of them.

That attitude on the part of the Government agencies concerned with the administration of the mutual security program has been expressed excellently in an editorial of the Wall Street Journal, July 2, 1959, entitled "The Lesson of the Laos Affair," which I incorporate at this point in my remarks.

THE LESSON OF THE LAOS AFFAIR

In the report of the House subcommittee which investigated our foreign aid operations in Laos, excerpted on this page today, there occurs this remark:

"The International Cooperation Administration and the Department of State are usually reluctant to admit the existence of any specific errors in their administration. * * * Where the facts cannot be denied, it seems to be almost a standard response that the

criticisms are directed to conditions and matters which are ancient history and that everything * * * is now without fault."

This is an observation well supported by the record. And it seems to us that the attitude observed is one of the big reasons why so little has been done to get our foreign aid program on a sensible basis.

Take this Lao affair. The first indication that things were not well with our aid efforts in that country came from an extensive report by this newspaper's Far Eastern correspondent on April 9, 1958. Although this report was not as critical as subsequent official investigations, it nonetheless made plain that quite a number of things were amiss.

The reaction at ICA and the State Department was so prompt as to be almost a reflex action. By April 16, in response to questions from Congress, the ICA gave the House Committee on Foreign Affairs a long and elaborate critique of the Wall Street Journal story. The gist of the critique: The Laos program was going along swimmingly and anyway such errors as had been made were matters of ancient history.

Subsequently the General Accounting Office made its own investigation. Its findings were similar to those of this newspaper. And the GAO drew a similar reply from the ICA.

Now, more than a year later, comes this report from the subcommittee of the House Committee on Government Operations after an exhaustive study of the whole situation in Laos. It is hardly necessary to add that within 2 days of the report the foreign aid officials answered with their standard defensive reply.

The Lao affair, by itself, may be a relatively minor matter; it is a tiny and remote country and its aid program does not involve enormous sums of money. But there is nothing minor in the attitude reflected in the automatic reaction to any suggestions that things might be awry in any part of the foreign aid program.

In the eyes of the State Department, the ICA, and a good many foreign aid advocates the program has become an all-or-nothing issue. It is not sufficient to agree, as this newspaper has agreed, that there are circumstances where foreign aid may be useful; you are supposed to accept the doctrine that all foreign aid, of whatever kind or in whatever amounts, is absolutely essential and not to be questioned.

Indeed, as the history of Laos suggests, one may not even question the particular operation of the program in a particular place. Any such questioning is destructive criticism. Apparently there is a feeling among the foreign aid officials that to admit the slightest crack in the edifice will be fatal, and therefore the only thing to do is, in effect, deny everything.

Even from the foreign aid officials' own viewpoint, this is hardly sensible, for it is bound to multiply doubts that the edifice is sound enough to withstand close scrutiny. One need only reflect how different matters would appear now if the mistakes in Laos had been promptly and frankly conceded along with vigorous action to correct them. Laos would have long since been forgotten.

But of more importance is what this attitude has done to impede intelligent discussion of the foreign aid program—what it is and what it ought to be. How can there be any profitable debate of a major public issue in such an atmosphere?

If the foreign aid program is to be presented on an all-or-nothing basis, no one ought to be surprised if, in the face of such evidence that all is not well, the country finally decides to choose nothing.

Often, we in Congress are admonished that the amount requested for foreign aid by the executive branch of the Government is an irreducible minimum and that any reductions in that figure will constitute irresponsible trifling with our security. The disclosures of the subcommittee's inquiry into Laotian aid, as stated in the subcommittee's first conclusion, clearly show that:

Giving Laos more foreign aid than its economy could absorb hindered, rather than helped, the accomplishment of the objectives of the mutual security program.

That thought was developed in an editorial of the New Haven (Conn.) Register of July 2, 1959, entitled, "Waste, Bribery—but No Reduction?" which I incorporate at this point in my remarks:

WASTE, BRIBERY—BUT NO REDUCTION?

Our foreign-aid program has produced waste, bumbling, profiteering, bribery.

So says a House International Operations Subcommittee report which renders verdict on the some quarter-billion in U.S. aid which has been poured into tiny Laos since 1955.

This report was unanimous—made only after 14 months of intensive on-the-spot investigation.

The House now has under debate a $3,642,600,000 new-money authorization to carry this aid program for the next year.

Have these reports of waste and corruption resulted in wholesale demands that this aid program be curtailed or ended?

Such calls, we think, all reasonable people would expect.

But there have been no such calls made in united and vehement voice.

Instead, we hear this:

"I am absolutely convinced that if we eliminated or drastically curtailed the mutual security program the loss of the cold war will be inevitable."

The voice was that of Representative THOMAS E. MORGAN, Democrat, of Pennsylvania, chairman of the House Foreign Affairs Committee.

And it has drawn numerous faithful echoing voices from other House sources.

How much longer are the American people going to put up with this sort of nonsense?

We have been deluged with this very sort of twaddle almost since the day when the Marshall plan came into being—and started this country down its costly, multi-billion giveaway program road.

None of the dire predictions that were made as to what would happen if we did not give and give—and give yet more—have eventuated.

None of the extravagant claims made for these programs and the wonders they would do for the recipient nations—and for us—have been realized.

Why, then, should we longer listen to the croakings of doom by aid proponents demanding yet more?

Why, if there is waste, corruption, bribery, should we not curtail now—move for ending these programs later, where their inefficiency or worse has been demonstrated?

During the current debate Congress is being told again that these programs, in the overall, are making us more enemies than friends; that its costs are great, its returns meager to nonexistent.

How much longer, then, will the American taxpayers sit apathetically by while authoritative voices in Congress go on calling for the spending of more billions year after year after year?

We must not be misled into thinking that the aid program in Laos is an isolated case. It might be too sweeping to claim that it was a typical case of aid programs in other countries, but many of us who have had an opportunity to inspect foreign aid operations in various countries and, indeed, the inquiries of the subcommittee in other areas as for example the case of Iran—"United States Aid Operations in Iran," House Report No. 10, 85th Congress, 1st session—are aware that the laxity, mismanagement and fuzzy thinking shown to have existed in Laos is paralleled in International Cooperation Administration operations in many other countries.

I call to the attention of my colleagues a series of six articles which commenced in the Washington Daily News of Monday, July 20, 1959, written by Scripps-Howard Staff Writer Albert M. Colegrove on the aid program in Vietnam based upon his personal observations and on his discussion with American and Vietnamese officials. The series was discussed in an editorial in the Washington Daily News of Monday, July 20, 1959, which I incorporate at this point in my remarks:

Once again a frightful spotlight is turned on the ghastly errors, misguidance, and lamentable coverup in our foreign aid program as applied specifically to one country, Vietnam, in southeast Asia.

You would think—after the angry reaction to publication of "The Ugly American" nearly a year ago—that by now vigorous effort would be made to rectify the wrongs in our official representation abroad. But the evidence is that this sorry record is only being perpetuated.

The mess that Scripps-Howard Staff Writer Albert M. Colegrove found in Vietnam is not fiction, as in "The Ugly American" story. It is hard, realistic truth. It was dug out by persistence, by much legwork, and by healthy skepticism of the official effort to smooth things over—not to rock the boat.

The Colegrove story is of special timeliness because the $3.9 billion foreign aid bill for the next fiscal year is nearing a showdown in Congress, and every citizen has the right to know what is happening to our tax dollars overseas.

The Senate Foreign Relations Committee, in a report this year, said "the mutual security program * * * is at present an indispensable tool of American foreign policy."

We consider this obviously true, but careless squandering as revealed in Vietnam does not serve that cause. Rather, as the Senate committee suggested, it supports arguments of opponents of the program that the whole enterprise should be abandoned.

Crux of the evil in Vietnam seems to be that our experts are shoveling out a million dollars a day but it's none of our business what the inexperienced Vietnamese officials are doing with the money.

If it makes you angry reading what Mr. Colegrove has found in this distant land, so out of sight of Americans who foot the bill, we think your anger is justified.

And we hope vigorous steps finally may be taken to clean up this ugly mess before a worthily conceived program which is important to our defense goes down the drain.

There is tendency to infer that criticism of deficiencies in the foreign aid program makes the critic an opponent of the mutual security program, itself. In my case, I must say that such a conclusion is erroneous. As I pointed out in my opening remarks, I have consistently voted for the mutual security program in the belief that the position of economic and political leadership borne by the United States makes it impossible for us to be indifferent to the economic and political vulnerability of friendly foreign countries trying to avoid inundation by international communism. That thought is well expressed in an editorial in the Providence (R.I.) Evening

Bulletin of June 16, 1959, entitled "Foreign Aid Must Not Be Curbed," which I incorporate at this point in my remarks:

FOREIGN AID MUST NOT BE CURBED

Disclosures by House investigators of waste and corruption in the administration of foreign aid confront congressmen with a stern test of judgment over what best serves the national interest.

The reports of the International Operations Subcommittee of bribery, account padding, and just plain bad judgment in the mutual security program in Laos are disturbing.

The impact is heightened because of the mood of the Nation which is beginning to look upon the Good Samaritan role in foreign affairs in large part with impatience, weariness, and disenchantment. For a people used to tackling jobs at home with energy to "get them out of the way," it is easy to view foreign aid as a project that has no end, solves nothing, and encourages the spendthrift and the thief. The relatively austere domestic budget and creeping inflation at home add to public susceptibility to disillusionment with foreign aid.

Under these circumstances, the critical finding of the House subcommittee offers legislators who are thinking about 1960 a tempting excuse for cutting the heart out of the mutual security authorization bill now before the House.

Yet, it would be a serious blow to the Nation if Congress emasculated the program because of specific flaws in its execution. It also would be a tragic perversion of the good work accomplished by Representative PORTER HARDY, JR.'s subcommittee in bringing to light instances of sometimes shocking inefficiency and dishonesty in foreign aid affairs.

The foreign aid program, which involves allocating approximately $3½ billion a year to sovereign foreign powers, needs several watchdogs just to keep everyone honest and on their toes. Any program, domestic, or foreign, of that magnitude would require supervision, given the frailties of human nature and the problems of recruiting good men for duty in faraway and difficult places.

But, as yesterday's vote of the Senate Foreign Relations Committee in favor of foreign aid affirms, the existence of mistakes, or even abuses of the program, in specific instances does not mean the entire operation is wrong and should be eliminated or phased out as rapidly as possible.

It is inconceivable that the United States could maintain its position as the leader of the anti-Communist coalition if it jettisoned mutual security as an effective tool of foreign policy. Although Americans like to think of themselves as the world's foremost champions of freedom, their Nation also is seen through foreign eyes as the richest on earth—fabulously wealthy compared to most of the underdeveloped countries.

Therefore, for the United States to quit or sharply reduce its efforts to help its allies and friends toward decent living standards would be an abdication of leadership in the fight against communism.

As a highly pragmatic matter, the United States not only needs allies and friends in the cold war; it also needs access to the raw materials that it obtains from friendly countries. Without assistance, both economic, and military, many nations like Laos or Iran probably would have succumbed long ago to the combination of Communist pressure and blandishment.

It is, of course, important that whatever assistance is given is utilized most effectively. And Congressman HARDY's subcommittee has performed distinguished work in identifying abuses for corrective action.

But Representative THOMAS E. MORGAN, Democrat, of Pennsylvania, chairman of the House Foreign Affairs Committee, was right in his timely and politically courageous speech when he warned that drastic curtailment of foreign aid could lose the cold war.

Mr. Speaker, I believe I have demonstrated conclusively that the work of the Foreign Operations and Monetary Affairs Subcommittee has had a profitable and beneficial influence on the course of mutual security legislation and has had some effect, though not as much as it should have had, on the administration of the program. It is always tempting to state in dollar figures the savings to the American taxpayer resulting from the investigations of congressional committees. The subcommittee can point to some specific area where turning the spotlight of its inquiry on operations has resulted in special dollar savings. It is impossible, however, to estimate the benefits resulting from the mere existence of the subcommittee and the possibility that its inquiries may be directed toward the stewardship of officials having responsibility for the program. And it is likewise impossible to assess in dollars the advantage to the Congress and the American public from providing accurate and complete information on the manner in which the program is administered.

There is one other aspect of the subcommittee's work which I believe deserves the notice of the Congress. That is the usefulness of a congressional investigation when it is properly conducted. It seems to me the record of the Foreign Operations and Monetary Affairs Subcommittee is the result of these basic principles by which the committee has been directed:

First. The committee has avoided partisan political controversy.

Second. It has exercised restraint and has confined itself to its proper role—that of investigating the administration of a program approved by the Congress with a view to determining whether the execution of congressional policy has been economical and efficient.

Third. It has acquired a small but able staff selected on the basis of merit and not political patronage. At this point I want to pay tribute to the subcommittee's chief counsel, John T. M. Reddan, and counsel, Richard P. Bray, Jr., as well as the investigators and clerks for the efficient and workmanlike manner in which they have served the subcommittee.

Fourth. It has never undertaken hearings without preliminary staff work and advance preparation. This has the effect of minimizing the demands on the time of the members of the subcommittee as well as making certain that the subcommittee's record is complete and accurate.

Fifth. It has been assiduous in protecting the rights of witnesses and persons both in Government and in private life whose conduct has been subjected to committee scrutiny.

Sixth. And its reports have been carefully prepared with full documentation for its findings and with judicious restraint in its inferences and conclusions.

It is the performance of congressional committees such as the Subcommittee on Foreign Operations and Monetary Affairs, aiming continually to promote the public interest, which will enhance the prestige of the Congress and prove that government through elected representatives is workable in our modern, complex society.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. HARDY. I would like first of all to commend the gentleman for his informed and comprehensive statement. I am especially glad that he called attention to a number of expressions in the press of the country which are typical of the general response that followed publication of our subcommittee report on U.S. aid operations in Laos. These I think are evidence of an increasing editorial awareness of ineptness and wastefulness in the administration of foreign aid.

Perhaps the gentleman has been overgenerous in his reference to me. I do take just pride in what I believe have been worthwhile accomplishments by our subcommittee. The credit, however, is due to the entire membership of the subcommittee and to the work of our competent staff. The gentleman from Michigan and I have been closely associated in committee work for a number of years. I have always been grateful for his effective participation in all of the inquiries that we have made and for his contribution to all of our subcommittee's work.

I wish also to express appreciation for the genuine spirit of teamwork which has characterized the entire subcommittee. There has never been any partisanship and each member has approached every inquiry we have made with a sincere desire to elicit all of the facts and to come up with objective and supportable conclusions in the public interest.

This year two very able new members were added to our subcommittee, the gentleman from Connecticut [Mr. MONAGAN] and the gentleman from Michigan [Mr. GRIFFIN]. I would like to commend Mr. GRIFFIN for his constructive contribution to the subcommittee's work. In the gentleman from Connecticut [Mr. MONAGAN], I have found a penetration and a quickness of grasp most unusual in a new committee member. I commend him particularly for his attention to committee work.

Let me call to the gentleman's attention his early observations about constructive suggestions which have come from our subcommittee. Reference was made to legislative suggestions which we presented to the Committee on Foreign Affairs. I believe that essentially all of our recommended amendments in connection with the mutual security bill were incorporated in the legislation. They are designed to improve administration of the program and I understand that in the conference report which the House will consider tomorrow all of these amendments are included. I want to call attention to the fact that these were not solely my suggestions. They were suggestions of the subcommittee as a whole.

Mr. MEADER. I thank the gentleman for his contribution. I might say to the gentleman, I believe that the amendments suggested by the gentle-

man from Virginia [Mr. HARDY] appeared in both the House and Senate version of the bill, and thus were not in dispute in the conference. They are in the bill and cannot be taken out.

Mr. HARDY. That is correct. I understand that they are intact in the legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. GROSS. I hope the gentleman's committee did not recommend this embarking of the people of this country on the building of hospitals and providing medical services all over the world. That is one amendment you did not recommend.

Mr. HARDY. Mr. Speaker, will the gentleman yield for a comment on that?

Mr. MEADER. I yield.

Mr. HARDY. I will say to the gentleman from Iowa that there are a lot of things in this conference report that did not come out of our committee including the one he mentioned.

Mr. GROSS. I thank the gentleman.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Virginia.

Mr. HARDY. At another point in the gentleman's statement, he quoted a conclusion from the subcommittee report on Laos. I am referring to the observation that we actually provided more in foreign aid funds than the Laotian economy could absorb. I think we need to emphasize that.

Apparently a considerable amount of that overspending grew from a failure on the part of our own personnel to exercise leadership needed by the country to get on its feet.

There has been a tendency to overspend in a lot of other places where we have not provided the leadership that is needed. Instead, too often our mission personnel cater to the whims and wishes of inexperienced officials of the host government. That fact has contributed as much as almost any other deficiency to improper expenditures and wastefulness, and is something that ought to be avoided. It indicates either a lack of competence on the part of field personnel or indifference in the Washington offices of the State Department or ICA.

Mr. MEADER. I thank the gentleman. I would like to add on this point that often conditions in foreign countries are so bad that governments would be forced to correct them unless we give them a crutch and underwrite their extravagant and unsound programs. Our aim should be to utilize foreign aid to encourage friendly countries to develop economic strength and stability and political stability by themselves. Improperly administered, our aid, instead of encouraging such stability and strength actually finances unsound programs.

Mr. HARDY. That is the point, if the gentleman will yield further. So often we fail to profit by experience. We fail to provide people with leadership to assure that the money we provide is spent properly. Unless we furnish adequate leadership we are doing a disservice to them as well as to ourselves.

Mr. MEADER. I thank the gentleman and agree with him completely.

Mr. BOW. Mr. Speaker, will the gentleman yield at this point?

Mr. MEADER. I yield to the gentleman from Ohio.

Mr. BOW. This may not be in point, but I am very much concerned about it and the gentleman knows I am in favor of getting a good mutual security bill. Does the gentleman think we might be able to lower that by $1,500 million so we could transfer that to a trust fund in this country to keep our highway program going?

Mr. MEADER. I would like to answer the gentleman from Ohio in this fashion: I believe that the program should be examined on its own merits and not necessarily compared with some other possible use of the funds devoted to this program. We could apply it, not only to the highway program, but to the reduction of the national debt, increased veterans' services. We could spend it in a lot of different ways. I think the gentleman is a member of the Appropriations Committee and I believe a member of the subcommittee handling this matter.

Mr. BOW. Not a member of the Mutual Security Subcommittee, I am happy to say.

Mr. MEADER. I may say to the gentleman that I am not prepared to agree with his figure of $1,500 million. I would say only that that is the task of the Appropriations Committee. Our committee, of course, does not approve the amounts in the initial instance; we only see how the money is actually administered when it has been approved by the Appropriations Committee. There is a lot of water in this program that could be squeezed out for the benefit of the American taxpayer.

Mr. BOW. I congratulate the gentleman's committee and the gentleman from Virginia [Mr. HARDY] for the excellent job they are doing in finding out how these appropriated funds are being used and I hope they will continue their good work. Now, I am serious about that. State after State, including the State of Virginia that Mr. HARDY is interested in, has announced shutting down its program. My State of Ohio is shutting down its program and other States throughout the country are doing the same thing, because we have no funds in the trust fund. It seems to me if we could take $1,500 million from this fund and apply it to the Highway Trust Fund, then we will be in the same balance we would be in otherwise and it would start programs going in this country to build highways here instead of in some other areas throughout the world.

Mr. MEADER. I thank the gentleman for his observation. It serves to emphasize the point that the amount of dollars is not necessarily related to the accomplishments of the program. One might say that if you spend $1 you will get so much mutual security; if you spend $2 you will get twice as much. My point is that it does not work that way. I believe from the experience this committee has had in looking into the foreign aid program for the past 7 years it would be more nearly proper to say that if we spend a dollar for the mutual security program that we have today, as it is presently administered, we get so much. However, if we spend 50 cents but spend it more intelligently and efficiently we would get more mutual security than we are receiving now. I believe that is the attitude we should take toward this program. Certainly it is well to point out that the U.S. Treasury is not a bottomless pit of gold that can be used regardless of the needs of the people of this country and be spent wastefully and extravagantly on some of the programs that the ICA has undertaken.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. SANTANGELO. I have had the privilege of reading the report made by the subcommittee and I want to commend it for a very good job in examining into the inefficiencies and the inadequacies of some of the officials in this situation. In reading that report the thought occurred to me, and the facts bear it out, that most of the contracts which are being made for the construction of roads in Laos and also in Cambodia are negotiated contracts, contracts which are not under competitive bidding. Can the gentleman tell me whether or not his committee has gone into the question of why these contracts which are negotiated are not subject to renegotiation for excess profits so that we could recoup those excess profits being paid to the construction corporations which are building roads and other projects?

Mr. MEADER. I am going to answer the gentleman's question tentatively because I am subject to correction. There is an exception in the Renegotiation Act that contracts performed overseas are not covered. I may be in error about that.

Mr. SANTANGELO. Why are not these companies that are making these terrific profits on these projects where they do not know how much it is going to cost subject to renegotiation and subject to returning excess profits these companies are making in those particular areas?

Mr. MEADER. The gentleman raises a very important point, but it is somewhat afield from the subject I am discussing, because it has to do with the Renegotiation Act. Our policy in that respect comes under the jurisdiction of the Ways and Means Committee and I believe the philosophy of it is that we are not able to renegotiate foreign nationals or foreign corporations that do business with the United States and that Americans doing business abroad competing with foreign nationals would be at a disadvantage if they were subject to renegotiation. But, I believe the gentleman should address that question to the Committee on Ways and Means rather than to this committee which is concerned only with the law as it exists and how the law is carried out, whether it is done economically and efficiently.

Mr. SANTANGELO. The gentleman stated that these are foreign corporations. Is it not a fact that many of these

companies are American corporations doing business in Laos? As a matter of fact, some of these corporations are American corporations which take the form and guise of foreign corporations to evade the payment of income taxes to the United States.

Mr. MEADER. The gentleman is absolutely correct. Dougherty Overseas, Inc., a Liberian corporation—not referred to in the Lao report but in the previous report—had a contract for the construction of a road in Cambodia, and precisely that device was used for that purpose. I believe inquiries by the committee are going to result in substantial savings to the U.S. Government in recovering some of the profits on which that company sought to escape taxation through the foreign corporation device.

Mr. SANTANGELO. Has your committee made any recommendation to the ICA that when it gives these contracts it take into consideration the amount of taxes it would normally pay if it were an American corporation and reduce the price accordingly?

Mr. MEADER. I yield to our chairman to answer that question.

Mr. HARDY. Our committee has not made any recommendation of that nature, because it would be virtually impossible to determine what the normal profit would be on a construction job in a foreign country. I think there would be considerable practical difficulty in applying the Renegotiation Act to ICA contracts, although I fully subscribe to the objective the gentleman has in mind.

Mr. SANTANGELO. It seems to me that the cost-plus-fixed-fee contracts are costing us much more money than is necessary, and the money that we are pouring into these countries is not giving us the results that we seek.

Mr. MEADER. I will say to the gentleman that the committee has been very critical of the procedures for the award of construction contracts by the ICA and the policing of those contracts, and our reports are available.

Mr. SANTANGELO. I think the committee has done a tremendous job in pointing that out, and I want to commend them for the report, because I think it is a report which each Member of this House should read.

Mr. HARDY. Mr. Speaker, if the gentleman will yield further, on this question of construction contracts. The cost-plus-fixed-fee contract is the type most generally used in these oversea projects. It is an extremely costly type of operation, and this type of contract does not readily lend itself to renegotiation downward. As a matter of fact, if you examine most of these contracts, there have been revisions, and nearly always the revisions resulted in an increase in the fee, which means an increase in the profit.

Mr. SANTANGELO. It seems we are renegotiating, but we are renegotiating upward. It might be well if we could renegotiate downward, because the costs saddled on the Government are exceedingly expensive.

Mr. HARDY. I share that view.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder if the gentleman would join with some of the rest of us in cutting $3 billion out of the foreign aid program and getting it down to size so that we could understand what is going on and keep better track of what is being spent.

Mr. MEADER. I will answer the gentleman from Iowa by repeating, as I said at the outset of my remarks, that I have consistently supported amendments to mutual security legislation, both authorization and appropriation bills to reduce the amount requested by the administration. I do not propose to commit myself to some blanket figure in advance that I will vote to reduce the program, but I think each item should be examined on its merits and if a reduction can be made without harming the program, I would be for it.

Mr. GROSS. Does the gentleman not think that the taxpayers of this country, as a means of stopping inflation, would be much better served if we pulled our long noses out of a lot of places throughout the world in which we are spending hundreds of millions of dollars and wasting it?

Mr. MEADER. I am afraid the gentleman and I do not see eye to eye on the program in and of itself. I think the gentleman has always voted against it, and I have always voted for it. I do not believe we are going to resolve those differences in the short time that we have here today.

Mr. GROSS. Let me ask the gentleman this question. Where is this man De Paul that the gentleman's committee found had peddled a Cadillac automobile, a $600 Cadillac automobile, that eventually was found apparently cut up with welding torches and dropped down a well to get rid of it? What happened to that gentleman?

Mr. MEADER. He got promoted.

Mr. GROSS. He got promoted to a nice, fine job in Washington instead of being prosecuted. I want to commend the gentleman from Virginia, Mr. HARDY, and his subcommittee for the work they have done, but I hope that instead of paying off these people that are dissipating the money of the people of this country, fellows like this man De Paul, instead of sending them to work in a nice, plush job in Washington, that they prosecute them and send them to jail. That would do more to stop wasting of the taxpayers' money than anything else that could be done.

Mr. MEADER. Sometime I would like to discuss the personnel and the recruitment and personnel procedures of the ICA, in which I think the gentleman from Iowa would be interested. The gentleman is a member of the Committee on Post Office and Civil Service and I may say I believe the personnel practices of the ICA could stand exploration. In some instances, officials who have performed with something less than distinction, at least by the standards under which our subcommittee operates, are promoted. In other instances, officials who strive for businesslike operations frequently find themselves uncomfortable in the surroundings of the ICA bureaucracy, and are either disciplined out of the Service because they are unable to "adjust" or voluntarily retire.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. MEADER. I yield further.

Mr. GROSS. I am always intrigued by people who scream to high heaven about inflation and what is happening to the financial condition of this country and who can turn around and with the greatest of ease spend hundreds of millions of dollars and billions of dollars all over the world.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I am glad to yield to my colleague on the committee, the gentleman from Wisconsin.

Mr. REUSS. Mr. Speaker, I want first of all to express my appreciation to the gentleman from Michigan for the masterly analysis of the operations of the Hardy subcommittee which he is making here this afternoon. It is a real privilege for me to serve on that committee with the gentleman from Michigan [Mr. MEADER], the gentleman from Virginia [Mr. HARDY], the gentleman from Connecticut [Mr. MONAGAN], and the other fine members of the committee.

The gentleman from Michigan, saying as he did, a moment ago, that foreign aid improperly applied can do harm rather than good, recalls a recent incident. The Hardy subcommittee, the gentleman will recall, made a study trip to the Far East, including Cambodia, about 18 months ago. The gentleman will no doubt remember as I do how, on an afternoon in November 1957, the Hardy subcommittee examined irrigation projects in northern Cambodia, where it abuts on the Thai frontier, and how we were greeted there by the Royal Delegate of that part of northern Cambodia, Dap Chuon, a man who had fought against the Japanese during the Japanese occupation of Cambodia, who had been one of the leaders in the Cambodian independence movement, and who had been known, ever since Cambodia gained national independence in 1954 as an ardent foe of communism. The gentleman will no doubt recall, as will the gentleman from Virginia [Mr. HARDY], how we spent a very informative afternoon with Dap Chuon, how we listened to his accounts of the irrigation developments, and of the health and education projects being carried on for the people of Cambodia.

I was distressed recently to hear that in March of this year, 3 or 4 months ago, the Cambodian Army which is largely, if not entirely, equipped with American military materiel, was deployed against our friend Dap Chuon; that a column of tanks and half-tracks, supported by infantry, was sent up the road from Pnom-Penh, the capital, to Siem Reap; that they surrounded Dap Chuon at the command post where we had visited him a few months before, and finally shot him to death in the shadow of the ancient temple of Angkor Wat; and that the army then displayed his mutilated body to the people of Siem Reap, and photographs of the body throughout Cambodia.

The sole charge against Dap Chuon, apparently, was that he was getting to be too powerful a ruler, and that he was suspected of being too friendly with the people of Thailand, another country with which we maintain close relations.

I am not here, Mr. Speaker, to suggest the rights and the wrongs of this conflict for power between Prince Sihanouk, the ruler of Cambodia, and Dap Chuon, the royal delegate in northern Cambodia, who was killed as recently as this March.

But I do suggest that, in the course of our multi-million-dollar aid program to Cambodia, the only time American weapons have been fired in anger, so far as I know, has been in this internal power struggle, when the tanks and half-tracks and rifles we have supplied to the Cambodian Government were used in this engagement to kill this man, who had impressed us all with his friendship for this country, with his dedication to the interests of his people, and with his militant opposition to communism.

We know that this country has spent $4.9 billion in recent years on military aid alone to Asia, including, of course, Formosa and South Korea, which got the lion's share of our military aid. But even a small country like Cambodia has received many millions of dollars. Incidentally, in this year's upcoming military aid budget, some $567 million have been earmarked for military aid to these Asian countries. Let us ask the question: How much good does it do for the United States of America, when U.S. arms and U.S. tanks and half-tracks are used to settle an internal power struggle in a little country like Cambodia? Does this not appear to many of the people of Cambodia as if we were taking sides in the internal power struggle? Is it really helping us to fight communism, or does not some of this military aid merely offer an incentive to developing countries to go down the road to dictatorship and away from the road toward peace and democracy? Is it really building internal security, or is it developing insecurity?

The Russians are building a 500-bed hospital in Pnom-Penh for the people of Cambodia which is going to open any day now, I am told. Could it be that the Russians are pursuing at least in Cambodia, a smarter form of foreign aid than we are?

I realize that these questions are not easy. I realize particularly that the Congress cannot by mandate spell out the answers, but I am hopeful that the kind of debate which the gentleman from Michigan is conducting here this afternoon, and I am hopeful that the kind of studies that the Hardy subcommittee has embarked upon, will cause the administration at least to evaluate a little more carefully whether some of these marginal military aid programs are really to the advantage of the United States of America, and to the free world; whether it would not be better to concentrate our attention a little more on the programs which clearly help the people of those countries.

Mr. MEADER. I thank the gentleman. I recall the meeting with the Cambodian leader at Siem Reap. I want to say at this point that the million dollars we are spending on the reservoir to restore a source of water and irrigation erected by the ancient peoples of that area, the Khmers, a thousand years ago, a marvelous engineering feat, was one of the most intelligent expenditures in our foreign aid program that I have seen.

With respect to his comment about the misuse of military assistance, the gentleman from Wisconsin raises a question of policy which is a very difficult one. I recall, for example, after World War II when we were giving surplus military equipment to friendly foreign countries, it concerned me that once we had armed them, that we could not control the manner or the purposes for which those arms might be used. The gentleman mentioned a case of internal strife. But, there is also the possibility that a nation we have helped to arm may go to war with another friendly nation with weapons financed in part by U.S. taxpayers' funds. That is a grave risk when we provide military assistance to any foreign country and we can no longer control the policies of the country or the use to which those arms are put. The gentleman raises the question. But, it seems to me that is another subject—a matter of policy—and that it does not relate to the efficiency and economy of the foreign aid program. It is a question of congressional policy.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. REUSS. I thoroughly agree with the gentleman. I was not suggesting that this is primarily a matter for congressional mandate, but it is so inherent in the kind of study of our total foreign aid program that the gentleman has been making that I thought it would be in order to mention here, on the floor this afternoon, that those in the Pentagon and in the State Department who are primarily responsible for our military aid program may in each case ask themselves the question: Is this tank really necessary?

Mr. MEADER. I think the gentleman has pointed out an important matter which I overlooked in my statement, which is that the Hardy committee is not concerned with matters of policy, but is concerned primarily with economy and efficiency of administration. But it does provide a record from which improved policy can be derived, and to that extent I think there is a byproduct of the committee's work which is to the benefit of the entire Congress and to the country.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. MONAGAN. I compliment the gentleman on the statement he has made. I think it is of vital importance and especially at this time when we are about to consider the mutual security conference report. As a new member, Mr. Speaker, I have been impressed by the nonpartisan character of the subcommittee. Both the chairman, Mr. HARDY, and the ranking minority member, Mr. MEADER, have worked in unison to bring out the facts which have been the basis of our subcommittee reports, and their sole interest has been to produce an effective and constructive report.

I must point out also how greatly impressed I have been by the dispassionate and measured tone of the subcommittee reports with the facts that have been uncovered. In Laos, for example, it would have been easy to write a lurid and sensational report, but the chairman, in a most commendable way, has let the facts speak for themselves and left sensationalism for others.

As a result of the approach of the chairman and the ranking minority member, I believe that the Hardy committee has achieved a standing and acceptance which could not be achieved in any other manner. As a result there has been a noteworthy degree of cooperation by the Foreign Affairs Committee which carries out in a remarkable manner the objectives of those who originally set up the Governments Operations Committee.

So far as my reactions to the impact of the subcommittee investigations are concerned, I must say that I have been unfavorably impressed by the obvious unwillingness of our executive agencies to profit by the revelations that have been made and by their obvious reluctance to take prompt action to remedy these glaring defects. Many of the shortcomings of the economic aid program can be laid to this reluctance.

There is another point I would like to make. I think it has been implied, if not expressly made, and it is that even though we, as a subcommittee, may find defects in this program and may find things we think are wrong, it does not necessarily mean, as some people have taken it to mean, that we oppose the philosophy of the program itself. We have certainly found that there have been defects, but I think the burden of the committee report has been to point out that the philosophical objectives of the program, in the words of the chairman, may very well be lost if the details of operation are not fulfilled with efficiency and dispatch.

Mr. MEADER. I thank the gentleman for making that point. I myself made that point during the course of my prepared remarks and included an editorial from the Providence (R.I.) Evening Bulletin which makes that point very clearly; namely, that it is unfair to characterize a critic as an opponent of a program or the purpose of a program simply because he objects to waste and inefficiency in its administration.

The SPEAKER. The time of the gentleman from Michigan has expired.

(At the request of Mr. HARDY and by unanimous consent, Mr. MEADER was allowed to proceed for 1 additional minute.)

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Virginia.

Mr. HARDY. Mr. Speaker, let me express again my appreciation to the gentleman from Michigan, the gentleman from Wisconsin [Mr. REUSS], the gentleman from Connecticut [Mr. MONAGAN], as well as the gentleman from Michigan [Mr. GRIFFIN], and the gentlewoman from West Virginia [Mrs. KEE]. They all have worked diligently with me in the inquiries we have conducted and

in preparing the reports that we have filed. No committee can function effectively without a cooperative and diligent membership; I am fortunate in having such a membership on my subcommittee.

The SPEAKER. The time of the gentleman from Michigan has again expired.

FORAND BILL POSTPONEMENT STILL LEAVES BASIC PROBLEM

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, the recently concluded hearings on the Forand bill have, I believe, been most helpful in offering an opportunity for a full presentation and discussion of the problems facing our senior citizens in the area of health needs.

However, the postponement by the committee in taking action on the proposal does not remove the basic problem with which we are faced. It is my understanding that during the next session of Congress the proposal will again be considered by the Committee on Ways and Means. It is my sincere hope that this will be high on the 1960 agenda of the committee.

In the past few weeks I have received many communications from doctors expressing opposition to the Forand bill; I have received, I might add, many more letters in support of this measure to provide hospital, nursing home, and surgical services to recipients of social security benefits.

The medical profession has been claiming for quite some time that it can offer, or will be able to offer, a program which will take care of the health needs of our hard-pressed senior citizens. To date this has not occurred, and I would only hope that during the hiatus between now and the 1960 session the medical profession can offer a concrete counterproposal. Then I believe the merits or demerits of the pending Forand bill, of which I am a cosponsor, can be considered vis-a-vis any professional proposal. As of now, the opposition has only cried havoc without really offering a concrete solution to resolve a pressing and inescapable problem and challenge. But the cry has been loud enough—and long enough—to stymie legislative action once again, at least until next year.

Mr. Speaker, this Congress must make a decision in this matter and the absence of a decision in the next session will reflect a shirking of a legislative responsibility.

It is my hope that the Members of Congress will have the opportunity to express the majority consensus in the matter of health needs for our elder citizens. While I would be presumptuous to conclude what the final decision will be, I do earnestly believe that this subject must come in for legislative attention, so that we can have an opportunity to attempt to resolve an issue long awaiting a solution.

WEST VIRGINIA IS GETTING SHORT-CHANGED

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. HECHLER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HECHLER. Mr. Speaker, I am considering the possibility of drafting legislation which will give some preference to those areas of the country which have been persistently overlooked in the distribution of defense contracts. I have recently presented figures to show that West Virginia ranks 49th among the States in the total number of military and civilian employees of the Department of Defense within the State; this despite the fact that she ranks 30th in population.

I have compiled figures from data supplied by the Department of Defense showing that West Virginia ranks first in the Nation in the blood of its sons shed in the Korean conflict. The State of West Virginia leads the Nation in the number of men killed and wounded in the Korean conflict in proportion to the population of the State.

Under unanimous consent, I ask to have printed a table which I have compiled showing that we can properly say that West Virginia is first in war, first in peace, but last in the hearts of the Pentagon:

Rank and State	Number of killed and wounded, Korean conflict	Population, 1950	Korean casualties as percentage of population by States
1—West Virginia	2,889	2,005,553	0.144
2—Arizona	899	749,587	.119
3—Kentucky	3,276	2,944,806	.111
4—South Dakota	645	652,740	.099
5—New Mexico	665	681,187	.097
6—Arkansas	1,838	1,909,511	.096
7—Oklahoma	2,149	2,233,351	.096
8—North Dakota	589	619,636	.095
9—Virginia	3,012	3,318,680	.091
10—California	9,513	10,586,223	.090
11—Louisiana	2,356	2,683,516	.088
12—Minnesota	2,492	2,982,483	.088
13—Tennessee	2,855	3,291,718	.086
14—Maine	792	913,774	.086
15—Wyoming	249	290,529	.086
16—Missouri	3,458	3,954,653	.086
17—Indiana	3,335	3,934,224	.085
18—New Hampshire	455	533,242	.085
19—South Carolina	1,793	2,117,027	.085
20—Alabama	2,589	3,061,743	.085
21—Texas	6,482	7,711,194	.084
22—Nevada	134	160,080	.084
23—Ohio	6,614	7,946,627	.083
23—Georgia	2,868	3,444,578	.083
25—Michigan	5,191	6,371,766	.081
26—Montana	481	591,024	.081
27—Colorado	1,075	1,325,089	.081
28—Pennsylvania	8,251	10,498,012	.079
29—Florida	2,144	2,771,305	.078
29—Nebraska	1,036	1,325,510	.078
31—Wisconsin	2,659	3,434,575	.077
32—Iowa	2,012	2,621,073	.076
33—Maryland	1,797	2,343,001	.076
34—Kansas	1,458	1,905,299	.076
35—Vermont	286	377,747	.076
36—Utah	514	688,862	.075
37—North Carolina	3,038	4,061,929	.075
38—Illinois	6,435	8,712,176	.074
39—Mississippi	1,563	2,178,914	.072
40—Delaware	227	318,085	.071
41—Rhode Island	561	791,896	.071
42—Washington	1,660	2,378,967	.070
43—Massachusetts	3,181	4,690,514	.068
44—New Jersey	3,197	4,835,329	.066
45—Oregon	978	1,521,341	.066
46—Connecticut	1,249	2,007,280	.062
47—Idaho	353	588,637	.060
48—New York	8,780	14,830,192	.059
49—Alaska	29	128,643	.023

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EDMONDSON, for 30 minutes on Thursday next.

Mr. BOW, for 30 minutes, on Wednesday.

Mr. BYRNES of Wisconsin, for 1 hour, on Thursday.

Mr. ROOSEVELT, for 1 hour, on Tuesday next.

Mr. MEADER, for 40 minutes, today, vacating his special order for tomorrow.

Mr. DERWINSKI (at the request of Mr. CURTIN) for 10 minutes, on tomorrow, July 22.

Mrs. DWYER (at the request of Mr. CURTIN), for 5 minutes, tomorrow, July 22.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ULLMAN and to include extraneous matter.

Mrs. KEE in two instances.

Mr. SANTANGELO.

Mr. LANE.

Mr. TABER and to include a speech by the Honorable CHARLES GOODELL, JR., of the 43d district of New York, on the 4th of July.

Mrs. MAY and to include a speech.

Mr. DORN of South Carolina and to include extraneous matter.

Mr. GROSS, his remarks in Committee of the Whole and to include extraneous matter.

Mr. THOMSON of Wyoming, his remarks in Committee of the Whole and to include extraneous matter.

Mr. PHILBIN and to include extraneous matter.

(At the request of Mr. CURTIN, and to include extraneous matter, the following:)

Mr. GUBSER.

(At the request of Mr. BURKE of Massachusetts, and to include extraneous matter, the following:)

Mr. CELLER.

Mr. BARR.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 56. An act to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes;

S. 114. An act to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States;

S. 175. An act to provide transportation on Canadian vessels between ports in southeastern Alaska and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 1234. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965;

S 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes;

S. 1877. An act to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes;

S. 1976. An act to make payments to Indians for destruction of fishing rights at Celilo Falls exempt from income tax; and

S. 2148. An act to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 6134. An act to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees for certain pay periods occuring in part in previous fiscal years, and for other purposes.

ADJOURNMENT

Mr. BURKE of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 54 minutes p.m.) the House adjourned until tomorrow, Wednesday, July 22, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1227. A letter from the Acting Secretary of the Interior relative to an application for a loan of $304,000 for the Weber-Box Elder Conservation District at Ogden, Utah, pursuant to the Small Reclamation Projects Act of 1956, as amended June 5, 1957 (71 Stat. 48); to the Committee on Interior and Insular Affairs.

1228. A letter from the Chairman, U.S. Tariff Commission, transmitting the 11th Annual Report of the United States Tariff Commission on the Operation of the Trade Agreements Program, pursuant to the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

1229. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, to promote the utilization of excess property and to simplify the reimbursement procedure for transfers of such property"; to the Committee on Government Operations.

1230. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill amending section 2 of the International Wheat Agreement Act of 1949, as amended"; to the Committee on Banking and Currency.

1231. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend the Klamath Termination Act"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. S. 1289. An act to increase and extend the special milk program for children; with amendment (Rept. No. 689). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 690. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. COOLEY: Committee on Agriculture. H.R. 4938. A bill to amend the Agricultural Adjustment Act of 1938 to make permanent the definition of "peanuts" which is now in effect on a temporary basis; with amendment (Rept. No. 691). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 6861. A bill to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas, and for other purposes; with amendment (Rept. No. 692). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H.R. 8160. A bill to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes; without amendment (Rept. No. 693). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H.R. 8159. A bill to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes; without amendment (Rept. No. 694). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Conference. H.R. 7500. A bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes (Rept. No. 695). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H.R. 8305. A bill to amend the Federal Credit Union Act; without amendment (Rept. No. 696). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Missouri:

H.R. 8315. A bill to authorize the Secretary of the Army to lease a portion of Fort Crowder, Mo., to Stella Reorganized Schools R–I, Missouri; to the Committee on Armed Services.

By Mr. CANNON:

H.R. 8316. A bill authorizing issuance of a postage stamp commemorating the hundred and twenty-fifth anniversary of the birth of Samuel Langhorne Clemens known to the world as Mark Twain; to the Committee on Post Office and Civil Service.

By Mr. HALEY (by request):

H.R. 8317. A bill to amend the law relating to the distribution of the funds of the Creek Tribe; to the Committee on Interior and Insular Affairs.

By Mr. KEOGH:

H.R. 8318. A bill to amend the Internal Revenue Code of 1954 to exempt bicycle tires and tubes from the manufacturers excise tax on tires and tubes; to the Committee on Ways and Means.

By Mr. MOSS:

H.R. 8319. A bill to amend the Communications Act of 1934, with respect to community antenna television systems and certain rebroadcasting activities; to the Committee on Interstate and Foreign Commerce.

By Mr. FOLEY:

H.R. 8320. A bill authorizing the conferring of the degree of master of arts in education on certain students who enrolled in the District of Columbia Teachers College prior to July 1, 1953, and who, prior to July 1, 1961, are certified by the president and faculty of such college as having met all requirements for the granting of such degree; to the Committee on the District of Columbia.

By Mr. FULTON:

H.R. 8321. A bill to encourage and promote the establishment of an Inter-American Court of Justice; to the Committee on Foreign Affairs.

By Mr. ROOSEVELT:

H.R. 8322. A bill to amend title II of the Social Security Act to increase to $5,000 a year the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HIESTAND:

H.J. Res. 466. Joint resolution authorizing the President to designate Los Angeles, Calif., as the site of the next World's Fair to be held in the vicinity of such city in 1963, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CANNON:

H.J. Res. 467. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H.J. Res. 468. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. GRAY:

H.J. Res. 469. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. KARSTEN:

H.J. Res. 470. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mrs. SULLIVAN:

H.J. Res. 471. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. ALBERT:

H. Con. Res. 316. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. ASPINALL:

H. Con. Res. 317. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BATES:

H. Con. Res. 318. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BOYLE:
H. Con. Res. 319. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BROWN of Missouri:
H. Con. Res. 320. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BURKE of Kentucky:
H. Con. Res. 321. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. COAD:
H. Con. Res. 322. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. EDMONDSON:
H. Con. Res. 323. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. JARMAN:
H. Con. Res. 324. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. LINDSAY:
H. Con. Res. 325. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. McFALL:
H. Con. Res. 326. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. MORRIS of Oklahoma:
H. Con. Res. 327. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. MOSS:
H. Con. Res. 328. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. NATCHER:
H. Con. Res. 329. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. O'BRIEN of New York:
H. Con. Res. 330. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. REUSS:
H. Con. Res 331. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Commitee on Armed Services.

By Mr. ROGERS of Colorado:
H. Con. Res. 332. Concurent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. SANTANGELO:
H. Con. Res. 332. Concurrent resolution declaring the sense of Congress on the use of a Great Whtie Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. SAYLOR:
H. Con. Res. 334. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. SISK:
H. Con. Res. 335. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. STEED:
H. Con. Res. 336. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. SAUND:
H. Con. Res. 337. Concurrent resolution declaring the sense of Congress on the use of an American Friendship Fleet in the support of American foreign policy; to the Committee on Armed Services.

By Mr. CELLER:
H. Con. Res. 338. Concurrent resolution expressing the sense of the Congress with respect to official recognition by the United States of the centennial anniversary of the unity of Italy; to the Committee on Foreign Affairs.

By Mr. KARTH:
H. Con. Res. 339. Concurrent resolution expressing the sense of Congress in regard to United Nations Charter revision, and for other purposes; to the Committee on Foreign Affairs.

By Mr. STRATTON:
H. Con. Res. 340. Concurrent resolution recognizing the Baseball Hall of Fame at Cooperstown, N.Y., as a memorial to certain individuals; to the Committee on House Administration.

By Mr. VAN ZANDT:
H. Con. Res. 341. Concurrent resolution extending the felicitations of the Congress to the Borough of Osceola Mills, Pa., on the celebration of its centennial anniversary; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Florida memorializing the President and the Congress of the United States relative to the authority delegated to administrative officers of all Federal agencies and its application to effectuate the provisions of Federal statutes, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:
H.R. 8323. A bill for the relief of Benjamin I. Felicitas; to the Committee on the Judiciary.

By Mr. FOLEY:
H.R. 8324. A bill for the relief of Georgette D. Caskie; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

State Taxation of Business Income Derived From Interstate Commerce

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mrs. KEE. Mr. Speaker, today I am introducing a bill to terminate a tax evil that is threatening West Virginia's most important industry. My objective is to establish some uniformity in State taxation of business income derived from interstate commerce.

Under prevailing conditions, the rash of State laws imposing taxes on businesses operating thousands of miles away could become confiscatory. The coal industry is particularly vulnerable because a very large part of all coal output moves in interstate commerce. West Virginia mines ship more than 90 percent of their production out of the State. Being typically small business, the coal industry faces grave economic injury if the present trend toward burdensome income taxation is not blocked.

My legislative proposal has been prompted by the stampede toward the voracious State income taxes on interstate commerce that has followed the Supreme Court decision endorsing the strange and insidious tax innovations of Minnesota and Georgia. My bill provides that no State shall have the power to impose or collect taxes on income derived from the conduct of interstate commerce if the person conducting such commerce maintains no permanent or established stock of goods, plant, office, or warehouse within the State. The purpose of the words "permanent or established," which do not appear in other bills with the same objective as mine, is to distinguish and eliminate from possible taxation the situation wherein a person sets up a place of business of a temporary or transitory nature, such as a display room in a hotel.

I should like to point out at this time that the inclusion of "permanent or established" was recommended earlier this week by one of West Virginia's very distinguished lawyers, Rolla D. Campbell, of Huntington, W. Va. On July 21 he appeared before the Senate Finance Committee as representative of the National Coal Association's Tax Committee to testify in favor of legislation that would promote uniformity in State taxation of business income derived from interstate commerce. On reading over the colloquy developed during cross-examination, I have come to the conclusion that members of the Senate committee present at the hearing were unanimous in concurring with Mr. Campbell's views on this particular provision. For this reason, I think it would be remiss of the House to consider legislation lacking this specification.

I should like to advise my colleagues at this time that I have today written to the chairman of the House Judiciary Committee requesting that hearings be arranged as quickly as possible to act on my legislative proposal. I emphasize that immediate action is necessary to halt the hodgepodge of restrictive taxes that States across the Nation are at liberty to impose on coal operators and other West Virginia producers and manufacturers. I am sure that few Members of Congress represent districts in which mining companies, manufacturers, or processors are not faced with the same dilemma. Too many State legislatures have adopted this fanciful approach to their budget problems. Despite the inherent repugnance and unsavory implications of such obstacles to business between the States, serious attempts are being made at enforcement—often at administrative and bookkeeping costs in excess of actual revenue.

U.S. business will suffer progressively unless Congress acts to bar the pirate toll charges imposed by the various States. I ask your support of the bill that I have introduced today.

National Indian Encampment

EXTENSION OF REMARKS
OF
HON. AL ULLMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. ULLMAN. Mr. Speaker, in celebration of her 100th birthday, Oregon has planned many spectacular events for your enjoyment. One of the most outstanding, in my opinion, is the National Indian Encampment to be held in Pendleton, Oreg., from July 18 to 26, 1959. The Umatilla, Walla Walla, and Cayuse Tribes of the Umatilla Reservation and the Nez Perce Indians will cohost this memorable gathering. Invitations have been issued to 2,300 tribes in North America to take part in this encampment.

It will be an all-Indian show with members of many tribes competing at their games, working at their native crafts, and displaying their handiwork. On display will be priceless heirlooms handed down from forefathers and historical items never before displayed.

It is fitting that the encampment be held in Pendleton inasmuch as it is located in the home territory of the Umatilla, Nez Perce, Cayuse, Walla Walla, and Yakima people. Perhaps no other city has done more to preserve the traditions and culture of the past than Pendleton. The Pendleton roundup is famous throughout the world and it is now hoped that the National Indian Encampment will become an equally famous annual affair.

It would provide an excellent way to preserve knowledge of authentic Indian music, arts, crafts, and ceremonies and insure the perpetuation of these basic American traditions.

The Indians of my district join with the townspeople of Pendleton in urging you to visit this encampment. Mayor Norman Gorfkle spoke for all of us when he welcomed centennial visitors, saying:

We possess an asset that can only be earned. It's hospitality, and you'll be aware of it during your every moment as a visitor. We like people; we don't just tolerate them.

International Race at Laurel, Md.

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Tuesday, July 21, 1959

Mr. BEALL. Mr. President, the Vice President of the United States is leaving for a visit in Russia which we all hope will be successful in every way. He is carrying with him an invitation to the Russians to take part in the Washington International Race at Laurel, Md., this fall.

Last week the Vice President joined me in receiving John D. Schapiro, president of the Laurel Race Course, who is extending through Mr. NIXON the invitation to the Russians to send their best horses to take part in this year's running of the famous Washington International. This is all part of the people-to-people program for promoting peaceful coexistence, endorsed by President Eisenhower.

Mr. President, I have prepared a statement about the Washington International, and I ask unanimous consent to have the statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTERNATIONAL RACE, A BIT OF COEXISTENCE

(Statement by Hon. J. GLENN BEALL, of Maryland)

We recognize today that people in this country and throughout the world are deeply concerned with the problem of peace. Many vehicles have been used in efforts to promote peaceful coexistence with Soviet Russia. The people-to-people program, endorsed by President Eisenhower, has been active in the area of exchange visits on the cultural and sports level.

Last year, Soviet Russia responded to an invitation from John D. Schapiro, president of the Laurel Racecourse and sent two of its best thoroughbreds to compete in the Washington, D.C., International Race at the Laurel Racecourse. This year, Vice President NIXON, on his forthcoming visit to Russia, will carry an invitation from the Laurel Racecourse to the Russian Government to again send its best thoroughbreds to compete in the race.

From its beginning 8 years ago, the Washington International, held at Laurel, Md., has captured the imagination of racegoers from the four corners of the globe. It has blended together a sound sporting idea with modern air travel to form an international spectacle ranking with the best worldwide contests. From Dublin to Rome, from Melbourne to Malta, from New York to Los Angeles, the International is a topic of conversation among sporting people.

Contenders can be flown to Laurel in less than a day from Europe or South America. Quarantine time is a matter of a few hours. Thus, the foreign participant can be on the Laurel training track within a day and a half.

The Washington, D.C., International is an "Olympic of racing." Indeed, the race was begun with the idea in mind that the best horses of each country, meeting on the turf (which is the natural footing for thoroughbreds), and at the classic distance of a mile and a half, should have the opportunity to compete for the world championship, as in other sports. This event is an invitational affair, with both foreign and American contenders handpicked by an international committee. The entrants must be winners of important races and possess outstanding records.

In the seven previous editions of the Washington, D.C., International, the theme has run to color, surprises, and excitement—a race to kindle the imagination and create racing history on a scale heretofore unknown. In 1954, the Queen of England was invited to send her horse Landau to Laurel, and Her Majesty accepted, marking the first time that the colors of the Royal Family had ever appeared outside Great Britain. In succeeding years, the President of Ireland, Sir Winston Churchill, and Prince Aly Khan, Pakistan Ambassador to the United Nations, have entered horses in the race. Among other countries represented have been Argentina, Australia, Canada, Chile, England, France, Ireland, Sweden, West Germany, and Venezuela. Last year, the U.S.S.R. sent two of its best thoroughbreds to compete in the International. One prominent newspaperman said: "The field may be comprised of equine royalty indeed, but on their backs will be their betters. The Laurel race wins the all-time blue ribbon for rider talent because there is doubt that such riding skill was ever assembled in one race before."

No greater tribute could be given the Washington, D.C., International than when a worldwide committee of horsemen rated it with the King George VI and Queen Elizabeth stakes at Ascot and the Arc de Triomphe at Longchamps as one of the best races in the international field. It is clear that the Washington International has the magnetism, dignity, and essence of a true thoroughbred classic. Each year the magnitude and significance of this race has increased, and the eighth running on November 11 of this year should add to its ever-growing luster. I hope the Russians will tell our Vice President that they will again accept the invitation.

Verrazano Bridge

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. CELLER. Mr. Speaker, it is difficult to understand the hubbub about giving the bridge across the Narrows the name "Verrazano."

The Staten Island Chamber of Commerce questions the honoring of "a foreigner who made a navigational mistake." The name "Verrazano" should not be strange or foreign to the American people. He did contribute to the navigational and geographical progress of his times and is worthwhile honoring.

We have named a bridge "Kosciuszko." It may be that some people cannot spell it—that is just their misfortune. Many cannot spell "Tappan Zee," the bridge across the Hudson. No one would change the name "Tappan Zee" for that reason. If Staten Islanders cannot spell the name "Verrazano," giving the bridge this name would be a good way for them to learn how.

As to the doubts about Verrazano's discoveries, there are grave doubts concerning many navigators and their exploits. Furthermore, the name "Verrazano" is held in highest esteem in Italy, and the naming of the bridge would be another link in the chain forged between our country and the forefathers of Verrazano. Throughout the Nation bridges have the names of distinguished men of the past.

States Rights Bill

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. DORN of South Carolina. Mr. Speaker, the collectivists, the seditionists and national socialists are the ones really concerned about H.R. 3, the States rights bill of Judge HOWARD SMITH, of Virginia. The farmers of America are overwhelmingly for this bill. It is in absolute keeping with the traditions, ideals, heritages, and sentiments of our rural people. It promotes freedom, States rights, and individual liberty.

Those of us who are really concerned about the farm problem cannot understand why Clyde Ellis joined with the CIO and the NAACP in an attempt to defeat this urgently needed legislation.

The following letter was written to Mr. Ellis by Congressman HOWARD SMITH, the chairman of our Rules Committee, the author of the States rights bill, H.R. 3:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 14, 1959.

Hon. CLYDE T. ELLIS,
General Manager, National Rural Electric Cooperative Association, Washington, D.C.

DEAR MR. ELLIS: I acknowledge receipt of your letter of July 9 in which you undertake to explain your unjustified and inaccurate attack on the States rights bill, H.R. 3, when it was under debate in the House. You did so in the name of the National Rural Electric Cooperative.

As the letter has done incalculable harm to REA amongst its best friends in the House of Representatives and the Senate, I have been trying to ascertain whether you spoke with authority for the National Rural Electric Cooperative or whether you were acting from some other motives. Certainly, your letter of explanation of July 9 has very little resemblance to your letter of June 16 in which you urge the defeat of the States rights bill in behalf of the NRECA. The fact stated in your letter that you permitted some other person, evidently unfamiliar with the merits of the legislation, to dictate such a letter for your signature reflects seriously on the present management of the National Rural Electric Cooperative Association.

The REA needs no lobbyist. It is stronger with the people than you or I, or the Congress itself. Its friends in both Houses of Congress are alert to any legislation that would in anywise handicap its legitimate purpose.

It is a serious reflection that the popularity of REA is apparently being used to pull the chestnuts out of the fire for other organizations in matters in which the REA has no direct concern.

Very truly yours,

HOWARD W. SMITH.

Surplus Agricultural Commodities for Underdeveloped Countries

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I should like to include copy of my weekly column which was released today:

KEENOTES

(By Representative ELIZABETH KEE)

WASHINGTON, *July 20, 1959.*

The Senate and House Agriculture Committees are now considering legislation to extend Public Law 480. Under this little known but important legislation surplus agricultural commodities are sold to underdeveloped countries, and the United States receives payment in the currency of the buying country.

Under this legislation large amounts of cotton, wheat and other commodities which are in surplus supply in this country are made available for use by less fortunate people abroad.

Our surplus food has proved to be a valuable weapon in the cold war. We have moved fast on occasion to see that food is sold to nations which experience floods or some other natural emergency which wipes out its food supply. Such action tends to hold down political unrest and makes it much more difficult for the Communists to gain a toehold.

Congress has recognized the value of such a program by continuing it each year, usually authorizing the sale of about $1 billion worth of these commodities. Certainly it would seem to be more desirable to sell the surplus foods, even for foreign currencies, than to let it pile up in warehouses at a cost of billions of dollars a year.

It is tragic that more attention is not given to the needs of our own people. Hundreds of thousands of people in many areas have to live on surplus commodities which the Department of Agriculture makes available. I have tried for some time to have the Department expand the list of foods made available for feeding hungry families.

As important as it is to see that our surplus food and fiber are used abroad, and not permitted to pile up in warehouses, it seems to me that it is even more important to see that our own people who are in need receive an adequate diet. I shall continue to do all that I can to expand the surplus food distribution program.

CCC BILL REPORTED BY SENATE COMMITTEE

The Senate Labor Committee has approved legislation to establish a Youth Conservation Corps patterned along the lines of the old Civilian Conservation Corps. I have pending in the House a bill similar to the measure just approved by the Senate committee.

Under this bill, young men would be taken off the streets and put to work mainly in national parks and forests and on conservation projects in other federally owned areas.

I am firmly convinced that such a program would go a long way to meet the serious juvenile delinquency problem which faces us today.

The CCC record provides that boys who are given an opportunity to work in our parks and forests learn many valuable lessons which last throughout their lives.

Not only that, the program would make a valuable contribution to our efforts to preserve natural resources.

I hope that before the end of this session the House will act on legislation along these lines. Whatever the program might cost would prove to be a successful investment in the future of our young people and in the future of our Nation.

Wheat Legislation

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 21, 1959

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent letter to the New York Times by the majority whip of the House, the Honorable CARL ALBERT, of Oklahoma. In the letter Representative ALBERT discusses the wheat bill which the President vetoed and, I think, places the facts on the line for all to see.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 10, 1959]

WHEAT LEGISLATION UPHELD—VETOED BILL SAID TO REDUCE COSTS, REVERSE SURPLUS BUILDUP

To the EDITOR OF THE NEW YORK TIMES:

Bernard Baruch once said, "Every man has a right to his opinion but no man has a right to be wrong in his facts." That sums up my reaction to your June 27 editorial on the President's veto of the wheat bill.

Leaders of wheat legislation accepted compromise after compromise in an effort to get acceptable legislation that would reverse the recent buildup in Government surpluses in wheat, reduce the Government's skyrocketing costs for the program and prevent a sharp decline in wheat producers' income.

The bill passed by Congress would have achieved these objectives. If allowed to become law, wheat program costs would have been reduced an estimated $260 million a year. Present surpluses would have been drawn down at the rate of 100 million bushels or more a year. These are not my conclusions, but are opinions expressed by competent, impartial, agricultural economists.

CORRECTING EXCESSES

Let no one blame Congress further for the excessive Government cost and excessive stocks of wheat. Congress passed legislation which, if signed by the President, would have corrected these excesses. And Congress would have passed wheat legislation even more satisfactory to the administration if the Secretary of Agriculture had not been more interested in abolishing farm price-sup-

port programs than in correcting their weaknesses.

I respectfully urge you to consider that we have today the Benson program—not the farm program which was in effect prior to 1953.

At the beginning of 1953 we had a farm program under which for 11 consecutive years farm prices generally had averaged 100 percent of parity or higher. The Commodity Credit Corporation price-support program for 20 years had cost only $1.064 billion, and this included subsidies during the war years. Programs for the 90 percent of parity-supported basic crops actually showed a 20-year profit to the Government of $13 million.

In contrast, during the last 6 years net farm income has been almost $20 billion less than in the previous 6 years. CCC losses on price supports in these 6 years have been five times the total of the previous 20 years. CCC commodities in inventory and on loan have increased from $2.452 billion on January 1, 1953, to $8.716 billion on January 1, 1959. Expenditures of the Department of Agriculture have skyrocketed from $1.8 billion in 1952 to around $7 billion for fiscal 1959.

PER CAPITA INCOME

People on farms now have per capita incomes of only one-half the incomes of nonfarm people. Farmworkers receive hourly one-third the average wage of factory workers. Average farm prices in 1958 were down 13 percent from 1952. In contrast, the hourly earnings of industrial workers in 1958 were up 28 percent from 1952 and corporation dividend payments in 1958 were up 37 percent since 1952.

Your editorial is eminently right in condemning the farm program as now being operated. No one can defend it.

But we must have a farm program. We cannot tell the farmer to find his solutions only in the raw competition of the marketplaces, usually in auction markets, while other areas of our economy rely upon Government protections, or upon concentrations of economic power, to assure reasonable levels of wages or profits.

The Government has given labor the minimum wage and the collective bargaining law. It has given industry the corporate structure, the tariff, and the many statutes that soften the perils of unregulated, unrestrained competitive enterprise. How, then, can the modern, highly mechanized farmer survive, ever selling in a free market and buying in a protected market?

We must have a farm program and it must be fair to consumers as well as to farmers. The Times would merit the gratitude of consumers and taxpayers, as well of farmers, if it would encourage sound policies.

CARL ALBERT,
Member of Congress, Third District, Oklahoma.

WASHINGTON, *July 2, 1959.*

The Equal Rights Movement

EXTENSION OF REMARKS
OF
HON. CATHERINE MAY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mrs. MAY. Mr. Speaker, I was privileged this past weekend to attend a celebration at Alva Belmont house, Washington, in honor of the 111th anniversary of a historic meeting at Seneca Falls, N.Y. The celebration was held to recognize the date of July 19, 1848, when the equal-rights-for-women movement came into being in the United States.

The Honorable KATHARINE ST. GEORGE, of New York, a long-time champion of this cause, delivered a particularly illuminating speech at this celebration, and I feel it is appropriate that the speech be printed at this point in the RECORD.

THE EQUAL RIGHTS AMENDMENT

(By KATHARINE ST. GEORGE, Member of Congress, July 19, 1959, at the celebration of the 111th birthday of the historic meeting at Seneca Falls, Alva Belmont House, Washington)

Members of the National Woman's Party, ladies, and gentlemen, I think that before saying anything on the subject of equal rights for men and women, we all want to thank Mrs. Mesta, the greatest Washington hostess and one of the greatest hostesses of the world, to promote the cause and to assist the work of the National Woman's Party to further the passage of this constitutional amendment.

There are many of the members of the National Woman's Party here tonight but I want to pay especial tribute to Mrs. Walker, the president, who came all the way back from Florida for this occasion, and to Miss Paul, who has been a valiant fighter for the cause of equality since the days of the victorious fight that gave the women of the United States the right to vote.

All the members here are worthy of special mention, all have worked and are working for this great cause, and we are hoping, through the passage of this amendment, to achieve the final and complete victory.

A little over a century ago, July 19, 1848, the equal rights for women movement came into being in the United States at a small gathering at Seneca Falls, N.Y. This was the first equal rights for women meeting ever held in the United States and, as far as is known, the first equal rights for women meeting ever held in the entire world.

At this meeting, women demanded the vote. They demanded the right to enter schools and colleges, to enter the professions, to hold political office, to control their own property, to earn a living for themselves and their dependents, to control their own earnings. They demanded equal guardianship of their children, the right to make contracts, the right to make a will, the right to sit on a jury, the right to conduct a business. In short, as set forth in one of their "Declarations":

"We insist that they (women) have immediate admission to all the rights and privileges which belong to them as citizens of the United States."

Twelve resolutions and a declaration of sentiments were adopted at this historic meeting. A momentous declaration of independence was issued. "We hold these truths to be self-evident; that all men and women are created equal," they intoned; American men at that time scoffed, ridiculed, and angrily rejected this claim to equality. They called it "feminism" and firmly classified it with atheism and socialism. But today it has provoked what one writer has called the greatest American revolution: the emergence of the American wife from the status of charwoman and maternity machine to that of an independent human being with the heady power of freedom.

In 1848, when the first National Woman's Rights Convention made its declaration of independence, there were, beyond all argument, serious defects in the status of women, particularly married women, in the United States.

Is there really any need to discuss, "Why a Constitutional Amendment?" There are those who desire more of an answer, and it can be given. Following a survey of various fields of law it is revealed that, despite the great progress that has been made toward narrowing the common law gap between the sexes, there is no full legal equality for women in present-day America. The magnitude of this remaining differentiation has led to the introduction in Congress of this equal rights amendment. Some of us have become dissatisfied with the slow process of whittling away at discriminatory legislation statute by statute, and now seek to achieve absolute legal equality for our sex in one constitutional stroke.

In looking over the life of Susan B. Anthony we find that the Revolution, her magazine had as its motto these words: "Men their rights and nothing more; women their rights and nothing less." We always find any philosophy best stated briefly and the more talk and verbiage we get the less we understand and the less, to be brutally frank, we know what we are talking about. In these very simple words Susan B. Anthony and her friends epitomized what the so-called equal rights amendment would do, and also answered the objections of those who claim it would take away necessary protection and special legislation needed by women.

This amendment would protect the rights of men and women. The title reads:

"Proposing an amendment to the Constitution of the United States relative to equal rights for men and women."

We want both sexes to have their rights, nothing more and nothing less. These rights we spell out as being equality under the Constitution, nothing more or nothing less. It is the fashion in some quarters to say: "Oh, I am all for equal pay for equal work." Well, you will never get it until you have full equality under the Constitution and under the law. You will never get it as long as you have second-class citizens, be they men or women, under the Constitution.

We are constantly told that the women of our country have all the money, all the power in the world, and that the American male is an unfortunate worm who toils ceaselessly for the female of the species without regard and without apparently even a kind word or a pat on the head. We are told that he will welcome the amendment, or should—this is considered perfectly hilarious—because it would give him some rights and some semblance of equality which he does not now posses.

Well, the supporters of the amendment believe in equality, nothing more, nothing less. I quote the opening sentence of the amendment:

"Equality of rights under the law shall not be abridged by the United States or by any State on account of sex."

More Reasons for Partnership Development of Trinity Power

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. GUBSER. Mr. Speaker, the House Interior Subcommittee on Irrigation and Reclamation began hearings on July 20 on bills to provide that withdrawals or reservations of public lands shall not affect certain water rights; to require the Federal Government to submit to State laws on control, appropriation, use, and distribution of water, and

to recognize the authority of the States over its water. On July 24 the subcommittee will consider a related subject, namely, whether the Federal Government shall preclude an electric company from building and operating the Trinity River powerplants in northern California. The common vein flowing through these hearings concerns the extent to which Congress will permit the Federal Government to expand its asserted claims of paramountcy over the individual States and their citizens in the fields of water rights and water development.

In the matter of water development, the July 24 consideration of the Trinity issue will determine basically whether the Government is to continue needless spending in the face of an offer by a utility to finance the powerplants itself and thereby to "financially aid and assist" water development, as provided by the Central Valley Project Act of 1937, of which the Trinity project is a unit. As phrased by the Marysville (Calif.) Appeal-Democrat, regarding Secretary Seaton's advocating the Trinity partnership proposal, "Whereas in the original Central Valley project planning power was intended to help pay for water, the Bureau of Reclamation has sought to make water pay for power." Commenting on the plan whereby the Government, not the utility, would build the plants, the Appeal-Democrat continues, it "asks the majority of the people of the State to subsidize tax-free power facilities for a few privileged communities. It asks the taxpayers to pick up the $55 million tab for construction of Trinity power development. Worst of all, it recommends that the power phases of the project not be used for the fullest benefit of the water users of California, the very people the Trinity, Feather, and other California water projects are intended to help."

An editorial in the Santa Cruz (Calif.) Sentinel in my district, reads in part:

The Pacific Gas & Electric maintains that under the proposed partnership for the Trinity project, the initial cost will be $55 million less than under total Federal operation, that Pacific Gas & Electric will pay $165 million for water from the Trinity more than the project would receive under public operation, and that Pacific Gas & Electric will pay an estimated $135 million in taxes during the 50-year tenure of the contract.

The article also states:

If private utilities can provide adequate power for an area, it is our opinion that such an operation is far more beneficial, all things considered, than the so-called cheap power provided by the bureaucracy of Government.

The concluding sentence editorializes:

Therefore, we favor the partnership plan for the Trinity project and appeal for confirmation by Congress of the plan proposed by the Secretary of the Interior.

The San Juan Mission News, also in the 10th District, which I am privileged to represent, admonishes us:

Remember this: There is no magic or secret way by which Government can furnish goods or services at cheaper rates than private enterprise. The magic touch can only be provided by Government using its powers to subsidize the few who directly benefit by shifting the costs to all the taxpayers. And beside this important issue—look at the money angle: The Pacific Gas & Electric offer would provide $310 million in benefits to the public which would be lost otherwise. Thus, instead of being a tax burden, the project would be a taxpaying enterprise.

Again, the answer to this problem clearly is to permit the utility to construct and operate the power facilities, save the Government nearly $60 million in construction costs immediately, and save the Nation's taxpayers $175 million in additional surplus to the Central Valley project over Federal development and $83 million paid by the company in Federal taxes. The correct, proper and sensible solution is inescapable: Let investor-capital supply the construction costs, and the Nation's taxpayers and California water users will receive the square deal promised them by both political parties.

National Insurance for Independence in Old Age

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my message at the 19th national convention of the Townsend Clubs of America held at Portland, Oreg., July 20 to 23, 1959:

NATIONAL INSURANCE FOR INDEPENDENCE IN OLD AGE

(Message of Congressman THOMAS J. LANE, of Massachusetts, at the 19th national convention of the Townsend Clubs of America, Portland, Oreg., July 20 to 23, 1959)

Delegates and friends, for too many generations, the fate of old people was to live alone; on a farm, or in a single room overlooking Main Street.

There was no way for them to meet in groups with people of their own age who share their interests and their hobbies.

Then came the Townsend plan that brought you together, and gave you a new purpose in life.

The confidence and the unity that you have found in the Townsend clubs is an inspiration to the millions of retired Americans who have so much in common but have found no way to organize and make their voices heard in the determination of our Nation's policies. More and more of them will join with you as time goes on.

Social security legislation is not only here to stay, but it will become stronger with each passing year. Eventually we shall have a system to provide full retirement benefits for all of our people when their working years are over. The fairest and most efficient way to do it is by providing benefits for the aged through a national insurance formula. When that goal is reached, the Nation can thank the Townsend Clubs of America for their foresight, patience, and work in behalf of security with dignity for all people in the harvesttime of their lives.

Wishing you every happiness and success at your 19th annual convention.

Congratulations, Atomic Energy Commission

EXTENSION OF REMARKS
OF
HON. JOSEPH W. BARR
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. BARR. Mr. Speaker, today the House passed the first large appropriation bill which I could really understand. We passed the Atomic Energy Commission appropriation bill for fiscal 1960 appropriating $2,374,114,000 to the Atomic Energy Commission for their operating expenses in fiscal 1960. We appropriated $255 million for plant acquisition and construction. This total appropriation was $58,186,000 less than the President requested.

The Atomic Energy Commission is the only one of the big spending bureaus, departments or commissions that has picked up the recommendations of the Hoover Commission and the American Institute of Certified Public Accountants and placed its bookkeeping on a cost accounting basis. A good part of the credit for this achievement should go to one of the early commissioners, Mr. Paul Green, of the Business School of the University of Illinois—our sister State. Under Mr. Green's prodding the Atomic Energy Commission set up its books the way any intelligent businessman would start his accounting procedures.

The result of Mr. Green's farsightedness and the reasonable and intelligent attitude of the Atomic Energy Commission has been that when they come to this Congress for an appropriation, their requests for money are backed up by accurate statistics and facts from a good accounting system. There is no guesswork involved upon the part of the Atomic Energy Commission. The Appropriations Committee, plus the average Member of Congress, has a true picture of what the Commission has on hand, what it intends to spend the next year, and what its program will be for the following years. This is what I mean by an understandable appropriation bill.

The Hoover Commission made one further recommendation, which was enacted into law in the 85th Congress, and that recommendation and that law set up what is called the accrued expenditure method of accounting. This system of course is common to every businessman in my congressional district, but it is a revolution for the United States. So far there has been no effort to put into effect the provisions of this law. Even the Atomic Energy Commission was blocked from using this enlightened piece of legislation. While I congratulate the Atomic Energy Commission on coming to this Congress with figures based on a cost accounting system, I recommend that they complete the recommendations of the Hoover Commission and come to this Congress next year with absolutely reliable statistics based on cost accounting and expense accrual.

The average Member of this Congress can talk himself blue in the face about budget-busting and saving money, but none of us can speak with real authority until we have the facts. The facts can only come from modern and up-to-date accounting.

Medical Care for Senior Citizens

EXTENSION OF REMARKS
OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1959

Mr. SANTANGELO. Mr. Speaker, on May 14, 1959, I introduced H.R. 7154, a bill to amend the Social Security Act and the Internal Revenue Code so as to provide insurance against the costs of hospital, nursing home, and surgical service for persons eligible for old-age and survivors insurance benefits. This bill is identical to the bill introduced by Congressman AIME J. FORAND, and which is numbered H.R. 4700.

The following is the statement which I presented to the Committee on Ways and Means in support of my bill, which remarks I believe will be of interest to the readers:

STATEMENT OF HON. ALFRED E. SANTANGELO, CONGRESSMAN FROM THE 18TH DISTRICT OF NEW YORK, IN SUPPORT OF H.R. 7154

This 86th Congress now has the opportunity—and responsibility—to continue the progress that has been made since the Social Security Act of 1935.

The opportunity confronts us in the form of H.R. 7154, which I have introduced, and which is identical to H.R. 4700, which this committee is now considering. Under this bill, persons eligible for old-age and survivors insurance benefits would be assured of essential medical insurance coverage.

The results of innumerable studies and surveys support my conviction that one of the most pressing problems of the elderly is how they can meet the onslaught of expensive medical care which most of them inevitably face. It is indisputable that few of them have incomes or resources sufficient to cover long and costly illnesses and surgical care. An abundance of such evidence has already been presented to the committee. Sickness often constitutes a catastrophe for our older people and for their families.

Those who experienced illness, short or prolonged, know the aches and pains which came with the night and disappear with the dawn. Sickness and illness are companions of old age, especially for persons above the age of 65 of whom there are approximately 15 million in the United States. Ask any of these senior citizens as to their health and you invite a torrent of complaint as to subjective and objective pain and agony. Five hundred and twenty-four out of every 1,000 of these over 65 are receiving old-age and survivors insurance. These would be assured of medical care under this bill.

In my State of New York, 1.5 million are over 65 years of age and approximately 780,000 would receive the benefits of these provisions. From the number of requests I receive in my congressional office from elderly people who seek supplemental welfare or additional medical care, one would think that the greatest percentage of these people reside in my congressional district.

In addition to the great number of people suffering from illness due to old age, we know that the illnesses of later life are not only of longer duration but are also of a more serious nature. These facts were brought home to me by a conference held in my State of New York on financing health costs of the aged. In addressing the conference which he had convened, former Governor Harriman stated:

"The costs of adequate medical care for older persons are higher than for younger persons. Hospitalization is needed more often and for longer periods of time. Prolonged care is more frequently required, because chronic disease is more common among the aged. A recent national study showed that the average annual cost of medical care for persons over 65 was $102 compared to $65 for the general population.

"At the same time that extra care is needed, the older person has fewer financial resources to meet the added cost. As medical and hospital costs have risen sharply in the past quarter century, retirement income has not kept pace."

Those meetings brought to light much information which supports my proposal. For example, our New York State Commissioner of Health, Dr. Herman E. Hilleboe, pointed out that, according to a survey made by the National Opinion Research Center in 1955, approximately 62 percent of all age groups in New York State were insured against the cost of hospitalization while only 35 percent of the population 65 years and over had such insurance. Obviously the ability and opportunity to pay for medical care or to purchase health insurance depends on age, income, and whether an individual has a job. Group insurance provided for people at work usually ends with retirement—the time, sadly enough, when most people need it the most.

The New York conference report took account of the difficulty that elderly people have in meeting hospital bills by pointing to figures developed by the American Hospital Association's commission on financing of hospital care. These statistics showed that 21 percent of those patients who could not pay their hospital bills were 65 years of age and over whereas persons in this age group comprised less than 9 percent of the overall population. The conclusion was that many older persons—perhaps as many as 80 percent—would not be able to meet medical bills, even of a fairly modest amount, from income presently available to them.

Another significant 80-percent figure concerns the chronic disease problems which face older people. As I have already said, illnesses of the elderly are likely to be more severe and of longer duration. This is documented by the studies conducted by the staff of the commission on chronic illness which show that the age group 65 and over had 80 percent more chronic cases than did the age group 35 to 64.

From these and other related studies it is clear that the health needs of older people are exceedingly complex. The situation is made more difficult because the kind of magnificent care which is becoming available through the skill of medical science is very costly. I agree with Commissioner Hilleboe that these people have "every reason to demand a bill of health rights for the aging. Enhancement of the physical and mental capacities of our older people can bring numerous rewards to society by enabling these people to contribute their share to the community good. It also will enable these aging individuals to preserve the dignity and serenity that should be their rightful heritage."

The idea of adding hospital and surgical benefits to the social security system is not a new one. But up to the present, it has received little legislative consideration. This proposal is a classic example of the concept of a government's responsibility described by Abraham Lincoln. Mr. Lincoln said that the legitimate function of government "is to do for the people what needs to be done, but which they by individual effort cannot do at all, or do so well."

The problem is a growing one. Figures from the Census Bureau indicate that in 1960 persons aged 65 years and over will constitute a new high of 8.8 percent of our country's total population. Most of these people will be living on fixed retirement incomes, which often are barely adequate to cover daily needs. At the same time they will be asked to meet medical costs which are soaring far beyond their means, at a rate even higher than other items in the cost of living index. The result can only be a denial of adequate medical care to a portion of the population that needs it most, or financial calamity for those who do seek it.

I believe, however, that passage of this pending social security legislation will solve the grotesque dilemma facing our older people, in a thoroughly reasonable and equitable way. The estimated annual costs of $1 billion would be paid for through a slight increase in social security taxes of three-eighths percent of payroll for employees and employers, and nine-sixteenths percent for the self-employed on all earnings up to $4,800 a year. In this way each person under the social security system would contribute to the cost of the program in a way and at a time that he could afford.

It has been argued that the number of older people who have medical coverage under private insurance plans is growing at such a rapid rate that government sponsored legislation in this field is unnecessary. I do not believe that this argument is a valid one. In the first place, only two out of five now have this coverage, and much of that is inadequate and uncertain. Secondly, it seems clear that the point will soon be reached where all those who can afford coverage will have it, and the others will be left without protection of any kind. Thirdly, private plans, which have only limited membership, can never be in a position to offer insurance at a rate which a more comprehensive, federally sponsored system can support. The costs will inevitably be higher.

I think it must be recognized, too, that the program of coverage provided under H.R. 7154 has very specific and immediate advantages over most private systems. There would be no problem of denial of benefits because of preexisting conditions. Benefit coverage could not be arbitrarily withdrawn, but would be automatic and continuous. The size of hospital and surgical benefits would be generally far more adequate than those presently available under private insurance. Benefits to cover nursing home costs would also be provided.

This legislation to help our older people is clearly within the responsibility of the National Government and of this Congress. It is a responsibility which, in view of the desperate need, we dare not abdicate. Delay can only mean unnecessary anguish for thousands of people. Through the social security system now in existence we already have the administrative machinery and resources to put the program into almost immediate operation. By taking advantage of this opportunity, we would be rendering our older citizens, and the country, an invaluable service.

It seems to me that we are needlessly hesitant about passing this legislation, failing to recognize that we have, after all, already admitted our responsibility in related areas of need. There is a long history of legislation relating to the elderly. Congress has also taken vitally important steps to help assure the people of this country that they will have necessary medical facilities available. I point to the Hospital Construction Act as a primary example of this.

Aside from the many questions and issues involved in the consideration of this bill, all of which will undoubtedly be discussed before the committee, I believe there is one basic consideration which must be kept in the forefront. There is needless suffering—not just in my district, or my State—but throughout the country. We cannot completely eliminate this suffering, but we can alleviate it.

The strength, health, and vitality of our people is a resource we must protect. In view of this, favorable action on this legislation is essential. Our senior citizens are entitled to a bill of rights to provide for their old age. This bill is a bill of rights for our senior citizens.

E. Kent Swift

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 21, 1959

Mr. PHILBIN. Mr. Speaker, I was deeply touched and profoundly grieved to learn of the passing on Friday of last week, July 17, of a cherished friend and a great business leader and philanthropist, E. Kent Swift, of Whitinsville, Mass., in my district.

I join the Whitinsville community and the many associates and friends of Mr. Swift in extending deepest sympathy to his family: Mrs. Howard S. Whiteside of Milton, Mass., Mrs. Thomas P. Almy of Pelham, N.Y., Mrs. John E. Sawyer of New Haven, Conn., and Mr. E. Kent Swift, Jr., of Whitinsville.

For many years, Mr. Swift had been recognized for his enlightened leadership and his almost limitless contributions of every character to our business life, the community, and the Nation.

Kent Swift was a man of most exceptional personal qualities. He was amiable and gentle and deeply interested in his fellow man. He was most gracious and courtly of manner, considerate and generous of impulse yet possessed of traits of character which readily identified him as a man of action and doer of good deeds.

I will not attempt here to outline the many precious, immeasurable contributions which he made during his long lifetime to our business affairs, to the community, the State, and the Nation in the humblest and very best sense.

Kent Swift was a great, inspiring leader in every field to which he gave his talented attention. He was a man possessed of highest and noblest character, inflexible of purpose, strong of conviction, and loyal to the many causes which he embraced. He was a patriot and an American of the highest order, a shining symbol of our widely heralded free enterprise system under which he worked his way to the very top of his proud calling.

Kent Swift was a man of impeccable personal, moral and intellectual integrity, devoted to lofty ideals, conscientious motives, and humane instincts. He was a devoted family man, a warm, loyal friend, and a great American. With word of his passing, his community was plunged into deep sorrow and grief and many heartfelt tributes were paid to this stalwart, noble figure, who by his good works, his constructive life, and his many good deeds, had preeminently won the respect, admiration, and affection of all those who knew him and the many who knew of his outstanding achievements.

A brief word upon his life is appropriate. Born in Eau Claire, Wis., December 10, 1878, he was descended from a long line of distinguished New England ancesters who lived years ago in the beautiful town of Falmouth, Mass., on famed Cape Cod. The family was engaged in the shipbuilding industry, then operating at a high peak, and subsequently became interested in extensive lumbering operations. As this great industry moved westward, the Swifts moved with it and Kent Swift passed his early years in the great State of Wisconsin. He attended Beloit Academy in that State and then returned to Massachusetts to take up his college studies at distinguished Williams College, Williamstown, Mass., from which he was graduated in the year 1900.

It was his original intention to matriculate at the world-famous Massachusetts Institute of Technology where he would work for a degree in mining engineering. However, his cousin, Mr. Marston Whitin, then head of the Whitin Machine Works, persuaded him to enter the employ of that growing company.

He started to work for the company as a mechanic and because of his ability, diligence, attention to duty and alert, creative mind, soon won the approval and confidence of Cousin Marston.

With each passing year, the bond of friendship and mutual confidence between Kent and Marston became closer and closer and the head of the company turned more and more toward this brilliant young man who was impressing everyone with his ability to master the intricate details of the technical business in which he was engaged.

His progress and advancement were marked. He rapidly rose from mechanic to supervisory duties and in 1906 was appointed assistant treasurer of the company. Kent was only 28 years of age at the time when he was promoted to be second in command of the Whitin factory, taking over full responsibility whenever Marston Whitin was away.

Five years later in 1911, he married gracious Katharine Leland Whitin, third daughter of George Marston Whitin, then treasurer of the company. As a wedding present, Mr. Whitin built the magnificent "Galesmeet," a lovely Georgian home on Northbridge Hill, largely built by Whitin craftsmen.

By 1913, Mr. Swift had taken over many of the management details of the business and 1 year later he became general manager.

In 1920, Mr. Swift was elected treasurer, continuing his duties as general manager. He served as president from 1933 to 1946, at which time he became chairman of the board of directors, a position he held at the time of his death.

It is during this period that the Whitin Machine Works grew in strength. A fully integrated main plant is located in Whitinsville, employing some 3,500 people, largely from the immediate area. A branch plant is located in Charlotte, N.C., and a wholly owned subsidiary, Fayscott Corp., is located in Dexter, Maine. In recent years, Whitin Machine Works began to diversify its operations. The company recently purchased the Landis Machine Co. of St. Louis, Mo., a well-known and respected name in the shoe repair equipment field.

Harvey-Wells Electronics, Inc., of Southbridge, which is also in my district, is now owned by Whitin. American Type Founders Co., Inc., of Elizabeth, N.J., is another recent acquisition of the company in its diversification program. Other branch plants and subsidiaries are Whiten of Canada, Ltd., Toronto, Ontario, Canada; Whitin-France, Paris, France; Whitin Business Machine Corp., Whitinsville Water Co., and Deutsche Whitin Gesellschaft, M.B.H., Wiesbaden, Germany.

Mr. Swift, down through the years, maintained a live and vigorous interest in all activities of the Whitin plant. It is said that no other executive of the company could take a visitor on a more comprehensive or more complete tour of the factory with stops made periodically for talks with workers whom Mr. Swift knew by name.

His warm friendliness with employees was an important ingredient of the Swift success story. He was always available to employees and never was it necessary to make appointments. The door to his office was always open. Thus, minor office or shop difficulties were settled immediately.

While Mr. Swift managed a large company with a multitude of problems and activities, he was never too busy to listen to his employees. As a result, the company has a rather unique and unusual employee service record for an enterprise of its size. Mr. Swift always pointed with pride to his own long service record and that of many of his employees. More than 260 have been with the company for 40 years or more. Of these, 20 have more than 50 years of continuous service.

The experience and knowledge of such an employee group over these long periods of time have resulted in an unexcelled esprit de corps and a craftsmanship and workmanship recognized throughout the textile world as being second to none.

Mr. Swift was especially proud of the Whitin employees during the war years when a skilled labor force might well have been dispersed. The company turned to defense production with achievements that still prompt a deep sense of pride in many of the older employees.

Equipped with a large foundry and many skills, the Whitin plant convinced the Maritime Commission that it could turn out auxiliary steam engines for liberty ships. Each ship needed five engines which contained many cast iron parts. The Whitin production record amazed the Maritime experts, who were reluctant to place the initial contract. Whitin produced about 11,000 such en-

gines, almost 90 percent of the entire national production, to the extreme gratification of the Maritime Commission.

Whitin also turned out during the war some 73,000 B–24 magnetos, an intricate device, in another demonstration of the ability range and versatility of its workers, production facilities and management.

Among Mr. Swift's community accomplishments was the erection in 1923 of the recreational center as a memorial to George Marston Whitin. The Whitin community gymnasium housed a swimming pool, gymnasium, shooting gallery, billiard rooms, ballroom, and social rooms. A disastrous fire last April left only the swimming pool untouched. A community campaign is underway to rebuild the gymnasium.

Mr. Swift's business career, in addition to his 59-year association with Whitin Machine Works, included 39 directorships, 6 presidencies, and 8 miscellaneous other titles with various large concerns, many of them textile companies in New England and the South.

At the time of his death, he was a member of the board of directors of the following companies: American Mutual Liability Insurance Co., Ashworth Bros., Inc., Boston Manufacturers Mutual Insurance Co., Massachusetts Mutual Life Insurance Co., Mutual Boiler and Machinery Insurance Co., Pepperell Manufacturing Co., Scott Lumber Co., Seaboard Foundry, Second Bank-State Street Trust Co., Whitinsville National Bank, Whitinsville Savings Bank, Whitin Machine Works, and Harvey-Wells Electronics, Inc., a subsidiary of Whitin Machine Works.

Today, largely due to the leadership of Kent Swift, the Whitin Machine Works is the world's largest maker of textile machinery to the point that practically every textile item produced is processed at some stage by a Whitin machine. These items include bedding, garments, and even tire cords.

As I stated before, Kent Swift was a progressive-minded and enlightened industrial leader who deeply felt not only his responsibility to management but also his responsibility to labor and the community. Under his sound, wise guidance, various employee welfare and housing programs were developed and medical and health services inaugurated. Indoor and outdoor recreational facilities were provided, many of them, not only for his own workers, but for members of the community as well.

He took a lively active interest in the affairs of his town and for many years served as chairman of its important finance committee, passing and advising upon a multitude of municipal expenditures to serve the indispensable purposes of town government. He interested himself continually in town affairs—religious, patriotic, civic, recreational and charitable. His counsel and advise was sought by many of his fellow citizens, and his door and generous heart were always open to those who sought his counsel and assistance.

Kent Swift was a broad, tolerant man with friends in every walk of life, in every religious and racial group. He truly loved his fellow man and was eager to serve and help him. A man of simple tastes and habits—congenial, discreet and approachable, he deplored and shunned provincialism and narrow-mindedness and retained his balance and conviction with a superb poise and soundness of judgment that was the envy of contemporaries in every calling.

The personality, character, life and contributions of Kent Swift will long be remembered by a grateful people. He has left an indelible impression upon our times. He has fought the good fight for the principles and ideals in which he believed. He has demonstrated in his lifetime that there is a nobler and unselfish side to every great man and that truly illustrious leadership cannot be confined within narrow boundaries.

In the continuous stream of life which covers generation after generation, many people have contributed to the progress of our Nation. Certainly no one has contributed more unselfishly, constructively and with more noble impulses, and few indeed have ever contributed with such outstanding results.

The name of Kent Swift will remain for very many years to inspire and to strengthen those who love our country and who are willing to dedicate themselves to making it a better place in which to live.

The world is better because of men like Kent Swift, and as we mourn his passing, we may at the same time, express our deep gratitude that he lived among us so long and gave so generously of himself to his friends, his fellow citizens and his beloved country.

A truly great man and a cherished friend passed to his heavenly home. May he find peace and rest in his eternal reward.

Missile-Satellite Diplomacy

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, July 21, 1959

Mr. JACKSON. Mr. President, in a recent address to the Missile Industry Conference here in Washington, D.C., on the subject "Missile-Satellite Diplomacy: A New Dimension of Warfare," I presented some of the considerations which had led me to propose a Government Operations Committee study of the effectiveness of our governmental machinery in the struggle with world communism, a study approved last week by the Senate.

The address emphasizes the importance of better organization and procedures to relate crucial new scientific developments to an overall national strategy. We must not miss the psychological implications of the next sputnik—whatever it may be.

I ask unanimous consent that the text of the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MISSILE-SATELLITE DIPLOMACY: A NEW DIMENSION OF WARFARE

(Address by Senator HENRY M. JACKSON before the missile industry luncheon of the National Missile Industry Conference, Washington, D.C., May 26, 1959)

Mr. Chairman, I am grateful for this opportunity to participate in your national missile industry conference and to join you at this luncheon. I have great respect for the forward-looking views of your membership.

Some of us in Congress have been working for many years in the cause to which you are pledged—U.S. leadership in rocketry and astronautics. In our efforts on the Hill, we rely heavily on the help and support of members of this conference.

To obtain leadership in missile and space technology, we have to stay ahead in the race for discovery. It took Americans a long time to accept the idea of such a race.

At the end of World War II most people thought it inconceivable that any nation could ever overtake, let alone surpass us in weapons technology. After all, we had the most productive economy in all history. And we alone had the atomic bomb.

Then the facts began to speak for themselves.

The Soviets achieved the atomic bomb—only 4 years behind us. They tested their first hydrogen bomb—less than 9 months after our first full-scale hydrogen test.

Still the lesson did not sink in. As late as 1955, some of us in Congress had to write a confidential letter to the President to induce him to obtain his first full-scale briefing on the status of our ballistic missile program.

Then, 2 years later the Soviets registered a stunning scientific first, the successful testing of the intercontinental ballistic missile.

Gradually the truth penetrated. These were not isolated victories. They were all parts of a technological contest in which the stakes were getting higher with each bid.

There was a time when the A-bomb was called the absolute weapon. Then we got the H-bomb, and that became the final weapon. Then came the ICBM, and now we think of this as the ultimate weapon.

Just as surely as these so-called absolute, final, and ultimate weapons have succeeded each other every few years, new and more advanced developments will make them obsolete.

In this sort of race one can never let down one's guard. In the competition for critical new weapons this country has to do whatever is necessary to win and to hold a decisive lead.

Self-evident as this proposition is, there are still a few holdouts in high places—and very important holdouts at that.

Four months ago, the administration conceded without contest superiority in the intercontinental ballistic missile to the Soviet Union—a margin of superiority that is estimated to become as large as 3 to 1.

We gave up the race—of our own free will. We have the talent and the resources needed to win. But, we are bowing out.

This decision is wrong. Today our total military force may still be able to deter the adversary. But will we have the deterrent tomorrow? Unless this decision is reversed, we may not.

We must broaden and accelerate our ballistic missile program. We must move as rapidly as possible to the most invulnerable deterrent now in sight—that is the ballistic missile buried in the earth, the ballistic missile mounted on mobile platforms, and the ballistic missile hidden under the seven seas and under the Arctic ice.

A great many people now accept that we are in a race for discovery. It took us too long to recognize this elemental principle of survival. Now we are in a further race, and a more sophisticated one—a race for prestige.

Thre is more involved in winning the races for discovery than military hardware. Certain advances impress the world not only by the menace of an overpowering weapon, but also with the scientific and industrial strength which made them possible. The discoverer thereby wields vast new diplomatic leverage.

This is especially true where the discoverer is a so-called backward nation—like the Soviet Union—expected to be the second runner, without a chance to win. In this case the element of surprise deepens the impact of the victory.

I can speak from personal experience to illustrate how little this impact has been understood.

More than 3 years ago, I warned that the Soviets were winning the race for the ballistic missile. I said we need not assume that Moscow would actually use such missiles in atomic war. Their purpose, I argued, was twofold: First, to stockpile the missile in their military arsenal; second, to bid for the imagination of peoples by showing scientific and industrial superiority to the United States—and to use the fearful new weapon for ballistic blackmail.

Do you know how the Defense Department responded to my warning? They answered: "The ballistic missile does not kill you any deader than a bomber does with an atomic bomb." That is how well the Defense Department evaluated the diplomatic implications of the most important weapon of our age.

For over 2 years now, in one crisis after another, Moscow has rattled her missiles—in Suez, Iraq, Quemoy, and now Berlin.

Military pressure on foreign governments in peacetime is nothing new. But ballistic blackmail carries a threat of a wholly new dimension—physical extinction for an entire people.

Just this month, Khrushchev set the stage for the Geneva Foreign Ministers' Conference with his favorite conversational device—bomb-dropping.

He casually informed a West German publicist that eight Soviet H-bombs could obliterate his country.

How much consideration have we given to the fact that the blackmail value of the ballistic missile will increase as the Soviets produce more of these catastrophic weapons than we do?

True, we have fallen behind in the ICBM. But it would go a long way to hold the ground if the Soviets at least knew that we were bending every effort to catch up. When Moscow feels we are not making such an effort, they exploit their advantage in a multitude of directions.

Take now the classic case of sputnik.

You remember the absurd talk the day sputnik went up: "A mere hunk of iron," we were told, "a basketball," "a bauble."

It was a bobble all right. It was our bobble; we dropped the ball. We missed the significance of the satellite as a Soviet bid to power by capturing man's imagination.

Sputnik is a vivid advertisement of enormous Soviet scientific and intellectual progress. It is the kind of advertising victory Batton, Barton, Durstine, and Osborn dream of. It is a tangible object everyone can see—dramatic proof of Russia's latest spurt of accomplishment. It is equally dramatic—equally compelling—to the most sophisticated scientist and to the most unsophisticated member of a backward nation trying to decide which side his bread is buttered on.

With sputnik, Moscow successfully struck at the heart of America's prestige—its hitherto undisputed industrial, scientific, and technical superiority.

These days we hear a lot of talk about economy in Government. I wonder how many billions of dollars worth of prestige it has cost us—because we thought orbiting a satellite was just one more technical achievement, without special significance. This is an indebtedness for which we will make payments for years to come.

If we have learned anything from the missile and satellite debacle, it should be this: The race is not only to the swift, but to the society which can organize its human and material resources to outthink, outplan, and outperform the adversary.

The Communists are skilled at organization. They view their relation to the rest of the world as one protracted conflict. They are prepared for the contest.

We need to outdo Russia in the critical new developments. Let's face it, however, we are poorly organized for the task.

Of course, better organization cannot assure success. But good organization can help, and poor organization hurts. Basically, we need to improve our methods in three respects:

1. We have to get all of the promising developments that might affect the race for discovery and the race for prestige out on the table, where they can be recognized. We cannot rely on some modern Einstein to resort to the extraordinary expedient of writing a private letter to the President, as was the case in the initiation of the A-bomb project.

2. We have to develop techniques within our Government to encourage the exercise of inspired judgment on which developments to push. Once the technical possibility of a project is known, we cannot afford years and years of delay before starting a serious program, as happened with the H-bomb.

3. We have to know how to relate crucial new developments to overall national strategy. We cannot miss the psychological implications of the next sputnik—whatever it may be.

The truth is we have made little progress on these problems of organization. Come a crisis we may arouse ourselves to take emergency action. We appoint a science adviser to the President. Come another crisis we may arouse ourselves again. We create a National Aeronautics and Space Administration. I do not quarrel with these changes—they may be to the good—time will tell. But they are piecemeal and stopgap. At no time since World War II have we made a considered and comprehensive inquiry into the new kind of governmental techniques we need—to meet the wholly new kind of challenge.

These are among the considerations I had in mind, in initiating a broad Senate study of the effectiveness of our governmental organization in the struggle with world communism.

The study will be nonpartisan, and will be conducted by a special Government Operations Subcommittee of which I have the honor to be chairman.

We shall wrestle with this central issue of our age—Can a free society so organized itself as to recognize new problems in the world and in space—and respond, in time, with new ideas?

Unlike some problems that confront us, that of organization is within the power of Congress to tackle—and to tackle vigorously At this point in our history, I believe there is no more important contribution that the Senate could make than to help the executive branch organize our Government for survival.

In conclusion, let me say this:

If this Nation had all the time in the world to work things out, complacency might see us through. But today time is the one commodity in short supply. Our only time is the present.

The commitment to freedom is rigorous.

This Republic was not established by laggards, and laggards will not preserve it.

What's Right With Railroad Labor?

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 21, 1959

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an address which I delivered on July 20, 1959, at the 37th convention of the Brotherhood of Locomotive Firemen & Enginemen, in St. Paul, Minn., be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHAT'S RIGHT WITH RAILROAD LABOR?

(By Senator HUBERT H. HUMPHREY, Democrat, Minnesota, at the 37th Convention of the Brotherhood of Locomotive Firemen & Enginemen, St. Paul, Minn., Monday, July 20, 1959)

A little less than a month ago, I spoke in the U.S. Senate on "What's Right With American Labor?" Some of you have been kind enough to express your hearty approval of that speech and to tell me that you thought it had been helpful to the cause of the American labor movement.

I hope that has been the case. What helps the American labor movement helps not only organized labor but all Americans—farmers, unorganized workers, even business itself.

As I told the Senate, I am proud to be considered a friend of labor. I am proud of my friends in the labor movement, and I am proud, too, of the kind of people who stand with me as friends of organized labor.

It is too easy to forget, when headlines in the press are focused on the doings of the small number of corrupt elements which have wormed into certain parts of the labor movement, that the friends of labor are, after all, the overwhelming majority of the American people, who know that a strong and honest labor movement is an essential part of a democratic society.

I was prompted to make my Senate speech because for 2 years now we have been hearing a great deal about what's wrong with the American labor movement. It is in the nature of news that it singles out, and thus overemphasizes, the negative and the sensational.

But I strongly believe that the public should also have the full story of the American labor movement, and not merely that of a small group of gangsters and racketeers. And so I undertook to try to describe the positive side of American labor by pointing out what decent, honest, devoted trade unionists are doing day by day for their fellow workers, their communities, and their country, as well as for the cause of freedom throughout the world.

Today, I want to narrow my topic just a bit. I want to discuss briefly with you "What's Right With Railroad Labor?". I am prompted to select this topic because I am fully aware that, over the last year, the railroad workers of this Nation have been made the target for one of the most unfounded and expensive propaganda attacks that the "perfume and soap" boys of Madison Avenue

have ever launched against any part of the American labor movement.

All of you in this room know—because your union is a primary target of that attack—that I am referring to the campaign to picture railroad labor as greatly overpaid and guilty of unproductive "featherbedding."

Well, what's the real truth behind this propaganda campaign?

The real truth is contained in official Government figures—figures which show that, despite the fastest rising productivity in America, railroad wages have lagged behind those in other industries.

Now, of course, this is by no means the complete picture about railroad union work rules. I am happy to note that, in his opening remarks to this convention, President Gilbert declared that in your forthcoming negotiations with the railroads your work rules must be revised and modernized to reflect the locomotive firemen's current contribution to the industry.

That is a positive approach, and it puts the subject of work rules where it properly belongs—in the arena of collective bargaining, where experience has shown reasonable men of good will can always work out the fairest and most mutually satisfactory arrangements.

I must confess that I have been somewhat dumbfounded that the railroad managements today should be proposing that a Presidential Commission should settle this matter.

For railroad management to call upon the Government to step in to settle an issue, even before any honest effort has been made to reach an agreement at the bargaining table, is somewhat mystifying to me. It is completely at variance with all the protestations of the railroad industry against Government interference and meddling in its affairs.

In any event, millions of dollars have been spent in an effort to convince the public that railroad workers deserve the reproachful epithet of "featherbedders." Well, as far as I'm concerned, if there are any feathers connected with railroading today, they're the horsefeathers in this campaign against labor.

So the first thing I want to say about what is right about railroad labor is that it has been responsible labor, realizing that its own advances can be made only with the advance of the railroad industry and our Nation itself.

This is in the tradition of the American labor movement as a whole, but responsibility has been particularly a dominant characteristic of the railroad unions and their leaders. This is obvious when you examine the history of railroad labor and note its readiness to bind itself to a complex legal procedure of Government mediation before it can exercise labor's sacred right to strike. The Railway Labor Act, which your unions helped to draft, has been pointed to by many experts in the field of labor-management relations as one of our most enlightened labor laws.

Unquestionably, this law imposes a great deal of self-restraint upon your actions when labor disputes arise, and it is a real tribute to railroad labor that it has recognized its peculiar responsibilities as servants of the Nation's transportation needs and has abided by this law and its admittedly cumbersome delays.

The second thing I want to say about what is right with railroad labor is that it has proved itself today to be probably the most productive of any group of workers in the world. Its gains in productivity in recent years have outstripped those of the workers in any other industry.

That's what official figures of the Bureau of Labor Statistics tell us, and I might add that those figures were supplied to the Bureau by railroad management itself.

Actually, the output of railroad workers has been increasing at a rate approximately twice as fast as that of the entire nonagricultural part of the American economy. That's some "featherbedding," let me tell you. Railroad workers in this respect surely have set an example which management should hold up as a goal for the workers of all other industries.

Still another thing that railroad labor can be proud of is the unceasing fight it is waging to keep our railroad transportation system strong in order that it will always be ready to meet the national defense, as well as peacetime, needs of the Nation.

In this respect, railroad labor has exhibited enlightened self-interest at its best, for I have noted that on several occasions the railroad unions took their stand in support of management-sponsored legislation even though management, at the same time, was bitterly opposing legislative measures sought by the brotherhoods for the benefit of railroad employees.

In the present session of Congress, I have been particularly impressed by the efforts of the railroad legislative representatives to secure the enactment of measures designed to relieve the current freight car shortage, as well as their efforts to protect the public from the unjustified abandonment of passenger train service.

I am sorry to say that many railroads have taken advantage of the new law enacted last year which permits them to terminate passenger service virtually whenever they like. One Federal judge has called this law a strange, dismaying law since it places in the hands of the railroads themselves the right to determine the extent to which they will serve the public by providing passenger train service.

Now, please don't misunderstand me. I regard myself also as a friend of the railroad industry, and I acknowledge that I voted for the Transportation Act of 1958 which was intended to help the railroads and make them stronger.

But such a situation as I have just described in regard to the elimination of passenger trains is clearly intolerable. To rectify this situation, a bipartisan group of Senators has introduced a bill which would again protect the public by requiring the railroads, before they could take off trains, to prove that there no longer was a genuine need for these trains they propose to eliminate. I want you to know this measure has my wholehearted support.

Another thing that is right about railroad labor is its concern about railroad safety and its determination to do all in its power to halt the steady rise in railroad accidents.

Almost from the very beginning of the railroads, rail management seems to have been afflicted with a peculiar blindness in regard to accidents. I am sorry to say that the efforts of the Railway Labor Executive Association to establish a joint labor-management committee on safety were turned down by railroad management. It seems to me that by this action the railroads clearly are inviting Congress to enact new laws to force them to meet their obligations in this regard.

I am happy to see that the railroad unions, recognizing their responsibility in this area, have not been deterred by management's indifference on this issue and have set up a Committee on Safety in the RLEA.

I believe in this objective, and I will support the railroad safety measures which are endorsed by railroad labor. They are necessary in the public's, as well as the workers', interests.

Before I leave this subject of safety, I want to comment about one of the railroads' featherbedding charges which concerns the members of this organization directly. I refer, of course, to the claim by railroad management that firemen who tend fires no longer are necessary on modern, high-powered diesel locomotives.

What management is doing is to exploit and misuse a label that is not well suited to modern day railroading, in an effort to make the public believe it's the men and not the label who are outdated.

Admittedly, the locomotive fireman, today, tends no fires. A better way of describing them would be to call them skilled diesel helpers—or, to use a term the public understands—a sort of copilot. In a sense, the fireman is another set of eyes and ears for the engineer. His duties are those of safety lookout, assistant and trainee to the engineer, and supervisor of the production of power. In performing each of these functions the fireman still remains one of the most valuable safety elements available to the railroads.

Hardly a week passes but what the newspapers report how some accident has been averted because a locomotive fireman, as copilot, has spotted some danger ahead not seen by the engineer from his vantage point on the other side of the cab, and has brought the train to a halt to avert calamity. Locomotive firemen, sitting on the left side of the cab and calling out wayside signals and speed zones, spotting obstructions on the track or hot journal boxes and other dangerous conditions, are literally one-half of the vision that guides and directs the movement of mile-long trains hurtling at ever-increasing speeds through the blackness of night or the blind spots caused by track curvature and grade throughout 24 hours a day.

Is such a man needed? Well, I suggest that every person in America be asked this question: How would you like to ride on an airplane today without a copilot? How would you like to ride a train, knowing that because the fireman had been eliminated, every time it swung around a curve to the left at speeds of 60 to 100 miles an hour it was going around that curve absolutely blind? The fact is that the airlines are now adding still a third man to insure greater safety.

And I needn't remind you that the number of lives at stake on a train is many times that on an airplane.

I want to assure you that so long as I am in the Senate I will do everything in my power to see that a copilot is maintained in the cab of every locomotive in order that the public—and the railroad companies as well—will have the protection they deserve.

Finally, and in summary, what is right about railroad labor is that it has a strong solidarity with the rest of the American labor movement and typifies the best of all the things I have said about organized labor as a whole.

Because from the outset railroad workers were able to organize strong and responsible unions in their industry well in advance of the workers in most other forms of employment, the railroad brotherhoods have been able to contribute strong leadership and significant aid to other workers in building the labor movement as a whole.

Fortunately, from the very beginning, the leaders of railroad labor have been men of integrity, and railroad labor organizations have always been clean organizations. Today, after nearly 2 years of the searching investigation of American labor organizations, not a trace of corruption has been found in any of the 23 standard railroad labor organizations affiliated with the RLEA. Even railroad management, despite its other attacks upon your unions, has had to acknowledge publicly that this is the case.

Railroad labor is clean, because railroad workers have built strong, democratic

organizations, and they are determined to keep them that way.

Because the railroad unions were built and run to reflect the democratic faith of the railroad men and women who comprise them, they typify all that is right about American labor. So if I were to tell you all that is right about railroad labor, I would have to also repeat all the things I said in my June 24 speech in the Senate.

Time will not permit such repetition. But everything I said about the great contribution to our society of trade unions can be said with underscoring when it is applied to railroad labor unions like your own. You have not only brought dignity and security to workers in your industry, but you have fought for the general welfare of all Americans, to aid small business and farmers, to promote civil liberties, to advance the interests of all of our citizens.

You have joined the international labor movement in exerting a constructive democratic influence upon workers in other lands. Through the participation of the RLEA in the International Transport Workers Federation, you have helped extend the benefits of democratic trade unionism to workers in the transportation industry throughout the world, and in doing so you have done as much as any segment of the American labor movement to stem the tide of Communist tyranny and aggression.

What's right about railroad labor is that it is enlisted in a cause which is right, and it is fighting for that cause in the right way—the democratic way. That's about the highest tribute I know that can be paid to any man or group of men.

Road Materials From Soft Coal

EXTENSION OF REMARKS

OF

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 21, 1959

Mr. RANDOLPH. Mr. President, when a product—even in the research stage—gives promise of being helpful in improving the durability of highways and airstrips, and, at the same time, holds forth the prospect of providing a substantial new market for coal, West Virginians are doubly interested.

Last Friday an article was published in the daily newspaper of my home city of Elkins which refreshed my memory concerning a sequence of communications which began by letter on June 1, 1959, to the Honorable Patrick C. Graney, West Virginia State Road Commissioner, at Charleston, in which I stated:

As a member of the Subcommittee on Roads of the Senate Committee on Public Works interested in the advancement of highway maintenance and construction, and as a West Virginian desirous of seeing everything possible done to bolster the coal industry and provide distressed areas of our State and others with greater employment, I call attention to apparent progress in the research and development center of the Curtiss-Wright Corp. which has been made known to me.

I refer to the fact that (it) claims to have developed and extensively tested in its research laboratories an improved coal based binder for hot-mix, hot-lay bituminous concrete highway and airport surfaces. It is my understanding that the Curtiss-Wright firm desires to share and has offered to share this process with the State Road Commission of West Virginia for road-testing purposes, and I urge consideration of these offers.

In making this recommendation, I am not advocating utilization of any particular firm's commercial product because the new Curtiss-Wright binder for highways is reportedly from a process in the research and development stage which is still under investigation, and, therefore, is not on the commercial market.

But any item such as the Curtiss-Wright binder material discovery which has possibilities of providing new uses for bituminous coal and improved road binding and surfacing should be advocated by those of us interested in bolstering coal production, increasing employment, and providing better highways. It apparently has other important potential applications which conceivably could bring real improvements to the West Virginia economy.

I am further informed that the discoverers of the product also assure that it will not require any changes in present equipment used in preparing or using blacktop paving materials because it can be combined in existing hot mix batch plants, and in actual road construction or resurfacing will be handled in the same equipment used by State and local road departments and blacktop paving contractors.

Your comments on the suggestion that this new product of coal research be given road tests in West Virginia, the No. 1 bituminous coal-producing State, would be appreciated.

A copy of the letter quoted above likewise was sent to Commissioner Ellis L. Armstrong of the Bureau of Public Roads, U.S. Department of Commerce.

In the order listed, Mr. President, I ask unanimous consent that the replies received from Commissioner Graney, dated June 12, 1959, and from Commissioner Armstrong, dated June 15, 1959, be published in the CONGRESSIONAL RECORD, along with the news story to which I referred earlier, being a United Press International dispatch by Carlo J. Salzano, under the headline, "Make Road Materials From Soft Coal Derivatives Is Object of New Plant," as published in the Friday, July 17, 1959 issue of the Elkins Inter-Mountain.

There being no objection, the letters and newspaper article were ordered to be printed in the RECORD, as follows:

THE STATE ROAD COMMISSION
OF WEST VIRGINIA,
Charleston, June 12, 1959.

Hon. JENNINGS RANDOLPH,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR RANDOLPH: I was very happy to receive your letter of June 1, 1959, and to learn of your interest in the Curtiss-Wright technique proposed by Curtiss-Wright Corp. for the utilization of bituminous coal for highway paving.

We have been investigating this process since it was first announced, in view of the interesting possibilities presented both from the standpoint of the West Virginia coal industry and the improvement of highway pavements.

Immediately upon learning of the new process, we got in touch with the Curtiss-Wright Corp. and have had several conversations with their representative. Arrangements are now being made for an inspection visit by members of our staff to the Curtiss-Wright laboratories at Quehanna, Pa. In addition, we have discussed this new development with the commissioner and chief engineer of the Kentucky Highway Department in order to insure that we keep abreast of and take advantage of the experimental work in connection with this process which is being considered by the Kentucky Highway Department.

At the present time the process is still in a more or less exeprimental phase, no highway service tests having yet been accomplished. Also, there is not yet any experience data from which to estimate the economic benefits which may be derived from the process. However, we intend to follow up this development closely to insure that we overlook no opportunities for improving highway pavements and the increased utilization of West Virginia coal.

As our investigation proceeds, I will be extremely happy to keep you informed upon its progress. Again let me express my appreciation for your interest in this matter.

Sincerely yours,

PATRICK C. GRANEY,
Commissioner.

DEPARTMENT OF COMMERCE,
BUREAU OF PUBLIC ROADS,
Washington, June 15, 1959.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RANDOLPH: This acknowledges receipt of a copy of your letter of June 1 to the Honorable Patrick C. Graney, Commissioner, West Virginia State Roads Commission, concerning the Curtiss-Wright Corp. road binder.

You may be interested in knowing that members of the staffs of our Offices of Research and Engineering recently visited the Curtiss-Wright Research and Development Center at Quehanna, Pa., to determine the current status of the development work on this new product.

Our representatives find that at present only laboratory research has been conducted. These results indicate that continued research on the material both in the laboratory and in field experiments along the lines suggested by you is definitely warranted and should be encouraged.

Field research programs are being considered in Pennsylvania and Kentucky in which test sections of pavement containing the Curtiss-Wright binder will be constructed and their performance compared with pavements containing other binders now in general use.

Our representatives learned that the State of West Virginia has been apprised of this development and has shown some interest.

Sincerely yours,

ELLIS L. ARMSTRONG,
Commissioner of Public Roads.

[From the Elkins Inter-Mountain, July 17, 1959]

MATERIAL IN EXPERIMENTAL STAGE—MAKE ROAD MATERIALS FROM SOFT COAL DERIVATIVES IS OBJECT OF NEW PLANT

(By Carlo J. Salzano)

CHARLESTON, W. VA.—Deputy State Road Commissioner George E. White, Jr., said today the commission is considering establishing a plant in West Virginia that makes roadbuilding material from soft coal derivatives.

The material, still in the experimental stage, is made through a process developed by Curtiss-Wright Corp., Woodridge, N.Y.

Pennsylvania and Kentucky have contracted with Curtiss-Wright for construction of experimental plants and use of the binder on various highways for testing purposes.

White said the commission plans to obtain some of the binder for limited testing in the Mountain State while considering establishing an experimental plant.

He said results of the Kentucky experiments were being watched closed by the State road commission.

A Curtiss-Wright representative, G. Frederick Brackett, visited Gov. Cecil H. Underwood Thursday after talking with White and Road Commissioner Patrick C. Graney. Underwood was pictured as vitally interested but said the decision on setting up a pilot plant in West Virginia rested with the road commission.

As for the cost of the binder on a commercial basis, Brackett said it could not be determined at this time. But he ventured that it would be competitive with asphalt although four times better in quality.

Brackett added a highway constructed of the new coal-containing binder would require much less maintenance and would have better resistance to skidding than asphalt.

The Federal Government also is studying the material for possible use on the Interstate Highway System, he said.

Brackett estimated it would take about 2,200 tons of coal to make enough binder for 1 mile of highway 20 feet in width. He could not estimate the cost of a pilot plant in West Virginia but said that Kentucky's contract called for a $200,000 facility which included technical help from Curtiss-Wright.

Mr. RANDOLPH. Mr. President, it is gratifying to read the dispatch from Charleston which indicates that the West Virginia State Road Commission has reached the point of giving consideration to the establishment of a plant in the State to produce test quantities of the material discovered by the Curtiss-Wright Corp.

It is feasible that the No. 1 coal-producing State should be in the vanguard of those providing actual road tests of the suitability of this new product. This point was, of course, the central theme of my June 1, 1959, communication to Commissioner Graney as quoted in my remarks above.

Fourth of July Address by Hon. Charles E. Goodell

EXTENSION OF REMARKS
OF
HON. JOHN TABER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1959

Mr. TABER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks by Hon. CHARLES E. GOODELL, of New York, before the Chautauqua Institution, Chautauqua, N.Y., on July 4, 1959:

THE FOURTH OF JULY: RENDERING UNTO CAESAR THE THINGS WHICH BE CAESAR'S

Today, as I stand upon this podium, I am a humble man. Through the span of my meager years, since the age of about 6, I have been awed and impressed by Chautauqua. You know Chautauqua is the cultural conscience of Jamestown. My father was a doctor in Jamestown, one of those oldtime doctors. Father loved the Chautauqua of Donald Dame, Josephine Antoine, Alfredo Valenti, and Franco Autori. And while his affection and enchantment with Chautauqua were permeating our family outlook, an appreciation of some of the finer and subtler things in life began to sprinkle on our souls, unbeknownst to us. Aside from the plays and operas and lectures and concerts, and without intention of slighting them, I think one of the finest arts practiced on these grounds was the gentle art of sniping which used to go on every Wednesday and Saturday afternoon on the baseball diamond over here. All three of my older brothers played there before me and, as a young boy, there was no place I enjoyed watching a ball game more than right here at Chautauqua.

I remember during my latter years—when I was an oldtimer of 27 or 28 on the team (helping to season the college youngsters), I came to bat one day at an important juncture in an important game and watched a called third strike go by (below my knees). And as I was dolefully laboring back to the bench to put on my catcher's equipment, a gentleman who truly appreciated the artistic pathos of the situation, commented, so everyone could hear: "We've got a nice croquet team here, Catch, if you'd like to try out. I think even you could hit that ball."

Earlier, when I had had an opportunity to work out with the Brooklyn Dodgers before a doubleheader with Pittsburgh at Ebbets Field, I was worried about the large crowd unnerving me—and, you know, it wasn't near as bad as Chautauqua. All that the players on Ebbets Field could hear was a constant impersonal roar in the background, that they soon got used to, and the would-be tormentors were drowned out in the roar. What a frustrating thing that would be for a Chautauqua baseball fan. And now, at long last, a would-be baseball player has an opportunity to talk back to Chautauqua's fans.

One hundred and eighty-three years ago today it became necessary, in the course of human events, for one people to assume among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitled them. And, appealing to the Supreme Judge of the world for the rectitude of their intentions, a small band of men solemnly published and declared "That these United Colonies are, and of right ought to be, free and independent States; that they are absolved from all allegiance to the British Crown, and that all political connection between them and the State of Great Britain, is and ought to be totally dissolved."

So Americans are, today, for the 183d time, celebrating that memorable event when it was declared to be a self-evident truth that all men are created equal, that they are endowed by their creator with certain unalienable rights including life, liberty, and the pursuit of happiness. And we Americans have been pursuing happiness with a vengeance, and very successfully, I might add, throughout much of our history since that great Declaration.

Because these men pronounced their unity of purpose on the 4th of July, 1776, the 4th of July has become our most prominent national holiday in the United States of America. What does it mean to us? Why do we pay tribute to these 56 men, and others who later signed the pledge? Why do we wave the flag, toot the horns, and bespangle the sky today?

About 1,929 years ago, a man was speaking out against the leaders of his day, and telling stories and parables about them. Discomfitted by all this, the leaders sought to trip him up and one of their questions was: "Is it lawful for us to give tribute unto Caesar, or no?" But this man perceived the craftiness of his inquisitors and he said: "Why do you tempt me? Show me a penny. Now tell me whose image and superscription is that?" They answered, "Caesar's." And this great man then said: "Render therefore unto Caesar the things which be Caesar's and unto God the things which be God's."

I'd like to talk to you today about just how we in America go about rendering to Caesar the things which belong to Caesar.

Today is Caesar's Day in America, and I speak of it as Caesar's Day because, in at least one sense of those words spoken by Jesus, the word "Caesar" is the Nation—the loyalty we pledge and owe to our worldly ways of life, nationalism, if you will. For us today, the United States of America, and all the images that those words evoke in each of us: the flag, the Star-Spangled Banner, the Constitution, our glorious moments in history, and our dark hours of misery and pain. Patriotism rings with anthems of war—clashing armies at Bunker Hill, Antietam, Pearl Harbor, and the Battle of the Bulge. But patriotism has a soft and gentle aspect, too, the things that lonely men at war remember about home when half the globe divides them from family and friends: the lush beauty of our rolling hills and shimmering lakes; Mark Twain, Walt Whitman, Abraham Lincoln, and Perry Mason; Paul Hindemith, Gian Carlo Menotti, Lil Abner, or Morris Graves; the Roosevelts and Eisenhower; waiving fields of grain, and bulging, rotting storage bins; supermarkets and TV commercials; model-T Fords, the gay nineties, and the roaring twenties; the wild western frontier; Oliver Wendell Holmes.

We could go on and on. Ours is a replete history, full of heroes and with no shortage of beauty, or bounce, or color. And this is surely part of the Caesar to which we pay homage on this day. An American Caesar, of many forms and moods; and it is a powerful, vibrant Caesar.

We laugh at aspects of our American way of life, at times we ridicule it, and at other times we seriously criticize and try to change it. But, taken as a whole, we cherish this part of our American Caesar as we pay tribute to it today.

When the Man of Nazareth spoke of Caesar, however, He wasn't just talking about the patriotism or nationalism of the Roman Empire, nor the mores of His day, nor was He talking just about Tiberius I, the then omnipotent ruler of Rome. He must also, and most importantly, have been referring to the authority that human government exercises over its citizens—the loyalty and the dedication that our worldly leaders extract from us in some minimal respect (or we end up as guests in the jailhouse).

These laws and these leaders are apart, in most significant respect, from God and from religion. "My kingdom is not of this world," Jesus said, "if my kingdom were of this world, then would my servants fight, that I should not be delivered to the Jews: but now is my kingdom not from hence."

I can't here deal with the problem of drawing the line between what today we should render to our American Caesar on the Fourth of July and what we should render unto our God, whatever we individually believe His nature to be.

In that connection, though, I remember during the years I was with the Department of Justice, one of the hardest types of cases we had was that of the conscientious objector. It was sometimes almost impossible to separate those who were using this device merely as a stratagem to avoid rightful obligations, from those who were sincere and devout in their belief that, whatever the worldly consequences to Caesar, they should never take up arms against their fellow humans. Many of the judges felt so much personal prejudice in this type of case, having fought and sacrificed in war themselves, that they refused to hear them, and every judge was particularly careful to see that a conscientious objector had a lawyer to represent him in court. One day one of the newly appointed Federal judges

was hearing his first conscientious objector case. "Haven't you got counsel to represent you?" he asked the defendant. "My counsel is Jesus Christ," the man replied steadfastly. Without hesitation the new judge responded, "Yes, but don't you have someone to represent you locally?"

It is the local responsibility that we are concerned with on the Fourth of July. There may be immutable principles of religion. They are not to be found in, nor made a part of, our worldly government. Our Federal Constitution is surprisingly free of moral judgments or prescriptions, and the Bill of Rights begins in the first amendment: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; * * *." Interestingly enough the Constitution and its amendments are not so worded as to require the Government to go in and affirmatively guarantee you and me freedom of speech, freedom of the press and the right to peaceably assemble. They just bar the Federal Government, and in other instances the State governments, from denying us those rights. And amendment 10, that poor neglected orphan among amendments, says: "The powers not delegated to the United States, by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." It was the vision of our forefathers that the vast reservoir of human rights would be untapped and undisturbed by the necessities of orderly government.

If those 40 gentlemen-toilers who finally produced and subscribed our Constitution could have been transported forward for a moment and could have sat beside this freshest freshman in Congress on June 2, 1959, the day I was installed, their eyes would have been wider than saucers, wider even than mine. What hath God and man wrought? A $38.8 billion budget just for the engines of war. That's what we took up as a first order of business in the House of Representatives when I arrived there. Just for perspective, it should be noted that the first budget after adoption of the Constitution was $4,269,027; and just 30 years ago, in 1929, it was $3,000,289,000. We've spent close to $81 billion in the fiscal year just ended. If you and I spent $1 million every single day it would take us 222 years to spend $81 billion.

But I picture here the surprise of Madison and Rutledge and Pinckney and Franklin, and their friends, if they could peek in the House of Representatives for a moment today, not to imply that the Congress is wrong or right, but to emphasize that the affairs of men have changed, and the affairs of Government have complicated immeasurably since 1776. Imagine these same men walking down one of our city streets, or breezing across what was then the entire unknown vastness of our continent in 4 hours and 55 minutes on a passenger jet, or watching our ubiquitous, iniquitous television commercials, or contemplating the fetching qualities of our modern ladydom, enhanced by a superabundance of the most miraculous cosmetic creations and exposed in apparel of the most incredible geometric patterns. If they were wide-eyed on the floor of the House of Representatives, I'm sure our gawking visitors from the 18th century would be rendered totally recumbent soon after an exposure outside the halls of our conservative congressional confines.

I speak of these things not in shock or rebellion. The world changes and gathers complexity, and Government either changes with it or we soon reach that stage of compressed wrong when, in the words of our Declaration of Independence, "it is the right of the people to alter or to abolish it, and to institute new Government, laying its foundation on such principles, and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

We live today in an age when our welfare recipients in America have more material wealth and comfort than kings and queens were able to enjoy two centuries ago. It is our obligation as citizens of the wondrously abundant society to recognize and appreciate the forces which have propelled us to success. In brief, those forces are: Mass production in a free enterprise, incentive-dominated economy, with every free workingman sharing a just portion of our total increased productivity.

The other day I was talking to a friend of mine who works in a shop in Jamestown and I mentioned the word "freedom" and later the words "free enterprise," and he said, "Well, I guess freedom and free enterprise are OK, but they don't mean much to me, except maybe that the big guy is free to gouge the little fella." That kind of a concept of freedom, and that kind of a concept of our free-enterprise system, is dangerous. If my friend would travel, by boat or via the local public library, to Russia, or even to our friendly neighbors in Western Europe, and then take stock of what we have, I think he'd have a little different perspective on this word "freedom."

Freedom (not license but responsible, restrained freedom) is the elixir without which our bountiful way of life would wither and unravel at the seams.

Now I don't want to be an alarmist, nor to exaggerate the situation we face in Washington today. I'm not one of those people—sincere, informed, and intelligent people, I might add—who believe that we are hovering on the brink of economic disaster because of the bloated octopus in Washington. In the first place, some of the bloat's gone out of that octopus in the past 6 years. In 1952, expenditures of $65.4 billions per year by the Federal Government represented 18.8 percent of our gross national product. As you know, gross national product is the total national output of goods and services at market prices. In 1959, expenditures of $80.8 billions per year represents 17.3 percent of our gross national product. Federal employees numbered 2.6 million in 1952; they number 2.35 million today, a drop of 244,521 at the same time that our population has increased substantially. These trends are encouraging to those of us who believe in decisions being made, to the extent possible, in the free marketplace.

But there are people abroad in our society who think that getting something, whatever it be, is simply a matter of having our Federal Government legislate it. They want our Federal Caesar to open the throttle wide and spend us all into a wild and illusory prosperity. Their method of paying for things has to be either taxes or inflation. There is no getting around that craggy, ugly fact. And it is the person with a small income who hurts and hurts and hurts as taxes go up and the value of our dollar goes down. Yet many of these moderate wage earners have been sold a bill of goods that Government spending, especially Federal Government spending, is automatically and inevitably good for them. I'm sure we can all agree on one incandescent fact today on this beautiful Fourth of July, 1959: All of us could do with less tribute to Caesar in the form of taxes to our Federal Government in Washington. And the only way we can ever reduce taxes is to reduce the proportion of our gross national product which is represented by Government expenditures.

Up to now I've sounded pretty much like a hidebound, earthbound old conservative. And I am, in many ways, and proud of it, too. But conservatism doesn't mean negativism. I cherish the values of our great America: A man's freedom to be what he wants to be; a man's opportunity to lift himself, mentally and materially; a man's guarantee that the color of his skin or the color of his creed will not deprive him of his rightful and equal station in our society; in sum, every man's respect for the dignity and worth of other men.

President Harold Dodds of Princeton University said in September 1955: "In an age enamored of skills, techniques and mechanical shortcuts toward a competent life, we shall maintain the creative and generating power of liberal learning broadly conceived. Our position is based firmly on the rock of our confidence in the uncommon man and our conviction that without him our democracy will wither and die."

Those words impressed me so much when I read them almost 4 years ago in the New York Times that I clipped them out of the paper and kept them. They were uttered at a time when conformity was "pedestaled" high in this country.

Whether we label ourselves "conservative" or "liberal," or something else, let us conserve those true values of our Nation. Let us be imaginative and positive about this. And please don't let us be satisfied with the old methods and the old cliches in politics. We need some freshness and some vigor in our fight to conserve the good, while we at the same time attack the things about our society that are unworthy of us. We, as citizens, must render to government our time, our thought, our knowledge, and our patience. Believe me, our Caesars in Washington and Albany and Harrisburg and Columbus need all the help they can get.

Now, what can you, you people sitting here today and listening—or snoozing, as the case may be—what can you do?

1. If you ever said it, you can make sure you never say again, "My vote doesn't matter," or "He's going to win anyway." Join either a political organization or a nonpartisan movement to get out the vote at elections and to understand the issues. The most powerful bloc of votes in this country today are the stay-at-home votes. In 1956, a presidential year, only 60 percent of our adult population voted. In 1958, an off year, 46 percent of our adult population voted. You and I can do something about that in our own small ways.

2. Think and read about issues; and talk and write to your elected officials. When you have collared your Congressman, don't tell him arbitrarily what he should do. He just might know more about it than you. Ask him his opinion and then tell him where he's wrong. Your reasons for thinking what you do are more important to a Congressman than your conclusions. And a Congressman does watch his mail.

3. Get into government yourself. And urge your family and friends, the ones you know have something valuable to offer the community, to run for office. You'll find that major reforms are more easily talked about than accomplished, but you'll make some progress and you'll have some fun in the process. I'm told a recent poll revealed that 80 to 90 percent of parents don't want their children to get into politics. If you have the opportunity you might talk to my mother about this. She's sitting right over there, and I think she still acknowledges me in public.

There are more recommendations I could make as to how you and I might effectively render service to Caesar, not on the Fourth of July but when it counts: the year around. But you are the people who really know how you can best serve. If you are a factor in your community politically, that's what is important.

During my recent campaign I met and shook hands with about 20,000 people in 4 weeks. We talked about farm surpluses,

about labor racketeering, and about balancing the budget—all of them critical issues. But the main theme, recurring throughout every movement of our political symphony, cacaphonous as our symphony may have been— the main theme was get the Government back to the people. All the candidates in our special election in May played that theme in one key or another, because we hear it reverberating from the hills and valleys throughout these four counties in the 43d Congressional District of New York.

There are encouraging signs that Government is beginning, ponderously and laboriously I admit, but nonetheless beginning, to respond to this swelling chorus echoing alike from the rural hills and the urban caverns of our great Nation. State and local governments have been assuming an increasing share of the load. Since 1954 the State budget in Ohio has gone up 56 percent; in Pennsylvania, 43 percent; and in New York, 49 percent. The Federal budget has increased only 6 percent in the same 4-year period. If the States will in turn pass the responsibility for these programs down to the justice of the peace and the town councilman and the mayor, together with the revenue sources to cope with that responsibility, (to use the vernacular) we'll be in business. Seventeen percent of the present Federal nondefense budget is spent for grants, not loans but grants—gifts—to the States.

Six billion eight hundred million dollars will be given to the States in 1960 by the Federal Government. In most instances the only reason the Federal Government is involved in any of these programs is that we in Congress have the tax revenue—and if we can't find enough tax money we can spend our own printed money or borrow the money, and you people can pay for it over the years in inflation and interest. That $6,800 million does a lot of wasting and eroding on its round trip from us to Washington and back again.

I welcome Federal programs which stimulate and prod our people to arouse themselves and which help them overcome their local problems. The Federal Government is a progressive instrument, which I personally welcome in our local affairs, provided it does not enlarge itself into vast programs which can only ultimately oppress and enervate our local initiative. Unfortunately, the history of our Federal Government revolves all too often around the self-perpetuation of programs of aid and control. And such programs, when they emanate permanently from Washington, soon become encrusted with bureaucratic organizations and schemes, which almost seem to feed upon themselves in growing to massive proportions. These unresponsive bureaucratic beasts are a scourge upon modern society. It is this tendency of our Federal Caesar, to which you and I must never render homage or tribute.

The rebirth of this Nation—our entrance upon the glorious age for which all the sacrifices of the past have been made—is at hand, if we don't fumble and stumble our way down the blind corridor to heavy-handed, centralization of everything in Washington. This Nation cries for a rejuvenation of local government. The imagination and ingenuity of our people are not dead. That imagination and that ingenuity will exhibit themselves in endless variety throughout this great land, if we just give them a chance.

I stand before you an optimist. If you and I consent to participate in our destiny, through all the menial means available to us; yes, if we consent to render the right things to our Caesar, we cannot fail. Let us rededicate ourselves—unremittingly—to that sacred objective on this Independence Day, 1959.

Ninety-eighth Anniversary of First Battle of Manassas

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Tuesday, July 21, 1959

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, a very eloquent speech made by Representative WILLIAM JENNINGS BRYAN DORN, of South Carolina, on the occasion of commemorating the 98th anniversary of the Battle of Manassas in Virginia.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF CONGRESSMAN WILLIAM JENNINGS BRYAN DORN, DEMOCRAT, OF SOUTH CAROLINA, COMMEMORATING 98TH ANNIVERSARY OF THE FIRST BATTLE OF MANASSAS, MANASSAS NATIONAL BATTLEFIELD PARK, MANASSAS, VA.

President Martin, you and the District of Columbia division, United Daughters of the Confederacy, are to be commended for observing the anniversary of this great battle. In your ceremony today, you are remembering deeds of gallantry and heroism all Americans can point to with pride. I congratulate you Sons of the Confederacy, Children of the Confederacy, and the Southern Relief Society for joining the United Daughters to commemorate this 98th anniversary of the First Battle of Manassas.

Mr. Jones, thank you for your very kind introduction. The people of America are indebted to you for your excellent work on the life of Col. John S. Mosby, "The Gray Ghost." As we approach the centennial of that tragic era, your books will contribute greatly to the proper evaluation of that important episode in our history. Your writings will be an inspiration to the youth of our land, both North and South.

I am flattered and honored by the presence of Judge and Mrs. Howard Smith. My friends, Congressman SMITH is standing like a stone wall for constitutional government, General Jackson said of Robert E. Lee, "I would follow him blindfolded." Judge SMITH, we would follow you blindfolded in the cause of State rights.

Madam President, I dedicate my remarks to the memory of my grandfather, George E. Dorn, a 19-year-old volunteer who fought here with the famed Hampton Legion. This hill to me is hallowed ground. Indeed, all Virginia soil is sacred to me. I am sure that my grandfather never dreamed that I would be here today in this capacity to pay homage to those men and the leaders whom he followed and whom he loved. Manassas was a bloody milestone that had to be passed in the progress and unity of our country. Americans everywhere are rightly proud of the courage and heroic deeds displayed by our forefathers on this field. It is up to us, the living, to pass on to future generations the story of Bull Run. It is proper that we place wreaths today on the monuments to three men whose names will live forever in the saga of this conflict. The names of Gen. Stonewall Jackson of Virginia, Gen. Barnard E. Bee of South Carolina, and Gen. Francis Bartow of Georgia will always be associated with the deeds of valor on this field.

Gen. Stonewall Jackson was not only a great Virginian, but a great American. He was probably the greatest field commander the English-speaking peoples of the world have produced up to this hour. It was my privilege on May 19, 1957, to attend the unveiling of the bronze bust of General Jackson in the Hall of Fame for Great Americans at New York University. The Honorable Wilber Brucker, Secretary of the Army, who delivered the principal address, said "Stonewall Jackson possessed every attribute which makes for success in war or peace."

Field Marshall Viscount Woosley, Commander in Chief of the British Army said, "The fame of Stonewall Jackson is no longer the exclusive property of Virginia and the South. It has become the birthright of every man privileged to call himself an American." Earl Frederick S. R. Roberts said of Jackson: "As a campaigner in the field, he never had a superior. In some respects, I doubt whether he ever had an equal." Von Moltke, the great German field marshal, said Jackson's valley campaign was without a rival in the world's history.

I am particularly happy to represent in the Congress that section of South Carolina which gave to the Nation Gen. Barnard E. Bee. General Bee was born near Pendleton, S.C., graduated from West Point and served with honor and distinction in the Army of the United States. With secession, he cast his lot with the South. General Bee fought valiantly here on this hill. He rallied his broken regiments time and time again. Finally he fell mortally wounded while rallying his men with the cry "Rally around the Virginians. There stands Jackson like a stone wall." General Jackson, from that day forward, has been known to the world as Stonewall Jackson.

Gen. Francis Bartow was a native of Georgia, a prominent lawyer in Savannah, member of the Georgia Legislature and member of the Confederate Provisional Congress. His Oglethorpe infantry was the first in the South to offer its services to the Confederate government. General Bartow gave his life here in the desperate fighting as the battle neared its climax.

The bodies of General Bee, General Bartow, and Lt. Col. B. J. Johnson, of the Hampton Legion, were removed to Richmond where they lay in state with a guard of honor. The wife of the president, Mrs. Jefferson Davis, broke the sad news to Mrs. Bartow of her husband's death on the field. The bodies of these three intrepid leaders were later returned to their native States for burial. The remains of General Bee lie today in St. Paul's Episcopal churchyard at Pendleton, S.C. This churchyard is the resting place of many famous Americans. Among them are Mrs. John C. Calhoun, Wm. H. Trescott, Thomas G. Clemson, and Rev. Jasper Adams, founder of Hobart College, Geneva, N.Y.

The First Battle of Manassas was the greatest battle ever fought in the Western Hemisphere up to that time. The U.S. Army under General McDowell was seeking to crush the Confederate Army here and clear the way to the Confederate capitol at Richmond. This Federal army fought valiantly and its efforts on the morning of July 21 were crowned with great success. The Confederate Army, under the command of General Beauregard and Joseph E. Johnston, was being driven from the field in disorder and undoubtedly would have been defeated but for the supreme sacrifice of General Bee, General Bartow, Colonel Johnson, and their devoted men. On the afternoon of the 21st, the battle reached a climax here on Henry House Hill. The victorious Federals were halted and the Confederates, in a great countercharge, drove them from the field. The Federal Army was routed and retreated to Washington in the utmost disorder and confusion. General Jackson and Colonel Wade Hampton were wounded, Jackson only slightly, but their gallantry and leadership contributed immeasurably to the success of the Confederates.

Wade Hampton had no previous military experience. From his baptism of fire here on this field he rose to the rank of lieutenant general and was commander in chief of cavalry of the Army of Northern Virginia. Following the war Hampton became Governor and U.S. Senator from South Carolina. He rendered the United States great service during the crisis of 1876 by preventing bloodshed and further civil strife.

The American people are rightly proud of the heroism and sacrifice of the men and women who fought in this War Between the American States. I am glad that the Congress has created the Centennial Commission to properly commemorate, beginning with 1961, the 4 years of this conflict. The Commission is headed by my distinguished friend, Gen. U. S. Grant III. Your own able Hon. WILLIAM E. TUCK is a member and Vice President of the Commission. Thus the youth of our country will become even more familiar and proud of these traditions and heritages.

In the Revolutionary War, the American Colonies fought to be a free and independent nation. They revolted against the autocratic power of George III. Our Founding Fathers fought for free local government, dignity of the individual, and for States rights. Their successful struggle resulted in independence, our Constitution, the Bill of Rights, and a representative form of government. To many southerners, the war for southern independence in 1861–65 was a renewal of the Revolutionary War. They felt it was a continuation of the ageless struggle for freedom against totalitarianism and centralized power. The South in this war fought against what they believed to be an unwarranted usurpation of States rights and individual liberty by a powerful Federal Government.

The Confederate soldier faced overwhelming odds for 4 long years because he believed in the principles of States rights and free local government. The Confederate soldiers sacrificed everything—their homes, their lives, and their fortunes in an all-out effort against a strong central government. These men were dedicated men, courageous, independent, and self-reliant. They suffered untold hardships. They often went hungry, ragged, and barefooted. They suffered through the heat and dust of summer and the cold of winter. They endured these hardships because their firesides and homes were at stake. To them, a principle was involved, a basic and fundamental principle of government and political philosophy.

This struggle for freedom is a never-ending one. Liberty is something that has to be won, defended, and fought for over and over again. "Eternal vigilance is, indeed, the price of liberty." The fundamental principles of government as enunciated by our Founding Fathers and dignity of the individual never change. They will be the same throughout eternity.

In America and in the free world today we see a renewal on a large scale of the never-ending struggle against centralization and federalism. The same fundamental issues are involved in our country today that confronted the people of Sparta and Athens in ancient Greece. They are the same issues discussed in the Roman Senate and paramount in the Magna Carta.

This great struggle today against the forces of totalitarianism is not a sectional fight between the North and the South. It is an ideological struggle between those on one hand who believe in a strong national socialistic state and those who believe in States rights and maximum individual liberty. At stake today is trial by jury, freedom of worship, freedom of the press, the time-honored principles and ideals so paramount in previous revolutions and struggles for freedom.

We must fight today by peaceful methods just as valiantly as our forefathers fought in the Revolution and our grandfathers fought in the cause of the Confederacy. The fate of the entire free world rests on the outcome of our efforts. Federal encroachment for a while was creeping and stealthy. It was often intangible and little noticed by the average citizen, but today it is open and is moving at a fantastic pace.

Here in the United States, the so-called home of the free, the departments and agencies of the Federal Government are writing most of the legislation and are making rules and regulations with the full force and intent of law. The direct representatives of the people are being bypassed and subjected to propaganda by these ever-growing agencies of the Federal Government. The taxpayers' money is being spent to propagandize him of the glory of the welfare state. The American citizen is being subjected to a barrage of Government propaganda. Everyone is being promised an easy life. The people are being led into a socialistic pit of no return. The moral character of our people is being undermined by excessive taxation to support this Federal army of national and international spenders—professional spenders who have often done nothing in 20 years but spend the tax money extorted from the once sovereign American citizen.

In the name of fighting communism, the Federal Government is adopting socialistic and communistic methods. This centralized authority is pretending to stop a disease by spreading more of that disease—the plague of international socialism—while wasting billions of dollars abroad. In a futile effort to stop communism, we are adopting Marxist doctrines through the backdoor here at home. We are subjecting our people to unprecedented regimentation. The pseudo-liberals and Fascists in our own country have joined hands with the internationalists. They are even rolling out the red carpet for the bloody exponents of communistic atheism. They lend prestige and dignity to the soiled hands of those who liquidated the freedom fighters of Hungary. The high-sounding slogans and the four freedoms of World Wars I and II have been forgotten. Totalitarianism is on the march all over the world. The United States is joining this totalitarian hayride. Mikoyan, Kozlov, Castro, and Sukarno are being welcomed with open arms as heroes. Our people are being brainwashed as individuals and collectively as a nation. If we are to halt the onward march of autocracy, we must fight as never before. Our fight must not be with bombs and bullets in this enlightened age. It must, however, be a revolution against complacency and indifference. It must be a renewal of our faith in the Constitution, in the Bill of Rights and in the free enterprise system.

Our fight to preserve freedom must not be sectional and cannot be limited to the United States. International communism and international autocracy must be fought with international freedom. However, our first effort must be right here in the United States. Our fight today must be waged on the political front with the ballots of an aroused people. The battleground will be the precinct meeting, the party primaries, the political conventions, and the national elections of 1960. All of us cannot work in the scientific laboratories or fly into space, but we can vote. We must rescue both American political parties from the federalists and exponents of socialistic welfare.

We can and must elect a Congress pledged to the Constitution of the United States, a Congress with fiscal responsibility, a Congress dedicated to preserving liberty, a minimum of taxation and government.

We can only curb the Supreme Court and prevent it from establishing a dictatorship by a political reawakening. We must have a Supreme Court who will protect our basic liberties, uphold the sanctity of our homes, save the American people from seditionists, espionage agents, and criminals; a Supreme Court that will fight with loyalty, patriotism, and love of country rather than those self-seeking proponents of un-American ideologies.

We must elect a President of the United States who is thoroughly American, one who is dedicated to the Constitution as written, one who will support the 10th amendment to the Constitution, a patriot who will lead the United States forward to a new era of governmental subservience to the individual citizen; a President whose first allegiance will be to enhance the national glory of the United States of America above all other governments on earth.

Crimes against the American people and our sacred heritages are being committed in the name of bipartisanship. There are no real issues between the great political parties or between the many political aspirants to the Presidency. We must advance candidates in the race for the Presidency who will pledge a return to constitutional government, States rights and local control of our schools; men who will take the dollar signs from international relations and substitute our time-honored slogan "millions for defense but not one cent for tribute". We cannot buy with money the friendship, patriotism and cooperation of other nations. My friends, money cannot buy real courage or determination such as that exhibited on this great battlefield. Foreign aid is an insult to nations abroad and a mockery to the American people. The Kremlin definitely favors this foreign policy of wasting our sustenance all over the world. They hope America will go financially bankrupt through our idealistic and wild spending schemes. The election of 1960 might well be our last opportunity in free elections to return sanity to our Government. It may well be our last opportunity to save the American people from a socialistic, sociological Supreme Court; to curb an empire building federal bureaucracy. It may well be our last opportunity to save our people from a Federal gestapo and save them from the crushing burden of unbearable taxation. We must examine, before it is too late, our international commitments, secret negotiations and phony summit conferences.

Federal aid to education must be rejected in any and every form. Federal aid to education is an octopus in disguise. With Federal aid eventually will come Federal control of education and the youth of our country. This is a familiar road followed by Hitler, Mussolini, Goebbels and Stalin. Every dictator since the beginning of time has seen the absolute necessity of controlling education to further his dictatorial ambitions. They were as afraid of locally controlled education as they were of the plague. If we are to remain a free nation, we must preserve local control of our schools.

Every American State in this Union today is in better financial condition than the Federal Government. Any community that builds its own schools and solves its own educational problems will grow morally and spiritually. Local government will be strengthened. Our people will have more pride in themselves and confidence in their ability to solve their own problems. This, in turn, will strengthen the Republic. Federal aid to education would strike the final blow to the United States as we know it today. Our country is great today because of its different sections, because of its different people, and because of its differences of opinion, and even diverse political philosophy. If the United States ever begins to look, act and think in a single pattern, then we will cease to be a great Nation. The American body politic will become a rubberstamp without will power or courage—a rubberstamp to be used by the Washington autocracy to further its own ambitions. My

admonition today to you, my fellow countrymen, is to oppose with united effort this latest civil rights legislation, Federal aid to education, this stupendous budget and Federal encroachment.

Our struggle today is greater, more far-reaching, and more important than that waged by the Founding Fathers. If we lose America and the free world, we will be plunged backward into medieval tyranny. We should zealously guard freedom of speech, trial by jury, freedom of choice, freedom of the press, and our religious liberty. To preserve these basic freedoms guaranteed to us in the Bill of Rights, we must save our Constitution as written by the Founding Fathers of this Republic. If our Constitution is to be amended, we should amend it the legal way as provided for in the Constitution itself. To save this great document, we must first preserve the integrity and sovereignty of the several States. States rights will preserve individual rights and individual dignity.

We, in the South, have been plagued for generations by a negative psychology. I see signs of our beloved Southland going today from the negative to the positive. We are on the offensive. We know that the freedom of our sons and daughters depends upon the outcome of our battle today. The destiny of the United States itself hangs in the balance. The southern people fought for the South in the War Between the States. The southern people today are fighting for America.

We in the South are in the forefront in this desperate struggle today to preserve not just the southern way of life, but to preserve the principles enunciated in the Declaration of Independence, the Constitution, the Bill of Rights. We are fighting not just for the South, but for every single one of the American States that flourished under that Constitution. Yes, this fight goes beyond the borders of the South, the Middle West, or the Union. It extends and beckons to the whole free world. Our fight is the battle of free peoples everywhere—Europe, Asia, the Philippines, and beyond the seven seas of the world. Totalitarianism, dictatorship, and centralization is on the march. This is no time for appeasement or compromise or for adopting just a little regimentation or a little centralization. We must draw the line. The die is cast. We must save all of our freedoms or lose all of our freedoms.

Madam President, we must fight today with the pen rather than the sword, with words, rather than bullets, with ballot, rather than roaring artillery.

A movement is underway to give you a political choice in 1960. Candidates will be offered within and possibly without the Democratic and Republican Parties who will have the courage to support the Constitution of the United States as written—men who will curb inflation and prevent national bankruptcy; men who can and will put Russia on the defensive; men who will not dignify the atheistic and bloody Khrushchev and Kozlov by conferences and love feasts; men who have the oldtime courage and moral character of George Washington and Stonewall Jackson.

The great State of Virginia under the leadership of its Washingtons and its Jeffersons amazed the world at the time of the Revolution. They struck fear into the heart of the tyrant and shook the theory of the divine right of kings. In their great struggle for independence under Generals Lee and Jackson, Virginia won the respect and admiration of the entire world. In your superb efforts today against centralization and socialist autocracy, Virginia again is in the forefront. You are fighting for the people of the United States—North, South, East and West.

We must stand firm against the conformists, the one-worlders and exponents of national brainwash. I am glad today that Virginia is in disagreement with the pseudo-liberals, the fascists and the collectivists. I am glad you believe the jet age can go hand in hand with freedom. I am glad you believe social justice and a better standard of living does not mean the surrender of States rights and individual liberty. Atomic science does not lessen the need for States rights and free local government. The threat of communism should be no argument to abandon local control of schools.

General Bee rallied the South Carolinians to the support of the Virginians under Stonewall Jackson. I can assure you that the South Carolinians of today are behind you in your heroic efforts to stand like a stone wall against nationalization and unconstitutional Federal control.

SENATE

WEDNESDAY, JULY 22, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, in this Chamber, so piled with problems that affect untold millions, before we turn this new day to perplexing affairs of state, we would bring our own hearts to the white light of Thy scrutiny.

We would open to Thee the secret places of our own lives.

Bewildered by the world's confusion, we are tempted to lose certitude and stability and self-control.

In this still moment we would listen to Thy voice assuring us that "in quietness and confidence shall be Thy strength." We confess that too often our own distraught spirits but mirror the angry emotions of our violent times.

Send us forth, we pray, strengthened with Thy might to front tasks that tax our utmost, with the glad assurance, "He restoreth my soul."

In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 21, 1959, was dispensed with.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 22, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 21, 1959, the President had approved and signed the following acts:

S. 854. An act for the relief of Luther M. Crockett; and

S. 866. An act to amend the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1911, and for other purposes," approved May 18, 1910.

REPORT OF BOARD OF ACTUARIES OF UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 1444, title 10, United States Code, I transmit herewith for the information of the Congress the Fourth Annual Report on the Administration of chapter 73—Annuities Based on Retired or Retainer Pay, title 10, United States Code.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 22, 1959.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1437. An act for the relief of Mr. and Mrs. Christian Voss;

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 5477. An act to authorize Maj. Gen. Bernard W. Kearney, U.S. Army (retired), a former Member of Congress, to accept and wear the Philippine Legion of Honor in the degree of commander, conferred upon him by the Government of the Philippines;

H.R. 5880. An act for the relief of Nels Lund;

H.R. 6733. An act for the relief of Paul & Beekman, Inc., and others;

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments;

H.R. 7745. An act for the relief of Mrs. Willie Soher; and

H.R. 8283. An act making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 1437. An act for the relief of Mr. and Mrs. Christian Voss; to the Committee on Finance.

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 5477. An act to authorize Maj. Gen. Bernard W. Kearney, U.S. Army (retired), a

former Member of Congress, to accept and wear the Philippine Legion of Honor in the degree of commander, conferred upon him by the Government of the Philippines; and

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments; to the Committee on Foreign Relations.

H.R. 5880. An act for the relief of Nels Lund; and

H.R. 7745. An act for the relief of Mrs. Willie Soher; to the Committee on the Judiciary.

H.R. 6733. An act for the relief of Paul & Beekman, Inc., and others; to the Committee on Government Operations.

H.R. 8283. An act making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes; to the Committee on Appropriations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Administrative Practice and Procedure, of the Committee on the Judiciary, was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EUGENE MEYER

Mr. JOHNSON of Texas. Mr. President, yesterday, with some of my colleagues, I attended the memorial services for Eugene Meyer.

They were impressive services, in keeping with the character of the man.

Eugene Meyer was a good man whose first thoughts were always for his fellow human beings. He served humanity, and those he served loved him deeply.

The services were attended by people from every walk of life—the rich and the poor; the clerk and the working man; the high and the low. And every single one of them felt that he had lost a personal friend.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD the eulogy that was delivered at the services by Chief Justice Warren.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

CHIEF JUSTICE WARREN GIVES EUGENE MEYER SERVICE EULOGY

This assembly of the family and friends of Eugene Meyer, who until last Friday was not only of us but with us, is to enable us to conjure with his eventful life and the circumstances that brought him into such happy associations with us during his stay here. We do this because he has departed from this world and is now on his journey to that undiscovered country from which no traveler returns.

We shall miss him greatly. But we are grateful that He who guides the steps of each of us allotted him such a long and purposeful sojourn here. We are grateful that his life touched ours in such intimate fashion. And we can have confidence, as did Abraham Lincoln when he departed on an uncharted journey, that He who can go with me and remain with you and be everywhere for good will continue to guide our friend and that all will be well.

A PIONEER BY NATURE

Eugene Meyer plowed new ground in every field he entered. He was a pioneer by nature, and he came by that spirit logically. Born of pioneering parents, who had braved the rigors of the long trek to California in the "roaring fifties," he grew to manhood there in kaleidoscopic surroundings and imbibed the atmosphere of optimism and determination to do exciting things.

Although he reversed the admonition of Horace Greeley to "Go West, young man" by going to New York, he never relaxed the spirit of optimism, his desire to make things grow, and his determination to get things done in spite of obstacles.

His life cannot be summed up in a handful of words. His spacious spirit, the paths he walked, and what he did along the way, need much more than this memorial moment if they are to be given their true worth.

Yet we cannot be silent in the manner of our farewell. There is joyful gratitude to be voiced that he lived in our midst for so long. And along with this, there is a reason to be stated why his passing brings us into the community assembly, to be of one heart and mind with his own family.

We rejoice in the memory of Eugene Meyer as much for the manner of his life, as for the legacy of solid things he leaves to us.

He was, as all of us here know, a man of many interests, many talents, and many deeds. Yet over all, he had a special cast of person which set him off from most men for a life on a plane of his own. It was, at first glance, a cast of person which united contraries; a rigorous self-discipline on the one side, and an outward flowing, radiant vitality on the other.

HIS EXACTING STANDARDS

To his self-discipine, we owe the visible form of a man who was a lonely walker, who majestically rejected all license, who ruled himself at every turn by a self-critical intelligence. In this light, he seemed to stand a bit outside himself to see if his acts conformed not to what the public scrolls of honor said of him, but whether they conformed to the more exacting standards he set for himself.

Here was a morally and intellectually brave man—a man born to give himself no peace, to engage in an open-end debate with himself, to accept even his own life as a provisional project shot through with doubt.

When one approached him, he seemed to breathe the conviction that the living alone is not all that exists; that good fortune never stands in one place for very long; that those who have a measure of it must fight every day to deserve it. And beyond this, he seemed to breathe the conviction that there are visions of truth which transcend time itself; that he would strive to draw near to them for a close embrace, even though he knew their elusiveness to the human grasp.

GREATEST ACCOMPLISHMENT

He put the whole of his conviction into a single sentence at the time of his 80th birthday. When he was then asked to state what he felt was the greatest accomplishment of his life, he might have followed the fashion of the world and chosen among an assortment of things for which he had often been publicly honored. He might have chosen among the great industries he helped build, the key governmental posts he held, the newspaper he recreated, the benefactions that helped many institutions to do their work of cultivating the arts and the sciences. Yet he chose none of these. Colorblind, and at times a bit deaf, he was a man who made his own fashions when it came to human values.

"The greatest accomplishment," he said in answer to the question put to him, "was in the form of a discovery—the discovery early in life of the power and the glory of the truth."

This was the heart within the heart of the man speaking. And it kept speaking that way to the very last days when his consciousness was fast ebbing. Even then, there was something more he wanted to know, something more he wanted to think and talk about—the reality or the illusions of the human senses, the relationship between the one and the many, the difference between a good life and the good society.

"Keep asking questions," he whispered from his bed as he talked of these things with a friend. And to a member of his family, he added as if to complete the idea: "The important thing is to know how to listen to the truth with your heart as well as hear it with your ears."

POWER FOR COMPASSION

Now what of his outward flowing, radiant vitality? What of this vitality in which a power for strenuous combat was entwined with an equal power for compassion?

This aspect of his person, far from being at odds with his self-discipline, was an extension of it. For no man can truly give of himself to others unless he first exists in complete self-possession; unless he is first the master of his own will and passions; unless he has a clear interior vision which tells him beforehand what to give and when and how to give of himself.

What Eugene Meyer was, he gave to others—freely, generously, bravely, and with a gayety that shone most brightly when the background was dark with the air of crisis.

In such moments, stretching from the First World War to the recent present, where others faltered we saw Eugene Meyer move to the center of hectic counsels. We saw him bite off the end of a fresh cigar—his very personal signal that he was clearing the emotional decks for action. We saw him bear himself as one who had long foreseen the gathering crisis, was not overturned by its impact, but was ready for it with a plan of action. Indeed, his very bearing seemed to say that in his view of things, the mere emotion of shocked surprise was unworthy of the human intelligence.

His presence in any such company of men meant that many things were certain to follow. It meant that hard truths others had left unspoken would be spoken by him. It meant the presence of a will to decide what should be done and an eagerness to do it. It meant a readiness to assume the responsibility for the consequence of the decision that was reached and put in motion. It meant not a piecemeal approach to the needs of the hour, but a view of those needs as a single problem.

Above all, his presence meant a source of wit and laughter that eased the prevailing tension of nerves, and then aroused the company of distracted men to shake their fists in the very face of any adverse fortune. Thus there was caught from Eugene Meyer as if by contagion, a sense that whatever the ultimate issue, men in positions of trust would be a little better and brighter if they

battled adversity instead of stoically resigning themselves to it.

"All that we value in civilization," Eugene Meyer once told a Senate committee in an hour of crisis, "has come about through the agency of men who refused to allow nature to take its course—men of heroic hope who used the sovereignty of their spirit and the light of their reason to force the proof that the human person can make his own purposes prevail in the face of blind fortune."

Here I come to the transcendent object of Eugene Meyer's life—to the point where his rigorous self-discipline and his radiant vitality found their perfect unity.

In his view, merely to be an American was in itself a moral state and a full-time career. Thus he would have his country inhabited by a race of choosing people—by people who voluntarily assumed the yoke and the glory of advancing mankind's best hopes. On this account, also, the transcendent aim of his life was to help elevate the whole tone of the public mind—to help cultivate excellence in the style of public discourse.

For he believed with all his heart that "the beginning is the word"; that in a democracy such as America is, public discourse should be conducted in ways where words are used to draw everyone closer to the realities they are meant to express. It was his fixed aim, therefore, to uphold the integrity of words so that the public itself could make a better choice between proper and improper objects of trust or jealous suspicion, between proper and improper objects of praise or censure.

One thing was certain to bring him roaring out in full armor, ready for battle. It was the taunting spectacle of public men practicing the small arts of flattery in order to win public trusts, though the public interest might thereby be betrayed. To him by contrast, men who held the trusts of office, along with those whose station in life makes them the natural leaders of public opinion, were duty-bound to honor the quality of the public mind by always appealing to its power of right reason and to the best motives of its free will.

Where did this ruling conviction come from.

He himself gave us the answer.

As a young man, graduated from Yale and in Europe for further education at the end of the last century, he had seen the Dreyfus case unfold in France. Of the formative things in his life, few things impressed him more deeply. Here was a whole state apparatus, geared to ratify an injustice by appealing to the lowest of human passions.

Yet this, to him, was but one aspect of the event.

There was another and happier aspect of the Dreyfus case which left an equally deep mark on his thoughts. As time wore on, he saw how a handful of men in France—no more than four to start with—armed with nothing except appeals to reason, beat down and slowly leveled the walls of a state-supported falsehood. In the end, they won freedom not only for an officer who was falsely convicted of a crime, but also won freedom for the mind of a whole nation that it might know where justice lay.

The force of this experience from another time and age formed the point of departure and the point of return for Eugene Meyer's lifelong attitude toward the conduct proper to men in their political natures.

A NOTE OF TRIUMPH

And now Eugene Meyer has passed from among us. In accomplishments and in honors, few things were denied him. If he never allowed himself to believe it, we on our part dare say that his life ended on a note of triumph. And saying this, we foreclose our right to wish that for his own sake he had been granted added years beyond the 83 he lived.

Yet if there is a cause for public mourning at his passing, it is mourning for ourselves and not for him; mourning that we have lost in him a distinguished mind, an artist in many metiers, a rare friend, a giver of good counsel, a patriotic spirit, a source of humor, and a graphic model for how a citizen of our democracy ought to bear himself if he means to bear himself well.

If we solace ourselves, it is with the thought that his wife, his children, and the grandchildren of his seed are, as we know them, worthy carriers into the limitless future of those qualities which Eugene Meyer, a great patriarch, brought to all of us for the enrichment of our lives.

Mr. GORE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Tennessee.

Mr. GORE. I should like to join in the well-deserved and appropriate tribute which the distinguished majority leader has paid to the late, departed Eugene Meyer.

His was a life of service, a life of dedication, and of accomplishment. The tribute paid him at the ceremony yesterday and the tribute paid him today by the senior Senator from Texas are fitting and appropriate to the life and the service he rendered.

Mr. JOHNSON of Texas. I thank my friend.

Mr. WILEY. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the distinguished senior Senator from Wisconsin.

Mr. WILEY. Mr. President, I join in the remarks which have been made on the passing of Eugene Meyer.

When I came to Washington, some 20 years ago, I became acquainted with him. I have been privileged to visit with him and his dear wife in their home, many times. He certainly was not only a gentleman, in the best meaning of the word, but he was also a very cultured person.

I have read and listened to what has been said about him; and anything I have read or heard is not an overstatement of fact. His life has been one of service and dedication.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to other Senators, without coming under the 3-minute limitation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President——

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. I should like to join the majority leader and others of my colleagues in expressing my deep regret at the passing of Mr. Eugene Meyer, an able public servant, a patriotic gentleman, and a great force for constructive thinking in this community.

I should like to express my deep regrets to his family—to Mrs. Meyer and the children—at his loss.

Mr. GRUENING. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from Alaska.

Mr. GRUENING. I am very glad to associate myself with the splendid tributes which the majority leader [Mr. JOHNSON of Texas], the Senator from Tennessee [Mr. GORE], the Senator from Wisconsin [Mr. WILEY], and the Senator from Missouri [Mr. SYMINGTON] have paid to the great American citizen, Eugene Meyer.

One of the things we should note in connection with his passing is that, although in the case of few men does the good they do live long after them, yet in the case of Eugene Meyer, his work, his contributions, his monument, live after him in his great newspaper the Washington Post and Times Herald. It will continue to serve the most important functions in a democracy, namely, the informing of the people and the transmission of vital news and interpretative comment to them, without which our democratic process cannot operate effectively.

So although Eugene Meyer has gone from among us, he still lives, and his influence will endure as long as the great newspaper into which he breathed his spirit and ideals continues to function in the way he made it.

Mr. JOHNSON of Texas. I thank my friends, the Senator from Missouri and the Senator from Alaska.

Mr. DIRKSEN. Mr. President——

Mr. JOHNSON of Texas. I yield to the very able minority leader.

Mr. DIRKSEN. In an age when values are often fluid and when it becomes increasingly difficult to stand by conviction and principle, those human attributes are like stars in the sky; and when a man pursues them for a lifetime, and when he uses whatever vehicles and instrumentalities are available to him in the pursuit of conviction and principle, and does so persistently and steadfastly, he stands high above the crowd.

I think that was characteristic of Eugene Meyer, in his long rich, and fruitful life. I believe that people on every hand will testify that he most diligently and persistently pursued principle as he saw it, and remained steadfast to his conscience.

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. SALTONSTALL. Mr. President, I should like to express briefly my feelings of respect and admiration for the career of Eugene Meyer. I knew him as a man well informed on the many problems that face us in the Congress. I knew him as a friend and a generous host. His life truly represents the way of our country at its best. Never satisfied by success, his intellect and his energy kept him moving to new undertakings. He built always on sound premises.

We who knew him shall miss him. My sympathy goes to Mrs. Meyer and his family.

The ACTING PRESIDENT pro tempore (Mr. MANSFIELD). Will the Senator from Texas yield to the Senator from Montana, who now occupies the chair?

Mr. JOHNSON of Texas. Mr. President, I yield to my beloved friend, the distinguished majority whip.

The ACTING PRESIDENT pro tempore. The Chair wishes to join in, and associate himself with, the many fine tributes which have been paid to the late Eugene Meyer—a good man, a kindly man, a gentleman. He was fair and impartial in his outlook. Our loss in his passing is great; and he will be missed sorely, not only by all of us in this Chamber, but, I believe, throughout the country as a whole.

Mr. JOHNSON of Texas. I thank the Senator.

TRIBUTE TO EUGENE MEYER BY EX-GOV. CHARLES A. SPRAGUE, OF OREGON

Mr. NEUBERGER. Mr. President, one of Oregon's most distinguished editors, ex-Gov. Charles A. Sprague, of the Oregon Statesman, paid eloquent tribute on his editorial page on July 20, 1959, to the versatile career of the late Eugene Meyer, publisher of the Washington Post and Times Herald. I am particularly pleased to present this editorial for inclusion in the RECORD because it emphasizes the steadying and stimulating influence in Mr. Meyer's career of his talented and gifted wife, Agnes. Whenever I have thought of Eugene Meyer, I also have thought of Mrs. Agnes Meyer, whose many gifts have so supplemented her late husband's leadership in other fields. The editorial by Charles A. Sprague in the Oregon Statesman stresses this unique and affectionate personal relationship better than any other tributes which I have seen paid to Mr. Eugene Meyer.

Mr. President, I ask unanimous consent that the editorial entitled "Triple Career," written by Charles A. Sprague, and published in the Oregon Statesman, of Salem, on July 20, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIPLE CAREER

Eugene Meyer, who died in Washington Friday at age 83, is described as one who won success in three careers: investment banking, government service and newspaper publishing. His success in the first field enabled him to take on public duties, which he did under every President, starting with Woodrow Wilson. He was the first head of President Hoover's Reconstruction Finance Corporation and first head of the International Bank for Reconstruction and Rehabilitation, both finance agencies which did much to rehabilitate sagging economies.

Perhaps he will best be remembered as the one who bought the bankrupt Washington Post and saw it develop into one of the Nation's most powerful daily papers. This came through selection of a superior editorial staff, committed to use the press as a major vehicle in informing the public and guiding public opinion, and giving them a free hand. Meyer kept in the background, and in recent years turned stock control over to his son-in-law and daughter, Mr. and Mrs. Philip Graham.

In this phase of his career Meyer undoubtedly was stimulated and encouraged by his wife, Agnes, a versatile high-minded, dynamic woman. In her autobiography she relates how she, reared a Lutheran, met and married Eugene Meyer, a Jew. At a costume ball in New York City a young man she didn't know came up and spoke to her:

" 'Didn't I see you at the American galleries on Lincoln's Birthday?'

"I admitted I had been there to look at an exhibition of Japanese prints.

" 'I thought so; now you have to meet a friend of mine,' he said.

" 'Oh do I? Why?' I asked, intrigued by his eagerness.

" 'My friend and I saw you there and we promised that the one who met you first would introduce you to the other. It's up to you to help me keep my promise.'

"The following Saturday this young man gave a theater party at which I met his friend, my future husband, Eugene Meyer."

It must have been for Meyer a case of love at first sight. It took a little longer for the romance to develop, however. Miss Ernst had her own problems and ambitions and decided she should go to Europe again to straighten out her mind and heart. She told Meyer that one day when they were lunching together. He then said he was going to take a trip himself 'round the world, to be gone about 6 months. Quoting again:

"The thought that he was about to disappear for such a long time made me feel as if the ground were caving in beneath my feet. For several minutes I was silent. Then I heard what seemed to be my voice saying very quietly: 'I'm going with you.'

" 'I know,' replied Eugene. 'I have your tickets.' "

So on Lincoln's Birthday, 3 weeks after their chance encounter at the American galeries, they were married. And they became a tremendous team for human betterment.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a telegram in the nature of a petition from the Carpenters District Council of Boston, Mass., and vicinity, signed by Peter A. Reilly, secretary, praying for the enactment of legislation to provide funds for the continuation of the Federal construction program, which was referred to the Committee on Finance.

RESOLUTION OF NATIONAL ASSOCIATION OF POSTAL SUPERVISORS, MINNESOTA STATE BRANCH

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Minnesota State branch of the National Association of Postal Supervisors in support of legislation to provide medical insurance for Federal employees be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

RESOLUTION 5

Whereas at the present time postal employees are without a Government health, medical, and hospital plan; and

Whereas health, medical, and hospitalization subsidized by employers is an accepted fringe benefit in private industry; and

Whereas a health, medical, and hospitalization program for postal employees is essential to their welfare, security, and financial responsibility: Therefore be it

Resolved, That the Minnesota Branch, National Association of Postal Supervisors, in convention assembled at Sioux Falls, S. Dak., on June 5 and 6, 1959, go on record urging that every effort be exercised to secure enactment of legislation providing for a basic and comprehensive plan of health, medical, and hospitalization insurance for postal employees and also for those who elect to retire after enactment of this proposed legislation.

Approved by Minnesota State branch, NAPS, June 6, 1959.

D. O. BODIEN,
Secretary-Treasurer.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 6596. An act to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes (Rept. No. 559).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act (Rept. No. 560).

By Mr. KEFAUVER, from the Committee on the Judiciary, without amendment:

S.J. Res. 39. Joint resolution to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives (Rept. No. 561).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 2334. A bill to transfer from the Department of Commerce to the Department of Labor certain functions in respect of insurance benefits and disability payments to seamen for World War II service-connected injuries, death, or disability, and for other purposes (Rept. No. 563).

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO EQUAL-TIME PROVISIONS WITH RESPECT TO CERTAIN CANDIDATES FOR PUBLIC OFFICE—REPORT OF A COMMITTEE

Mr. PASTORE. Mr. President, from the Committee on Interstate and Foreign Commerce, I report an original bill to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, and I submit a report (No. 562) thereon. I ask unanimous consent that the report may be printed, together with the additional views of the Senator from Indiana [Mr. HARTKE].

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Rhode Island.

The bill (S. 2424) to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, was read twice by its title, and placed on the calendar.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Sigurd Anderson, of South Dakota, to be a Federal Trade Commissioner;

Edwin R. Butler, of Illinois, to be Assistant Director of Locomotive Inspection; and

Meinrade H. Schilly, and Charles W. Mathisson, for permanent appointment as ensigns in the Coast and Geodetic Survey.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNAMARA:

S. 2418. A bill for the relief of Junko Hosaka Jordan; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2419. A bill for the relief of Inez Gonzales Abilez; to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 2420. A bill to provide that the Secretary of Commerce shall conduct a study to determine the practicability and desirability of the adoption by the United States of the metric system of weights and measures; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (by request):

S. 2421. A bill to amend the Klamath Termination Act; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2422. A bill to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes; to the Committee on Finance.

S. 2423. A bill for the relief of Remedios Villanueva; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. PASTORE:

S. 2424. A bill to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs; placed on the calendar.

(See the remarks of Mr. PASTORE when he reported the above bill, which appear under the heading "Reports of Committees.")

JOHN C. MATLON—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. HUMPHREY submitted the following resolution (S. Res. 148), which was referred to the Committee on the Judiciary:

Resolved, That the bill (S. 1483) entitled "A bill for the relief of John C. Matlon," now pending in the Senate, together with all accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

METRIC SYSTEM STUDY WOULD SUPPLY BASIS FOR ADOPTION CONSIDERATION

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to provide for a study by the Department of Commerce of the practicability and desirability of adoption by the United States of the metric system of weights and measures.

Under provisions of my measure, the Secretary of Commerce would be directed to undertake a 3-year investigation of the metric system to determine:

First. Standards and comparative advantages of weights and measures presently used in science, engineering, manufacturing, commerce, and education in this country.

Second. Benefits which the United States might derive from general adoption of the metric system or application of such a system in specific fields, including consideration of the effect such a change would have on U.S. international relations, world trade, and military activities.

Third. Practical difficulties which might be involved in achieving adoption of the metric system for use generally or in specific fields in the United States.

The study would cover 3 years, a length of time considered minimum to accomplish this task. Annual progress reports would be submitted prior to presentation to Congress of the final report and recommendations of the Secretary.

Mr. President, adoption of the metric system by the United States has long been the subject of vigorous, if largely academic, discussion in this country. The metric system was declared a lawful system of measure by Congress in 1866. Additional congressional action would be needed for this country to adopt the system for standard measure, however.

Proponents of changing our Nation's measurements and weights to the metric system point out that such a move would result in a great saving of time through simplification, elimination of difficulties created by the fact that in this country fields such as engineering and science utilize different standards, and ending of mathematical conversion problems in dealing with peoples of nations which use the far more widespread metric system.

Realization of these advantages would be of tremendous significance to all fields of endeavor in this country.

Teaching of mathematics—a subject of increasing importance in an age of science—would be vastly simplified.

Technological and commercial dealings with other countries would be facilitated, since only the United States, Britain, and the commonwealth countries still base their measuring and weighing on the inch and the ounce.

Production efficiency would be increased because of time saved in calculations and easier exchange of information between various fields.

Mr. President, the principal argument advanced against adoption of the metric system historically has been cost and difficulty of implementation. In this connection, I think it is pertinent to point out that within the last year both Japan and India have adopted the metric system of weights and measures.

The comprehensive study which this bill authorizes would allow us to place the facts on record and evaluate the benefits to be gained against the costs involved. I hope that this proposal, together with similar legislation introduced in the House of Representatives, will receive serious consideration by Congress.

I ask unanimous consent that recent articles from the Machinist and the Washington Post & Times Herald on the subject of the metric system be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the articles will be printed in the RECORD.

The bill (S. 2420) to provide that the Secretary of Commerce shall conduct a study to determine the practicability and desirability of the adoption by the United States of the metric system of weights and measures, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The articles presented by Mr. NEUBERGER are as follows:

[From the Machinist, July 9, 1959]

MACHINIST'S TOOL BOX—MORE ON THE METRIC SYSTEM

Another attempt to change the country's measurements from inches, feet, and yards to millimeters, centimeters, and meters appears to be in the making. The Machinist learned reliably last week that the National Bureau of Standards will soon appoint a committee to consider the practical problems of changing to the metric system. The American Association for the Advancement of Science already has established a committee for the same purpose.

The metric system was authorized by law in the United States in 1866. Section 204 of the United States Code declares, "It shall be lawful throughout the United States of America to employ the weights and measures of the metric system. * * *" This means, IAM lawyers explained, that anyone wishing to use the metric system can legally do so. Whether the country adopts this system for

standard measurements, however, is a matter that Congress will have to decide. At present, there is no bill before the legislature providing for such a switch.

The consequences of such a change were outlined several months ago in the Tool Box by Emil Gloor, of IAM Lodge 113, Chicago, who pointed out that conversion would begin in the machine shop and toolroom, and in the toolbox of the journeyman.

Gloor listed some of the replacements that would be necessary for his own tools: micrometers, depth and inside mikes, scales, radius, thickness and screw pitch gages. Machine shops, he continued would have to replace their entire stock of drills, reamers, mandrels, threading equipment, taps and dies, the most expensive micrometers of all sizes, vernier calipers, height gages, complete set of Jo-blocks. Dial indicators would have to be recalibrated.

The enormous stores of screws, bolts, and nuts throughout our entire industrial plant would have to be changed, as well as the machines that produce them.

IAM Research Director Carl Huhndorff predicts that a switch to the metric system would cost machinists around $250 apiece in tool replacements. The cost to industry would run into billions.

Furthermore, Huhndorff points out that Americans would have to get used to a new kind of world. For example, road signs and road maps would be converted to express kilometers. So would the speedometers on our cars. Our rulers, yardsticks, and measuring tapes would change. Screw threads even on such household items as faucets and lamp sockets would be different as new equipment was bought.

Tremendous as the impact of change would be, those who advocate it advance many reasons for undertaking it. Dr. Edward Teller, known as the father of the H-bomb, recently discussed various systems of measurements in an address at Marquette University. Of the metric system, he said:

"This method of measurements is based on the decimal system and is therefore a great timesaver. If we would introduce this system, we would reap immediate and great benefits; simpler work in engineering, an end to the schizophrenia which now exists between engineering on the one hand and science on the other hand. Whenever these two meet, they have first to explain their terms, have to translate laboriously from inches to centimeters and vice versa.

"If we do not introduce this metric system, our children will continue to sweat over questions such as: How many grains are there in a gram? How many liters make up an acre-foot? Before they can dig their teeth into any real problem of science, before they can catch a glimpse of the order, the scope, and the beauty of the universe, they are stultified by the manmade confusion of the arithmetic of the inches.

"It is time for a change. If we do not change, we shall lose in the economic competition with Russia. If a country has a chance of buying a piece of machinery in which he understands how to replace a screw and how to measure that screw without the introduction of a whole new branch of learning, he will buy that simple machinery. So far the English-speaking world has enjoyed a practical monopoly. This is at an end. We are faced by a powerful competitor who is going to come into his own in the next decade.

"We have untold millions of dollars invested in the screws and nuts and bolts and other units which go into our industrial machinery. All this will not be changed easily. It will not be changed without resistance, but changed it must be."

Measures of length

Metric denominations	Equivalents
Kilometer—1,000 meters	3,280 feet, 10 inches.
Meter—1 meter	39.37 inches.
Decimeter—1/10 of a meter	3.937 inches.
Centimeter—1/100 of a meter	0.3937 inch.
Millimeter—1/1000 of a meter	0.0394 inch.

[From the Washington Post, July 21, 1959]

METRIC SYSTEM DUE U.S. STUDY

(By Julius Duscha)

"A rose is a rose is a rose is a rose."

—*Gertrude Stein.*

To Americans an inch is an inch is an inch is an inch, but to the most of the rest of the world an inch is largely a measure of confusion.

The United States, Britain, and the Commonwealth countries are the only nations that still base their measuring on inches and their weighing on ounces.

Practically all of the rest of the world employs the metric system to do its counting and weighing. Within just the last year India and Japan abandoned their own methods of measurement and adopted the metric system.

For the first time in 20 years the Federal Government is taking a serious look at the advantages and disadvantages of converting Americans from the confusion of inches and ounces to the simplicity of the metric system, where everything meshes in multiples of ten.

Dr. Allen V. Astin, director of the Bureau of Standards, is expected to name a committee within the next 2 weeks to investigate the metric system.

Representative OVERTON BROOKS (Democrat of Louisiana), has introduced a bill in Congress calling upon the Government to review the merits and demerits of the metric system.

Most of the official interest in the metric system stems from a suggestion made on May 1 by former Secretary of Commerce Lewis Strauss that the Bureau of Standards study the system.

Not only would the adoption of the metric system put the United States in what might be called a symmetrical line with the rest of the world, metric proponents point out, the system would also make it easier for Americans to get along in a culture that is becoming increasingly dependent upon mathematics.

BUREAU OF STANDARDS NEUTRAL

So far the Bureau of Standards has maintained a strict neutrality in the discussion of the metric system, an argument that has been going on since the United States was founded.

Thomas Jefferson and John Quincy Adams suggested that the United States consider the adoption of the metric system as its measuring tool. In 1866 Congress passed a bill making the use of the metric system, which originated in France in the 1790's, legal in the United States.

An inch, in fact, is officially defined as 25.4 millimeters. A pound is defined in terms of kilograms, which are also part of the metric system.

But the vast majority of Americans have continued through the years to rely on the inch, which was once defined by Edward as equal to three dry and round barley corns laid end to end.

TRANSFER OF KLAMATH WATERFOWL MARSH TO PROVIDE FUNDS FOR KLAMATH INDIANS

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Klamath Termination Act. I am introducing this proposed legislation at the request of the Department of the Interior.

Briefly, the bill would amend the Klamath Termination Act, to change the date for the Federal acquisition of the Klamath Indian marsh from April 1, 1961, to the earliest date after September 30, 1959, that duck-stamp funds are available to pay the purchase price. The original date for taking title, April 1, 1961, was established by the act of August 23, 1958—72 Stat. 816—to conform to the date when the Federal Government will take title to any part of the Klamath forest then unsold to private purchasers.

The Klamath Indians have depended on the sale of tribal timber as their main source of income for more than 50 years. That income has been cut off through the action of Congress in providing for private or Federal acquisition of the Klamath forest and marshlands. Many Klamath Indians, who elected to withdraw from tribal membership and have their share of reservation property paid to them, are in serious financial difficulty. In some cases they are suffering real hardships that may lead to serious welfare problems. Yet, these same individuals will receive in the neighborhood of $45,000 apiece once their assets have been disposed of in 1961.

Earlier this year, loans were made available to the Klamaths from the Indian revolving credit loan fund in order to fulfill their subsistence needs. However, this action has resulted in a heavy drain on the credit fund, and a subsequent curtailing of credit to other Indian tribes.

Inasmuch as the Federal Government has made a commitment to buy the marsh, and there are, or soon will be, duck-stamp funds available to pay for these lands, there appears to be no good reason why the land should not be taken well in advance of the 1961 date and the $510,905 realization value of the property paid to the Indians.

Mr. President, I ask unanimous consent that following my remarks, the executive communication of the Department of the Interior dated July 20, 1959, signed by Acting Secretary Elmer F. Bennett, may be printed in full.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2421) to amend the Klamath Termination Act, introduced by Mr. NEUBERGER, by request, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. NEUBERGER is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 20, 1959.

Hon RICHARD NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft of a proposed bill "To amend the Klamath Termination Act."

We recommend that it be referred to the appropriate committee for consideration and we recommend that it be enacted.

The purpose of the bill is to change the date for Federal acquisition of the Klamath marsh from April 1, 1961, to the earliest date after September 30, 1959, that duck stamp funds are available to pay the purchase price. The reason for the change is to make it possible for the Government to pay the Indians immediately the purchase price for land which the Government has already decided to buy, instead of lending them money to meet their immediate subsistence needs.

The decision to purchase the Klamath marsh was made by the act of August 23, 1958 (72 Stat. 816). The date for taking title, April 1, 1961, was fixed to conform to the date for Federal acquisition of the part of the Klamath forest that may be acquired by the Government. There is no reason, however, for the two dates to be the same, and recent developments have shown a need to take the title to the marsh immediately.

The Indians who have elected to withdraw from the tribe will be without funds for subsistence until the purchase price from the sale of the marsh and the forest is available for distribution. These subsistence needs will, therefore, have to be met with loans from the Indian revolving loan fund. If the sale date for the marsh is changed as proposed, the need for additional loans from the revolving loan fund will be decreased. As the Federal Government is already committed to the purchase of the marsh, it seems unreasonable to make loans to the Indians rather than pay them the purchase price that is due. If the bill is enacted, funds will be available for the payment of the purchase price from the sale of stamps under the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended (16 U.S.C. 718).

The Bureau of the Budget has advised us there is no objection to the submission of this proposed legislation.

Sincerely yours,
ELMER F. BENNETT,
Acting Secretary of the Interior.

PROPOSED BILL TO AMEND THE KLAMATH TERMINATION ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to permit an immediate payment of the purchase price of the Klamath marsh, the title to which was taken by the United States by the Act of August 23, 1958 (72 Stat. 816), and thereby make possible a partial distribution of funds to the Klamath Indians who have elected to withdraw from the tribe, which will lessen the need for making interim loans to such Indians, subsection 28(f) of the Act of August 13, 1954, as amended (72 Stat. 816), is hereby amended by changing the effective date for the taking of title by the United States from April 1, 1961, to the earliest date after September 30, 1959, when the Secretary of the Interior determines that funds for the payment of the purchase price are available from the sale of stamps under the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended (16 U.S.C. 718).

INCREASED RATE OF SPECIAL PENSION FOR HOLDERS OF THE MEDAL OF HONOR AWARD

Mr. HUMPHREY. Mr. President, a winner of the Congressional Medal of Honor receives a month pension of $10. I am introducing a bill to make that annuity less incongruous with the nature of the award.

The bill I introduce is identical to one which passed the House of Representatives on Monday of this week, H.R. 270. It would eliminate the requirements that a holder of the decoration be 65 and off active duty before he receives any monetary award, and it would increase the award from $10 to $100 a month.

Mr. President, the Medal of Honor is the highest military award that is given to an individual for displaying unusual courage. There are only 314 living Americans today who are entitled to wear this great medal. The provisions for judging whether a man is entitled to the medal permit no margin of doubt or error. The deed of the winner must be proved by incontestable evidence of at least two eyewitnesses; it must be so outstanding that it clearly surpasses lesser forms of bravery; it must involve the risk of his life; and it must be the type of deed which, if he had not done it, would not subject him to any justified criticism.

It is given for deeds like throwing oneself on an exploding grenade to save other men. The Medal of Honor is awarded by the President to the handful of such heroes "in the name of the Congress of the United States."

Mr. President, I fully recognize that there can be no price tag on valor. But our monetary award can be one way of recognizing the valor of these men.

The House Committee on Veterans' Affairs reports that some winners of this award are in destitute circumstances. A holder of the Congressional Medal of Honor should under no circumstances have to eke out such a living.

Great Britain's Victoria Cross and the French Legion of Honor's Grand Croix both carry more total benefits than the American award. In Russia, the holder of the highest military award is called a Hero of the Soviet Union and is given free rides on buses and streetcars. Shall we value courage less than they?

The additional cost of this bill would be very little. The Veterans' Administration estimates that the first year cost would be less than $376,000.

Mr. President, we consider many bills, but I think there is none we are more privileged to consider than a bill for men such as those wearing this coveted medal. Theirs are deeds of startling daring and individual heroism. They are men who give soul to an army and character to a country.

We can never repay our debt to them. By our gratitude we can only pay a first installment on it. But that we must do. Our Nation's appreciation must equal its heroes' courage. For, as Cicero said:

Gratitude is not only the greatest of virtues, but the parent of all the others.

I ask that the bill be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2422) to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF NATIONAL DEFENSE EDUCATION ACT OF 1958, RELATING TO REPEAL OF CERTAIN PROVISIONS—AMENDMENTS

Mr. MUNDT submitted an amendment, in the nature of a substitute, to the bill (S. 819) to amend the National Defense Education Act of 1958 in order to repeal certain provisions requiring affidavits of loyalty and allegiance, which was ordered to be printed.

Mr. RUSSELL submitted an amendment, intended to be proposed by him to the amendment submitted by the Senator from South Dakota [Mr. MUNDT] to Senate bill 819, supra, which was ordered to lie on the table and to be printed.

Mr. JAVITS submitted an amendment, in the nature of a substitute, intended to be proposed by him, for the amendment submitted by the Senator from South Dakota [Mr. MUNDT] to Senate bill 819, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF CIVIL RIGHTS ACT OF 1959—AMENDMENT

Mr. HART submitted an amendment, intended to be proposed by him, to the bill (S. 2391) to extend the Commission on Civil Rights, and to provide further means of securing and protecting the right to vote, which was referred to the Committee on the Judiciary and ordered to be printed.

IMMIGRATION AND CITIZENSHIP ACT OF 1959—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the senior Senator from Ohio [Mr. LAUSCHE] be added as a cosponsor to Senate bill 2358, the Immigration and Citizenship Act of 1959, which I introduced on behalf of myself and Senators WILLIAMS of New Jersey, MCCARTHY, MORSE, MCNAMARA, PASTORE, GREEN, HART, MURRAY, NEUBERGER, and GRUENING, on July 9, 1959.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the Record, as follows:

By Mr. ENGLE:

Press release commending Speaker RAYBURN and Senate Majority Leader JOHNSON, of Texas, signed by eight Democratic Representatives from California.

By Mr. GOLDWATER:

Article entitled "Workers Are Doing Well, But Only Until They Retire," written by Senator THRUSTON B. MORTON and published in the Wichita Beacon of July 9, 1959.

NOTICE OF HEARING ON NOMINATION OF TED DALTON, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE, FOR THE WESTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for 10:30 a.m., Tuesday, August 4, 1959, in room 2300, New Senate Office Building, on the nomination of Ted Dalton, of Virginia, to be U.S. district judge, for the western district of Virginia, vice John Paul, retired.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

THE STEEL STRIKE

Mr. JOHNSON of Texas. Mr. President, the assignment of Secretary of Labor Mitchell as a fact-finding board in the steel dispute is evidence that the Government is showing proper concern over the situation.

This concern is one which should be heightened because we have a situation which can have a heavy adverse impact on our whole economy.

Last week I wrote to the Secretary of the Treasury seeking information as to the effect of the stoppage of steel production upon Treasury revenues. The reply, which I received late yesterday, indicates clearly that the effects upon the fiscal position of our Government could be major.

Mr. President, our Government depends for its financing upon taxes collected from wages, profits, and other sources. If wages and profits decline, so does the fiscal position of our Government.

The figures submitted to me by the Treasury are admittedly estimates. But they are the estimates of informed men who have had years of experience in dealing with the Nation's financial position.

In terms of the steel and related industries, the Secretary of the Treasury estimates that the loss in revenue could go as high as $45 million a week, if the strike is prolonged. To this must be added losses in revenue that will result from the impact of the steel strike upon our entire economy.

This loss cannot be estimated with any degree of accuracy. But I am told that it could match the losses in steel and directly related industries, easily.

Mr. President, I do not think we can approach such a major struggle solely from the standpoint of its effect upon the Treasury. There are questions of justice and equity and fair dealing with our fellow men which must be resolved.

But, Mr. President, the tremendous losses in revenue the Treasury could suffer illustrates very vividly, I think, the clear public interest in the shutdown of steel operations.

The President of the United States is a man who has united armies. The President of the United States has brought together whole nations into a common front against an enemy.

The situation in the steel industry is one which requires the mediating influence of a man who can speak for the entire economy and for the entire Nation.

No dispute is ever so bitter that common ground cannot be found somewhere. No controversy is ever so deep that cool heads cannot finally reason together and find a just solution.

Mr. President, we are still in the early stages of this controversy. The impact upon our Nation up to this point has been slight. But I warn you, Mr. President, it is only a matter of days until our country, and each citizen of it, will begin to feel the pinch.

Workers and stockholders alike will have to face a world in which costs are constantly mounting while their reserves dwindle. An industry basic to our entire economy is now locked in a bitter struggle. Every American has a direct personal interest in a just solution of the points at issue.

There are a number of steps the President could take. I am sure that he is thinking about them, because I believe the President to be a good man, who has the basic interests of this country at heart.

He could appeal directly to labor and management to sit down together and to further reason out their differences. He could appoint an independent factfinding commission. There certainly must be a good many other avenues open through which the public interest could be served.

The Nation, I believe, is hoping that the President will act. It is praying that he will find ways of bringing together at the bargaining table the men who must thrash out the merits of the controversy and who must negotiate a reasonable and honorable settlement.

For the information of the Senate, and due to the fact that in profits and in wages, just two of the directly related interests, our Treasury is losing almost $7 million a day—$7 million that would build a dam. I ask unanimous consent that the letter I wrote to the Secretary of the Treasury and his reply, which was received late yesterday, be printed in the RECORD at this point, so that all Members of the Senate may be able to study them.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LETTER SENT BY SENATE DEMOCRATIC LEADER LYNDON B. JOHNSON TO SECRETARY OF THE TREASURY ROBERT B. ANDERSON, JULY 16, 1959

Hon. ROBERT B. ANDERSON,
Secretary of the Treasury,
Treasury Department,
Washington, D.C.

MY DEAR MR. SECRETARY: Without regard to the merits or demerits of the positions that have been taken by labor and management in the current steel controversy, there is a direct public interest involved. I would appreciate very much if you could give me the best answers attainable to the following questions:

1. How much will be lost to the Treasury each week in revenues that would otherwise be paid out of profits made by the steel companies?

2. How much will be lost to the Treasury each week from taxes that would be collected out of wages that would otherwise be paid to steelworkers?

3. How much will be lost to the Treasury each week from taxes that would be paid from profits and wages in related industries, such as coal and railroads, that would be affected by the steel situation?

4. How much will the Treasury have to pay in refunds to industries that have paid their taxes on the basis of estimated incomes that did not take into account the steel situation?

5. How would the Treasury's estimate of the balanced budget for the fiscal year that began July 1 be affected by a 1-month steel strike and by a 2-month steel strike?

I realize that in all of these questions you can only make an estimate. But I believe that there is an intense public interest in this matter. If the railroads, and the coal mines in States like West Virginia, Kentucky, and Pennsylvania have to close down or restrict their activities severely and if contracts in other industries cannot be fulfilled because of this dispute, every home in America will be affected. Therefore, I believe that the public is entitled to the best estimates that are available.

Sincerely,

LYNDON B. JOHNSON.

THE SECRETARY OF THE TREASURY,
Washington, July 21, 1959.

Hon. LYNDON B. JOHNSON,
U.S. Senate,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: Your letter of July 15, 1959, raises some difficult questions as to the probable effects of the steel strike upon the tax revenues of the Federal Government.

As you have indicated, the answers to this type of question must be conjectural. The effects in the steel industry and particularly in related industries will depend upon the duration of the strike and upon the availability and distribution of existing stocks of steel among various users. Estimates of these effects can only be based on assumptions as to levels of economic activities which would have prevailed in the absence of the strike. These assumptions must relate not only to the period in which the strike curtails steel operations but also to the preceding and subsequent months in which its effects are also felt.

A halt in operations in a major part of a basic industry obviously creates serious dislocations in the economy. But in attempting to appraise the longer term effects we must also consider the many adjustments that are made to meet the situation. An anticipated strike stimulates strong advance

demands and a build-up of stocks of steel and steel products. In consequence, the profits and payrolls during the early part of this year, on which the following estimates of tax losses were based, were probably somewhat higher than they would have been without the expectation of a strike. With the curtailment of production, inventories are drawn down, purchases are postponed and deferred demands are built up so that typically following an interruption there has been an upsurge in steel output and related activities which would be reflected in wages and profits. To some extent the losses of the strike period tend to be offset both before and after by higher levels than would otherwise have prevailed in steel production, car loadings, employment, and payrolls and hence indirectly in the Government's tax receipts.

The longer the strike, of course, the greater will be the losses which cannot be recouped. Moreover, losses in tons of steel or dollars and cents cannot measure the anxieties and hardships many of our people will suffer, with interruptions to their incomes.

Your specific questions with respect to Treasury revenues are reproduced below:

"1. How much will be lost to the Treasury each week in revenues that would otherwise be paid out of profits made by the steel companies?"

Profits set aside for Federal income taxes by companies in the primary iron and steel industry during the first quarter of this year were about $380 million, or approximately $30 million a week. This figure represents an upper limit of potential weekly revenue loss from the steel companies as the result of a prolonged strike.

The effect on Treasury revenues will not be immediate but will occur on the tax payment dates for corporations. Also, profits accrue with sales, rather than with production and this may affect the timing of tax-payments.

"2. How much will be lost to the Treasury each week from taxes that would be collected out of wages that would otherwise be paid to steel workers?"

The reduction in primary iron and steel industry payrolls due to the strike appears, according to unofficial estimates, to be about $50 million a week. This would mean a reduction in withheld Federal individual income taxes of about $10 million each week. This loss in individual withheld taxes will affect Treasury receipts within a few weeks as the employers curtail their periodic remittances. The immediate effect will depend somewhat on the extent to which striking employees receive vacation pay or other forms of taxable income.

"3. How much will be lost to the Treasury each week by the taxes that otherwise would be paid from profit and wages in related industries, such as coal and railroads, that would be affected by the steel situation?"

As a point of departure in evaluating the effects on directly related industries such as coal mining and railroads, we have examined data on profits and payrolls for the steel strike periods in 1952 and 1956. On this basis the estimated weekly decrease in individual income taxes and company profits tax accruals would be in the range of $5 million.

In terms of overall impact, during the 1952 strike, which lasted 54 days, the industrial production index dropped from 119 to 115, 4 points for 2 months and then rebounded. During the 1956 strike, which lasted 36 days, the index dropped from 142 to 137 for 1 month. The drop in personal income for the entire economy was $100 million for 1 month in the 1952 strike, and $60 million for 1 month in the 1956 strike. Income losses in manufacturing alone were somewhat higher but were partly offset by expansion elsewhere.

"4. How much will the Treasury have to pay in refunds to industries that have paid their taxes on the basis of estimated incomes that did not take into account the steel situation?"

Since most of the companies involved file their tax returns on a calendar year basis and do not make payments of estimated tax until the latter half of the year, we do not believe that the steel strike will enlarge refunds to any appreciable extent.

The bulk of estimated tax payments by corporations will be made in September and December, with the balance paid equally in March and June of next year. Also, in paying estimated taxes in the current year, the taxpayers have the option of basing these computations on their tax or income for the preceding year, so that estimated tax payments this year need not be related to the level of industrial activity in the early part of 1959.

"5. How would the Treasury's estimate of a balanced budget for the fiscal year that began July 1 be affected by a 1-month steel strike and by a 2-month steel strike?"

The extent to which the Treasury estimates of a balanced budget would be affected would, of course, depend upon the pattern in which tax revenues are received in the Treasury during the fiscal year 1960.

We believe, in reviewing our experiences in past strikes, that a short interruption of work could have a minimum effect on aggregate incomes and profits over the whole year. A longer strike, with more widespread secondary effects, could reduce revenues in an amount which could not be recovered in fiscal year 1960 and could therefore contribute to a budget deficit.

In the light of the many considerations involved for industry, workers and consumers, we earnestly hope that without undue delay a settlement will be reached which will be in the best long run interests of the entire Nation.

Sincerely yours,

ROBERT B. ANDERSON,
Secretary of the Treasury.

Mr. DIRKSEN. Mr. President, I am sure that the President of the United States is not only aware of his responsibility and his duty to the people in the face of a steel strike, which can weigh heavily upon the economy, but I think he is aware also that there is a way of doing things which is most effective. I believe that in the prior administration there were three such strikes, one in 1946, which resulted in a dictated settlement; one in October 1949, which lasted for more than a month, and as to which we had about the same kind of settlement; and in each case there was a fact-finding board either before or after the strike. Then came the third major strike, in 1952, in the course of which the steel mills were seized.

I think the President has wisely restrained himself from injecting himself too deeply or quickly into labor disputes of this kind.

There was a 2-day strike in 1955 and a month's strike in 1956.

So the President is aware of his duty. The question is, How shall it be performed? How shall all the equities be properly preserved?

I am confident that now, as in the past, the right and proper steps will be taken in the interest of our national well-being.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. I appreciate the statement of the distinguished and able minority leader, the spokesman for the President in this body. I know the country will be delighted to be reassured by his statement.

THE CONTACT LENS INDUSTRY

Mr. DIRKSEN. Mr. President, a good many years ago a young man in Chicago by the name of Dr. Newton K. Wesley was told he had an eye disease. Anyone who has ever had eye trouble becomes thoroughly sympathetic to that condition in someone else. Doctors told him the disease was incurable, and that he would go blind. So first he enrolled in a school for the blind. Second, he refused to believe the doctors, and started to see what could be done. He went all over the United States. The best clinicians told him some pressure had to be inserted on the eye. That could be done in the form of a contact lens. So he consulted with another doctor in Chicago by the name of George Jessen.

These two men set themselves to the business of research into this particular eye disease. Out of their research and out of their diligence, there came a great nourishment for the so-called contact lens industry. It has now gone so far that, insofar as I know, there are 15,000 contact lens practitioners in the country, and there are 77 laboratories devoted to research in that field. Every year they hold a congress. I think this coming year they are to hold a world congress.

All this has come about as the result of the efforts of a young man who was in danger of losing his sight. He refused to accept blindness as his inevitable fate. He set himself to a task and, by his efforts, he has enriched mankind. The results of his efforts involve not only improving the sight of millions of people, but enabling them to pursue professions, vocations, and avocations with greater facility and with greater efficiency, and his efforts have also resulted in improveing the incomes of those whose eye deficiencies were thereby remedied.

In connection with these observations, Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Eye Research Foundation, which is a nonprofit organization located in Chicago, and dedicated exclusively to research into eyes and contact lenses.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EYE RESEARCH FOUNDATION,
Chicago, Ill.

HON. EVERETT M. DIRKSEN,
Senator from Illinois,
Senate Office Building, Washington, D.C.:

The Eye Research Foundation, headquartered in Chicago, Ill., is a nonprofit organization dedicated to the research of eyes and contact lenses exclusively. Founded 4 years ago in Chicago, the organization is truly international with members and committees functioning in more than 20 nations. We are justifiably proud of such growth in such

a short period of time. Verily, Chicago has become the world leader in research and development of the contact lens.

To bring this about, the Eye Research Foundation sponsors a National Contact Lens Congress in three leading cities of the United States annually. At these meetings contact lens practitioners from all over the country—and some foreign countries—meet to exchange information and procedures as well as the latest techniques, developments and ideas in the contact lens field.

Marking the vast strides this industry has made over the past 4 years, in addition to the constant calls being made on the foundation by practitioners from foreign lands, the Eye Research Foundation is pleased to announce the First World Contact Lens Congress to be held in Chicago on August 2, 3, 4 of this year. Official invitations have gone out and replies have been received indicating that representatives of more than 20 nations will be in attendance.

The first world congress will be a quadrennial event.

It is the belief of the directors of the foundation that this single meeting will move the contact lens field many research years ahead, and will open areas of vision correction for millions of persons as a result of analysis which will be presented and adopted.

Beyond this single endeavor to broaden the ground for an international exchange of scientific thinking, the foundation is hopeful that the First World Contact Lens Congress will represent an important contribution to international efforts toward world peace. At a time when scientific fields are holding the attention of the world, the Eye Research Foundation, through this first world conclave, is contributing to peaceful and better existence.

Additionally, we feel that this First World Contact Lens Congress is of particular importance because in today's world of marked international tensions, a common council where representatives from all countries can meet in common conclave to exchange ideas, procedures, techniques and culture is very much to be desired. Let us hope that the time is not too far off when all of our goals—national as well as international—will be achieved, and our problems resolved by just such meetings conducted in peaceful friendship.

The Eye Research Foundation was established through the inspiration and energies of a single individual, Dr. Newton K. Wesley, of Chicago, who as a young man was faced with the prospect of eventual blindness through an unusual eye condition. After years of searching, his condition was arrested and vision restored through the miracle of contact lenses, with respect to which he has done phenomenal development and research. It was through this experience that he decided to devote his life to the advancement of the contact lens field.

In the 4 years since its founding the Eye Research Foundation has spearheaded the contact lens field to a point where it now represents surcease from suffering and even sight itself to many thousands who have restricted vision or would even be sightless.

In addition to improving the sight of many millions of persons through its research and development, the contact lens industry has greatly advanced the growth and incomes among the 38,000 members of the eye professions in our country and thousands more abroad.

The Eye Research Foundation was founded under the laws of the State of Illinois. Today its influence is felt throughout the world and its list of members and contributors number in the thousands.

The foundation organized the National Contact Lens Congresses which meet each November—officially designated as National Contact Lens Month—and which are attended by thousands of eye specialists.

The foundation also established an annual series of meetings called the research study group. This gathering is for the purpose of exposing exceptional contact lens research to leading figures in the field.

In addition, the foundation has encouraged and sponsored individual and group research; established fellowships to encourage further individual research; and has bestowed honors on those who have contributed exceptional and successful research to the contact lens field.

It is this spirit of interest and energy that aided growth of the number of contact lens practitioners in the United States to 15,000; and increased the contact lens laboratories in our country from 14 to 77; as well as having encouraged millions of persons to wear the tiny vision aids.

To further stimulate professional interest in the contact lens field, the foundation communicates to members of the eye professions through Contacto Journal, a monthly publication in which outstanding research and case histories are reported and read by 20,000 eye specialists.

The foundation also formed the first world referral and communication list, whereby professional persons in all countries are able to correspond with others conducting mutual research. This effort has fostered unselfish fellowship through the eye professions.

In its January 1958 issue, Contacto Journal printed a report on the Eye Research Foundation, its purpose, and its founder, Dr. Newton K. Wesley.

Contacto Journal noted that at the age of 21, Dr. Wesley was told he had an eye condition known as keratoconus. This strange malady had no known cure and in almost all cases led to ultimate blindness. On one hand Wesley accepted his fate and enrolled in a school for the blind, and on the other refused to believe the diagnosis.

For the next 4 years he traveled the entire United States, calling at every noted eye clinic, hospital, and eye specialist's office looking for a solution. In each case, he was told his condition was hopeless.

Only one solution, some said, would be a pressure bandage—a very special contact lens to arrest the progress of the disease. At this point, Dr. Newton K. Wesley met a Chicagoan, Dr. George Jessen, who had a basic interest and understanding of the principles behind contact lenses. Together they set out to make the contact lens which would save Wesley's eyesight. The two turned Jessen's basement into a laboratory and began a 6-year research. The program was carried on during holidays, evenings, and every spare moment. Many times, neither saw his family for days.

Finally, when Wesley's vision had regressed to elbow-length vision distance, the pair produced a contact lens which would not only arrest keratoconus, but could reshape the distorted window of the eye so that 20/20 vision was achieved instantly. Dr. Wesley has arrested an eye disease which afflicts thousands.

While Wesley's vision began to fail rapidly during those 6 years of research, he had a dream that someday he would be in a position to foster eye research so that others would not be faced with personal research to save their own eyesight. And, today, the Eye Research Foundation is a reality.

In 1958 a board of directors was established as a beginning step. Prominent contact lens practitioners from all over the world lent their time and knowledge, and under this working group the first of the annual National Contact Lens Congresses was evolved and brought to a successful conclusion.

Early in 1957, Contacto Journal was set up as an official publication of the Eye Research Foundation. The aims of Contacto are simple. The contact lens field is growing to such proportions that it needs an organ of communication. New techniques, new processes of manufacturing, new methods of detection and treatment of ocular abnormalities are being achieved daily. Under the guidance of its editorial board of advisers, Contacto will provide an additional step toward achieving the humanitarian goals of the Eye Research Foundation. The publication is circulated widely throughout the world.

The formation of the Eye Research Foundation, the bylaws of which are printed herein, is a great step in our time toward solving the problems of those visually afflicted.

BYLAWS OF EYE RESEARCH FOUNDATION

Article I

Purposes

The purposes of the corporation as stated in its certificate of incorporation are: To encourage and aid research relating to the eye and contact lenses as a means to correct vision; to promote and foster education (not including the operation of a postsecondary educational institution or a vocational school) in the aforesaid fields by studying, exchanging, publicizing, and analyzing development, inventions, ideas, and concepts, by conducting seminars and conventions, by establishing scholarships, teaching chairs, and research programs in recognized schools, universities and other institutions, and by issuing publications of scientific and educational value relating to the eye and contact lenses as a means to correct vision.

The corporation also has such powers as are now or may hereafter be granted by the General Not-for-Profit Corporation Act of the State of Illinois.

THE STEEL STRIKE

Mr. SYMINGTON. Mr. President, we are now in the eighth day of a nationwide steel strike.

According to latest reports, prospects for settlement are no better than when the strike began.

The United States Steel Corp., largest of the steel companies, has notified its employees by letter that the industry would not compromise its position.

The union appears equally determined.

The Federal mediator, Joseph Finnegan, said Monday that his earlier prediction, "there would be no easy or early solution," still stands.

This strike is already affecting our national security. The press reported last Sunday that officials in charge of the construction of three Atlas missile launching sites near Cheyenne, Wyo., had stated that, due to the steel strike, high pressure tanks needed for two of the sites would not be delivered in time to meet the scheduled completion date.

This strike is now being felt throughout our economy.

In addition to the steelworkers themselves, at least 35,000 more employees have already been laid off in seven States; and thousands additional will be laid off this week.

In Chicago alone it is now reported that $200 million of construction is being held up because of the strike.

Because of the confusion arising from a study of the conflicting economic analyses of management and labor, impartial findings of fact are needed.

Mr. Finnegan himself has reported that he has asked both sides for "facts,

statements, and other data bearing on the issues."

The American Iron and Steel Institute states:

> The wage push has been greater than the increase in productivity, thus forcing prices up.

The United Steelworkers of America state:

> Steel prices have risen even when demand for steel declined. * * * Steel prices have risen even when unit labor costs declined.

The industry states:

> All increases in steel prices between 1940 and 1958 were required to pay for higher wages, taxes, material, and other costs.

The figures cited by the Steelworkers say that profits after taxes in the United States Steel Corp., for example, were almost three times what they were in 1940—i.e., a 195.1 percent increase.

They also point out that dividend payments to common-stock holders increased four and one-half times from 1940 to 1958, and that the share value has increase tenfold in that time.

In comparison, the steelworkers state that steel production worker's earnings rose by less than three and one half times in that same period.

The conclusions arrived at from these various data are obviously in direct conflict. Both cannot be true.

But curiously enough, in the several publications and publicity releases from both sides of the conflict, the same basic data are used in many instances.

The steel industry says that wage increases are inflationary, because they force steel prices up.

The steelworkers state that wage increases are not inflationary, and assert the steel industry could maintain record profits without increasing prices and still have paid the negotiated wage increases.

Again, the figures are not in dispute, but the conclusions are.

None of these figures published by both sides reveal any clarity that wages are too high or too low, or that profits are too high or too low.

They do show, however, that the industry has used wage increases as the major explanation for price increases; and that the steelworkers have used increased profits as a major explanation of how wages could be increased without raising prices.

It is estimated that the Russians are now producing about 1,300,000 tons of steel a week, which is neary 1 million tons more per week than currently is being produced in the United States.

The President has called on the Secretary of Labor to pay special interest to this problem, and that is well.

But the Secretary cannot substitute for a board of public members whose finding and recommendations will represent a completely disinterested and nonpolitical determination of the conflicting interests.

Such a board could provide two valuable features.

First, it could inform the public.

Second, its recommendations on the facts, while not binding on the parties, would provide them a basis for negotiating a settlement.

Therefore, I again urge the President to appoint a factfinding board.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I am much pleased that the Presiding Officer has recognized me immediately after the remarks of the Senator from Missouri, because I wish to address myself to the same subject. Were the Senate not in the morning hour, and were it not for my desire not to intrude upon the time of other Members of the Senate, I would have asked the Senator from Missouri to yield.

Mr. President, I, too, have recommended a fact finding committee. I emphasize the use of the word "committee" rather than the use of the word "board," because I think the public has to be the jury in this situation. The public will have to put the pressure on one side or the other to bring about a settlement of the strike. Whether or not the strike is an emergency today, it is bound to threaten our national interests.

Mr. President, I think the Secretary of Labor has proceeded quite properly in his role under the law in saying that he will report to the President on the facts. I think that is a good first step. I hope very much that the President will feel free to share some of those facts with the public.

I still feel that before the strike is settled we will have to have some factfinding machinery which will tell us whether the steel companies could give any wage increase without a push on prices—which would be inflationary—because of the profits they have been making; or whether the companies are correct about the insistence that they are making only reasonable profits, and that in a private economy they should not be asked to do more. We need fact finding to determine if the workers are getting their full due, and whether they should hold up their demands for a reasonable time.

In that regard I have some comments to contribute. We have had factfinding committees before. It is not necessary to have an emergency which will lead to a Taft-Hartley law injunction in order to lead the President to appoint a factfinding committee, as distinguished from a board. The reason why I think we ought to get away from the question of a board is that it does require a finding of an emergency leading up to an injunction. I do not think this is anything which either the union or management wants, or that the country wants at this time.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield 1 minute to my colleague the Senator from Missouri.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. SYMINGTON. First, Mr. President, I wish to associate myself with the remarks made by the able Senator from New York with respect to the importance of finding the facts. Secondly, I assure the Senator that my use of the word "board" does not in any way mean I intend to imply, by the use of the word, there should be any utilization of the Taft-Hartley law.

Mr. JAVITS. I thank my colleague.

Mr. SYMINGTON. I thank the Senator from New York.

Mr. JAVITS. Mr. President, in 1902 we had an anthracite coal strike. Teddy Roosevelt, whom I consider to be one of the apostles of my party, the Republican Party, appointed a board with power to make recommendations.

In 1916 we had a railroad labor dispute, and the then President Wilson based recommendations on the findings of his factfinding board.

In more recent history, in 1948, two boards of inquiry were set up under the Taft-Hartley law with no state of emergency being subsequently found. Under the Taft-Hartley law these boards may not make recommendations, but they may only find facts. Indeed, I hope that if we have a factfinding committee in this situation it will do the same. In both of the previous cases it was felt that the situation was brought nearer to a settlement by the action taken.

Finally, in 1949 President Truman set up a factfinding board outside the Taft-Hartley law—a factfinding committee, as I prefer to call it. The committee made findings and recommendations but there was a strike anyway, though it was stated by the Federal Mediation and Conciliation Service that the issues were narrowed thereby.

Mr. President, none of these situations is exactly the same as any other. There are always differences in every situation.

The composition of a factfinding committee appointed by President Eisenhower, its terms of reference, when it would be expected to report, and how it would proceed, are likely to be very different. I think we are gradually moving to the stage where this kind of factfinding operation, to help the national jury of the people of the United States, is essential. I compliment the Secretary of Labor upon his statement and his action today. I think we are moving in the right direction. I only express the hope that we will move in that direction more quickly, and that the President will share the facts with the American people; or, if he feels that he cannot do so, that he resort to a factfinding committee, as suggested by so many, including myself.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield to my colleague.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. I ask my friend from New York, Is it not a fact that during this administration, as compared with a like period in the prior administration, the amount of time lost by strikes was 74 percent less than before?

Mr. JAVITS. There is no question about the fact. It is an axiom of American politics that if good things happen in one's own administration he is entitled

to make the point that they did happen in his administration, and to feel that they happened because of the way ne operated. So I agree with my colleague that we have had a very much better record, in terms of days of work lost in connection with strikes, in this administration, as my colleague has stated.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. SYMINGTON. I should like to comment on one observation made by my distinguished friend the minority leader. I trust that he does not feel that we need not worry about any time lost in the steel strike because more time was lost in the previous administration.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The time of the Senator from New York has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senator's time be extended for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I reply to my distinguished friend from Missouri that what has been said is indicative of good will and of the desire to minimize the impact of the strike.

I want the record to show that the President is a man of good heart, who is fully aware of the situation, and its impact on the economy. It then becomes a question of what not to do, rather than what to do, in many instances. In 1952 the mills were seized. That was probably the thing not to do, although I do not know what I would have done had I been in the President's shoes at the time. So the situation must be evaluated against the background of the conditions. I do not know that we can always make comparisons.

I am glad there is restraint and prudence on the part of the President in evaluating the entire picture and remain fully alert to it, to make sure that the inroads on the economy will not be too great.

Mr. JAVITS. Mr. President, I thank my colleague. I do not believe that anyone—and I make bold enough to speak even for my colleague from Missouri—is questioning the desire of the administration to see the strike settled. What we are discussing is the means, the way whereby to marshal the greatest national sentiment, which will bring about a settlement.

As I stated a moment ago, I think the best means is a factfinding committee. I am very glad that we are moving in that direction, with this development through the Secretary of Labor. I believe that we in the Senate have a right to counsel the President as to what we think is the best way to attain what we recognize he feels as deeply as anyone here to be the proper national objective.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in connection with this colloquy an editorial entitled "Steel and Free Men," published in the New York Times of Sunday, July 19, 1959. I think it is a very objective editorial.

Mr. JAVITS. I am delighted to have it printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STEEL AND FREE MEN

An authorized history of the United States Steel Corp. published several years ago asserted "the right of free men to form unions of their own choosing for the purpose of collective bargaining." Nothing in the current steel strike, we may presume, has changed that position. The steel companies have rejected the proposals of the United Steelworkers of America, but they have not questioned the right of the steelworkers to combine and to make proposals.

If we look back over the history of the steel industry since the United States Steel Corp.'s organization in 1901 we can detect democratic progress. The barbarous 12-hour day has given way to a 40-hour week. Money wages have increased something like eight times since 1901, and it is estimated that today real wages in steel will buy more than twice what they bought in 1910. Automation has eliminated, perhaps, 100,000 jobs, but it has made life less arduous for the half million steelworkers affected by the present strike.

The companies have done well, too, as their publicilized net earnings indicate. Union statisticians assert that each ton of steel produced today requires 10.7 man-hours as contrasted with 19.1 man-hours in 1945. Certainly the wage element in the cost of steel has gone down. The picture we do get is of an industry whose processes have been greatly refined and which has a larger net income to share among its workers, its executives, and its owners.

The issue is basically one of power. The handful of desperate men who fired on the strikebreakers at Homestead in 1892 have been replaced by organizations comparable in authority with the great corporations. In this particular instance the evidence is that the steel companies have concluded that the union steelworkers of America have too much power or are asking too much power. The companies are accordingly not so much refusing monetary benefits as they are moving to curtail this power.

Our Russian contemporaries will make the most of this episode. We hope they will study it carefully. No such strike would be possible in Russia. Those who made a move to attempt it would be brutally crushed by the employer—who in Russia happens to be the all-powerful Government.

Here we have, except for possible outbursts of emotion, the working out of democratic process. It is not pleasant, it is not cheap, it may hurt hundreds of thousands of people not directly concerned, but it is one of the ways in which freedom functions. And we may be sure that when it is all over there will be no dictatorship on the part of the companies, and no monopolistic power on the part of the unions. The pity is that it costs so much to establish these points, and the comfort is that we do establish them within the framework of the traditions of free men.

Mr. JAVITS. Finally, I point out two major questions upon which a factfinding committee could be extremely helpful. They are the two issues between management and labor. On the management side there is the issue of modification of ambiguous and restrictive language so as to enable management to make working improvements in the interest of greater efficiency and economy; also the addition of provisions to reinforce contract prohibitions against wildcat strikes, slowdowns, and picketing.

On the other hand, on labor's side, there is the demand that collective bargaining may be free and open, and that management may not use its prerogatives in order unfairly and unduly to put people out of work.

Mr. WILEY. Mr. President, I have enjoyed the discussion this morning among the majority leader and the minority leader and other Senators in relation to the challenge we are facing in connection with the steel strike.

Let us stop, look, and listen. There is not only the right of labor, there is not only the right of management, but there is the larger right of the public. I wonder if sometimes we have not overemphasized the right of a few individuals, relatively speaking, in relation to the 177 million, or the right of a particular industry among all those active in the economic life of the country.

This brings me to the question: In this changing world, are we changing adequately enough, or are we following old methods in meeting the serious challenges to our way of life?

It has been said that in these challenging times, in these explosive times, in these days when we are exploring, yes, the heavens, if you please, that we have not been exploring the problem of how to handle situations such as the steel strike. When I say "we," I mean Congress.

In my humble opinion, Mr. President, this is the inquiry to which we should get the answer, not following old patterns, but seeking to get light which will show us the direction.

Let us stop, look, and listen. We have noticed in recent days that Khrushchev has made up his mind that he will not go to the Scandinavian countries. Why? I do not know why.

We also have noticed that reports have come from Geneva that we cannot get together there. So what?

Under the circumstances, this is a fine time to have production stopped in the steel industry, when steel means so much to the national defense.

So I say: Have we examined this problem in the light of the world today, when every nation is neighbor to every other nation, or are we living back in the old times in the rut of our yesterdays?

We have said that it is an inherent right of an individual to strike, even if he injures his neighbor or injures his nation; and that it is an inherent right of management to be stubborn, to refuse to arbitrate even if such action strikes at the economic life of the community.

The right of the public should not be made subordinate to labor or management. In days like the present, the rights of the public and Government should be superior.

I am not taking sides in this controversy. I am merely trying to think out loud, and so I ask the question: Is it not time that we reconsider our methods and seek to find the answer in relation to a situation such as now prevails?

Let us not damn anybody but ourselves; we are the legislators of this glori-

ous country. The job is ours. Let us not pass the buck.

There is plenty of evidence to show that the common steelworker did not want to strike. Management did not want it; the public did not want it; and yet it came upon us like a thief in the night. Why? Because our tools are inadequate.

This morning the distinguished Senator from Texas [Mr. JOHNSON] has said we were losing in the neighborhood of so many million dollars a week in taxes. That is, the Treasury is, but that does not take into account how it is affecting the lives of the mothers and the wives and the children of the Nation, and its effect upon the villages and the cities where steelworkers and other workers are employed.

Do the parties not owe a responsibility to that group? I say they do. We cannot drive our cars along the street damaging the property of another person or endangering his life without being held responsible; but men can strike. We say they can, and the result is very apparent. I have forgotten the exact figure, but the strike involves approximately a loss of $25 million a week to the Treasury.

Mr. President, speaking of "Changing Times," I hold in my hand an issue of Barron's, telling of "U.S. Watchmakers Point a Moral for Other Industries." In that particular industry, when conditions were getting bad, labor agreed to take a reduction in wages. Of course, that situation is not altogether analogous to that in the steel industry, but in one sense it is, because the damage to the national economy and the damage to the safety of the Nation is involved.

I ask that the article from Barron's be printed following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Barron's, July 20, 1959]

CHANGING TIMES—U.S. WATCHMAKERS POINT A MORAL FOR OTHER INDUSTRIES

Early this month, Arthur B. Sinkler, chief executive of the venerable Hamilton Watch Co., found time in his busy schedule to address the New York Society of Security Analysts. In his talk, he ticked off several items of interest to those perennial seekers after corporate truth. Referring to certain highly glamorized industries, he noted that "I have not yet started a research project on solid fuel propellants, nor assigned the maintenance crew to dig for uranium." On the contrary, Mr. Sinkler suggested that business and the stock market alike have tended to underrate steady, less spectacular enterprises which still have considerable room for growth. He went on to tell of Hamilton's latest timepieces, missile equipment, and precision metals, and of its aggressive plans to invade foreign markets. Finally, he reported that sales in the latest quarter had outpaced those of a year ago by 40 percent, and that black ink had replaced red on the company's books.

His message clearly was significant to the analysts, and to Hamilton shareholders. Considering the source, moreover, it deserves a far wider audience. For Mr. Sinkler, after all, is a leading spokesman for a group which not long ago was one of this country's most vocal pleaders for protection. Domestic watchmakers used to insist that without higher tariffs and import quotas, they simply could not buck the low-cost competition from abroad. Time, they declared, was running out. Yet in the past 2 or 3 years, with relatively little assistance from Washington, these companies have developed a remarkable new ability to compete. They have done so by diversifying, by making better watches and selling them at lower prices, and by seeking wider markets. The watchmakers, in short, finally seem to have discovered the timeless precept of self-help.

The discovery came almost too late. For the early postwar period saw a widening split in the industry between domestic producers and importers. On one side stood Hamilton, Elgin, Waltham, and (to some degree) Bulova, all of which were turning out watches containing movements made in the United States. Arrayed against them were such concerns as Longines-Wittnauer, Benrus, and Gruen, which always have imported Swiss movements, for assembly in this country. As the latter group year by year increased its share of the U.S. market, the domestic companies called on the Government for more protection, largely on the specious ground that they were essential to national defense. After repeated battles before the Tariff Commission, the protectionists finally won the day, and in July 1954, President Eisenhower raised duties to the Hawley-Smoot level. The aftermath, however, was pure irony. As imports continued to mount, the fortunes of the U.S. watchmakers went from bad to worse.

The industry, to be sure, never has abandoned the tariff. Next week, indeed, the administration is scheduled to announce the results of its fourth annual review of the watchmakers' case. But more significantly, the companies now are waging their own spirited fight for survival. For one thing, they are seeking to broaden the base of their business—an effort which, despite occasional failures, has been rewarding. Today, the watchmakers produce altimeters and abrasives, radios, and hi-fi phonographs, instruments for industry and precision items for defense. Elgin, having given up the sale of watchbands, microphones, and phonograph cartridges, has developed a special alloy which is finding wide industrial and military use. Bulova, after an unsuccessful stab at manufacturing electric razors, plans to introduce this year a portable stereophonograph and a tiny transistor radio.

Still more heartening has been the uptick in the watch business itself. For the very companies that used to lament their inability to compete now are turning out improved timepieces, often at reduced prices. They have cut costs by installing automatic machinery, designing watches with fewer parts, and even persuading workers (at Elgin) to accept a cut in pay. Such measures enabled Elgin last month to introduce the least expensive 17-jewel watch ever made in the United States, to retail from $19.95 to $29.95. The company hopes next year to market an electronic model, and it is working on a man's self-winding timepiece, to be priced competitively with those made abroad. Hamilton is winning growing acceptance for its automobile clock and for the world's first battery-powered electric watch. Bulova, for its part, has developed a truly electronic timekeeping device, which it says will exceed in accuracy anything running today.

In all these ways, then, the watchmakers are gaining new momentum at home. At the same time, they have stepped up their participation in foreign markets. Indeed, newly concluded import, export, and licensing agreements have given the industry a truly global dimension. Thus Hamilton has signed a 10-year pact under which it will provide technological assistance to a Japanese firm, in exchange for royalties and sole distribution rights to Takano watches in the Western Hemisphere. In April, Hamilton also acquired a century-old Swiss supplier, A. Huguenin Fils, S. A., and henceforth will sell under that brand name, too. Elgin, meanwhile, has organized a subsidiary in Switzerland, and now is looking for manufacturing facilities. Thus, concerns which once could see nothing but peril beyond the water's edge immeasurably have broadened their horizons.

For American industry, the moral is equally broad. The way to combat the rising surge of foreign competition is not to seek shelter from it, but to meet the challenge squarely. In Mr. Sinkler's own words: "For too many years, Hamilton contentedly made watches in Lancaster, Pa., and, like the maker of the proverbial better mousetrap, waited for the world to beat a path to its door. That has all changed. * * *" Many another embattled industry will do well to make the same discovery; that its survival ultimately depends not on what Washington does or refuses to do, but on its own initiative and competitive zeal. Inexorably, time marches on. U.S. manufacturers should be prepared to keep pace.

MUTUAL SECURITY PROGRAM IN VIETNAM

Mr. GRUENING. Mr. President, yesterday the distinguished Senator from Montana [Mr. MANSFIELD] and the distinguished Senator from West Virginia [Mr. BYRD] called the attention of Members of this body to the two in a series of articles by Scripps-Howard Staff Writer Albert M. Colegrove on what is happening under our mutual security program in Vietnam. They are highly to be commended for so doing, as is also the Scripps-Howard chain for bringing these very disturbing facts to the attention of the American public.

The gist of what Mr. Colegrove has brought out so far can be summed up in the following words he uses in the second of his articles:

Under such botched-up conditions, nobody knows for sure where all the money goes.

This is a situation, Mr. President, which is most disturbing to many of us—not only with respect to Vietnam but also with respect to the total mutual security program. It is especially disturbing because we have been given responsibility under the Constitution to appropriate funds for this program and, as I have previously pointed out, we have in this field been asked to appropriate in the dark and through the issuance of blank checks to the agencies administering the mutual security program.

During the course of the Senate's consideration of the Mutual Security Act of 1959 I offered an amendment—which unfortunately was not carried, although it gathered 37 supporters in its first presentation to the Senate—to require our foreign aid programs to be subject to the same budgetary and accounting controls as domestic programs. It is my earnest belief that some action along these lines is absolutely vital if the constant dissipation of American funds in the future is to be avoided.

Earlier this year a committee in the other body revealed a similar situation in Laos. Now it is Vietnam. What will the next revelation bring?

I am pleased to note that the able and distinguished junior Senator from Montana [Mr. MANSFIELD] has served notice upon the Department of State that it will be faced shortly with a full airing of the

entire situation before his Subcommittee on State Department Organization.

The question I would now raise is this: Has the time not come for Congress to reassume its control over the power of the purse with respect to foreign aid spending? How many more scandals in how many more countries must be ferreted out before the Congress will hold the foreign aid program to strict budget and accounting controls?

DEFAMATION OF ITALO-AMERICANS

Mr. KEATING. Mr. President, a recent exchange of correspondence with the Attorney General on the part of the junior Senator from Pennsylvania [Mr. SCOTT] and myself has drawn wide attention to the problem of defamation of Italo-Americans. The Senator from Pennsylvania placed in the RECORD of July 2, on page 12552, a letter which he and I sent to the Attorney General, in which we noted that the so-called crime conference at Apalachin, N.Y., in November of 1957, had resulted in extensive revival of stories about the Mafia, the effect of which has been to brand Italo-Americans as a group in a most unjust and un-American manner.

The Attorney General, in responding to our letter, has stated that to his knowledge there is no nationwide ring consisting solely of criminals of any particular national origin. He goes on to state the desire and the duty of the Department of Justice to protect the civil rights of any persons mistakenly identified with criminal acts, and adds:

> Officials in the Department of Justice, I think, are fully conscious of their responsibility not to make statements which would result in blanket indictments of any people because of race, religion or national origin. Certainly it would be most unfair to reflect adversely on people of any race, religion, or national origin by any method which would result in a blanket or indiscriminate indictment.

Mr. President, in his column published today, Mr. George Sokolsky also deals with this problem. I feel that his column is an important contribution to the counterattack against the thoughtless and heartless defamation of Italo-Americans which has resulted from the events described. I therefore ask unanimous consent that the text of Mr. Sokolsky's column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SO-CALLED MAFIA

(By George E. Sokolsky)

When anyone generalizes from the particular, his logic gets twisted. To assume therefore that all Italians in the United States and their descendants are criminally organized in a body called the Mafia is to accept not only guilt by association but damnation by birth and nationality.

The Mafia was a criminal society organized in Sicily at the beginning of the 19th century and maintained a reign of terror until it was reputedly suppressed by Mussolini. One of its principal activities was kidnaping. The first record of the existence of the Mafia on American soil was in 1890 in New Orleans when a chief of police was killed and 11 Italians were lynched because of it. At the turn of the century, kidnaping scares were attributed to the Black Hand, which was reputed to be an American emanation of the Mafia or the Camorra, its counterpart in Naples. During the era of bootlegging, the genius of the business was Al Capone, although not all bootleggers were of Italian origin. Nor was the entire Capone organization of Italian origin. Nor is there evidence that Capone belonged to the Mafia.

It is roughly estimated that about 12 million Americans are of Italian origin. Many of them have intermarried with Americans of other origins. The relationship of a few persons engaged in marginal and criminal enterprises to the entire Italo-American population is infinitesimal, but even a small criminal element should be suppressed by police action.

What has happened in this country after each wave of immigration is that the process of adjustment to a new environment produces a residue of persons who do not adjust and others who are able to take enormous and sometimes illegal advantages of their opportunities. To say that the large population of Italo-Americans are all marginal operators is obviously untrue and adds another unfortunate quarrel among our people.

Each wave of new immigrants developed a discrimination against their kind. Perhaps no immigrants to this country had as difficult a time as the Irish who came here after the great famine of 1846 and encountered the sign, "No Irish need apply." The antipathy toward the Irish was complicated by an anti-Catholicism which was general and which still persists in many parts of the country. The Irish have become ubiquitous and many places, powerful. In fact, now, like their predecessors, the Germans, they are becoming thoroughly assimilated into the American population and no one any longer questions their right to be.

As one speaks of waves of immigrants, he refers to periods of intense migration. The fact is that immigrants of all stocks have been here since the beginning of the white man's presence in this country. After all, Christopher Columbus, an Italian, discovered the Americas and John Cabot, an Italian, discovered the coast of North America for the British. Cabot was probably born in Genoa but was a citizen of Venice, although his name sounds English.

The meeting at Apalachin, N.Y., in November, 1957, of 60 men, all of Italian origin, stimulated renewed interest in the Mafia. Whereas there is no testimony to establish that this was a meeting of the Mafia, it is generally assumed that it was. While nobody has been able to ferret out the facts of this meeting, it is generally assumed that it had to do with laying out the areas of operations in dope, prostitution, etc., of the criminals who attended.

Out of approximately 12 million Italo-Americans, 60 were present at Apalachin. They were all Italians, it is true. But does this prove, for instance, that Italians do not make good citizens? Do we have to balance Enrico Fermi against Vito Genovese? Do we have to balance Frank Sinatra against Lucky Luciano? What does such balancing out prove? It really proves nothing at all. Some men are useful citizens and some are not. It would be like denying Einstein's achievements in science because there was also a Julius Rosenberg.

The ad hominem conclusion can lead one far astray in his thinking. The Italians are a comparatively young strain in our population. They follow the general pattern of other immigrants in putting their roots deep in the country's soil. After all, the largest and one of the most progressive banks in the United States, the Bank of America, was founded by an Italo-American, Amadeo Giannini.

A STIRRING CALL FOR A WORLD-WIDE CRUSADE FOR PEACE BY THE HONORABLE ARTHUR V. WATKINS

Mr. KEATING. Mr. President, in 1954 President Eisenhower suggested a great moral crusade to strengthen the forces of the free world and to help pave the way for a just and lasting peace. In a recent baccalaureate address at the University of Utah, our beloved and distinguished former colleague, the Honorable Arthur V. Watkins, put this idea into eloquent words and called upon the non-Communist nations of the world to join in a spiritual crusade to preserve peace.

In his remarks, Senator Watkins underscored the opportunities and challenges which lie ahead, but noted sagely that perhaps the greatest hope, in the long run, for achieving international justice and understanding, lies through a strengthening of the moral and spiritual values of men of good will everywhere. I cannot adequately express my appreciation for the inspiring way in which he has posed this great issue.

Surely, in this giant contest between the forces of atheism and peoples steeped in spiritual traditions, a worldwide moral crusade to achieve peace must, in the end, hold the best hope for saving mankind from self-destruction.

Mr. President, it had been my hope to place this fine address in the body of the RECORD last week. However, I understand that the distinguished Senator from Utah [Mr. BENNETT] has already performed that enviable task. In any case, I take this opportunity to add my words of commendation for the stirring call to spiritual arms by our good friend Arthur Watkins.

Mr. President——

The PRESIDING OFFICER. The Senator from New York.

TEACHING OF FACTS ABOUT COMMUNISM IN SCHOOLS AND COLLEGES URGED BY CARDINAL CUSHING

Mr. KEATING. Mr. President, perhaps the greatest danger which faces America in the merciless world combat with communism is complacency. We are apt to become blinded to the dangers of this international conspiracy because we live in the midst of freedom and prosperity. Anyone who understands the nature of the Communist movement recognizes that this complacency can hold the seeds of the downfall of our Nation and thus of the entire free world.

It has long been my conviction that the most effective antidote to blindness about the dangers of communism is education as to the aims, methods, and philosophy of this atheistic threat. I am firmly convinced that what is needed in this country is a coordinated program of courses in our schools and colleges about communism. Only in that way can the ruthless Soviet plan for world domination be exposed to our young people, and their will to resist it and recognize it be sharpened.

At the same time that we are teaching of the long record of perfidy and oppression of the Soviets and their friends, we should instruct our young people more fully and firmly in the virtues of democracy and in the heritage of freedom and spiritual values which has brought unparalleled happiness and progress to the American people. While we emphasize in courses on atheistic communism the diabolical nature of its goals and the no-holds-barred ways in which it seeks to attain them, we must impress upon our young people the noble traditions and grave responsibilities which come with being an American. We must spark their dedication to religion and patriotism.

Mr. President, an America alert to the machinations and aims of international communism is an America able to detect Communist infiltration and to stop the Reds in their tracks. That is the kind of America we need if we are to survive not only the economic cold war but the constant threat of Soviet undercover espionage and bold military thrusts. We must take decisive steps in the field of education before it is too late.

For years the churches of America have been in the forefront of the movement to teach in our schools about the nature of communism. As a result of these efforts, imaginative programs have been launched in many of our educational institutions. Most recently Richard Cardinal Cushing, the archbishop of Boston, spoke out firmly on this subject. His remarks were employed by the New York Daily News in a strong editorial urging the teaching of the facts about communism in our schools and colleges. It is fitting that the Daily News, which for years has been urging this and other realistic means for fighting the Soviets, should call attention to the views of this outstanding churchman. I hope the advice of Cardinal Cushing and the Daily News will be heeded. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Daily News, July 20, 1959]

TEACH 'EM ABOUT REDS

Richard Cardinal Cushing, archbishop of Boston, is the latest prominent American that we know of to urge the teaching of communism in U.S. schools and colleges.

Medical students, argues Cardinal Cushing, are taught the nature of cancer so as to be equipped to fight it. It is equally desirable to teach all young Americans the nature of communism, which you can justly call a cancer of mind and soul, so that they can recognize and fight it whenever they run afoul of it.

We've recently run across a book which we'd like to see used as the key textbook in courses on communism in all of the Nation's colleges and universities.

The volume is "Protracted Conflict," by Robert Strausz-Hupé, William B. Kintner, James E. Dougherty, and Alvin J. Cottrell; Harper & Bros., New York, 203 pages, $3.95. It was produced by these writers, after long study, under the auspices of the Foreign Policy Research Institute.

"Protracted Conflict" analyzes, coldly and mercilessly, the Communist philosophy, and the psychological, propaganda, military, diversionary, divisive, and gangster tactics and strategies used by the Kremlin to press its relentless drive to enslave the human race.

As long as most non-Communists remain ignorant of what Communists are and how they operate, Soviet Russia can be expected to go on racking up impressive victories in the cold war.

This book should cure that ignorance for anybody who will take the time to give it some study. Further, it suggests obviously feasible ways in which the West can grab the cold-war initiative and keep it, and gradually undermine the Red slave empire.

If you have a son or daughter in college, why not query the institution's president as to whether "Protracted Conflict" is available at the college library, and what, if anything, he is doing toward setting up a complete course on communism for his students?

NYACK, N.Y., JOURNAL-NEWS SUPPORTS HOME RULE FOR DISTRICT OF COLUMBIA

Mr. KEATING. Mr. President, the action by the Senate in passing a modified home rule bill for the District of Columbia is extremely gratifying to those of us who for years have been pressing for legislation to remedy the present unjust manner in which the Nation's Capital is governed. I am extremely hopeful that the other body, which for years has been the graveyard of progress in this field, will follow our lead and enact the statute which is so badly needed.

One reason why I have greater confidence this year than ever before that the House of Representatives will act is because of the tremendous support which has been given home rule legislation by our Nation's great newspapers. From one end of the land to the other, these journals have pounded home the inequitable situation now existing in the District, and have urged Congress to take remedial steps.

A case in point is the Nyack (N.Y.) Journal News, a fine newspaper published in my State. In a recent editorial the Journal News underscored forcefully many of the most telling arguments for home rule for the District of Columbia. My hat is off to this paper for its vigorous championing of this great cause and for the eloquent way in which it has stated its case. I hope the Journal News' advice will be heeded by the other body and sound home rule thus made possible for the District. To help speed the achievement of that goal, I ask unanimous consent that this strong editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Nyack (N.Y.) Journal News, June 26, 1959]

DISTRICT OF COLUMBIA INJUSTICE

One of the curiosities of the American scene is the sad state of nearly a million citizens in perefctly good standing who don't have a word to say about their Government. They're denied their vote, they have to live through taxation without representation, the complaints and the requests that are so much a part of local government are lost in the shuffle. It's all completely constitutional, too, so these sad-sack citizens just have to grin and bear it. They have to, that is, unless Congress can eventually be convinced the District of Columbia is entitled to home rule. Government of Washington by Congress, as it presently exists, is as clumsy an operation as using a massive drill press to punch a buttonhole.

It's not that Congress actually wants to govern the District of Columbia; it's just a determined few in Congress who have managed to bottle up home rule legislation for years and years. It's incongruous that the close to a million people in the National Capital should have to go to Congress for the simplest operation of local government but that's the way matters stand.

We take it that all the current trouble originates in article I, section 8, paragraph 17 of the Constitution that provides "the Congress shall have power to exercise exclusive legislation in all cases whatsoever, over such District (not exceeding 10 miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States." The Constitution so provides but the legislation that followed is sadly out of keeping with the needs of the modern city that has grown as the seat of Government.

Home rule legislation has been promised in successive sessions of Congress by the President, by the two political parties, and by Members of Congress but there have been the few legislators who have been able to block action time after time. Why they object to home rule so vigorously isn't too clear but they have at least been highly successful in their opposition. It's hard to believe that so many good citizens can be deprived of constitutional rights guaranteed to other citizens just as good.

Equally ridiculous is asking Congress to waste its highly important time on the trivia of local government. Congress can still govern, as the Constitution directs, but it can delegate the authority to the citizens who are governed. We have no reason to believe the Capital's residents are imcompetent to manage their own affairs. They might get themselves embroiled in a garbage removal contract decision or send the school taxes kiting by building more and more buildings but that's a citizen's responsibility at the local level, hardly at matter for Congress.

It's not likely the District of Columbia is lacking in citizens with a sense of responsibility sufficient to guarantee competent government, either. We don't suppose that any Congressman would be running for mayor or alderman as a part-time occupation, since that would void Congress District residence requirements; there are business and professional people by the scores and hundreds, just as there are in any city, quite capable of being good officials and good candidates. It could be, in time, an investigation of District of Columbia home rule government might be in order but we don't remember when Congress was averse to the investigative process.

The U.S. Senate, the story goes, is quite willing to institute home rule for the District and for the last decade there has been steady support of legislation to that effect that has been introduced. It is felt, further, that the majority of Members in both the Senate and House want to see Washington home rule made effective. But always there's that artful manipulation by the House District Committee and the legislation falls by the wayside.

Maybe it's like the weather nobody does anything about except talk; maybe somebody in Congress should take these reluctant Representatives out in the back room and give them a lecture on the benefits of being sensible instead of obstinate. It

shouldn't be necessary to wait until they're knocked off by the folks back home or die in harness.

This is no requirement of constitutional amendment—just a question of governing the District of Columbia sensibly by permissive congressional legislation. Government of the city would still be answerable to Congress but at least residents would become first-class citizens and have something to say about how municipal affairs are run. That's an inalienable right of citizens in any one of the 50 States, always has been. We think Congress should busy itself during the remaining days of the current session to clear home rule legislation, make it effective forthwith. It will save a lot of time in Congress for much more important business, now and in the future.

A TRIBUTE TO BILL GORDON

Mr. HUMPHREY. Mr. President, I wish to take this opportunity today to express our sorrow because of the death, on June 21, 1959, of W. A. "Bill" Gordon, who for 27 years was editor of Dairy Record, St. Paul, Minn.

Many of my colleagues from dairy States, I am sure, will wish to join me in paying tribute to Mr. Gordon and to his long career of service and leadership in the dairy industry in Minnesota and throughout the country.

Aside from his primary work as editor of Dairy Record, Mr. Gordon performed many services for our dairy industry.

He organized National Creameries Association many years ago, and, purely as a service to this organization, served as its secretary until June, 1958 when he resigned the position because of poor health. He was very active in the organization work leading to the formation of the American Dairy Association. In our own State of Minnesota, Mr. Gordon organized a number of cooperative associations for the purpose of manufacturing dry milk during World War II, and this association has grown to be one of the large and important manufacturers of this commodity.

Mr. Gordon served on innumerable committees devoted to the welfare of the dairy industry and his services to individual associations, firms, and individuals in the dairy industry were numerous indeed.

Bill Gordon, in his capacity as editor of Dairy Record, exemplified the best traditions of the editorial profession. He had the ability to reduce complex issues to readily understandable terms and to recognize and strike down false issues with unerring accuracy.

In his editorial columns of Dairy Record, Mr. Gordon wrote with a powerful and trenchant pen. His editorial judgments and writings were not influenced by politics or personal bias and prejudice.

For years I have considered Bill Gordon a true friend, although I have from time to time felt the lash of his comments when he disagreed with some policy for the dairy industry which I was espousing.

While quick to criticize, Bill was equally quick to praise, and if ever he became convinced he was in error on some point, he had the intellectual integrity and courage to say so, plainly and unequivocally.

We shall all miss Bill Gordon. We know that those who carry on his work of Dairy Record will do their best to continue the high type of journalism and service to the dairy industry which Mr. Gordon exemplified.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, when the Senate completes its action on the unfinished business, which is Calendar No. 448, Senate bill 819, to amend the National Defense Education Act of 1958, to repeal provisions requiring affidavits of loyalty and allegiance, I expect to have the Senate proceed to the consideration of Calendar No. 434, Senate bill 281, which was introduced by the junior Senator from Idaho [Mr. CHURCH] on behalf of himself and his colleague [Mr. DWORSHAK], to authorize the Secretary of the Interior to construct, operate, and maintain a re-regulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes. I should like to have all Senators be on notice in that connection.

The Senate also may take up the conference report on the mutual aid authorization bill, in the event the House acts on it this afternoon.

Mr. President——

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). The Senator from Texas.

SENATOR MANSFIELD, OF MONTANA

Mr. JOHNSON of Texas. Mr. President, if we had to select one Member of the Senate who is held in respect and affection by all 97 of his colleagues, the choice, I believe, would be MIKE MANSFIELD.

The junior Senator from Montana is one man who does not have an enemy in the true meaning of the word. He has only friends.

The magazine Extension recently carried a profile of MIKE MANSFIELD, written by the distinguished correspondent, Paul Healy. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEET MIKE MANSFIELD

(By Paul F. Healy)

Senate Majority Leader LYNDON JOHNSON opened the March 16, 1959, session of the U.S. Senate by telling his colleagues that "today is a very happy day for me. It is a little unusual to call the attention of the Senate to an individual's birthday—"

As MIKE MANSFIELD, the assistant leader, sensed what was coming and sought to slip away in embarrassment, JOHNSON called out, "MIKE, don't leave the Chamber. I want you to hear this."

JOHNSON continued: "There is no greater patriot in this country than MIKE MANSFIELD. He is a good man. He is a kind man. He can be as aggressive as a tiger and as mild and meek as a mother."

Remarking that MANSFIELD was "a tower of strength to the Senate leadership," the Texas Senator went on to say that MANSFIELD "never loses his head or his heart * * * he came from very humble surroundings * * * he loves the people—spelled p-e-e-p-u-l * * * he wears no man's collar * * * I am going to sum it all up by saying that, although Mrs. Johnson and I have never had a boy, if we had a boy and he grew to manhood, we would like to have him become the kind of man MIKE MANSFIELD is."

Other eulogies customarily reserved for dead Senators followed. Republican leader EVERETT DIRKSEN called MANSFIELD "the most disarming man in the world" and wound up with the smiling statement: "MIKE, we love you." Senator GEORGE AIKEN, another Republican, chimed in with: "It is a good thing for the country that MIKE MANSFIELD was born." And so it went, as Senator after Senator rose to toss a verbal bouquet in the direction of the uncomfortable Senator from Montana.

What sort of man during his lifetime attracts sentimental praise which is fulsome even by high-flown Senate standards? In this case, an extraordinary man who at first glance might seem quite ordinary. At 56 years, MANSFIELD is an average-sized Senator, though he carries 175 pounds on his spare-looking, 5-foot, 11-inch frame. He has blue eyes, slightly receding dark hair and a thin, firm mouth. There is a reflective cast to his sharply chiseled features. His ever-present pipe adds to his air of thoughtfulness. In sum, MANSFIELD is as reassuringly plain as a character in a Grant Wood painting.

The Senator's words are carefully selected and uncolored by slang or profanity. The only time his office staff heard him swear was after a lobbying group had tactlessly pressured him just before an important vote was coming up. This was an insult to his sense of propriety as well as to his integrity.

MANSFIELD exudes the philosophic calm of a college teacher, which indeed he was for nearly 10 years back at Montana State University. He has nothing at all in common with the whooping westerner that has sometimes been erroneously pictured as the typical Montanan.

At a cocktail party, MANSFIELD usually can be found off in a corner, puffing on his pipe and earnestly in conversation with only one other person. He doesn't care much for liquor and is said to be unconscious of what he eats. Consequently, while he is flooded with formal social invitations as a member of the prestige-laden Foreign Relations Committee, he accepts only those which protocol demands of him.

But all this is misleading if it suggests that MANSFIELD has led a cloistered, academic life. The first half of his life reads like something out of Kipling, Conrad, or Jack London. He is the only Member of Congress who is a veteran of all three services. When 14 years old he ran away to join the Navy and see the world. He impartially followed this with hitches in the Army and Marine Corps, thus developing a kinship with enlisted men that has never left him. MANSFIELD next mucked for 10 years in Montana copper mines before he acquired a high school and college education—simultaneously—and wound up as a history professor.

He is one professor who parlayed his specialty to good advantage in Congress. Now, after five terms in the House and more than 6 years in the Senate, MANSFIELD is a recognized authority on foreign policy. While he was still a neophyte in point of congressional service, Presidents Roosevelt and Truman had used him as a trouble shooter in the Far East. The Eisenhower administration has used him as a delegate to the United Nations and as a representative at the Southeast Asia Conference at Manila in 1954.

As assistant leader (or Democratic whip), MANSFIELD perfectly complements LYNDON JOHNSON, who is currently regarded as the most effective Senate leader in history. The fast-moving Texan is daring and dash-

ing; the slow-spoken Montanan is cautious and careful. Each in his own way is astute in dealing with the strengths and weaknesses of other Senators.

JUDGMENT, UNDERSTANDING, AND RESPECT

One Senate insider notes that while MANSFIELD is too introverted to fit the popular conception of a successful Senator, he has three attributes which make him valuable on the floor and in the cloakrooms.

"First, he has darn good judgment," this observer explains. "You can always rely on MANSFIELD not to fly off halfcocked. The big problem here is the immediate reaction to something that has happened. MIKE always thinks things through to a conclusion."

"Second, he understands that all his colleagues have problems peculiar to their States, and he won't ask anyone to vote against his State's interests. Third, he has an awfully high degree of respect from his colleagues. I hate to use the word—it sounds overdrawn—but they almost look on MIKE as a saint. There is a tremendous sense of decency and kindliness about the man."

A Senator could lack enemies simply because he is negative. But MANSFIELD has a positive nature and can be as bold as the occasion demands. Nobody knows this better than the Russians.

In January, 1952, delegate MANSFIELD clashed in the U.N. General Assembly with Soviet delegate Andrei Vishinsky over the latter's charge that the U.S. mutual security (foreign aid) program was an "act of aggression." When the debate was over, the Assembly voted 42–5 to reject the Soviet charge and numerous diplomats sought out MANSFIELD to congratulate him on his painstaking and brilliant exposition of the American case.

MANSFIELD and Vishinsky slugged it out in a return match a few months later. This time MANSFIELD raised the touchy question of the fate of the American flyers who had been forced down over Hungary. Vishinsky became so upset by MANSFIELD'S words that he let the Russian cat out of the bag.

"We shall see to it that the American spies will lose their appetites for flights over Soviet territory," he cried. "I assure you that the flyers were arrested and that they received the due attention from our border authorities and I hope that due attention will be given them by our military and judicial authorities."

Just as MANSFIELD realized the import of Vishinsky's phrasing, the session was recessed. The Russian began to leave the chamber but MANSFIELD rushed after him. Through the interpreter, he asked precisely what Vishinsky had meant by "our border authorities," "our judicial authorities," etc.

"Nothing at all" insisted the flustered and angry Russian. "It was a general statement."

The brutal crushing of the Hungarian revolution a few years later, of course, demonstrated how prophetic was Vishinsky's implication of iron Soviet control there. But within 3 days of the Mansfield-Vishinsky clash a trial was held in Hungary and a fine levied on the American flyers. Some observers felt that MANSFIELD'S effective public protest saved the flyers from a longer Communist prison term.

At another U.N. session, Russian delegate A. A. Arutyuyun, now the Soviet Ambassador to Canada, apparently forgot he was representing the Marxian proletariat and accused MANSFIELD of using the undiplomatic language of miners and lumberjacks in high places. MANSFIELD, realizing the beatific effect this would have back in Montana, beamed.

MANSFIELD has a disarming habit of calling everyone (except Russians) by their first name shortly after being introduced, just as his constituents find it natural to call him MIKE. Thanks to his rugged early life, he is completely at ease chatting with cowboys, miners, filling station operators, businessmen, students, and anyone else he is likely to bump into.

Republicans have all but given up on beating MANSFIELD in Montana. When he was reelected last fall, he polled 76.2 percent of the total vote, which was the largest victory margin of any northern or western Senator in 1958. He is one western Senator who has acquired national standing as a statesman without neglecting the interests of his own State. Obviously, he captures the votes of quite a few conservatives as well as the die-hard Democrats.

Basic to his political strength, naturally, is the stanch support of the influential labor unions in Montana, for MANSFIELD has consistently fought the powerful copper and power monopolies which dominate the State. Yet he refuses to accept any form of modifying party label. "I'm a Democrat," he says. Period.

For 6 years MANSFIELD has espoused two causes for which the professional liberals of his party have little or no enthusiasm. One is the inclusion of Spain as a member of NATO. The other is a tapering-off of the foreign-aid program. Neither is accomplished as yet.

In 1953 MANSFIELD began arguing that five divisions of Spain's anti-Communist troops would strategically bolster NATO's defense line. By 1957 Congress was unanimously on record in favor of this proposal but the Scandinavian members of NATO are still prepared to veto it.

As for foreign aid, MANSFIELD has supported it in principle consistently. But he believes on the basis of several factfinding missions abroad that the program is ridden with waste and duplication and creating resentment rather than friendship for the United States. He advocates shifting from outright grants to long-term, low-interest loans so that we can get back 90 cents on every dollar we spend.

BORN IN NEW YORK

MANSFIELD is of Irish immigrant stock. His father, Patrick Mansfield, was born in County Kilkenny, and his mother, born Josephine O'Brien, hailed from Galway. In 1896 they came to New York, where MICHAEL JOSEPH—he has been MIKE ever since—was born on the day before St. Patrick's Day in 1903.

"Mother died when I was 6," he relates, "and I was packed off with my two sisters to Great Falls, Mont., to live with our two uncles, Dick and Jim Mansfield. Dick ran a grocery store and I went around with him in his horse-drawn delivery wagon. When business got bad, I delivered groceries in a pushcart.

"At 14 I ran away. I felt my uncle and aunt were mistreating me—actually they weren't—so I didn't even wait to finish grammar school. I rode the rods to New York, where I told my father, who was then a porter in a hotel near Washington Square, that I wanted to join the Navy and see the world—or at least get into the war. He neither encouraged nor discouraged me.

"At the Navy recruiting station they didn't believe I was 17. I was about 5 feet 8, and 148 pounds and I looked my real age. But I got hold of an application blank and forged my father's name and the Navy took me at once. I was assigned to Newport, R.I., for boot training and then stationed on the U.S.S. *Minneapolis*, a cruiser, in transport service. We made seven crossings but didn't see any action."

Released from the Navy in 1919, young MANSFIELD returned to Montana, worked desultorily at some menial jobs, then became restless again and joined the Army for a year. He hoped to be sent to Germany for occupation duty but was assigned to humdrum orderly work in the Medical Corps at Fort McDowell, on Angel Island, near San Francisco.

MANSFIELD'S commanding officer assumed that anyone from Montana must have a cowboy's rapport with horses, so he assigned him to handle horses for his daughter, who loved to ride. MANSFIELD'S only acquaintance with horses was on the seat of Uncle Dick's delivery wagon but he managed to get by as a groom without being kicked or bitten.

Mustered out of the Army in 1920 and more determined than ever to see some of the globe, MANSFIELD walked directly to the Marine Corps recruiting station in San Francisco and signed up for a 2-year hitch. This time he "hit the jackpot" in his military career, as he puts it, by rising to private first class. He saw duty in the Philippines, China, and other Far Eastern places and has been fascinated by the Orient ever since.

"The only thing I had ever really been interested in was history," he explains. "Ever since I knew how to read I had read every bit of history I could get my hands on. Now I had the chance in the Marines to get the feel of other people, other customs, other cultures."

MANSFIELD returned to Butte, Mont., in 1922 and resumed civilian employment at a very low level—exactly 2,800 feet below ground as a mucker in a copper mine. He began learning the basics of mining, including how to use waterliners, jackhammers, and other drilling machines.

"Then I began to take stock of myself," he recalls. "The work was hard and there was no future. Men around me were dying of dust in their lungs. I decided to try to become a mining engineer—which I eventually did. In 1927 I approached the Montana School of Mines. But when I told them I hadn't completed eighth grade they said I couldn't matriculate without 15 high school credits. However, they agreed to take me as a special student in the liberal arts course while I was making up those credits. This I proceeded to do. In March, 1933, when I was 30 years old, I completed high school and 3 months later I got my bachelor of arts degree. My grades were nothing to brag about except in history."

One teacher at Butte High School who had helped him was Maureen Hayes, a graduate of St. Mary's College of Notre Dame. MANSFIELD had met Maureen after going out with her sister, Anne, on a blind date. He and Maureen were married in 1931. They have one daughter, Anne, who attended Marymount Academy in Arlington, Va., and is a Phi Beta Kappa graduate of Smith College in the class of 1959.

In June, 1934, MANSFIELD earned a master of arts degree in political science (he later on put in four quarters toward a Ph. D. at the University of California) and was able to leave the mines for good. He soon began teaching Greek, Roman, Latin American, and Far Eastern history at Montana State. Unknowingly he was also building up a future nucleus of pro-Mansfield voters in his classes.

"Being Irish, I naturally became interested in the political field," he says. "I felt that if I did go into politics I should go for something really responsible; so, while nobody asked me to, I decided to run for Congress."

LOSES FIRST CAMPAIGN

Montana's First Congressional District is a good place for an Irish Catholic Democrat to run for office. It takes in scenic, mountainous western Montana but is dominated by Butte, a labor town full of Irish Catholics. In the 1940 Democratic primary, MANSFIELD lost out to the late Jerry O'Connell, a former Congressman seeking a comeback. O'Connell was defeated in the election by pacifist Jeanette Rankin, who had been the first female Member of Congress in U.S.

history and was to become the only Member of Congress to vote against a declaration of war the day after Pearl Harbor.

With Representative Rankin retiring from Congress in 1942, MANSFIELD whipped O'Connell for the Democratic nomination and went on to win the election by a comfortable 14,141 plurality. In 1944 the GOP put another professor up against him but MANSFIELD won by 30,867 votes.

MANSFIELD had not blushed unseen in his first term. His background as a Far Eastern history teacher had won him an immediate appointment to the sought-after House Foreign Affairs Committee. One day in early October, 1944, the White House had telephoned the freshman from the wide-open spaces to call on the President the next day.

MANSFIELD was amazed—when upon being ushered in Roosevelt's study, the President greeted him with: "MIKE, I have asked you to come here to undertake a special confidential mission to China. I have had economic and military reports but what I want is an overall picture of the situation, and I think you are the man to get it for me. I have been watching you work in Congress. I have read your speeches on the situation in the Far East and I feel you are well qualified to undertake the mission, if you will."

MANSFIELD traveled extensively in the interior of China but he never did make contact with the top Chinese Communist leaders. In his report he stated, among other things, that the Reds appeared to be "primarily a Chinese agrarian group interested in land and tax reforms." He was simply quoting the opinion of Brig. Gen. Frank Merrill, leader of the celebrated "Merrill's Marauders," but that statement lived on to plague him during his political campaigns.

A key point in MANSFIELD'S confidential report was that Chiang Kai-Shek was the one man who could unit warring China. "He, and he alone, can untangle the present situation, because, on the basis of what he has done and in spite of some of the things he has done, he is China," MANSFIELD stated. His analysis of the entire Chinese jigsaw won him some kudos in high places within the administration.

MANSFIELD has averaged a trip a year since he has been in Congress. Gradually, he has discovered that he can learn much more from frank talks with newspapermen about the political conditions in each country than he can from our diplomatic officials. His journeys are characterized by a striking informality. He sends advance word to the U.S. Embassy that we wants 75 percent of his time left free.

This permits MANSFIELD to roam around on his own, talking to people at random. While he speaks no foreign language himself, he is usually accompanied by his aid, Frank Valeo, a former member of the Foreign Relations Committee staff who speaks French, Spanish, and Cantonese.

Valeo points out that MANSFIELD likes to shed his jacket and roll up his sleeves, undiplomatically, in warm countries, and has an aversion to packing formal clothes. However, he relates, MANSFIELD took the trouble to carry his tuxedo all the way to Saigon in 1954 because he had learned on his 1953 trip that the Saigonese like to dress up. Upon arrival, MANSFIELD was informed that the first official dinner in his honor would be informal because the Saigonese had learned on his 1953 trip that he didn't like to dress up.

MANSFIELD'S frequent trips to Europe gave him the satisfaction of arranging no less than five private audiences with the late Pope Pius XII.

MANSFIELD was accorded recognition as an outstanding Catholic in 1958 when he was made an honorary member of Phi Kappa, the national Catholic fraternity, by its Omega chapter at Catholic University in Washington, D.C. The fraternity usually reserves honorary memberships for the clergy. The Senator has been granted honorary degrees by St. Mary's College of Notre Dame, Ind.; Clarke College in Dubuque, Iowa; and the (Catholic) College of Education in Great Falls, Mont. He is a member of the Knights of Columbus.

When MANSFIELD was appointed to the Foreign Relations Committee in 1953, it was an unprecedented honor for a brandnew freshman Senator. But the Washington Post lauded the appointment on the ground that MANSFIELD was perhaps the greatest expert on the Far East in Congress.

MANSFIELD is one Senator who still acts on the old-fashioned notion that the Senate should debate foreign policy. The fact that his own speeches are influential was underscored last February 12. For 2 months he had been worried because there was a "log-jam of silence," both outside and inside the Government, over what to do in the wake of Premier Khrushchev's threat to break up the occupation of Berlin in May.

MANSFIELD'S February 12 speech—its lengthy text was carried in full by the New York Times—urged that the United States rethink the problem of unifying Germany and consider several highly controversial alternatives advanced in various quarters. The reaction in Washington, West Germany, and the press generally was sharply critical of some of MANSFIELD'S ideas and he was obliged to make a second Senate speech clarifying them.

But these repercussions pleased MANSFIELD. He takes at face value the Senate's obligation under the Constitution to give "advice" as well as "consent" on American foreign policy. He argues that it is better to stir up a national debate before getting into war rather than after—as happened in the case of Korea.

JOHNSON handpicked MANSFIELD as his deputy when the post fell vacant in January 1957. MANSFIELD has found that "actually the leadership job is a headache. You can't please everyone. Every Senator is a prima donna in some way—and that goes for MANSFIELD and JOHNSON. It's a miracle that we can achieve any harmony in the Democratic Party because we cover the whole political spectrum."

MANSFIELD has no hobbies. Work is a pleasure, particularly when it involves reading or discussing ideas. Arguing in private, he drops his stoical look and gestures animatedly with his pipe or forefinger. In fact, his wholesome personality comes through most vividly in small, seminarlike groups and in television closeups.

His appearance on the TV program, "Press Conference," in 1956, brought rave reviews from many television critics. Wrote Lawrence Laurent in the Washington Post:

"MANSFIELD was everything a television guest was supposed to be. He was responsive to questions. His answers were concise, full and brief. He got in a few plugs for his party, to be sure, but he also provided a maximum of information about his views on issues. I suggest members of both parties get kinescope recordings on this program. Senator MANSFIELD'S conduct can be used as a guide to others who appear on TV. If others copied his frank, alert approach, the winner would be the voting public."

THE POLISH PEOPLE WILL NOT FORGET

Mr. LAUSCHE. Mr. President, Khrushchev presently is insulting the intelligence of the Polish people, when, with smooth and deceptive words, while he is visiting Poland, he attempted to persuade the Polish people that Communist Russia, in its approach to the Poles, was, is now, and will be motivated by profoundest friendship.

Premier Nikita S. Khrushchev spoke about his days as a miner in the underground pits, and also of his days as ruler of the Communists. He spoke with lightness and severity. By all of his words he thought that he would make the Poles forget the cruel and dire atrocities perpetrated upon them by the Communists. From their memory, he hoped to erase the recollection of the broken promises committed by the Soviet and the cruelties and the injustices which the Polish people were compelled to endure in the path of the Red Soviet's march to power.

He wanted forgotten the black day of September 17, 1939, when Stalin, in violation of his nonaggression pact with Poland, stabbed Poland in the back while she was fighting the invading Hitlerites on the east. Poland had an undefended 500-mile-long border with Russia. With implicit faith, Poland believed that the Soviet would abide by that nonaggression pact. But on September 17, 1939, Moscow sent an overwhelming Communist army across that undefended frontier. Without honor and without mercy, the Communists struck. Unable to resist the attacks of the Hitlerites from the west and the Stalinists from the east, Poland fell.

Poland was torn apart by Hitler and Stalin, the partners in crime. The eastern part of Poland was made a part of the Soviet Republic; the western part was given to Hitler; the middle part was to remain Poland's, but to be a labor pool from which the conquerors could draw manpower in support of their war movements.

Khrushchev believes that by means of his words and visit to Poland, the Poles will forget the Communist's rule of terror, the confiscation of Polish property, and the thousands of Poles who were moved into Communist Russia, into labor and concentration camps. Khrushchev believes the Poles will forget the sad fate of the 200,000 Polish soldiers taken as prisoners of war, who were sent by the Communists to various internment camps; the hundreds of thousands of Polish civilians—the people of whole towns and villages—who were seized by night, locked in crowded freight cars, and deported. Khrushchev believes he can make the Poles forget the Soviet-designed program of separating husbands from wives, parents from children, and the grim and tragic movement of thousands of Poles into the remote areas of Siberia.

The PRESIDING OFFICER. The time available to the Senator from Ohio, under the limitation in the morning hour, has expired.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may proceed for a total of 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. LAUSCHE. Mr. President, Khrushchev mistakenly is of the belief that his suave words will make the Poles forget the barbarian brutality of Soviet Russia in putting to death approximately 14,000 Polish officers who were captured by the Soviet in the course of its

attack upon Poland. At Katyn, a mass grave was found. The Soviet claimed that the killings were committed by the Hitlerites. In this claim, they were guilty of two wrongs: one, the unforgivable murder of these captive officers; and, two, the falsehood in attempting to pin the killings upon the Germans. After the investigations were made, it was clearly established that these thousands of officers buried in the Katyn Forest—many with their hands wired behind them, with bullet holes in their heads, but with identifying papers and possessions still upon them—had been murdered in cold blood, and placed in their vast Katyn Forest grave by the Russians, who chose that way of eliminating so important a segment of Poland's potential national leadership.

Khrushchev is mistakenly of the belief that he will cause the Poles to forget the betrayal which they suffered through the brutality and falsehood of the Red Soviet, when, on August 1, 1944, it induced the 40,000 underground Polish patriots to rise in a rebellion in Warsaw against the German garrison.

The Poles never gave up hope. In all of Poland, there were approximately 380,000 men in the underground army. They were led by Gen. Bor Komoroski. This number reflected the actual organized participants. In truth, however, practically all of Poland belonged to the underground army.

Khrushchev obviously does not recognize how deeply seared into the minds of the Polish people are the recollections of the wrongs perpetrated upon them by the Soviet. He does not recognize that the Poles clearly remember the messages and inducements that came from the Soviet when the Soviet urged the Poles to rise in rebellion against the Germans. The Soviet Army was moving from the east, toward Poland. The Germans were in retreat through Poland. The Soviet sent out its radio notices and used its infiltration methods to induce the Poles to rise. The Soviet vigorously, with its cannons from the east, let it be known that they were moving forward in a westerly direction. The leaders of the Polish underground army never dreamed or imagined that the Soviet was not acting in good faith. It was inconceivable to them, or to any normal mind, that the Communists would urge an attack on the Germans, with the idea of leaving Warsaw, a city of more than a million when the war began utterly without support. It was clear in advance that unless Russian help came promptly, the people of Warsaw would run the risk of annihilation at the hands of the heavily armed and well-supplied Germans. But it appeared that help was certain to come. That help, however, did not arrive. The Poles were massacred. Soviet Communists, with their leaders, deliberately delayed their march forward. They waited until the nucleus of a resurrected, independent Polish Government was completely destroyed by the Germans.

Arthur Bliss Lane, American Ambassador to Poland from 1944 to 1947, in his book, "I Saw Poland Betrayed," said:

> If I had been told at that moment that Russian intrigue had encouraged this revolt deliberately, and would then make sure that it was quelled by Germany, with the sole intent of imposing a Soviet-controlled government on Poland when the time was ripe, I would have thought it utter fantasy.

Khrushchev is mistaken when he believes that the Polish people have forgotten the broken word of the Soviets with regard to their promises contained in the Atlantic Charter.

He is also mistaken when he believes that the Polish people have forgotten that the Soviets, as a signatory to the Declaration of the United Nations Charter, specifically stated that "their country seeks no aggrandizement, territorial or other."

Nor will the Polish people forget the manner in which the Soviet Communists, through plot and design, imposed upon the Polish people the Communist form of government.

Khrushchev is in error when he believes that the causes for the June 28, 1956, upheaval of the Poles have been removed. The ferment is still there. The Polish people, by their very character, will not allow themselves to become the slaves of communism. The battle on the streets of unarmed Poles which began on June 28, 1956, was still in the mind of Khrushchev when he visited Poland last week. He probably remembers that these Polish workers of Poznan, without a plan or design, but with absolute spontaneity, began their march from the factories toward the center of the town to demand rights justly due to dignified human beings. In the march, at every intersection the number of marchers grew. Workers left their benches in the factories, employees left their offices and shops, students departed from schools, and men and women from the city's homes joined the demonstrators, until some 16,000 were in the line of march. Their cries probably still ring in the mind of Khrushchev: "Down with dictatorship. Down with dictatorship. We want freedom." Khrushchev probably still remembers that soldiers and policemen began to join the marchers. That insurrection was quelled. It was quelled by the Communists, but the spirit of the Poles still lives.

The Polish people still have in their minds the shouts of the Communist leaders, saying, "Anyone who lifts his hands against the 'People's Authority' shall have that hand cut off."

The October revolution, as it has become known in history, was quelled, but the seeds of discontent which set it into motion are still present. The Polish people have not forgotten.

Khrushchev was in Poland last week. He saw what occurred. He received polite responses to the words which he spoke, but Khrushchev, with all of his shrewdness, when he left Poland knew deep in his mind that the will of the Polish people to be independent, and sovereign, and free, has not been quelled. He knew that the Poles will never accept communism as their guide and authority in life. He knew that in this historic land of Poland, where partitions have been made in the past, the spirit and the will for freedom continue to live. Khrushchev knew that the day would come when the Poles would liberate themselves again from the yoke, the tyranny, the cruelty, and the oppression of the Communist Reds.

The iron fist of communism cannot be hidden in soft words. The premeditated malice, the undying cruelty of communism still exists. Khrushchev unconsciously revealed this spirit as he spoke to the Polish miners. He said of West Germany, "West German Chancellor Adenauer has forgotten the lesson given to Hitler, but it can be repeated again." This is the true voice of Soviet Russia—"We have hurt you in the past, and we will again."

Mr. President, the Polish people whose memories are seared by broken promises and broken homes, know the true value of Khrushchev's words. The Polish nation and people will ignore the Soviet's soft words, knowing that the Soviet word remains false and unreliable, and that, through their own indomitable love of liberty and freedom, the day of national triumph is inescapably in the future. The day will again come when the peoples of Poland will be marching the streets of their villages, cities, and hamlets, crying out, "Down with dictatorship. Give us liberty. Give us that right which God intended for us at our birth."

DEATH OF DOUGLAS McKAY

Mr. MORSE. Mr. President, I rise to inform the Senators with great sadness that the Honorable Douglas McKay passed away this morning.

Douglas McKay was a distinguished political leader in my State for more than a quarter of a century. I believe his first political office was that of mayor of Salem, Oreg., from 1933 to 1934.

He was a State senator in the Oregon State Legislature during the years of 1935 to 1937, 1939 to 1941, 1943 to 1945, and 1947 to 1949.

He was a distinguished and very able Governor of our State from 1949 to 1953.

Douglas McKay was appointed by the present administration as Secretary of the Interior in 1953, and served in that capacity until his resignation in 1956.

He was appointed by the present administration to be Chairman of the International Joint Commission, which position he held up until the time of his death; and, as I said on the floor of the Senate some days ago, he served with distinction in that capacity. Much credit is due Douglas McKay for the progress which has been made in reaching an understanding with Canada in respect to the use of Columbia River waters. I am sure that in the not too distant future a formal understanding will be entered into between the United States and Canada in respect to those waters; and a great deal of credit for that understanding is due to Mr. McKay.

Mr. President, although it is well known that this distinguished Oregonian and the senior Senator from Oregon differed on many political matters—in fact, he was my opponent in the 1956 campaign for the Senate in that State—the fact is, however, that I have always held him, as a person, in very high regard.

We differed vigorously on issues. But he and I belonged to certain fraternal organizations, and we were true in our relationships to the teachings of those organizations. We both were members of the Eagles. We both happen to be fellow Shriners. I have on more than one occasion, within the lodge, so to speak, worked very closely with Governor McKay on great humanitarian programs, including fundraising for crippled children.

Mr. President, the State of Oregon has suffered a great loss. The Nation has lost the service of a distinguished public servant. Mrs. Morse joins me in my expression on the floor of the Senate today, as we will join in a personal note to the family, in deep sympathy to Mrs. McKay and to the McKay family, and in our sincere regret that this leader has passed from us.

"Who's Who in America, 1958–59" lists Mr. McKay's public service and personal record as follows:

McKay, Douglas, Secretary of the Department of the Interior; born at Portland, Oreg., June 24, 1893; son of E. D. and Minnie A. (Musgrove) McKay; B.S. in agriculture, Oregon State College, 1917; LL.D., Willamette University, Dickinson College, University of Maine; married Mabel Hill, March 31, 1917; children: Douglas (deceased), Shirley (Mrs. Wayne Hadley), Mary Lou (Mrs. Lester D. Green). Paper carrier, office boy, Union Pacific Railroad, 1909–13; automobile salesman, and sales manager Portland, 1920–27; established automobile business, dealer for Chevrolet and Cadillac, Salem (Oreg.), 1927. Mayor of Salem, 1933–34; State senator, 1935–37, 1939–41, 1943–45, 1947–49; Governor of Oregon, 1949–53; Secretary of the Interior, 1953–56. Member International Joint Commission representing United States and Canada, 1957–; served as first lieutenant, infantry, 91st Division, World War I; captain and major, service command unit, World War II. Member State Automobile Dealers Association (past president), Salem Chamber of Commerce (past president), Oregon State College Alumni Association (past president), American Legion (past commander), Veterans of Foreign Wars, SAR, Disabled American Veterans, Phi Delta Theta. Decorated: Purple Heart. Republican. Presbyterian. Mason (Shrine, K.T.). Eagle. Elk. Home: 395 Jerris Avenue, Salem, Oreg.

Mr. NEUBERGER. Mr. President, I desire to join in the eloquent tribute voiced by the senior Senator from Oregon [Mr. MORSE] to the late Douglas McKay.

Mrs. Neuberger and I knew Douglas McKay well, because he was Governor of our State when we both were members of the Oregon State Legislature. Many of the policies which he followed as Secretary of the Interior are far better known to the Nation, and more widely known, than those which he adhered to as Governor of our State on the Pacific seaboard. We have always remembered with special appreciation the fact that Douglas McKay, as Governor of our State, signed the Fair Employment Practices Act, in which Mrs. Neuberger and I were particularly interested. It was one of the first FEPC acts adopted by any State in the Nation. Governor McKay not only signed the bill, but gave those of us who were advocating it in the legislature the benefit of his prestige and influence.

Although, as we all know, many of his policies as Secretary of the Interior were involved in controversy, Douglas McKay was a very warmhearted man. I think this motivated his interest in such policies at the State level as fair employment practices to prevent discrimination based on race, creed, or color in the seeking of employment.

I have been very favorably impressed with the progress made by the International Joint Commission under Governor McKay's able leadership. I am particularly gratified that some 4 or 5 weeks ago, on June 22, I commented publicly, before his terminal illness, on the fact that the International Joint Commission under Governor McKay was more likely to see a successful agreement with Canada for joint use of the upper Columbia River than at any time since such negotiations began long ago.

I shall always value the very warm personal note about some observations of mine, which I received from Governor McKay shortly after his discharge from Walter Reed Hospital, prior to his return to Oregon, followed by his fatal seizure.

Douglas McKay was a native son of Oregon. He was a graduate of Oregon State College, one of our great educational institutions. He served his country faithfully in war, as well as in peace. If I am not mistaken—and I say this only from memory—I think he won the Distinguished Service Cross for gallantry in action in World War I, when he was wounded several times. He was, of course, awarded the Purple Heart as well.

I feel that his family will always take pride in his illustrious career. I think his family should hold particular pride in the fact that his personal integrity and honor were never sullied, no matter how much some of his specific policies might be criticized.

It is my belief that as the annals of our State of Oregon are written, stemming from this 100th anniversary of our statehood, in this particular year, the name of Douglas McKay will occupy an enviable and very eminent niche.

My wife, who was also a personal friend of Governor and Mrs. McKay, joins me in sincere condolences to the entire McKay family.

I ask unanimous consent, Mr. President, to include in the RECORD my statement of June 22, 1959, in which I described Douglas McKay as doing a good job in his negotiations with Canada as Chairman of the International Joint Commission.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NEUBERGER SEES EARLY AGREEMENT FOR UNITED STATES-CANADIAN DAMS ON UPPER COLUMBIA

Senator RICHARD L. NEUBERGER, of Oregon, said today he was greatly encouraged by indications of an early agreement between Canada and the United States on water resource development of the upper Columbia River.

"A new era of progress will be launched in the Pacific Northwest and western Canada by successful conclusion of negotiations over use of the boundary waters of the Columbia," NEUBERGER forecast. "Reports from both sides of the border signal the approach of joint acceptance by the United States and Canada of a plan and procedures for construction of a series of dams to harness the power and flood control potential of the upper basin."

NEUBERGER made his comments after an executive session of the Interior and Insular Affairs Committee where reports were received from Department of State and International Joint Commission spokesmen. Both agencies have been taking part in the negotiations with Canada.

NEUBERGER, who conducted a study of problems connected with international development of the Columbia for the Senate Interior and Insular Affairs Committee during 1955, pointed out that dams built on both sides of the border would greatly expand the supply of low-cost hydroelectric energy in the North Pacific region. Flood peril in the lower Columbia area also would be greatly reduced, he pointed out. On both sides of the border, the development would add as much as 4 million kilowatts of energy at existing dams and others to be built, he explained.

As a result of NEUBERGER'S report, the committee scheduled further investigation of negotiation efforts. The Oregon Senator also acted as chairman of hearings held by the Interior Committee 2 years ago to inquire into the progress of upper Columbia studies by the International Joint Commission, the United States-Canadian agency with jurisdiction over decisions on use of boundary waters. At the conclusion of these sessions, the administration disclosed that the negotiations were being expanded so as to include the participation of diplomats of the two countries. Several meetings have been held since that time in both countries to work out a basis for dividing costs and benefits of the water projects.

NEUBERGER, who has headed a special Senate subcommittee studying development of the upper Columbia, said he thought ex-Secretary Douglas McKay, Chairman of the International Joint Commission, was doing "a good job" and making "every conscientious effort" to reach a satisfactory agreement with the Canadians for mutual use of the river.

"I am particularly encouraged about hopes for early agreement because of the appointment of the Honorable Howard Green, of British Columbia, as Canada's Minister of External Affairs," NEUBERGER said. "Mr. Green and I met in the Arrow Lakes region of the upper Columbia River in 1955 and traveled together over a large section of the proposed development area. I know of his favorable attitude toward an equitable settlement and it seems to me that his ascendancy in the Canadian Government augurs well for early success."

Mr. DIRKSEN. Mr. President, there was a generation when Horatio Alger books were the rage. I presume I have read my share. Those books always followed a pattern: A young, impoverished boy started in and went through the chair, so to speak, of life, and came to the top.

I doubt whether there is anybody within my acquaintanceship who qualified in that frame and in that pattern as much as Doug McKay. He started as a newsboy. He started as a "flunkie" in an office. He worked in a railroad

office. He became a salseman. He obtained an automobile agency for himself. He served as mayor of his town. He served as State senator. He served as Governor of his State. He served as a Cabinet member. His service is really in the Alger tradition.

There is something about it which is fundamental, because those things are not accidental. There was a great common touch about Doug McKay. It did not make any difference where one saw him, he was always the same. I used to see him at breakfast, or sometimes at dinner, in a very quiet little restaurant in the same apartment where we lived. He was as modest and unassuming as he could be. That was the common touch. It never left Doug McKay, whether he was a newsboy, a member of the Cabinet, or Governor of his very great State.

I am distressed and feel deeply about his passing, particularly at what I think is a premature age, when there was so much of life still ahead of him.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Oregon.

Mr. NEUBERGER. I wish particularly to concur in what the distinguished Senator from Illinois said about the personality and warmth of Douglas McKay, to indicate that he made a similar impression upon the Senator from Illinois and upon me. The first sentence in the brief statement which I issued upon learning of his untimely death reads as follows:

> Douglas McKay was a friendly and warmhearted man who invariably inspired personal devotion in those around him.

I think that was his outstanding charactertistic, and that made him a leader on the college campus, in his home community, in his State, and later in the Nation.

Mr. DIRKSEN. Mr. President, as I think of Doug McKay I think a little bit about an inscription on a tombstone in an English churchyard which reads:

> Here lies Peter Bacon; born a man and died a grocer.

When I think of Doug McKay I think, "Here is Doug McKay; born a man and passed away as a man; he never forgot the human and common touch."

Mr. CURTIS. Mr. President, let the RECORD show that I also want to pay my respects and tribute to Douglas McKay. During the time he served as Secretary of the Interior I had occasion to be in touch with him in the Department of the Interior many times. He was a fine public servant.

Everything which has been said about Douglas McKay as a man—his friendliness, his warmth, his interest in good government and in people—is certainly true.

I wish to extend my sympathies to Mrs. McKay and to all his loved ones.

Mr. MANSFIELD. Mr. President, I should like to join in the expressions of regret about the passing of the former Secretary of the Interior, Douglas McKay. There were some differences between Mr. McKay, who was an astute, a well-known and a practical Republican, and members of the opposite party, but there was also a feeling of understanding on his part, especially so far as the potential development of the State of Montana was concerned. In our attempts to get appropriations and to arrive at a settlement of differences covering such matters as the Yellowtail Dam and the Libby Dam, Douglas McKay was a stalwart fighter on the side of the people of Montana, in furtherance of their desire to bring about the development of our natural resources.

It was with regret that I was informed of his passing as I entered the Chamber. I wish to associate myself with the remarks made by the Senator from Nebraska [Mr. CURTIS], the distinguished minority leader [Senator DIRKSEN], the distinguished junior Senator from Oregon [Mr. NEUBERGER], the distinguished senior Senator from Oregon [Mr. MORSE] and other Senators who on this occasion have expressed their feelings upon the death of this public servant.

Mr. THURMOND. Mr. President, I was indeed sorry to learn of the death of Hon. Douglas McKay, of Oregon. Mr. McKay served as Governor of his State during a portion of the time I served as Governor of South Carolina. It was a great pleasure to me to know this fine gentleman. He was a man of outstanding ability, unimpeachable character, and integrity. Also he was a man of great industry. I feel that the United States has lost a very fine citizen in his passing.

I wish to express my deepest sympathy to his family; and I know that Mrs. Thurmond would join me in doing so.

Mr. STENNIS. Mr. President, may I add my sentiments as well as sympathy to those who have spoken with reference to the passing of the late Douglas McKay.

My personal knowledge of Mr. McKay was slight, but as far as it went it was certainly to respect him as a man, and I do not know of any higher compliment that I could pay to him. I thought he was a very useful man and a very high type administrator here in the executive branch of the Government. I sincerely mourn his passing.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7500) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 836) to amend the code of law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Acting President pro tempore:

S. 210. An act for the relief of Pantaleon Ibarra, also known as Elmo Gomes Arcibal;

H.R. 322. An act for the relief of Monmouth County, N.J.;

H.R. 1605. An act for the relief of Harry F. Lindall;

H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H.J. Res. 353. Joint resolution to facilitate the admission into the United States of certain aliens.

CIVIL DEFENSE IN THE UNITED STATES

Mr. YOUNG of Ohio. Mr. President, a short time ago I submitted a Senate resolution to provide for a select committee of Senators to investigate civil defense in the United States as it is now conducted and to report back to this body. In connection with that resolution the Columbus Citizen, a member of the Scripps-Howard chain of newspapers, and one of the great newspapers of my State of Ohio, has published an editorial entitled "Turn the Bird Dogs on It," meaning civil defense. The editorial refers directly to the resolution which I submitted. I assume, on the basis of information given me a few minutes ago, that other Scripps-Howard newspapers in the United States will publish this or a similar editorial.

In connection with the resolution which I submitted, I state now that it is my hope that the majority leader and the minority leader will give careful consideration to the necessity of acting upon the resolution and having such a select committee of Senators appointed.

This is certainly a nonpolitical matter. It is an important subject, as it relates to the expenditure of many millions of dollars of the taxpayers' money, as well as to their survival in the event of a nuclear war.

If there is any custom in the Senate that the author of a resolution of this sort is usually selected as chairman of the committee, I disclaim any desire or wish to be the chairman. I am a new Member of the Senate, and if the resolution submitted by me is adopted by the Senate, while I would like very much to be included as a member of such select committee, it is my suggestion that some Senator with greater seniority be made chairman of the committee. Whether it is to consist of five members, as I provide in the resolution, or seven members, or six members, is immaterial.

The editorial from the Columbus Citizen reads as follows:

> TURN THE BIRD DOGS ON IT
>
> Senator STEPHEN M. YOUNG, of Cleveland, has a favorite target: the Office of Civilian and Defense Mobilization. He thinks it's a waste of money.
>
> He especially was incensed when the Senate agreed to include $12 million extra for a new civil defense bureaucracy on which the State also would be expected to waste $12 million.

The House turned down this request as wasteful. Civil defense wants to hire 1,400 extra people to do more of whatever it has been doing.

The Senator sensibly proposed a Senate investigation to find out just where the money has gone, appraise the results, if any, and to try to develop some "sound and realistic" civil defense program, if one can be found.

"Civil Defense," as a term, sounds big and important, and Congress has been voting money for it on that ground. But Congress still has no real idea of what kind of civil defense setup we should have, if any. Senator YOUNG's idea offers one way to find out.

FOOD FOR PEACE

Mr. HUMPHREY. Mr. President, as my colleagues in the Senate know, since the original passage of the Agricultural Trade Development Act in the 83d Congress, I have been a strong proponent of the use of our agricultural abundance in ways that would strengthen world peace. Just recently extensive hearings were completed on Senate bill 1711, the "Food for peace" bill sponsored by myself and 15 of my colleagues. The food for peace proposal would redesign and retool the operations under Public Law 480 and, by establishing a Peace Food Administration, take a positive step forward in using food for peace.

The Des Moines Register, in the issue of July 13, 1959, made some apt editorial comments on the food for peace plan. I ask that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BETTER FOOD FOR PEACE PLAN

In his farm message to Congress last January, President Eisenhower made a strong plea for a food for peace effort. He said he was setting steps in motion to explore with other surplus-producing countries the means of using farm products to reinforce peace. Since then, Secretary of Agriculture Benson has begun talks with Canada and other wheat exporters on this matter.

Apparently, the administration is interested (or at least Ike was) in expanding the sales of farm products for foreign currency under Public Law 480—and lending this money back to the countries involved for economic development.

This program, though it was viewed mainly as surplus removal at the start, has proved to be a valuable instrument of aid to underdeveloped countries. In the first 4 years of this program, about 61 percent of the foreign currencies received were plowed back into economic development, primarily by loans but with some grants.

While underdeveloped countries need loans of dollars and other hard currency for purchase of capital goods abroad, they also need to pay workers on development projects in local currency. Since savings are limited in a poor country and tax systems often weak, it is difficult to raise this money without inflation. When the United States lends back the money received from sale of farm products, in effect, workers are paid partly in food, instead of money.

In view of the experience under Public Law 480 and the President's statements about food for peace, we find it hard to understand the administration opposition to Senator HUBERT HUMPHREY's proposed amendments to the law. Senator HUMPHREY also calls his plan food for peace. His proposal would put the sales for soft currency on a 5-year basis. At present the authority is for one year. It would also make possible wider uses of the currency, including expenditures for educational exchange programs.

The Humphrey amendments to Public Law 480 would set up a Peace Food Administration outside the Department of Agriculture. They would instruct the administration to seek cooperation with other countries and with United Nations agencies in making use of food for development projects. The program would be made much more flexible by authorizing donations or sales of farm products for national food reserves in other countries. The bill would permit use of foods not technically in surplus, such as pork, but which are in plentiful supply.

On the whole, the Humphrey plan would be a commendable step forward in making use of American farm abundance as part of our foreign aid program. The administration might logically find some objections to details—but if it means what it says about food for peace, it certainly should approve the broad outlines of the Humphrey plan.

Perhaps the most important needed change in Public Law 480 is extending the authority for agreements beyond 1 year. Five years, as proposed by Senator HUMPHREY, is none too long. Receiving countries can make far more effective use of the farm products if they have assurance of a certain supply over a period of years. India, for example, would then be able to count on the agreed amount of wheat for the duration of a 5-year plan.

With the farm surpluses now on hand, plus the prospects for further production increases, there is no reason under the sun why this country cannot make long-term food supply agreements. The administration ought to get behind this change. It is inexplicable to us why the administration, after all its talk about long-range foreign aid, should be opposing long-range programs in both the Development Loan Fund and the use of surplus food.

DIFFERENCES BETWEEN DEMOCRATIC MEMBERS OF CONGRESS AND PAUL BUTLER

Mr. PROXMIRE. Mr. President, Ralph McGill has a splendid reputation as a southern newspaperman who fully appreciates the serious political problems of the South—but at the same time views these problems with honest objectivity and fairness.

For this reason his analysis of the differences between this Congress and Mr. Paul Butler, chairman of the Democratic National Committee, are particularly revealing. In his syndicated column of last night Mr. McGill reported why he thought there is considerable justification for Butler's attitude toward southern political leadership in the Democratic Party. I quote from Mr. McGill:

In 1956, Adlai Stevenson and Paul Butler devoted promises and work to hold the party together. Concessions were made to the conservative leaders in the South to make this possible. These concessions proved to be political errors in the East and West. They were one of the reasons why Stevenson didn't have more earnest support.

And then despite the concessions, half the Southern States deserted and almost none of the South's leaders went all out for the nominee.

That's why there hasn't been more general condemnation of Mr. Butler.

I ask unanimous consent that this article by Mr. McGill be printed in the RECORD at this point.

There being no objection, the article was ordered printed in the RECORD as follows:

DEMOCRATS SEEK BUTLER'S MOTIVES—BELIEF CHAIRMAN'S POT-SHOOTING AIMS TO BENEFIT STEVENSON HELD MISTAKEN

(By Ralph McGill)

Paul Butler, who now and then ups with old Betsy and shoots the Democratic mule in the rump with salt and dried beans, is being examined for motive.

It was suggested that he was related to the late Bret Harte's character, the Heathen Chinee, who was peculiar for ways that were dark and tricks that were vain.

There was no consensus. The majority, however seemed to think in some vague way that Mr. Butler was trying to swing the 1960 convention toward Adlai Stevenson. The reasoning of those who are of this mind is that Mr. Butler had condemned the Democrats in the Congress for following a too-conservative course. He had, therefore, they argued, undercut the Democratic Senators who have been following the moderate leadership of Majority Leader LYNDON JOHNSON. The list includes the present front-runner, Senator JOHN KENNEDY of Massachusetts; the dark horse compromise choice, Senator STUART SYMINGTON, of Missouri; the long-shot entry, Senator HUBERT HUMPHREY, of Minnesota; and, of course, Senator JOHNSON himself.

This being true, it was argued that Mr. Butler could have had no other than Adlai Stevenson in mind.

The premise, it seems to me, is wrong.

Mr. Butler, for all his seeming moments of frenzy, is neither lacking in political sense nor common sagacity. He knows that his action hurt Adlai Stevenson's unknown chances more than it helped.

This conclusion can hardly be denied.

In both 1952 and 1956 the big city and State Democratic organizations, for reasons not yet entirely clear, did not go all out for Mr. Stevenson. They chose to center on electing Governors, Senators, Congressmen, and mayors. In 1956 the figures now reported behind Senator SYMINGTON openly sought to prevent Mr. Stevenson's nomination. The November balloting saw the nominee again semibetrayed by the unreasonable apathy on the part of most of the major organizations, city and State.

It is at once apparent that if Senators SYMINGTON, JOHNSON, and KENNEDY are indeed thwarted in the convention, neither they nor their State leaders will be eager to support Mr. Stevenson. There almost certainly would be a polite surface support from these organizations and an undercover activity which, if not throatcutting would be almost so. A Stevenson nomination, while a consummation devoutly desired by millions, could come only on a field littered with the dead hopes of four Senators, all popular and all with a professional, dependent political following which will not suffer defeat gladly.

Mr. Butler knows all this. So does Mr. Stevenson.

What Mr. Butler had in mind is not really a mystery. He may be wrong. It is possible the ballot totals of 1960 may reveal he, and those who have aided him, have done the party real harm.

But not until November can we write QED after such an opinion. It should be noted that about 98 percent of the criticism of Chairman Butler came from the South. None of the big city or State machine leaders joined in. This does not mean they personally support the chairman. Some of them, notably the Chicago, New York, and Pittsburgh organizations, were angered when he forced through the choice of Los Angeles as the convention city. They have no love for Chairman Butler. But they do not essentially disagree with him.

They, too, have memories.

In 1956 Adlai Stevenson and Paul Butler devoted promises and work to hold the party together. Concessions were made to the conservative leaders in the South to make this possible. These concessions proved to be political errors in the East and West. They were one of the reasons why Stevenson didn't have more earnest support.

And then, despite the concessions, half the Southern States deserted and almost none of the South's leaders went all out for the nominee.

That's why there hasn't been more general condemnation of Mr. Butler.

FOREIGN TRADE DEFICIT

Mr. PROXMIRE. Mr. President, today's papers report that the National Foreign Trade Council estimates a shocking $5.4 billion foreign balance of payments deficit for this country this year.

This is a shock, Mr. President, because it comes on top of $3.9 billion deficit last year and in the face of previous estimates that the payments deficit would be sharply reduced.

The most significant fact in this picture is that American exports are now expected to decline to only $15 billions, a striking drop of more than $1.2 billions, while imports will rise to a new record and perhaps for the first time in modern history equal exports by totaling $15 billions.

Of course with U.S. foreign aid, military expenditures abroad, investment abroad, tourist spending abroad, a balance of exports and imports is sure to mean a huge deficit in our balance of payments.

Here is a big reason, Mr. President, why this Congress must take a long, hard look at our entire foreign aid and defense program. It is obviously more imperative than ever that we call on the resurgent economic power of our European allies to supply far more than it has in the past of the economic cost of defending the free world.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a UPI story reporting this startling intelligence from the National Foreign Trade Council.

There being no objection, the article was ordered printed in the RECORD, as follows:

FIVE-BILLION-FOUR-HUNDRED-MILLION-DOLLAR FOREIGN TRADE DEFICIT SEEN

NEW YORK, July 21.—America's international balance-of-payments deficit could rise to $5.4 billion this year from $3.9 billion in 1958, it was estimated today.

The National Foreign Trade Council said the 1959 estimate includes a $500 million margin for errors and omissions and compares with the $3 billion deficit originally estimated for this year.

The council said total American exports and imports of goods and services will be almost exactly balanced at $23 billion in 1959. It previously had been estimated the United States would show a $2 billion surplus in 1959.

However, taking into account such items in the overall balance of payments as U.S. Government economic aid, foreign private investments and Government loans, America will pay out $5 billion more than it received in 1959 from international trade and other transactions.

The council estimated that a total of $28 billion will be available to foreign countries as a result of sales of goods and services to this country, military expenditures abroad, unilateral transfers consisting of private remittances and Government aid and other outlays, net private investments from the United States and net Government loans and changes in short-term assets.

The council calculated that foreign governments will add some $4.5 billion to their gold and dollar reserves in 1958.

Commenting on merchandise exports, the council estimated that such exports this year would run around $15 billion. A reduction of $1,200 million from the January forecast.

Merchandise imports, on the other hand, were revised upward by a $1 billion to a record high of $15 billion.

Compared with 1958, merchandise exports will be down slightly while imports will be up $1.8 billions.

Mr. MANSFIELD. Mr. President, has morning business been concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 819) to amend certain provisions requiring affidavits of loyalty and allegiance.

SPECIAL PROGRAM FOR THE NATIONAL FORESTS

Mr. STENNIS. Mr. President, early in April of this year a very important document was transmitted to the Congress by the Secretary of Agriculture. I refer to "Program for the National Forests," a document that outlines both the long-range objectives and short-range proposals for the protection, development, and utilization of our great national forest resources. Since this report was made available, a great amount of interest in all aspects of the national forest development program has been evident.

On May 18, hearings were held on the national forest program before Senator HAYDEN's Interior Subcommittee of the Appropriations Committee. At that time, I heard Assistant Secretary of Agriculture Peterson and Forest Service Chief McArdle present the long-range objectives for each of the main renewable resources of the national forests such as water, timber, range, recreation, and wildlife. They outlined to the committees a series of major actions that would result in full development of the resources with all of the attendant benefits flowing from these programs.

The short-term program presented by the Forest Service calls for attaining a sustained yield of 11 billion board feet of sawtimber from the national forests. By contrast, we cut only 6.4 billion feet in 1958. It calls for stabilizing the soil on critical watersheds and improving the yield of water from the forested lands, especially in the West. The 68 million acres of national forest rangelands would be improved and their management operations intensified. The tremendous increase in use of the national forests for recreation, a use that has multiplied seven times since World War II, would be provided for by fully implementing Operation Outdoors and by taking care of additional recreation and fish and wildlife habitat needs.

Critical protection problems would be met by stepping up the activities in fire, insect, and disease control. The need of such a program is apparent when we realize that in 1952 net sawtimber growth on the national forests could have been doubled if it had not been for the effect of these destructive agents.

Adequate access to national forest lands continues to be a problem. We need 90,000 miles of roads and 8,000 miles of trails if national forest resources are to be available to users in the next few years. Also, certain land adjustments would improve the management effectiveness on some national forests, such as completing the consolidation of ownership in the boundary water canoe area of Minnesota.

Finally, the national forest program includes plans for more extensive forestry research which will greatly speed progress in all of the fields of national forest protection, management, and utilization.

The first year's operations under this national forest program, as described to the Senate subcommittee in the report, could be started by supplementing the fiscal year 1960 budget of the Forest Service by $41,350,000. This is made up of major items as follows:

Appropriation:	*Amount*
Forest protection and utilization:	
Forest land management	$22,250,000
Forest research	6,500,000
Forest roads and trails	11,600,000
Acquisition of lands for Superior National Forest	1,000,000
Total	41,350,000

I invite the attention of the Senate especially to the forestry research item of $6.5 million. I have made a special point to examine the forestry research needs of our great timberlands. In addition to my own personal visits to the national forests over the years, I recently wrote to more than 50 of the Nation's outstanding conservation leaders. These men—lumbermen, fish and game experts, educators, water resource leaders, conservation association heads, businessmen, and many others—expressed one thought. They emphasized that the development of our forestry resources cannot be realized without a strong and adequate basic research program to provide the knowledge on which to plan the full development of these resources.

Mr. NEUBERGER. Will the Senator yield?

Mr. STENNIS. I yield to the Senator from Oregon.

Mr. NEUBERGER. I have been listening to the speech of the distinguished Senator from Mississippi with great interest and profit. I have interrupted

him only to say as one of the Senators from Oregon, which is a principal lumber producing State, that I desire to express appreciation to the Senator from Mississippi for the leadership he has always taken in forestry research.

We know that our forests can be perpetuated and can be made to serve the Nation indefinitely only if they are protected and if we make use of scientific discoveries, which are possible in laboratories built with funds provided under the leadership of the Senator from Mississippi.

I remember when the Senator from Mississippi and some of his colleagues visited my State and saw some of the magnificent national forests which grow over the Cascade Range, over the Coastal Range, and the Wallowas, and the other upland areas of Oregon.

Although I was not then a Member of the Senate, nonetheless, as a native son of Oregon I deeply appreciated his interest in our welfare, and I know that the Senator from Mississippi will continue to be a leader in behalf of forestry research, forestry conservation, and sound forestry management.

Mr. STENNIS. I thank the Senator from Oregon very much for his kind words. The fact is that I have done very little, but what I have done has been based upon the realization that here is a reproducible resource rapidly being exhausted by our fast-moving economy and a large military machine without even the elemental things being done on a broad scale to preserve its natural growth, much less augment and expand the possibilities of future growth.

Mr. NEUBERGER. Is it not true that sound forestry management of the national forests, for example, actually can be made to return a profit to the Treasury rather than drawing upon the Treasury for an outgo of taxpayers' money?

Mr. STENNIS. Yes. The point is this. It is not only a reproducible resource, but actually a moneymaking resource. It pours money into the Treasury, and the situation is such that where the saw timber growth in the national forests alone could be doubled—think of it—doubled each year if there were more effective protection against fire, insects, and disease. With those elemental things done the growth in the national forest alone would be doubled, and the same of course would apply to privately owned land.

Mr. NEUBERGER. And the resulting increase in funds to the Government through sale of the stumpage not only would help the Treasury, but it would save this renewable resource.

Mr. STENNIS. Yes. That is a very strong point about this whole program.

When I appeared before the subcommittee of the Senator from Arizona [Mr. HAYDEN], I outlined what to me is the bare essential beginnning for strengthening forestry research along two lines: First, provision for essential research laboratories and related facilities; and, second, strengthening a few highly critical gaps in research programs. As the bare minimum, I have recommended that $2.5 million be made available immediately for the construction of several key laboratories. Modern, well-equipped laboratories to replace the makeshift facilities now being used in some places would permit the forestry research scientists to make much more rapid strides through the application of new and startling techniques that are available in the scientific fields. Actually, I have suggested nine places where research facilities are critically needed and these could be provided for the $2.5 million suggested.

My second proposal involves an immediate increase of one-half million dollars for strengthening a few of the most critical basic research programs in such fields as insect and disease research, watershed management, wildlife habitat and recreation, and timber marketing research.

In summarizing, I can only say that the strength of our Nation lies in the full use of the valuable and abundant timber, water, range, wildlife and recreation resources that we possess. If we care for these resources and develop them wisely, great values in the form of jobs, material wealth, comfort, and human satisfaction will come to all of us—far in excess of the modest investments required to make these realizations come about.

I want especially to commend the Senator from Arizona [Mr. HAYDEN] for the impressive statement in the Senate report covering appropriations for the Department of the Interior, stressing the critical need for an expanded forestry program. I pledge my full support to this program and, with other Senators, will attempt to include funds in the supplemental appropriation bill to initiate a major part of this essential and critically needed forestry program, including the long overdue forestry research projects.

Mr. President, many of us often make great claims here for programs that will "strengthen our economy." We often provide many hundreds of millions of dollars for various governmental agencies that may produce little in direct return. We are forced to spend $40 billion per year on a worldwide military program that, even though essential, does not bring great constructive returns. At the same time, we neglect our national forest lands and the forest lands of the entire Nation, which are not only nonreproducible resources but which are also income producing resources during each year.

It just does not make sense that we should fail to proceed with all possible speed with a sustained-yield program on our national forests which would increase the annual yield from 6.4 billion board feet cut in 1958 to 11 billion board feet per year within a short time. Neither does it make sense to further neglect a stepping up of our fire, insect and disease control programs when it is a proven fact that the net sawtimber grown on national forests alone would have been doubled in 1952 had it not been for the effect of these destructive agents.

Not only the Nation as a whole, but many States are directly affected by this special program for national forests as outlined in the document referred to and in the May 18 hearings before the Senate Appropriations Subcommittee. I urge all Senators to give special attention to this program, inform themselves how it affects their State, and urge them to appear before the Senate Appropriations Committee now conducting hearings on the supplemental appropriation bill, in support of this program. Valued time has already been lost, and our further neglect of this essential program is to fail future generations in caring for and augmenting these valuable and nonreproducible resources that are so essential for the demands of our future economy.

I do not see how the executive branch of the Government can fulfill its obligations without taking another look at these essential, demanding, and real emergency needs in the great field of our resources, and joining hands with Congress in starting the program at the earliest possible date.

STANDARDS OF DECENCY AND MORALITY IN MOTION PICTURES

Mr. EASTLAND. Mr. President, on Monday, June 29, 1959, the U.S. Supreme Court struck a mortal blow to the power of a State to maintain within its borders minimum standards of decency and morality in the content of moving pictures offered for exhibition. In the sacred name of liberty it has granted an unbridled license to the producers of motion pictures to portray filth, indecency, sacrilege, inhumanity, and immorality on movie screens in the State of New York. The Court has made crystal clear that the unbridled license it has extended to exhibitors in New York is equally applicable to every State in the Union.

In the case of Kingsley International Pictures Corp. against the Regents of the University of the State of New York, the case involving the motion picture entitled "Lady Chatterley's Lover," the Supreme Court denied to a sovereign State the right to protect the youth of that State against the corrupting influence of any motion picture which might, as the regents of the State of New York phrased it, "presented adultery as a desirable, acceptable, and proper pattern of behavior."

The Supreme Court of the United States accepted this definition as the basis for its judgment, and directly held that "1st amendment liberties, protected by the 14th amendment from infringement by the States," include the right of any person or individual to "present adultery as a desirable, acceptable, and proper pattern of behavior."

Said the Supreme Court:

> What New York has done • • • is to prevent the exhibition of a motion picture because that picture advocates an idea—that adultery under certain circumstances may be proper behavior. Yet the first amendment's basic guarantee is of freedom to advocate ideas. The State, quite simply, has thus struck at the very heart of constitutionally protected liberty.

So now it is a constitutionally protected liberty to urge adultery upon the youth of this Nation. Presumably the decision would be the same with respect

to the right to urge bigamy, or sodomy, or miscegenation, or even rape. Presumably, under this decision of the Supreme Court, if a man's mind is so twisted that he regards every woman as no more than a chattel, to be taken and used for the pleasure of any man, he is free to urge this monstrous conception upon others, regardless of how tender their years may be; and he can do it by means of what is perhaps the most insidious form of propaganda, in terms of its influence upon the very young, namely, the motion picture.

In principle, there is no difference between the advocacy of adultery through the portrayal of it as an acceptable and proper pattern of behavior, and the advocacy of sodomy, sexual perversion, or rape as an accepted and proper pattern of behavior. Nor would there be any difference in principle if it should be burglary, or euthanasia, or any other form of murder, or even genocide, that was being presented as being right and desirable for certain people under certain circumstances.

Not only is the New York statute struck down by this decision of the Supreme Court: it would seem the Hollywood code of decency also has been rendered obsolete and ineffective.

You may recall, Mr. President, that in 1952 the Supreme Court also overruled the board of regents and the New York Court of Appeals and required that a license be issued for the exhibition of a film known as "The Miracle." "The Miracle" was barred from public exhibition on the basis that the picture was sacrilegious. "The Miracle" was condemned from both the pew and pulpit. Cardinal Spellman termed it "a vile and harmful picture, a despicable affront to every Christian, a vicious insult to Italian womanhood," and said that "we, as guardians of the moral law, must summon you and all people with a sense of decency to refrain from seeing it and supporting the venal purveyors of such pictures."

The U.S. Supreme Court, without consideration of any other portions of the New York statute, save that which provided that sacrilegious films could be refused a license, categorically held:

> We hold only that under the 1st and 14th amendments a State may not ban a film on the basis of a censor's conclusion that it is "sacrilegious."

Now, after having previously clothed sacrilege with the protection of the 14th and 1st amendments of the Constitution, the Supreme Court has proceeded to put the cloak of immunity and its stamp of approval on adultery. In its own language it says:

> The Constitution * * * protects advocacy of the opinion that adultery may be sometimes proper.

Is advocacy of bigamy in motion pictures sometimes proper?

Is advocacy of homosexuality in motion pictures sometimes proper?

Is advocacy of sodomy in motion pictures sometimes proper?

Is open advocacy of fornication in motion pictures sometimes proper?

Is advocacy of bestiality in motion pictures sometimes proper?

Is advocacy of incest sometimes proper?

Is unlimited advocacy of immorality and sexual perversion in motion pictures sometimes proper?

Since the dawn of civilization, mankind has provided both civil and criminal precepts to set the standards for moral conduct. These laws are all of a package. They are the basic building blocks of society. Laws against adultery, fornication, sodomy, incest, and bestiality were known in the Laws of Moses. They are basic in the Ten Commandments. They are found in the Roman Law. They were in the Common Law of England. They were in the law of the Colonies when the Constitution was adopted. They have been brought forth in the laws of 49 States. They inherit their efficacy from ethics and religion, and have been fed on spiritual meat. These laws are known wherever the spirit of decency flowers and men look up through the mist at God. In only one place are they held in low repute; that is in the U.S. Supreme Court, where we find nine men appointed for life dissenting against the judgment of mankind.

If the Supreme Court is correct in holding that the Constitution denies to a State the right to protect its citizens from the exhibition of films portraying moral depravity, films that preach the "thou shalt not" of human society, then something is wrong with our Constitution. But I say with confidence that the Constitution does no such thing; the fault lies with the Justices who pervert and distort its meaning.

As to the meaning of our Constitution on this issue, it does not take judges or lawyers to understand and agree with the expression of the New York Court of Appeals in this case. All citizens who believe in law, order, morality, and decency will agree with the New York Court of Appeals in this conclusion:

> What can society do about protecting itself from motion pictures which are corruptive of the public morals? We hold that it may refuse to license a motion picture which alluringly portrays adultery as proper behavior. We so hold with full confidence that our Founding Fathers never intended that our Federal Constitution be the altar upon which this State, and this Nation, must sacrifice themselves to the ravages of moral corruption. Our Constitution is a document for government, not a tool for anarchy or a license for corruption.

What right has the Supreme Court left for the people of a community—a State, a county, or a city—to protect the youth of the community against immoral influences? Does a parent have no duty or obligation to bring up his children in the way they should go? And if there is such duty and obligation, how are they to be discharged when the Supreme Court of the United States says it is every man's constitutional right to present adultery—or, presumably, any other form of immorality, or even crime—as being "right and desirable"?

The minds of children and young people, in the formative stage, are like wet cement; they take an impression readily, but soon harden, so that obliteration of the impression is virtually impossible. To corrupt these young minds, it is not necessary to state explicitly that certain evil actions are justified for the particular individual. It is enough to portray such actions in a general setting which shows them—and here I quote the Supreme Court's decision—as "desirable, acceptable, or proper patterns of behavior" for others. The young viewer will readily enough apply the doctrine of acceptability to his own circumstances and to himself.

All over this Nation, forces that stand for decency are fighting a battle against obscenity and pornography and a rising tide of immorality. Church organizations, civic organizations, parent-teacher associations, and innumerable groups and individuals are trying to steer this Nation back toward the standards of decency and morality which once were a part of the heritage of every young American, and the progressive abandonment of which has had a great deal to do with the rising incidents of juvenile delinquency. All of these efforts have been struck a mighty blow by the Supreme Court's decision of last Monday.

Mr. President, this decision by the Court is not only a counterblow against all the individuals and all the forces who have been working and fighting for the elevation and preservation of the moral standards of our youth; the Court's decision is also a severe blow at States rights. Perhaps this should be no surprise, because this Court has struck repeated blows at the rights of the States to conduct their own affairs. But what issue could possibly be more properly reserved for local decision than the issue of morality and the protection of the young people of a community? Surely, Mr. President, if ever there was a question which should be determined, as a matter of public policy, by the people of a community itself, it is the question of what protection shall be given to the youth of the community against exposure to the enticements of vice. But the Supreme Court of the United States says a community cannot protect itself agains the advocacy or depiction of vice as—and again I quote the Supreme Court—a "desirable, acceptable, or proper pattern of behavior."

Some of the Justices of the Supreme Court went to considerable lengths—there were five different concurring opinions—to express their own views with regard to the particular motion picture involved in this case. But all such personal views of the individual Justice are beside the point. No individual opinions, even those of Justices of the Supreme Court of the United States, should be substituted for the judgment of the community itself, in such a matter. And the case was not decided upon the basis of the individual views of the Justices; it was decided on the basis of the alleged constitutional right to teach and preach adultery by portraying it as a "desirable, acceptable, or proper pattern of behavior."

Mr. President, in the past, when decisions of the Supreme Court have raised problems which could be dealt with by legislation, I have urged legislative action. But with respect to this decision, which prohibits a State from protecting

the morals of its young people, I am sorry to say that I do not see any legislative recourse. Unfortunately, the Supreme Court of the United States has taken to itself the power to change the Constitution of the United States at its own will; and when the Constitution is judicially amended, it cannot be changed back to its original form by mere legislation. The only recourse of the people in such case is either a constitutional amendment in the manner provided by the Constitution itself, or a wave of public protest which will arouse the Court to a recognition of its error, and will induce the Court to take action to correct that error.

What the Supreme Court has said is that the Constitution of the United States prevents the parents of this country, acting through their State governments, from protecting their children from filth, immorality, and sin through the theater and all media of publication, exhibition, and communication.

Mr. President, on July 2, on behalf of myself, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Georgia [Mr. TALMADGE], the senior Senator from South Carolina [Mr. JOHNSTON], and the junior Senator from South Carolina [Mr. THURMOND], I introduced a proposed constitutional amendment. It is simple in its terms, and when enacted, even the present Supreme Court cannot ignore its mandate. It reads:

> The right of each State to decide on the basis of its own public policy questions of decency and morality, and to enact legislation with respect thereto, shall not be abridged.

While in my judgment this amendment says no more than the Constitution now provides, it is the only method by which this presently discussed type of Supreme Court decision can be rectified.

The Committee on the Judiciary will schedule public hearings on the joint resolution in the very near future. I urge every religious organization, every civic and fraternal organization, every group, and every individual who stands for morality and decency to protest this decision, and to support this proposed constitutional amendment. Let the Supreme Court hear and know the voice and will of the people in no uncertain terms. Not even the Supreme Court of the United States, with all its power and all its self-complacency, can stand forever against the expressed will of the people of this Nation.

Mr. President, my discussion has been confined solely and alone to decisions of the Supreme Court which have invaded the reserved rights of the States and the people to control questions of decency and morality at the local level. Yesterday a U.S. judge in New York issued a far-reaching decision which grants to "Lady Chatterley's Lover" a constitutional immunity from stautes promulgated by the Congress to control the circulation of obscene, lewd, lascivious, or filthy books in the U.S. mail. On the basis of the Judge's own words and findings, his decision so shocks the moral conscience of the community that it passes all understanding.

This is what section 1461 of title 18 provides:

> Every obscene, lewd, lascivious, indecent, filthy or vile article, matter, thing, device, or substance; * * * is declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier.

The Postmaster General of the United States made an administrative determination that "Lady Chatterley's Lover" was obscene and therefore nonmailable. I have not read "Lady Chatterley's Lover." My judgment of its obscenity, lewdness, and lasciviousness must be based solely and alone on the review that was made by Judge Bryan as contained in his judicial opinion. About the plot, Judge Bryan says:

> Failing to find satisfaction in an affair with a man in her husband's circle, Constance Chatterley finds herself increasingly restless and unhappy. Her husband half-heartedly urges her to have a child by another man whom he will treat as his heir. Repelled by the suggestion that she casually beget a child, she is drawn to Mellors, the gamekeeper, sprung from the working class who, having achieved a measure of spiritual and intellectual independence, is a prototype of Lawrence's natural man. They establish a deeply passionate and tender relationship which is described at length and in detail. At the conclusion she is pregnant and plans to obtain a divorce and marry the gamekeeper.

Mr. President, it is apparent that it was from this portion of the book that the scenario writers for the motion-picture script portrayed the scenes where adultery was advocated as circumstances that constituted proper behavior.

Now, the judge further finds:

> It [the book] contains a number of passages describing sexual intercourse in great detail with complete candor and realism. Four-letter Anglo-Saxon words are used with some frequency.

He further says:

> These passages and this language understandably will shock the sensitive-minded. * * * Even if it be assumed that these passages and this language taken in isolation tend to arouse shameful, morbid, and lustful sexual desires in the average reader, they are an integral and, to the author, a necessary part of the development of theme, plot, and character.

The judge states:

> Plainly, "Lady Chatterley's Lover" is offensive to the Postmaster General, and I respect his personal views. As a matter of personal opinion, I disagree with him, for I do not personally find the book offensive.

Here is a clear-cut difference of opinion. Postmaster General Summerfield's opinion is unconstitutional. It is made so by Judge Bryan's sense of esthetics and art in literature.

Judge Bryan's opinion as to that which is not offensive to the moral sensibilities of the community embraces a community that includes 49 States and the Territories. Now both at the level of the States and at the level of the National Government, this vile, immoral, lewd, lascivious, and indecent book is clothed with a complete constitutional immunity for circulation in every State, city, village, and hamlet throughout the entire country at the same time its counterpart is being exhibited on the motion-picture screens in every area of the Nation.

We are living in an age where everything old is evil. Old values are being swept away, and pseudosophistries substituted. In the name of the Constitution, license is being substituted for liberty; and Federal judges, appointed to office for life, are arrogating unto themselves the function of writing a new measure of values and the moral code of the Nation—and the parents of the country have no right to protect their children.

In addition to the constitutional amendment I am proposing, to restore to States and local communities the power to control public policy questions of decency and morality, every avenue will be examined to see if Federal Statutes against obscenity in the mail can be strengthened by congressional action.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McGEE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McGEE in the chair). Without objection, it is so ordered.

AMERICAN INVESTMENTS ABROAD—SUSPENSION OF CERTAIN FUTURE FOREIGN AID

Mr. JOHNSTON of South Carolina. Mr. President, the Senator from New Hampshire [Mr. BRIDGES] and I cosponsored an amendment to the Mutual Security authorization bill permitting the President to suspend aid to any country which confiscated, expropriated or nationalized U.S.-owned property without just compensation. This amendment was adopted by the Senate by a vote of 59 to 32.

The amendment has been modified to a considerable degree by the Senate-House conferees on the bill.

At the time of the adoption of the original amendment, the Chairman of the Council for Private International Development, Mr. H. Struve Hensel, issued a pertinent and interesting statement pertaining to the amendment. These documents further emphasize the need for the action which the Senator from New Hampshire and I had the privilege of sponsoring in the Senate.

Mr. President, I ask unanimous consent to insert it in the body of the CONGRESSIONAL RECORD; also, a copy of a letter which I received from retired Maj. Gen. Kenneth Buchanan, the secretary of the Council for Private International Development, which also relates to the amendment adopted by the Senate.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

JULY 10, 1959.

Hon. OLIN D. JOHNSTON,
U.S. Senate, Washington, D.C.

DEAR SENATOR JOHNSTON: Congratulations for your farsightedness and fortitude in sponsoring the amendment to the mutual security bill which would authorize the President to suspend future foreign aid in the event any nation should violate the rules of sanctity for American investments in its country.

The Council for Private International Development considers this amendment a most progressive step and one that will serve as an effective deterrent to expropriation, nationalization, or confiscation, without proper compensation—a practice that has become much too prevalent in many areas of the world in recent years.

The Council for Private International Development was organized as a study, planning and advocate group to improve the climate, both domestic and foreign, for private international investments, with the ultimate objective of achieving international agreements, under international law, to ensure fair and equitable treatment for the nationals of the other signatory countries. Private organizations in other countries have also been studying the problem and societies for such purpose have been organized in Germany, Great Britain, France, Brazil, Switzerland, and Malaya. Furthermore, the International Chamber of Commerce, the European League for Economic Cooperation, the European Federation of Industrial Organizations and other reputable organizations are analyzing the possibilities of a multilateral convention for the protection of foreign investments.

While the council believes that international agreements on sanctity must remain the ultimate goal, it strongly endorses and supports the intent of your amendment and is of the opinion that it will hasten the day when all free nations become signators to articles of international law and thus make the amendment no longer a necessity. In the meantime, the amendment will serve as a most important declaration of principle and will hasten the day when international law can take over.

With every good wish,
Sincerely,

KENNETH BUCHANAN,
Major General, U.S. Army (Retired), Secretary, Council for Private International Development.

STATEMENT OF H. STRUVE HENSEL, CHAIRMAN, COUNCIL FOR PRIVATE INTERNATIONAL DEVELOPMENT

H. Struve Hensel, chairman of the Council for Private International Development, today urged Senate-House conferees to retain provisions in the mutual security bill that would protect American investments abroad against confiscation, expropriation or nationalization.

Mr. Hensel, a prominent Washington attorney and former Assistant Secretary of Defense, predicted that these provisions would meet with administration approval, provided the conferees permitted them to remain in the bill.

The provisions were included in a Senate amendment, adopted by a vote of 59 to 32, which was cosponsored by Senator BRIDGES, Republican, of New Hampshire, and Senator JOHNSTON, Democrat, of South Carolina. They would authorize the President to suspend U.S. aid to any nation guilty of confiscating or expropriating private or U.S.-owned property without just compensation.

"The Bridges-Johnston amendment is long overdue," Mr. Hensel said. "Americans want to invest overseas. Such investments are a guarantee to continued friendships, and only through these friendships can we be assured of peace throughout the world.

"But many investors in freedom have watched their investments vanish, with no guarantee that they ever will be repaid. I need only cite the situation in Cuba as an example.

"The Bridges-Johnston amendment puts the world on notice that the United States adheres to the principle of the sanctity of private property, and that any nation that adopts a policy of confiscation, expropriation or nationalization, without just compensation, is likely to find U.S. aid suspended forthwith. This is nothing more than sound business practice."

As chairman of the Council for Private International Development, Mr. Hensel is spokesman for a group of prominent American businessmen, industrialists, and lawyers who founded the council last fall as a study, planning, and advocate group to improve the climate for private international investments of all types.

THE LAND REFORM PROGRAM IN CUBA

Mr. JOHNSTON of South Carolina. Mr. President, my attention has been called to an address by Mr. Constantine N. Kangles, General Counsel for the Republic of Cuba in the United States, before the National Conference of Weekly Newspaper Editors in Carbondale, Ill., Monday, July 21, 1959.

In this speech Mr. Kangles attempts to justify the land reform program in Cuba—which has resulted in the confiscation of private property belonging to American citizens—on the presumption that it is all right to seize this property because the United States has done the same thing in confiscating the private property of nationals of Germany and Japan under the provisions of the Trading With the Enemy Act.

For years I have been warning that our continued confiscation of the property of German and Japanese citizens would be exploited by other countries and used against our own citizens who have invested in foreign nations.

The Cuban situation might well develop into a pattern to be used in the future by any nation involved in even a small revolutionary movement, to seize for its own use the properties of our U.S. citizens in that particular country.

It is well to remember that U.S. foreign investments in Latin American countries now total over $12 billion. We jeopardize this amount, as well as the total amount of over $60 billion in all foreign countries, when we continue to hold property we have confiscated from German and Japanese nationals during and following World War II.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD Mr. Kangles' comments from his speech, together with his own title, "Has United States Paid for German-Japanese Assets Seized 14 years ago?"

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HAS UNITED STATES PAID FOR GERMAN-JAPANESE ASSETS SEIZED 14 YEARS AGO?

I have always been a firm believer in the saying that fairness begets fairness, and also that those who give advice and counsel should be willing to meet the test of their advice and should not be saying, "Do as I say, not as I do." It seems to me that over 14 years ago our Government seized a great deal of private property that belonged to private citizens of foreign countries. This property was not stolen or embezzled from the United States; it was not acquired illegally, nor was it here without our knowledge and consent. This was $500 million worth of German and Japanese privately owned assets. In essence, this was foreign investments in the United States. We seized it because, unfortunately, the owners of the property happened to be citizens of countries that were at war with the United States. This was to have been a temporary means to keep this property from being used against us, and we were to hold it temporarily, as a trustee, and to return it to the rightful owners when it was consistent with safety and national security. For over 14 years, we have been holding these German and Japanese assets, and private property, despite repeated protests from many American citizens and prominent Members of Congress. For over 14 years, we have made no move to return this property to the rightful owners. Before, and even after the seizure, we offered no compensation, no guarantee to return this property, nor did we offer these private investors bonds as the Government of Cuba has done in this case. More surprising, we find that our Government still holds this property and even at this late date it makes no arrangements to return it to people who are now our allies and friends. How can we then go to another nation and ask them to pay in cash, and in advance, when we for over 14 years have failed to make any arrangements for payment. The Cuban land reform law is just, equitable, and fair, and certainly a measure long overdue and necessary to eliminate the huge land monopoly that is strangling the economy.

AMENDMENT OF SECTION 6 OF THE ACT OF SEPTEMBER 11, 1957

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6118, which was read as follows:

In the House of Representatives, U.S., July 16, 1959.

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 6118) entitled "An Act to amend section 6 of the Act of September 11, 1958" and concur therein with an amendment as follows: In lieu of the Senate amendment insert the following:

"SEC. 2. Section 4 (a) and (b) of the Act of September 11, 1957 (71 Stat. 639–640) is hereby amended to read as follows:

" 'SEC. 4. (a) On or before June 30, 1960, special nonquota immigrant visas may be issued in accordance with the provisions of subsection (b) of this section to eligible orphans as therein defined who are under fourteen years of age at the time the visa is issued. Not more than two such special nonquota immigrant visas may be issued to eligible orphans adopted or to be adopted by any one United States citizen and spouse,

unless necessary to prevent the separation of brothers or sisters. No natural parent of any such eligible orphan shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

"'(b) When used in this section, the term "eligible orphan" shall mean an alien child who (1) is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment, or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and has in writing irrevocably released him for emigration and adoption; (2) (A) has been lawfully adopted abroad by a United States citizen and spouse, or (B) is coming to the United States for adoption by a United States citizen and spouse; and (3) is ineligible for admission into the United States solely because that portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made.

"'Any United States citizen and spouse claiming that any eligible orphan is entitled to a nonquota immigrant status under subsection (a) of this section may file a petition with the Attorney General. The petition shall be in such form and shall contain such information and be supported by such documentary evidence as the Attorney General may be regulations prescribe. The petition shall establish to the satisfaction of the Attorney General that the petitioners will care for such eligible orphan properly if he is admitted to the United States and, if such eligible orphan has not been lawfully adopted abroad, that they will adopt such orphan in the United States and that the preadoption requirements, if any, of the State of such orphan's proposed residence have been met. After an investigation of the facts in each case, the Attorney General shall, if he determines the facts stated in the petition are true and that the petitioning United States citizen and spouse are persons of good moral character, approve the petition and forward one copy thereof to the Department of State. The Secretary of State shall then authorize the consular officer concerned to grant nonquota immigrant status to the beneficiary of such petition after the consular officer has determined that such beneficiary is an eligible orphan as herein defined.'"

Mr. EASTLAND. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

Mr. JOHNSON of Texas. Mr. President, I understand that the House has added a minor amendment which the Senator from Mississippi feels should be discussed in conference.

Mr. EASTLAND. That is correct.

Mr. MORSE. Mr. President, I wish to be heard on the motion of the Senator from Mississippi. I have a brief statement to make, which I hope will be helpful to the conferees.

Mr. President, I should like to take this opportunity to comment on the bill (H.R. 6118) which, as amended by the Senate on July 15, provides for a 1-year extension of that section of Public Law 85–316 which provided for a program for admission to the United States of eligible alien orphans who have been adopted or will be adopted by U.S. citizens.

I regret that this humane program was permitted to expire on June 30, and that at present we do not have any legislation whatsoever permitting the entry of foreign-born orphans. Yet I am equally concerned, Mr. President, over the nature of the amendment to the Senate amendment as enacted by the House on July 16, which purportedly would correct and prevent abuses in the proxy adoption system by granting the Attorney General the opportunity to conduct investigations as to the suitability of prospective adoptive American homes.

At this point in my remarks, Mr. President, I should like to have printed in the RECORD my letter of June 29 to the distinguished Senator from Mississippi, Chairman EASTLAND, of the Senate Subcommittee on Immigration and Naturalization and the Committee on the Judiciary. I submitted this letter at the time these committtees were considering general immigration legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 29, 1959.

Hon. JAMES O. EASTLAND,
Chairman, Subcommittee on Immigration and Naturalization, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, one of the urgent matters before your committee is the proposed legislation granting nonquota immigration status to orphans under 14 years of age who have been adopted or who will be adopted upon their admission to the United States. I am well aware that the authority under Public Law 85–316 which provides such legislation will expire on June 30 of this year and, in my opinion, it is imperative that this program, or preferably a revised one, be extended.

According to the most recent statistics provided by the Immigration and Naturalization Service 3,576 foreign-born children have been admitted under Public Law 85–316 to the United States as of March 1959. Of this number 2,446 were adopted abroad, 280 were to be adopted upon their entry into this country, and 850 already physically present within the United States were granted an adjustment of status.

As I stated on the floor of the Senate at the time Senator NEUBERGER and I cosponsored Senator Kennedy's bill, S. 1468, which would provide new legislation whereby this program could continue, I firmly believe that foreign-born orphan children should be permitted to enter this country. I believe they should be given the opportunity to thrive in a wholesome family group they would otherwise never know, and to share in the abundance of this great land. I also believe qualified American citizens should be permitted the rich experience and the rewarding challenge of bringing these children into their homes and rearing them as their own.

If properly planned and administered, such a program will not only enrich the lives of the children and adoptive parents, it will—in the long run—prove a solid contribution to the culture and strength of our Nation and to the welfare of mankind as a whole.

But there are pitfalls. Chiefly, they lie in the abuse by some of proxy adoptions. Under proxy adoptions, children may be legally adopted abroad under the laws of their native country through the mediation of an agent and then brought, sight unseen, to the United States and placed in the homes of American families who have made application for them. The Department of Health, Education, and Welfare estimates that more than half of the foreign-born orphans issued visas under Public Law 85–316 from the time of its enactment on September 11, 1957, until June 30, 1958, were adopted by proxy. To be sure, most of the children adopted by proxy are being properly cared for and have adjusted well to their new environment, but there have been instances of abuse and tragedy.

Sometimes the adopted children are emotionally disturbed because of the horrifying conditions they have survived; some are severely physically ill; and many are of mixed racial heritage. All of these cases require adoptive families of an exceptional nature. Otherwise it is likely the children will suffer maltreatment and neglect, conditions that have been brought to my attention on a number of occasions. It is not enough that many, or even most, of the proxy adoptions turn out to be successful and happy. Where parenthood occurs by law, that is by adoption, those responsible for the law are responsible for seeing to it that the children enter good homes and that the adoptive parents, too, are protected.

This does not mean that I advocate the outlawing of adoption by proxy. I believe that proxy adoptions should continue, but I firmly maintain that legal safeguards and assurances should be provided so that parents and children alike may enter into their new relationship with the knowledge that, so far as is humanly possible, the children may have been placed in suitable homes. It is my considered opinion that the Secretary of Health, Education, and Welfare, through the Children's Bureau, is best qualified and most adequately organized to assume the responsibility for the determination that adequate assurances are provided whereby preadoptive requirements are met by U.S. families, requirements corresponding to the laws of the States in which these families reside. That is why I cosponsored S. 1468.

Another pitfall lies in the use of the proxy adoption system for the financial profit of the proxy. This should be prohibited, and I hope the committee will be able to work out language to that end. I do not think the problem of abuse should be resolved by ending proxy adoptions entirely.

I should like to express my observation that, although certain unscrupulous individuals have acted as proxies for profit, social welfare agencies themselves have often been bogged down in redtape to such an extent that an international adoptive program could barely be effective. On the other hand, Harry Holt of Cresswell, Oreg., has performed a great humanitarian service by breaking through entangling redtape and rescuing countless suffering children in Korea and has made it possible for them to be adopted by loving families in the United States. I have in my files innumerable letters from happy, healthy adoptive parents who have participated in Harry Holt's Operation Babylift. I should not like to see his program curtailed and, if necessary, changes in the wording of S. 1468 should be made so that Harry Holt's activities may be continued.

Mr. Chairman, I respectfully request that this statement of my views on intercountry adoption and immigration of orphans be included in the testimony presented before the Subcommittee on Immigration and Naturalization in its consideration of legislation concerned with general immigration.

Sincerely yours,

WAYNE MORSE.

Mr. MORSE. It will be noted, Mr. President, that I am well aware of the

tragedy that has resulted from certain proxy adoptions, tragedy both for the innocent immigrant orphan and the prospective adoptive family. Also it is true that certain unscrupulous individuals have acted as proxies for profit. Yet I do not believe that such abuses will be prevented by vesting in the Attorney General the authority to conduct investigations of prospective American homes, as provided for in the House amendment to H.R. 6118. Mr. President, the Department of Justice is not primarily devoted to the social welfare of the country, and it is social welfare and humanitarianism that predominate in this issue. I suspect that any check of adoptive homes made by the Attorney General would be primarily that of a loyalty check, which of course is important, but the primary issue at stake here is the protection of the health and well-being of the children and families involved.

Let us not pass a halfway, ineffective measure as a gesture, Mr. President. Let us either extend the orphans' immigration program for a period of 1 year as it existed previously, in order that we may have the opportunity to study the matter further, or let us provide an amendment that is truly effective.

In my opinion a truly effective amendment would be that of vesting the check of adoptive homes not in the Attorney General, but in the Department of Health, Education, and Welfare which is primarily concerned with the health and well-being of our Nation and which, with its regional offices and experience in functioning in cooperation with welfare agencies throughout the country and abroad, is best qualified to determine that the right children are placed in the right homes. It is true that innocent children brought here from foreign countries deserve the same measure of protection as do those adopted children born in this country, and it is my sincere belief that the Department of Health, Education, and Welfare is best qualified to undertake this serious responsibility.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JAVITS. I entirely agree with the Senator from Oregon. I very much hope that the conferees will pay serious attention to the human welfare issue which is involved, and will vest authority in the Department of Health, Education, and Welfare, if it is to be vested in any Government agency.

Mr. MORSE. I appreciate the support of the Senator from New York.

The record should show that the Senator from New York is a man who, from professional experience in this field, knows whereof he speaks. I happen to know something about the record of the Senator from New York in connection with the subject of adoption, and I am greatly gratified, and feel that my case has been greatly strengthened by the support of the Senator from New York.

For the RECORD, Mr. President, this is the time for me to say this. I wish to make very clear, in view of some of the mail I have received from my home State, that the senior Senator from Oregon is in no way seeking to prevent the great program of adoption of Korean war orphans which has been carried on by a fine family of humanitarians in my State, Mr. and Mrs. Holt. For the past several years, they have gone to Korea, and have adopted, by proxy for American adoption parents, a large number of Korean orphans, many of whom, as I understand, in fact most of whom, are the children of American veterans who served in the Armed Forces in Korea.

It has been said, Mr. President, because the senior Senator from Oregon has supported the Department of Health, Education, and Welfare program for all adoptions that at least one of the adopting parents see the child before he or she in fact is adopted, that I am undermining this great humanitarian program of the Holts. That is not my intention. However, in my judgment, I have a duty as a U.S. Senator, to look at adoption policy problems nationwide, and do so without reference to any specific individual program, wonderful as it may be, such as that the Holts have been conducting. I have no doubt that the Holts have been very successful in carrying out the desires of the adopting parents by selecting children the parents probably would have accepted anyway had they seen them in the first instance.

In my opinion the remedy is not to continue the proxy procedure indefinitely, but the remedy is to work out a procedure under which the Holts could bring the children to the United States and give the prospective parents an opportunity to see them before the final adoption is arranged. Thereafter, in a given case if a prospective adopting parent should say, "Well, I prefer not to have that child," every effort should be made to have some other prospective adopting parent see the child and adopt it in the United States.

Mr. President, I think that has such a good procedural merit that it can be worked out. However I do not believe we ought to sacrifice what the evidence shows very clearly is a needed general policy recommended by government officials simply because a magnificient job has been done by way of the proxy procedure followed so successfully in respect to the Korean enterprise. Officials of the Government who have presented us evidence on this matter point out that in regard to other adoptions there have been many cases which have not worked out as well as have the Holt adoptions.

So I am suggesting to the chairman of the Judiciary Committee, first, that in the conference he should try to get the House conferees to at least shift the so-called inspection function to the Department of Health, Education, and Welfare, because that is the agency of government which really has jurisdiction over our whole children's program. Second, I should like to have language in some way, somehow, written into the bill, so that the kind of project the Holts are conducting can be carried on procedurally by allowing them to bring the children over to the United States to some central point, such as San Francisco or Portland, and then have the prospective adopting parents complete the adoption there on the basis of their inspection of a given child, and their decision then that the child is one they really want.

If a given child is rejected on this side of the water, I do not think there will be any difficulty in finding many other adopting parents who would be glad to have the particular child. I think the officials of the Department of Health, Education, and Welfare are right in the position they have taken that there should be a general rule that at least one of the adopting parents ought to see the child before the adoption papers are completed.

Mr. President, that is the burden of the argument I desired to make for the RECORD, because my position is badly misunderstood in the State of Oregon on the part of those who feel that I should not be raising any question about proxy adoptions.

Proxy adoptions, as a matter of public policy, without at least one of the adopting parents seeing the particular child and agreeing to take it in my opinion lead to a great many mistakes and abuses, to which the Federal officials have already testified.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I merely desire to say to the Senator from Mississippi that I favor the Senate bill for a 1-year extension of the articulation of the rules within that time, because we really need to take it under consideration. But I agree with my colleague from Oregon, if we must accept anything from the House, we should certainly vest the jurisdiction in the Department of Health, Education, and Welfare.

Mr. MORSE. I agree, if we cannot have the 1-year extension. That is what we passed in the Senate. That is what I voted for. If we cannot have the 1-year extension of the present program so that we can go into the procedural questions I have raised, then at least we ought to try to get an agreement that the Department of Health, Education, and Welfare will administer the program.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi [Mr. EASTLAND].

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. JOHNSTON of South Carolina, Mr. MCCLELLAN, Mr. DIRKSEN, and Mr. KEATING conferees on the part of the Senate.

A NEW KIND OF WAR

Mr. MUNDT. Mr. President, as one of the coauthors of the legislation proposed to establish a Freedom Commission and Freedom Academy to train citizens in the conspiratorial techniques of communism and the most effective methods to meet this new type of political warfare, I call the attention of Senators to an important article on the cold war struggle written by Preston J.

Moore, national commander of the American Legion.

Speaking as the leader of one of our great veterans' organizations, Commander Moore's comments are both significant and enlightening as to the new challenges confronting this Nation.

Commander Moore most capably puts his finger on one of our major problems in the ideological struggle against Communist tyranny, the fact that as a whole, we, the American people, fail to understand the strategy employed against us by the Kremlin leaders.

Mr. President, I ask unanimous consent to have printed in the RECORD the excellent article written by Commander Moore and published in the August issue of American Legion magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE MUST LEARN TO FIGHT A NEW KIND OF WAR

(By Preston J. Moore, national commander, the American Legion)

No one knows better than a veteran that the methods of waging war do not remain the same. The man who fought in the trenches in World War I and then as a "retread" in World War II found himself fighting an entirely new kind of war. The World War II vet who was called back to fight in Korea learned that the warfare there was different in many important respects, notably in certain strange concepts of strategy.

More than a century ago a famous military writer, Clausewitz, described the changing concept of war in a series of books that have become classics. As a youth Clausewitz had fought in wars that were almost idyllic. Peasants plowed their fields as battles raged a short distance away, and as soldiers died in those battles, burghers in nearby towns carried on their business as usual. But Clausewitz saw that situation changing, and we have been living through the change he predicted and discussed.

One of the key phrases in his works is this: "War is nothing else than the continuation of state policy by different means."

In other words, no longer do two mighty armies face each other on a field and, at a given signal and with a flourish of trumpets, join battle. Warfare is subtler and more abstract, the front is everywhere, and whatever can hurt the enemy is permissible as a weapon.

All of us have seen this terrible evolution of warfare. We are familiar with the way in which Hitler used various kinds of pressure and persecution to force the capitulation of his weaker neighbors. We saw how Japan, without any formal declaration of war, evolved its greater east Asia coprosperity sphere. We certainly have not forgotten how the interplay of political pressures between the United States and Japan culminated in the sneak attack on Pearl Harbor. And since the end of World War II we have seen in the actions of the Soviet Union the greatest demonstration of all in the way of brutal, relentless war.

In 13 years we have seen how Soviet Russia has absorbed 17 nations into its bloody empire, and we are well aware that today one-third of all the people on earth—923 million—are now arrayed against us in what the Communists have always referred to as "the final struggle" between communism and the free world. In not a single case did the conspirators in the Kremlin formally declare war against the countries they took over. Instead they employed espionage, treason, sabotage, political blackmail, threats, persecution, murder, and other methods that decent people abhor. Even though their methods are treacherous and evil, they did get results. It is time that we understood those methods and how they are being used against us; to fail to do so is to go under without realizing what happened to us.

Actually, there is no reason why there should be any misunderstanding as to our true relations with the Soviet Union. No one will dispute the fact that Nikita Khrushchev is the boss Communist, and that what he says is law. When Khrushchev tells us that he intends to bury us, he is merely reminding us in a few words of a basic premise of Communist doctrine. Years ago Lenin spelled it out in the following statement:

"Marxists have never forgotten that violence will be an inevitable accompaniment of the collapse of capitalism * * * and of the birth of a socialist society. And this violence will cover a historical period; a whole era of wars of the most varied kinds—imperialist wars, civil wars within the country, the interweaving of the former with the latter, national wars, the emancipation of the nationalists crushed by the imperialist powers which will inevitably form various alliances with each other in the era of vast state-capitalist and military trusts and combines. This is an era of tremendous collapses, of wholesale military decisions of a violent nature, of crises. It has already begun. We see it clearly—it is only the beginning."

We in America must see this picture just as clearly as the Communist master strategist did, and we must see it in relation to our own personal affairs. This is a matter that we must recognize and help solve as individuals. We cannot pass the buck to the State and go on the assumption that if we allow our politicians to spend enough money on foreign aid and armament, the unpleasant picture painted by Lenin will automatically disappear.

The new kind of war is not fought that way. We cannot—like the peasants and burghers of the 18th century—unconcernedly watch soldiers dying as we plow our fields and engage in trade. We are directly involved in war right now, regardless of what our business is, where we are located, and what station in life we occupy. And keep in mind that it is official—this war was declared when Marxism began, and it is now rapidly approaching the showdown stage, "the final struggle," as various manifestations of war erupt in Berlin, Iraq, Tibet, Latin America, Africa, and elsewhere.

A few weeks ago the biggest and blackest headlines in our newspapers dealt with Berlin, and by the time this article appears in print it is quite likely that Berlin will again be the world's greatest danger spot. Khrushchev has served notice on us that if we want access to Berlin, we must deal with his puppet East German regime; and he has been told without equivocation that this we will not do. The Russian action means the breaking of another treaty, but this is a matter of no consequence to a people who are pathologically insistent on signing treaties of no worth whatsoever. From our standpoint, to give up Berlin would mean the end of the allied position not only in Berlin but throughout the world. It would dramatize a point that the Reds constantly try to prove to the rest of the world: that the United States is weak, vacillating, and cannot be counted on. As a corollary, the writing off of Berlin would mean the end of NATO.

While the Berlin crisis was diverting the world, the Communists pulled another coup by seizing power in Iraq. This highly strategic, oil-rich country is now firmly in the hands of the Reds, and you may be sure they will exert leverage from this position to bring other Middle Eastern countries under their control. The results could be disastrous to the free world. Europe uses 137 million tons of oil every year, and 85 percent of it comes from the Near East. Any cut in the flow of oil from there would paralyze European industry and cripple NATO.

However, on the credit side there have been two happenings which should impede the flow of the Red tide. Nasser is currently unhappy about Soviet moves in the Middle East, and has made some critical remarks indicating that the honeymoon between the Soviet Union and the United Arab Republic is definitely over. It is to be hoped that our State Department can and will exploit this rift.

In the Far East the Communists lost a tremendous amount of face when Red China tried and failed in its attempt to seize the Dalai Lama of Tibet. Even the greatest efforts by Mao Tse-tung's armies were unable to keep the spiritual leader of the Tibetans from gaining sanctuary in India, and the brutal action of the Red Chinese in seeking out the Dalai Lama's followers and in destroying their ages-old lamaseries has made a profoundly unfavorable impression, notably in the Orient. Even Nehru's limitless tolerance toward the Reds has been put to a strain, particularly since his own people are in an uproad over the outrage.

In Africa events are shaping up which strongly indicate that we can expect much trouble there. The issue is presented as a reaction from colonialism, with new nations emerging. Ghana, formerly the British Gold Coast, has become independent, as has French Guinea. Nigeria becomes an independent nation next year. The Belgian Congo, a major source of uranium, has exploded into a civil war between whites and blacks. The Mau Mau seem to be back in the business of bloodletting in Kenya and Tanganyika, and there are disturbing rumbles from the French Sudan.

We can sympathize with any nation which wants its freedom, but all too often the people of these new nations are not prepared for nationhood, democracy, and law. That, however, does not stop the hellbent rush for national freedom, and in this rush they are being prodded by outside agitators. Those fellows are helping to develop a strong anti-white-man complex which can cause a great deal of trouble for us in the future. The same Communist agitators cause us trouble in another way. As the new nations emerge they invariably look to the United States for help. If we do not come through with sufficient foreign aid, the Russians move in with big promises and at least some token assistance, usually in the form of loans to permit the purchase of Russian goods. This in turn creates more mischief because with the Russian goods come Communist technical advisers who specialize in subversion of various kinds.

In our own backyard, Latin America, we have plenty to worry about. In Venezuela, we witnessed the humiliating spectacle of a Vice President of the United States being stoned and spat upon by a howling mob which had been stirred up by the Reds. In Mexico an ambitious strike which was planned to cripple the country was fomented by Reds, and the Mexican Government courageously showed where the strike had originated by kicking two Soviet diplomats out of the country. In Cuba, we find ourselves in a dilemma. Fidel Castro insists that he is not a Communist, but he is equally insistent that he is going to be independent of both the East and the West. Some of the people surrounding him, who seem to be preoccupied with exporting revolutions, are certainly not reassuring. Meanwhile, executions go on in Cuba, popular elections are years off, and there are charges that the country is being used as a base for operations against other Caribbean countries which are anti-Communist and on friendly terms with the United States. Elsewhere in Latin America there is political turmoil as the Communists busy themselves stirring up hatred of the gringos when they are not in a position to manipulate the governments themselves.

There was a time when many people thought that the Russian people themselves could be counted on to side with us in case of trouble with their rulers. No people was ever more harshly treated by the men in the Kremlin than the Russian people themselves. Millions had been purged and millions more had suffered in slave-labor camps. It seemed logical that, given a chance, the Russians would rise and overthrow their brutal masters. But from all accounts there is a different feeling in the Soviet Union today. The image of Stalin is gone and Khrushchev is not hated as his predecessor was. Also, the Russians are beginning to get some of the consumer goods they had been promised for many years. By American standards they are not getting much, but visitors to the Soviet Union report that the people seem content.

Probably most important, however, is the fact that the Russians are beginning to take pride in the Communist regime. They see material evidence of Soviet scientific progress in such things as their sputniks and Lunik, their massive armament, their nuclear bombs, and their excellent planes. They no longer feel that they are looked upon as a backward people, and they are showing more enthusiasm for the idea of catching up with and overtaking the great United States of America. They have a timetable for this. By 1965, they are told, their production will be ahead of any European nation, and by 1970 they will surpass the United States of America.

In this race with the United States they are competing with Red China. The Chinese are in fact being driven far more brutally than the Russians are today, and they are being given an outlet for the resentment they must feel. The United States, they are told, is the enemy of the Chinese people, and if they don't work hard and make their country strong, the American imperialists will invade their land and slaughter them with germ warfare and atomic bombs. So they are taking what is called "the long leap forward," and this exercise is keeping them busy, literally, from sunup till far into the night, building an economy that by the year 2000 will have to accommodate an estimated 1.59 billion Chinese.

I don't have to emphasize the danger that this population pressure represents to us and to the world generally. There are some wishful thinkers who say that the big danger is to Soviet Russia, but I think differently. There is no sign of friction between the two nations. Years hence Russia and China may turn on each other, but that will come only if they are able to vanquish the West. In that case, like jackals, they could tackle each other over the spoils.

Since the new kind of warfare does not necessarily mean marching armies or firing of guns, most Americans are not aware of the true situation. They may arouse themselves when a flight of Migs blasts down on unarmed American transport and murders American men, and they may become indignant when the Soviets insult us when we inquire about the bodies of the murdered airmen. But we forget quickly and turn back to the sports pages and television screen.

While the Communists use violence and brush-fire wars where those things serve their purpose, the main battles of this war are now being fought on other fronts—economic, psychological, and moral. And it is high time that all Americans received some basic training in these things so that they can understand exactly how the enemy employs them in this strange new warfare.

Obviously the Soviet Union is not paring down its military might. There is no hint that the Red army is being reduced in size. The Red air force, from all accounts, is being steadily augmented. The Red navy's far-ranging fleet of hundreds of modern submarines is being increased. And we know that the Russians are far advanced in the nuclear and missile fields. In short, the men in the Kremlin many propagandize for peace and peaceful coexistence, but they are ready to smash us militarily if they think it possible that they can do so without our retaliatory power destroying Russia.

We would be foolish indeed to give them any reason to think they could do so. Therefore our only possible course is to keep building a powerful and balanced military force which can defend this Nation and devastate the Soviet homeland if Khrushchev should ever dare to launch an attack against us or the allies to whom we are committed.

Military power costs money, a lot of money, and this means big budgets which, in turn, mean high taxes. We have to make sacrifices to maintain this power, but the only alternative is the sacrifice of our freedom.

Although military force is not being employed at present against us, other pressures are being built up. One of these is what Khrushchev had in mind when he challenged us to a trade war.

As I stated earlier, the people behind the Iron and Bamboo Curtains are being exhorted in every way to beat America in production. This is not just for national pride nor to give the peoples of those countries more of the good things of life. This production is wanted for a trade war. Khrushchev has challenged us to this war and says that he will beat us at it. If he does, he will be well on the way to defeating us. Molotov explains why in a statement he made in 1946:

"We are not fighting America as yet," he said, "but once we have deprived her of her markets, crises will follow and cause confusion. After we have taken her markets in Europe, expelled her from Asia and elsewhere, she will have no market where to dump her merchandise. She will curtail her production, and there will follow unemployment. Our opportunity to square accounts with America will be at hand."

What are we doing to meet this threat? In the 5 years from 1950 to 1955 we had an unparalleled growth in this country. Even so, we were beaten by many countries. Germany led with an annual growth of 10 percent. Japan was second with 8 percent, and the Soviet Union was third with 7 percent. Actually, the United States of America turned up in the bottom half with a rate of growth of only 4 percent. Ahead of us were Canada, France, Netherlands, and Italy. But what has happened since then is even more shocking. The Soviet rate of growth has jumped to an estimated 9 to 11 percent in the past 2 years, and our own rate of growth has stood still. Is it any wonder that Khrushchev boasts about licking us in a trade war?

In their calculations for this new kind of warfare, the canny Communists count heavily on a weakness they attribute to us which they call "decadence." In Communist literature there is frequent reference to the "decadent bourgeoisie," and the Communists look upon them with contempt as weaklings who are no match for their so-called Soviet man.

Unfortunately, cynical men such as Khrushchev do not have to look far to find evidence of this kind of weakness. They recognize as a sign of decadence, or weakness, the way in which some businessmen will do anything if they can make a profit from it. In the late 1920's and early 1930's, for example, the Reds desperately wanted diplomatic recognition by the United States for their shaky regime. A good case can be made for the thesis that if we had withheld this recognition we would not today be facing the Red colossus that threatens to bury us. One of the arguments advanced for recognition was trade. The Communists and their apologists in this country insisted that with recognition we could expect a tremendous and highly profitable volume of business with the Soviet Union.

The American Legion, I am proud to say, did its best to prevent the Communists from achieving this great diplomatic triumph, but the pressures were too great. The papers were signed in 1933, and the Soviet was thereby given another lease on life. And I might add that the promised trade with the Reds never materialized.

Not long ago the Red line was baited once again with promises of big business. This was when Khrushchev sent the wily Anastas Mikoyan to this country to sound us out on a new deal, and while doing so to give the United States a sound drubbing in the psychological war that is going on between this country and the U.S.S.R. The Americans who promoted the trip may have had the naive idea that it would show him our strength, but what it really did was demonstrate to the subjugated peoples, the neutralists, and our allies that some Americans probably are as decadent as the Reds say we are.

Years ago Lenin made the cynical observation: "When we Communists are ready to hang the capitalists, they'll try to outbid each other for the sale of hemp to us."

The truth of that saying was proved by the way in which Anastas Mikoyan was wined and dined by some of our so-called best people. Here was a man who had ruthlessly purged working people, and he was being honored by some of our best known labor leaders. Here was a man who had boasted of robbing banks, and he was being treated with deference by officials of some of New York's largest banking houses. Here was a man dedicated to the overthrow of the free enterprise system, not to mention the United States, and he was being given standing ovations by some of America's foremost industrialists.

Here indeed were capitalists and others, competing to sell the rope that the Communists would need for their hanging.

What was back of this shameful spectacle? Mikoyan was tempting these people with hints of trade. The U.S.S.R. needs many things, and would like to get them from the United States. Never mind if those things, such items as chemical plants, would eventually be used to destroy us. The important thing was that profits could be made out of this kind of coexistence. But Mikoyan subsequently let the cat out of the bag when he told Under Secretary of State Dillon that he wanted $300 million from the United States to make the purchases he had discussed with the businessmen who had done him such honor. And when Mr. Dillon politely rejected the audacious deal, Mikoyan turned the true face of communism toward him. According to the press, it was not a pleasant face.

But let it not be thought that only certain members of banking and business circles are afflicted with weaknesses that the Reds can exploit. Because of selfish, unrealistic, and unsound thinking with regard to production, we are making it increasingly easy for Khrushchev to make good his boast that he can beat us in a trade war.

In this country we once went on the theory that the more that people produced, the more money was available for wages, improvements, profits, and so forth. Henry Ford demonstrated this when he set up his assembly lines to make the Model T. By turning out a lot of cars, he was able to pay his workers an unheard-of salary of $5 and more a day. Our economy became geared to mass production, and the flood of goods that poured from our factories not only gave us a standard of living that was the envy of the world but made it possible for the allies to win two World Wars.

But there has been a change in our thinking. Now the policy of certain highly influential labor leaders is to insist on producing

the absolute minimum for the greatest possible wages, plus various and sundry fringe benefits. This would be bad enough in normal times, since it would mean high prices; but faced as we are with a trade war with friends and avowed enemies, this sort of boondoggling can lead to national suicide. Unless there is a return to some basic fundamentals of production and sound economics, we are going to find our goods priced out of markets around the world. This could bring on still another aspect of this new kind of warfare, one the Reds have confidently predicted: a crippling depression that could turn our country sharply into orbit with the Soviet Union.

Certainly capital and labor are not the only offenders. The actions of these two groups have their counterparts throughout our entire economy as millions of people strive to get something for nothing. This may give these people a temporary advantage, but it is the Communist hierarchy which will gain the final victory if we continue in this way.

Specifically, what can we do to fight this new kind of war? We must first of all put our faith in divine providence, just as our Founding Fathers did when they threw down the gantlet to the British in the Declaration of Independence. It is no accident, to use a Communist cliché, that the Communists fight religion. They recognize it as a mortal enemy which must be destroyed lest it destroy them. Lenin laid down the dictum: "We must combat religion—this is the ABC of all materialism, and consequently Marxism." Let us not throw away this weapon so greatly feared by the anti-Christs of the Kremlin.

And let us make greater use than we have of patriotism. Americans have too long been too sensitive to the sneers of self-styled intellectuals who label love of country as "flag waving." Quite often these people are actually scornful of the flag itself, rather than what they choose to mock as "flag waving." And some of them have given their loyalty, for whatever it is worth, to the blood-red banner of socialism.

The end result of our shamefaced attitude toward patriotism can be found in a study of brainwashing made by Army Maj. William E. Mayer. He studied the case histories of a thousand of our soldiers who had been captured in Korea and found that many of them were so weak in their patriotism that they succumbed easily under pressure from their Chinese interrogators.

A Chinese intelligence report found in North Korea in 1951 gives further evidence of what is wrong in certain quarters. Here is what the Red Chinese said about some of the men they captured and studied:

"The American soldier has weak loyalties to his family, his community, his country, his religion, and his fellow soldiers. His concepts of right and wrong are hazy; opportunism is easy. He underestimates his own worth, his own strength, and his ability to survive. He is largely ignorant of social values, social tensions, and conflicts. There is little knowledge or understanding, even among U.S. graduates of American political history and philosophy, of the Federal, State, and community organizations; of States rights and civil rights; of safeguards to freedom, and of how these things supposedly operate within his own system."

This is a terrible indictment of the men who succumbed to Red brainwashing, but it is an even greater indictment of those educators who offer students intellectual shoddy instead of the truth.

In this new kind of war we can take another lesson from the Founding Fathers, this time from Benjamin Franklin who assured his fellows: "We must all hang together. or assuredly we shall all hang separately." Recognizing that we are in a war, we should show the enemy a united front. I do not by any means counsel unthinking conformity, but we must not allow ourselves to be split assunder by false prophets who are trying to divide us.

There are, unfortunately, many such people among us, and their ringleaders have recently been authorized to go their way without much hindrance, war or no war. But let us recognize them for what they are—fools at best, or traitors at worst. These are the people who suffer from a strange myopia when the Soviet Union is concerned, but who showed amazing clarity of vision when other countries menaced world peace. They had no illusions about Mussolini when his legions marched into Ethiopia. When the Japanese seized Manchuria, they were quick to recognize where that aggression was likely to lead. When Hitler's troops started to overrun Europe, while at home he conducted diabolical persecutions, they called for retribution—but only after the Hitler-Stalin Pact was broken. But when the Soviet Union commits the most unspeakable atrocities against humanity, these people are either silent or they raise their voices to excuse and condone the brutalities of the Kremlin. Consistently, of course, such people viciously attack any and all who oppose communism. I am proud that the American Legion rates high on their list.

Such people are entitled to their opinions, even when their expressions come close to being treasonable in view of the war in which we are engaged. But there is no reason whatsoever why these pro-Communists and anti-Communists should be given the prestige and prominence that is often accorded them, and their propaganda, by our press and our broadcasting systems. The best they merit is a form of quarantine in which the Red virus they hope to spread can die out harmlessly without being disseminated to further infect and weaken Americans.

Recognizing that we are engaged in war, one in which every conceivable weapon is being used or threatened against us, we must be prepared to make sacrifices. However, this time it is essential that the burdens be borne more equitably than they have been in the past. We cannot have people enduring privations in order to create a specially privileged class such as the infamous black-marketeers of World War II. Taxes will have to be high, but let us make certain that the money isn't wasted by selfish politicians on extravagant Utopias or in personal empire building.

We need the best we can get in the way of armament, but we cannot afford the waste, stupidity, or chicanery exemplified by vast stockpiles of equipment that is worthless for one reason or another. Production for defense is vital, but such production should not be used as an excuse for management to make inordinate profits or for labor to demand outrageously high wages. Where foreign aid is necessary, let us make sure that the billions being spent will benefit our country. We cannot afford at this time the luxury of keeping an army of bureaucrats abroad or of providing vast slush funds for foreign politicians who may be of doubtful value to us in this new kind of warfare.

There are many more things which have to be done, and done properly, and it is the responsibility of every American to take an active interest in what is being done and how these things are being worked out. To repeat what I said earlier, in a war like this we are all active participants and we cannot delegate to others the job of winning it. What, specifically, can an individual do? Maybe a good way to answer this would be to try a routine that the Communists use in a distorted manner—self-criticism. Communists and prisoners of the Reds are required to engage in extensive soul searching with the idea of learning their weaknesses and how they can overcome these weaknesses.

The basic idea has much to recommend it, and you might give it a try. You may discover some weaknesses within you of a type that the Communists count on and hope to exploit. Discovering them at this stage, you will have the opportunity to correct them without having an armed guard to assist in the process at some future time—in the event we fail in this new kind of war.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

The Senate resumed the consideration of the bill (S. 819) to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance.

Mr. JOHNSON of Texas. I yield to the Senator from Connecticut [Mr. BUSH] for 3 minutes.

Mr. BUSH. I thank the Senator from Texas.

I wish to observe that I support the Kennedy amendment to the National Defense Education Act Mr. President, and for the benefit of those who will read the RECORD I wish to ask unanimous consent that there be inserted at this point a letter from the president of Yale University, A. Whitney Griswold, to the Secretary of the Department of Health, Education, and Welfare, in which President Griswold states very firmly his views in opposition to the oath which is required by the act as presently written.

In addition to that, Mr. President, I ask unanimous consent that there be inserted in the RECORD a letter from Mr. Joseph C. Palamountain, Jr., of the department of government, Public Affairs Center, Weslyan University, Middletown, Conn., in which he sends me a protest signed by nearly all of the members of the Weslyan faculty. I do not ask that all of the names be written in the RECORD following this resolution, which they have all signed, but that the resolution itself be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

YALE UNIVERSITY,
OFFICE OF THE PRESIDENT,
December 19, 1958.

HON. ARTHUR S. FLEMMING,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: May I commend your statement as reported by the Associated Press on December 15 concerning the affidavit and oath required by the National Defense Education Act of 1958?

It seems to me that there are four main reasons why those of us who participate in the educational process, whether students or teachers, dislike such measures; and that if these reasons could be more generally understood it might help matters. The first reason is that we recall many instances in the long history of the educational process in which it has been distorted and disrupted by forces operating under the shelter of test oaths. This knoweldge has imbued us with an instinctive dislike of such oaths that is not unnatural in the circumstances and should be understandable to persons familiar with history. Moreover, our instinctive dislike is fortified by reasoned objections such as that of the Supreme Court in ex parte Garland in 1867 when the Court declared "All enactments of this kind partake of the

nature of bills of pains and penalties, and are subject to the constitutional inhibitions against the passage of bills of attainder, under which general designation they are included." In our eyes such measures are at best odious symbols, at worst a potential threat to our profession.

In the second place, as you yourself have ponted out, it is hard to undertand why anyone should believe such oaths to be efficacious as public safeguards. Far from deterring real transgressors, they offer them a convenient cloak for their intentions and transgressions. In this respect they are worse than futile. They tend to alienate the good will of the loyal citizen without gaining a corresponding advantage in protecting the public against the actions or intentions of the disloyal. They give the public a false sense of security which, if it became too literal and too strong, might lead to our undoing.

Thirdly, it is our conviction that belief cannot be coerced or compelled. On this principle the Russian novelist, Boris Pasternak, whose treatment by his own government with respect to the Nobel prize has been the object of indignant protest in the United States, has recently spoken eloquently in his novel, "Dr. Zhivago":

"I think that if the beast who sleeps in man could be held down by threats—any kind of threat, whether of jail or of retribution after death—then the highest emblem of humanity would be the lion tamer in the circus with his whip, not the prophet who sacrificed himself. But don't you see, this is just the point—what has for centuries raised man above the beast is not the cudgel but an inward music: the irresistible power of unarmed truth, the powerful attraction of its example."

Thus we feel—and we think the overwhelming majority of those who have ever had any exeprience in teaching students of any age will agree with us—that belief in the rightness of our cause which assumes the positive form of loyalty to the United States, its Constitution and its laws, can only be won by the powerful attraction of unarmed truth implicit in the educational process. It cannot be induced or assured by oaths exacted in advance as conditions to participation in this process.

Finally, oaths and affidavits of this sort are especially disasteful when they are required of young people who are just entering upon the most important phase of their educational experience. They seem to represent a lack of confidence in those young people and in their future, as well as in the educational process itself. Since they were first embodied in early colonial laws and later made explicit in the teachings and writings of Adams and Jefferson, the right of all Americans to be educated up to the limit of their native ability according to the principle of equal opportunity, and the necessity of providing for such education, have been fundamental articles of our national democratic faith. To attach such conditions to this faith as now appear, particularly in the negative affidavit under section 1001(f)(1), seems like a loss of faith in the faith itself. It seems to say to these young people upon whose education our very survival as a nation depends that we do not trust them and are not even sure that their education will contribute to our security.

In the normal course of events it would be natural to expect that, as the National Defense Education Act becomes operative, it will undergo revision and improvement through the process of amendment. I hope very much that in this process the requirement of the affidavit and oath may receive further consideration, and I again commend you for calling this mater to the attention of the public.

Believe me,

Respectfully yours,

———— ————.

WESLEYAN UNIVERSITY,
DEPARTMENT OF GOVERNMENT,
PUBLIC AFFAIRS CENTER,
Middletown, Conn., May 11, 1959.

Senator PRESCOTT BUSH,
The Senate,
Washington, D.C.

DEAR SENATOR BUSH: I enclose a petition which bears the signatures of virtually the entire faculty of Wesleyan University.

Your truly,

JOSEPH C. PALAMOUNTAIN, Jr.

We, the undersigned members of the faculty of Wesleyan University, urge you to support the repeal of the disclaimer oath requirement of the National Defense Education Act of 1958.

While this act generously makes needed funds available for the support of higher education, you doubtless recall that it nevertheless requires under the terms of section 1001(f), title X, that:

"No * * * funds * * * shall be used to make payments on loans to any individual unless such individual (1) has executed and filed with the Commissioner an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches the overthrow of the U.S. Government by force or violence or by illegal or unconstitutional methods."

We find such a test oath repugnant to our national and academic traditions. It establishes vague criteria of loyalty by which individuals, including minors, must gage their conduct at the risk of criminal liability. It is of doubtful constitutionality in a first amendment area. Finally, the clause is invidious, singling out persons in education as objects of particular suspicion.

Therefore we urgently request you to support current measures to repeal this provision which, by raising questions of conscience and constitutional legality, prevents the full accomplishment of the admirable purposes of the 1958 act.

Mr. BUSH. Mr. President, I have received a letter dated March 9, 1959, from Louise W. Holborn, president of the Connecticut College Chapter of the American Association of University Professors, an organization having 67 active members. The association expresses its opposition to the oath which has been written into the Defense Education Act.

Mr. President, this oath, in its present form, is offensive to many persons, particularly those who are members of faculties and who are students in educational institutions. I believe the provision for the oath in this act adds nothing to the value of the legislation. So long as it is offensive to so many persons of intelligence, it should be stricken from the law. For that reason, I shall support the Kennedy amendment which has been offered for that particular purpose.

Mr. President, I ask unanimous consent that the letter from Louise W. Holborn be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONNECTICUT COLLEGE,
DEPARTMENT OF GOVERNMENT,
New London, Conn., March 9, 1959.

The Honorable PRESCOTT BUSH,
United States Senate, Washington, D.C.

MY DEAR SENATOR: We would like to inform you that the Connecticut College Chapter of the American Association of University Professors (67 active members) voted unanimously on February 19, 1959, its support of the draft bill H.R. 284 (THOMPSON, of New Jersey) providing for the repeal of the disclaimer affidavit requirement in the National Defense Education Act of 1958. Including in this resolution was the support of the other two items of the bill:

1. National defense scholarships: $30 million a year for 3 years, and related sums for continuance.

2. Elimination of emphasis upon eligibility by virtue of superior capacity in science, mathematics, and modern languages, and substitution of general superior capacity.

Members of the chapter expressed several objections to the disclaimer affidavit requirement including that (1) it would do nothing to protect the country; (2) it tends to single out one profession as being less loyal than others; (3) it is unfair to require an individual to swear that he is not a member of a subversive organization without specifying more adequately what organizations are meant.

Yours very sincerely,

LOUISE W. HOLBORN,
President, Connecticut College Chapter, AAUP.

NEED FOR COLLEGE HOUSING

Mr. RANDOLPH. Mr. President, on July 7, following the President's veto of the housing bill, I stated that regardless of what we think of a further attempt at compromise, I believed we should vote on this much-needed legislation. I reiterate that the attempts to pass a new measure, or override the veto, should come as expeditiously as possible consistent with good practice.

As a cosponsor of the original Senate bill, I feel strongly that it is vitally important to the Nation and our citizens, that adequate housing legislation be passed during this session of Congress.

Several letters and telegrams from college presidents in our State of West Virginia have been received expressing disappointment and concern that the bill was vetoed, thereby curtailing assistance for urgently needed college housing projects now under way.

I ask unanimous consent that these communications be printed at this point in the RECORD.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

SALEM, W. VA., *July 10, 1959.*

Hon. JENNINGS RANDOLPH,
Senate Office Building, Washington, D.C.:

Since Salem College has application for dormitory loans, we are concerned about the fate of the housing bill. Hope logical and proper action will be taken by Congress.

DUANE HURLEY,
President, Salem College.

WEST VIRGINIA STATE COLLEGE,
INSTITUTE, W. VA., *July 10, 1599.*

Senator JENNINGS RANDOLPH,
Senate Office Building, Washington, D.C.

DEAR SENATOR RANDOLPH: I sincerely solicit again your support of efforts now being made in Congress to clear approval of the housing bill.

I understand that unless this bill is cleared West Virginia State College will not be able to obtain funds from the Housing and Home Finance Agency to construct a much-needed student union building on its campus. The application of the college for this project is now under review in the Philadelphia regional office of this agency.

I hope that Federal money can be made available for this type of construction and

other needed construction for institutions of higher education, as provided for in this bill.

Yours sincerely,
WILLIAM J. L. WALLACE,
President.

MARSHALL COLLEGE,
Huntington, W. Va., July 9, 1959.

The Honorable JENNINGS RANDOLPH,
U.S. Senate, Washington, D.C.

DEAR SENATOR RANDOLPH: I deeply appreciate your part interest in the housing bill and, in particular, the proposed men's dormitory and dining hall at Marshall College, which now must be postponed indefinitely because of President Eisenhower's veto of bill S. 57. I urge you to do everything you can to make it possible for us as well as other institutions of higher education to secure loans to build needed college housing facilities.

With kind personal regards, I am,
Sincerely yours,
STEWART H. SMITH,
President.

WHEELING COLLEGE,
Wheeling, W. Va., July 17, 1959.

Hon. JENNINGS RANDOLPH,
U.S. Senate, Washington, D.C.

DEAR MR. RANDOLPH: It was with deep regret that I read of the veto of the college housing bill. Without financial help of this nature, it is impossible for colleges in this day and age to expand the way they shall have to expand to fulfill their obligation to the young men and women of tomorrow.

Having been a director of admissions immediately after the Second World War, when the so-called GI bulge hit colleges, I can appreciate very realistically what is going to happen when the wartime-baby avalanche reaches the colleges. In 1946, because of lack of room, we accepted approximately 700 freshmen at Georgetown College and turned away approximately 3,000.

I can also speak realistically from the experience I have had in my present job, that of trying to get a new school organized. As you know, Wheeling College opened its doors for the first time in 1955. Every year, in the past 4 years, housing has been a problem. Only last year, the priests gave up their residence on campus to the students and moved into an orphan asylum about 3½ miles away. At long last, a dormitory for 158 girls will be ready by December 1. This would have been impossible but for Government loans.

I have been very closely associated with the presidents of the other independent colleges of West Virginia for 4 years, and I know that in spite of the age of their colleges, every one of them is in dire need of some assistance from the Government to satisfy the expanding needs of today.

I sincerely hope that you will support the housing bill when it is brought to your attention again.

Sincerely,
LAWRENCE R. MCHUGH, S.J.,
President.

VISIT TO THE SENATE BY THE HONORABLE TAKEO MIKI, A MEMBER OF THE JAPANESE DIET

Mr. HICKENLOOPER. Mr. President, today the Senate is honored by the presence of a very distinguished visitor from Japan, the Honorable Takeo Miki, a Member of the Japanese Diet. He has been a Member of that body since 1937.

He is well acquainted with the United States. He attended school and college in this country, and obtained a part of his education in California.

Mr. Miki is currently a leader of the political government of Japan. He is also connected with, and in the past has been connected with, various substantial business enterprises in Japan.

Mr. Miki is making a visit to our country, to renew his acquaintance. He will also make a tour of Europe, before he returns to Japan.

It is my pleasure to present to the Senate, Mr. President, the Honorable Takeo Miki, of the Japanese Diet; and I ask that he stand.

[Applause, Senators rising.]

MUTUAL SECURITY ACT OF 1959—CONFERENCE REPORT

Mr. FULBRIGHT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7500) to amend further the Mutual Security Act of 1954, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MCGEE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 22, 1959, pp. 13997–14007, CONGRESIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the consideration of the conference report on the Mutual Security Act of 1959, 10 minutes be allotted to each side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FULBRIGHT. Mr. President, I yield myself 10 minutes.

Mr. President, I shall not take much time of the Senate in presenting the conference report on the Mutual Security Act. I ask unanimous consent to have printed in the RECORD at the end of my remarks a table showing in detail the amounts authorized to be appropriated as well as a statement dealing at somewhat greater length with the action of the conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. FULBRIGHT. Mr. President, the conference report represents a sound compromise of the differences between the two Houses. It is a bill which in many respects is better than that requested by the administration, though it still falls short of the bill reported by the Foreign Relations Committee. It is a bill, however, which deserves the support of the Senate.

It authorizes total appropriations of $3,556,200,000 for 1960 plus $1.1 billion more to be advanced to the Development Loan Fund during fiscal 1961. The Senate had authorized $3,543,320,000 and the House $3,542,600,000, against an administration request of $3,909,400,000. The total in the conference report is somewhat greater than the total in either the House or Senate version because, although the two Houses were very close to each other overall, they were rather far apart on certain individual items and the adjustment of these individual differences resulted in the totals which I have mentioned.

There are two points in regard to authorized amounts which deserve special emphasis.

First, in regard to capitalization of the Development Loan Fund, it will be recalled that the Senate had authorized an appropriation of $2 billion, of which $750 million could be advanced in fiscal 1960 and $1,250 million in fiscal 1961. The House had simply authorized an appropriation of $700 million. I am glad to say the House conferees accepted the principle of the Senate provision, though the total amount was reduced to $1.8 billion, of which $700 million may be advanced in 1960 and $1.1 billion in 1961. This is no idle gesture on the part of the conferees. Although I think this method of financing is far less preferable than the borrowing authority provided by the Foreign Relations Committee, this is the method advocated by the administration and approved by Congress. I hope it will at least be given a fair trial. This means that the full amount—$1.8 billion—should be appropriated now, as authorized. The bulk of this amount—$1.1 billion—cannot actually be advanced to the Fund until next year, but it is important to the Fund's operations that its directors know now that they can count on this money next year and that it will not then be subject to the whims and caprices of the appropriations process.

Second, the conferees deleted Senate provisions earmarking military assistance funds for NATO and for an international military force under the control of the Organization of American States. The overall reduction in military assistance funds lends weight to the argument for administrative flexibility.

Furthermore, the Senate conferees took note of the executive branch intention, as communicated to the conference committee, that it will continue to give NATO requirements priority consideration in programing funds available. We expect the executive branch to do exactly that.

I should also like to point out that abandonment of earmarking for an OAS military force does not mean abandonment of the principle that such a force is greatly to be desired, but rather recognition of the difficulties of bringing one into being in the next year. I hope that what will happen in the next year, however, will be active, good faith exploration of the idea so that some progress may be reported to the Senate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. GORE. Mr. President, the conferees on the part of the Senate have done good work, in my opinion, and are to be congratulated. The chairman of the Committee on Foreign Relations has brought to the Senate a conference report which deserves the support of the Senate.

I hope the chairman of the committee will not find it disagreeable, however, if I express disappointment that the conferees on the part of the Senate were unable to persuade the confereees on the part of the House to accept an authorization to earmark, at least, a considerable portion of the funds for military assistance to Latin America for the Organization of American States.

I concede it is true, as the statement on the part of the managers of the House asserts, that the Organization of American States is not organized at present to utilize funds for the purpose of establishing hemispheric defense and a hemispheric police force. Even so, the availability of funds for this purpose would, in my opinion, serve as a strong stimulus for the creation of such an organization by means of which such funds could be used and such a force could be created.

It happens that this provision was the only constructive contribution I was able to make to the bill. I voted on the various amendments; but this particular provision was one I originally offered, and in which I have a deep interest.

Therefore, I hope the Senator from Arkansas will not find it objectionable when I state that I am disappointed that this provision has been omitted from the conference report. I express the hope that at another time, on a better day, he will join me in an effort to bring about the creation of such a military force, available to the Organization of American States as a police force within the hemisphere and as an integrated, usable force for hemisphere defense.

Mr. FULBRIGHT. Mr. President, I appreciate very much the statement the Senator from Tennessee has made. As a matter of fact, I join him in endorsing that proposal. As he knows, I voted with him on it in the committee, and I think the proposal is absolutely sound.

The House conferees were very positive in their view on this matter; and they made strong arguments to the effect that, because of the very unsettled and difficult conditions in Cuba and other areas, this is a very bad time to make such a requirement, although they, themselves, admit there is merit in the idea of moving in this direction.

We hope that the fact that we included the provision in the Senate version of the bill and the fact that this provision has been the subject of much discussion and debate will cause the administration in consultation with the Organization of American States to examine the proposal and to make plans for developing it.

I may say that the provision of the conference report which requires that military aid in this area during fiscal 1960 be restricted to amounts not exceeding those available this year is a clear warning that the administration should move in this direction if it expects assistance beyond that amount in the future.

We felt that, in the final analysis, the compromise language now included in the conference report was the best we could obtain under the circumstances.

Mr. GORE. Mr. President, will the Senator from Arkansas yield further to me?

The PRESIDING OFFICER (Mr. HARTKE in the chair). Does the Senator from Arkansas yield further to the Senator from Tennessee?

Mr. FULBRIGHT. I yield.

Mr. GORE. I recognize the cogency of the argument advanced by the conferees for the other body. But even so, this provision of the Senate version of the bill is the first material start which has been made toward a practical implementation of what the chairman of the committee has described as a good idea. I believe it was a practical approach. I believe it would serve as a stimulus to, as an attraction to, as a carrot, so to speak, and as an encouragement in this direction. I welcome the endorsement by the chairman of the committee of the purpose, and I assure him that my effort will be renewed on a better day.

Mr. FULBRIGHT. I thank the Senator from Tennessee.

Mr. JAVITS. Mr. President, will the Senator from Arkansas yield briefly to me?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. I should like to express to the Senator from Arkansas my appreciation for the inclusion in the conference report of both the amendments which I offered to the bill. I hope very much he will maintain the great interest which he has shown in both these provisions. One of them relates to fortifying the position of the private economic system in participating in the objectives of the act; and the other provision—a new one—would have us see what we can do about partnerships with our allies in the field of economic aid.

Mr. FULBRIGHT. I thank the Senator from New York. I think his amendments are very useful, indeed; and I am glad they were kept in the conference report.

Mr. JAVITS. I am very grateful to the Senator from Arkansas.

Mr. JOHNSON of Texas. Mr. President, I desire to call the attention of the Senator from Arkansas to the statement of the House managers which appears on page 35—namely, the reference to chapter VI, for the Center for Cultural and Technical Interchange Between East and West.

As I understand from the statement by the managers for the House, the Senate version of the bill provided that in order to promote better understanding between the peoples of the Far East and the United States, the Secretary of State should present to Congress a plan for the establishment in Hawaii of a Center, to be called the Center for Cultural and Technical Interchange Between East and West, where students, scholars, and technicians from the East and the West could meet and cooperate.

The Senator from Arkansas will remember that I, along with the distinguished Delegate from Hawaii, Mr. BURNS, whose vision had so much to do with bringing this idea to fruition introduced such proposed legislation; and the Senate Foreign Relations Committee reported it to the Senate. I should add that Representative BURNS was helped by Representative D. S. SAUND. Later, we submitted that bill as an amendment to the mutual security bill; and the Senator from Arkansas was kind enough and considerate enough to accept that amendment.

My information from the statement by the managers for the House is that the House deleted several words, but that the provision of the conference report carries out, in substance, that provision of the Senate version of the bill. The conference report deletes the words "which shall provide," but this provision of the conference report reads in part, as follows:

> * * * The Secretary of State * * * shall on or before January 3, 1960, prepare and submit to Congress a plan and program for—(1) the establishment—

And so forth. So there is no real substantive difference between the two versions.

Mr. FULBRIGHT. Mr. President, I have previously stated that I am unable to see any distinction between the meaning of the provision voted by the Senate and the meaning of the provision of the conference report to which the Senator from Texas has referred. The managers on the part of the House seemed to take the same position. I could see no harm at all in the change which was made; and I believe this provision of the conference report will result in exactly what the Senator from Texas [Mr. JOHNSON] wishes—namely, the presentation to the Congress of such a plan, next January.

Mr. JOHNSON of Texas. Mr. President, I congratulate the Senator from Arkansas on his accomplishment in that respect.

I ask unanimous consent to have printed at this point in the RECORD an excerpt in regard to this specific item, from the statement by the managers on the part of the House.

There being no objection, the excerpt from the statement was ordered to be printed in the RECORD, as follows:

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST (SECS. 601–603)

Chapter VI (secs. 601–603) of the Senate bill provided that, in order to promote better understanding between the peoples of the Far East and the United States, the Secretary of State should present a plan to Congress for the establishment in Hawaii of a Center, to be called the Center for Cultural and Technical Interchange Between East and West where students, scholars, and technicians from the East and West could meet and cooperate. The Senate amendment called for the submission to Congress on or before January 3, 1960, of a plan and program which shall provide for—

1. the establishment and operation in Hawaii of the Center through arrangements to be made with public educational or other nonprofit institutions;

2. grants, fellowships, and other payments to outstanding scholars and authorities from the nations of the East and West;

3. grants, scholarships, and other payments to qualified candidates for study at the Center from both East and West; and

4. making the facilities of the Center available for study to other qualified persons on a reasonable basis.

Provision is also made for such appropriations as may be necessary to carry out the provisions of the chapter.

The managers on the part of the House accepted the Senate amendment with the deletion of the words "which shall provide". The language agreed upon is intended to give greater scope to those preparing the plan and program. It is understood that in submitting the plan the Secretary of State may also inform the Congress as to the feasibility and desirability of the entire program envisioned by the Senate amendment.

Hawaii is the crossroads of the East and the West. Here the cultures of Asia and of Europe and of the Americas have met and have learned to live together. Consequently, it is most appropriate that a center such as this should be established in Hawaii where cooperation has been the rule for many years.

Such a center can do much to break down barriers between the East and the West and encourage cooperation. Thereby, international tensions will be reduced, and the chances for world peace will be enhanced. The bringing together of scholars and technicians from the East and West will increase human understanding, will facilitate the development of technical knowledge in the East, and will reduce friction between the areas.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. I wish to ask a question and make an observation.

The major change, as I see it, in the provisions in regard to the Economic Development Fund is the one which reduces the amount from $2 billion to $1,800,000,000, distributed on the basis of $700 million and $1,100,000,000.

Mr. FULBRIGHT. That is correct—plus, I may add, the military assistance provision. Those were the two big changes.

Mr. DIRKSEN. That is correct.

I suggest to the chairman of the committee that the table which appears on page 16 of the statement by the managers for the House might very well be printed in the CONGRESSIONAL RECORD.

Mr. FULBRIGHT. I believe that when the minority leader was not listening to my remarks, I asked and obtained consent to have the table printed in the RECORD at the conclusion of my remarks.

Mr. DIRKSEN. Then let me suggest that the first column of the table sets forth the amounts carried in the House version of the bill; the second column shows the amounts provided by the Senate amendment; and the third column shows the amounts provided by the conference substitute. The remaining columns show a comparison. But the table does not include the original budget requests.

Mr. FULBRIGHT. Those figures are in the table which I have submitted. The table shows the amounts of the administration's requests, the amounts provided by the House version of the bill, the amounts provided by the Senate version of the bill, and the amounts provided by the conference report.

Mr. DIRKSEN. Let me ask whether the conference report is a unanimous one.

Mr. FULBRIGHT. It is.

In that connection, I wish to say that the House conferees were extremely cooperative; and the conference was one of the most fruitful and, I believe, one of the most agreeable I have ever attended.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield to the Senator from Montana.

Mr. MANSFIELD. I think it should be pointed out that in many respects the conference report represents an extremely good measure. For the first time there is no question about where the authority lies—namely, in the person of the Secretary of State. For the first time we shall have an inspector general who will be able to look into difficulties which occur in various parts of the world, and will have the right to discharge and to report; and for the first time there will be a shift, on a 2-year basis of military aid into the Defense Department.

There are other changes which strengthen this measure—not the least of which, of course, is the provision for the creation of the Cultural and Technical Research Center, in Hawaii, which both the House and the Senate agreed to unanimously, and which I believe will furnish a great forward impetus in the relations between the Occident and the Orient. I think in this respect much credit should go to our distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], and the coauthor of the proposal, Delegate BURNS, in the House. Together they formed a great team. They have accomplished something which will redound to the benefit of our country for many years to come. They have succeeded, through the proposal, in helping to bring about a better relationship between the Orient and the West which has been long overdue. In my opinion, the bill is a distinct improvement over what was presented to us by the administration.

The PRESIDING OFFICER. The 2 minutes yielded to the Senator have expired.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the chairman of the committee.

Mr. FULBRIGHT. Mr. President, I have been interrupted. I am only half through my statement. I need another 5 minutes. I wonder if the request for time could be revised.

Mr. DIRKSEN. Let me yield 2 minutes first to the distinguished Senator from Vermont [Mr. AIKEN], and there may be 5 minutes left for the chairman of the committee.

Mr. MANSFIELD. If not, we will get it.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I shall not use the entire 2 minutes. I merely wish to say that the bill as it comes from the conference committee is probably a better bill than that which passed either the House or the Senate. I believe the authorizations for appropriations will be adequate, provided the Appropriations Committee does not make any serious cuts in the authorizations.

The bill does not permanently settle the question, but it helps to bring about economic improvement in underdeveloped countries to the extent that it can be done this year. The authorizations in the bill will be adequate to enable the executive branch to accomplish excellent results, provided the appropriations are not cut materially by the Appropriations Committee.

I am very glad to recommend that the Senate approve the conference report.

Mr. DIRKSEN. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Illinois has 6 minutes remaining.

Mr. DIRKSEN. I yield 5 minutes to the chairman of the committee.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. I yield first to the Senator from Idaho [Mr. CHURCH].

Mr. CHURCH. Mr. President, first of all——

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the chairman of the committee, the Senator from Arkansas, may have an additional 5 minutes, without its being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHURCH. Mr. President, first of all, I want to commend the distinguished Senator from Arkansas for the excellent work he and the other conferees have done in reconciling the Mutual Security Act as passed by the Senate with that passed by the House of Representatives.

I have said before, and I should like to say again, I think both the Senate and the country are fortunate in having the learned Senator from Arkansas as the chairman of our Foreign Relations Committee.

Mr. FULBRIGHT. I thank the distinguished Senator from Idaho.

Mr. CHURCH. I am very glad the conferees were able to retain in the final version of the bill the provision which I sponsored originally in the Senate Foreign Relations Committee, relating to information policy.

I note that the conference report retains in the bill section 550, which appears on page 11 of the report, and which reads as follows:

SEC. 550. INFORMATION POLICY.—The President shall, in the reports required by section 534, or in response to requests from Members of the Congress or inquiries from the public, make public all information concerning the mutual security program not deemed by him to be incompatible with the security of the United States.

Mr. President, I think our past experience has demonstrated there is excessive secrecy cloaking the mutual security program. Matters that have come to the attention of the committee, such as the case of the tracking base off the shores of Brazil, and recent disclosures, most unfortunate, indeed, re-

lating to the administration of the foreign aid program in Vietnam, all indicate that information has been classified for the purpose of purely administrative convenience, not related at all to the real security needs of the country.

I am hopeful that in retaining the provision in the conference report, we shall have written into the law a new policy that will keep classification of information within proper limits in the future.

Mr. FULBRIGHT. Mr. President, I thank the Senator from Idaho for his comments. The Senator from Idaho deserves great credit for that provision. I am glad it is retained in the bill. I think it will make a great contribution to a better understanding of the legislation.

I may say the Senator from Idaho was extremely useful in the consideration of the bill. He was very attentive and made a fine contribution.

Mr. CHURCH. I thank the Senator.

Mr. FULBRIGHT. Mr. President, I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, in the discussion which took place on the floor of the Senate when the mutual security bill was being considered, I asked the majority leader certain questions pertaining to the establishment of the center in Hawaii. In answer to my questioning the majority leader stated it was understood that the State Department would, in working on this proposal, express an opinion concerning the feasibility of the establishment of the center.

I should like to ask whether it is the understanding of the chairman of the committee that the State Department will still express an opinion concerning the fiscal and general feasibility of establishing the center.

Mr. FULBRIGHT. I have no doubt whatever that, in connection with a plan for its establishment, the Department will advise the committee, and the Senate through the committee, of the practicability of the establishment of the center. I may say to the Senator the change in language which the House conferees insisted upon, in my view, makes no difference in the meaning of the language. That is one reason why the conferees on the part of the Senate agreed to it. We did not think it made any real difference.

Mr. LAUSCHE. The Senator from Texas just pointed out to me that on page 35 of the report it contained this statement:

> It is understood that in submitting the plan the Secretary of State may also inform the Congress as to the feasibility and desirability of the entire program envisioned by the Senate amendment.

Mr. FULBRIGHT. That is correct.

Mr. LAUSCHE. That answers my inquiry.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I wish to concur with the sentiments and statements expressed about the fine leadership given to us by the chairman of the committee in developing this conference report. I likewise wish to compliment and commend the House conferees, who cooperated so well in making the conference report a reality.

To my mind, the bill is a much better one than the one which came from either House. I believe it is well balanced in terms of military and economic assistance, as well as technical cooperation. It also centers on the objectives expressed in the statement of policy.

The emphasis upon the statement of policy should not be overlooked, because the statement of policy in the Mutual Security Act of 1959 is a change from the emphasis stated in prior acts. It is directed more to the economic development and growth of underdeveloped areas.

Finally, I shall not take the time of the Senate to read it, but I ask unanimous consent to have printed in the RECORD a statement relating to section 501 (a) and (b), "International Cooperation in Health," particulary as it relates to subparagraph (b), under which the sum of $2 million has been made available to carry out the purposes of that subsection. It relates to research, studies, field surveys, trials, and demonstrations to determine the feasibility of future intensive programs for the reduction, control, or eradication of disease problems of international importance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE HUBERT H. HUMPHREY, DEMOCRAT, OF MINNESOTA, ON FIVE HEALTH PHASES OF MUTUAL SECURITY CONFERENCE REPORT

I should like to state as a matter of public record that, I believe the conference committee report as it concerns health phases of the mutual security bill represents a considerable forward step toward better health for mankind.

I refer to five phases in particular:

FOREIGN CURRENCIES FOR RESEARCH

First, I am pleased that section 104(k) of Public Law 480 has been further liberalized.

It will be recalled that this is the subsection which was enacted in last year's mutual security bill at my instance.

Under the new version of this section, as described on page 36 of House Report 695, Federal agencies will be given further a green light to apply, in larger measure, for foreign currencies for purposes of dissemination of medical information and for the conduct of medical and scientific research abroad. I trust that the executive branch and, in particular, the Bureau of the Budget, will note Congress' intent and act accordingly.

NEW POLISH CHILDREN'S HOSPITAL

Secondly, I call to the Senate's attention the favorable action represented by the amendment to section 400(c) of the mutual security law.

This is the subsection which now will authorize the President of the United States to use foreign currencies credited to our country from the sale of our farm commodities and on certain other programs for new purposes of support of research hospitals sponsored abroad by American citizens. While the final amendment is not as broad as I, for one, would have hoped, it does represent a substantial step forward. (I, for example, had hoped that the Battle Act would be waived with respect to use of U.S. dollars, in addition to being waived with respect to use of foreign currencies for this purpose.)

In any event, American-sponsored hospitals abroad, like American-sponsored schools abroad, can represent to foreign peoples a true image of the United States, the image of an America which is genuinely compassionate, genuinely concerned with the well-being of mankind.

I cite now what, I mentioned in an address in Chicago on May 3, as a great goal which will get underway with this amendment. This is the proposed 200-bed hospital for the treatment of children's diseases to be constructed in Krakow, Poland, under the auspices of the American Research Hospital for Children in Poland Committee.

I should like to state that virtually from the start of the 86th Congress, I have been pleased to work on this project.

It had come to me originally in my capacity as a member of the Committee on Foreign Relations and as chairman of an international health study, which is being conducted by the Senate Subcommittee on Reorganization and International Organizations.

Month after month, I have endeavored to move this project ahead, in conjunction with the man who, more than any single individual, is responsible for it. I refer to the secretary of the committee, Mr. Wladek O. Biernacki-Poray, a member of the American Institute of Architects. Mr. Biernacki-Poray, has not only given of his talents generously and selflessly without a penny of compensation, but he has done so even at the sacrifice of attending to personal business in order that this hospital project might move full speed ahead.

TRIBUTE TO CONGRESSMAN ZABLOCKI

No single legislator, however, deserves more credit for favorable action on this amendment, than the distinguished representative from the Fourth District of Milwaukee, the Honorable CLEMENT J. ZABLOCKI.

A devoted and esteemed member of the House Committee on Foreign Affairs, Congressman ZABLOCKI's has worked with zeal and determination for the hospital project.

I also wish to commend and applaud the splendid efforts of the junior Senator from New Jersey [Mr. WILLIAMS], along with another dedicated legislator from the Garden State of New Jersey, Congressman FRANK THOMPSON.

HUMPHREY AMENDMENT FOR FIELD TRIALS

Third, I note the action making available, as indicated on pages 43 and 44 of H.R. 7500, the sum of $2 million for research, field trials, surveys and demonstrations for the testing of drugs and techniques which can lead toward the mass eradication of disease problems of international significance. I offered this amendment in the Senate where it was approved.

Let it be noted however, that the $2 million which will now come from the President's $155 million of contingency funds should be for new field surveys, demonstrations and trials.

We do not want this $2 million used for existing programs—e.g., for the conduct of the antimalaria effort, as important as that is. I yield to no one in this Chamber in my dedication to the carrying through of the present great malaria program. But what I seek through this $2 million is the opening up of a bold new chapter against additional diseases.

My thesis is simple. In the emerging countries of the world, millions of individuals do not suffer from malaria alone. Any given individual may suffer from one or several types of intestinal worms and from one or two or three other major diseases.

If we are to cure him of malaria, he may still be flat on his back, unable to provide for himself and his family, because of other diseases with which he is afflicted. We must, therefore, find inexpensive mass methods for coping with these other diseases.

The question may be asked: Which diseases? The answer depends on what the experts in the bilateral and multilateral health organizations decide. The diseases might include shistosomiasis, tuberculosis, trypanosomiasis, infantile diarrhea, etc. Every one of these diseases is of devastating proportions to scores of millions of innocent sufferers.

Therefore, this $2 million is specifically for subsection (b), pages 43 and 44, of the bill. I emphasize subsection (b) because that is the only new substantive subsection in this connection. What I am saying is in effect the intent of paragraph 2, page 35, of the conference report which points out the separate quality of this program.

AMPLIFICATION OF THE REAL MEANING OF SECTION 501(b)

I reiterate the language in the second paragraph, particularly the words "this program," which obviously refer to the program specified in subsection 501(b). This subsection was added by my own amendment. It clarifies the intent of the conferees that the $2 million should be used (in the language in the first paragraph of page 35) "to undertake projects to determine the feasibility of programs for eradication of diseases of international importance."

The purpose of this amendment was clearly spelled out in my remarks on the Senate floor when I introduced an earlier version of this amendment, and when I presented the present form of the amendment which was subsequently adopted in effect by the conference.

I trust that this explanation will obviate the misinterpretation of subsection (b), which uses the word "section" instead of "subsection" as the last word. Under such misinterpretation, the program might be misconstrued as merely a directive that $2 million be available from the contingency fund for any of the broad purposes delineated in subsection (a). If this were done, for example, merely to augment the funds budgeted for the malaria eradication program, it would be a worthwhile purpose, but it would definitely not conform to the congressional intent expressed in subsection (b).

I am writing today to the Director General of WHO, Dr. M. G. Candau, and to Surgeon General Leroy Burney, inviting their attention to this new provision.

My hope and expectation is that these two distinguished leaders and their staffs, together with Pan American Health Organization and International Cooperation Administration officials will realize the fullest potentials of this amendment, despite the relatively modest size of the sum involved.

NEED FOR MALARIA FUNDS

Now, fourth, on malaria itself, my studies on malaria eradication program convince me that it should be augmented in fiscal year 1960 by approximately $5 million above the illustrative budget estimate of $35 million. At the last World Health Assembly, Pakistan announced that it was ready to inaugurate a nationwide eradication program. Pakistan is not included in the budget estimate for this program. Yet we are spending many millions of dollars in Pakistan under defense support in an effort to supply many consumer goods that Pakistan could not otherwise import because of the shortage of foreign exchange. Virtually all of the expenditures under the bilateral malaria eradication program go for providing insecticides and supplies which the host country must import from the United States, and which it could not, without the existence of this program, import in sufficient quantities to afford all-out eradication.

I can think of no purpose where we could more wisely or effectively or prudently spend mutual security dollars in Pakistan (or for that matter, in any other country that needs such help) than in this program of eradicating the disease that has so long been such a hindrance and impediment to the energies of the people on whom increased production and development depend.

It would be inconceivable to me that the executive branch, in allocating whatever funds are finally appropriated for defense support, for special assistance, and the contingency fund, would fail to allocate whatever sums are necesary for expanding and expediting this urgently required program. I call attention to the language of the Senate report on this bill, as directing that additional funds be utilized, if this is found to be feasible.

The illustrative budget also includes only three countries in all of Africa. Recent pilot projects have demonstrated the practicability of expanding eradication into other parts of Africa. Certainly, if additional assistance is needed in Africa, and I am convinced it is, I submit that nothing more effective can be done for the people in that area than eradicating this dread disease from their midst. The cost per capita annually for this program in Pakistan is estimated at 10 cents with a slightly higher cost in Africa. Surely our objectives can be more effectively accomplished by allocating even 1½ percent of the total mutual security funds for so effective a program as this has been demonstrated to be.

I believe other health programs included in the budget should likewise be augmented and there is full authority in the act for this to done done. I hope too that the appropriation act which will follow this authorization act will fully implement these goals.

DONATION OF SOYBEAN MEAL

Fifth, I should like to say a word on another amendment that I offered and which remains in the bill, that to section 402. In utilizing the new authority for grants under section 402, it is my hope that some commodities may be purchased with mutual security funds, and utilized in programs of donation to needy peoples abroad that are not now being utilized and which may be unsuitable for domestic donation programs. I particularly refer to soybean meal, which has been utilized in private relief operations abroad so effectively by Meals for Millions Foundation as multipurpose food. This product affords a much needed protein in the meager diets of millions of hungry peoples abroad, and its cost is infinitesimal in relation to its efficacy. Three cents will provide one-third the minimum daily requirements for an adult for protein and most nutrients except vitamin C.

NEW SUBCOMMITTEE PUBLICATION ON CANCER

Finally, it is appropriate to make these comments on the health amendments of the Mutual Security Act on the very day when the subcommittee releases the fifth in its series of publications, entitled "Cancer: a Worldwide Menace."

It will, I believe, represent another forward step in the universal effort against this particularly dreaded affliction which is today the No. 2 killer in the United States, destroying, for example, 5,000 Minnesotans and one-quarter million other Americans last year.

In include now in the record the text of a release which I have issued pointing up the significance of this particular publication.

In so doing, I express my appreciation to all of my colleagues on the subcommittee who have enabled us to make what I believe has been substantial progress under our authorizing resolution, Senate Resolution 42, 86th Congress. I refer to the distinguished chairman of the Committee on Government Operations, the senior Senator from Arkansas [Mr. MCCLELLAN], who is also a member of this subcommittee; and to the junior Senator from Maine [Mr. MUSKIE], the junior Senator from Alaska [Mr. GRUENING], the senior Senator from South Dakota [Mr. MUNDT], and the senior Senator from Indiana [Mr. CAPEHART].

FUTURE PUBLICATIONS

In the weeks and months ahead, our subcommittee will be issuing additional reports. This will include, among others:

"The National Science Foundation and the Life Sciences";

"The American Pharmaceutical Industry and International Health";

"Patterns of Incidence of Major Diseases Throughout the World"; and

"American Voluntarism and International Health."

UNITED STATES AND THE SOVIET UNION SHOULD DECLARE ALL-OUT WAR AGAINST CANCER

JULY 22, 1959.

A future summit meeting between the Soviet Union, the United States, and Allied Powers should declare "a united East-West war against cancer," Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, declared today.

"A total, ceaseless international attack against cancer might result in saving many of the one-half million lives which are lost each year from this dread disease in the United States and the U.S.S.R. alone," he added.

In a statement accompanying a new 40-page Senate document on cancer, Minnesota's senior legislator said, "The present inadequate war against cancer must be transformed from a limited, partial attack to a total all-out global assault, waged by the United States, the Soviet Union, and all other nations."

The new document is the fifth in a series issued by an International Health Study of which Senator HUMPHREY is Chairman.

All over the world, 2 million individuals died last year from cancer, the publication states. "This is almost equal to the population of West Berlin, over which the United States and the U.S.S.R. are currently negotiating in Geneva," HUMPHREY stated.

"If the major powers cannot agree politically on Berlin, let the leaders of the major powers at least agree on trying to save the lives each year of as many people as live in Berlin."

The Senator continued, "In January 1957 the President's state of the Union message, invited the Soviets to join in an all-out offensive against cancer and heart disease. When I was in Moscow in December 1958 I was glad to see evidences of some of the efforts along this line. But the total of these efforts is still regrettably very modest.

"Our National Cancer Institute has fortunately arranged for the translation of the main Soviet cancer research journal into English; it is sending to Russia many of our own journals. There has been a limited exchange of individual scientists. In addition, chemicals, to be tested against cancer, have been exchanged. Our National Cancer Institute is gladly sending to the U.S.S.R., on request, samples of cancer-inducing viruses for study.

"Yet, it was not possible for our present committee publication to include statistics on the incidence of cancer in the U.S.S.R. This gap is due to the absence in the United States of any absolute figures, age-adjusted, on specific cancer incidence in the U.S.S.R. Thus far, only relative figures (giving percentages) have been released by Soviet sources.

"In any event, I feel that Soviet scientists have much to contribute to the international conquest of cancer and that they earnestly desire to do so."

The Senate publication shows that cancer tends to strike different organs of the body in different parts of the world. "For example, the rate for breast cancer in Japan is surprisingly much lower than here in the United States. If we knew the answer why

that difference occurs, we might perhaps be able to save the lives of thousands of American women. No single type of cancer is, incidentally, more of a menace to U.S. women than breast cancer."

HUMPHREY paid tribute to "the magnificent cancer research and treatment job being performed in American research centers and hospitals." He added however, that many doctors had told and written him that "clues to the cause and cure of the mystery of cancer exist all over the world.

"No good detective passes up important clues, no matter where they show up. But the unfortunate fact is that, in the present worldwide investigation of cancer, many vital clues are not now being adequately followed up."

Highlights of the report include:

Cancer is the No. 2 killer in the United States (after heart disease).

The economic cost of cancer in the United States is estimated at $12 billion a year.

Cancer is cutting down one-quarter million Americans each year.

"Coincidentally enough," said HUMPHREY, "when I was in Moscow, Soviet authorities told me that cancer is killing a quarter million Russians each year, also."

Cancer occurs more frequently at older ages, but no age is free of the disease. "In our country, the tragic fact is that more children under 5 now die from leukemia and other types of cancer than from all infectious diseases combined.

"A further grim statistic is that, at birth, the chances of developing cancer in a lifetime are as high as 1 in 5 for every U.S. man and 1 in 4 for every woman. Of course, if we can find the necessary answers, that statistic will be sharply changed for the better.

"For men, the lifetime probability of developing cancer is greatest for the skin and prostate. For women it is greatest for the breast and large intestine."

"The answer to cancer," HUMPHREY concluded in his statement, "is not fear, but an all-out attack. We must use scientific genius everywhere, with modern laboratories throughout the world, well staffed, well financed."

"Seven hundred thousand Americans already suffering from cancer anxiously await news each passing day that a cure has been found. Only around one-third of them are being saved with existing knowledge and technic. Let us not disappoint them and those who may contract this dread affliction in the years ahead."

Copies of the cancer document may be obtained from Julius N. Cahn, Director of the Senate Health Study, room 162, Old Senate Office Building, Washington 25, D.C.

Mr. HUMPHREY. Mr. President, in my statement I shall spell out what I believe to be some of the programs which could be undertaken under the language of the amendment offered by the senior Senator from Minnesota.

Finally, Mr. President, I hope the chairman of the committee will agree with me that the funds set aside for the World Refugee Year are funds which are to be used for the accomplishment of the purposes of the amendment as initially offered in the Senate.

Mr. FULBRIGHT. The Senator is quite correct. I wish to say for the RECORD that the Senator from Minnesota made a great contribution to the bill, in his insistence upon having the money in the bill for International Cooperation in Health, and for the World Refugee Year. The Senator pursued the matter in committee, in the Senate and in the conference. I know future generations will bless his name for what he did in this connection.

I was very glad that the House accepted the Senate provisions in these respects. I will say, since the Senator has mentioned the subject, I think Chairman MORGAN of the House conferees was most cooperative, and I believe he exhibited great statesmanship in the way he handled the conferees on the part of the House. It was a real pleasure to work with the conferees of the House.

Mr. HUMPHREY. I wish to concur in that expression, because the chairman of the House conferees indeed performed a valuable and courageous service in the conference.

Mr. THURMOND and Mr. MANSFIELD addressed the Chair.

Mr. FULBRIGHT. I yield first to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I should like to ask the distinguished Senator a question regarding page 12, section 602, of the report.

Does not section 602 give the Secretary of State a mandate to at least prepare and submit to the Congress a plan and program for 4 different things?

(1) the establishment and operation in Hawaii of an educational institution to be known as the Center for Cultural and Technical Interchange Between East and West through arrangements to be made with public, educational, or other nonprofit institutions;

(2) grants, fellowships, and other payments to outstanding scholars and authorities from the nations of the East and Western World as may be necessary to attract such scholars and authorities to the Center;

(3) grants, scholarships, and other payments to qualified candidates from the nations of the East and West as may be necessary to enable such students to engage in study at the Center; and

(4) making the facilities of the Center available for study to other qualified persons on a reasonable basis.

Does not that language give to the Secretary of State a directive to prepare and submit to the Congress a plan for those four things?

Mr. FULBRIGHT. I think that is correct. It directs the Secretary to prepare plans.

Mr. THURMOND. Does it mean this is the first step in the inauguration of an educational institution in Hawaii?

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. THURMOND. Is it a precedent for the establishment of such an institution in the various States of the Nation?

Mr. FULBRIGHT. It is the first step toward an educational institution in Hawaii, provided the plan is acceptable to the Congress. It is my understanding that in the ordinary development of any kind of institution the first step is to make plans. If a plan is not prepared, of course, nothing can be done. There is no commitment to proceed if it is not desirable and feasible under the plan which is to be submitted.

The PRESIDING OFFICER. The Senator from Illinois has 1 minute remaining.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Arkansas may have 5 additional minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. THURMOND. Mr. President, I ask the majority leader to obtain unanimous consent that I may ask a few more questions.

Mr. FULBRIGHT. Unanimous consent was granted for an additional 5 minutes. I yield to the Senator from South Carolina. There is no commitment to go beyond the plan if Congress does not approve it.

Mr. THURMOND. But the language does require the Secretary to prepare and submit to the Congress a plan for the establishment of a college or university in Hawaii?

Mr. FULBRIGHT. He is required to submit a plan, but at the same time, he could make a recommendation that it is not feasible or desirable. Then, unless the Congress sought to override the Secretary and go ahead on its own, that would be the end of it.

Mr. THURMOND. On page 35 of the report there is this language:

It is understood that in submitting the plan the Secretary of State may also inform the Congress as to the feasibility and desirability of the entire program envisioned by the Senate amendment.

Mr. FULBRIGHT. That is correct.

Mr. THURMOND. Does the distinguished Senator construe the language to mean that the Secretary does have to submit a plan, and that he may inform the Congress as to its feasibility and desirability?

Mr. FULBRIGHT. I think it is clearly implied he will do that. If for any reason—which I cannot imagine—the Secretary wishes not to commit himself on the feasibility of the project, and wishes to leave it to the Congress, he may do so.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. FULBRIGHT. As a matter of fact, we cannot make the Secretary of State or the President express an opinion, if he chooses not to do so.

I will say to the Senator, this is largely a matter of good taste, as to whether we assume to order a man like the Secretary of State or the President to express an opinion. I do not think there is any real substantive difference.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me?

Mr. FULBRIGHT. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, the Senator from Ohio [Mr. LAUSCHE] had great concern about whether the Secretary of State might give his views, and particularly as to the feasibility and desirability of the plan. I made it abundantly clear, in response to a question the Senator asked at the time the bill was under consideration by the Senate, that it was the intent of the provision not only to have the Secretary submit a plan but also to comment upon the plan and to give his recommendation concerning its feasibility and its desirability. That is in the

RECORD. That is stated again in the statement of the House managers.

I will say for the information of the Senator from South Carolina, and of any other Senator who may care to know about it, that the present Secretary of State told me, when he learned of this proposal in Geneva, that he thought it was a very excellent suggestion; that he communicated with the State Department at that time and did give them his views; and that it was his opinion the Department would support such a program and develop such a plan.

We have a program of a nature going on there now in conjunction with the University of Hawaii. That may be increased to some extent, or it may be reenforced, or we may have a new program started as the result of this study.

Mr. FULBRIGHT. I will say to the Senator, this is only an initial plan. Congress would have to approve whatever is submitted and also approve an appropriation to implement it. We would have, at a minimum, two more chances to examine whatever may be developed in this connection.

Mr. THURMOND. The language does direct the Secretary to submit a plan to estabilsh a college or a university in Hawaii?

Mr. MANSFIELD. No; not necessarily a university.

Mr. THURMOND. It is a cultural center.

Mr. JOHNSON of Texas. It will be at an existing institution, if possible.

Mr. THURMOND. It is to be a center for Cultural and Technical Interchange. If this precedent is established, it could spread to all of the States of the Nation, could it not?

Mr. FULBRIGHT. The Federal Government a long time ago—100 years or so ago—authorized the establishment of a land-grant college in every State. There is a land-grant college in my State. There is a land-grant college in the State the Senator represents. There is nothing new about it. One of the great institutions in South Carolina was established in accordance with the Morrill Act. There is no precedent-breaking aspect in this connection. Hawaii has become a new State. I think this proposal is in accord with the spirit of the Morrill Act, which started some of the greatest institutions in this country. I believe the distinguished Senator from South Carolina is a graduate of a land-grant college.

Mr. THURMOND. The Senator is correct. The college was established, however, by Thomas G. Clemson, not under the Morrill Act. I correct the Senator in that regard.

Mr. FULBRIGHT. I was under the impression the college was endowed to some extent in pursuance of the provisions of the Morrill Act. At least the University of Arkansas was. I thought Clemson was also.

Mr. THURMOND. It is. Some land was obtained for all the State A. & M. colleges.

Mr. FULBRIGHT. That is correct. It was for all these purposes.

Mr. THURMOND. This is a new type of program which is being advocated.

Mr. FULBRIGHT. I would not say that it is new. It has a little different aspect, in that its purpose is not only to train Americans who attend the institution, but also to receive people from Asia, and to make them acquainted with our country. This activity grows out of the nature of the world in which we now live.

Mr. THURMOND. Of course, if this center is established, it will require several million dollars to establish it, and further millions to operate it in the future.

Mr. FULBRIGHT. That depends on what the plan is.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask that the chairman of the committee may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I should like to ask the chairman if the following is correct: Under the terms of the bill, the Secretary of State now has the tightest control he has ever had over the administration of the program.

Mr. FULBRIGHT. The Senator is correct. The Secretary of State has the responsibility for supervising the program and determining its policy. The committee and the Senator from Montana had much to do with this provision. I think it is an improvement in the bill.

Mr. MANSFIELD. Under the terms of the bill as agreed to in conference, a greater degree of information will be available to the Congress and to the public.

Mr. FULBRIGHT. The Senator is correct.

Mr. MANSFIELD. Under the terms of the bill, with the incorporation of the House amendment creating the position of Inspector General, there will be an opportunity, under the direction of the Secretary of State, whereby the proper safeguards can be provided, and errors and omissions can be corrected.

Mr. FULBRIGHT. The Senator is correct.

Mr. MANSFIELD. Under the terms of the bill, while military aid is transferred directly into the Defense Department for 2 years, it is still under the supervision of the Department of State insofar as policymaking is concerned.

Mr. FULBRIGHT. That is correct.

Mr. MANSFIELD. In the conference version of the bill, the following amendment was agreed to:

> (c) The President shall include in his recommendations to the Congress for the fiscal year 1961 programs under this Act a specific plan for each country receiving bilateral grant assistance in the categories of defense support or special assistance whereby, wherever practicable, such grant assistance shall be progressively reduced and terminated.

Does that mean what it says?

Mr. FULBRIGHT. Of course, it does; and what it means is very clear from the language, namely, that he shall proceed to develop a plan.

Mr. MANSFIELD. And there is contemplated a shift from grants toward loans.

Mr. FULBRIGHT. That philosophy runs throughout the bill. I regret the deletion in the Senate of the long term Development Loan Fund borrowing authority, because that is almost essential to take up the slack when we discontinue grant aid.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. If the Senator had the kind of Development Loan Fund for which he fought, which he advocated, and for which he bled, it would mean that to a large extent we could get away from grant assistance, and operate on the basis of long-term loans at low interest rates.

Mr. FULBRIGHT. The Senator is correct.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JOHNSTON of South Carolina. I believe I understood the Senator from Arkansas to say that this bill would give greater power to the Secretary of State.

Mr. FULBRIGHT. For the supervision and coordination of the program. That is correct.

Mr. JOHNSTON of South Carolina. That being so, and judging from the way the Secretary of State and the State Department have looked after other countries in the past, instead of the interests of the United States, is not that a little dangerous?

Mr. FULBRIGHT. The Department of State was created for the specific purpose of dealing with other countries. It is its responsibility to inform this country with respect to our foreign relations in general, and to look after our relations with other countries of the world. This provision does not change that situation. All it does is to give the Secretary of State more positive direction regarding the supervision of our policy in this connection, so that there will be better coordination between the Defense Department and the Department of State in the administration of the program.

Mr. JOHNSTON of South Carolina. It would give a little more power to say where a dam should be built in a certain country.

Mr. FULBRIGHT. I believe he has complete authority in that regard.

Mr. JOHNSTON of South Carolina. He already has complete power. This measure would give him outright power.

Mr. FULBRIGHT. I do not know that the situation would be changed in that respect. The purpose was to coordinate the military assistance part of the program more closely with the policymaking powers of the State Department.

Mr. JOHNSTON of South Carolina. It covers the entire Government establishment, does it not, and is not limited merely to the State Department?

Mr. FULBRIGHT. That is correct.

Mr. JOHNSTON of South Carolina. The Department of Agriculture could expect the competition to become greater by reason of the construction of dams, making possible the growing of

more cotton, tobacco, and other things across the seas, in competition with our people in the United States.

Mr. FULBRIGHT. One of the purposes of the legislation is to help underdeveloped countries develop their productivity, which would involve increased production of the things the Senator has mentioned.

Mr. JOHNSTON of South Carolina. The cost of operating our Agriculture Department has increased about 1,100 percent during the past 6 years, because of the surpluses which have been built up and which cannot be sold to other countries. Would this bill help that situation to any extent?

Mr. FULBRIGHT. I do not believe there is any relation between the two programs. The reason we have such large surpluses is that our farmers and technicians have developed a productivity far beyond the imagination of anyone 15 or 20 years ago. The farmers are much smarter than they were given credit for being. They are producing twice as much cotton per acre today as they did 20 years ago.

Mr. JOHNSTON of South Carolina. We have also taught the people overseas to grow more.

Mr. FULBRIGHT. We are in the process of trying to teach them to take care of themselves.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. AIKEN. The ultimate authority for the administration of the entire bill rests with the President of the United States, where it has always been.

Mr. FULBRIGHT. The Senator is correct.

Mr. AIKEN. And not especially with the Defense Department, the State Department, or any other agency of Government. The Secretary of State does have authority granted by the bill, but the ultimate authority rests with the President of the United States.

Mr. FULBRIGHT. The Senator is correct. The Secretary of State, of course, is merely an adjunct of the President. He is under the direction and control of the President.

Mr. AIKEN. The powers under the bill are already vested in the President.

Mr. FULBRIGHT. The Senator is correct.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the distinguished chairman of the Committee on Agriculture and Forestry.

Mr. ELLENDER. I was very glad to hear that it is the intent of the administrators of this program to reduce the amount of grant aid as loan funds become available. Is there anything in the bill itself which would force the administrators to follow that course? Is there any specific language in the bill which would effectively reduce the amount of grant aid as more loans are made?

Mr. FULBRIGHT. There is a provision requiring that a specific plan, country by country, for the reduction of grant assistance, be drawn up during the next year. Originally there was a provision requiring the termination at the end of 3 years. That provision was deleted.

Let me say to the Senator from Louisiana that one of the principal reasons why we shall not make greater progress in this direction than we would otherwise have made is the deletion of the 5-year borrowing authority of the Development Load Fund. We have a provision requiring the elimination of grants, but unfortunately no lending authority commensurate with the need. The lending authority of the Development Loan Fund is much too small, looking ahead for 5 years, to accommodate the purpose. Unless we can increase the lending authority of the Fund, I do not believe it is very realistic to say that we are going to get rid of the grant authority. I hope we shall move in that direction.

Mr. ELLENDER. But I would like to point out that the Fund's authority under the pending bill is almost as large as that amount put aside for defense support, which is a fancy name for direct grant assistance. The authorization for defense support totals $851 million, and the loan authorization is $700 million.

Mr. FULBRIGHT. The authorization for defense support is $751 million.

Mr. ELLENDER. It strikes me that with such a large amount provided for loans we could reduce direct grant aid by reducing defense support.

Mr. FULBRIGHT. The Senator knows very well that at present there are certain areas—specifically, Korea, Taiwan, and South Vietnam—which are quite unable to support loans. Loans are designed for areas where the increased productivity would have some reasonable chance of servicing the loans. Those areas are almost on a wartime footing. Grants for those particular areas are necessitated, to a very great extent, by the state of undeclared war, cold war, or whatever one chooses to call it, between Red China and its three neighbors to which I have referred.

So that I think it will be a long time before you can get rid of grant aid in those particular areas, and that takes a big part out of defense support.

As to the remainder of the countries, I would hope we could move completely to a lending program within the foreseeable future. These other countries can assume loans. I think they would prefer it, myself. They would rather have loans which may be paid out of increased productivity.

Mr. ELLENDER. May I again point out to my good friend from Arkansas that of the DLF loans already made, 80 percent, as I recall the figure, have been made to countries receiving defense support in large quantities. For instance, Pakistan is getting a major portion of DLF loans. So is South Vietnam. So is South Korea. This leads me to the conclusion that as our loan program grows, so does our grant—or defense support—program. But this is at variance from the announced intent of the DLF program.

Mr. FULBRIGHT. I do not, right at the moment, have those figures at my fingertips, but I think the Senator is in error. For example, very large loans have been made to India, which is a country that does not receive either military assistance or defense support; there are several other countries which do not receive military assistance or defense support.

Mr. ELLENDER. The Senator is correct. India does not receive defense support. Nations do not receive defense support unless they receive military aid, but the point I desire to impress upon the Senator——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. The point I desire to make is that it is apparent to me our grant program is not being reduced in proportion to the amount of loans made. If the Senator will look at the figures—and I must apologize that I cannot put these figures in the CONGRESSIONAL RECORD for all the people of this country to see, since it has all been classified "secret"—he will find that the major portion of Development Loan Fund loans are being made to countries that have already received bountifully from us in the past through direct grant assistance. It alarms me that there seems to be no effort to reduce the amount of grant assistance, or defense support, or whatever fancy name the administrators of this program choose to call it at this time in proportion to loans being extended.

I asked the question a moment ago as to whether or not there was any specific language in the bill that would bring about this balance—that is, reduce the total of defense support and other kinds of grant aid, as more loans are made. Does the Senator refer to the language in chapter 401(c)?

Mr. FULBRIGHT. That is correct.

Mr. ELLENDER. I quote:

(c) The President shall include in his recommendations to the Congress for the fiscal year 1961 programs under this act a specific plan for each country receiving bilateral grant assistance in the categories of defense support or special assistance whereby, wherever practicable, such grant assistance shall be progressively reduced and terminated.

Mr. FULBRIGHT. That is correct.

Mr. ELLENDER. Is this the only language?

Mr. FULBRIGHT. That is the specific language directed at the point. I would say in general the legislative history and the emphasis upon the Development Loan Fund is directed for that purpose.

Mr. ELLENDER. Well, as I read that paragraph, it simply means that the President will present plans to bring about a certain result, but there is nothing in the bill which would require, once the plans are made, that they be put into effect in order to achieve that result.

Mr. FULBRIGHT. That is correct.

Mr. ELLENDER. Then the President, wherever he thinks this can be done, why, he tells Congress.

Mr. FULBRIGHT. Does the Senator wish to do it, even if it endangers the security of this country? Is it his de-

sire that we stop any assistance in those areas where, generally speaking, this administration and the previous one have considered the situation very dangerous to the continued security of the free world, specifically Southeast Asia, Taiwan, Korea, Turkey, for example? If it is not practicable, if it means the loss of those areas to cut out aid, would the Senator wish then to stop it?

Mr. ELLENDER. No, my point is this—we are being told that as we step up our loan program we will be able to reduce the grant assistance we are extending. But this contention is not borne out by the facts. That is what I am taking about. I am for a loan program. I always have been. But I do not favor a loan program if it does not bring an end to grant aid. I cannot support a growing loan effort and an accompanying increase in grant aid, as well. As loans increase, grant aid should be reduced.

Mr. FULBRIGHT. Well, the Senator did not give much support to the loan proposal of the committee.

Mr. ELLENDER. I admit I did not follow my good friend from Arkansas on his 5-year direct-borrowing loan program for the Development Loan Fund, and I am proud of that fact. Originally, the Marshall plan envisioned the extending of loans to help rebuild war-torn Europe, but our administrators thought such a plan too slow. So they started making grants, an approach diametrically opposed to the proposal outlined by General Marshall back in 1947.

Mr. FULBRIGHT. I can only say that the rate of repayment of Marshall plan loans is quite good. If the Senator wishes to go into it, it is a rather lengthy matter and I am not prepared at the moment on that subject, but I have at different times looked into that and these countries are paying quite satisfactorily relative to their resources. They have now gotten back on their feet, and many of them are making real contributions to the strength of the free world, which was the objective of the plan in the first place.

Mr. ELLENDER. May I say to my good friend, with all due respect, that the Marshall plan was supposed to be based entirely on loans, not grants, and it was only a year or a year and a half after the Marshall plan was put on the statute books that the emphasis in the program shifted from loans to grants.

Mr. FULBRIGHT. I think we have to go back and examine the debates of that period. Some grants were not contemplated in the original Marshall plan program, because certainly Europe was in a very weak and dangerous condition economically at that time.

Mr. President, if I may finish and conclude my remarks:

Beyond the amounts authorized to be appropriated by this bill—over the long term, I think even more important than the amounts—are a group of provisions which, taken collectively, will do much to reshape the nature and management of the mutual security program. These include:

First. An open-ended authorization for military assistance for the two fiscal years 1961 and 1962. This is in lieu of the Senate's continuing authorization. It means that for fiscal 1961 and 1962, the administration can, if it wishes, include requests for military assistance in the regular Department of Defense appropriation bill, but for fiscal 1963, it will have to come back for a further authorization. In the meantime, we can see how the new system works. I might add, also, Mr. President, that in the meantime the Foreign Relations Committee intends to continue to give its attention to the policy issues involved in the military assistance program and to the content and emphasis of that program.

Second. The conferees retained virtually intact the Senate provisions strengthening the control of the Secretary of State over the entire program and requiring specific plans next year for the progressive reduction and termination of grant defense support and special assistance.

Third. The Senate conferees agreed to a slightly modified version of the House provision creating an Inspector General and Comptroller with broad supervisory powers over the fiscal and budgetary management of the program. This will, it is hoped, greatly improve the program's administration.

Taken together, these and other provisions of the act clearly point to a program in which the foreign policy aspects are given greater weight, in which military assistance is related more directly to our own defense expenditures, in which the emphasis is shifted from military to economic activities and, within the economic sphere, from grants to loans. This is a considerable accomplishment for a single piece of legislation, and it will, I think, make the mutual security program a more effective tool of U.S. foreign policy.

Mr. President, I ask for approval of the conference report.

I ask unanimous consent that there be printed in the RECORD at this point a statement entitled "Conference Committee Action on the Mutual Security Act of 1959."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

CONFERENCE COMMITTEE ACTION ON THE MUTUAL SECURITY ACT OF 1959

Statement of policy: The concepts embodied in the statement of policy in the Senate bill remain essentially unchanged. In addition, the conference agreement contains a provision from the House bill expressing the sense of Congress that "peace in the world increasingly depends on wider recognition, both in principle and practice, of the dignity and interdependence of men; and that the survival of free institutions in the United States can best be assured in a worldwide atmosphere of expanded freedom."

Military assistance to Latin America: The Senate bill limited such assistance in fiscal 1960 to $65 million. The conference agreement limits it to the level of fiscal 1959—i.e., approximately $67 million. The Senate bill ruled out internal security as the basis for military assistance to Latin America. The conference agreement rules it out "unless the President determines otherwise."

Use of counterpart loan repayments: The conference agreement includes a House provision that repayments of loans made from counterpart funds owned by foreign countries may be reused only for such purposes as are mutually agreed to by the United States and the country concerned. This requirement applies only to countries still receiving assistance.

Development Loan Fund guarantees: A House provision, retained in conference, requires the Development Loan Fund to maintain a fractional reserve of at least 50 percent against its contractual liability under guarantees, and limits its total contractual liability to $100 million.

U.N. technical assistance: The Senate bill had provided for a reduction, beginning next year, from 40 to 39 percent in the U.S. contribution to the United Nations technical assistance program and special fund. At the same time, the Senate had broadened the base on which the percentage was calculated. The House conferees were adamant on the question of the percentage and the Senate receded. It is the understanding of the conferees that assessed and audited local costs of the program can be taken into account in computing the U.S. contribution without further specific statutory authority.

Schools, libraries, and hospitals abroad: The Senate had raised from $10 million to $20 million the cumulative amount of special assistance funds which can be used for aid to American-sponsored schools and libraries abroad. The House had left the figure at $10 million, but had added, as a further authorized purpose, aid to American-sponsored hospitals abroad. The conferees agreed to the $20 million figure and provided that aid to American-sponsored hospitals should come from U.S.-owned foreign currencies, without regard to the provisions of the Battle Act. This waiver is necessary in order to make possible assistance for a children's hospital in Poland, a project which the conferees are agreed deserves support.

Surplus agricultural commodities: The Senate bill contained a provision, not in the House bill, designed to make surplus agricultural commodities available for domestic relief purposes in the United States despite possibilities that might exist of sales for foreign currencies. This provision is retained in conference with a single change. Where the Senate bill had provided that such commodities "shall be made available" for domestic purposes, the conference agreement provides that they "may be made available." This change is of no great significance. It merely authorizes, instead of requires, the executive branch to do what ought to be done. The committee expects the authority to be used.

Palestine refugees: The Senate bill had left unchanged the existing law which earmarks 15 percent of the funds appropriated for Palestine refugees for repatriation or resettlement. The House had deleted this requirement. The conferees compromised on an earmarking of 10 percent. I take this occasion, Mr. President, to reiterate the deep concern of the conferees that some progress be made toward the solution of this problem.

President's special education and training fund: The Senate bill had earmarked military assistance funds to the extent of $10 million a year for 5 years for financing educational activities of citizens of underdeveloped countries in the United States and for training people of underdeveloped countries in skills which will contribute to economic development. This provision remains in the conference agreement, but the activity is to be financed from any funds appropriated pursuant to the act instead of solely from military assistance funds.

Investment guarantees: The Senate bill had a provision limiting the scope of the investment guarantee program to projects contributing to "the development of the economic resources and productive capacities of economically underdeveloped areas." This remains in the conference agreement, but it is not to apply to guarantees issued before January 1, 1960, on the basis of applications submitted before July 1, 1959.

Termination of assistance: Both the House and Senate bills contained slightly differing provisions designed to terminate assistance, under certain conditions, to countries expropriating American property. The compromise section agreed to by the conferees applies, as did the Senate version, only to future cases, and provides that assistance shall be suspended when the President determines that the nation in question has failed to take appropriate steps under international law within 6 months of the expropriation. It also authorizes the President to continue assistance if he determines that suspension would be inconsistent with the national interest.

Mutual security loan repayments: Both the Senate and the House versions of the bill had dealt with the disposition of repayments of mutual security and prior loans made under section 505 of the act. There were two points of difference. One concerned foreign currencies which are received in repayment of such loans and which are excess to the requirements of the United States for the payment of its obligations abroad. The Senate bill provided that these excess currencies should be credited to the Development Loan Fund. The House bill limited such crediting to "amounts as may be specified from time to time in appropriation acts." The Senate conferees yielded on this point, and the House conferees yielded on the other point, which was a provision in the Senate bill protecting the availability of foreign currencies for the exchange of persons program.

Construction contracts: The Senate conferees agreed to a modification of a House provision requiring that, to the maximum extent practicable, contracts for construction outside the United States, except those under the Development Loan Fund, shall be made on a competitive basis.

ICA personnel: The House had authorized an increase of five supergrades in the program and provided a salary of $20,000 a year for the deputy administrator of ICA. The Senate had authorized an increase of 15 supergrades and made no provision regarding the deputy administrator. The conferees agreed on 10 supergrades and on the House provision for the deputy administrator.

ICA automobiles: The Senate bill increased from $3,300 to $3,800 the price which could be paid for automobiles for ICA chiefs of mission abroad. The House bill left the ceiling at $3,300, and the conferees agreed on a ceiling of $3,500.

Center for Cultural and Technical Interchange Between East and West: This chapter of the Senate bill is retained in the conference agreement with a technical amendment which is of no substantive significance.

Defense Base Act: The House bill amended the Defense Base Act to insure its applicability to mutual security-financed contracts entered into before June 30, 1958, but not yet completed. This would provide uniform workmen's compensation coverage, and was agreed to by the Senate conferees.

Senate provisions deleted: The Senate bill had a provision authorizing the President to transfer up to 30 percent of military assistance funds to technical cooperation, special assistance, and certain other economic programs. The House conferees were adamant on this point, and the Senate yielded reluctantly. The conferees were agreed, however, that the President should make whatever use is necessary of his existing transfer authority so as to meet the rapidly increasing danger presented by the trade and economic assistance programs of the Soviet bloc.

Regretfully and reluctantly, the Senate conferees were forced to yield on the Senate provision authorizing use of foreign currencies to finance foreign study by language teachers.

EXHIBIT 2

Mutual security authorization, fiscal year 1960

	Administration request	House bill	Senate bill	Conference report
Military assistance	$1,600,000,000	$1,440,000,000	$1,300,000,000	$1,400,000,000
Defense support	835,000,000	750,000,000	751,500,000	751,000,000
Development Loan Fund	700,000,000	700,000,000	[1] 750,000,000	[2] 700,000,000
Bilateral technical cooperation	179,500,000	179,500,000	179,500,000	179,500,000
U.N. technical assistance	30,000,000	30,000,000	30,000,000	30,000,000
OAS technical assistance	1,500,000	1,500,000	1,500,000	1,500,000
Special assistance	271,800,000	250,000,000	244,620,000	247,500,000
U.N. High Commissioner for Refugees	1,100,000	1,100,000	1,100,000	1,100,000
Escapees	5,200,000	5,200,000	5,200,000	5,200,000
U.N. Children's Fund	12,000,000	12,000,000	12,000,000	12,000,000
Palestine refugees	25,000,000	25,000,000	25,000,000	25,000,000
Ocean freight	2,300,000	2,300,000	2,300,000	2,300,000
International Cooperation Administration	39,500,000	39,500,000	39,500,000	39,500,000
Atoms for peace	6,500,000	6,500,000	6,500,000	6,500,000
Contingency fund	200,000,000	100,000,000	180,000,000	[3] 155,000,000
Machine tools for small business			2,500,000	[3]
International health activities			2,000,000	[3]
NATO Parliamentarians' Conference			100,000	100,000
World Refugee Year			10,000,000	[3]
Total	3,909,400,000	3,542,600,000	3,543,320,000	3,556,200,000

[1] Plus $1,250,000,000 to be advanced in fiscal 1961.
[2] Plus $1,100,000,000 to be advanced in fiscal 1961.
[3] The items, machine tools for small business, international health activities, and World Refugee Year, for which separate authorizations were provided in the Senate bill, are authorized in the conference report to be funded, in the same amounts, from the contingency fund.

Mr. JOHNSON of Texas. I ask unanimous consent to yield 1 minute to the Senator from Kentucky.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I yield the remaining minute I have.

Mr. COOPER. I invite the attention of the Senator from Arkansas to section 205(c), an amendment offered by the senior Senator from Minnesota [Mr. HUMPHREY], adopted by the Senate, and retained by the Senate-House conference, which deals with provisions of the law regarding the disposal of surplus food. The Senator may remember that the Department of Agriculture has contended that it could not make available to domestic recipients under its food distribution program surplus foods owned by the Department, if there were a possibility of selling that surplus food for foreign currency.

I understand that the purpose of the amendment is to make it clear that the Department of Agriculture can make available for our domestic relief program, and for the school lunch program, surplus food which it holds, without waiting for some sale for foreign currency.

Mr. FULBRIGHT. It is my belief, and that of the staff and the conferees, that the provision as finally adopted does provide the authority to do that. There was an administrative problem when the provision was mandatory. We were afraid that if it were made mandatory, the orderly administration of the program might be interrupted, if it became necessary to check every area in the United States before the foods could be made available for export. But it is very clear that under any reasonable, sensible administration, the foods will be made available to the domestic programs.

Mr. COOPER. I thank the Senator. I may say that thousands of families in Kentucky, especially eastern Kentucky, were without sufficient food and were hungry last winter. They will be hungry and cold next winter unless more is done. I have been urging the Secretary of Agriculture to make a wider variety of food available since last fall.

I think this provision, which is similar to one of the proposals in the bill I introduced on January 17, will make a wider variety of food available to the food distribution program, and will help provide a better diet to needy families in the United States.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HUMPHREY. I agree with the Senator's interpretation, not that my remarks are necessary, but because, as the sponsor of the amendment, I said at the time the amendment was offered that it was really the product of the Senator from Kentucky in his testimony before the Committee on Agriculture and Forestry. But since I was in the Senate at the time when this part of the bill was under consideration, I offered the amendment.

It is my interpretation of the amendment that the word "may" provides the Secretary with the authority to place on an equal basis the domestic recipients of surplus foods when those recipients are needy persons. In other words, before we export for soft currencies, the Secretary will have the authority to provide surplus foodstuffs to our own people in the United States.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the conference report.

The report was agreed to.

OPERATION OF MUTUAL AID PROGRAM IN VIETNAM

Mr. FULBRIGHT. Mr. President, there is one other item to which I should like to address myself for a moment or

two. It relates to a series of articles which are now beginning to be published in the Scripps-Howard press relating to the program of the ICA in Vietnam. The articles are being written by Mr. Albert M. Colegrove, of the Scripps-Howard press.

I sent them to the ICA and suggested that perhaps public hearings might be held on this matter to examine into it. I did that on July 20. On July 21 I received the following letter from Mr. Riddleberger. I think it would be most interesting if I read the letter, because this is an important matter. The letter, addressed to me, reads as follows:

INTERNATIONAL COOPERATION ADMINISTRATION,
Washington, D.C., July 21, 1959.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We appreciate your letter of July 20, referring to articles now appearing in the Washington Daily News and other Scripps-Howard newspapers attacking the mutual security program in Vietnam. We had requested a set of the articles from the Daily News but we were told we could not have them.

Apparently the series of articles is to be a complete and sweeping indictment of our entire aid program in Vietnam. The author apparently cannot find anything good to say about America's effort to help this 5-year-old country maintain its independence and achieve a measure of stability, except that we saved it from Communist takeover.

The mutual security program in Vietnam has been in recent weeks the subject of favorable comment by on-the-spot reporters from the New York Times, Newsweek magazine, and the Wall Street Journal; the and current issue of Business Week has an article which praises our efforts to help this newly developing nation. We believe these articles, more balanced in their treatment, will be of interest to your committee, also.

In view of the obvious sensationalism of Mr. Colegrove's sweeping charges, we welcome your suggestion that there be a full inquiry before your committee.

With every good wish,
Sincerely yours,
JAMES W. RIDDLEBERGER.

Mr. President, I also received today a letter from Miss Harriet Lubin, dated July 21. Miss Lubin lives in Washington and formerly was in Vietnam as an employee of the ICA. Miss Lubin wrote a very strong letter to the editor of the Washington Daily News and sent a copy of it to me. I shall read to the Senate the letter she wrote:

JULY 21, 1959.

The EDITOR,
Washington Daily News,
Washington, D.C.

DEAR SIR: I have now read two of Albert M. Colegrove's articles on Vietnam and you're darned right I'm angry. What I'm angry about is that here in the United States of America there should be a newspaper reporter and a newspaper so irresponsible as to print such a mass of distortions, inconsistencies, and outright lies. I have just come home from a tour of duty with the USOM in Vietnam, the office that administers the economic aid program. I was the statistician and economic analyst there, and it was my job to know about the things Colegrove is writing about. To me it is very easy to understand how he managed to collect so much wrong information. It's obvious he was never even inside the USOM; if he had been, he'd have known darned quickly, believe me, that it isn't air conditioned. Undoubtedly he got the information sitting at those French-style sidewalk cafes he talked about, drinking gin and tonic with a few malcontents and wise guys who, themselves, don't know what's going on there. Yes, there are some malcontents there—just as there are in every organization, whether Government or private, in or out of the United States.

The whole thing, the million dollars a day, the idea that we turn money over without keeping track of it, the fabulous allowances, the lush living, and particularly the idea that we couldn't criticize without fear of being fired—all a bunch of lies. Sure, some things were wrong—show me an organization any place where there aren't some things wrong—but we could and did criticize. In fact, I was one who criticized most because it is my nature to criticize. I criticized to my boss, to the Director of the USOM, and even to the Ambassador. I was not fired—in fact, they wanted me to come back for another tour. And, all I can say is, if I had been earning as much as Colegrove says we did, and living as high, I'd have gone back. If you want to know why I didn't, it's because I was one of the lucky few who didn't get amoebic dysentery or hepatitis and I didn't want to push my luck.

Since I do not work for ICA now, I feel free to write this letter. I shall write another one after the series is over, taking Colegrove's articles point by point and telling you what the facts are. But first, I challenge you to publish this one.

Yours truly,
Harriet Lubin,
Miss HARRIET LUBIN.

WASHINGTON, D.C.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LAUSCHE. Although the Senator from Arkansas has read Miss Lubin's letter, I understand he contemplates conducting a full investigation to determine all the facts as they pertain to the manner in which the mutual aid program is being administered in Vietnam.

Mr. FULBRIGHT. If they can be arranged, it is the intention of the chairman to have public hearings on this matter next week, if possible, beginning on Monday. A letter has been sent to Mr. Colegrove today.

As the Senator has heard, Mr. Riddleberger is, I believe, favorably disposed to the holding of such hearings. If the mechanics of the matter can be arranged satisfactorily, the hearings will begin on next Monday, or on Tuesday, or Wednesday, in accordance with whatever arrangements can be made.

Mr. LAUSCHE. The purpose of the committee will be to conduct hearings?

Mr. FULBRIGHT. Public hearings.

Mr. LAUSCHE. So as to ascertain from the testimony what the facts are?

Mr. FULBRIGHT. The Senator is correct.

Mr. LAUSCHE. And then to take such action as the facts warrant?

Mr. FULBRIGHT. The Senator is correct.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DIRKSEN. During the time when I served on the Committee on Appropriations, particularly on the Subcommittee on Foreign Aid Appropriations, one of the witnesses who invariably came before us was Mr. Leonard J. Saccio, who is at present Deputy Director of the International Cooperation Administration. I discovered Mr. Saccio to be one of the ablest persons who ever came into the Government. He stood up like a man and had the answers in every case.

I talked to Mr. Saccio today about these articles. He is very properly furious about them. The officials of the ICA are ready to appear and make their case in the open.

But the tragedy is that these charges are such that the truth never quite catches up with them. It is a tragedy that the ICA from time to time has to take these charges, which are made in different sections of the country, set forth the facts, and publish them in a document; but even then the truth never catches up. It is simply too bad that there is so much carelessness in this field.

Mr. FULBRIGHT. The Senator from Illinois is quite correct. I think the best thing we could do is, quickly as possible to afford the ICA a public forum where each side can have its say.

Mr. DIRKSEN. Right.

Mr. FULBRIGHT. So far as it is within my power to do so, I intend to do just that. I think the Senator is quite right. I have the feeling, although this is simply my judgment, that the success of "The Ugly American" has proved to be an inspiration to others who think they can make a reputation, in some way, out of similar accusations, or even more extreme accusations. These particular articles, as I have read them, although I do not want to prejudge them, are certainly sensational in their accusations.

Mr. DIRKSEN. I applaud the chairman of the Committee on Foreign Relations for his intention to have early hearings and a complete ventilation of the matter.

Mr. FULBRIGHT. I thank the Senator from Illinois.

Mr. President, there is one other item which, I think, bears on this subject. It was written in 1956, not too long ago, and certainly during the period which these articles purport to cover.

The distinguished chairman emeritus of the Committee on Foreign Relations, the distinguished senior Senator from Rhode Island [Mr. GREEN], made an on-the-spot visit to Vietnam and submitted a report. I shall read a few sentences from the Senator's report, which appears at page 540 of the final report of the Subcommittee on Technical Assistance Programs in the 85th Congress, 1st session. This is about Vietnam:

C. VIETNAM

The most impressive thing about Vietnam is that it exists.

Rarely if ever in history has a state come into being amid such inauspicious circumstances: Arbitrarily split in two at the end of a bitter 8-year war; suddenly given independence after a period of colonialism during which the colonial power made no effort at all to train civil servants or to prepare the people for self-government in other ways; faced with an influx of 800,000 refugees from the north; confronted with open rebellion on the part of pirates and bandits masquerading as religious sects; threatened by Communist infiltration and subversion; and, withal, launched upon its career as a member of the family of nations with virtually no economic resources.

Yet despite these handicaps, Vietnam not only exists but it gives promise of continuing to exist. A measure of political stability has been brought to the country, and the government of President Ngo Dinh Diem is demonstrating really admirable and remarkable courage in facing problems which would cause lesser men to throw up their hands in despair.

U.S. military and economic assistance and U.S. political support have played a vital part. The need has been so vast and so urgent that it is not surprising that many programs have been instituted on a crash basis with inadequate planning. Other programs, once started, had to be abandoned because of unexpected shifts in the military situation. It would indeed be a carping critic who would find fault with the dimes which have been wasted when the dollars have accomplished so much.

The technical assistance program, as such, is of very recent origin in Vietnam, although the Vietnamese have been receiving technical assistance from other appropriations for several years. In fiscal 1955, $7,200,000 in defense-support funds were expended for this purpose in a wide variety of fields. The administration presentation to Congress for fiscal 1956 contemplated a $7.5 million technical cooperation program for the three states of Vietnam, Laos, and Cambodia, but as of late September no country allocations of this fund had been made.

The present is an appropriate time, perhaps, to reappraise the technical assistance program in Vietnam and to redirect it into basic long-range projects which will make a lasting contribution to the country's economy.

Among the projects which appear particularly meritorious are those for introducing the remarkable tilapia fish (which can be raised in rice paddies and which will greatly improve the Vietnamese diet), trachoma control and malaria control (emphasizing prevention as well as cure), and nurses training.

Among projects for which the justification is obscure are contributions to a fine-arts school, to a radio and electricity school, and to a marine navigation school. Most of the graduates of these last two schools cannot find jobs in the Vietnamese economy, and the question arises as to why such people should be trained in all three schools when other needs are more pressing.

Mr. President, I conclude by observing that here again is evidence that if the program for the assistance and development of what remains of the free world is to be successful, it must be placed on a long-term basis, with adequate opportunity for planning for the development of these areas of the world.

I regret that the Senate itself deleted from the bill, as reported by its committee, the provision which would have made planning possible in these various areas.

Mr. President——

The PRESIDING OFFICER (Mr. HART in the chair). The Senator from Arkansas.

ELIMINATION OF BRUSH AND SCRUB TIMBER

Mr. FULBRIGHT. Mr. President, millions of acres in Arkansas are furnishing little, if any, return on the landowners' investment. This land is blighted by brush—scrub timber which is so thick that neither native grasses nor merchantable timber has a chance to grow. The Forest Service estimates that over 60 percent of the forest lands in north Arkansas are afflicted with this condition. Similar conditions exist in many other States. So long as this land remains in nonproductive use, the economy of the affected areas will be retarded. This is a luxury which we in Arkansas cannot afford.

I may say that vast areas in many other States of the Nation are similarly afflicted; and the program of research which I have urged the Department of Agriculture to pursue by means of the use of larger amounts of funds and greater efforts, will be beneficial to practically every State of the Union.

In recent years, small-scale efforts have been made to return this brushland to profitable use. One promising development is the conversion of the land to native grasses for grazing cattle. Many farmers and ranchers have found that aerial chemical spraying to kill the brush enables the native range grasses to grow and multiply, thus substantially increasing the grazing potential of the land. Results through aerial spraying have generally been excellent, with about a 75-percent kill within a period of 18 months. Subsequent spot spraying can bring about an almost 100-percent brush kill. I have been told that this type of chemical application will raise the animal carrying capacity of pastures by as much as 400 percent—at a cost for spraying of only $8 an acre. The experimentation which has already been carried out by individual landowners proves that there is a tremendous potential for boosting cattle production by controlling this obnoxious scrub timber.

Another possible use for brushland is in the shortleaf pines. Preliminary studies indicate that many soil types in the Ozarks and surrounding areas would support commercial pine production if brush competition were eliminated. With the increasing demands for wood products in the Nation, we cannot afford to neglect this promising source for increasing our timber inventories.

The brush elimination problem is not as simple as it may sound. The potentials of brush control have brought out many problems. Little is known about the effects of removing brush on soil conservation costs and returns for conversions on various soil types, effects on wildlife, and many other important questions. A research project designed to supply the answers to these questions has been proposed as a cooperative arrangement between the Forest Service and the University of Arkansas. This is a much needed project; and I have urged the Secretary of Agriculture to include it in the Department of Agriculture program for the next fiscal year.

I ask unanimous consent that my letter to the Secretary of Agriculture and the reply from Mr. True Morse be printed in the body of the RECORD, following by remarks.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, a subsidiary question of the overall brush control problem is whether chemical spraying to kill brush should be included in the cost-sharing practices covered by the agricultural conservation program. This type of work is included in the national program, and many States have also included it in their programs. The Arkansas ASC committee has approved cost sharing for brush control on only an experimental basis in two areas, including my home county. I hope the committee will give further consideration to trying out the practice in other locations, since the results thus far have been so promising. I understand the committee's reluctance to approve this as a general statewide practice, in view of the many unknown factors involved. The research project I mentioned earlier is vitally needed in order to supply the missing information.

I also wish to call attention to an excellent article by Mr. Leland DuVall, published in the Arkansas Gazette of July 18, in which he discusses clearly and intelligently the brush-control problem. I ask unanimous consent that the article be printed in the body of the RECORD, following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHEMICAL CONTROL OF BRUSH STUDIED

(By Leland DuVall)

More persons are becoming aware of the fact that much of the land resources in Arkansas is idle. This is true particularly of northwest Arkansas but it applies to other sections of the State, too.

Large areas that formerly supported farm families are abandoned. Some land is being used half-heartedly as pastures but the grasses and legumes have to compete with weeds and persimmon bushes. It is an unequal battle and the grasses and legumes usually lose. This, in turn, means that the cattle become thinner and the farmer needs more acres to support an animal unit.

One group, representing a cross section of many jobs and professions, believes it has found a way to tip the scales in favor of the grasses at a cost that will leave room for profits. The answer is the use of chemicals for the control of brush and weeds. These chemicals are selective killers, which means they do not damage the grasses and are harmless to cattle.

NORTH AREA EXAMPLE

It has been estimated that 3,500,000 acres in north Arkansas, or about 60 percent of the forest land in that area, are producing low returns or no income at all because of the brush and weed infestation. Supporters of the chemical control method of reclaiming the land believe they have proof that the program will work and that it will show a profit.

Backing their theory are these facts:

About 100,000 acres of land in Arkansas have been sprayed to (1) kill the hardwoods to release the pines for more rapid growth or (2) kill scrub timber, bushes, and weeds to permit native grasses to produce a pasture. This has, in effect, set up demonstration plots in many parts of the State.

The Agricultural Stabilization and Conservation Committee has approved experimental work in Franklin and Logan Counties, on the Six-Mile Creek Watershed project, and in Washington County.

Although the ASC still has an open mind on the matter, supporters of the plan say these projects are proving successful.

OTHER STATES TRYING IT

The program is in full swing in many other States. The California State Chamber of Commerce has issued a report on work done in the State, indicating that the use of chemicals could trim considerably the annual loss of $300 million to $400 million.

Oklahoma has 175,000 acres approved for cost sharing last year under the agricultural conservation program and this year more than 20,000 acres are expected to be treated with the Government sharing part of the expenses.

Supporters of the program say this evidence is enough to give the green light to an Arkansas program.

Hurlon Ray, range management specialist with the Soil Conservation Service, is one of the veterans in the battle for more recognition of the use of chemicals in the control of brush and weeds.

The University of Arkansas, which considered the program a long time before accepting it, now offers degrees in range management.

FEDERAL TIE SOUGHT

The movement recently picked up powerful support when Senator J. WILLIAM FULBRIGHT asked Agriculture Secretary Ezra Taft Benson to team with Arkansas in sponsoring a program of continued and expanded research aimed at finding the best way to reclaim the idle land in the State.

The Internal Revenue Service ruled early this year that expenditures for clearing brush from productive land represent "ordinary and necessary expenses" and are deductible for tax purposes under section 162 of the Tax Code.

This ruling may help tip the scales in favor of brush control in some cases where the owner was not convinced that the project could be undertaken profitably.

APPLICATION METHODS

There are several methods of application. The fastest way, of course, is the use of a plane to spray the chemicals over the areas to be cleared. On smaller operations, the work can be done with spray rigs mounted on tractors or trailers. Some persons even use hand sprays.

Dr. Lyle O. Hill, president of the Reasor-Hill Corp. of Jacksonville, said the cost of the initial treatment on hill land would be about $8 an acre. He said it would be necessary to make "maintenance" applications after the first kill in order to prevent regrowth of undesirable weeds or brush. The annual cost of these treatments was estimated at $1.40 an acre.

Although the program has not advanced far enough to provide accurate figures, some persons believe that after a few treatments the landowner would be able to confine his applications to the "hot spots" where undesirable weeds or bushes showed signs of a comeback.

MAY BE ACTION JULY 29

The Arkansas Planning Committee, which makes recommendations on the program each year, will meet July 29 at Little Rock and there is a good chance that the subject will be discussed. Since this is only an advisory group, the final decision will be made by the ASC committee. The committee's ruling will be included in the 1960 Handbook.

Supporters of the chemical brush control program would settle for a cost-sharing program in which the Government offered assistance to farmers who wanted to clear their brush land. On the other side of the fence, the hope is that the decision will be postponed until more is known about chemical brush control and until Arkansas gets more funds for the total farm program.

OTHER ARGUMENTS

There is some argument, of course, to the effect that the clearing and use of land now idle at a time when agricultural production is producing surpluses would be uneconomical. This group says the ASC could spend the available funds on cost-sharing projects designed to drain flooded land that is potentially far more productive than the hill land now covered by brush.

Another argument against the widespread use of sprays to kill brush and weeds on hill land mentions the danger of touching off a new cycle of soil erosion. Much of the idle land went out of production because the topsoil washed away as a result of row cropping. The opposition group says more research is needed in order to avoid the possibility that this might happen again.

Senator FULBRIGHT's suggestion was offered as a means of avoiding this danger, since it proposed additional research.

The argument has been underway for some time and the July 29 meeting is expected to show which side is gaining ground at the administrative level. But many farmers are going ahead with the program on their own initiative. Perhaps their findings will be considered as the basis for future work in the field.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
June 30, 1959.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: For many years I have been interested in finding some way to improve the productivity and usefulness of the millions of acres of brushland in the Ozarks region.

These lands are too rough or unproductive for farming or growth of tame pastures. The dense growth of stunted hardwoods on this land prevents the owner from receiving a fair return on his investment. Approximately 3½ million acres—nearly 60 percent—of the present acreage of forest land in north Arkansas is afflicted by this type of growth. This of course greatly retards economic progress in this area. The brush conditions in north Arkansas are typical of those also existing in eastern Oklahoma and southwest Missouri. There is evidence that this brushland could be profitably converted to native grass rangeland or to shortleaf pine, thus putting it to a productive use.

Small scale efforts have been made in the last few years to attack this problem. The Soil Conservation Service has actively promoted range conservation practices in Arkansas and the results have been extremely promising. The University of Arkansas has, in cooperation with the Southern Forest Experiment Station, been engaged in research in this field, to a very limited extent. Financial limitations necessitate that this research be restricted to a small aspect of the overall problem. A large scale research program is needed if the woodland resources of the Ozarks are to make a substantial contribution to the Ozarks economy.

It has just come to my attention that a project, designed to provide the needed information, has been proposed jointly by the Southern Forest Experiment Station and the University of Arkansas. Under this proposal the project would be established on a cooperative basis between the Forest Service and the University of Arkansas. Other agencies of the Department of Agriculture and the State of Arkansas would contribute their services as required. I understand that the estimated project costs will be approximately $100,000 annually, for a period of 6 years.

This project offers much promise of leading to improved land use in the Ozarks region, with a corresponding effect upon the local economies. There are millions of acres of land which could be improved and made into productive units if the needed scientific knowledge were available. The information developed through such a project would also be applicable to many other sections of the country with similar problems.

I urge that the Department give this proposal careful study. It is vital to the Ozarks region and I hope that funds will be included in the budget for the 1961 fiscal year to implement this project.

Sincerely yours,

J. W. FULBRIGHT.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 16, 1959.

Hon. J. W. FULBRIGHT,
U.S. Senate.

DEAR SENATOR FULBRIGHT: We agree with the views stated in your letter of June 30 regarding the importance of finding the most productive uses for the brushlands of the Ozark region. Many of these are in northern Arkansas and bear stands of low quality timber and brush. Some are probably in this condition because of past abuses. Others are on poor soils that may be incapable of high production of either grass or trees.

In recognition that these problems cannot be solved without sound basic information, the Forest Service's Southern Forest Experiment Station has entered into the cooperative agreement with the University of Arkansas which you mention. We have a modest study now underway aimed at finding out how low-quality timbered lands can be converted to grass and the effects of conversion on the soil and water values. We agree with you that studies of this kind are needed and that results should be helpful in determining the best land use in the Ozarks.

We will give careful consideration to this project with the Forest Service during preparation of the 1961 fiscal year budget. At this time, however, it is uncertain what the overall financial requirements for the fiscal year 1961 programs may be. We appreciate knowing of your interest in the Ozark problem.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMIC WAR

Mr. HARTKE. Mr. President, it has been said, "Take away the sword; states can be saved without it."

The Communists, Mr. President, have turned this saying around. They are saying "Take away the sword; states can be destroyed without it."

And how are they attempting to do this? By the destruction of the United States and the free world economically.

And do not be disillusioned—their campaign has started. We are in the midst of an economic warfare which we cannot afford to lose. Khrushchev himself has warned us that Russia will bury us—he has told us that Russia values trade least for economic reasons and most for political purposes.

In this competitive warfare the United States is in danger of losing its world

markets. In fact, foreign competition is not only taking our world markets, but also our domestic markets. American industry is now operating on a limited scale. Greater operating capacity is, of course, impossible unless a greater consumer demand generates fuller use of existing facilities.

Yet in attempting to help other parts of the world help themselves, we find ourselves frequently damaging our own economy. We have spent billions of dollars helping to reconstruct the economy of war-torn countries. We are now seeing these same countries manufacturing cheaper goods and endangering our domestic industries.

The security of the United States is essentially, Mr. President, the security of the free world. Damage the United States and its economy, and eventually the entire free world will suffer.

Soviet Russia is using trade as an instrument of its foreign policy—another instrument to help it subjugate the rest of the free world to communist tryanny, and in this fight it has no scruples. It does not give a second thought to disrupting world markets or world economic conditions so long as in the long run it can see success. And success to them can mean creating disunity among the free nations, depressing prices, and even, as it did in one European country, the use of its economic weapons to bring about the fall or subjugation of an unfriendly government.

We cannot, therefore, Mr. President, afford to wait for the fall of an atomic bomb—it may never come. While we are waiting, we may find our country being undermined by an economic bomb.

Because of the differences between the longrun interests of our country as a whole and the shortrun interests of certain producers, it is difficult to pursue a national trade policy which, while fulfilling the requirements of U.S. foreign policy, does not injure certain domestic producers.

And it is difficult to convince an individual being hurt by foreign competition that it may be wise to continue such imports. It is only logical for persons being hurt to seek the elimination of foreign competition.

Because the administration has failed to face this question squarely and courageously, we are now rattling along with a watered-down trade policy. It has been watered down so much that it is no longer recognizable as an instrument of economic foreign policy. In fact, Mr. President, our reciprocal trade program has become so unpopular that during the last Congress when it came up for renewal it became necessary for President Eisenhower to call out the first string team in an attempt to sell it to the American people.

Yet, in view of the Soviet international economic threat, it is important that the nations of the free world work together and be economically, as well as militarily, strong.

More than $5 billion a year has been spent in recent years by our Government for economic reconstruction, support, and development of countries throughout the world. Included in this figure are, of course, funds for military support of some of these countries. We have done this because our administrations have said it is in the longrun self-interest of the United States—and maybe it is.

But one sure fact is apparent. The Communist bloc is using foreign aid and foreign trade to win control of the underdeveloped and uncommitted countries of the world. And it is contended that in some cases their aid has been smaller and they have been more successful.

Being a monolithic state, the Soviet Union has no difficulty in carrying on foreign trade as a political weapon. Have the Russians not bought and sold products regardless of cost? Have they not wrecked price relationships, producers, and traders in foreign countries? And have they not turned imports and exports on and off solely for political reasons?

Does it not appear then that their foreign economic trade and aid policy has become more successful than ours?

Can we say that our foreign aid funds have, in all cases, been spent wisely and efficiently? Has it always been clear as to what we are trying to do? We have appropriated billions of dollars despite these doubts because we have felt that we cannot afford to gamble with our Nation's security. We have had in a sense some type of foreign aid policy. Some of it has no doubt been bad, some of it has been good. Some of it is beginning to haunt us.

Yet, with respect to foreign trade policy we are even less clear. In fact, we are approaching that point where it would be correct to say that we have no trade policy.

The American people have looked to the administration for leadership in this field and have found none. As in so many areas in recent times, such leadership, it appears, must come from elsewhere—from Congress.

It is time for Congress to face the facts. It no longer makes sense to compartmentalize our thinking as between foreign aid and foreign trade policy. We need a new approach that will combine the two into a single, comprehensive, meaningful economic foreign policy.

New thinking, a new program, and bold imaginative leadership will inspire confidence, not only among the American people but among free peoples everywhere.

Is our Reciprocal Trade Agreements Act little more than nothing? At best we are doing little more in the foreign trade field than standing still. Today tariff relations have ceased to have the meaning that they had when tariffs were the principal reliance of countries for regulating foreign commerce. Today, quotas and other forms of trade barriers are usually more important than tariffs.

In the underdeveloped countries, which, for the most part, are producers of raw materials, the assurance that they will be able to sell their products year after year, at prices that will yield adequate and regular returns, is more important than the removal of a few tariffs. International commodity agreements and understandings with respect to price and income stabilization between the producing and the large buying countries would be more effective, also, than much of the foreign aid that we are scattering throughout the world. Without intending to do so, we have succeeded in giving the impression that, failing to provide open markets, we are casting a few crumbs here and there in an effort to buy friends.

We should have learned, by now, that friends cannot be bought. We ought to know that the making of friendship among peoples of different races and nationalities includes a feeling of togetherness that comes from working with each other as equals.

Markets are more important than tariff agreements.

Free trade has become more and more difficult as the countries of the world have become industrialized. Today, countries with low wages have some of the most modern machinery available. Yet, wage levels in these countries are still substandard by any and all criteria. As American capital goes abroad, as it now promises to do in Europe because of the newly established European Common Market, there will be increasing competition between foreign-made and American-made goods, both in the American market and in other countries.

The problem which is confronting us is, how we can secure the advantages of multilateral trade without wrecking existing industries and investments?

The objective of our foreign aid programs is to raise the consumptive capacity and productivity of the countries receiving aid. A step forward would be the stimulation of trade with those countries which, receiving developmental aid from the United States, succeed in raising their levels of living.

The solution I suggest lies in a system of marketing agreements which will allow us to produce and sell, while stimulating trade with the rest of the free world and among all the nations on our side. This should assist other nations in developing their resources and their productive capacity. However, while doing this we must insist that the countries being assisted shall lift the standard of living of their citizens. New markets for the goods which they will produce must be found both in their country and in other countries. But it is sheer folly to develop these countries and then have them sending goods produced with our money back into our own domestic markets.

For instance, I have heard rumors that we are prepared to negotiate loans with certain countries in Africa for powerplants. These countries are rich with bauxite. More power developed with American capital will mean, in all probability, that new aluminum smeltering plants will open. This in turn may mean aluminum products being shipped into the United States or into our markets. And what have we to look forward to? A great industry will be damaged. We have a multimillion-dollar aluminum smeltering plant in Evansville, Ind., which has never opened because of situations similar to this.

Let us then, Mr. President, guard against this danger to our domestic economy. In granting foreign aid, let us arrive at an agreement with the recipient

country that their products, developed with aid money, will not be used to compete with our own markets. Let us help them to find new markets for the goods they manufacture. In the long run, this will benefit both the United States and its allies. In the specific case I just mentioned, this could mean aluminum could be marketed within these countries for housing, irrigation pipes, roofing, and other uses. After all, the yearly per capita consumption of aluminum in these countries is less than 1 pound, compared to 21 pounds in the United States.

This concept could be extended to take care of other commodities and products. I am sure that similar comparisons can be made. Most of the world goes to bed every evening in want of food and necessities. An effective, new American foreign trade policy could help lift these people from misery, could help improve their way of life. This in turn would help the United States.

I think that the concept I have tried to develop today could play an important role in a new foreign trade policy. There are thousands and thousands of untouched markets throughout the world—we must seek them out for ourselves and for our friends.

We cannot afford to postpone action. Effective action in this neglected field will accrue to our benefit and the benefit of the free world.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

The Senate resumed the consideration of the bill (S. 819) to amend certain provisions requiring affidavits of loyalty and allegiance.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that a time limitation, in the usual form in which it is prepared at the desk, be applied to the unfinished business, and I ask unanimous consent that there be a limitation of 2 hours on the Mundt amendment, 30 minutes on any other amendment, and 1 hour on the bill, to be equally divided; and I may say to the Senator from New York [Mr. JAVITS] I will yield some of that time to him if he needs it.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. MUNDT. Mr. President, those arrangements are satisfactory to me, so far as I am concerned, provided we can have a showing now to have a yea-and-nay vote on the Mundt amendment.

Mr. JOHNSON of Texas. Let us not do it at the point of a pistol. I will endeavor to have the yeas and nays ordered.

Mr. MUNDT. If I may have that assurance, I have no objection.

Mr. JOHNSON of Texas. The Senator has my assurance that I will attempt to do it.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the agreement is entered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective immediately during the further consideration of the bill (S. 819) to amend the National Defense Education Act of 1958 in order to repeal certain provisions requiring affidavits of loyalty and allegiance, debate on any amendment (except the amendment of Senator MUNDT of South Dakota, on which there shall be 2 hours debate), motion, of appeal, except a motion to lay on the table, shall be limited to one-half hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* that the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MUNDT. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. No amendment is pending. The Senator is advised that the yeas and nays may be requested on an amendment if the amendment is pending.

The Chair states that the debate is now under limitation of time.

The bill is open to amendment.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. KENNEDY. Mr. President, the issue before the Senate is the repeal of the provision for a loyalty oath and affidavit which is a part of the National Defense Education Act which passed the Senate a year ago. The provision for a loyalty oath and affidavit was placed in the National Defense Education Act during the last days of the Committee on Public Welfare's consideration of the bill, without any discussion. It was not mentioned in the report of the committee, either pro or con.

The bill came to the floor of the Senate, and there was no discussion of the provisions until the Senator from South Dakota extended the provisions to the loan section, instead of only to the grant section. In any case, the bill passed the Senate and the House without a careful judgment being made as to whether those provisions should be contained in the bill.

The special subcommittee considering education and health matters held hearings on whether the provision should be continued, and testimony was heard from Members of the Senate, Members of the House of Representatives, and leading educators that the provision should be repealed, that it was harmful to the relations between the Federal Government and the colleges, that it threw an unjustified cloud of suspicion over boys and girls who required money to complete their education. I think all the Members of the Senate who testified, including the Senator from South Dakota, felt the present language should be repealed.

The difference of opinion between us today is as to whether there should be a substitute, whether the language contained in the bill should be repealed and no substitute should be provided, or whether the substitute suggested by the Senator from South Dakota should be included in the proposed legislation.

I am strongly opposed to the language suggested by the Senator from South Dakota, though I am frank to say it would be preferable to keeping the language of this act as it is. Under the language proposed by the Senator from South Dakota anyone who applies for and receives money provided for in the act as a loan and who is a member of a subversive organization, contained on the list of the Attorney General, would be subject to a criminal penalty.

It would not be necessary for him, in other words, to sign the affidavit, nor would it be necessary for the college to give him an oath of loyalty. Any student could take the money, without paper work, but if he took the money and it was later determined that he had been a member of an organization which the Attorney General had placed on his list, he would be subject to a criminal penalty and a fine.

I say it is preferable to requiring colleges and universities to give an oath of loyalty to every boy or girl who applies for and receives a loan of money, and who may be hit economically. It will not be necessary for him to file an affidavit of loyalty, but he will be subject to a criminal penalty if it is later found that he was a member of an organization contained on the Attorney General's list.

The question is, Why is not that a fair compromise? Why should not a boy or a girl who may be a member of a Communist-front organization be subject to a possible criminal penalty if he or she applies for a loan to go to college, and receives the money?

I think the reason is that we do not apply it to other groups to whom the Federal Government makes funds available. We do not apply it to publishers who receive subsidies which enable them to send through the mails magazines which affect public opinion. We do not apply it to farmers who receive subsidies under various farm programs. We do not apply it to persons who own houses and who receive subsidies under Federal mortgage programs.

Why should we apply it to boys and girls who may need money to complete their education and who receive money from the Federal Government? Why should we subject them to this suspicion when we do not subject other people in our country to this kind of hazard?

I think it provides no greater safety for our national life. I do not believe there are many Communists who would apply for money from the Federal Gov-

ernment for this purpose. Perhaps 1, 2, 3, 4, 5, or 10 might do so. The question is, What will serve the national interest better? Will applying this requirement only to needy students serve it better, or will applying it to all members of the community serve it better?

I do not believe Congress would be in favor of applying the loyalty oath to all Americans who need Federal assistance. That being true, I do not think we should pick out the students and apply it to them. Therefore, I am hopeful the Senate will support the repeal of the provision for the loyalty oath, and affidavit, and I hope the Senate will reject the amendment offered by the Senator from South Dakota.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Georgia.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. KENNEDY. Mr. President, I yield myself such time as I may require.

Mr. RUSSELL. Mr. President, if I had written the National Defense Education Act of 1958 I do not think it would have ever occurred to me to have written this section into it. But it is now in the act. While I may be somewhat behind the times, for the life of me I cannot see any substantial reason why it should be repealed.

Exactly what is wrong with the loyalty oath? It has not been read yet. If the Members of the Senate will indulge me the time, under the conditions under which we are operating, I should like to read it:

> I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic.

For the life of me I do not see the hazard in this oath. The Senator has referred to the oath as a kind of hazard. I see no hazard in it. It seem to me the young people of this country should welcome the opportunity to take this oath. It seem to me they should feel they had some allegiance to the Government which was lending them the money to complete their education.

It is simply beyond my comprehension why it should be considered an insult or a hazard to ask that a pledge of allegiance be made. It seems to me we could make the same argument in favor of abolishing the pledge of allegiance to the flag of the United States.

We are rather old fashioned people in my part of the country. The children stand up in the schools—there is no law against it yet—and pledge allegiance to the flag of the United States, and to the Republic for which it stands, and so forth.

It seems to me that the loyalty oath and affidavit are of the same nature. The children even sing "America." They sing that they love their native country, they love its name, they love its rocks and rills, its woods and templed hills, and they even mean it when they sing, "My heart with rapture thrills."

It seems to me there may be something wrong with singing that song if there is anything wrong with affirming that one will bear true faith and allegiance to the United States of America and will support and defend the Constitution. It is simply beyond my comprehension why it should be considered reprehensible to pledge true faith and allegiance to the United States and to support and defend the Constitution.

I have stood in this Chamber six times and taken a stronger oath than that to defend the Constitution, and I said I did it without any mental reservation or purpose of evasion. I did not feel I was undergoing any hazard in doing so.

Mr. KENNEDY. May I answer the Senator's question?

Mr. RUSSELL. I felt each time that perhaps I was a little better citizen, by being permitted to swear my allegiance, and to say I would do the best I could in my humble way to support the Constitution of the United States.

I simply wonder wherein lies the hazard?

Mr. KENNEDY. I should be glad to state what is objectionable about the provision. The Senator has read the last part, or section 2 of the oath. I have no objection myself. As a matter of fact, the various academic groups who appeared before us do not object to that provision. I do not think there is any particular objection to the oath of allegiance, as the Senator read it, as being a part of the program. It is felt it is unnecessary, I think, by the various academic groups which appeared before the committee, such as the American Association of University Professors and the Association of American Colleges. Most of them were divided on one part of the provision. I think the part to which there is objection is the first part, which states:

> No part of any funds appropriated or otherwise made available for expenditure under authority of this act shall be used to make payments or loans to any individual unless such individual (1) has executed and filed with the Commissioner an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the U.S. Government by force or violence or by any illegal or unconstitutional methods.

I will say to the Senator that there are substantial groups in this country who do object to requiring students who are hard hit economically to file that kind of an affidavit.

We had before the committee the president of Bryn Mawr College, representing seven colleges which had rejected the money because they did not feel they wanted to subject their students to what they felt was this kind of discrimination.

As is shown on page 3 of the report, President A. Whitney Griswold, of Yale University, stated in a letter to the Honorable Arthur S. Flemming, the Secretary of the Department of Health, Education, and Welfare, his objection to the oath.

This opinion is shared by President Pusey, of Harvard University; President Goheen, of Princeton University; and President Harnwell, of the University of Pennsylvania, who came before our committee. The Reverend Michael P. Walsh, president of Boston College, spoke for the Association of American Colleges.

I must say to the Senator that there is substantial objection. I think it helps sour the atmosphere between the Government and the universities. I think cooperation between these units will have to be close in the future, and I do not think such an affidavit adds to the security of the United States. We do not ask numerous other groups that receive Federal subsidies to sign this kind of affidavit.

Mr. RUSSELL. This oath, or a similar oath, has always been more or less connected with our educational system. While I do not pretend to understand the workings of the minds of the great intellectuals who head our great educational institutions, it is rather remarkable to me that they come forward with such an objection at this date. Does not Harvard have an ROTC unit?

Mr. KENNEDY. Yes.

Mr. RUSSELL. And a naval ROTC unit?

Mr. KENNEDY. The Senator is correct.

Mr. RUSSELL. It so happens that the poor underprivileged young men—if there are any—in the Army, Navy, and Air Force ROTC units are required to take an oath which is very similar to the one I have read. There are, in the colleges of the country, 144,680 young men in Army ROTC's, 21,000 in Naval ROTC's, and about 88,000 in Air Force ROTC's. Many of those colleges are headed up by the same distinguished educators who are opposed to the oath in the college loan program. The young men in ROTC units are required, before they can draw their pay from the Federal Government and before they can get their uniforms, to take this oath:

> I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same—

So far that language is nearly identical with the oath the Senator seeks to repeal, and there is some additional language:

> and that I take this obligation freely and without mental reservation or purpose of evasion; so help me God.

That is a part of the oath taken by ROTC students. Those students even have to invoke the assistance of the Diety, which is not presupposed or recognized in the oath the Senator seeks to have repealed.

Do these intellectuals think the students in the ROTC program have gone beyond redemption because they have joined the ROTC? Is there no hope of saving them? And do they think they may save those others participating in

the loan program? Why do they differentiate between the two groups?

Mr. KENNEDY. I think it is quite obvious that the ROTC members are taking an oath of allegiance as officers of the United States Army or Navy. That is entirely different from a young boy or girl who is financially embarrassed, who must borrow money in order to complete his program. Should he or she be obliged to file an affidavit that he or she is not a member of the Communist Party before he or she can receive any funds? That is the issue.

Mr. RUSSELL. The Senator is seeking to repeal both of these oaths, including the one pledging allegiance to the Constitution.

Mr. KENNEDY. They are both a part of the same provision. However, if the Senator wishes to offer as a substitute a provision for the oath of allegiance, I do not think that is particularly objectionable, although I do not think it does any good. If boys and girls financially in need must take an oath of allegiance, why not have everyone in the land-grant colleges take an oath of allegiance?

Mr. RUSSELL. I have no objection to that.

Mr. KENNEDY. This is an entirely different class from the ROTC group.

Mr. RUSSELL. I do not believe they are at all different. The ROTC members are assisted by Federal funds, and appropriations made by the National Congress. The oath is not taken only by officers. It is taken by each applicant for enrollment in the basic courses of the ROTC. An applicant does not have to be an officer. If he is enrolled in the ROTC program he must take the oath, which is said to be so obnoxious.

The oath taken by Senators is found in rule II. It is substantially the same as the other oath:

I, RICHARD B. RUSSELL, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter; so help me God.

A Member of Congress must take that oath. He may not mean it. I have never felt any reflection on me because of the fact that I was required to take that oath. I cannot for the life of me see how anyone could consider it to be a reflection upon a young person, even if he is not seeking a loan, or even if the same requirement is applied to all those in the land grant colleges.

Mr. KENNEDY. Is the Senator referring to the filing of an affidavit?

Mr. JOHNSTON of South Carolina. Every employee of the Government must take an oath.

Mr. KENNEDY. Mr. President, I think the Senator from Georgia is talking about two different situations. He is talking about himself, holding a high office in the U.S. Senate; and he is also talking about a young man who may be a member of the ROTC, and who, therefore, holds an office under the Constitution of the United States.

Mr. RUSSELL. What office does he hold?

Mr. KENNEDY. He is an officer of the U.S. Army or Navy.

Mr. RUSSELL. No. This provision relates to applicants who wish to enter the ROTC.

Mr. KENNEDY. When an applicant joins the ROTC, he takes that oath.

There are other statutes which require the taking of an oath. The Senator has not exhausted the list of those who are obliged to take an oath or file an affidavit. Such an oath is required under the National Science Foundation Act, in connection with fellowships; under the Labor Management Relations Act, involving the right of labor organizations to conduct business before the National Labor Relations Board; under the Defense Department Appropriation Act of 1959, section 624, relating to ROTC students; under the Immigration and Nationality Act, section 337, involving the naturalization oath; under the Federal Civil Defense Act of 1950, section 403(b), involving non-Federal employees serving in State or local civil defense organizations; and Public Law 330, of the 84th Congress, which denies Federal employment to those not taking the oath.

A comparable oath is required in the several categories which I have mentioned. The filing of a comparable affidavit is also required. I do not put needy students in this category.

Mr. CLARK. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. KENNEDY. I yield.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Is the Senate operating under a unanimous-consent agreement.

The PRESIDING OFFICER. That is correct.

Mr. CLARK. Against whose time are the comments of the Senator from Georgia being charged?

The PRESIDING OFFICER. Against the time of the Senator from Massachusetts, who yielded for the purpose of answering questions by the Senator from Georgia.

Mr. CLARK. I suggest that opponents of the bill should use their own time.

Mr. RUSSELL. Mr. President, I thought the Senator from Massachusetts was in charge of his own time, and that he had the right to handle it as he saw fit. I appreciate his graciousness in yielding to me. It is not unusual for Senators to discuss matters in the time of another Senator.

Mr. KENNEDY. I was delighted to yield, because I thought the Senator from Georgia was helping to develop the issues. I hope he will continue if he has any further comments.

Mr. RUSSELL. Mr. President, I do not think it is entirely unlikely that a needy young American would be as patriotic as some of the theoretical intellectuals who have raised a great many objections, or perhaps, even more patriotic. The young people of the United States are sound at heart, and I do not think they would object to taking this oath. Did any young people come before the Senator's committee? The Senator says that quite a number of college presidents were heard. Did any college students appear before the Senator's committee and say that they objected to taking the oath?

Mr. KENNEDY. No; they did not.

Mr. RUSSELL. It seems to me that we ought not to do anything to encourage a cult in this country which would question the desirability of requiring an affirmation of faith and allegiance to the United States and to the Constitution. While I have the utmost respect for college presidents, so far as this issue is concerned, I shall never by my vote say that it is a reflection on an individual to take an oath of allegiance to his country.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. HOLLAND. I appreciate the courtesy of the Senator from Massachusetts.

It seems to me that there is one point which has not yet been raised, and I wonder if the Senator has overlooked it. The proposed amendment is to an act which does not propose to give general educational opportunities to anyone who comes, but instead, is called the National Defense Education Act of 1958. It is surrounded by all kinds of recitals and findings to the effect that it is in the interest of the defense and security of the Nation that certain classes of aptitudes and technical knowledge should be encouraged.

I invite attention to section 101 of the act, Public Law 85–864, 85th Congress. Section 101 reads in part as follows:

SEC. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

A little later in the same section, we find the following language:

The national interest requires, however, that the Federal Government give assistance to education for programs which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

I invite particular attention to the words "to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States."

I ask the distinguished Senator from Massachusetts if he does not feel that, with the purpose so carefully confined to the defense field as is this law, in the case of young people whose skills and capabilities are thought to lend themselves

to the service of our Nation in this important field, it would not be inappropriate, in furtherance of such an objective, and in seeking to train young people to help defend our Nation, to require them to declare their hostility to philosophies which are destructive of our Government, and to require them to take an oath of loyalty, which is in consonance with the oaths taken by others who are either in the Reserve components, the National Guard components, or various other security forces of our Nation?

Mr. KENNEDY. I have a different idea from that of the Senator from Florida. I suggest that he examine the printed hearings and the report, and read the statements of distinguished educators. Merely because they are opposed to this language, I do not automatically assume that their judgment must be completely unknowing. They have the most direct responsibility for educating our youth. Almost unanimously they, or their representatives from all the great colleges and universities, objected to the filing of the affidavit.

I think the effect is most serious. If the Senator from Florida does not agree, the thing for him to do is to vote against the bill. I think it is unfortunate to require young men and women who find it necessary to obtain a loan to get through college to file an affidavit that they are not members of the Communist Party, as well as take an oath of allegiance. I do not object to their taking the oath of allegiance. Nearly everyone does that at some time or other in his life. However, I do object to the requirement for the filing of an affidavit.

Mr. HOLLAND. Does the Senator regard this program as a part of the defense program of the United States, or does he not?

Mr. KENNEDY. I would regard this program as aiding the security of the United States.

Mr. HOLLAND. I thank the Senator.

Mr. KENNEDY. But I regard this amendment as not aiding the security of the United States.

Mr. JAVITS. I think the Senator in his last words has said exactly what needs to be said. He regards this oath as not aiding the security of the United States, and may I say this so that we have the RECORD clear. This is not the opinion of the Senator from Massachusetts, or the opinion of many college presidents who are academicians. This is the opinion of the Secretary of Health, Education, and Welfare.

The Secretary by letter of May 4, 1959, said, "I believe that the provisions should be repealed for the following reasons," and as one of the reasons he said:

> The inclusion of this requirement in the National Defense Education Act singles out educators and students for special treatment without making a contribution to national security.

He points out that he has full power to deny any benefit under the act to any student who is a member of any subversive organization or advocates the overthrow of the Government by force, but he says this provision prevents him from carrying out the intent of the act because there are meritorious young men who do not want to stand accused by implication of any such philosophy.

The Senator from Georgia asked if any young men appeared before the committee of the Senator from Massachusetts. I shall be glad to produce hundreds, and I think there may be thousands, of letters from young students and from professors who say this is an insult to their intelligence and to their Americanism, and they do not want the education at that price.

The Senator from Georgia may not necessarily feel that that is any reason why he should vote for this particular bill, but I think the bill has been properly reported to the Senate and is properly before the Senate, and I hope the Senate will act favorably on it.

Mr. LAUSCHE. The Senator from Massachusetts said that Father Walsh testified and that he represented the Association of American Colleges having as members 775 colleges.

I am now reading from page 31 of the testimony.

Is it not a fact that Father Walsh testified that the 775 colleges polled their votes and that the vote was so evenly divided on the matter of taking the loyalty oath, that they decided not to make any recommendation with respect to the loyalty oath? Is that correct?

Mr. KENNEDY. That is correct.

Mr. LAUSCHE. They did, however, go on record as opposing the provision which required an applicant to negative that he was a Communist. Is that correct?

Mr. KENNEDY. That is correct.

Mr. LAUSCHE. So that the American colleges have said: "We refuse to take a position on the present requirement that an applicant for aid shall swear that he stands by the Constitution and is prepared to support it." Is that correct?

Mr. KENNEDY. I would say to the Senator, as I hoped I indicated in the exchange with the Senator from Georgia, I do not think that the oath of allegiance as such is objectionable. If there was a substantial feeling in the Senate that it would be useful, it would be agreeable to me. What is really objectionable, as I think the testimony of Father Walsh brought out, is the affidavit.

Mr. LAUSCHE. The Senator from Georgia emphasized the fact that his argument was predicated upon the impropriety of suggesting that a boy who wants aid from the U.S. Government in order to obtain an education in matters related to defense should not be willing to take an oath, and I concur with the Senator from Georgia fully. Such a boy or young man should be glad and pleased and proud to take the oath.

Mr. KENNEDY. Is the Senator in favor of the affidavit?

Mr. LAUSCHE. I am not resolved on that point. The thing I might say is this, that the testimony obviously is to the effect that the disclaimer of communism in effect carries with it what we call in law a negative pregnant: Did you stop beating your wife? How can one answer that?

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. MUNDT. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The amendment will be stated for information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause, and insert in lieu thereof the following:

> That (a) section 1001(f) of the National Defense Education Act of 1958 is amended to read as follows:
>
> "(f) Whoever, being an individual who is or who within five years has been a member of any organization determined by the Attorney General in conformity with Executive Order 10450, dated April 27, 1953, to be a totalitarian, Fascist, Communist, or subversive organization, makes application for or receives any payment or loan under this Act, shall be fined not more than $1,000 or imprisoned not more than one year and one day, or both. The text of this subsection shall be set forth in full upon the face of each form adopted for the submission by any individual of any application under this act for any student payment or loan."
>
> (b) The amendment made by this Act shall be effective upon the first day of the third month beginning after the date of enactment of this Act.

Mr. MUNDT. Mr. President, I am not sure that I shall require all my time, but I do want the attention of the Senate.

The PRESIDING OFFICER. How much time does the Senator from South Dakota require?

Mr. MUNDT. I will initially yield myself 10 minutes.

I do wish to get the attention of the Senate, because this is one of those tricky little matters in which the Senate can get itself involved if we do not understand all the issues; and it could come back to plague us over and over and over again.

May I point out, first of all, there is nothing new in this kind of legislation. Strangely enough, the committee, at the behest of a group of professors who came in to testify, some 15 or 20 or 25 in number, desire to knock this particular oath out of the pending bill, whereas they leave it in the National Science Foundation provision exactly in the same form in which they seek to remove it here. Now, is that not strange? They say this is so unusual. What is unusual is that we are asked to walk down the hill only in the case of the National Defense Education Act, and retain for the ninth consecutive year the identical language, which can be found on page 1874 of the manual which is a part of the National Science Foundation Act.

The chairman of the committee said I did not appear before the committee to ask that the oath be kept in. That is correct. I had studied the hearings very carefully, and found that up to the date of my appearance, nobody had testified on the question other than witnesses opposed to the so-called loyalty oath. I did not believe we should eliminate the oath without developing some other protective mechanism. This great, unanimous chorus of college professors who assert this oath is a bad

thing to have in the National Defense Education Act, appears to believe it is perfectly all right to have it in the National Science Foundation Act. How inconsistent can we get?

Let us suppose that we follow the action of the committee, and suppose the great U.S. Senate, in a yea-and-nay vote, decides to eliminate the oath. I think we would be in a very serious position if by a yea-and-nay vote the Senate were to scuttle the only protective language we have in a bill which provides for the expenditure of $90 million a year under the National Defense Education Act, to select superior students for careful training to become significant fighters for freedom in the cause of national defense. We should not create this vacuum. If we eliminate the oath, we should evolve some other protective mechanism. This is what I propose in my amendment.

How many Senators actually in their hearts want to run the risk of permitting a single Communist or Fascist or subversive to participate in this $90 million training program to make this country increasingly secure. That is what could happen. It is what did happen in the atomic energy scholarship program in the case of Hans Freistat, before Congress enacted legislation setting up the kind of screening proposed here.

Rather than tilt at windmills with the college professors about the type of oath which they prefer and do not prefer, I have proposed an alternative approach. I am like the Senator from Georgia: I am proud to take this affirmation oath against communism. I am proud to take the oath which we take as Members of the Senate. I am proud that the U.S. Congress has enacted legislation—Public Law 330—which provides exactly the same kind of screening as my amendment provides for students, for all other Federal employees. We voted for that overwhelmingly.

I hope that those who are now trying to scuttle defense screening in this particular area will not say next week, if they succeed today, "Let us scuttle the rest of the defense shield in all other areas of Government activity."

Either we face a menace in communism which is real, and as to which we are dealing with a conspiratorial apparatus in this country, or we are an assemblage of nitwits, appropriating $50 billion for nothing in terms of the national defense.

If we are serious about this contest against communism, as I know we are, I believe Senators, especially Senators on the Democratic side of the aisle, which has the majority of votes, ought not to go on record as trying to take away the protection required for the internal security of the Nation.

The reason I did not say we should keep the oath in my committee testimony is that there is a more effective way to accomplish what is sought. There is a better and more effective way to do it. The pattern has been cut in Public Law 330. I simply seek to make applicable to the students who get aid under the bill the same identical clearance provisions as are provided for staff members in our offices and for all employees of Government, all of whom have to take an oath. These students, however, will not have to take any oath, if that is what they object to, affirmatively or in the nature of a disclaimer. I simply try to say in bold face print, on the application in which they seek the loan, that it is against the law for an individual to seek or secure funds under the National Defense Act if he is knowingly a member of one of the subversive organizations—totalitarian, Communist, Facist, or what not—listed by the Attorney General. The responsibility for good behavior is on the applicant; the responsibility for the enforcement of the law is upon the Government. If the applicant surreptitiously or stealthily is a member of some Communist family or Communist cell and gets the money, the Attorney General and the law enforcement officers have the right to seek to put him in jail for not to exceed 1 year and 1 day, and to have him fined $1,000.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. I yield myself 5 additional minutes.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. I have been impressed by the fact that the act from which the Senator has read, as to which the penalty which he suggests here applies, is aimed at the screening of adults, persons who have established some character as to the kind of associates they have and the kind of memberships they have in organizations; persons who have completed their education and who are being considered as officials or scientific employees in an important Government effort. Does not the Senator think that is an entirely different group, one which requires an entirely different kind of treatment from that which is included in the act in question in the debate, which applies to youths who are desirous of acquiring skills which will enable them later to serve their country, youths who desire a chance to serve their country, and who in all probability have never even thought of joining themselves, by membership or otherwise, this long list of subversive organizations?

Mr. MUNDT. I was impressed by the Senator's earlier colloquy with the distinguished Senator from Massachusetts [Mr. KENNEDY], in which he pointed out that this is not a general aid education act: this is a National Defense Education Act.

Suppose the Senate on a yea-and-nay vote were to repeal this oath? What would we have? We would have the young men and women in Senator's offices, as we have some in my own office, who do part time service in the office, and who go to college to get their education in Washington, taking the oath; but they would not have to take it if they were working in some secret, scientific laboratory under this act, receiving grants or loans for trying to develop support for the national defense. That would be inconsistent.

We have heard some of the endorsements from college professors.

Let me introduce some evidence in refutation. I have in my hand a telegram from the American Legion headquarters in Washington, D.C. I shall read it:

If Senate repeals oaths in the National Defense Education Act, American Legion strongly feels there should be some substitute language to insure that only persons having loyalty to the United States be permitted to participate in this program. In our opinion your proposed amendment with its punitive provisions offers such assurance and we are glad to support it. Have previously advised members of Senate Labor and Public Welfare Committee to the above effect.

MILES D. KENNEDY,
Director, National Legislative Commission, American Legion.

Mr. President, I bring into evidence also Omar B. Ketchum, director of the national legislative service, Veterans of Foreign Wars of the United States, Washington, D.C., in a letter dated May 14, 1959, to Senator JAMES E. MURRAY, chairman, Subcommittee on Education, Mr. Ketchum set forth the same sentiments:

This is to express the interest and concern of the Veterans of Foreign Wars of the United States with respect to S. 819 which would remove from the Defense Education Act of 1958 the provision for the signing of a loyalty oath before a person could benefit from said act.

In view of the fact that the Defense Education Act of 1958 contained the requirement for signing a loyalty oath would seem to indicate a strong sentiment in the Congress to make certain that the benefits of the act are not conferred upon anyone whose loyalty to the United States might be in question. It is, therefore, with some concern that our organization views the effort through S. 819 to remove this requirement without substituting some form of a safeguard.

If experience and the sentiment of Congress indicate that the requirement for signing a loyalty oath is unreasonable, intemperate, and not in the best interests of the act, may I suggest the possibility of a substitute provision which will, to a large extent, accomplish a similar purpose but without requiring the oath.

It is suggested that in lieu of the provision for the signing of a loyalty oath, a substitute provision be included in the Defense Education Act of 1958 which would deny benefits to any applicant who is a member of the Communist Party or a member of any organization listed by the U.S. Attorney General as subversive. Such a provision would protect, to some extent, the payment of Federal funds to applicants for benefits under the 1958 Defense Education Act who are identified as Communists or members of Communist-front organizations as determined by the Attorney General.

This suggested substitute follows a pattern or procedure which has been used by the Congress in the past as riders to appropriation acts to prevent the payment of Federal funds to persons who belong to subversive organizations and is, therefore, of questionable loyalty where the United States is concerned.

Respectfully yours,

OMAR B. KETCHUM,
Director, National Legislative Service, Veterans of Foreign Wars of the United States.
WASHINGTON, D.C.

Mr. President, the two most important veterans' organizations interested in

the defense of our country both support the substitute proposal if the oath of allegiance is to be eliminated.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. I think the Senator is mistaken in his conclusion, because the statement in the telegram he read from the American Legion was predicated entirely upon the condition that if the Senate sees fit to repeal the present provision of law, then they suggested the adoption of the amendment. With that I could agree.

It seems to me clearly preferable to keep the provision in the present law rather than to adopt an amendment which by its very terms cannot apply very directly to youngsters who have not yet had the chance to become members of the various organizations to which the Senator has referred.

Mr. MUNDT. I wish I could be as sanguine as is the Senator from Florida that youngsters have not had the opportunity to belong to subverisive organizations. As one who has come not too recently from a college campus, my experience has led me to believe that that is not always the case. Unfortunately, one of the targets of the Communist conspiracy in the United States is obviously American youth. In the main, American youth has been able to resist communism successfully.

On the other hand, the college campus is one place where the Communists operate to get their clutches on young, growing Americans. I think what we must keep in mind is that the Senate today is confronted with a serious situation. So far as my experience in the committee room is concerned—mine was the only voice raised from outside the committee, saying that we should not scuttle our defense mechanism—this proposal, in the form of a substitute, does not run cross current with what I believe is something of an educational fetish that there is something wrong about taking an oath of allegiance.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. I yield myself 5 additional minutes.

There seems to be a feeling among some college educators that the taking of an oath of allegiance is something undignified. I cannot understand that. I do not share such an attitude. But we need not argue about that at this point. We can safeguard the taxpayers' funds and our national security in this critical area of defense without going contrary to that particular objective or position of many college professors. We can still achieve the same objective by a different device.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. GORE. Are not the organizations on the Attorney General's list, referred to in the Senator's amendment, changed from time to time?

Mr. MUNDT. The terms of the Smith-Mundt Act, which is the one which established the Subversive Activities Control Board, require the establishment of procedures by which organizations can be removed from the list and others included.

Mr. GORE. Do I correctly understand the Senator's amendment to provide a penalty, not for membership in such an organization, but for the making of an application for the receipt of loans under the program?

Mr. MUNDT. By someone who is a member of such an organization.

Mr. GORE. It will be left to the Attorney General to determine and publish a list of such organizations?

Mr. MUNDT. That list has been determined. It is published regularly. It is available. It is a public list.

Mr. GORE. Under those circumstances, does the amendment of the Senator from South Dakota provide that an application for a student loan under this program thus constitutes a crime?

Mr. MUNDT. By someone who is a member of one of the subversive organizations which is seeking to overthrow the Government.

Mr. GORE. I must say that if I must choose between an affirmative oath of allegiance, on the one hand, and the statutory construction of a criminal offense under the circumstances which the Senator from South Dakota has stated to be the basis of his amendment, I shall choose the affirmative oath of allegiance. It seems to me that such an amendment is ill-conceived, and I cannot support it.

Mr. McGEE. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I am happy to yield.

Mr. McGEE. Does the Senator from South Dakota suggest that the academic community of the country would not have at the center of its concern loyalty to the United States and security for our Government and our people?

Mr. MUNDT. There is no such suggestion on my part.

Mr. McGEE. Then let me suggest, with all due respect to the Senator from South Dakota, that he and I are standing on the same ground—namely, his concern and my concern, as a former academic, is——

Mr. MUNDT. Mr. President, I deny that the concern of the Senator from Wyoming as a former academic is any greater than mine as a former academic.

Mr. McGEE. That is true; we are equally concerned.

Mr. MUNDT. That is correct.

Mr. McGEE. We want to inspire loyalty to the Nation. The difference is in the way by means of which we believe greater loyalty to the United States may be assured.

Because it has been referred to, I believe a word might well be spoken at this point in explanation of why the academic community has great concern——

Mr. MUNDT. Mr. President, I have yielded for a question; but obviously I do not have time to yield for a speech.

Mr. McGEE. Mr. President, if the Senator who is in control of the time in opposition to the amendment of the Senator from South Dakota will yield time to me later on, on this question, I shall appreciate it.

Mr. MUNDT. If it will be helpful, I shall be willing to desist at this time, and to permit the Senator from Wyoming to obtain time from the Senator from Massachusetts [Mr. KENNEDY]. In that event, I shall resume my remarks later on.

Mr. McGEE. I wonder whether the Senator from South Dakota will reciprocate the graciousness of the Senator from Massachusetts [Mr. KENNEDY] in yielding to the Senator from Georgia.

Mr. MUNDT. I am happy to yield for a question; but I do not have time to yield for a long statement.

Mr. McGEE. I only want this point clarified, in the interest of delineation of the issues involved.

The PRESIDING OFFICER. The additional 5 minutes yielded by the Senator from South Dakota [Mr. MUNDT] to himself have expired.

Mr. KENNEDY. Mr. President, let me state that I shall be glad to yield time to the Senator from Wyoming.

Mr. MUNDT. Certainly; and later on I shall resume.

Mr. JOHNSON of Texas. Mr. President, let me inquire whether the Senator from Massachusetts is in control of the time in opposition to the pending amendment.

Mr. KENNEDY. No, Mr. President; the time in opposition to the amendment is under the control of the majority leader.

Mr. JOHNSON of Texas. Mr. President, I should like to state that 2 hours are available on the pending amendment. I understand that the Senator from Georgia [Mr. RUSSELL] desires to offer an amendment to the amendment. One hour is available on the bill. So it seems to me that it will be impossible for the Senate to vote finally on this bill this evening.

Therefore, I am about to ask unanimous consent that the Senate convene tomorrow at 11 a.m.

Mr. President, I should like to inform the Senate that, insofar as Senate bill 819 or any amendment to it is concerned, it is my plan not to have any votes taken this evening. The Senate can proceed until 5:30 or 5:45 with further debate, if Senators desire to have the Senate do so. But Senators who have dinner engagements may plan to keep them.

I hope the final vote on this bill will be taken some time tomorrow.

I have talked to the minority leader, and I understand that will be agreeable to him.

I have talked to the chairman of the subcommittee, the Senator from Massachusetts [Mr. KENNEDY], and I understand that will be agreeable to him.

I have talked to the author of the amendment, the senior Senator from Georgia [Mr. RUSSELL], and I understand that will be agreeable to him.

I also understand that it is agreeable to the Senator from South Dakota [Mr. MUNDT].

Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

ORDER FOR ADJOURNMENT UNTIL TOMORROW, AT 11 A.M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until tomorrow, at 11 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. DIRKSEN. Assuming that the final vote on the Senate bill 819 is taken by mid-afternoon tomorrow, I wonder whether the majority leader can inform us what measures are likely to follow it.

Mr. JOHNSON of Texas. There is Calendar No. 434, Senate bill 281, to authorize the Secretary of the Interior to construct, operate, and maintain a re-regulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, which I have previously informed the Senate—I have so stated two or three times, both yesterday and today—will be considered by the Senate following the consideration of the pending measure, Senate bill 819.

We also hope to call the calendar, and also to bring up by motion any of the measures I listed in the RECORD yesterday. At that time, I went over all which have been cleared by both sides.

Of course, before we bring up such bills by motion, we shall notify the members of the majority and the members of the minority who have asked to be notified first.

I refer Senators who are interested to the CONGRESSIONAL RECORD for yesterday, July 21, on pages 13773, 13774, and 13775. At that time I made the following statement:

> I should like all Members of the Senate to be on notice that any of these measures may be taken up by motion at any time. We will notify any interested Senators in advance.

We have on our copy of the calendar the objections which have been entered from the majority and from the minority. If any Senator is interested in being notified before any bill is brought up by motion, if he will notify the leader for his side, we shall see that the attachés give such Senator ample notice.

But I say that when the action of the Senate on the unfinished business, Senate bill 819, is concluded, the consideration of that bill will be followed by consideration of Calendar No. 434, Senate bill 281, which relates to the reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho. I think both the Idaho Senators have been notified.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

The Senate resumed the consideration of the bill (S. 819) to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the time required for the announcement I have made not be charged to the time available to either side in connection with the further consideration of Senate bill 819.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I would not care to yield any time later than 5:30 this evening, if that is agreeable to the Senator from Massachusetts [Mr. KENNEDY], who is in charge of the pending measure.

Mr. KENNEDY. The problem is that we have only 1 hour left for debate in opposition to the amendment submitted by the Senator from South Dakota.

Mr. JOHNSON of Texas. Mr. President, since the time in opposition to the pending amendment is under my control, I ask unanimous consent that in case I am not on the floor at any time, the further time in opposition to the pending amendment be under the control of the distinguished chairman of the subcommittee, the Senator from Massachusetts [Mr. KENNEDY], who is handling the bill—if that will be agreeable to him.

Mr. KENNEDY. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I intend to yield 10 minutes tonight, and to hold the remaining 50 minutes until tomorrow.

At this time I yield 5 minutes to the junior Senator from Wyoming [Mr. McGEE].

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 5 minutes.

Mr. McGEE. Mr. President, I hope to contribute a little understanding in regard to the contrasting positions on this bill.

I believe we must agree at the outset that all of us are interested in loyalty to the United States and in patriotism and in the security of the country.

In defense of the academic community of the Nation, whose interest in this field is as intense as that of any Senator, let me say that the academic community has a different philosophy in regard to what constitutes the proper measurement of one's loyalty. I think by understanding that point of view, one can approach this question more realistically.

The academic community—and I can speak now as a former president of the American Association of University Professors—believes that patriotism and loyalty are inspired by ideas, but that they cannot be achieved by means of legislation or slogans. While the Senator from South Dakota or the Senator from Georgia or any of our other distinguished colleagues can have their own definition of what constitutes a measure for loyalty, many members of the academic community also feel that they have a legitimate measure, and that is in the realm of ideas.

Mr. President, an idea cannot be legislated out of existence. An idea can be beaten by only a better one. The academic world is dedicated to searching for ideas. It believes an understanding inspires dedication to an idea, and that an idea based on truth is the foundation of democracy.

That is the reason why many members of the academic community are sensitive to the attempts by many sincere patriots in this country to circumscribe their search for ideas, singling them out in terms either of an oath or other delimiting factors such as that contained in the amendment proposed by the distinguished Senator from South Dakota. What they believe is that the way to ferret out real loyalists and real patriots is through inspiration alone.

So what we come down to in the discussion of this question is one central issue, and that is, would the proposed amendment or would the continuation of the requirement of an oath keep a single Communist out of the academic profession? The Senator from South Dakota has already answered that question by saying "No."

Therefore, what remains? What is on balance in this legislation? It is that we, by the very action we are asked to take today, threaten to disrupt and divide a very useful and, I hope, very purposeful group of Americans, the academics of America. They, too, are divided on the question, but many of them sincerely believe that this is a shallow attempt at flag waving for selfish reasons, rather than a basic, fundamental approach to the problem of loyalty and security.

Mr. President, it puts me in mind of a teacher friend of mine who deplored the fact that so many parishioners went home on Sunday night, pointed to the Lord's Prayer near the bed, and said, "Lord, them's my sentiments." They did not know whether they believed in the sentiments. They paid lip service to them because it was the conventional thing to do, but it did not make them any better Christians. It did not make them believers. It did not make them better at all.

It is time that in America we put our whole emphasis on the constructive basis of belief in the American idea because we are not afraid of any competing ideas, and have respect for any group of Americans who are loyal, but who believe patriotism is achieved by being earned and not by being legislated or sloganized.

For that reason, I think the Senator from Massachusetts is eminently correct in his pleas to Members of this body to repeal the requirement of the oath, and to reject the amendment of the Senator from South Dakota, in the interest of inspiring confidence in a very critical area of our country's pursuit of security, namely, in the search for ideas and in the groping for truth in the educational pursuits of America.

Mr. KENNEDY. Mr. President, I wonder if the opponents of the bill or the Senator from South Dakota would like to use further time on their side.

Mr. MUNDT. Mr. President, I have not any desire to use any further time this evening.

Mr. KENNEDY. Nor do we.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that any further business transacted this evening not be under the limitation of time.

Mr. RUSSELL. Mr. President, reserving the right to object, I desire to have printed an amendment I intend to offer to the amendment of the Senator from South Dakota; and I likewise intend to offer the same amendment in the nature of a substitute for the bill reported by the committee.

I shall offer it first as an amendment to the Mundt amendment. Then I ask to have it printed and lie on the table as an amendment in the nature of a substitute for the bill reported by the committee.

Mr. KENNEDY. Mr. President, as I understand, the amendment is an amendment to, and not a substitute for, the amendment of the Senator from South Dakota.

Mr. RUSSELL. That is correct. It is also a substitute for the bill reported by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, speaking for myself, I would have no objection to accepting the substitute of the Senator from Georgia. I would be opposed to the language the Senator from South Dakota seeks to add to the bill, but I would accept the language the Senator from Georgia seeks to add, if the parliamentary situation should permit.

Mr. JAVITS. Mr. President, am I to understand the amendment of the Senator from Georgia would completely replace the amendment of the Senator from South Dakota, or add to it?

Mr. RUSSELL. My amendment is a new subsection proposed to be added to the amendment of the Senator from South Dakota.

Mr. President, I yield myself 2 minutes. My effort is to——

The PRESIDING OFFICER. If the Chair may interrupt, the Parliamentarian reminds the Chair that, under the practice of the Senate, under a unanimous-consent agreement, until time has been exhausted on the amendment pending, another amendment is not in order.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Georgia.

Mr. RUSSELL. Mr. President, the purpose of my amendment is to preserve the oath or affirmation to support the Constitution of the United States. I do not intend to be put in the position of advocating the repeal of any oath of allegiance even if it is opposed by all the academicians in the country who say it is an insult to a young man to ask him to swear or affirm that he will support and defend the Constitution of the United States.

I intend to offer it as an amendment to the amendment offered by the Senator from South Dakota, in the nature of a new subsection, and likewise as an amendment in the nature of a substitute for the entire bill proposed by the committee, and sponsored by the Senator from Massachusetts.

Mr. MUNDT. Mr. President, I certainly welcome such an additional provision to my amendment, and will be most happy to accept it, and I so notify the Senator.

Mr. RUSSELL. I thank the Senator.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Is my understanding correct that, under the order requested by the majority leader, when the Senate convenes tomorrow, it will convene at 11 o'clock in the morning?

The PRESIDING OFFICER. The understanding of the Senator is correct.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes.

The language of the amendment intended to be proposed by the Senator from Georgia [Mr. RUSSELL] would be to continue the section of the provision which we would repeal and to continue that section which provides that every recipient must take an oath or affirmation of allegiance to the United States.

The objectionable part is not that provision. I have stated, on behalf of myself, that I would accept that language as a substitute for the committee language. What is most objectionable is the affidavit provision. That is not a part of the substitute suggested by the Senator from Georgia, and, unfortunately, the Senator from Georgia has not offered his proposal as a substitute for the language of the Senator from South Dakota, but merely as an amendment to his amendment. The amendment of the Senator from South Dakota is totally objectionable.

I do not think the Senate should agree to it. Even though it may be improved by the language proposed by the Senator from Georgia, it is still an objectionable amendment. I hope the amendment of the Senator from South Dakota will be rejected, and then we can accept the substitute of the Senator from Georgia.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Chair is reminded by the Parliamentarian that the amendment to be offered by the Senator from Georgia is not yet pending.

Mr. JOHNSON of Texas. I understand that, but I can yield the Senator 3 minutes, can I not?

The PRESIDING OFFICER. Yes.

Mr. JOHNSON of Texas. That is what I am trying to do.

Mr. RUSSELL. Mr. President, there is no rule against discussing an amendment which will be offered at an appropriate time.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Georgia 3 minutes of the time on the bill.

Mr. RUSSELL. Mr. President, I do not know that I will use that much time.

First, Mr. President, let me say that I am not concerned or disturbed about any feature of the existing law. So far as I am concerned, I would not oppose it. I can see, however, how a person might have an objection to the part of it which relates to Communist affiliation.

I intend to offer my amendment to the amendment proposed by the Senator from South Dakota. If his amendment is defeated, I will propose my amendment as one in the nature of a substitute for the bill as reported by the committee.

Mr. President, I do not want the RECORD for the day to close without a comment by me, while the distinguished Senator from New York is present in the Chamber, on the Senator's statement that he had names of thousands of young men who felt it was in the nature of an insult to them to be requested to take an oath or affirmation.

I merely wish to say, Mr. President, on behalf of those I, in part, represent, that I have not received a single complain from a single young citizen of my State who feels he is insulted by being asked to say he believes in the Constitution of the United States and is prepared to defend it.

I doubt very much if there are many young men anywhere, even in New York, which is a very populous State, who would oppose taking the oath. It is possible there would be several thousands out of the millions in New York who would be opposed. However, I would not be afraid to submit this question to plebiscite in the State of New York. I believe we would find even there a majority of the young men would not object to taking an oath or affirmation as to their faith in the charter of their liberties and their willingness to defend their country.

(Mr. JOHNSON of Texas and other Senators addressed the Chair.)

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be allowed an additional hour for debate on the question of the passage of the bill, to be equally divided and controlled by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I hope that will satify some of my friends who are a little concerned lest there be not enough time for discussion.

(The unanimous-consent agreement, as reduced to writing, is as follows:)

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, during the further consideration of the bill (S. 819), to amend the National Defense Education Act of 1958 in order to repeal certain provisions requiring affidavits of loyalty and allegience, debate on any amendment (except the amendment of Senator MUNDT of South Dakota, on which there shall be 2 hours of debate), motion, or appeal, except a motion to lay on the table, shall be limited to ½ hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the

said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, the Senator from Georgia referred to me and to the State of New York.

Mr. President, the young men in the State of New York, I am confident—and I will so vote—are perfectly willing to accept the substitute for the Kennedy bill which we have been discussing; that is, the language which would call upon them to take an oath to support the Constitution and the laws of the United States.

As a matter of fact, I, along with the Senator from Massachusetts, have hoped that the way to settle this whole controversy would be to substitute that language for the Mundt amendment. Therefore, Mr. President, I send to the desk for printing, under the rule, a substitute for the Mundt amendment, which will do exactly that.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the desk.

Mr. CLARK. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I should like to have the attention of my very good friend from Georgia, in view of the discussion about how the students of America feel.

I will speak about this matter a little more fully tomorrow, but I ask the Members of the Senate to look overnight at the transcript of hearings held before the subcommittee. I point out that the following witnesses either testified or submitted statements in opposition to the present affidavit requirements in the law, which the bill seeks to strike out:

Robert F. Kiley, president, U.S. National Student Association.

Sara Lam, secretary, Student Council, Reed College.

Robert W. Mayberry, president, Student Council, Swarthmore College.

Ann Olsen, president, Wisconsin Student Association, Madison, Wis.

And there was an article from the Harvard Crimson of April 28, 1959, entitled "Misguided Patriotism."

I have in my file, on my desk, a sheaf of letters which is fairly thick—I would say they are nearly 100—from students protesting against the affidavit as an affront and an insult to them, and urging repeal, as provided in the bill.

I say this only because we are going to think about the matter overnight, and I am sure the Senator from Georgia will agree that we ought to have the RECORD in fair shape on this particular point.

I thank the Senator from Texas for yielding to me.

Mr. GOLDWATER. Mr. President, will the Senator from Texas yield me 1 minute?

The PRESIDING OFFICER. Does the Senator from Texas yield 1 minute to the Senator from Arizona?

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I ask that the time be yielded from the time on the bill or from the time on the amendment, because I want the Senate to know that the junior Senator from Arizona has an amendment to offer, which I think will overcome all the objections which have been raised. I think the distinguished minority leader is aware of it.

Mr. JOHNSON of Texas. Mr. President, may we have order in the Chamber, please?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arizona may proceed.

Mr. GOLDWATER. I think the distinguished minority leader is aware of the amendment. I do not know how well aware of it the distinguished Senator from Massachusetts is.

I believe it is an amendment which will meet with the approval of all, should the Mundt amendment be defeated, and of course, I hope the Mundt amendment will not be defeated. If it is, I shall offer the amendment. I ask my colleagues to become acquainted with it overnight.

The PRESIDING OFFICER. What is the pleasure of the Senate?

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, if there are no other Senators who desire to address the Senate this evening, I remind all Senators that the Senate will meet at 11 o'clock tomorrow morning. We will have the usual morning business. At the conclusion of the morning business the Mundt amendment will be the pending question. Until we have exhausted the time on that amendment no other amendment will be in order. I assume the Russell amendment will be considered, and we will have 30 minutes to discuss that. We will probably have a vote shortly after noon.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 22, 1959, he presented to the President of the United States the enrolled bill (S. 210) for the relief of Pantaleon Ibarra, also known as Elmo Gomes Arcibal.

ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. JOHNSON of Texas. Mr. President, pursuant to the order which was entered earlier today, I move that the Senate now stand in adjournment until tomorrow at 11 a.m.

The motion was agreed to; and (at 5 o'clock and 28 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, July 23, 1959, at 11 a.m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 22, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 23: 6: *Surely goodness and mercy shall follow me all the days of my life.*

Almighty God, of whose bounty we have all received and whose mercies cannot be numbered, may we ever be mindful of the attendant responsibility to prove worthy stewards of Thy manifold blessings.

Grant that through the miracle and ministry of Thy grace and goodness we may be inspired to be more sensitive in our sympathies and more responsive to the needs of the less fortunate members of the human family.

May our longings and labors for the welfare of mankind be an earnest of our love toward Thee and a manifestation of our gratitude for the gift of Thy Son, our Saviour, with whom Thou hast freely given us all things.

In His name we offer our prayer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a bill of the following title, in which concurrence of the House is requested:

S. 1138. An act to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON, members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 60–1.

FEASIBILITY OF ESTABLISHING THE PRESIDENT ADAMS PARKWAY

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 7125) to provide for a study of the feasibility of establishing the President Adams Parkway.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MUTUAL SECURITY ACT OF 1959

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 7500) to amend further the Mutual Security Act of 1954, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 695)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7500) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Mutual Security Act of 1959'.

"Statement of policy

"SEC. 2. Section 2 of the Mutual Security Act of 1954, as amended, which is a statement of policy, is amended to read as follows:

"'SEC. 2. STATEMENT OF POLICY.—(a) It is the sense of the Congress that peace in the world increasingly depends on wider recognition, both in principle and practice, of the dignity and interdependence of men; and that the survival of free institutions in the United States can best be assured in a worldwide atmosphere of expanded freedom.

"'(b) Through programs of assistance authorized by this Act and its predecessors, the United States has helped thwart Communist intimidation in many countries of the world, has helped Europe recover from the wounds of World War II, has supported defensive military preparations of nations alerted by Communist aggression, and has soundly begun to help peoples of economically underdeveloped areas to develop their resources and improve their living standards.

"'(c) Programs authorized by this Act continue to serve the following principal purposes:

"'(1) The Congress recognizes the basic identity of interest which exists between the people of the United States and the peoples of other lands who are striving to establish and develop politically independent and economically viable units, and to produce more goods and services, and to improve ways of living by methods which reflect the popular will, and to realize aspirations for justice, for education, and for dignity and respect as individual human beings, and to establish responsible governments which will cooperate with other likeminded governments. The Congress declares it to be a primary objective and need of the United States, and one consistent with its tradition and ideals, to share these strivings by providing assistance, with due regard for our other obligations, to peoples willing to work energetically toward these ends.

"'(2) The Congress recognizes that the peace of the world and the security of the United States are endangered so long as international communism and the nations it controls continue by threat of military action, by the use of economic pressure, and by internal subversion, or other means to attempt to bring under their domination peoples now free and independent and continue to deny the rights of freedom and self-government to peoples and nations once free but now subject to such domination. The Congress declares it to be the policy of the United States to continue so long as such danger to the peace of the world and to the security of the United States persists, to make available to other free nations and peoples upon request assistance of such nature and in such amounts as the United States deems advisable compatible with its own stability, strength, and other obligations, and as may be needed and effectively used by such free nations and peoples to help them maintain their freedom.

"'(d) It is the sense of the Congress that inasmuch as—

"'(1) the United States, through mutual security programs, has made substantial contributions to the economic recovery and rehabilitation of the nations of Western Europe; and

"'(2) due in part to those programs, it has been possible for such nations to achieve complete economic recovery and to regain their military strength; and

"'(3) certain other friendly nations of the world remain in need of assistance in order that they may defend themselves against aggression and contribute to the security of the free world;

those nations which have been assisted in their recovery should, in the future, share with the United States to a greater extent the financial burden of providing aid to those countries which are still in need of assistance of the type provided under this Act.

"'(e) It is the sense of the Congress that assistance provided under this Act shall be administered so as to assist other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world and to fulfill their responsibilities for self-government or independence. To this end, assistance shall be rendered where appropriate and feasible in such a way as to promote the emergence of political units which are economically viable, either alone or in cooperation with neighboring units.'

"CHAPTER I—MILITARY ASSISTANCE

"Military assistance

"SEC. 101. Chapter I of the Mutual Security Act of 1954, as amended, which relates to military assistance, is amended as follows:

"(a) Amend section 103(a), which relates to authorization, to read as follows:

"'(a) There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1960 to carry out the purposes of this chapter not to exceed $1,400,000,000, which shall remain available until expended. Programs of military assistance subsequent to the fiscal year 1960 program shall be budgeted so as to come into competition for financial support with other activities and programs of the Department of Defense. There is hereby authorized to be appropriated to the President for the fiscal years 1961 and 1962 such sums as may be necessary from time to time to carry out the purposes of this chapter, which sums shall remain available until expended.'

"(b) Amend section 105(b), which relates to conditions applicable to military assistance, as follows:

"(1) Amend paragraph (4) to read as follows:

"'(4) Military equipment and materials may be furnished to the other American Republics only in furtherance of missions directly relating to the common defense of the Western Hemisphere which are found by the President to be important to the security of the United States. The President annually shall review such findings and shall determine whether military assistance is necessary. Internal security requirements shall not, unless the President determines otherwise, be the basis for military assistance programs to American Republics. The aggregate amount of funds which may be obligated or reserved during the fiscal year 1960 for furnishing military assistance to American Republics shall not exceed the aggregate amount of funds obligated or reserved for such purpose during the fiscal year 1959.'

"(2) Add the following new paragraph:

"'(5) To the extent feasible and consistent with the other purposes of this chapter, administrators of the military assistance program shall encourage the use of foreign military forces in underdeveloped countries in the construction of public works and other activities helpful to economic development.'

"CHAPTER II—ECONOMIC ASSISTANCE

"Defense support

"SEC. 201. Section 131(b) of the Mutual Security Act of 1954, as amended, which relates to defense support, is amended by striking out '1959' and '$810,000,000' and substituting '1960' and '$751,000,000', respectively.

"Utilization of counterpart funds

"SEC. 202. Clause (iii) of section 142(b) of the Mutual Security Act of 1954, as amended, which relates to utilization of funds in Special Accounts, is amended by inserting immediately before the period at the end thereof the following: ': *Provided further*, That whenever funds from such Special Account are used by a country to make loans, all funds received in repayment of such loans prior to termination of assistance to such country shall be reused only for such purposes as shall have been agreed to between the country and the Government of the United States'.

"Development Loan Fund

"SEC. 203. Title II of chapter II of the Mutual Security Act of 1954, as amended, which relates to the Development Loan Fund, is amended as follows:

"(a) Amend section 202(b), which relates to general authority, as follows:

"(1) Insert the following sentence immediately after the second sentence: 'The Fund in its operations shall recognize that development loan assistance will be most effective in those countries which show a responsiveness to the vital long-term economic, political, and social concerns of their people, demonstrate a clear willingness to take effective self-help measures, and effectively demonstrate that such assistance is consistent with, and makes a contribution to, workable long-term economic development objectives.'

"(2) In the next to last sentence, immediately before the period at the end thereof, insert the following: 'nor shall the fractional reserve maintained by the Development Loan Fund for any guaranty made pursuant to this section be less in any case than 50 per centum of the contractual liability of the Development Loan Fund under such guaranty, and the total contractual liability of the Development Loan Fund under all of such guaranties shall not, at any one time, exceed $100,000,000'.

"(b) Amend section 203, which relates to capitalization, to read as follows:

"'SEC. 203. CAPITALIZATION.—There is hereby authorized to be appropriated to the President at any time after enactment of the Mutual Security Act of 1959 without fiscal year limitation for advances to the Fund after June 30, 1959, not to exceed $1,800,000,000 of which not to exceed $700,000,000 may

be advanced prior to July 1, 1960, and not to exceed an additional $1,100,000,000 may be advanced prior to July 1, 1961.'

"(c) In section 204(b), which relates to fiscal provisions, strike out '(a)' in the second sentence.

"(d) Amend section 205, which relates to management, powers, and authorities, as follows:

"(1) In subsection (b), strike out 'three' in the second sentence and substitute 'four'.

"(2) In subsection (c), strike out the last sentence.

"Technical cooperation

"SEC. 204. Title III of chapter II of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is amended as follows:

"(a) In section 304, which relates to authorization, strike out '$150,000,000' and '1959' and substitute '$179,500,000' and '1960', respectively.

"(b) Amend section 306, which relates to multilateral technical cooperation and related programs, as follows:

"(1) In subsection (a), which relates to contributions to the United Nations Expanded Program of Technical Assistance and related fund, strike out '$20,000,000' and '1959' and substitute '$30,000,000' and '1960', respectively, and immediately after 'for such purpose' the last time it appears insert '(including assessed and audited local costs)'.

"(2) In subsection (b), which relates to contributions to the technical cooperation program of the Organization of American States, strike out '1959' and substitute '1960'.

"(c) In section 308, which relates to the International Development Advisory Board, insert 'or officers' after 'officer' in the first sentence and strike out 'to administer this title' in that sentence.

"Special assistance and other programs

"SEC. 205. Title IV of chapter II of the Mutual Security Act of 1954, as amended, which relates to special assistance and other programs, is amended as follows:

"(a) Amend section 400, which relates to special assistance, as follows:

"(1) In subsection (a), which relates to authorization, strike out '1959' and '$202,500,000' and substitute '1960' and '$247,500,000', respectively.

"(2) In subsection (c), which relates to assistance to American-sponsored schools and libraries abroad, strike out '$10,000,000' and substitute '$20,000,000', and in the last sentence of such subsection strike out 'for the purposes of this subsection' and insert in lieu thereof the following: 'and notwithstanding the provisions of Public Law 213, Eighty-second Congress, the President is authorized to utilize foreign currencies accruing to the United States under this or any other Act, for the purposes of this subsection and for hospitals abroad designed to serve as centers for medical treatment, education and research, founded or sponsored by citizens of the United States'.

"(b) Insert after section 400 the following new section:

"'SEC. 401. UNITED NATIONS EMERGENCY FORCE.—The Congress of the United States, recognizing the important contribution of the United Nations Emergency Force to international peace and security, declares it to be the policy of the United States and the purpose of this section to support the United Nations Emergency Force. The President is hereby authorized to use during the fiscal year 1960 funds made available pursuant to section 400(a) of this Act for contributions on a voluntary basis to the budget of the United Nations Emergency Force.'

"(c) In section 402, which relates to earmarking of funds, strike out '1959' in the first sentence and substitute '1960'; in the same sentence, after the words 'foreign currencies' insert the words 'or the grant', and at the end of the section, add the following new sentences: 'Surplus food commodities or products thereof made available for transfer under this Act (or any other Act) as a grant or as a sale for foreign currencies may also be made available to the maximum extent practicable to eligible domestic recipients pursuant to section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), or to needy persons within the United States pursuant to clause (2) of section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c). Section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), is amended by inserting "whether in private stocks or" after "commodities" the first time that word appears.'

"(d) In section 403, which relates to responsibilities in Germany, strike out '1959' and '$8,200,000' in the first sentence and substitute '1960' and '$7,500,000', respectively.

"(e) Amend section 405, which relates to migrants, refugees, and escapees, as follows:

"(1) In subsection (c), strike out '1959' and '$1,200,000' and substitute '1960' and '$1,100,000', respectively.

"(2) In subsection (d), strike out '1959' and '$8,600,000' and substitute '1960' and '$5,200,000', respectively.

"(f) In section 406, which relates to children's welfare, strike out '$11,000,000' and '1959' and substitute '$12,000,000' and '1960', respectively.

"(g) In section 407, which relates to Palestine refugees in the Near East, strike out '1959' in the first sentence and substitute '1960', and in the proviso in the first sentence, strike out '15 per centum' and substitute '10 per centum'.

"(h) In section 408(c), which relates to the North Atlantic Treaty Organization, strike out 'four' and substitute 'five'.

"(i) In section 409(c), which relates to ocean freight charges, strike out '1959' and '$2,100,000' and substitute '1960' and '$2,300,000', respectively.

"(j) Section 410, which relates to Control Act expenses, is repealed.

"(k) Amend section 411, which relates to administrative and other expenses, as follows:

"(1) In subsection (b), strike out '1959' and '$33,000,000' and substitute '1960' and '$39,500,000', respectively.

"(2) In subsection (c), strike out ', not to exceed $7,000,000 in any fiscal year,'; and insert before the period ', and for expenses of carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611): *Provided*, That, in addition, funds made available for carrying out chapter I of this Act shall be available for carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 in such amounts as the President may direct'.

"(l) After section 411, insert a new section as follows:

"'SEC. 412. PRESIDENT'S SPECIAL EDUCATION AND TRAINING FUND.—Of the funds appropriated pursuant to this Act for use beginning in each of the fiscal years 1960 through 1964, $10,000,000 for each such year shall be available only as follows:

"'(a) $5,000,000 shall be available until expended only for financing studies, research, instruction, and other educational activities of citizens of underdeveloped countries in educational institutions in the United States, Puerto Rico, and the Virgin Islands. Such financing may include payment for transportation, tuition, maintenance and other expenses incident to scholastic activities. The President may employ such funds to augment programs of this character authorized by section 32(b)(2) of the Surplus Property Act of 1944, as amended, and by the United States Information and Educational Exchange Act of 1948, as amended, and he may consolidate such portions of such $5,000,000 as he may deem appropriate with appropriations made to carry out these two Acts.

"'(b) $5,000,000 shall be available until expended only for the training of people of underdeveloped countries in skills which will contribute to economic development. Such training shall be carried out in accordance with the policies set forth in title III of chapter II, relating to technical cooperation, and such $5,000,000 may be consolidated with appropriations made for carrying out title III of chapter II.'

"(m) Amend section 413, which relates to encouragement of free enterprise and private participation, as follows:

"(1) In subparagraph (b)(4)(A), strike out 'any of the purposes of this Act' and substitute 'the development of the economic resources and productive capacities of economically underdeveloped areas or, in the case of guaranties issued prior to January 1, 1960, on the basis of applications submitted prior to July 1, 1959, any of the purposes of this Act'.

"(2) In subparagraph (b)(4)(F), strike out '$500,000,000' and substitute '$1,000,000,000'.

"(3) In subparagraph (b)(4)(G), strike out 'achieving any of the purposes of this Act' and substitute 'furthering the development of the economic resources and productive capacities of economically underdeveloped areas or, in the case of guaranties issued prior to January 1, 1960, on the basis of applications submitted prior to July 1, 1959, any of the purposes of this Act'.

"(4) In subsection (c), delete the words 'a study' following the words 'shall conduct' and insert in lieu thereof 'annual studies to keep the data up to date'; insert immediately before the period at the end of the first sentence the following: ', and to the net position of the United States in its balance of trade with the rest of the world'; and in the final sentence delete the word 'study' following 'such' and insert in lieu thereof 'studies'.

"(5) Add the following new subsection:

"'(d) Under the direction of the President, the Department of State and such other agencies of the Government as the President shall deem appropriate shall conduct a study of methods by which the United States and other nations including those which are parties to regional agreements for economic cooperation to which the United States is a party, or any of them, might best together formulate and effectuate programs of assistance to strengthen the economies of free nations so as to advance the principal purposes of this Act, as stated in section 2 thereof.'

"(n) In section 419(a), which relates to atoms for peace, strike out '1959' and '$5,500,000' in the second sentence and substitute '1960' and '$6,500,000', respectively.

"CHAPTER III—CONTINGENCY FUND

"SEC. 301. Section 451(b) of the Mutual Security Act of 1954, as amended, which relates to the President's special authority and contingency fund, is amended by striking out '1959' in the first sentence and substituting '1960'.

"CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS

"SEC. 401. Chapter IV of the Mutual Security Act of 1954, as amended, which relates to general and administrative provisions, is amended as follows:

"(a) In section 503, which relates to termination of assistance, insert '(a)' immediately after 'TERMINATION OF ASSISTANCE.—', and add at the end thereof the following:

"'(b) In any case in which the President determines that a nation has hereafter nationalized or expropriated the property of any person as defined in section 413(b) and has failed within six months of such nationalization or expropriation to take steps determined by the President to be appropriate

to discharge its obligations under international law toward such person, the President shall, unless he determines it to be inconsistent with the national interest, suspend assistance under this Act to such nation until he is satisfied that appropriate steps are being taken.

"'(c) The President shall include in his recommendations to the Congress for the fiscal year 1961 programs under this Act a specific plan for each country receiving bilateral grant assistance in the categories of defense support or special assistance whereby, wherever practicable, such grant assistance shall be progressively reduced and terminated.'

"(b) In section 504, which relates to small businesses, add the following new subsection:

"'(d) Of the funds appropriated pursuant to section 451(b) of this Act, the President is authorized to utilize not to exceed $2,500,000 for the fiscal year 1960 to make available to foreign small business concerns in underdeveloped countries, or to foreign government organizations established for the purpose of helping such concerns in underdeveloped countries, on such terms and conditions as he may determine, machine tools, industrial equipment and other equipment owned by agencies of the United States Government.'

"(c) In section 505(b), which relates to loan assistance and sales, strike out the third sentence and substitute the following: 'United States dollars received in repayment of principal and payment of interest on any loan made under this section shall be deposited in miscellaneous receipts of the Treasury. Foreign currencies received in repayment of principal and payment of interest on any such loan which are in excess of the requirements as determined from time to time by the Secretary of State for purposes authorized in section 32(b)(2) of the Surplus Property Act of 1944, as amended (50 App. U.S.C. 1641(b)), may be sold by the Secretary of the Treasury to United States Government agencies for payment of their obligations abroad and the United States dollars received as reimbursement shall also be deposited into miscellaneous receipts of the Treasury. Foreign currencies so received which are in excess of the requirements of the United States in the payment of its obligations abroad, as such requirements may be determined from time to time by the President, shall be credited to and be available for the authorized purposes of the Development Loan Fund in such amounts as may be specified from time to time in appropriation Acts.'

"(d) In section 510, which relates to purchase of commodities, delete the comma following the words 'industrial mobilization base' in the third sentence and insert the following: 'or to the net position of the United States in its balance of trade with the rest of the world,'.

"(e) In section 517, which relates to completion of plans and cost estimates, delete the words 'title I, or' in the first sentence, and insert 'title I, II, or', and add at the end of such section the following: 'To the maximum extent practicable, all contacts for construction outside the United States made in connection with any agreement or grant subject to this section, except any agreement for assistance authorized under title II of chapter II, shall be made on a competitive basis.'

"(f) Amend section 523, which relates to coordination with foreign policy, as follows:

"(1) In subsection (b), add the following new sentence: 'The chief of the diplomatic mission shall make sure that recommendations of such respresentatives pertaining to military assistance are coordinated with political and economic considerations, and his comments shall accompany such recommendations if he so desires.'

"(2) Amend subsection (c) to read as follows:

"'(c) Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of the assistance programs authorized by this Act, including but not limited to determining whether there shall be a military assistance program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.'

"(g) In section 527(b), which relates to employment of personnel, strike out 'sixty' and 'thirty-five' in the first sentence and substitute 'seventy' and 'forty-five', respectively, and add the following new sentence at the end of such section: 'One of the offices established by section 1(d) of Reorganization Plan Numbered 7 of 1953 may notwithstanding the provisions of any other law be compensated at a rate not in excess of $20,000 per annum.'

"(h) Insert immediately after section 533 the following new section:

"'SEC. 533A. INSPECTOR GENERAL AND COMPTROLLER.—(a) There is hereby established in the Department of State an office to be known as the "Office of the Inspector General and Comptroller", which shall be headed by an officer designated as the "Inspector General and Comptroller," whose salary shall be fixed at the annual rate of $19,000, and who shall be appointed by the Secretary of State and be responsible to an Under Secretary of State, designated for such purpose by the Secretary of State. In addition, there shall be a Deputy Inspector General and Comptroller, whose salary shall not exceed the maximum rate provided under the General Schedule of the Classification Act of 1949, as amended, and such other personnel as may be required to carry out the functions vested in the Inspector General and Comptroller by or pursuant to this section.

"'(b) There are hereby transferred to the Inspector General and Comptroller all functions, powers, and duties of the Office of Evaluation of the International Cooperation Administration, and so much of the functions, powers, and duties of the Office of Personnel Security and Integrity as relate to investigations of improper activities in connection with programs under the International Cooperation Administration.

"'(c) The Inspector General and Comptroller shall have the following duties, in addition to those duties transferred to him under subsection (b) of this section:

"'(1) Establishing or reviewing and approving a system for financial controls over programs of assistance authorized by this Act to insure compliance with applicable laws and regulations;

"'(2) Advising and consulting with the Secretary of Defense or his delegate with respect to the controls, standards, and procedures established or approved under this section, insofar as such controls, standards, and procedures relate to assistance furnished under chapter I of this Act;

"'(3) Establishing or reviewing and approving policies and standards providing for extensive internal audits of programs of assistance authorized by this Act;

"'(4) Reviewing and approving internal audit programs under this section, and coordinating such programs with the appropriate officials of other Government departments in order to insure maximum audit coverage and to avoid duplication of effort;

"'(5) Reviewing audit findings and recommendations of operating agencies and the action taken thereon, and making recommendations with respect thereto to the Under Secretary of State and other appropriate officials;

"'(6) Conducting or requiring the conduct of such special audits as in his judgment may be required in individual cases, and of inspections with respect to end-item use in foreign countries;

"'(7) Establishing or reviewing and approving a system of financial and statistical reporting with respect to all programs of assistance authorized by this Act;

"'(8) Advising the Under Secretary of State and other appropriate officials on fiscal and budgetary aspects of proposed programs of assistance authorized by this Act;

"'(9) Designing the form and prescribing the financial and statistical content of the annual program presentation to the Congress;

"'(10) Coordinating and cooperating with the General Accounting Office in carrying out his duties, to the extent that such duties are within areas of responsibility of the General Accounting Office; and

"'(11) Carrying out such other duties as may be vested in him by the Under Secretary of State.

"'(d) Expenses of the Office of the Inspector General and Comptroller with respect to programs under this Act shall be charged to the appropriations made to carry out such programs: *Provided,* That all documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the Office of Inspector General and Comptroller shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Office, upon request of the General Accounting Office or such committee or subcommittee as the case may be.'

"(i) Amend section 534, which relates to reports to the Congress, by inserting '(a)' immediately after 'REPORTS.—' and by adding at the end thereof the following:

"'(b) All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Administration, upon request of the General Accounting Office or such committee or subcommittee as the case may be.'

"(j) Amend section 537, which relates to provisions on uses of funds, as follows:

"(1) In paragraph (5) of subsection (a), strike out '$3,300' and substitute '$3,500'.

"(2) In subsection (c), strike out '$26,000,000' and substitute '$27,750,000'.

"(3) Amend subsection (f) to read as follows:

"'(f) During the annual presentation to the Congress of requests for authorizations and appropriations under this Act, there shall be submitted a detailed report on the assistance to be furnished, country-by-country, under title I of chapter II, and under section 400(a), of this Act. The report with respect to each country shall contain a clear and detailed explanation of the proposed level of aid for such country, and shall include a listing of all significant factors considered, and the methods used, in determining the level of aid for such country; the reason for including each such factor and an explanation of the manner in which each of such factors is related to the specific dollar figure which constitutes the proposed level of aid for each such country. In addition, with respect to assistance proposed to be furnished under title I of chapter II of this Act, the report shall contain a clear and detailed explanation on a country-by-country basis of the determination of the particular level of forces to be supported by the

proposed request for authorization and appropriation for military assistance, the factors considered and methods used in arriving at each country determination, and where the level of forces supported by military assistance differs from the total level of forces maintained in any such country, an explanation, in detail, of the reason for the difference in such level of forces.'

"(k) In section 543(d), which relates to saving provisions, strike out the words between 'repealed' and 'shall' in the first sentence and substitute 'subsequent to the time such funds are appropriated'; insert 'or subsequent Acts' after '1957' both times it appears in the second sentence; and strike out the last sentence.

"(l) Section 549, which relates to special provisions on availability of funds is repealed.

"(m) After section 549 add the following new sections:

" 'SEC. 550. INFORMATION POLICY.—The President shall, in the reports required by section 534, or in response to requests from Members of the Congress or inquiries from the public, make public all information concerning the mutual security program not deemed by him to be incompatible with the security of the United States.

" 'SEC. 551. LIMITATION ON THE USE OF THE PRESIDENT'S SPECIAL AUTHORITY.—The authority contained in sections 403, 451, and 501 of this Act shall not be used to augment appropriations made pursuant to sections 103(b), 408, 411(b), and 411(c) or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses.'

"CHAPTER V—INTERNATIONAL COOPERATION IN HEALTH; COLOMBO PLAN COUNCIL FOR TECHNICAL COOPERATION

"International cooperation in health

"SEC. 501. (a) The Congress of the United States recognizes that large areas of the world are being ravaged by diseases and other health deficiencies which are causing widespread suffering, debility, and death, and are seriously deterring the efforts of peoples in such areas to develop their resources and productive capacities and to improve their living conditions. The Congress also recognizes that international efforts are needed to assist such peoples in bringing diseases and other health deficiencies under control, in preventing their spread or reappearance, and in eliminating their basic causes. Accordingly, the Congress affirms that it is the policy of the United States to accelerate its efforts to encourage and support international cooperation in programs directed toward the conquest of diseases and other health deficiencies.

"(b) In order to carry out the purposes of subsection (a) of this section and in order to plan logically for an orderly expansion of United States support to international health activities, the President is authorized to undertake, in cooperation directly with other governments, or indirectly through utilizing the resources and services of the United Nations and the Organization of American States or any of their specialized agencies, programs and projects of research, studies, field surveys, trials, and demonstrations to determine the feasibility of future intensive programs for reduction, control, or eradication of disease problems of international importance. Of the funds appropriated pursuant to section 451(b) of the Mutual Security Act of 1954, as amended, the sum of $2,000,000 shall be available to carry out the purposes of this section.

"Colombo Plan Council for Technical Cooperation

"SEC. 502. To enable the United States to maintain membership in the Colombo Plan Council for Technical Cooperation, there is hereby authorized to be appropriated from time to time to the Department of State such sums as may be necessary for the payment by the United States of its share of the expenses of the Colombo Plan Council for Technical Cooperation.

"CHAPTER VI—CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

"Statement of purpose

"SEC. 601. The purpose of this chapter is to promote better relations and understanding between the United States and the nations of Asia and the Pacific (hereinafter referred to as 'the East') through cooperative study and research, by establishing in Hawaii a Center for Cultural and Technical Interchange Between East and West, either as a branch of an existing institution of higher learning or as a separate institution, where scholars and students, in various fields from the nations of the East and the Western World may meet, study, exchange ideas and views, and conduct other activities primarily in support of the objectives of the United States Information and Educational Exchange Act of 1948, as amended, and title III of chapter II of the Mutual Security Act of 1954 and other Acts promoting the international educational, cultural, and related activities of the United States.

"Establishment of center

"SEC. 602. In order to carry out the purposes of this chapter the Secretary of State (hereinafter referred to as Secretary), after consultation with appropriate public and private authorities, shall on or before January 3, 1960, prepare and submit to the Congress a plan and program for—

"(1) the establishment and operation in Hawaii of an educational institution to be known as the Center for Cultural and Technical Interchange Between East and West through arrangements to be made with public, educational, or other nonprofit institutions;

"(2) grants, fellowships, and other payments to outstanding scholars and authorities from the nations of the East and Western World as may be necessary to attract such scholars and authorities to the Center;

"(3) grants, scholarships, and other payments to qualified candidates from the nations of the East and West as may be necessary to enable such students to engage in study at the Center; and

"(4) making the facilities of the Center available for study to other qualified persons on a reasonable basis.

"Authorization of appropriations

"SEC. 603. There are authorized to be appropriated, to remain available until expended, such amounts as may be necessary to carry out the provisions of this chapter.

"CHAPTER VII—AMENDMENTS TO OTHER LAWS AND MISCELLANEOUS PROVISIONS

"Amendments to other laws

"SEC. 701. (a) The Defense Base Act, as amended (42 U.S.C. 1651), is further amended by inserting in subsection (e) of the first section, between 'the approval of this Act,' and 'and contracting officers' in the first sentence, the following: 'and the liability under this Act of a contractor, subcontractor, or subordinate contractor engaged in performance of contracts, subcontracts, or subordinate contracts specified in subparagraph (5), subdivision (a) of this section, and the conditions set forth therein, shall hereafter be applicable to the remaining terms of such contracts, subcontracts, and subordinate contracts entered into prior to June 30, 1958, but not completed on the date of the enactment of the Mutual Security Act of 1959,'

"(b) Section 522 of the Foreign Service Act of 1946, as amended (60 Stat. 1009, 22 U.S.C. 922), is amended by striking out the word 'and' at the end of subparagraph (1), by striking out the period at the end of subparagraph (2) and substituting a semicolon and the word 'and', and by adding at the end thereof a new subparagraph (3) which shall read as follows:

" '(3) extend the appointment or assignment of any Reserve officer, or continue the services of any such Reserve officer by reappointment without regard to the provisions of section 527 of this Act, for not more than five additional years if the Secretary deems it to be in the public interest to continue such officer in the Service, except that the assignment of any Reserve officer under paragraph (2) above may not be extended under the provisions of this paragraph without the consent of the head of the agency concerned.'

"(c) Section 1011(a) of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442), is amended by inserting before the period at the end thereof a colon and the following: *'Provided,* That the purpose of making informational media guaranties shall be the achievement of the foreign policy objectives of the United States, including the objective mentioned in sections 413(b)(4)(A) and 413(b)(4)(G) of the Mutual Security Act of 1954, as amended'.

"(d) Section 104(k) of Public Law 480, Eighty-third Congress (68 Stat. 454), as amended, is further amended by inserting 'research' immediately after 'conduct', and by substituting for the phrase ', but no foreign currencies shall be used for the purposes of this subsection (k) unless specific appropriations be made therefore;' the following: ': *Provided,* That foreign currencies shall be available for the purposes of this subsection (in addition to funds otherwise made available for such purposes) only in such amounts as may be specified from time to time in appropriation Acts;'.

"Expenses of annual meeting of North Atlantic Treaty Parliamentary Conference

"SEC. 702. There is authorized to be appropriated the sum of $100,000 for the purpose of defraying the expenses incident to the annual meeting of the North Atlantic Treaty Parliamentary Conference for the year 1959, to be held in Washington, District of Columbia. Funds appropriated pursuant to this authorization shall be disbursed on vouchers jointly approved by the chairmen of the Senate and House delegations to the Conference, and such approval shall be final and conclusive upon the accounting officers in the auditing of accounts incident to the annual meeting.

"United States participation in World Refugee Year

"SEC. 703. Of the funds appropriated pursuant to section 451(b) of the Mutual Security Act of 1954, as amended, the sum of $10,000,000 shall be available for United States participation in World Refugee Year. Such sum shall be available for allocation by the President for assistance, either directly or through intergovernmental organizations or agencies, to the various refugee groups, and shall be used primarily in furtherance of permanent solutions of the problems of such groups and in alleviating their urgent emergency needs."

And the Senate agree to the same.

THOMAS E. MORGAN,
A. S. J. CARNAHAN,
CLEMENT J. ZABLOCKI,
ROBERT B. CHIPERFIELD,
WALTER H. JUDD,
Managers on the Part of the House.

J. W. FULBRIGHT,
THEODORE FRANCIS GREEN,
JOHN J. SPARKMAN,
HUBERT H. HUMPHREY,
MIKE MANSFIELD,
ALEXANDER WILEY,
BOURKE B. HICKENLOOPER,
GEORGE D. AIKEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7500) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the differences are noted below:

INTRODUCTION

The House bill authorized $3,542,600,000 for fiscal year 1960. The Senate amendment authorized $3,543,320,000, together with a continuing authorization for military assistance beginning in fiscal year 1961 as well as authorizing an appropriation of $1,250,000,000 to be advanced to the Development Loan Fund during fiscal 1961. The committee of conference adjusted the individual program amounts and agreed on a total authorization of $3,556,200,000 for fiscal 1960 as well as authorizing the appropriation of such funds as may be necessary for military assistance in fiscal years 1961 and 1962, together with an authorization of the appropriation of $1,100,000,000 for advances to the Development Loan Fund during fiscal 1961.

Mutual security funds, fiscal year 1960

Program	House bill (1)	Senate amendment (2)	Conference substitute (3)	Adjustment against House bill (4)	Adjustment against Senate amendment to House bill (5)
Chapter					
I. Military assistance: Sec. 103(a): General authorization	$1,440,000,000	$1,300,000,000	[1] $1,400,000,000	−$40,000,000	+$100,000,000
II. Economic assistance:					
Title I—Defense support: Sec. 131(b)	750,000,000	751,500,000	751,000,000	+1,000,000	−500,000
Title II—Development Loan Fund: Sec. 203: Capitalization	700,000,000	[2] 750,000,000	[3] 700,000,000		−50,000,000
Title III—Technical cooperation:					
Sec. 304: General authorization	179,500,000	179,500,000	179,500,000		
Sec. 306: Multilateral technical cooperation and related programs:					
(a) United Nations Technical Assistance	30,000,000	30,000,000	30,000,000		
(b) Organization of American States	1,500,000	1,500,000	1,500,000		
Total, title III	211,000,000	211,000,000	211,000,000		
Title IV—Special assistance and other programs:					
Sec. 400(a): Special assistance	250,000,000	244,620,000	247,500,000	−2,500,000	+2,880,000
Sec. 405: Migrants, refugees, and escapees:					
(a) Intergovernmental Committee for European Migration	[4]	[4]			
(c) United Nations High Commissioner for Refugees	1,100,000	1,100,000	1,100,000		
(d) Escapee program	5,200,000	5,200,000	5,200,000		
Sec. 406: Children's welfare	12,000,000	12,000,000	12,000,000		
Sec. 407: Palestine refugees	25,000,000	25,000,000	25,000,000		
Sec. 409(c): Ocean freight charges on voluntary relief shipments	2,300,000	2,300,000	2,300,000		
Sec. 411: Administrative and other expenses:					
(b) Administrative and other expenses (other than ch. I and title II of ch. II)	39,500,000	39,500,000	39,500,000		
(c) State Department administrative expenses	[4] [5]	[4] [5]			
Sec. 419(a): Atoms for peace	6,500,000	6,500,000	6,500,000		
Total title IV	341,600,000	336,220,000	339,100,000	−2,500,000	+2,880,000
Total ch. II	2,002,600,000	2,048,720,000	2,001,100,000	−1,500,000	−47,620,000
III. Contingency fund: Sec. 451(b)	100,000,000	180,000,000	155,000,000	+55,000,000	−25,000,000
IV. Sec. 504: Small business		2,500,000			−2,500,000
V. Sec. 501(b) of Mutual Security Act of 1959: International Cooperation in Health		2,000,000			−2,000,000
VII. Sec. 704 of Mutual Security Act of 1959: NATO parliamentarians		100,000	100,000	+100,000	
Sec. 705 of Mutual Security Act of 1959: World Refugee Year		10,000,000			−10,000,000
Total all chapters and sections	3,542,600,000	3,543,320,000	3,556,200,000	+13,600,000	+12,880,000

[1] Conferees authorized such funds as may be necessary in fiscal years 1961 and 1962.
[2] In addition, a sum not to exceed $1,250,000,000 was authorized to be advanced prior to July 1, 1961.
[3] In addition, a sum not to exceed $1,100,000,000 is authorized to be advanced prior to July 1, 1961.
[4] Continuing authorization is now contained in the act.
[5] Control act expenses formerly authorized by sec. 410 are included in sec. 411(c).

STATEMENT OF POLICY (SEC. 2)

Both the House bill and the Senate amendment contained revisions of the statement of policy contained in the Mutual Security Act. Although differing in wording, these revisions were similar in content.

The committee of conference agreed to language which combined into a single statement the major elements of both the House and Senate provisions with the policy statement already in the act.

AUTHORIZATION FOR MILITARY ASSISTANCE (SEC. 101(a)

The House bill amended section 103(a) to authorize $1.44 billion to be appropriated for military assistance.

The Senate amendment amended section 103(a) to (1) authorize $1.3 billion to be appropriated for military assistance; (2) earmark $893,750,000 for assistance to NATO countries or for activities of NATO in such countries; (3) provide that programs of military assistance subsequent to fiscal year 1960 should be budgeted so as to come into direct competition for financial support with other activities and programs of the Department of Defense; and (4) provide a continuing authorization for appropriations for military assistance after fiscal year 1960.

The committee of conference agreed to an authorization of $1.4 billion, a reduction of $40 million below the amount authorized by the House and an increase of $100 million above the amount authorized by the Senate. The Senate receded from its requirement that a specified amount should be earmarked for military assistance to NATO countries.

The managers on the part of the House accepted, with an amendment omitting the word "direct", the Senate provision that subsequent to fiscal year 1960 programs of military assistance should be budgeted so as to come into competition for financial support with other activities and programs of the Department of Defense. The House conferees accepted this provision in the belief that military assistance should be subjected to rigid scrutiny by military officers responsible for our own defense. It was the understanding of the managers on the part of the House, however, that acceptance of this provision does not indicate that only military factors should be taken into consideration in budgeting for military assistance or that political factors should be ignored.

The House conferees were unwilling to accept the Senate provision for a continuing authorization for military assistance after fiscal year 1960. They agreed, however, to what is, in effect, a continuing authorization for military assistance for a period of 2 years beyond fiscal 1960 on an experimental basis. In accepting this compromise, the committee of conference emphasized that it was the intention of both the Committee on Foreign Affairs of the House and the Committee on Foreign Relations of the Senate to continue to make a careful review of all aspects of the military assistance program and to report to the House and Senate in the annual mutual security bill recommended legislation on the military assistance program. It was also the intention that each committee should receive each year a detailed report from the Department of Defense on the progress made in carrying out the military assistance program and a full explanation of the program planned for the forthcoming fiscal year, particularly in connection with the requests of the executive branch for authorization of funds for defense support for the forthcoming fiscal year.

It was the consensus of the managers on the part of the House and the Senate that on the basis of such continuous review the Congress might at any time deem it appropriate to reestablish annual dollar authorizations for military assistance and that the entire matter would in any case be reviewed when it becomes necessary to consider the authorization for military assistance funds after fiscal 1962.

LIMITATIONS ON MILITARY ASSISTANCE (SEC. 101(b)(1))

The House bill added a new section 105(b) to the act which provided that, except where the President determined that the national interest required otherwise, and so reported to the Congress, arms or weapons could be furnished on a grant basis only if three specific criteria were satisfied. The Senate bill contained limitations on the furnishing of military assistance to Latin America. It amended section 105(b)(4) of the act so as to prohibit the furnishing of military equipment and materials to the American Republics except in furtherance of Western Hemisphere defense missions. Training was excepted from this requirement. It also permitted the furnishing of military assistance to an international military force under the control of the Organization of American States. The Senate bill also deleted the word "normally" from the requirement that internal security requirements shall not normally be the basis for military assistance programs to Latin America. It was further provided that military assistance to Latin America for fiscal year 1960 would be limited to $65 million plus an additional $31.5 million to be available only for assistance to an international military force under the control of the Organization of American States. Any balance of the $31.5 million which was not furnished to an OAS military force could be transferred to special assistance to promote economic development in Latin America.

The committee of conference did not accept the House amendment. It agreed to the provision that military assistance other than training should be furnished only in furtherance of missions directly relating to the common defense of the Western Hemisphere which are found by the President to be important to the security of the United States.

The amendment adopted by the committee of conference provides that internal security requirements shall not, unless the President determines otherwise, be the basis for military assistance programs to American Republics. It also eliminates the word "normally" from existing law. Finally, the committee of conference adopted an amendment which limits the funds for military assistance to the American Republics for fiscal year 1960 to the current levels, that is, the amounts obligated and reserved for such purposes during fiscal year 1959.

In the opinion of the managers on the part of the House it is impractical to provide funds solely for the purpose of furnishing military assistance to a military police force under the OAS. There has been no indication that the American Republics are willing to form such a force and there are no guidelines as to how such a force would be constituted and operated. Furthermore, if such a provision had been adopted stating that any funds not spent for this purpose could be used for economic assistance, the integrity of the military assistance appropriation would have been imperiled. On the other hand, in view of the changing relative emphasis between military and economic assistance, and in view of the decreased emphasis on military assistance in Latin America, the committee of conference was agreed that military assistance to Latin America for the coming fiscal year should not exceed last year's levels.

The elimination of the word "normally" from the sentence providing that internal security requirements shall not "normally" be the basis for military assistance programs to Latin America makes it clear that it is the intent of the committee of conference that internal security requirements shall not, in the absence of a Presidential exception, be the basis for furnishing military assistance to Latin America. Rather, it is the intent of the committee of conference that such military assistance as is furnished shall be in accordance with hemisphere defense planning and should be in furtherance of hemispheric missions.

MILITARY ASSISTANCE IN UNDERDEVELOPED COUNTRIES (SEC. 101(b)(2))

The Senate bill added a new paragraph (5) to section 105(b) of the act. The new paragraph provides that to the extent feasible the administrators of the military assistance program should encourage the use of foreign military forces in underdeveloped countries in the construction of public works and other activities helpful to economic development. The House bill contained no similar provision.

The committee of conference accepted the Senate amendment. The purpose of this amendment is to make it clear that it is the intent of the Congress, where possible, that military assistance should perform a dual function, and to the maximum extent possible, training activities of foreign military forces supported by military assistance should also support economic goals, as in the construction of roads and public works and in training. There is a unique opportunity in many of these underdeveloped countries to provide education and technical training to the members of their armed forces. In this way education and technical training can be diffused throughout the population. In many instances it is possible for the armed services to combine military activities with useful public work; for example, where there is to be training in the construction of roads, bridges, etc., it is quite possible that such construction can be utilized for economic improvement as well as in purely training activities. Furthermore, where troops are idle, it might be possible to put them to use in constructive activities. On the other hand, the managers on the part of the House are insistent that such activities not interfere with the primary role of military assistance, which is to provide for the defense of the nation to which the assistance is furnished.

DEFENSE SUPPORT (SEC. 201)

The House authorized $750 million for defense support (sec. 131(b)) while the Senate authorized $751,500,000. The committee of conference adopted a figure of $751 million for defense support.

USE OF COUNTERPART FUNDS FOR EDUCATION

The House bill (sec. 202) amended section 142(b)(iii)(1) of the Mutual Security Act to authorize the use for the advancement of education of local currencies subject to joint control by the United States and countries which have received nonmilitary assistance from the United States. The Senate amendment contained no provision relating to this subject.

The managers on the part of the House receded with respect to this provision with the understanding that adequate authority for the use of counterpart funds authorized by section 142(b)(iii)(1) for diversified educational programs and assistance to schools and colleges is already in existence, and that the objectives of the House provision could be accomplished without the enactment of the provision contained in the House bill.

DEVELOPMENT LOAN FUND

U.S. balance of trade

The House bill contained a provision (sec. 203(a)(1)) that in determining whether a loan should be made, the Board of the Development Loan Fund must take into consideration "the net position of the United States in its balance of trade with the rest of the world." The Senate bill contained no such provision. The committee of conference deleted this provision since the bill now contains an amendment to section 413(c) providing that annual studies will be made of the role of private enterprise in the mutual security program, and of the impact of that program on the U.S. economy. A factor to be considered in these studies is the net position of the United States in its balance of trade with the rest of the world. Also, the House bill contained an amendment to section 510 which was retained by the committee of conference. This amendment requires that in determining whether procurement outside the United States is permissible, the President must take into consideration the net position of the United States in its balance of trade with the rest of the world.

Furthermore, it would be almost impossible to determine the impact of any particular development loan transaction on the entire U.S. balance of trade.

Guarantee authority (sec. 203(a)(2))

The House bill contained a provision (sec. 203(a)(3)) providing that the fractional reserve maintained for guarantees made by the Development Loan Fund pursuant to the authority of section 202(b) of the act should in no case be less than 50 percent of the face amount of the guarantee. The Senate bill contained no such provision. The committee of conference adopted revised language which provides that the fractional reserve maintained for any guarantee shall not be less than 50 percent of the contractual liability of the Development Loan Fund and that the amount of such contractual liabilities shall not at any time exceed $100 million.

The utilization of fractional reserves for guarantees under the Development Loan Fund will facilitate greater participation by private enterprise in the task of developing the less developed countries. It is reasonable, however, at this time to require that a minimum reserve of at least 50 percent be maintained and that a limitation should be placed on the guarantees outstanding. The revised language adopted by the committee of conference places such a limitation on the outstanding guarantees and also provides that both the fractional reserve and the limitation on the amount of guarantees which may be outstanding should be computed on the basis of the contractual liability of the Development Loan Fund. Utilization of this guarantee technique with its limitation should encourage greater participation by private enterprise and should facilitate the achievement of the goals of the Development Loan Fund.

Capitalization (sec. 203(b))

Section 203 of the House bill authorized an appropriation of $700 million for the Development Loan Fund without fiscal year limitation. The Senate bill contained an authorization of $2 billion for the Development Loan Fund without fiscal year limitation. It was provided, however, that only $750 million of this amount could be advanced prior to July 1, 1960, and the remaining $1,250 million could be advanced after that date.

The committee of conference agreed to a compromise whereby the form of the language contained in the Senate bill is followed. Under these provisions the advances in fiscal year 1960 are limited to $700 million

and the remaining sum for advances is limited to $1,100 million.

This means that the total authorization for the Development Loan Fund is $1,800 million, a reduction of $200 million from the Senate authorization.

The Development Loan Fund was conceived as a long-term lending operation. In order to achieve its goals, and in order to operate at maximum efficiency, the Managers of the Fund should know the resources which will be available to them in the future. The managers on the part of the House are of the opinion that the amounts authorized are necessary for the efficient operation of the Development Loan Fund.

Increase of positions (sec. 203(d)(1))

The Senate bill (sec. 202(b)(1)) contained a provision authorizing an increase from three to four in the number of DLF statutory positions below the Managing Director and his Deputy with compensation not in excess of $18,000 per year. The House bill contained no such provision. The managers on the part of the House accepted the Senate amendment. The position requested is that of the principal assistant to the Deputy Managing Director for Finance and Development. If the Development Loan Fund is to operate at maximum efficiency it is essential that it have a sufficient number of the higher salaried positions to attract and keep competent personnel. In the opinion of the managers on the part of the House, sufficient evidence was presented to justify their acceptance of the authorization of this additional position.

Administration of loans (sec. 203(d)(2))

The Senate bill (sec. 203(b)(2)) contained a provision striking the final sentence from section 205(c) of the act. That sentence provides that the Export-Import Bank shall administer loans made from the Development Loan Fund as provided in section 505(b) of the act. The House bill contained no such provision. The managers on the part of the House accepted the Senate amendment.

The language which is deleted from the act was inserted so as to provide that the Export-Import Bank should handle the responsibility for the administration of loans made by the Development Loan Fund. Actual practice, however, revealed that the Export-Import Bank was not fully equipped to handle this type of transaction and that it was more desirable to have the International Cooperation Administration perform many of the administrative services in connection with Development Loan Fund loans. Accordingly, this sentence is stricken from the act. Even with the sentence deleted, however, there is still ample authority for the Export-Import Bank to provide services in the administration of these loans.

UNITED NATIONS TECHNICAL ASSISTANCE PROGRAM (SEC. 204(b)(1))

The House bill amended section 306(a) to authorize $30 million to be appropriated for contributions to the United Nations Technical Assistance (UNTA) Program and the Special Fund at 40 percent of the annual goal of approximately $100 million. The Senate amendment authorized an identical appropriation but provided that the contributions for calendar year 1960 and thereafter may not exceed 39 percent and permitted the computation of assessed and audited local costs. The committee of conference adopted the House language with an amendment.

The committee agreed to retain the 40-percent limitation and added the language "(including assessed and audited local costs)". Since the recently established Special Fund has not yet developed procedures for assessing local costs, the immediate effect of the amendment will not be an increase in the base for calculating U.S. contributions to it. The amendment does not, however, represent an abandonment of our long-range objective to effect a progressive reduction in our contributions to international organizations. It is understood that assessed and audited local costs refer to local costs assessed upon benefiting countries which are paid to, and audited by, a central account.

INTERNATIONAL DEVELOPMENT ADVISORY BOARD (SEC. 204(C))

The committee of conference accepted the Senate language permitting the continuation of the International Development Advisory Board. The Board was reconstituted and its functions enlarged in accordance with the recommendations of the conference report on the Mutual Security Act of 1958. The Chairman and the 12 members of the Board are widely representative of the major segments of the American economy and society. The Board is now directly responsible to the Under Secretary of State, who acts as coordinator of the mutual security program. It is presently working on several subjects, including evaluation of technical cooperation and of U.S. activities in the field of international health conducted under the mutual security program and a study of the problems and potentials of foreign currency acquired in carrying out U.S. economic programs abroad.

The committee of conference believes that the high caliber of the Board's membership assures a careful appraisal by competent individuals of those important aspects of the mutual security program. The committee of conference also accepted the Senate amendment to section 308 of the Mutual Security Act to permit officers other than the Director of ICA to be consulted and advised by the Board.

SPECIAL ASSISTANCE AND OTHER PROGRAMS (SEC. 205(a)(1))

The House bill authorized an appropriation of $250 million.

The Senate amendment authorized an appropriation of $244,620,000.

The committee of conference agreed upon an authorization of $247,500,000.

ASSISTANCE TO AMERICAN-SPONSORED SCHOOLS AND HOSPITALS (SEC. 205(a)(2))

The Senate amendment included an amendment to section 400(c) to increase from $10 million to $20 million the cumulative ceiling on the amount of special assistance funds which may be used to assist American-sponsored schools and libraries abroad. The Senate amendment contained no provision relating to American-sponsored hospitals abroad. The House bill, on the other hand, contained no provision concerning American-sponsored schools abroad but did carry an amendment to section 400(c) authorizing the use of special assistance funds for American-sponsored hospitals abroad as well as the use of foreign currencies accruing to the United States under the Mutual Security Act or any other act for the purposes of section 400(c), notwithstanding the provisions of the Mutual Defense Assistance Control Act of 1951.

The managers on the part of the House receded on the first provision and accepted the Senate language increasing the cumulative ceiling for assistance to American-sponsored schools and libraries abroad. The Senate receded on the second provision and agreed to new language. The amended language makes clear that the Mutual Defense Assistance Control Act of 1951 may be waived only in the case of assistance to schools, libraries, and hospitals in the form of foreign currencies accruing to the United States. The provisions of the Battle Act are not waived with respect to dollars authorized to be used pursuant to the first sentence of this subsection. The amended language is intended to constitute authorization for an appropriation to carry out the purposes of this subsection.

LAND RESETTLEMENT PROGRAMS IN LATIN AMERICA

The House bill (sec. 205(a)(3)) added a new section 400(d) to authorize the use in amounts specified in appropriation acts of foreign currencies, other than those of the Development Loan Fund, accruing to the United States in Latin America under the Mutual Security Act or any other act for the purpose of making loans for land resettlement programs in Latin America.

The Senate amendment contained no provision on this subject.

The House receded on this amendment.

The committee of conference recognized the desirability of assisting land resettlement programs in Latin America, not only to relieve population pressures in certain parts of the world but also to advance the economic development of a number of areas in Latin America.

The conferees were informed that the provision in the House bill could be construed to restrict already existing authority to use foreign currencies for purposes of land resettlement under section 402 of the Mutual Security Act and section 104(g) of Public Law 480, 83d Congress. The House conferees, therefore, agreed that the objective to be attained under the authority contained in the House bill could be more effectively achieved if no alteration were made in existing law.

The managers on the part of the House believe that the Executive has not given sufficient consideration in the past to land resettlement programs in Latin America and recommend that greater effort be made in the future.

USE OF SURPLUS FOOD COMMODITIES (SEC. 205(C))

The House bill amended section 402 to earmark $175 million of fiscal year 1960 mutual security funds to finance the export and sale of U.S. surplus agricultural commodities for foreign currencies.

The Senate amendment amended section 402 to read the same as the House bill, but also amended the first sentence of section 402 to include grants as well as sales and added two new sentences at the end of the section. The first sentence provided that U.S. surplus food commodities or products thereof made available for transfer under the Mutual Security Act or any other act as a grant or as a sale for foreign currencies should also be made available to the maximum extent practicable to eligible domestic recipients pursuant to section 416 of the Agricultural Act of 1949, as amended, or to needy persons within the United States pursuant to clause (2) of section 32 of the act of August 24, 1935, as amended. The second sentence amended section 416 of the Agricultural Act of 1949, as amended, so as to permit use of commodities in private stocks for domestic and foreign distribution programs.

The House conferees accepted the provisions of the Senate bill with an amendment changing the word "shall" in the first of the new sentences to "may". They were impressed with the argument that it was desirable that surplus food commodities or the products thereof made available either for grant or for sale for foreign currencies abroad under section 402 of the Mutual Security Act or any other act be provided to the maximum extent practicable to eligible domestic recipients under already authorized relief feeding programs in order to eliminate any possibility that needy people in the United States should be at any disadvantage compared to people of foreign nations with respect to the distribution of such commodities. The provision does not authorize any additional funds for domestic relief purposes. It relates only to the designation of commodities which would be available under already existing authority and

available funds for such domestic relief programs.

The committee of conference recognized that too rigid a requirement might impede the effective disposal of surplus food commodities abroad as well as unnecessarily interfere with the existing procedures for domestic distribution. The language of the provision as agreed to allows sufficient flexibility in the administration of the program and at the same time indicates the intent of Congress that our own people should not be at any disadvantage in sharing surplus food commodities.

PALESTINE REFUGEES (SEC. 205(g))

The House bill amended section 407 to authorize an appropriation of $25 million for a contribution to the United Nations Relief and Works Agency (UNRWA) for Palestine refugees and deleted the proviso that requires 15 percent of the appropriations to be available only for resettlement and repatriation as distinct from relief and rehabilitation. The Senate amendment contained an identical authorization but retained the proviso.

The committee of conference retained the proviso but reduced the amount set aside for resettlement and repatriation to 10 percent. In reaching agreement the committee gave consideration to several factors. There is a continuing need for relief and rehabilitation. The number of refugees has actually increased during the past years. Nothing, however, has been accomplished effecting a repatriation or resettlement of the refugees. The whole program comes up for restudy this year by the United Nations General Assembly and will expire unless reauthorized. If the proviso were removed, it might seem to indicate an abandonment by the United States of its sustained interest in effecting a solution and, at the same time, would leave the impression that the United States was satisfied with nothing more than an indefinite relief program.

PRESIDENT'S SPECIAL EDUCATION AND TRAINING FUNDS (SEC. 205(1))

The managers on the part of the House accepted, with an amendment, the Senate language that adds a new section 412. This section, as amended, provides that in each of the fiscal years 1960 through 1964, of the funds made available under this act $10 million shall be available for educational and training programs for people of under developed countries.

Half of the funds are to be used for financing "studies, research, instruction, and other educational activities of citizens of underdeveloped countries in educational institutions in the United States, Puerto Rico, and the Virgin Islands." This program may be used to supplement activities under both the Fulbright Act and the United States Information and Educational Exchange Act.

The other half of the $10 million is to be used for training the people of underdeveloped countries in skills which will contribute to economic development.

It is the intention of the committee of conference that the training authorized by this section not be limited to manual or technical skills but that it include the whole range of administrative and other skills necessary to operate a modern government with a developing economy.

INVESTMENT GUARANTEE PROGRAM (SEC. 205 (m) (1), (2), AND (3))

Both the House bill and the Senate amendment authorized an increase in the guarantee issuing authority (sec. 413(b)(4)(F)) from $500 million to $1 billion. The Senate amendment also included a provision restricting the purpose of the program to the development of the economic resources and productive capacities of economically underdeveloped areas.

The managers on the part of the House receded and accepted the Senate language with an amendment. The committee of conference was agreed that the purpose of the investment guarantee program was to stimulate the movement of American capital and know-how into areas that were economically underdeveloped. The committee recognized, however, that a number of applications had been filed by investors for guarantees of investment in connection with projects in Western European countries. In some instances these applications have reached an advanced stage of preparation and negotiation. To preclude these investors from eligibility for guarantee protection after many of them have spent considerable sums initiating projects would work an undue hardship. To meet this problem the committee set a cut-off date in the case of guarantees for projects in developed countries issued prior to January 1, 1960, on the basis of applications submitted prior to July 1, 1959.

STUDIES OF THE ROLE OF PRIVATE ENTERPRISE (SEC. 205(m)(4))

The House bill amended section 413(c) of the act to require annual studies of the role of private enterprise in carrying out the purposes of the Mutual Security Act and of the impact of the mutual security program on the U.S. economy. The amendment also required special reference to be made in such reports to the net position of the United States in its balance of trade with the rest of the world.

The Senate amendment was substantially the same as the House language, except that it required only such studies as are appropriate to keep existing data up to date rather than annual studies.

Section 413(c) of the Mutual Security Act adopted last year required a study along the above lines. This study has been made. The amendments adopted by both the House and the Senate were intended to insure that these studies would be continued. Under the House version the studies would be annual; under the Senate version such studies would be made as would be necessary to keep the existing reports up to date.

The committee of conference adopted the House version, except that it provides that annual studies will be made to keep the data up to date. Under this provision it will not be necessary to make a completely new study each year but only to bring these studies up to date. When it appears that existing material is outdated, a new study would obviously be made.

STUDY OF MULTILATERAL PROGRAMS OF ASSISTANCE (SEC. 205(m)(5))

The Senate bill added a new section 413(d) to the act which requires the executive branch to conduct a study of methods by which the United States and other nations might best together formulate and effectuate programs of assistance to strengthen the economies of the free nations. No similar provisions was contained in the House bill.

The committee of conference accepted the Senate amendment. The amendment is intended to insure that all of the facilities of the free world are brought to bear on the task of developing the underdeveloped areas and in providing for the security of the free world. The study will be concentrated on what can be done to encourage further economic cooperation among the free nations of the world.

CONTINGENCY FUND (SEC. 301)

The House bill, by amendment to section 451(b), carried an authorization of $100 million of appropriations to the President's contingency fund. The Senate amendment carried an authorization of $180 million.

The committee of conference agreed to an authorization of $155 million. This is the amount appropriated for fiscal year 1959.

The adjustment agreed to by the managers on the part of the House was reached after the managers on the part of the Senate receded from separate authorizations for machine tools for small business, international cooperation in health, and the World Refuge Year.

TRANSFERABILITY OF FUNDS

The Senate amendment added a new section 501(b) which authorized the transfer of up to 30 percent of military assistance funds to technical cooperation, special assistance, and nonmilitary programs other than defense support and the Development Loan Fund. The Senate receded from its insistence on its language. The committee of conference, in agreeing to delete the proposed language, recognized that the trade and assistance programs of international communism presented a rapidly increasing danger to the independence of friendly countries. Thus far it has been possible to meet this threat within the general transfer authority contained in existing law. Should world conditions alter in a way to make this authority inadequate to meet the danger, the committee of conference agreed the matter of wider transfer authority should be reexamined.

SUSPENSION OF ASSISTANCE TO CERTAIN COUNTRIES (SEC. 401(a))

The House bill added a new section 503(b) which provided that if a nation expropriates or confiscates property of U.S. citizens and fails within 6 months of such action to take steps determined by the President to be appropriate to discharge its obligations under international law, the President shall withhold assistance from such nation. The Senate amendment contained a new section 552 providing that whenever the President determines that any recipient country is engaged in the taking of property owned by the United States or its nationals he shall suspend assistance until the country is no longer so engaged and adequate compensation has been made.

The committee of conference agreed upon substitute language, added as a new section 503(b). The President is given authority to determine (1) whether nationalization or expropriation of property of U.S. citizens has occurred and (2) the adequacy of steps taken by the offending government to discharge its obligations under international law. Should the President not be satisfied with measures taken by the offending government to take corrective action, he shall suspend assistance given under any program in the Mutual Security Act unless he determines such suspension of assistance to be inconsistent with our national interest. This section is applicable only to acts of nationalization or expropriation that take place after the enactment of the Mutual Security Act of 1959.

REDUCTION OF DEFENSE SUPPORT AND SPECIAL ASSISTANCE (SEC. 401(a))

The House bill added a new section 503(c) which specifies that the President shall include in his recommendations to the Congress for the fiscal year 1961 mutual security program a detailed plan for each country receiving bilateral grant assistance under defense support and special assistance whereby such assistance shall be progressively reduced. The Senate amendment contained identical language except that it provided not only for the progressive reduction but for the elimination of such grant assistance.

The Senate receded and accepted the House language with two amendments. The word "terminated" was substituted for "eliminated". The words "wherever practicable" were included. The latter amendment gives recognition to the fact that reduction of the grant aid will be made consistent with the foreign policy objectives of the United States. It is the expectation of the committee of conference that the President and the administrators of the program will give constant surveillance to the

economic development of aid recipients and will report to the Congress those countries that have achieved a degree of economic viability that will permit the termination of further assistance.

As understood by the committee, each country plan should include the basic objectives being sought through the furnishing of economic assistance to that country, the progress to date toward achieving those objectives, and, so far as practicable, plans and forecasts as to future assistance and other measures required in furtherance of these objectives and as to future reduction and eventual termination of economic assistance as those objectives are approached and ultimately achieved.

As indicated above, the controlling consideration in the preparation of these plans is to be the foreign policy and other national aims of the United States. The committee feels that such plans are essential to assure that programs do not simply perpetuate themselves by limited planning from year to year, but that they have definite goals toward which they are directed and toward which progress can be measured.

FURNISHING OF INDUSTRIAL EQUIPMENT (SEC. 401(b))

The Senate amendment added a new section 504(d) to the Mutual Security Act, authorizing an appropriation of not to exceed $2.5 million to make available to foreign small-business concerns in underdeveloped countries machine tools and industrial equipment owned by agencies of the U.S. Government.

The House bill contained no provision on this subject.

The managers on the part of the House receded and agreed to a provision that authorizes the President to use an identical sum from the funds appropriated pursuant to section 451(b). This authorization is not intended to limit or alter existing authority to use excess property of government agencies under the Mutual Security Act.

DISPOSAL OF LOAN REPAYMENTS (SEC. 401(c))

The House bill amended section 505(b) to provide for the disposition of loan repayments under the Mutual Security Act in three ways. First, dollar repayments should be deposited into the Treasury. Second, foreign currency repayments would be sold to U.S. Government agencies for payment of their obligations abroad and the dollar reimbursements should be deposited into the Treasury. Third, foreign currency repayments not needed by U.S. Government agencies for payment of their obligations abroad should be credited to and be available for the purposes of the Development Loan Fund in amounts specified in appropriation acts. Foreign currencies made available to the Development Loan Fund under this section were to be in addition to the dollar funds authorized to be appropriated under section 203.

The Senate amendment amended section 505(b) to read the same as the House bill, except that (1) it provided that foreign currency repayments in excess of those necessary for the Fulbright educational exchange program might be sold to U.S. Government agencies for payment of their obligations abroad and (2) it did not require that amounts to be credited to the Development Loan Fund should be in amounts specified in appropriation acts.

The committee of conference arrived at a compromise by which the House accepted the Senate language relating to the availability of foreign currencies for the Fulbright educational exchange program and the Senate accepted the House language requiring that foreign currency repayments be credited to the Development Loan Fund in amounts specified in appropriation acts.

APPLICATION OF SECTION 517 TO DEVELOPMENT LOAN FUND (SEC. 401(c))

The House bill contained a provision extending the coverage of section 517 (Completion of Plans and Cost Estimates) of the act to the Development Loan Fund. The House provision also authorized the President to waive the requirements of section 517 insofar as it might be applicable to any particular transaction under the Development Loan Fund provision. The Senate bill contained no similar provision. The committee of conference accepted the House amendment but deleted the provision authorizing the President to waive the applicability of section 517 to the Development Loan Fund. There is already adequate authority under existing legislation to enable the President to accomplish such a waiver. The requirement that section 517 also be applicable to the Development Loan Fund will help insure that the activities of the Development Loan Fund are conducted on a sound, businesslike basis.

COMPETITIVE BIDDING FOR CONSTRUCTION CONTRACTS (SEC. 401 (e))

The House bill contained a provision requiring, with respect to programs covered by section 517, that to the maximum extent feasible all contracts for construction outside the United States should be made through competitive bidding.

The Senate bill did not contain a similar amendment.

The committee of conference adopted the House version with an amendment. Under the amendment it is provided that to the maximum extent practicable all contracts for construction outside the United States should be made on a competitive basis. Contracts financed with loans from the Development Loan Fund are exempted from the requirements of this provision since they will be in most instances handled by firms in foreign countries or agencies of foreign governments.

RESPONSIBILITIES OF CHIEF OF DIPLOMATIC MISSION (SEC. 401(f) (1))

The House bill amended section 523(b) to require the Chief of the Diplomatic Mission in each country to insure that recommendations concerning military assistance are coordinated with political and economic considerations and to accompany such recommendations with his own comments. The Senate amendment included identical language but added the final clause "if he so desires". The managers on the part of the House accepted the Senate language.

SUPERVISION AND DIRECTION OF THE MUTUAL SECURITY PROGRAM (SEC. 401(f) (2))

The Senate bill contained a provision amending section 523(c) so as to make the Secretary of State responsible for the continuous supervision and general direction of the mutual security program. This responsibility is to include the determination of whether there shall be a military assistance program for a country and the value of the program so that the programs are effectively integrated both at home and abroad. The House bill did not contain a similar provision.

The managers on the part of the House accepted the Senate amendment since the provision is intended to clarify the relationships among the various agencies administering the mutual security program.

SUPERGRADE POSITIONS (SEC. 401(g))

The House bill authorized an increase from 20 to 25 in the number of positions that may be compensated at a rate higher than that paid for grade 15. The Senate amendment authorized an increase from 20 to 35. The committee of conference agreed on an increase from 20 to 30—a total of 10. The allocation of these positions will be determined by the Under Secretary of State in his capacity as coordinator of the program. The increased authority to obtain high-level personnel should result in improved coordination, direction, and administration of the program.

APPOINTMENT OF OVERSEA PERSONNEL

The committee of conference agreed to the deletion of the House language (sec. 401(g)(2)) added to section 527(c) that required, to the maximum feasible, the appointment of ICA overseas personnel in accordance with the civil-service laws. ICA is already making maximum use of civil-service facilities as a source of candidates for overseas posts. In accordance with existing law, ICA uses the provisions of the Foreign Service Act in appointing its overseas personnel. The imposition of civil-service requirements would create a dual personnel system with attendant administrative difficulties. In agreeing to the deletion of the House language the committee of conference is desirous that the Director of ICA continue to work in close cooperation with the Civil Service Commission in order that the facilities of the Commission may be fully utilized in recruiting capable individuals for overseas assignment.

OFFICE OF INSPECTOR GENERAL AND COMPTROLLER (SEC. 401(h))

The House bill added a new section 533A which established within the Department of State an Office of Inspector General and Comptroller reporting directly to an Under Secretary of State. It transferred to the Inspector General and Comptroller certain functions now being carried out within the International Cooperation Administration and set forth the duties to be performed.

The Senate amendment contained no provision dealing with this matter.

The committee of conference accepted the House provision with a number of amendments intended primarily to make more specific and clarify the language of the House bill. These include a provision that the Inspector General and Comptroller should be appointed by the Secretary of State rather than the Under Secretary of State, and setting his salary at a specific figure of $19,000 per annum. In addition, the House provision was modified to specify more precisely the relationship between the Office of Inspector General and Comptroller and the General Accounting Office.

The committee of conference gave particular consideration to the relationship to be established between the Inspector General and Comptroller and the Department of Defense with regard to the military assistance program. Section 524 of the Mutual Security Act specifically assigns a wide range of responsibilities for operating the military assistance program to the Secretary of Defense. In the Department of Defense and in each of the military services there is a well staffed comptroller organization headed by an Assistant Secretary.

Under the circumstances, it is desirable that the Inspector General and Comptroller should not set up an organization to duplicate the work being done within the Military Establishments or intervene in the carrying out by the Secretary of Defense of responsibilities assigned to him by law.

At the same time, impressive evidence has been presented of shortcomings in the administration and control of the military assistance program in a number of countries. These shortcomings have been attributable, at least in part, to the fact that existing Defense Department control procedures are adapted primarily to the requirements of U.S. military programs rather than to the special situations which exist in carrying out military assistance operations.

The committee of conference is convinced that it is essential that there be an independent review and approval of military assistance administration and control by an official outside the Defense Department

hierarchy but at the same time having responsibility to see that the mutual security program works effectively. The language of the House bill was revised to make clear that while the Inspector General and Comptroller would have authority to establish financial controls and auditing procedures as well as to initiate and carry out other operations relating to the mutual security programs for which the Secretary of State is responsible, his authority with respect to military assistance operations for which the Secretary of Defense is responsible will be that of investigating, reviewing, approving, recommending, and consulting.

The Secretary of State under section 523 of the Mutual Security Act is given overall responsibility for seeing that the military assistance program is effectively carried out and integrated with the other programs. Whenever the Inspector General and Comptroller finds evidence that military assistance is not effective in its results or is not properly administered, his ultimate recourse will be to the Secretary of State through the Under Secretary of State to whom he is directly responsible. If a proper cooperative relationship between the Defense Department and the Inspector General and Comptroller is established, based on recognition and respect for their respective authority and responsibilities, it is expected that remedial action will be taken as a result of informal consultation at lower echelons.

The most serious questions in the minds of the Congress and the public today concerning the mutual security program no longer relate to whether or not the program should exist, but to whether it is being or can be effectively administered. The Inspector General and Comptroller can and should do much to provide reassurance on this subject. He can do his job only if he is fully informed of the facts and if the various operating officials do what they can to facilitate his work.

MISSION DIRECTOR CARS (SEC. 401(j)(1))

The House bill contained no provision on this subject. The Senate amendment amended section 537(a)(5) to increase from $3,300 to $3,800 the ceiling price applicable to the purchase of official vehicles for use by directors of U.S. operations missions abroad. The committee of conference agreed to $3,500 as a ceiling price. This increase is not intended to provide cars better than those now provided. It merely reflects the increased price of vehicles over the past several years.

REPORT ON DEFENSE SUPPORT AND SPECIAL ASSISTANCE (SEC. 401(j)(3))

The House bill contained a provision amending section 537(f) of the act to require the submission during the annual presentation to the Congress of a detailed report on defense support and special assistance to be furnished to each country. The provision required that the report contain (1) an explanation of the proposed level of aid for each country including a listing of all significant factors considered in determining such level, and (2) with respect to defense support, an explanation of the force objectives toward the support of which defense support was proposed to be furnished in each country, including the method by which such force objectives were arrived at.

The Senate bill contained a substantially similar provision except that with respect to defense support countries the report was to contain an explanation of the determination of the particular level of forces to be supported by the proposed request for military assistance in each country, including the factors considered in arriving at each country determination.

The committee of conference accepted the Senate amendment except that amendments were added requiring that the reports should also show the methods used as well as the factors considered in determining the level of aid for each country and in determining the request for authorization and appropriation for military assistance in defense support countries.

The provision adopted by the committee of conference is intended to insure that the appropriate committees of the Congress receive full, detailed, and adequate material in support of the executive branch request for authorization and appropriation. This provision should facilitate the examination of the executive branch request and should insure a broader understanding of the purposes of the mutual security program.

INFORMATION POLICY (SEC. 401(m))

The Senate amendment added a new section 550 which requires the President to make public all information concerning the mutual security program not deemed by him to be incompatible with the security of the United States. The managers on the part of the House receded and accepted the Senate language. The committee of conference noted that the only specific limitation to disclosure was that which affects security. The committee also acted on the understanding that this provision was not intended to override or repeal, with respect to the mutual security program, statutes enacted by Congress which expressly prohibit or regulate the disclosure by the executive branch of specific types of information, for example, trade secrets obtained in confidence from business firms.

LIMITATION ON USE OF THE PRESIDENT'S SPECIAL AUTHORITIES (SEC. 401(m))

The Senate amendment added a new section 551 which prohibits the President from using his special authorities under sections 403, 451, and 501 to augment appropriations for administrative expenses made under sections 408, 411(b), and 411(c). The House bill contained no comparable provision. The managers on the part of the House accepted the Senate amendment.

Administrative funds for carrying out the mutual security program are specifically authorized and appropriated after a complete justification. There have been several instances where these funds have been augmented by a transfer of money from program activities. The language adopted by the committee of conference is intended to terminate this practice.

INTERNATIONAL COOPERATION IN HEALTH (SEC. 501)

The House bill contained an affirmation of U.S. policy to accelerate its efforts to encourage and support international programs for the conquest of diseases and other health deficiencies. The Senate amendment affirmed the same policy and, in addition, authorized the use of mutual security funds, other than those for military assistance and the Development Loan Fund, to undertake projects to determine the feasibility of programs for eradication of diseases of international importance and authorized an appropriation of an additional $2 million for this purpose.

The committee of conference deleted the language permitting the financing of this program from other mutual security funds and the separate authorization of $2 million. In lieu thereof the committee adopted language that authorized the use of $2 million from funds appropriated pursuant to section 451(b). This language is not intended to limit or alter existing authority in the act for assistance in the fields of health.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST (SECS. 601–603)

Chapter VI (secs. 601–603) of the Senate bill provided that, in order to promote better understanding between the peoples of the Far East and the United States, the Secretary of State should present a plan to Congress for the establishment in Hawaii of a Center, to be called the "Center for Cultural and Technical Interchange Between East and West," where students, scholars, and technicians from the East and West could meet and cooperate. The Senate amendment called for the submission to Congress on or before January 3, 1960, of a plan and program which shall provide for—

1. the establishment and operation in Hawaii of the Center through arrangements to be made with public educational or other nonprofit institutions;

2. grants, fellowships, and other payments to outstanding scholars and authorities from the nations of the East and West;

3. grants, scholarships, and other payments to qualified candidates for study at the Center from both East and West; and

4. making the facilities of the Center available for study to other qualified persons on a reasonable basis.

Provision is also made for such appropriations as may be necessary to carry out the provisions of the chapter.

The managers on the part of the House accepted the Senate amendment with the deletion of the words "which shall provide." The language agreed upon is intended to give greater scope to those preparing the plan and program. It is understood that in submitting the plan the Secretary of State may also inform the Congress as to the feasibility and desirability of the entire program envisioned by the Senate amendment.

Hawaii is the crossroads of the East and the West. Here the cultures of Asia and of Europe and of the Americas have met and have learned to live together. Consequently, it is most appropriate that a center such as this should be established in Hawaii where cooperation has been the rule for many years.

Such a center can do much to break down barriers between the East and West and encourage cooperation. Thereby, international tensions will be reduced, and the chances for world peace will be enhanced. The bringing together of scholars and technicians from the East and West will increase human understanding, will facilitate the development of technical knowledge in the East, and will reduce friction between the areas.

AMENDMENT TO FOREIGN SERVICE ACT (SEC. 701(b))

The managers on the part of the House accepted the language in the Senate amendment. That language amends section 522 of the Foreign Service Act to permit the appointment or assignment of any Foreign Service Reserve officer to be extended for not more than an additional 5 years without regard to the 5-year limitation in section 527. This language will make it possible to keep in service Reserve officers who are occupying essential positions and who, by reason of training and experience, would be difficult to replace in key oversea assignments.

INFORMATIONAL MEDIA GUARANTEES (SEC. 701(c))

The Senate amendment, in section 703, made a technical amendment to the United States Information and Educational Exchange Act of 1948. That act today provides, by cross reference to section 413(b) of the Mutual Security Act of 1954, that informational media guarantees shall be made for the purposes specified in such section 413(b). In view of the amendments made to section 413(b) by the conference, limiting the mutual security investment guarantee program to underdeveloped countries, it is necessary to make corrective changes in the United States Information and Educational Exchange Act of 1948 to permit the informational media guarantee programs under that act to continue under the same authority as they have in the past. The House managers, therefore, accepted the Senate version.

USE OF FOREIGN CURRENCIES FOR SCIENCE AND RESEARCH (SEC. 701(d))

The House bill (sec. 401(a)(1)) added a new section 502(c) designed to permit the use of foreign currencies available to the United States under the Mutual Security Act or any other act for science and research in amounts specified in appropriation acts. The Senate amendment contained language amending section 104(k) of Public Law 480 to change the technical form of appropriations control over the use of Public Law 480 foreign currencies. The committee of conference accepted the Senate language with an amendment to incorporate one of the purposes of the House language; namely, by including research activities, to broaden the purposes for which foreign currencies under this section may be used. The committee of conference is agreed that foreign currencies available to the United States under any act should be utilized more fully to make available to U.S. scientists and researchers the findings of their foreign counterparts.

EXPENSES OF ANNUAL MEETING OF NATO PARLIAMENTARY CONFERENCE (SEC. 702)

The committee of conference agreed to the language in the Senate amendment authorizing an appropriation of $100,000 to meet the expenses of the United States in connection with the meeting in Washington next November of the NATO Parliamentary Conference.

House Concurrent Resolution 34 of the 86th Congress extended an invitation to the Conference. The amount of $100,000 will permit the United States, as hosts to the Parliamentarians, to cover the expenses for simultaneous translation, reproduction of documents and working papers, reporting services, office equipment and other necessary facilities to make the meeting a success.

WORLD REFUGEE YEAR (SEC. 703)

The Senate amendment authorized an appropriation of $10 million for U.S. participation in the World Refugee Year to be used for assistance to refugee groups throughout the world. The House bill contained no provision on this subject. The managers on the part of the House accepted the Senate language with an amendment that deletes the separate authorization of an appropriation. Instead the use of $10 million from funds appropriated pursuant to section 451(b) is authorized for this purpose.

THOMAS E. MORGAN,
A. S. J. CARNAHAN,
CLEMENT J. ZABLOCKI,
ROBERT B. CHIPERFIELD,
WALTER H. JUDD,
Managers on the Part of the House.

Mr. MORGAN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conferees bring back to the House a bill which represents a compromise between a bill that passed the House and a Senate bill which differed from it in some 57 instances, a number of which were of major importance. The money differences between the two bills this year were relatively less important, and the differences with respect to the relationship of the two bills to our foreign policy and to congressional control over the mutual security program were of relative large importance.

Let me make clear at the very beginning that this bill contains no authority to use foreign currencies without appropriation nor does it authorize any back door approach to the Treasury. The House conferees kept in mind the rules of the House and the sentiment prevailing in the House on these matters, and were careful that no such provisions were included.

It is difficult to make a meaningful comparison of the total dollar authorizations in the two bills. This is true because the bill as it passed the Senate included an authorization for 2 years for the Development Loan Fund and a continuing authorization for the military assistance program.

No funds after fiscal 1960 were authorized in the bill that passed the House. The total of the authorizations for fiscal year 1960 approved by the House was $3,542,600,000 and the total of the authorizations approved by the Senate was $3,543,320,000—a difference of only $720,000. The conference agreed to authorizations for fiscal 1960 of a total of $3,556,200,000, which is $353,200,000 less than the Executive request, and is $13,600,000 more than the authorization approved by the House.

I feel sure that an examination of the detailed authorizations included in the bill will satisfy the House membership that the interests of the House have been adequately protected. It might be of interest to note that in 1956 the House conferees brought back an authorization which was $360,100,000 larger than the amount originally approved by the House; in 1957 the authorization approved by the conference was $250,250,000 higher than the authorization included in the House bill; last year the conference agreed to an aggregate authorization which was $72,500,000 above the bill approved by the House. I think everyone will recognize that we have done pretty well this year.

As I said a moment ago, the major problems which confronted the House conferees involved matters of congressional practice and congressional control, as well as major aspects of our foreign policy.

The Senate bill included an authorization to transfer up to 30 percent of military assistance funds to economic assistance. The House had made its position very clear to the House conferees during the consideration of the bill on the House floor, and we gave this issue top priority. I am glad to be able to report that the Senate receded with respect to this provision.

Another major issue with which the conference was confronted involved the continuing authorization for military assistance. The Senate bill included such an authorization, which was supported by the executive branch. The Draper Commission, as you know, had recommended only a couple of weeks ago that military assistance be authorized on a continuing basis, and the Senate held very strongly to its position on this matter. After prolonged discussion, a compromise was agreed to by which, after the current fiscal year, such funds are authorized for military assistance as may be required for fiscal year 1961 and fiscal year 1962. After this 2-year period, further authorization will be necessary. It is the belief of the House conferees that this 2-year period should be regarded as experimental in nature and that the House will have an opportunity to observe the consequences of this type of authorization before reaching a final determination.

The conference faced a major issue also in the case of the authorization for the Development Loan Fund. The Senate bill authorized $2 billion for a 2-year period with the provision that $750 million could be advanced to the Fund in fiscal 1960 and the remaining $1,250 million could be advanced during fiscal 1961. We were able to arrive at a compromise, which held the fiscal 1960 authorization to $700 million—the figure approved by the House—and provided an authorization for fiscal 1961 of $1,100 million. This involved an overall reduction from the Senate figure of $200 million. This was the best that we were able to do, and I believe it is a reasonable arrangement considering the situation which exists in the Senate and supported by the Executive.

There were two provisions of the Senate bill which had major implications to our foreign policy. The first was a requirement that $893,750,000 of the funds authorized for military assistance had to be used to provide assistance to the NATO countries. Had this requirement prevailed, it would have made necessary a cut of 43 percent in military assistance to the non-NATO nations. I firmly believe that a cut of this magnitude in the assistance to the countries outside NATO would have seriously impaired our relations with other nations and would have been dangerous to our national security. I am glad to be able to report that the Senate receded on this point and the requirement that a specified amount of military assistance money should go to the NATO countries was completely eliminated.

The other important foreign policy problem presented by the Senate bill involved the requirement that $31,500,000 of military assistance for Latin America had to be used either for assistance to a military force organized and directed by the Organization of American States or, if not so used, could be used only to provide economic assistance to Latin American countries. In this case the Organization of American States had no plans, no authority or no desire to create such a military force, and the result would inevitably have been that the money would have been diverted from military assistance to economic assistance. I am glad to be able to report that the House conferees were successful in their opposition to this provision and that this was deleted from the bill.

It gives me great personal satisfaction to be able to inform the House that the provision contained in the House bill for the setting up of an Inspector General and Comptroller to supervise the operation of the mutual security program was accepted by the Senate. I believe that this provision will make a major contribution to tightening up the administration of the mutual security program and to improving its effectiveness. We worked very hard in conference to secure the approval of the Senate conferees to this provision and feel great satisfaction that we were successful.

With regard to other provisions of the bill, we compromised on what seems to me to be on the whole a 50–50 basis. It was necessary for the House to recede completely with respect to some amendments and the Senate to recede completely with respect to others. Most differences were resolved by the adoption of compromise language. I do not believe that we receded on any matter which will handicap the United States in the conduct of its foreign relations or which involves the policies or precedents of the House. In any conference it is necessary to give and take in order to reach agreement. I believe that the managers on the part of the House have done a good job, and I urge that the conference report be adopted.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Mr. Speaker, I am gratified by the splendid assistance, those of us who are interested in the surplus population problem received from the distinguished chairman of the Committee on Foreign Affairs and his colleagues who participated in the conference on this legislation in obtaining a clear and unequivocal statement regarding the availablity of counterpart funds for land resettlement programs in Latin America. We are hopeful that the administration will now be guided in their negotiations with some of our Latin American neighbors by the findings and recommendations of the conferees.

For the purpose of further clarification of the RECORD, I request unanimous consent to include at this point copies of my correspondence on this subject with the Acting Secretary of State, Mr. C. Douglas Dillon.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to follows:

JULY 10, 1959.

Hon. C. DOUGLAS DILLON,
Undersecretary of State,
Department of State,
Washington, D.C.

DEAR MR. DILLON: You are aware, of course, of the fact that the House of Representatives has included in the mutual security bill (H.R. 7500) section 205(a)(3) authorizing the use of counterpart funds for the financing of land settlement projects defined in section 400(b)(C) of the Mutual Security Act of 1954, as amended.

This provision was originally submitted to the House Committee on Foreign Affairs by myself after it has been repeatedly indicated to me in the course of negotiations leading to the granting by the Development Loan Fund of certain loans (in U.S. dollars) designed to assist in the development of such projects in Latin America, that existing law does not authorize the use of foreign currency accruing either under the Mutual Security Act or under the Agricultural Trade Development and Assistance Act (Public Law 480 of the 83d Congress).

Having made an effort to have the Senate include in their companion bill the provision approved by the House, I am now informed by the Senate Committee on Foreign Relations that according to comments received by that committee from the executive branch, the House provision is not deemed to be necessary in view of the fact that "the President presently has authority to make loans for land resettlement purposes without regard to section 1415 (of the Supplemental Appropriations Act of 1953) from foreign currencies accruing" under either of the above cited acts. I am further informed that according to the opinion of the executive branch, "neither of these authorities is subject to the requirement that foreign currencies for such loans be authorized from time to time in appropriation acts." Consequently, according to the Committee on Foreign Relations of the Senate, the present statutory authority is sufficient to make foreign currencies available for loans to finance land settlement projects determined to promote economic development of certain Latin American countries as defined in clause (C) of subsection (b) of section 400, supra.

The purpose of this letter is to obtain from you a definitive determination whether or not the views attributed to the executive branch in the Senate committee's analysis of the Mutual Security Act of 1959 reflect the official findings of the administration and whether you are of the opinion that existing law contains sufficient authority for the granting of foreign currency loans for the above defined land settlement projects.

In view of the fact that the House-Senate conference committee on the Mutual Security Act of 1959 is expected to begin their work within the next few days, your early attention to this request would be very much appreciated.

Sincerely yours,

FRANCIS E. WALTER,
Chairman.

DEPARTMENT OF STATE,
Washington, July 15, 1959.

The Honorable FRANCIS E. WALTER,
Chairman, Subcommittee No. 1, Committee on the Judiciary, House of Representatives.

DEAR MR. CHAIRMAN: In your letter of July 10, 1959, you asked me to confirm information you have received from the Senate Committee on Foreign Relations concerning comments supplied to it by the executive branch regarding section 205(a)(3) of H.R. 7500 authorizing the use of counterpart funds for financing certain land settlement projects.

I can confirm that the expressions quoted in the third paragraph of your letter do represent the views of the executive branch. These views are stated as follows in the position paper on this matter provided by the executive branch to the conferees on the mutual security authorizing bill:

"The President presently has authority to make loans for land resettlement purposes without regard to section 1415 of the Supplemental Appropriation Act, 1953, from foreign currencies accruing under section 402 of the Mutual Security Act and under Public Law 480 when such loans are determined to promote economic development under section 104(g) of Public Law 480. Neither of these authorities is subject to the requirement that foreign currencies for such loans be specified from time to time in appropriation acts.

If the intent of this amendment, apart from its effect, is to provide additional authority to assist land resettlement programs in Latin America, on the assumption that the present authorities for such assistance were inadequate, the fact is, as indicated above, that the existing authorities are already adequate for this purpose and therefore such an amendment would be unnecessary."

I am enclosing a copy of this position for your convenience.

Sincerely yours,

———— ————,
Acting Secretary.

Mr. MORGAN. I am sure that there is spelled out in the statement of the managers on the part of the House protective language that will satisfy the gentleman from Pennsylvania, on this matter that I know he has been deeply interested in for a great many years.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Virginia.

Mr. GARY. Is it true that this bill as now presented by the conferees has eliminated all so-called back door approaches to the Treasury, such as permitting the organizations to borrow directly from the Treasury rather than to go through the appropriation processes?

Mr. MORGAN. That is correct.

Mr. GARY. All of the appropriations are now required to go through the regular appropriation processes?

Mr. MORGAN. All of the appropriations are now required to go through the Committee on Appropriations.

Mr. GARY. It is not a question of going through the Committee on Appropriations, but a question of using the appropriation processes so that they will be acted upon by the Congress.

Mr. MORGAN. They all go through that process.

Mr. GARY. I thank the gentleman.

Mr. PASSMAN. Mr. Speaker, will the distinguished chairman yield?

Mr. MORGAN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I observe, on page 8, the following: "Of the funds appropriated pursuant to section 451(b) of this act."

That is for the small business organization within the program. The language would indicate that the $2,500,000 requested would come out of the President's contingent fund; is that correct?

Mr. MORGAN. That is correct.

Mr. PASSMAN. Then, as we go over to page 12 there is a new organization, International Cooperation in Health. Is that not a new section in the bill?

Mr. MORGAN. Did the gentleman say on page 12?

Mr. PASSMAN. The item starts on page 11.

Mr. MORGAN. Again, that money would come out of the contingency fund if the President felt he wanted to use it.

Mr. PASSMAN. But under the present legislation, the gentleman is not asking for an appropriation for this, so it would naturally come out of the contingency fund, and it so states.

Mr. MORGAN. We are not making any separate authorization for the International Cooperation in Health program.

Mr. PASSMAN. Then, on page 14, we find "United States participation in World Refugee Year." That is a new item or section of the bill, is it not?

Mr. MORGAN. That is a new item.

Mr. PASSMAN. And the money for that also comes out of the President's contingency fund?

Mr. MORGAN. Again, that is in section 451(b), which is the contingency fund.

Mr. PASSMAN. In that connection, this legislation would set up a new organization, for which the future expense could be very substantial. If you get

them started out of the contingent fund, then in the future they could come in for a regular appropriation, and it is impossible at this time to determine what the cost would be; is it not?

Mr. MORGAN. Well, we are now participating in a number of international refugee organizations. This does not involve any new organization that I know of.

Mr. PASSMAN. How about the small business section and the health organization?

Mr. MORGAN. These amendments were put in by the other body. They had testimony that our own Government agencies had a large surplus of machine tools. They felt very strongly about the amendment. I think the House by eliminating the separate authorizations and incorporating them in section 451(b) was a victory for the House.

Mr. PASSMAN. In both of these instances, there is being set up, in effect, two new organizations and in future years the cost of operating the program could be many, many times the amount requested this year; is that not so?

Mr. MORGAN. I do not believe any new organization is necessarily involved, some new operations may result. The international health organization and the world refugee organizations are not new.

Mr. PASSMAN. How about the international health organization and this proposed organization that you would set up in Hawaii, the cultural program?

Mr. MORGAN. There is no money in section 451(b) for that.

Mr. PASSMAN. I would like to ask a further question, if the distinguished chairman will yield.

Is this not true: Are these items, items that you propose to finance out of the contingent fund. From our experience of what has happened in the past, the Executive to a very large extent has nullified acts of Congress by reinstating the cuts that we have made in a program, because of this large contingent fund.

Mr. MORGAN. Well, you cannot make that interpretation because these provisions were not requested by the Executive and the Executive opposed putting them in the contingent fund.

Mr. PASSMAN. Is it not true, if I may ask this final question, that practically all the money that was spent last year out of the President's contingent fund went to offset cuts made in other programs by the Congress?

Mr. MORGAN. Of course, these programs are all subject to appropriation limitations, as the gentleman knows. The gentleman from Louisiana is the chairman of the appropriations subcommittee which can put limitations on expenditures for them.

Mr. PASSMAN. I just wanted to find out if the distinguished chairman understood that 80 percent of the contingent fund last year was used to offset cuts made by the Congress and the regular committees.

Mr. MORGAN. I have had no report on this matter since the Foreign Affairs Committee concluded its hearings on the mutual security bill.

Mr. PASSMAN. I thank the gentleman.

Mr. MORGAN. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MASON] to make a unanimous consent request.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject that the bills S. 2014 and H.R. 7391 should not pass.

The SPEAKER. Is there objection to the request of the gentleman from Illionis?

There was no objection.

Mr. MORGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I believe that the conference report on the Mutual Security Act of 1959 contains a reasonable and constructive compromise between the provisions approved by the House and those which originated in the other body.

The conference report cuts deeply into the request of the President—deeper, I would say, than some of us have considered advisable in view of the overall Communist threat. Further, it proposes to put into effect certain reforms intended to eliminate those abuses in the administration of our foreign aid program which were brought to light by the Committee on Foreign Affairs and by other sources. This legislation has been carefully drafted to safeguard our public interest. The reforms it proposes are sound and needed. I am pleased that they remain in the final version of this measure.

I sincerely hope that the conference report on the Mutual Security Act of 1959 will receive prompt and overwhelming approval of this House.

At this point, I would like to devote a few minutes to a discussion of an amendment to the Mutual Security Act of 1959 which I proposed in the Committee on Foreign Affairs, and which was adopted by the committee and approved by the House.

I am referring to the amendment to section 400(c) of the mutual security law, which authorizes the President to use foreign currencies, credited to the United States from the sale of our farm surplus commodities and under certain other programs, for medical research and treatment centers founded or sponsored abroad by American citizens. This amendment, in a clarified form, is included in the conference report.

I would like to begin with a brief background of this amendment.

Several months ago, I was invited to join a national committee organized for the purpose of realizing the construction, in Cracow, Poland, of a hospital for children's diseases. This committee, the American Research Hospital for Children in Poland Committee, includes a number of outstanding Americans.

Among them are the Honorable Averell Harriman, former Governor of the State of New York; Hon. Percival F. Brundage, former Director of the Bureau of the Budget; Hon. Harrison A. Williams, U.S. Senator from New Jersey; Hon. Walter H. Judd, Member of Congress from Minnesota; Mr. Norman Cousins, editor of Saturday Review; Mr. Gardner Cowles, publisher of Cowles magazines; Very Reverend Msgr. Aloysius J. Wycislo, assistant executive director of Catholic Relief Services; Dr. Earl N. Hillstrom, medical adviser to CARE; Dr. Stephen Miezwa, president of Kosciuszko Foundations; Dr. Stanley J. G. Nowak, head of the medical committee, Polish Academy of Arts and Sciences; Mr. Richard W. Reuter, executive director of CARE; Mr. John H. Page, of the American Telephone & Telegraph Co.; Mr. John Richardson, Jr., of the firm of Paine, Webber, Jackson, & Curtis; and others.

Mr. Wladek O. Biernacki-Poray, member of the American Institute of Architects, serves as the secretary of the committee. His organization has prepared the designs for the proposed hospital, and he has expended considerable effort on behalf of this project.

Dr. Howard A. Rusk, director of physical rehabilitation at the New York Hospital, and associate editor of the New York Times, serves as a special consultant to the committee.

The project envisioned by the committee involves the construction of a research hospital in childrens' diseases, of approximately 200 beds, in Cracow, Poland. This hospital, made possible by private contributions and Polish zlotys credited to our Government, would serve as a living testimonial of the friendship of the people of the United States for the people of Poland. It would become a part of the Medical Academy of the University of Cracow, which university will celebrate its 600th anniversary in 1963. It is the fond hope of all interested persons that the project may be completed in time to be presented to the people of Poland during the Cracow University's 600th anniversary ceremonies.

The cost of this project has been estimated at approximately $4 million. The American Research Hospital for Childred in Poland Committee hopes to raise $1.5 million through voluntary contributions in the United States. In addition, the equivalent of $2.5 million in zlotys will be needed to pay for services, labor, and materials purchased in Poland.

This is a constructive and humanitarian project. The need for such medical facilities in Poland is extremely great. It is particularly pressing in Cracow, where even the passage of time and industrialization have done little to alleviate the tragic consequences and the ravages of war. The children in Poland are still suffering sickness and miseries of the postwar period, and, according to reports from reliable people who have surveyed the situation, medical facilities available to them are most inadequate.

What could be finer, more constructive, and more humanitarian on our part than to extend a helping hand to the suffering children of Poland by aiding in the construction of this proposed hospital? The bonds of friendship between the people of the United States and the people of Poland are of long standing. Sons of Poland fought for our freedom in the Revolutionary War, and Americans

of Polish descent have contributed substantially, over the years, to the development of our continent, and to the economic and cultural progress of our Nation. Then, too, the people of Poland have long shared our love for liberty and democracy. To this very day, in spite of Communist domination, the people of Poland retain their deep-seated respect for the ideals of freedom and independence which we cherish so greatly.

I fully concurred with the American Research Hospital for Children in Poland Committee that this project warrants and deserves the support and aid of our Government. I have already described the need for this hospital in children's diseases. Further, the sponsoring committee has been organized, the plans for the hospital prepared, and the cost has been estimated. The initial steps have been taken to raise through voluntary contributions, the dollars necessary to cover part of the expense. This is, therefore, a clearly outlined, positive, and going project.

The project does, however, need help, particularly with respect to the portion of construction expenses which will be incurred in Poland. Those expenses can be paid in zlotys, and will be equivalent to approximately $2.5 million.

Several months ago, the Honorable FRANK THOMPSON, Jr., of New Jersey, prepared a draft of a bill to provide for Government assistance to this project. Legislation on this subject was subsequently introduced in the House of Representatives. This legislative proposal, in a modified form, became the core of the amendment which I offered to section 400(c) of the mutual security law.

Under my amendment, the President will be authorized to use foreign currencies credited to the United States, and appropriated from time to time, to aid medical research centers sponsored abroad by American citizens. It was my specific intent, endorsed by the Committee on Foreign Affairs, by the House of Representatives, and by the conferees on the mutual security bill of 1959, that the proposed research hospital for children's diseases in Cracow, Poland, be aided by our Government under the authority provided in this amendment.

I am particularly pleased that, under this amendment, we will be able to continue our efforts to use our farm surpluses in a constructive way. We have been trying to reduce those surpluses—which cost the American taxpayers an estimated million dollars a day in storage fees alone—for several years. By using foreign currency accrued from the sale of those surpluses to aid the construction of the children's hospital in Cracow, we will be turning our abundance of food into a blessing for the suffering children of Poland.

There is one last point that I want to make:

The type of asisstance made available for the children's hospital in Cracow is fully consistent with the objectives of U.S. foreign policy. This assistance has the basic purpose of advancing better understanding and friendly relations between the people of the United States and the anti-Communist people of Poland. It is intended to demonstrate to the freedom loving peoples everywhere that the central objective of U.S. foreign policy is to foster the attainment of peace in the world, and to aid and assist others in their efforts to conquer disease and to improve their level of living.

Mr. Speaker, I am making this statement for the RECORD, so that the legislative history of my amendment to section 400(c) of the mutual security law may clearly indicate congressional intent to aid the proposed American Research Hospital for Children in Poland under the authority given the President in this provision.

Mr. McDOWELL. Mr. Speaker, as a member of the Foreign Affairs Committee of the House of Representatives I had the pleasure of supporting my colleague the gentleman from Wisconsin [Mr. ZABLOCKI], who offered the amendment to use foreign currencies, credited to the United States for our surplus farm products, to establish centers devoted to medical research and treatment which are founded by American citizens.

It seems to me that this is a historic and significant use for these currencies. It is particularly significant that one of the first hospitals which may be established pursuant to this legislation will be located in Cracow, Poland, because at this very moment Poland seems to be the object of a considerable amount of wooing on the part of the leaders of the U.S.S.R. Poland undoubtedly has been successful in freeing herself from complete and absolute domination and control by the U.S.S.R. just as Yugoslavia was successful in doing some years earlier. And a hospital there could play a major role in further loosening Poland from the web, indeed the shroud, which the U.S.S.R. is so busily weaving for the proud and history-conscious peoples of Poland who throughout history have fiercely resisted and fought against foreign masters.

It seems to me that here is indeed almost a revolutionary instrument for the cause of freedom which the United States can wield in the cause of mankind throughout the world.

Under this amendment, as has been pointed out by our able colleague from Wisconsin [Mr. ZABLOCKI], the President will be authorized to use foreign currencies credited to the United States, and appropriated from time to time, to aid medical research centers sponsored abroad by American citizens.

There is offered us, through this amendment, the golden opportunity to use our farm surpluses constructively in the cause of peace.

There is a growing awareness of the importance of using surplus food for peace, and what we as a nation can do to advance the cause of free men everywhere by this means.

We are blessed as no other nation has ever been through the long history of mankind with food in abundance.

What a blessing this is, and, at the same time, what a fearful responsibility it is to use it wisely and well.

No other nation in the world at this time has food in abundance and a surplus of food.

The U.S.S.R. is a food deficit nation, its vast and much-advertised agricultural program is well known to be an almost total flop.

Too few Americans appreciate the full sweep of the possibilities open to us to use food for the peaceful purposes of mankind, and of the free world.

In introducing his so-called food for peace legislation for himself and 10 cosponsors, Senator HUBERT H. HUMPHREY declared that:

> America's abundance of food and fiber is a God-given blessing * * * a powerful potential asset in the world's struggle for peace and freedom.

I joined with Senator HUMPHREY, the gentleman from South Dakota [Mr. McGOVERN] and the gentleman from Wisconsin [Mr. JOHNSON] in offering the legislation to use our surpluses, which are costing literally hundreds of millions of dollars just to store here at home, in the cause of peace and freedom.

The establishment of medical centers devoted to medical research and treatment which are founded by American citizens abroad is, in my view, one of the very best ways to use the surpluses we are shipping overseas.

More than three-fifths of these surplus commodities have been sold abroad for local currencies; 6½ percent was donated to foreign governments for emergency assistance; 19 percent has been donated for foreign and domestic relief through voluntary agencies and intergovernmental organizations; while 13 percent was bartered abroad for strategic materials.

Under Public Law 480 more than two-thirds of a billion dollars worth of food has been distributed abroad in 99 countries and territories under the auspices of nonprofit charitable organizations on a people-to-people basis. Last year, 24 organizations supervised the movement of these commodities, including the American Friends Service Committee, Church World Service, CARE and Catholic Relief Services.

The amendment offered by our colleague from Wisconsin [Mr. ZABLOCKI] will expand the opportunities which are open to our people to carry the healing services developed by science to the poor and afflicted peoples in countries around the world.

What more splendid and wonderful way can there be to carry the message of democracy to the troubled and the heavy-laden?

Mr. MORGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, the House and Senate conferees on the mutual security bill have wisely agreed to include in the conference report on this measure a provision authorizing the creation of a center for cultural and technical interchange in Hawaii. The language incorporating this Senate amendment into the conference report on the mutual security bill are identical to a measure I introduced to accomplish this, H.R. 8274.

To add to the abundant contributions which Hawaii has already made to the economy of our Nation in peacetime and to the military defense of our Nation in wartime, the final passage of legislation early this year granting statehood to this bountiful area has provided our country with a new and challenging opportunity to initiate an effective interchange of cultural and technical knowledge.

In its position at the crossroads of the Pacific, Hawaii has enjoyed and benefited from immediate contact with the people of Asia and the Western Hemisphere who have long held this area as a meeting place. Is has assimilated the rich heritages of cultural tradition proffered by both the East and the West. The walls of misunderstanding and enmity have gradually been broken down and replaced with human relationships that abound in tolerance and appreciation of one for the other. Differences in background, culture and tradition have been utilized—rather than minimized—in developing a philosophy that has as its basis the importance of and necessity for diversity in the world's thinking.

This legislation which I was pleased to cosponsor, would give impetus to the free flow of information and exchange of ideas so urgently needed in our society today, by providing the physical means and facilities to attract and bring together scholars and students from the East and West. The specific plan to be developed and submitted to Congress next January by the Secretary of State will include data providing for the center through arrangements with public, educational and other nonprofit institutions. It will call for grants, fellowships and scholarships for students and scholars from both the East and West so that they may come together and engage in study at the center. The plan will also make the facilities of the center available to other qualified persons on a reasonable basis.

Secretary of State Herter has given this matter his personal endorsement and support, and upon passage of this legislation, is expected to proceed immediately with his Department's active participation in the project.

I commend the conferees for their farsightedness and wisdom in approving this legislation and hope it will receive the speedy and hearty support of all Members of this Congress.

Mr. MORGAN. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I think that on the whole the House conferees did better in this conference than we probably had a right to expect in maintaining the House position. We can report that on all of the major issues except two, among the 50-some items of difference between the two bills, the view of the House prevailed; and on those two, we got a reasonable compromise.

The other body had in its bill a set-aside out of the military assistance of about $900 million for NATO. This would have deprived the program of flexibility and would have weakened all the non-NATO areas greatly. We got them to recede on that and go more than half way in meeting our figure on the military assistance funds.

The other body also had a provision in its bill that would earmark $30 million of the military assistance for Latin America which could be used only for assistance to an "international military force under the control of the Organization of American States for the protection of American states against external aggression." If the funds were not used for that purpose, then they had to go into the special assistance account to promote economic development in Latin America. This seemed to us to be an unwise idea. Latin Americans have not expressed any desire to have any such Western Hemisphere armed force. How large a force would it be? How would it be constituted and organized? Where would it be stationed? Who would command it? Setting aside funds now for such a nonexistent force would not in our opinion improve the security of the Western Hemisphere. As for using the additional $30 billion for economic assistance, only two Latin American countries need grant assistance, and they are taken care of in the present program. The others need loans, but they can get loans from existing loaning agencies. The other body receded and the conference report specifies that military assistance funds for Latin America for this year shall not exceed the amounts used for this purpose last year.

Again, they had an authorization in their bill that up to 30 percent of the funds in "Title I, Military Assistance," could be transferred by the President to other titles. This would mean that more than $400 million could be transferred here or there as the President pleased. It could make a shambles of the military assistance program, and it would make a farce of the military assistance programing and of presentations before our appropriations committees. The House had rejected this same provision in an amendment offered by the gentleman from Indiana [Mr. ADAIR] and we persuaded the other body to accept our position.

Again, in several places in the other body's bill, funds were to be made available without going through the appropriation process. The House conferees insisted on its position and the other body eventually agreed.

As you recall we had a provision in our bill setting up an Inspector General and Comptroller, in order to focus in one place responsibility for supervising the accounting and the checking of end use of all forms of assistance. The Inspector General is to be responsible only to the Under Secretary of State, so he could get around bureaucratic attempts to hide mistakes or waste, and do something about situations that needed correcting. Complaints will go to him about things being badly handled or mismanaged. One difficulty in the past has been that when conscientious employees have protested, their protests have sometimes been smothered. Congressmen have seen things that were wrong; businessmen or visitors have seen things that were wrong, and reported them; but we could not seem to get the pattern changed. So the House set up an Inspector General in order that we could hold one man responsible. Where something is believed to be wrong and someone calls his attention to it, he has got to investigate and correct, if needed, or else be held accountable by us. The State Department did not want this Inspector General, but the House put it in and it is in the conference report. We think it can be the most important step we have taken in years to try to correct mistakes, errors, abuses and, frankly, corruption in certain instances. These cases involve only a very small percentage of the total operations, but they are what give the whole program a black eye with the public and with the Congress.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. GROSS. Would this Inspector General in any way circumscribe the Comptroller General if he tried to go into these questions?

Mr. JUDD. No; it would not. If the gentleman will look at page 10 of the bill and pages 32 and 33 of the committee report, he will see that we have made it perfectly clear that this Inspector General has to coordinate his work with that of the Comptroller General. The Comptroller General is the agent of the Congress. We can send him to investigate what we want. This Inspector General will be the chief agent of the Department of State to police its own mutual assistance operations; and also to advise and consult with the Defense Department regarding its operations in this field.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. GARY. Will the gentleman please explain why, in providing for the compensation of the Office of the Inspector General and Comptroller, instead of making the expenses of his office payable out of the general expense fund where there would be some control over it, it is provided that these expenses should be paid out of the field funds without any check and without any limitation?

Mr. JUDD. The reason is this: If this officer's funds come out of the administrative funds, he can be frozen out. We have seen that happen in the past.

If we make the funds for this officer and his staff available out of the program funds themselves, it will prevent his being smothered by the bureaucrats whose work he is inspecting, to the point where he cannot really do a good job.

Mr. GARY. The bill does not provide any limitation at all. Should there not be a limitation as to the amount of funds that he can expend in his work?

Mr. JUDD. The gentleman is correct that the bill does not provide any limitation. I really think that probably more of the funds ought to be spent on inspection than in the past. When we are dealing with operations involving $3½ billion spread all over the world, and we have used only a tiny fraction of that for administration, I think we have invited some of the very irregularities about which we are unhappy.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Louisiana.

Mr. PASSMAN. That is a tremendous increase in the amount for administrative expenses for the ICA. Would the gentleman agree that there should be some type of limitation on the amount of money that this new Inspector General expends for travel and entertainment?

Mr. JUDD. No; I do not think we ought to have any limitation on this new officer except the limitation of the funds that are in the bill, because I don't know what the limitation should be. If Mr. Dillon, Under Secretary of State for Economic Affairs, sees fit to use more of the program funds for inspection and policing rather than for just programs, I think that is a good thing to do, at least for this year, on an experimental basis.

Mr. PASSMAN. In other words, the gentleman does not believe there should be any limitation as to what this gentleman could and should spend?

Mr. JUDD. That is correct, because we are not in any position as yet to know what a reasonable limitation would be. This is a new function, and I think the Inspector General's problem is going to be to get enough funds from the Department. I am not worried about his getting too much. It will not take any more out of the taxpayers' pockets, if he does use more.

Mr. PASSMAN. Is this program out of the taxpayers' money?

Mr. JUDD. Yes.

Mr. PASSMAN. So it would come out of the pockets of the taxpayers?

Mr. JUDD. Certainly, but it will not be additional funds out of their pockets. If there is more for inspection, there is that much less for operations. I think more of the funds should go into the policing of the operations, rather than continue to be used all for more of the same kind of operations that have been wasteful.

Mr. PASSMAN. Does the gentleman have a precedent for establishing a position of this kind without any limitation on expenditures?

Mr. JUDD. Yes. In the State Department basic legislation there is provision for an Inspector in the Foreign Service. He has even greater authority than this man will have. He can go into a post and suspend a person or suspend an operation on his own authority, subject to the decision of the Secretary. I read that act and there is no limitation on the amount of money available for the Inspector in the Foreign Service.

Mr. PASSMAN. It is rather loose, and the sky is the limit?

Mr. JUDD. No; the sky is not the limit. There is only so much money provided in the whole bill. Some can be used for administration and some can be used for programs. Do you not want to use more of the money for policing programs that we are criticizing?

Mr. PASSMAN. Oh, we know the same gentleman is going to run it.

Mr. JUDD. The gentleman to whom my friend is perhaps referring discovered on his own almost everything wrong brought out by the gentleman's committee and by the Hardy committee, as well as our own committee. This gentleman reported these things that were wrong, he protested, but the protest was buried. We want to correct that situation. Under this new setup, he will have full responsibility and if he does not take care of it, he will be held accountable.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Michigan.

Mr. BENTLEY. Will the gentleman explain to the House this section 101:

> Programs of military assistance subsequent to the fiscal year 1960 program shall be budgeted so as to come into competition for financial support with other activities and programs of the Department of Defense.

Mr. JUDD. This is a modification of language that was put in by the other body. The purpose is to test out the statement made again and again by our military leaders that mutual security is part and parcel of our defense, it is just as important as our own Armed Forces. For the next 2 years they will have to bring in a defense budget with one part of it, or one title or one chapter of it, for military assistance, alongside its requests for our own Military Establishment. If they ask more for military assistance to others, they will have to take more out of their own funds. We will find out whether they really believe that military assistance is part and parcel of our defense and just as important as their own flattops, planes, or submarines.

Mr. Speaker, one of the two major items of compromise was the Development Loan Fund. The other body had authorized $750 million this year and the second year's authorization of $1,250 million. The conferees compromised on $700 million for fiscal year 1960 and $1,100 million for fiscal year 1961—a reduction of $200 million.

The other was the Senate provision giving continuing authorization without limitation for appropriations for military assistance. The House conferees rejected any such permanent authorization and got the Senate to accept a continuing authorization for the next 2 fiscal years on an experimental basis. We make clear in our statement that the legislative committees will review the military assistance programs as in the past, we will have a military assistance title in our bill each year just as now, and we will legislate as heretofore on all matters of policy. In 1962 the whole program will come back to us for whatever action we decide on as the result of the experiment.

Many Members have favored complete separation of military and economic assistance. This will give partial separation for 2 years. I believe it is a reasonable compromise.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. ANDERSON].

Mr. ANDERSON of Montana. Mr. Speaker, I want to defend the American mutual security program in Vietnam. I visited Vietnam last November, and I speak against the backdrop of what I learned on the ground.

Of course, we want to get the most out of our mutual security dollar. But let us remember the devastation wreacked on this little country by the Communists—let us remember the heroism with which they have rolled back the Communists in southeast Asia.

Certainly a sensation seeking reporter can go into any operation, military, goverment—yes, or private business—and advertise for the troublemakers and dissidents to air their beefs; and in any operation, including almost any big business you care to name, he can come out with a story more sensational than the one currently being aired on Vietnam.

Mr. Speaker, I spent some time in Vietnam, and I have studied the situation there. I want to express my opinion that we have gotten more than our money's worth for the dollars spent in Vietnam to halt the spread of communism in southeast Asia. General Williams, chief of JUSMAAG in Vietnam, has done an outstanding job of building an efficient military machine that will do the job there. He has created from nothing one of the best small armies in Asia, and it is 100 percent anti-Communist. General Williams has worked miracles, but at the same time he has been vigilant and dedicated as a watchdog over the dollars spent in military aid in Vietnam. Newspaper accounts are guilty of inaccurate reporting when they allege that our expenditures are not properly supervised.

The aid to Vietnam has of necessity been largely directed toward establishing a military force capable of defending this little country. The officers of the MAAG, under General Williams' extremely competent direction, have established a very close working relationship with the Vietnamese Government and actively assist not only in the preparation of the Vietnamese military budget, but in supervising the execution of that budget. The relationship between the Vietnamese Government officials and the MAAG is possibly as close and fruitful as any such relationship in the world. When MAAG-Vietnam started its operations, the Vietnamese Government had not had experience in preparing budgets or supervising the expenditure of funds, and the Government has accepted wholeheartedly the guidance of the American officers in establishing effective controls on the use not only of the U.S. money, but of the Vietnamese funds.

In addition, the American officers advise on the training and the logistical operations of the Vietnamese armed forces from the highest level in defense down to and including the combat battalions, and they have established controls and records utilizing the most modern cost-saving methods.

When I was in Vietnam last year, I had an opportunity to observe this small but highly efficient army which has operated under difficult conditions. The countryside still has Communist bands supplied and directed from the north, operating against not only the Vietnamese Government, but the American personnel

helping the Vietnamese. When I was there, I noticed the protection provided to me and was impressed with the efforts the Vietnamese made to safeguard those who are trying to help them. The Communists have threatened and attempted on numerous occasions to assassinate American personnel, and all Americans working in Vietnam know that they are in danger. Numerous attempts on their lives have been made, but fortunately, so far, only two Americans have died at the hands of Communist agents. These two men, Maj. Dale R. Buis and M. Sgt. Chester M. Ovnand, gave their lives as much for the free world in Vietnam as they would have on the battlefields of Korea. Attempts to make such people appear as living too well are ill advised.

During the last 5 fiscal years, excluding the months of April, May, and June, 1959, for which figures are not yet available, the ICA has shown expenditures of $922,651,000 in Vietnam, which, if broken down, would probably show two-thirds going to defense support to include the pay and allowance of Vietnamese troops, construction of barracks, and similar items. The remainder, probably not exceeding $50 million a year, has been directed towards the economic development of the country. Notable progress has been made in opening the road net closed by years of war so that commerce could again move. With American help, nearly a million refugees from the Communist terror are being resettled in South Vietnam, new lands are being cultivated and old lands reopened. This is particularly praiseworthy when one considers the lots of refugees in other parts of the world, such as the Middle East. American help has also brought new crops to Vietnam to permit a diversification of the old two-crop agricultural system. Fisheries have been established, providing livelihood for additional people, reducing the price of food, and creating a new export commodity.

The United States has assisted in the importing of equipment to renovate the industries destroyed during the long war and to establish new ones. In this category one finds textiles, plastics, clothing manufacture, rubber and tire processing, power generating facilities, assembly plants for vehicles, pharmaceutical processing plants, numerous secondary processing industries, and new home handicraft industries.

An industrial development center has been established looking forward to still further industrial expansion, and considerable aid has been given in the field of education, including the training of teachers, providing equipment for schools, and general advice to the Vietnamese Ministry of Education.

Despite all these advances, made under the brillant leadership of President Ngo Dinh Diem, it is true that Vietnam must look to the free world for continuing assistance for some years to come. As a principal bastion of the free world, she must maintain forces adequate to defend herself and to act as a deterrent to Communist onslaughts in southeast Asia. The very presence of this force in being has created the stability that exists in Indochina, and it is interesting to note that the only place in the world where a Communist-occupied area has been recovered by the free world is in Indochina. The two northern provinces of Laos were once under Communist rule, and only very recently has the free government of Laos been able to reestablish its control.

The United States is currently assisting South Vietnam in establishing a number of small radio stations and one medium-size station near the border of Communist North Vietnam, in an attempt to counteract the powerful and effective radio propaganda emanating from Communist North Vietnam and from Communist China. In Phnom Penh, Cambodia, there is now a powerful transmitter, given to the Cambodian Government by Communist China, with Communist technicians operating it, which comes strongly into South Vietnam with all its criticisms of the Vietnamese Government. From North Vietnam come also the powerful transmissions of the Communist forces, and there are many places in Vietnam where today only the voice of Vietnam's enemies can be heard. Radio Hanoi is now broadcasting the most violent hate America campaign, including such vile inventions as the story that American officers use helpless women and children as machinegun targets and for bayonet practice. It is essential that we move fast in assisting the Vietnamese in counteracting this situation, for Radio Hanoi in North Vietnam is joining Peking and Moscow as one of the three most powerful stations in the world.

Negotiations are underway in ICA, Washington, for purchase and delivery of a 50,000 watt medium wave station to be constructed in Hue in the northern portion of South Vietnam. This station will enable the South Vietnam Government to influence sympathetic Vietnamese north of the 17th parallel and counter the enemy propaganda.

In the Far East a grim struggle continues against communism, in Taiwan Straits, in Indonesia, in Burma. In this struggle Vietnam represents the only clearcut major victory for the free world in the last 5 years. This is an aid program which has paid dividends far beyond expectations and the United States can be proud of the results. Any efforts to diminish or disrupt this assistance could well lead to disaster not only to us but to the entire free world. I honestly believe Vietnam can be properly used as an example of how we should assist other new countries.

Mr. MORGAN. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Speaker, my remarks should under no circumstances be taken as criticizing the conferees on the part of the House who, I am sure, did the best job capable in conference with the members from the other body on this bill. Nevertheless, I point out the rather remarkable fact that the House authorized a figure of $3,542,600,000, the Senate amendment to the House bill was less than $1 million in excess of that, and the conferees then came up with a figure of $3,556,200,000 which is higher than the authorization figure either as it passed the House or as it passed the Senate. I suppose that is possible, but it is rather remarkable, I think, that the conferees did increase the authorization figure of the bill both as it passed the House and also as it passed the Senate.

I would also like to point out to Members that in addition to the $3.5 plus billion contained in the conference authorization, there is, for the purposes of the Development Loan Fund, an additional authorization of $1.1 billion to be advanced prior to July 1, 1961. So, as I say, we are faced with an additional 2-year authorization for this program in excess of this $3.5 billion plus figure which we are considering today.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Texas.

Mr. BURLESON. I take it that explains why the conferees have actually agreed on a greater amount than that approved by the House or the other body.

Mr. BENTLEY. No. I think, if the gentleman from Texas will look at these figures, he will find that the figure as approved by the conferees is in excess of both the Senate and the House figure even without that $1.1 billion to be authorized over the next 2 years.

Mr. BURLESON. The gentleman was complimentary to our conferees. I am complimentary to the conferees, and as I look at this report, which I have not had time to study, it seems to me that the conferees on the part of the House have done all the yielding. Here is a total figure in this report that is in excess of the House or the Senate figure. I just did not know that was done, but it is.

Mr. BENTLEY. I prefer to yield to the chairman if he desires to refer to that fact.

Mr. MORGAN. Of course, if the gentleman will examine the table in the conference report, he will see, item by item, that the conferees stayed within the limitations of the two bills.

Mr. BENTLEY. But then how was the final figure in excess of both authorizations, Mr. Chairman?

Mr. MORGAN. The final figure was in excess because the compromise figures arrived at added up that way.

Mr. BENTLEY. But it is not included in this $1.1 billion advance authorization for the Development Loan Fund, is it?

Mr. MORGAN. No. That is not included.

Mr. BENTLEY. I thank the gentleman. As I say, I am sure the conferees of the House did the best job they could with the bill that passed the House, but obviously those of us who opposed the bill in the House would have no reason for changing our position now with this conference report.

I thank the gentleman.

Mr. MORGAN. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Speaker, the House can be proud of the works of its conference committee. It was a difficult conference, starting with 56 points in

disagreement. It ended with all important differences resolved in our favor. No conference is ever entirely one-sided, there has to be some give and take, especially when most of the take is on our side. That our conferees were such excellent traders is something we can feel extremely pleased with the results. I congratulate the chairman and those who accompanied him and this House for having men of tact, patience, and wisdom to serve on the conference committee for the mutual security bill.

Mr. MORGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MORGAN. Mr. Speaker, I yield 8 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, what I have to say is certainly not to be construed as any criticism of the conferees on the part of the House. I think they have done the best job that they could. I particularly desire to commend them for their success in eliminating from the bill all direct borrowing from the Treasury, which has been frequently referred to on this floor as the back door approach to the Treasury, because I think that was one of the most dangerous features of the bill. In my judgment it is one of the most dangerous tendencies that we are facing in the Congress today, and I know that some of the Members of the other body were very insistent on that approach in this bill.

I do want to call attention, however, to two things in the bill. I have always voted for the mutual security bill, although I have tried to hold the appropriations down to a reasonable minimum. I find it difficult now, however, to convince myself that this is the time for new programs. It seems to me that the time has come when the program should be tapering off, and we should be cutting down activities instead of embarking on new programs. Yet, there are two entirely new programs in this bill. One is to be found on page 11, International Cooperation in Health. We did not have that in the House bill. It never came before the House. Yet here we are entering upon a brandnew program without a committee of the House having had any opportunity whatever to study it, to consider it, to pass upon it.

We are already spending approximately $85 million a year for health activities under this program. We contribute nearly $5 million a year to the World Health Organization of the United Nations. Now this new program is proposed. Let me read it to you:

The Congress of the United States recognizes that large areas of the world are being ravaged by diseases and other health deficiencies which are causing widespread suffering, debility, and death, and are seriously deterring the efforts of peoples in such areas to develop their resources and productive capacities and to improve their living conditions. The Congress also recognizes that international efforts are needed to assist such peoples in bringing diseases and other health deficiencies under control, in preventing their spread or reappearance, and in eliminating their basic causes. Accordingly, the Congress affirms that it is the policy of the United States to accelerate its efforts to encourage and support international cooperation in programs directed toward the conquest of diseases and other health deficiencies.

It is true they do not ask for any direct appropriation to implement the program, but they do provide that $2 million may be taken from the contingency fund. We have heard how costly socialized medicine is in England. I am afraid once we begin this program, we will soon be trying to establish a program of socialized medicine for the entire world. I think it is a very dangerous step.

In the second place, section 601 provides—and here is another new program:

The purpose of this chapter is to promote better relations and understanding between the United States and the nations of Asia and the Pacific (hereinafter referred to as "the East") through cooperative study and research, by establishing in Hawaii a Center for Cultural and Technical Interchange Between East and West, either as a branch of an existing institution of higher learning or as a separate institution, where scholars and students, in various fields from the nations of the East and the Western World may meet, study, exchange ideas and views, and conduct other activities primarily in support of the objectives of the U.S. Information and Educational Exchange Act of 1948, as amended, and title III of chapter II of the Mutual Security Act of 1954 and other acts promoting the international educational, cultural, and related activities of the United States.

That contemplates the establishment of a school. It contemplates grants, fellowships, and scholarships and various other inducements, because, the law says, we must make it attractive so people will attend the school.

I submit, Mr. Speaker, that if we are going to embark upon programs of this kind, at least they should have the consideration and the study of a House committee. That has not been done in this instance.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. BAILEY. I should like to ask the gentleman this question, since he participated in redrafting section 505(b) when this legislation was before the House. Just what changes are made in the Senate version of this proposal to divert the payment of interest and principal on loans that now are coming into the Treasury to the Redevelopment Fund, in counterpart funds? Just what did the Senate do to the House bill in that respect?

Mr. GARY. It is my understanding that the use of any funds now has to be authorized by the Congress under regular appropriation procedures. They are not permitted to use those funds unless they are so authorized in appropriation bills. The chairman of the committee has so stated.

Mr. BAILEY. The bill as it is right now provides that U.S. dollars are received in repayment of principal and in the payment of interest and that any repayments made under this section shall be deposited in "Miscellaneous receipts" of the Treasury. That seems to be a Senate amendment. That was not in the original bill. That is a good gesture, but that is all it is, because none of those nations will pay its obligations in American money when they can do it in their own currency.

Mr. GARY. When it is paid into the Treasury, it has to be appropriated out of the Treasury, which is as it should be.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. PASSMAN. I share the distinguished gentleman's concern about these two new programs. It could be somewhat like the Development Loan Fund, which started off very low and then first thing you know, it was doubled and tripled. It is my understanding that last year the House passed a $300 million appropriation for the Development Loan Fund. Then, at a subsequent date, they had a $150 million supplemental appropriation. But, this year there is $700 million in the bill authorized for fiscal year 1960, which is double the amount the House approved last year. But, in addition, thereto you have an authorization calling for $1,100 million to be appropriated for some future date. I should like to ask the distinguished chairman of the full committee if it is his understanding with reference to this Development Loan Fund that notwithstanding the fact we made a lot of fuss about the supplemental a few weeks ago, actually, the agency finished the year with $225,496,000 in the Development Loan Fund unobligated. Now, they did claim that they had committed $212 million, but they actually had unobligated $225 million. Is that the gentleman's understanding?

Mr. MORGAN. Of course, we have no information about the supplemental appropriation and how those funds were obligated because our hearings closed before the supplemental appropriation bill was signed by the President.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield for a clarification? Is it not true that out of the appropriation total for the fiscal year 1959, both regular and supplemental, on June 30 they had $225 million unobligated in the Development Loan Fund?

Mr. MORGAN. The gentleman deals every day with these figures. If he so states I am willing to take his word as to their accuracy.

The SPEAKER. Does the gentleman from Pennsylvania yield himself time?

Mr. MORGAN. Mr. Speaker, I yield myself 1 additional minute.

Mr. JUDD. I think the point here hinges on the use of the word "obligated." In the Development Loan Fund when they enter a certain stage in the negotiations on a contract, if it is going to cost $5 million, they reserve $5 million. It is not obligated and it will not be un-

til a contract is finally signed. But, the $5 million is tied up for that program until the negotiations are completed or they fall through. So it may be correct when the gentleman says $225 million were unobligated, but when they are in process of negotiation, they are committed and are not free to be used or programed for any other purpose.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

In fact, you only spent about $50 million out of all the money we have given. I am only trying to establish the fact that you actually had $225 million unobligated and you had not gone into the matter of contracts far enough to the point that you could even reserve the funds.

Mr. JUDD. The administrators of the Development Loan Fund did exactly what we asked them to do. We asked them to be very careful and to study these things very thoroughly before signing on the dotted line. And I commend them for doing that.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, I have asked for this time to put a question or two either to the chairman of the Foreign Affairs Committee or to the conferees on the minority side. By this conference report, we have authorized military assistance expenditures for 2 years hence. Is that correct?

Mr. JUDD. That is correct.

Mr. ADAIR. What was the feeling of the conferees with respect to the question as to who and what committee and under what circumstances would hear evidence concerning the military program before it went to the appropriations committee.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. ADAIR. I yield.

Mr. JUDD. The gentleman will recall that the other body had a provision giving a permanent authorization for military assistance so that the Pentagon would never again have to come back to our committee. We opposed that. We finally settled on a 2-year authorization beyond the current fiscal year, as an experiment. We made it perfectly clear that each year the Defense Department must come to the Committee on Foreign Affairs of the House and to the Committee on Foreign Relations of the other body and present their case for military assistance just as they have had to do heretofore, and that legislation on policy matters will be recommended and presented to the House in the mutual security bill just as is done now. There will always be in our bill a title I, dealing with military assistance, but it will not have in it a figure as to the amount that can be authorized. That will be determined for those 2 experimental years by the Committee on Appropriations. At the end of that time, they will have to come back to the regular authorizing committees to explain how it has worked out and we will decide what we do from there on.

Mr. ADAIR. And, in the meantime, in the opinion of the gentleman, if it is thought to be necessary, could this provision of the law be rewritten and changed?

Mr. JUDD. On page 19, we have this statement:

> It was the consensus of the managers on the part of the House and the Senate that on the basis of such continuous review the Congress might at any time deem it appropriate to reestablish annual dollar authorizations for military assistance.

So if we do not like its operations by next year, we can put a ceiling on appropriations in the authorizing legislation.

Mr. ADAIR. So it was the view of the conferees that this action related only to dollar values in the bill?

Mr. JUDD. That is right.

Mr. ADAIR. And in nowise would decrease the information on and study of the program by the Committees on Foreign Affairs and Foreign Relations.

Mr. JUDD. The gentleman has stated it correctly.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I regret that I was late getting to the House floor from a subcommittee meeting in which we heard certain witnesses from the International Cooperation Administration. At the hearing we learned there among other things that this country has between 30 and 40 people still in Iraq where the giveaway program has been halted for many months. Apparently Kassem does not want our handouts.

These 30 to 40 employees draw hardship allowances in Iraq in addition to regular pay and other allowances and are being maintained there until they can be reassigned. I must say that that is a most extravagant and nonsensical operation.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I want to associate myself with the statement the gentleman has just made. I was at the same committee hearing. The gentleman from Virginia [Mr. GARY] mentioned new authority with regard to International Cooperation and Health Organization. I suppose embarking on that means that we will have a hospital construction program without limit.

Mr. GROSS. Yes, and the witnesses appearing before our subcommittee indicated that they are anticipating just that, because they testified they would have to put more people on the ICA payroll. They are anticipating that, as well as other expansions. It is high time some agency of Government put an end to such crookedness in the foreign giveaway program as permitting one employee to purchase a $600, 1947 model Cadillac in New Jersey, ship it thousands of miles to Laos at Government expense, and then sell it to an official of an American construction company in Laos, which was the recipient of International Cooperation Administration contracts, for some $2,000. This 1947 Cadillac was apparently inoperable at the time and when an investigation of this deal was started it was cut up with welding torches and the pieces dropped down a well to get it out of sight.

Mr. JOHANSEN. The program for the next fiscal year contemplates a 15 percent increase in program personnel.

Mr. GROSS. That is right, and this bill as it is before us today would embark this Nation on a worldwide hospital and medical care program, the cost of which no one can estimate. Here also is the start of a so-called cultural center in Hawaii, the ultimate cost of which is unknown. In view of the financial situation in this country, how utterly stupid can we get? I am completely and unalterably opposed to this legislation.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. JONAS. Mr. Speaker, will the gentleman from Pennsylvania yield so that I may ask the gentleman from Iowa a question?

Mr. MORGAN. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina.

Mr. JONAS. The gentleman from Virginia commented on chapter 6. The gentleman from Iowa also referred to chapter 6, but no one has read the provisions of section 603 under that chapter which seem to me to be an authorization without any limitation whatsoever.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. JONAS. I yield.

Mr. JUDD. This authorization was inserted by the other body. There had to be some compromises. We insisted on our Inspector General and we accepted their provision for a study of this proposed new program. It is for a study only. There is authorization for funds to make a plan and propose a program. There is no authorization for funds to carry it out.

Mr. JONAS. But it is an authorization without limitation. It reads: "There are authorized to be appropriated, to remain available until expended, such amounts as may be necessary to carry out the provisions of this chapter."

Mr. JUDD. That is right, to prepare a plan and a program.

Mr. JONAS. Does not the gentleman think there should be some limitation?

Mr. JUDD. How much should it be? It is for a study to be submitted next January.

Mr. JONAS. I do not approve the issuance of blank checks to any agency.

Mr. MORGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, the gentleman from Virginia [Mr. GARY] referred to a new program in the mutual security bill described in the conference report before us. As a matter of fact, there are numerous new programs involved in this measure. A new one is to be found on page 23 of the conference report. You will find it under the heading "United Nations Technical Assistance Program." It provides for $100 million, to which the United States contributes 40 percent.

Now, Mr. Speaker, our colleagues of the Foreign Affairs Committee who served as conferees will tell you that this is not a new program, but a substitute for the rejected and discredited SUNFED program. Our representatives to the United Nations rejected SUNFED, but agreed to this program which is its successor, if not SUNFED itself in another guise.

The United Nations Technical Assistance Program is headed by Mr. Paul Hoffman, who in a recent speech said we should spend $3 billion in the next 5 years on projects determined by United Nations personnel under this program. In a more recent speech in the city of Detroit, he said we should spend $30 billion over the next 10 years for this purpose.

Now, insofar as I am able to determine, the purpose of the present authorization is to send people all over the world to seek programs for which this $3 billion or $10 billion can be spent. It says they are to seek ways and means for developing human and material resources of less developed nations. In other words, we do not already have enough people seeking projects to foster on nations which, in many instances, cannot afford them and which in many instances have had their economy upset by overspending, but we are creating a new agency for the same purpose. The only difference in these numerous other programs and this new one is, at least, it is American personnel who discovers and recommends projects. In the case of the United Nations technical asistance program, not one U.S. citizen is in the organization except Mr. Paul Hoffman. The others have a radical Socialist background from England, Canada, France, and the West Indies. Not one American who actually does the work is involved. You accept this sort of thing when you vote for this conference report.

I wish time would permit to go into this matter more thoroughly, but I also want to call your attention to another new program, which is the very last item in the conference report.

Some months ago the President of the United States proclaimed an International Refugee Year, beginning July 1, 1959. We are now 3 weeks in the International Refugee Year, and in this bill we are authorizing $10 million to support it in some way or other. Seemingly, there is no explanation as to how the $10 million is to be spent, but nevertheless it is provided in this bill.

An announced candidate for the Presidency of the United States sponsored the amendment in the other body, and our conferees have accepted it. No explanation has been given to the House, and I certainly think we are entitled to have one.

There are bills pending in both bodies of this Congress which, if passed, will circumvent our immigration laws, and the proclamation of the President for an International Refugee Year plus the $10 million provided in this bill for some vague purpose, will have the result of opening up our doors to people who can not otherwise gain entry into this country under present immigration laws. I know of no better way to weaken and wreck our immigration laws than to accept such a proposition.

Mr. Speaker, the American Legion legislative bulletin dated July 13, 1959, presents a very excellent discussion on this subject. I subscribe wholeheartedly to the following, and I quote:

The motivation behind the pleas and demands for the admission of more and more immigrants through changes in basic laws * * * or one after the other of the special laws that bring to this country hundreds of thousands of persons in addition to the regular flow of immigration—like the Displaced Persons Act right after World War II, or the Refugee Act of more recent vintage, and many other public and private acts * * * is not too difficult to understand. We appreciate that many well-intentioned persons seek these changes out of the goodness in their hearts—through a desire to aid humanity. But for the most part we think it is prompted by the personal desires of countless individuals who have emigrated in this country and who have now become so strong in politics that they are in positions to demand immigration-liberalizing legislation from their representatives in Congress as well as from most every other echelon of government—from the Nation's Capitol down through the State offices to the local wards. That is how we see it. The problem increases in size and scope, like a snowball rolling downhill.

We hear a great deal about the need for humane consideration of the separated families. Practically every pro-immigration speech contains reference to these separated families and that we must, in the name of all that is good, liberalize the laws so the families can be reunited. Few of the speeches, if any, tell you how most of the separations came about. It works something like this: Consider any country with an immigration quota to the United States, and remember that quota-immigrants may not exceed the number assigned by us to that particular country. So one of its citizens wants to come over here for permanent residence; he applies for a visa, and if he meets the necessary health and individual responsibility tests and comes within the quota for the year, the visa is granted. Now suppose the man has a wife and children. He has but one visa and cannot bring his family but he chooses to come alone. There is a separated family.

It seems reasonable and logical that the above person might better have applied for visas for his entire family and thus avoided separation but in a great many cases it does not work that way. That would be too limiting. On the contrary it seems almost a plot that heads of families come alone—filling the quotas that way—then depending on the warmth of American hearts and the effectiveness of politicians, etc., to reunite the families in spite of basic immigration laws and the controlling quotas. In the past, like in the pioneer days of the development of our west, it was understandable that the men folk of the families went forth to make a way for the remainder who would follow. But now things are different. In the first place a quota immigrant is not given a visa until our officials are assured that he has a job, a sponsor, or independent wealth. His economic future is pretty well assured before he leaves his home country; the need for his coming alone has largely been dissipated.

Now let us survey some of the facts on immigration.

In the year 1958 more than 253,000 immigrants entered the United States for permanent residence. Of these 102,000 were on the basis of quotas. The annual quota for all countries was and still is 154,957. This means nearly 53,000 quotas are unfilled * * * remember this figure as we discuss it later. Unfilled quota countries are largely in northern Europe, with Great Britain using the least of its assigned numbers. Western Hemisphere immigrants are on a nonquota basis except certain Asiatics who must obtain visas charged against the quota allotted to the country of their forebears. In 1958 North and South America contributed 91,827 nonquota immigrants. Subtracting this number from the 253,000-odd who entered we find that 161,438 quota and nonquota immigrants from Europe and Asia joined us in the last year * * * against a quota of about 155,000. Had the quotas been filled our total for 1958 would have been 306,000.

What are some of the legislative proposals now being pushed so hard in Congress?

Some of the most prominent measures would provide that unused quotas be reallocated on a prorata basis to other countries. This would immediately mean that our immigration would be increased by more than 50,000 annually * * * taking us over the 300,000 figure.

But that is not all. Some of the prominent proposals would change the 1920 census base for the national origins quota system to the 1950 census which would mean an increase in the quotas by about 65,000. This, added to the present quota of about 155,000, would total 220,000.

So, the two proposals * * * reallocation of unused quotas—53,000 * * * and the new quota increase of 65,000, would add 118,000 to the present rate of immigration, or an annual total of 371,000.

Now watch this: In addition to the foregoing there is strong urging in Congress that we set up a permanent refugee program to provide for an additional 60,000 per year—over and above the potential 371,000 already discussed. This makes a new total of 431,000.

Even this is not enough. Aided by a White House Conference on Refugees, earlier this year which represents the United States' part in a "World Refugee Year," it is urged that Congress provide for an additional 20,000 refugees during the next 2 years, for a grand total of 451,000. The World Refugee Year program is now being propagandized all over the United States.

All the proponents of this type legislation point to the need for the United States to do its share in accepting and encouraging the immigration of refugees and those from the overpopulated areas. All claim that it will be for the good of America, economically, socially, and from a foreign relations point of view. None appears to worry about our ability to absorb the extra immigration.

Population statisticians now estimate that the U.S. population in the year 2000 will be from 330 to 350 million. Presumably that is based on natural growth plus the present immigration flow. The year 2000 is only 41 years ahead. How will the natural resources within our own borders stack up to the needs of that many people? And what about the years after 2000? Will the bare necessities of water and land be sufficient, or will we be like other overpopulated countries of the world? Today the cry is for more schools—more hospitals, and more of many other things that makes America the place that so many now want to come to. Do we need to artificially increase our population by liberalizing our immigration policies?

Have you ever done the arithmetic to figure our what effect immigration has on the population growth of this country? The current population growth in the United States is 1.7 percent per year. Let's assume that in 1960 we get 450,000 immigrants. If we add 1.7 percent to that figure, compounded annually, we arrive at a total in excess of 867,000 by the year 2000—only 41 years from now. That calculation does not include any immigration after 1960. We have seen figures

based on 350,000 immigrants each year from 1960 to the year 2000, to which is added 1.7 percent annual growth. The cumulative total exceeds 20 million. This is something to think about.

It is no longer universally popular to speak out for the good of America and its future—there are many crosscurrents which at times seem to place individuals' motives and desires above the security and welfare of our country. The American Legion has consistently and courageously too, we believe—raised its voice in opposition to proposals, trends, and events which were considered to be detrimental to our national welfare. We believe the present flow of immigration to this country is the maximum that can be equitably assimilated in even such short-range program as one ending in the year 2000.

Mr. Speaker, this sort of thing is the best way I know to discredit the worthwhile things contained in this bill. I would like to support a measure for world cooperation with other free peoples and do everything possible to assist the less developed areas to remain free and develop their physical and human resources, but I am not going to be a party to fostering activities on them which are repugnant to our own country. Not only is it being done by such programs as these, and particularly the first one mentioned, but those activities which will result under the provisions of the Development Loan Fund. I wish there was opportunity to again discuss the Development Loan Fund, which in my humble opinion is a subterfuge in its rankest form.

I hope there are enough votes to reject the conference report.

Mr. MORGAN. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Speaker, I would like to ask the chairman one question. I originally supported this bill with some reservations. Naturally, we cannot have a bill that we all agree with in every detail. But since that time the matter of nuclear weapon agreements has come up in connection with seven countries. Two of these agreements have already gone into effect without our being able to discuss them on the floor. No matter what effort I and others have made to oppose these agreements or to have them discussed and voted on the floor, four other agreements will go into effect on Saturday.

My question is, do you know how many million dollars will be used in this appropriation to implement these agreements?

Mr. MORGAN. I do not think that is involved unless it is involved in military money for the NATO organization.

Mr. MEYER. I would assume that several hundred million dollars would probably be involved in providing for this nuclear weapons assistance.

Mr. MORGAN. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Speaker, I rise at this time to commend the House conferees for accepting the item which was alluded to a moment ago by the gentleman from Texas [Mr. BURLESON]. On page 37 there is an item of $10 million for the World Refugee Year which was not in the House bill. I feel that this is a very important item.

In my public service work I have studied this problem and I can see the urgency of it. I wish to take this time to suggest to the President that he make certain that this money is available in the work of the World Refugee Year program, a very vital program. I feel certain that that sentiment is expressed by not only the Members of this House but by all Americans, to make certain that we do enter into this program and that we do speak in behalf of those people who are downtrodden and the homeless refugees that have literally been shifted from one place to another. It is only now that a real and a vital program during a peacetime year is being undertaken so that the plight of the refugee is enhanced to the small degree that these moneys are going to allow.

It is my hope, Mr. Speaker, that this relatively modest amount of money which can be the means of substantially reducing the human misery of the thousands of refugees holding on to existence in desolate camps and circumstances throughout our world will be not simply available, but will, at the President's discretion, be actually employed for this purpose. Such action is surely a minimal expression of our genuine concern for those homeless persons who but for geography and the grace of God might include you and me.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and, on a division (demanded by Mr. ADAIR), there were—ayes 81, noes 35.

Mr. BENTLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 258, nays 153, not voting 23, as follows:

[Roll No. 113]

YEAS—258

Addonizio	Broomfield	Dawson
Albert	Broyhill	Delaney
Anderson, Mont.	Buckley	Derounian
	Burdick	Diggs
Anfuso	Burke, Ky.	Dingell
Arends	Burke, Mass.	Dixon
Aspinall	Bush	Dollinger
Avery	Byrne, Pa.	Donohue
Ayres	Byrnes, Wis.	Dooley
Baker	Cahill	Dorn, N.Y.
Baldwin	Carnahan	Doyle
Barrett	Carter	Dulski
Barry	Chamberlain	Durham
Bass, N.H.	Chiperfield	Dwyer
Bates	Clark	Edmondson
Becker	Coad	Elliott
Beckworth	Coffin	Evins
Blatnik	Cohelan	Fallon
Boggs	Conte	Farbstein
Boland	Cook	Fascell
Bolling	Cooley	Feighan
Bolton	Corbett	Fenton
Bonner	Cramer	Fino
Bowles	Curtin	Flood
Boyle	Curtis, Mass.	Flynn
Brademas	Daddario	Fogarty
Breeding	Dague	Foley
Brewster	Daniels	Forand
Brooks, Tex.	Davis, Tenn.	Ford
Frazier	Libonati	Quigley
Frelinghuysen	Lindsay	Rains
Friedel	Loser	Randall
Fulton	McCormack	Reuss
Gallagher	McDowell	Rhodes, Pa.
Garmatz	McFall	Riehlman
Giaimo	McGovern	Rivers, Alaska
Glenn	Macdonald	Roberts
Goodell	Machrowicz	Robison
Granahan	Mack, Ill.	Rodino
Green, Oreg.	Madden	Rogers, Colo.
Green, Pa.	Magnuson	Rogers, Mass.
Griffin	Mahon	Rooney
Griffiths	Mailliard	Roosevelt
Gubser	Marshall	Rostenkowski
Hagen	Martin	Santangelo
Halleck	May	Saund
Halpern	Meader	Schenck
Hardy	Merrow	Schwengel
Hays	Metcalf	Selden
Healey	Miller, Clem	Shelley
Hébert		Sheppard
Hechler	Miller, George P.	Shipley
Hess		Sisk
Holifield	Miller, N.Y.	Slack
Holland	Milliken	Smith, Iowa
Holtzman	Mills	Smith, Miss.
Horan	Moeller	Spence
Huddleston	Monagan	Springer
Ikard	Montoya	Staggers
Irwin	Moorhead	Stratton
Jackson	Morgan	Stubblefield
Jarman	Morris, N. Mex.	Sullivan
Johnson, Calif.	Moss	Teague, Calif.
Johnson, Md.	Multer	Teller
Johnson, Wis.	Murphy	Thompson, N.J.
Jones, Ala.	Natcher	Thornberry
Judd	Nelsen	Toll
Karsten	Nix	Tollefson
Karth	Norblad	Trimble
Kasem	O'Brien, Ill.	Udall
Kastenmeier	O'Brien, N.Y.	Ullman
Kee	O'Hara, Ill.	Vanik
Keith	O'Hara, Mich.	Van Zandt
Kelly	O'Neill	Vinson
Keogh	Oliver	Wainwright
Kilday	Osmers	Wallhauser
King, Calif.	Ostertag	Walter
King, Utah	Pelly	Watts
Kirwan	Perkins	Weis
Kluczynski	Philbin	Westland
Kowalski	Pillion	Widnall
Lafore	Pirnie	Wier
Lane	Porter	Wolf
Langen	Price	Wright
Lankford	Prokop	Yates
Lesinksi	Pucinski	Zablocki
Levering	Quie	Zelenko

NAYS—153

Abbitt	Downing	Mason
Abernethy	Everett	Matthews
Adair	Fisher	Meyer
Alexander	Flynt	Michel
Alford	Fountain	Minshall
Allen	Gary	Mitchell
Andersen, Minn.	Gathings	Moore
	Gavin	Morris, Okla.
Andrews	George	Morrison
Ashmore	Grant	Moulder
Bailey	Gross	Mumma
Barden	Haley	Murray
Barr	Hall	Norrell
Bass, Tenn.	Hargis	O'Konski
Belcher	Harmon	Passman
Bennett, Fla.	Harris	Patman
Bennett, Mich.	Harrison	Pfost
Bentley	Hemphill	Pilcher
Berry	Henderson	Poage
Betts	Herlong	Poff
Blitch	Hiestand	Preston
Bosch	Hoeven	Ray
Bow	Hoffman, Ill.	Reece, Tenn.
Bray	Hoffman, Mich.	Rees, Kans.
Brock	Hogan	Rhodes, Ariz.
Brooks, La.	Holt	Riley
Brown, Ga.	Hosmer	Rivers, S.C.
Brown, Ohio	Hull	Rogers, Fla.
Budge	Jennings	Rogers, Tex.
Burleson	Jensen	Roush
Cannon	Johansen	Rutherford
Casey	Jonas	Saylor
Cederberg	Kilgore	Scherer
Chelf	Kitchin	Short
Chenoweth	Knox	Sikes
Church	Laird	Siler
Collier	Landrum	Simpson, Ill.
Colmer	Latta	Simpson, Pa.
Cunningham	Lennon	Smith, Calif.
Curtis, Mo.	Lipscomb	Smith, Kans.
Davis, Ga.	McCulloch	Smith, Va.
Dent	McDonough	Steed
Denton	McGinley	Taber
Derwinski	McIntire	Teague, Tex.
Devine	McMillan	Thomas
Dorn, S.C.	McSween	Thompson, Tex.
Dowdy	Mack, Wash.	Thomson, Wyo.

Tuck	Wharton	Winstead
Utt	Whitener	Withrow
Van Pelt	Whitten	Young
Wampler	Williams	
Weaver	Willis	

NOT VOTING—23

Alger	Celler	Rabaut
Ashley	Forrester	St. George
Auchincloss	Gray	Scott
Baring	Johnson, Colo.	Taylor
Baumhart	Jones, Mo.	Thompson, La.
Boykin	Kearns	Wilson
Brown, Mo.	Kilburn	Younger
Canfield	Powell	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Celler for, with Mr. Gray against.
Mr. Rabaut for, with Mr. Forrester against.
Mr. Auchincloss for, with Mr. Scott against.
Mr. Baumhart for, with Mr. Alger against.
Mr. Powell for, with Mr. Baring against.
Mr. Ashley for, with Mr. Thompson of Louisiana against.
Mr. Taylor for, with Mr. Brown of Missouri against.

Until further notice:

Mr. Boykin with Mr. Kilburn.
Mr. Johnson of Colorado with Mrs. St. George.

Mr. CAHILL changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

GENERAL LEAVE TO EXTEND

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD on the conference report just agreed to.

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ATTACHMENT AND GARNISHMENT OF WAGES, SALARIES, AND COMMISSIONS OF JUDGMENT DEBTORS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 836) to amend the code of law for the District of Columbia modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, line 16, strike out debtor and insert "employer-garnishee".

Page 8, strike out line 19, and insert "section 1104A)'; and".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I want to take this opportunity to thank Judge Kronheim and Judge Walsh, of the District Municipal Court, for their untiring efforts in assisting the House District Committee in enacting H.R. 836, having for its purpose amending the present Garnishee Act.

Judge Kronheim and Judge Walsh called to my attention on numerous occasions the abuses of the Garnishee Act by certain merchants here in the District of Columbia. I have learned after investigation that certain merchants in the District of Columbia were making a collecting agency out of the municipal court under the provisions of the present Garnishee Act. I have never heard of any act on the statute books that has been as badly abused as the present Garnshee Act, and it is a pleasure for me to have a part in amending this act so that the unfortunate poor people in the District of Columbia will not be imposed upon by any Federal act that is on the statute books.

Again, I want to congratulate and thank Judge Kronheim and Judge Walsh for their assistance to my committee in having this legislation enacted. I am reliably advised that the majority of the time of two or three municipal court judges has been utilized during the past few years in collecting claims for the merchants of the District of Columbia under the present Garnishee Act.

FOURTH ANNUAL REPORT ON THE ADMINISTRATION OF CHAPTER 73—ANNUITIES BASED ON RETIRED OR RETAINER PAY, TITLE 10, UNITED STATES CODE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 1444, title 10, United States Code, I transmit herewith for the information of the Congress the Fourth Annual Report on the Administration of Chapter 73, Annuities Based on Retired or Retainer Pay, Title 10, United States Code.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 22, 1959.*

CONFERENCE REPORT ON H.R. 7040

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on the bill H.R. 7040 have until 12 o'clock tonight in which to file a conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE NS "SAVANNAH"

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. Bow] is recognized for 30 minutes.

Mr. BOW. Mr. Speaker, yesterday the NS *Savannah*, the world's first atomic-powered merchant ship, was launched at Camden, N.J., and christened by Mrs. Eisenhower. The name for the world's first nuclear-powered merchant ship was chosen by President Eisenhower in 1955 in honor of the SS *Savannah*, the first vessel equipped with steampower to cross the Atlantic Ocean. Belching black smoke and sparks, the half-steam and half-sailing packet steamed into Liverpool on June 20, 1819, after a 29-day voyage from Savannah, Ga. The world hailed that event, and American shipping took another step forward.

I think, Mr. Speaker, there is something else of great significance in the use of the name "Savannah" for this, the first nuclear-powered ship. And significant in the development of the merchant marine of this Nation which this ship will now join. I refer to the fact that the gentleman from Georgia, PRINCE HULON PRESTON, JR., represents the First District of Georgia here in the House of Representatives and in that congressional district lies the beautiful city of Savannah and its excellent port facilities. PRINCE PRESTON is chairman of the Appropriations Subcommittee on Commerce and Related Agencies which handles the appropriations for the U.S. merchant marine. Mr. PRESTON is a great advocate of a strong and virile merchant fleet. He believes, as I do, that our merchant marine is vital to our defense. He has given much of his time and energy to the development of the NS *Savannah* and other of our merchant ships. It has been my honor, Mr. Speaker, to serve as the ranking minority member of the committee of which Mr. PRESTON is chairman. I have seen him in his work and recognized his devotion to public service. I believe that the State of Georgia is to be congratulated, not only because of this new atomic ship, the *Savannah*, but also because of this great and distinguished American, PRINCE PRESTON, who serves his State and his Nation so well as chairman of this important committee. It was a part of his vision at the dawn of the atomic merchant fleet era that the new *Savannah* is being readied to help the American shipping industry become the undisputed leader on the world's oceans.

The contrast between the old and the new points graphically to the strides made during the last 140 years in U.S. shipping. Whereas the SS *Savannah* could carry enough fuel to run her 90-horsepower deck steam engine—only slightly more powerful than the

engine in a small speedboat today—for 90 hours; the NS *Savannah* will be capable of traveling 300,000 miles for 3 years without having to refuel. The first *Savannah* could cross under steam at 6 knots while the nuclear-powered *Savannah* will cross at more than 20. The 320-ton *Savannah* was about the size of a modern harbor tug whereas the 21,840-ton *Savannah* will have an overall length of 595 feet. The SS *Savannah* crossed the Atlantic only 12 years after "Fulton's Folly"—the *Claremont*—steamed from New York City to Albany and back in 62 hours. The voyage of Robert Fulton opened a new era in water transportation. With the NS *Savannah* another is about to begin.

I am sure that my colleagues join me in expressing the gratitude of this Nation to any of our colleagues who have contributed to the merchant marine as they have, and particularly to our distinguished colleague from Georgia, PRINCE H. PRESTON.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Mr. Speaker, as a member of the Georgia delegation, we appreciate the fine compliment paid the great State of Georgia and the gentleman from Georgia [Mr. PRESTON] by the gentleman from Ohio [Mr. BOW].

The Georgia delegation has long recognized the outstanding service to the State and to the Nation which has been rendered by our colleague from the First District. We are pleased now to note that what we have known for so long, is recognized not only here on the floor of the House but throughout the Nation. We are proud of our colleague, PRINCE PRESTON, as we are proud of our delegation from the State of Georgia.

Mr. BOW. I thank the gentleman from Georgia for his contribution. May I say that although being on the opposite side of the aisle from the gentleman from Georgia [Mr. BROWN] and his colleagues, I consider the Georgia delegation one of the finest in this Congress. Each one of that delegation in his or her field of service in the Congress renders great and distinguished service. The country is indeed fortunate to have them here in these legislative Halls.

REVOLUTION AT SEA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include an article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am including as part of my remarks an article concerning the world's first nuclear-powered surface fighting ship recently launched at Quincy, Mass.

The article is as follows:

REVOLUTION AT SEA

Our Navy's and the world's first nuclear-powered surface fighting ship now has been launched at Quincy, Mass. Just christened the *Long Beach*, and scheduled to join the fleet in early 1961, she is a formidable 14,000-ton, 721-foot vessel designed to carry only missiles rather than the guns of a conventional heavy cruiser. Among her other unique endowments, she will have virtually unlimited range on a single fueling of her two great engines, and her speed will be in the neighborhood of 40 knots, which in itself will represent a significant advance.

Thus, as Atomic Energy Commissioner Harold S. Vance has declared, "This magnificent naval vessel * * * will be free to travel the seas for unprecedented distances at high sustained speed. Her endurance and mobility will far outstrip her conventional predecessors." Like the *Nautilus* in relation to atom-driven submarines, she will occupy a special historical niche as the pioneering ship in the revolution that will eventually effect a profound change in the character of our entire surface Navy. Her first followers in that sense will be the nuclear-powered aircraft carrier *Enterprise* and the destroyer leader *Bainbridge*, both of which are now in the process of being built.

Mr. Vance has not exaggerated in declaring that the *Long Beach* serves as yet another reminder that our country "has achieved world leadership in the development and application of atomic power for naval propulsion." This is at least one of the fields, according to the experts, in which we enjoy a distinct advantage over the Soviet Union. Further than that, wholly apart from its military meaning, the lead is one that has a highly important bearing on such things as the progress of our nonmilitary nuclear technology. All hands responsible for the achievement merit the thanks of the American people.

NS "SAVANNAH"—A PRODUCT OF CAMDEN, N.J.

Mr. CAHILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CAHILL. Mr. Speaker, the eyes of the world turned yesterday to Camden, N.J., and the launching of the first atomic-powered merchant ship. The NS *Savannah* went down the ways of the New York Shipbuilding Corp. into the Delaware River after being christened by Mrs. Mamie Eisenhower, wife of the President.

The 21,000-ton *Savannah*, while not the first nuclear-powered vessel, is significant in that she is expected to be the first of a worldwide fleet of ships that will carry cargo and passengers swifter and cheaper than any ship has ever done before. After her completion the *Savannah* will tour the world as an example of the prowess of American shipbuilding. She will carry a crew of 110, will carry 60 passengers and 9,400 deadweight tons of cargo through the seas at a speed of 21 knots. She is 595 feet long, her beam is 78 feet, and her draft fully loaded is 29.5 feet. The *Savannah* is a joint product of the Maritime Administration of the Department of Commerce and the Atomic Energy Commission. The keel for the NS *Savannah* was laid in Camden at ceremonies presided over by Mrs. Richard Nixon, wife of the Vice President, on May 22, 1958. The NS *Savannah* was named at the suggestion of the President in commemoration of the SS *Savannah*, which 139 years ago ushered in the age of steam when she sailed from Savannah, Ga., to Liverpool, England. The *Savannah* is a credit to all who played a part in her authorization, design, and construction, but particularly to the men and officers of the New York Shipbuilding Corp., of Camden, N.J. Most of the men who worked on the *Savannah* have been in the shipbuilding industry all of their lives and are masters of their craft. Most of them live, and have lived all their lives, in the south Jersey area.

All of Camden, south Jersey, and, indeed, the United States are proud of the skill and know-how of the men of labor and management who cooperated so well in the construction of this ship. She will in the future bring great credit to the city of her birth and the flag of her country.

AMATEUR ROCKETRY AND THE NATIONAL DEFENSE EFFORT

Mr. KING of Utah. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. KING of Utah. Mr. Speaker, the spectacular missile shots which have been reverberating around the world since the Russians orbited their first sputnik have been closely paralleled by another phenomenon.

These big missile shots, known in technical parlance as shoots, have inspired a rash of much smaller shoots. A craze for amateur rocketry has swept our Nation. Small, though sometimes deadly, homemade missiles have been fired from penthouse windows, in heavily congested streets, on public schoolgrounds, from backyard patios, in vacant lots, and in the wide-open spaces.

Despite the danger, these small, amateur shoots, in my opinion, are in terms of what they represent, no less important to the overall, long-range American space effort than the big satellite shoots executed by our defense scientists. The amateur shoots are an expression of the deep and widespread interest in rocketry which the new age of science and space exploration has kindled in the hearts and minds of imaginative young Americans.

I think we, the Members of the 86th Congress, ought to be doing something about eliminating the hazards in amateur rocketry and, at the same time, preserving and nourishing the currently strong interest in it. That interest is, I submit, a foundation on which American space effort, in the years ahead, will be built. On our willingness and ability to simulate and develop that interest may well rest the American destiny in space.

I have introduced a bill today to promote this interest in rocketry by providing basic test equipment in the 50 States, so that young scientists and rocketeers would be able to test their inventions under safe conditions and expert supervision. I commend the bill to your carefull consideration.

More than a year ago, two pioneers in the promotion of amateur rocketry proposed some well-conceived plans which would nourish the interest I have just discussed and, at the same time, minimize the hazards. Lt. Col. Charles M. Parkin, Jr., of the Army's Corp of Engineers, and Col. Kendall K. Hoyt, of the Air Force Reserve, were widely commended for their proposals. But they have received little more than encouraging words. Thus far the work of effectuating more interest in their programs has been left largely to Colonel Parkin and Colonel Hoyt themselves.

Colonel Parkin last year conducted a 14-week rocket science course for teachers and students in Virginia high schools near Washington. With the help of the Army and Colonel Parkin, rocket amateurs from several States gathered at Camp A. P. Hill, Va., last spring to fire homemade rockets under safe conditions.

Colonel Parkin was also instrumental in preparing a rocket textbook for amateurs.

Meanwhile, Colonel Hoyt, who organized the Civil Air Patrol cadet program, which was 100,000 strong in World War II, proposed a general Youth Science Corps, harnessing the enthusiasm of youth for rocketry into studies of chemistry, electronics, aeronautics, and related subjects. He urged that military reservists throughout the country be authorized to help.

The armed services clearly have the authority to give strong support to programs of the kind proposed by Colonel Hoyt and Colonel Parkin. What seems to be lacking are some simple test facilities which the Congress could provide at a cost which I think would, as measured by the current scale of military costs, prove rather nominal.

As early as June 1958 a directive issued in the Department of Defense recognized the responsibility of the military to aid and promote rocket and science education. The directive authorized the use of military installations and facilities in such education, and thereby help young rocketeers test their inventions under safe conditions.

This directive followed a policy proposed by the President's Committee on Scientists and Engineers. Its intent was communicated by the Army, the Navy and the Air Force to all of their installations and commands. But, to my knowledge, the military has so far done very little to encourage students in this field to use their facilities.

Safe and very adequate test facilities designed expressly for the use of responsible, young scientists could be provided every State, I think, for a total cost of less than a million dollars. And I am satisfied the facilities could be staffed and operated on an annual budget of less than $600,000.

For these amounts, a safe and adequately supervised program could be set into motion for the thousands of young Americans who have shown a keen desire to study rocketry. The costs of such a program should cover—

First. Static test stands: Static test stands, with the equipment to test rockets and rocket components, are the prime need in this program. Military experts assure me that such stands can be assembled at a cost of $10,000 each. Each can be maintained, they say, for another $1,000 a year.

Such stands could be provided every State for the total initial cost of $500,000. Some additional stands might be strategically placed in the more heavily populated areas, where the demand would be the heaviest.

Second. Ranges: Our military bases are, in most States, the logical locations for the test stands and for the necessary rocket test ranges as well. The ranges must provide safe air space and safe impact areas, and in the smaller, heavily populated States, such areas likely will be found only upon military installations. I am confident many bases have suitable areas for which there is no other current need. These areas, I am told, could be improved to serve as launching sites and ranges at an average cost not to exceed $5,000 and maintained at an average annual cost of no more than a tenth of that amount. The same military experts have assured me that 50 ranges and as many as 70 test stands could be provided at total costs within the million dollars I mentioned.

Third. Operating staff: Uniformly successful results in the program likely would require a regular operating staff. I think a staff of 60 people—20 civilians and 40 servicemen—could easily coordinate and supervise the program. If their average annual pay was $8,000, the total annual cost would run $480,000. Assuming the staff were scattered among strategically located regional offices, at seven of the participating military bases, I think the office expenses would run no more than $70,000—or $10,000 each—in the first year and $14,000 a year—or $2,000 each—thereafter. The annual costs also should include travel allowances—perhaps totaling $40,000 a year.

I think it entirely possible that a highly skilled and trained instructional staff could be enlisted for the program from the ranks of the military Reserves, at no additional cost to the Government. This reflects the genius of Colonel Hoyt's proposal. The ranks of these "citizen soldiers" include some 20 percent of the Nation's scientists. By Defense Department directive, they might be authorized and encouraged to earn Reserve point credit—without drill pay—by their participation in this program. On the other hand, they might be assigned to help students on the rocket ranges as a part of their regular drill program. I personally am acquainted with many patriotic reservists who would be delighted to participate on a voluntary basis.

Precedents for such a program have been set in such organizations as the American Rifle Association, whose firing ranges are operated as an arm of the national defense, and the Civil Air Patrol, whose volunteers give valuable preflight instruction to thousands of young Americans.

At present, the Nation has no reservoir of pretrained young people for missile work. Both the Armed Forces and the missile industries have been obliged to spend huge sums training young recruits.

For the comparatively small expenditures which I have outlined, the Congress could greatly accelerate education in rocketry and related sciences and could provide the Nation with the kind and quantity of talent which the current international competition clearly indicates.

No matter how much we spend for bigger and better space vehicles—and in this Congress we already have appropriated billions for them—the money will be spent in vain if we neglect, if we fail to sustain and develop, the interest of young Americans in the rocket sciences.

I strongly urge that the Congress seriously consider enactment of such a program at its earliest opportunity.

NUCLEAR TRANSFER AGREEMENTS

Mr. WOLF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLF. Mr. Speaker, the Des Moines Register carried an analysis of the problem of enlarging the nuclear club by the distinguished analyst of foreign affairs, Richard Lowenthal. Lowenthal points out that the dispersion of control over nuclear weapons is the surest way to promote the total disintegration of the Western alliance as well as to multiply the risks of nuclear war.

On the other hand, an agreement aimed at limiting the size of the nuclear club would be a major step toward the military disintegration of NATO.

If Lowenthal is right, the nuclear transfer agreements are a short step to the dismantling of NATO and its deterrent value against enemy attack.

The article follows:

MORE FINGERS ON TRIGGER OF NUCLEAR WAR?

(By Richard Lowenthal)

BERLIN, GERMANY.—It is still possible, and is it really desirable, to limit the circle of nuclear powers? The prospects of the Geneva negotiations on a controlled ban on nuclear tests largely turn on this question, and with them possibly the chances of an East-West summit meeting.

In Britain, the idea of a nonnuclear club comprising all but the two giant powers is at the heart of present discussions inside the Labor Party, and may well play a decisive role in the forthcoming general election.

Within the Soviet bloc, there is no more sensitive question than this in Soviet-Chinese relations, though it is never publicly discussed. For a limitation of the circle of nuclear powers to the present three or to the Big Two after a possible British renunciation, would leave China in a position of permanently minor status in relation to Russia.

And within the Western alliance, Gen. Charles de Gaulle's determination to make France a nuclear power is one of the issues that have lately brought the creeping crisis of NATO's military planning into the open.

THE "BALANCE OF TERROR"

So far, few commentators in the leading countries—few voices indeed, apart from the French and the Chinese—have doubted that

a limitation of the circle of nuclear powers is desirable.

The overwhelming argument in favor of such limitation is that it would permanently reduce the risk of nuclear war.

While possession of these weapons is restricted to two or three, or at worst four powers, the "balance of terror" between them may work; as the number increases the incalculable element of risk increases incomparably faster.

Hence the negotiations for a ban on atomic tests—which, if enforced, would automatically prevent any further powers from joining the club—have assumed a political importance out of all proportion to the technical subject.

What is really at stake is whether the present three nuclear powers have the will and the strength to retain a monopoly.

MAKING CHINA STAY IN LINE

At the moment no outsider can judge whether such a monopoly could be imposed on the runners-up. The mere fact that the Soviets appear to be seriously interested in the test negotiations argues that they may still feel in a position to make China conform to such an agreement, however unwillingly.

That France could still be prevented from exploding her first bomb seems highly improbable by now; but it is at least conceivable that De Gaulle might be willing to renounce regular production in exchange for political advantages within NATO.

But all these calculations depend on the assumption that the leading powers on both sides are themselves interested in retaining the monopoly, at least to the extent of refusing to hand over some of their nuclear weapons to their allies for independent and uncontrolled disposal.

THE CHANGE IN THE UNITED STATES

In the last few weeks that assumption has been shaken as far as the United States is concerned. According to serious U.S. press reports, an influential group of American military planners has lately begun to argue that a wider dispersion of nuclear control within NATO, a greater freedom for America's allies to dispose of their nuclear weapons, might be in the interests of Western defense.

The reports add that no new policy decision in that sense has so far been taken. But if it is true that the issue has come up for discussion at the top level in Washington, it will clearly be crucial for the future of NATO—and quite possibly for the future of world peace.

FOR WIDER DISPERSAL

As reported, the case for a wider disperal of nuclear control within the Western alliance is based on two assumptions:

The first is that the Soviets boasted ability to destroy any target in the United States by long-range thermonuclear missiles, while wildly ahead of present-day reality, is likely to become a fact within a foreseeable number of years.

The second assumption is that U.S. dependence on allied air and missile bases in Western Europe and elsewhere, at present decisive for giving an American retaliatory blow the advantages of proximity and dispersion, will greatly diminish as long-range missiles and submarine-based intermediate missiles become available to the United States in quantity.

THEIR OWN DETERRENTS

Once both assumptions are fulfilled, so the argument runs, the United States will both be less vitally interested in the defense of any given outlying ally against a Soviet bloc attack, and less willing to take the risk inherent in nuclear retaliation.

As Soviet propaganda is already anticipating this state of affairs, it is only natural that American's allies should begin to wonder how to face it once it becomes real; hence, one obvious way of reassuring them would be to equip them in time with their own nuclear deterrents.

From an American point of view, this might have the added advantage that in the worst case these allies could effectively defend themselves without automatically involving the United States in a nuclear holocaust.

A SURPRISE ATTACK

On the contrary, if any European country announced that it wants to rely for its defense primarily on its own nuclear deterrent, it would positively invite a surprise attack that could wipe it out with a single blow.

To be effective, the nuclear deterrent would have to have as its political and geographical basis at least the whole of the European NATO area; each country, in other words, would have to rely as much on the willingness of its allies to take the ultimate risk in its defense as it now relies on the United States.

But such reliance would be far better founded, and the consequent deterrent far more credible to a potential aggressor if the nuclear weapons continue to be held in all countries under a single command—and preferably an American command.

SUREST WAY

It follows that the dispersion of control over nuclear weapons must be the surest way to promote the total disintegration of the Western alliance as well as to multiply the risks of nuclear war.

Conversely, an agreement aimed at preserving the nuclear monopoly of two, three or at most four powers would not only limit the risk of nuclear war, but would by itself be a major step to counteract the tendencies toward a disintegration of NATO.

That does not prove that the efforts toward such an agreement will succeed. But it tends to show that not one of the new technical facts has diminished the case for its desirability.

DISTRICT OF COLUMBIA HOME RULE

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from New Jersey [Mrs. DWYER] is recognized for 5 minutes.

Mrs. DWYER. Mr. Speaker, evidence continues to mount that the people of the United States overwhelmingly want to see local self-government restored to the District of Columbia. The latest demonstration of this fact is the statement I have before me which I ask to have included in my remarks—a resolution adopted by the U.S. Conference of Mayors at their annual conference at Los Angeles, Calif., on July 15.

This is the second straight year that this important and representative group of grassroots American leaders has urged Congress to enact a home rule bill and end a situation which, for over a decade, has prevented this House from even considering the issue.

The U.S. Conference of Mayors is composed of the mayors of the 300 largest cities of our country. Over 400 top city officials took part in the Los Angeles meeting. Support for home rule was considered and recommended by a resolutions committee composed of the mayors of Milwaukee, Fort Worth, Baltimore, Newark, and Lawrence, Mass. This is convincing evidence of the broad and representative nature of national support for District of Columbia self-government.

I understand that Mayor Carlin of my neighboring city of Newark, N.J., had a leading part in this decision. I believe the overwhelming majority of the people of my State, and of the country, share these sentiments. I want to take this opportunity to reaffirm my wholehearted support of efforts to restore home rule to Washington.

I am confident that this House, recognizing that the overwhelming sentiment of the country supports the restoration of democracy to the Nation's Capital, will assert its long-denied right to legislate on this issue, and act in this session to end the long minority blockade of home rule.

The resolution follows:

DISTRICT OF COLUMBIA HOME RULE—RESOLUTION APPROVED BY THE 1959 ANNUAL CONFERENCE OF THE U.S. CONFERENCE OF MAYORS, LOS ANGELES, CALIF., JULY 15, 1959

Whereas local self-government is the bedrock of free government;

Whereas the rights and benefits of local self-government should be available to all American citizens;

Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government;

Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia;

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city: Now, therefore, be it

Resolved by the U.S. Conference of Mayors, That the Congress be, and it is hereby urged, to approve home rule legislation to assure local self-government to the residents of the District of Columbia.

Mrs. DWYER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

WHITE FLEET RESOLUTIONS UNDERWAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. EDMONDSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, yesterday 22 Members of this body introduced resolutions calling upon the President to establish from our mothballed Navy a new White Fleet of mercy ships, to carry American surplus foods, medical aid and supplies to disaster and distress areas all over the world.

This idea, initiated by Cmdr. Frank Manson, of Oklahoma, is appropriately described in this week's issue of Life magazine as a "bold proposal for peace." It also represents an imaginative new approach to American foreign policy advancement, an approach which I hope

will win the overwhelming support of this House.

Tomorrow afternoon there will be a 30-minute discussion of the proposal for a modern-day Great White Fleet, under a special order granted to me by the House yesterday.

The terms of House Concurrent Resolution 323—and the 21 similar resolutions for a new White Fleet—will be discussed in tomorrow's 30-minute period, and the 22 resolution sponsors will appreciate the participation of all interested colleagues.

THE GREAT WHITE FLEET

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I want to join my House colleagues, Congressman EDMONDSON, of Oklahoma, and Congressman BATES, of Massachusetts, and Senators HUMPHREY, of Minnesota, and AIKEN, of Vermont, in urging President Eisenhower to revive the Great White Fleet of the Theodore Roosevelt era and put the modern Great White Fleet upon the seven seas for the purposes of peace and in the cause of humanity.

As the Springfield (Mass.) Daily News editorially stated on Monday of this week:

> The grim might of the (Great White) fleet was thinly covered with a peaceful white coating, but there was no mistaking the message carried by the fighting admiral and 16 battleships. The Great White Fleet impressed the world.
>
> Gunboat diplomacy has undergone extensive modification.

Yes, indeed, gunboat diplomacy has undergone extensive modification in the 52 years since President Theodore Roosevelt dispatched these 16 battleships off on the historic cruise around the world in a demonstration of newfound United States might, after victory in the Spanish-American War established this country as a world power.

I want to commend my colleagues who introduced the resolution yesterday and the man who thought up the challenging idea of a new White Fleet diplomacy, Navy Commander Frank Manson. Also, Life magazine is to be commended for the excellent presentation of this idea and a review of the accomplishments of the Theodore Roosevelt Great White Fleet, appearing in the July 27 issue.

Mr. Andrew Heiskell, publisher of Life magazine, has aptly stated the purpose of the new White Fleet in these words:

> The new White Fleet would be equipped to stand not only as a symbol of U.S. leadership in the ideals of peaceful world brotherhood, but as a practical demonstration of U.S. medical and scientific progress.

The White Fleet could roam anywhere in the world and be in a state of readiness to give assistance where disaster might strike. The fleet could consist of hospital ships, cargo ships with relief supplies of food and clothing, and aircraft carriers and cargo ships designed to provide power supplies or dispense technical information.

The U.S. Navy has many such ships in its mothball fleet which could be pressed into service for the White Fleet idea to demonstrate America's good will and implement the peaceful purposes of our foreign-aid program and foreign policy.

Mr. Speaker, I am certain that President Eisenhower will give this proposal sympathetic consideration.

A NEW "SAVANNAH" FOR A NEW JOB

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, the United States demonstrated yesterday that once again it has the earnest desire and the know-how to put the gigantic power of the atom to work for peaceful purposes when the President's wife, Mrs. Dwight D. Eisenhower, christened the first nuclear-powered merchant ship, the NS *Savannah*.

The launching of the NS *Savannah* at Camden, N.J., is another milestone in the harnessing and development of atomic fission for the benefit of mankind.

Under leave to extend my remarks, I include the following editorial from the Springfield (Mass.) Daily News of Monday, July 20, 1959, entitled "A New *Savannah* for a New Job":

> A NEW "SAVANNAH" FOR A NEW JOB
>
> Great Britain has often demonstrated the value of "showing the flag" when its rights are endangered in any part of the world, and the United States has used the same device which became known in some quarters as gunboat diplomacy.
>
> However, during the lifetime of Adm. Robert D. "Fighting Bob" Evans, the use of gunboats in diplomacy underwent a notable change. One of his first "show of force" assignments took him to Chile as the commander of the steel gunboat *Yorktown* in 1891 to caution those who were threatening what the United States considered as its legitimate interests there. The next year, he took a flotilla to the Bering Sea to stop abuses in seal fisheries.
>
> After the Spanish-American War, however, the admiral went on perhaps his most important and certainly his most publicized diplomatic venture, but the Navy bulldog was muzzled for the voyage. The grim might of the fleet was thinly covered with a peaceful white coating, but there was no mistaking the message carried by the fighting admiral and 16 battleships. The Great White Fleet impressed the world.
>
> Gunboat diplomacy has undergone extensive modification, and now a vessel unsuited for warfare and ill suited even for commercial work is being built to carry messages to the world. Tomorrow, Mrs. Dwight D. Eisenhower will break the traditional bottle of champagne on the hull of the world's first nuclear-powered merchant ship, the NS *Savannah*, at Camden, N.J.
>
> The President's statement of October 15, 1956, when he called the ship "a floating laboratory, a forerunner of atomic merchant and passenger fleets," will be recalled. Tact will restrain anyone from quoting Adm. Hyman G. Rickover's comment when asked 2 months ago about the commercial prospects of atom-powered cargo vessels. The admiral responded: "Dim."
>
> However, the ship is not designed to make money. It will cost more than $40 millions, and it will carry little cargo. However, it will carry a message to the world that the United States is best able to put the atom to work, and it is putting it to work for peaceful purposes.
>
> It was 140 years ago that the American ship *Savannah* used steam in an Atlantic crossing, and now a new *Savannah* is getting ready to sail around and around the world for 3 years without refueling to show the world the atom's and America's power for good.

PERSONAL EXPLANATION

Mr. WILSON. Mr. Speaker, I was unavoidably absent from the floor for a few minutes during today's rollcall. I should like to say for the RECORD, had I been present, I would have voted "yea."

AREA REDEVELOPMENT LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 15 minutes.

Mr. CARNAHAN. Mr. Speaker, I asked for this time to again direct attention to the pending area redevelopment legislation.

LEGISLATION BADLY NEEDED

The area redevelopment bill, S. 722, continues to be needed as badly as ever. Any economic recovery that has been taking place in recent months has bypassed the areas this bill would help because they have special problems separate from general levels of economic activity. I introduced a similar bill to S. 722 in the House, H.R. 3966, and have been one of a number of Members of Congress working in the interest of this legislation.

As you know, S. 722 has passed the Senate and has been favorably reported by the House Committee on Banking and Currency. It is now pending before the House Committee on Rules. It is extremely discouraging that we must retrace our steps of last year at which time Congress passed just such a bill. This program could be well on its way if the President had not pocket-vetoed the legislation which so many of us supported and for which we worked so diligently. Changes have been made in the bill this year which should strengthen and make it a better bill. We have also tried sincerely to meet constructive suggestions and hope to spare another veto. Basically what is envisioned is the conservation of human and physical resources within existing established communities and this bill is a clearly needed first step toward that end.

INDUSTRIAL AREAS

The excessive unemployment in the chronically depressed industrial areas is sometimes spoken of as "structural" unemployment, because it results from permanent changes in the pattern or structure of a community's industry rather than from general economic conditions.

For example, unemployment resulting from closing the railroad shops in a town because of changing railroad services and operational techniques is not helped by a business pickup. It is the same way in coal-mining communities where jobs are gone no matter how much business picks up, or in the lead and glass industries which are sharply curtailed because of international trade.

The purpose of the area redevelopment bill has always been to meet the special problems of the chronically depressed areas rather than unemployment problems arising from general depressions. This is emphasized by the fact that both major political parties pledged the enactment of such a bill in the campaign of 1956, which was not a depression year.

The continuing plight of the depressed areas is shown dramatically by the statistics on unemployment. The number of distressed labor markets is increasing, not decreasing. In May 1959—the latest month for which figures are available—there were over 50 percent more distressed labor market areas than in January 1959 and almost three times as many as in August 1957.

Unemployment continues to be increasingly concentrated in these distressed labor markets in a very serious manner. In May 1959 the 179 distressed labor markets had almost one-third of the Nation's unemployed, although they contained only 14.5 percent of the Nation's working population.

The persistence of unemployment in these areas is indicated by the following table:

	January 1959	May 1959
Number of distressed labor markets	119	179
Total unemployment in these distressed labor markets	811,973	1,090,657
Percent of Nation's unemployment in these distressed areas	17.2	32.2
Percent of Nation's working population in these distressed areas	9.3	14.5
National rate of unemployment (percent)	7.0	4.9

With the passage of the pending bill, these communities will be given a chance, through the development of local-Federal cooperative programs, to build new industries and create new jobs for those who have long been out of work through no fault of their own.

RURAL AREAS

In many places it is getting harder for a family to make a decent living on a family-sized farm. There are approximately 1 million farm families with an annual income of less than $1,000. This bill would help create off-the-farm jobs to supplement the income of these farm families in areas where this type of problem is particularly acute.

The rural provisions of the bill are needed as badly as ever, because the small farmer is being squeezed as badly as ever. The parity ratio—the relation of the prices the farmer receives to the prices he has to pay—went down from 85 in 1958 to 82 in May 1959, the lowest level since World War II. Farm prices and farm income have both continued to decline. The number of farms continues to decline at the rate of about 200,000 a year. From 1952 to 1958, the farm population fell by 3½ million and this decline also continues.

As these people are forced off the farms, they must have other opportunities to make a living, and this bill is urgently needed to help provide those opportunities.

HOW THE BILL WOULD WORK

The bill would help create new jobs in, first, industrial areas which continue for an extended time to have excessively high rates of unemployment, and second, rural areas where farm resources are most inadequate to enable families to make a decent living from farming.

The bill would operate by giving assistance to local efforts to establish in such areas new business enterprises which would provide employment. Where the local people in an area eligible for assistance under the bill undertook a program for establishing new industries, the Federal agency could assist by providing, first, information, such as market research and other information or advice available from various Government agencies; second, technical assistance, such as evaluating and helping to develop potentialities for economic growth; third, financial assistance in the form of (a) loans for the development of land and facilities for use by new businesses—a revolving fund of $75 million for industrial areas and another revolving fund of $75 million for rural areas—and (b) loans—a revolving fund of $50 million—or grants—total of $35 million—for public facilities needed to serve new businesses; and fourth, vocational training to enable unemployed individuals to qualify for new employment in the redevelopment area, and subsistence payments for persons receiving such training.

MISSOURI NEEDS THIS LEGISLATION

My own State, Missouri, needs this legislation for both industrial and rural areas since the percentage of unemployment for Missouri is continuing to increase. S. 722 will give much needed help throughout the State.

My own congressional district—the Eighth—has qualifying industrial areas and most of the 19 counties in the district need and qualify for the rural self-help provided in the bill. I will continue my efforts toward again getting this bill through the Congress, during this session.

NUCLEAR-POWERED SHIPS, INCLUDING NUCLEAR-POWERED AIRCRAFT CARRIERS

Mrs. ROGERS of Massachusetts. Mr. Speaker, earlier today I inserted in the RECORD as part of my remarks an article from the Washington Post describing the launching of the nuclear-powered ship at the Quincy Shipyard; also the launching of another nuclear ship, and also a statement of the hope that there will soon take place the launching of the *Enterprise*, which will be a nuclear-powered carrier.

We need more airplane carriers of the nuclear type. I hope sincerely that the House will adopt the Senate provision in the national defense appropriations bill for a nuclear carrier.

Mr. ROONEY. Mr. Speaker, will the distinguished gentlewoman yield?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield to the distinguished gentleman from New York, who has done so much work for these carriers, who has been such a tower of strength in this regard.

Mr. ROONEY. Mr. Speaker, I should like to say at this point that I am in thorough accord with the position of the distinguished gentlewoman from Massachusetts. I trust that the House-Senate conferees on the defense appropriations bill will see fit to adopt the Senate position with regard to a new attack aircraft carrier for the Navy. It is urgently needed.

It was just over the past week end that I had the opportunity to fly out to sea off the Atlantic Coast and land on our latest attack aircraft carrier, the U.S.S. *Independence*. I was aboard for 24 hours. They are really working these carriers. They are continuously training our jet pilots in taking off from and landing on them with their jet aircraft, so that should the occasion arise, God forbid, they will be prepared to defend our country.

I was present at the Brooklyn Navy Yard back in January when the carrier U.S.S. *Independence* was commissioned. Upon visiting her at sea this weekend I was surprised to learn that she has been used to such an extent in the intervening months that if one had not seen her brand new in January, one would think she had been in operation for some 5 or 6 years.

Mr. Speaker, I ask unanimous consent that I may insert at this point in the RECORD a statement agreed upon last Wednesday by a group of Members of the House from the State of New York.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The statement follows:

The New York State Democratic delegation went on record in favor of a nuclear superaircraft carrier to be built at the Brooklyn Navy Yard. Conferees have been appointed to reconcile the differences between the House and Senate versions of the defense appropriations bill, the House having deleted appropriations for the carrier and the Senate having restored them. President Eisenhower has expressed himself in favor of an aircraft carrier.

The New York Democratic delegation realizes that all wars of the future will not be global wars. There may be limited warfare where aircraft carriers may be used to great advantage. The Department of the Navy is firm in the conviction that a nuclear superaircraft carrier is needed. The delegation agrees and asks that the managers of the House on the conference should yield to the position of the Senate in the interests of adequate national defense.

The Brooklyn Navy Yard is unique in the sense that it has exceptional facilities for building carriers. It has built several in the past. Thousands of skilled employees at the yard are threatened with riffs and discharges unless additional work is brought to this shipyard.

For these and many other reasons and in view of the favorable attitude of the administration, the conference should recommend to both Houses suitable appropriations for the building of this carrier.

VICTOR L. ANFUSO, CHARLES A. BUCKLEY, EMANUEL CELLER, JAMES J. DELANEY, ISIDOR DOLLINGER, THADDEUS J. DULSKI, LEONARD FARBSTEIN, JAMES C. HEALEY, LESTER HOLTZMAN, EDNA F. KELLY, EUGENE J. KEOGH, ABRAHAM J. MULTER, LEO W. O'BRIEN, ADAM C. POWELL, JOHN J. ROONEY, ALFRED E. SANTANGELO, SAMUEL S. STRATTON, LUDWIG TELLER, HERBERT ZELENKO.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to ask the gentleman if he noticed the tremendous hazard to the fliers in landing caused by the concentrated volume of black oil smoke, screening the landing mirror so that it could not be seen at a strategic landing moment by the pilots. On a rough sea the landing mirror is extremely important to the pilot and if the black oil smoke from the carrier stack momentarily blacks out his vision after he has committed his plane, the flier could experience a crash. With airplanes worth their weight in gold and with the lives of the pilots involved, this risk, this hazard should be eliminated. Of course a nuclear powered carrier does not have such a hazard.

Mr. ROONEY. I have noted that that is the fact. Upon my visit to the carrier I observed the heavy smoke to which the gentle lady refers and saw how it could cover the landing mirror. However, there was not any occasion during my visit when aircraft operations had to be suspended for that cause. These operations were not only daytime operations, but night operations, in the dark. I do say that our Navy should have more aircraft carriers.

Mrs. ROGERS of Massachusetts. When you have the fog plus these black ash smoke conditions temporarily interfering with the pilot's sight of the landing mirror, a very dangerous situation exists which could end in disaster. The lives of our naval pilots should not be subjected to this risk. This is an extremely important consideration to keep in mind as a reason for the necessity of a nuclear aircraft carrier. I know of the magnificent fight the gentleman from New York [Mr. ROONEY] is making for the nuclear carrier. I know the gentleman realizes just as I do that we may not have the bases in Spain, in the near future, for instance. We know what happened in France. France either wanted to control our airbases and air operations or have us get out. We moved out and sent our land based planes to England. Some in the House of Commons booed this move. We can be forced out of every airbase on foreign soil because of the same reason. To control the air we must have control of our airbases. This is why the carriers are so extremely important. This is why the nuclear-powered carriers have such tremendous importance. They belong to America. No one can order our planes from their decks. They fly the American flag. They are part of the sovereignty of the United States of America located anywhere on the vast oceans. Our nuclear-powered carriers, being as they are great mobile airbases, are the greatest insurance for peace possible, because no enemy dares to challenge their striking power.

THE PRESS WILL DECIDE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, permit me to call attention to the fact that tomorrow morning the Committee on Education and Labor will vote on a labor bill. We are hoping to get out something that will be acceptable. My thought was and is that, if the press which so often claims and has the power to formulate public opinion will start a crusade now and keep at it, we will enact legislation which the people want.

Whether the people get labor legislation to which they have long been entitled depends upon what the press does during the next few weeks. Some publications, especially those in the East, tell us what Congress must do to maintain a free world, protect free people.

Morning, noon, and night one section of the press insists that, unless we take on every burden of every other nation in the world, the United States of America and every individual in it will go to heck in a basket—and that right now.

But as some statesman said, in substance, long, long ago: If this nation ceases to exist—as has many another great nation—it will be because we have failed to recognize and adequately deal with the danger from within.

At the moment, we have threatening us two outstanding dangers which have destroyed many another nation of old—inflation and the arbitrary illegal use of power by would-be dictators.

As always, professional, ambitious, lawless individuals hide their purpose behind protestations that what they are doing—what they advocate—is in the interest of the common man—for the benefit of the "underdog," a term which has no rightful place in the United States of America.

In this country of ours, the power of the press—because it is a free press—is almost unlimited.

In the last few years—and probably because some of the outstanding publications of the country have been unable to print when strikebound—a few nationwide publications have been calling attention to the abuse, the illegal use, of special privileges granted organized labor, when those labor organizations have been taken over by able, unscrupulous, greedy, ambitious individuals.

Supposedly wealthy and certainly highly influential newspapers like the New York Times, the Pittsburgh Sun-Telegraph, and the Detroit Times have paid hundreds of thousands of dollars as tribute to union officials for the privilege of exercising their natural and their supposedly constitutionally protected right.

Undoubtedly other wealthy corporations have found a similar course profitable.

When wealthy and powerful individuals or organizations pay for the privilege of exercising their rights, what can be worse than the state of the average individual who, finding the present tax burden almost unbearable, is forced to pay tribute, in order that he may continue in business, or exercise the right which all admit is his?

When the wealthy and the powerful pay for protection, it is bribery. When tribute is accepted from those of moderate means and little, if any, political power, it is extortion.

My question is, Will the press as a whole, which has always boasted not only of its power, but of its influence for righteousness and justice, take up the burden, which at this time and under present circumstances falls upon its shoulders?

What is being said here is because yesterday morning there came to my desk, and no doubt to the desks of all Members, an advance copy of Life, in which I find an editorial which reads:

DANGER: HOFFA MAN AT WORK

Said Senator KENNEDY to Jimmy Hoffa last week, "You remain still the best argument for the passage of the bill"—meaning the Kennedy-Ervin labor reform bill, which would go quite a way toward ventilating the internal affairs of unions and subjecting the menacing power of the Teamsters to some legal restraint. Hoffa himself is a powerful argument, but another has recently turned up in the lobbies of the House of Representatives, whose labor committee has been trying to report a worthwhile bill. This new argument is Sidney Zagri, a labor lawyer from St. Louis and Hoffa's chief lobbyist for degutting this legislation. Zagri's methods with Congressmen are not unlike Teamster methods with wavering employers, only subtler.

Zagri, who went to UCLA and Harvard Law School, talks like a persuasive rather than an intimidating type. He was brought into the Teamsters by Harold Gibbons, Hoffa's so-called egghead, and he learned lobbying before St. Louis aldermen whom he would notify politely in advance that the Teamsters would be watching their votes on local issues. In Washington this session he has entertained more than half the Members of Congress at breakfast, 25 or 30 at a time. He and Gibbons then give a soft sell version of why labor objects to any law against the hot-cargo boycott, blackmail picketing and other Teamster practices.

Since the breakfasts Zagri has been merely polite to those Congressmen who can afford to neglect Teamster votes while he bears down on those who need them. He has classified all Congressmen according to a vulnerability scale ranging from A (real "friends of labor") to E (hopeless). Zagri also has a pipeline to the House Labor Committee and knows who votes how on every issue. Within an hour after 1 crucial vote he was phoning the districts of 10 Democrats who (with 10 Republicans) had voted against Zagri's wishes. After these calls, the Congressmen in turn got calls from home threatening a protest meeting, etc. One of these Democrats, STEWART UDALL, of Arizona, later told Zagri, "You've got a nerve to go calling my State and telling people I'm voting wrong." Replied Zagri softly, "I'm going to get you in line." Another, FRANK THOMPSON, of New Jersey, not only got threats of a protest meeting at home but anonymous phone calls saying "You're anti-labor and we're going to fix you." Another, ladylike EDITH GREEN, of Oregon, was so outraged by the artificial pressure that she went way out of character and told Zagri to go to hell.

Zagri brings along delegations of local Teamster (or other union) officials to add authenticity to his pitch to Congressmen, but he tries to do all the talking himself. The men from home, who may or may not understand what's at issue, merely parrot Zagri's line—"it's antiunion"—and are believed to get their expenses paid by the Teamster treasury. Zagri denies he or his headquarters pay these expenses. But Zagri has been caught at times in statements of questionable accuracy. He likes to tell Congressmen that he is in constant touch with the AFL–CIO (its chief lobbyist won't even be seen with him) and that Speaker SAM RAYBURN favors the Teamsters' position on this or that item. When asked about one of these Zagri statements, the Speaker remarked, "That's a damn lie."

Zagri's tactics have partly backfired on the Teamsters. The House committee is ready with a bill which is a little weaker than the Kennedy-Ervin bill (itself weak enough to pass the Senate 90–1) but which is opposed by Hoffa and is a lot better than no labor bill at all. The fight for it now moves to the floor of the House, where Zagri's efforts to emasculate or kill it will be turned full-blast against every Congressman who doesn't already know his own mind or has a spot of jelly in his makeup.

It will be a dirty fight. Anything involving Hoffa's union is likely to be a dirty fight. Our purpose in telling about Zagri is to remind wavering Congressmen—and their constituents—of this uphappy fact of life. Only by passing an adequate labor bill can Congress hope to get Zagri off their necks, Hoffa off the Teamsters' necks, and the Teamsters off the neck of the U.S. economy.

Time of July 27, comments in this way:

THE PERSUADER

In its 30 months of poking through the scandals of top teamster Jimmy Hoffa and his pals, the Senate rackets committee thought it had uncovered all possible varieties of union rough stuff and muscle flexing from A (for assault with a deadly weapon) down to Y (for yelling from the witness stand—see Investigations). But it missed the last letter, until Z turned up around the House of Representatives recently in the form of a hard-boiled Hoffa lobbyist. His name: Sidney Zagri.

Zagri's job is to kill the labor-reform bill inspired by the Hoffa scandals, or at the least to eliminate the parts Hoffa does not like. Though not ready for action when the Kennedy-Ervin bill passed the Senate, Zagri made his hefty presence (6 feet, 216 pounds) felt soon after the bill landed last April in the House Education and Labor Committee. By the time the committee got around last week to key votes, sore-boned members realized that Zagri had adapted for the lobbying craft the bully boy methods that Teamsters made famous in trade unionism.

LITTLE BLACK BOOK

The Teamster assault on the bill began with a grand gesture: Invitations to all 435 House Members to come two dozen at a time, for breakfast at the Congressional Hotel. The host: Harold Gibbons, hard-boiled Hoffa deputy from St. Louis, who made his breakfasts politically tasty by flying in union leaders from the home regions of each day's new group of House guests. No fewer than 245 Congressmen heard host Gibbons introduce Persuader Zagri as his own community relations' expert from St. Louis. "We are not against legislation," said Zagri smoothly, "but this bill is so defective." Zagri's precise speech and trained legal mind (U.C.L.A., Harvard, University of Wisconsin) sent the guests away impressed; for his part, Zagri methodically rated each Congressman from A to E in his little black book according to the degree of agreement with the Teamster position.

In the followup, Zagri concentrated on the Labor Committee's 30 members, developed an easy ally in Chicago Democrat ROMAN PUCINSKI (A in the book) and half a dozen others. Zagri also appeared before the committee as an expert witness, and offered no fewer than 59 pages of bill-gutting amendments. Teamster-touting Democrat JIMMY ROOSEVELT (A) of California introduced the Zagri proposals as a substitute bill.

"WE'LL FIX YOU"

Zagri got down to more serious work when the committee began its voting. In the first critical vote, a 10-man swing group of Democrats rejected a union-made plan to bury the bill in subcommittee. Less than an hour later, one of Zagri's ever-busy committee leaks supplied him with a tally on each member's vote. That same day he telephoned union leaders in each swing man's home district, urged protests against the Congressman's betrayal of labor. Commanding one AFL–CIO Steelworker official to put the heat on a New Jersey Congressman, Zagri spoke like a crusader on a trailer-truck parking lot: "Get a delegation down here tomorrow morning and tear his door down." He provided his agents with simple form letters to send in, urged wires, calls and protest meetings, brought nonteamster unionists to Washington to badger Congressmen, and did most of the talking.

This campaign of intimidation ran for only a few days before Arizona's STEWART UDALL, Democratic leader of the swing group, told Zagri off. "You've got a nerve to go calling my State and telling people I'm voting wrong," he snapped. Zagri brazened it out: "I'm going to get you in line." UDALL exploded as never before in Congress, raked Zagri over until the lobbyist obsequiously agreed that he had voted right. Another Congressman was treated to anonymous threats "We're going to fix you" on his home and office phones. Oregon's Democratic EDITH GREEN took her own Zagri-inspired protests awhile, burst out in rare anger: "He can go to hell."

"A DAMN LIE"

The Teamsters' powerplant began to backfire. Speaker SAM RAYBURN, told that JIMMY ROOSEVELT and Zagri were claiming that RAYBURN was in favor of their bill, sent out a plain comment: "It's a damn lie." Mr. SAM called in the hardest pressed of the committee members, particularly freshmen, to assure them that the Speaker himself would campaign for any man put in serious trouble by Zagri's efforts. Labor Committee Chairman GRAHAM BARDEN of North Carolina, growled threats about investigating "brazen outside influences."

Near week's end the committee adopted the only practical defense against the tormentor: it would go on with its work. Members voted 17–13 to keep in the bill most of the provisions Zagri opposed, even revised the hot-cargo section to make sure that it would control Teamsters without forcing legitimate strikers to go through picket lines. Scheduled for final committee vote this week—and near enough to the Senate version to have a good chance of becoming law—the labor reform bill was a stronger piece of legislation than it would have been without Zagri's efforts. By sending in his persuader, Hoffa gave Congressmen a personal taste of his tactics, apparently firmed up their resolve to do something about them.

The views expressed above are those of the editors or publishers of the two publications quoted.

It was my privilege to be here when the Wagner Act was adopted, when the Taft-Hartley Act became law, when the Hobbs amendment to the act to protect trade and commerce against interference by violence, threats, coercion, or intimidation, approved June 18, 1934—48 Stat. 979; U.S.C., 1940 edition, title 18, sections 420a–420e—was put on the books and when other similar legislation was being considered by the committee and the House.

The district in which I live is largely industrial, but the workers are not subjected to the violence, the extortion, the racketeering that has so often, unfortunately, prevailed in the great industrial centers of the country. Employees in the Fourth Congressional District, as a rule, are married men with families who own their own homes.

Their chief desire is for a job, a fair wage, and typical American living conditions. They pay little attention to outside organizers and troublemakers who come into the district, as did Gojack in St. Joe and Benton Harbor. Gojack, an alleged Communist, was sentenced to jail. Whether he serves time depends upon court decisions.

We have been comparatively free from violence, primarily because we had a vigorous, fearless prosecuting attorney in Berrien County—the largest county in the district—Joe Killian, who enforced State laws against violence and racketeering. He was backed by Sheriff Kubath, who was wholly unafraid and who saw to it that local citizens were protected from violence or the violators went to jail. Our present officers are following the same course.

My sympathy goes out to those Congressmen who, because of the views of their constituents and their environment, are forced to use some expediency in their voting.

Those who are unduly critical of individual Congressmen who sometimes appear to lack courage, might put themselves in the positions of those they criticize.

In my judgment, it is far better for the country as a whole for a Congressman to, on some occasions, compromise and be returned to Congress than it is to rigidly adhere to a standard which will not be acceptable to his constituents, who, if the sitting Congressman is defeated, might send here an individual who would, on all occasions no matter what the demand, go along with a crooked labor boss or a labor union dominated by gangsters or racketeers.

In other words, it may be better for a district, for the Nation as a whole, to accept without undue criticism the individual Representative who refuses to be a stooge, rather than to have him replaced by a criminal syndicate's "yes man."

It may be unfortunate that of the 20 Democrats on the committee, 13, as has been stated in committee hearings, have received union political financial contributions, but it does not necessarily follow that such contributions dominate the Representative's views or vote. But, after all, we are all grateful for help extended in time of need.

However, it should also be remembered that the people are demanding, and will continue to demand, our support until they get legislation which will

end the shameful practices brought to light by the McClellan committee.

We must have legislation banning secondary boycotting, organizational picketing, and we must give a forum to all those who have been denied redress by the National Labor Relations Board because of the limited interstate business transacted.

It is my hope that when the bill comes to the House the Members will keep in mind the fact that the Supreme Court has recently changed its approach to legislation. While for a long, long time it has been protecting the rights of the individual and the exercise of that right when injurious to the public as a whole, it is now giving some attention to the right of the public. And so, having faith in the Lord, and some faith in the Congress, especially in the House, it is my hope that, when this labor bill comes before us, we as individuals and Members of the House will keep in mind the fact that, after all, while the right of the individual should be protected, over and above that we owe a duty to the public as a whole, to the country, to get legislation which will give businessmen, and you might say a million or two workers, give them an opportunity to get a decision from some group on laws enacted for the protection of all of us. They cannot get it now either from the State courts or from National Labor Relations Board on controversies which involve employer and employee. We want that in the bill.

Then we should have, too, a provision against secondary boycotts under which when there is a strike one union is enabled not only to put a fellow out of business, be it company or individual, but shut off supplies which the public must have. Meany has agreed that such legislation is right and so testified, but it seems to be impossible to get it out of committee.

Then there is another provision of which I have spoken so often.

That is the practice which permits the union organizer to go to the boss and tell him that if he does not discharge his employees who do not join the union they will put him, the boss, out of business—and they would and they do do it. The record so shows—both the one before the McClellan committee and the one before the House committee—we must have legislation against that, because certainly everyone will admit that it is not only illegal but unjust, and we should ask for the enforcement of that law.

INTERNATIONAL DUAL TRACK MEET BETWEEN THE UNITED STATES AND RUSSIA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. DERWINSKI] is recognized for 10 minutes.

Mr. DERWINSKI. Mr. Speaker, Members of the House, last weekend an international dual track meet between the United States and Russia was staged in Philadelphia. As we are well aware, the United States men's team outscored the Soviet standard bearers 127 to 108 while the Russian women outscored our women's team 67 to 40. I join the legion of sports fans in congratulating these great athletes of both Nations who competed in the meet. It is through means of international amateur athletic meets, such as this, that friendly relations between the peoples of the world may be developed in a more sound and rapid fashion than have been through the channels of Government diplomacy.

Let us not, however, be swept off our feet by any illusion that competition between athletic teams ultimately generates good will between us and the people of the Soviet Union. Let us first review the policy of the Soviet Government in using every phase of national activity to advance the cause of world communism. The unfortunate fact is that these Russian athletes competing against our bona fide amateur track stars were, for practical purposes, tools of the Soviet regime being exploited to promote the achievements of Communism. The Soviet athlete is certainly not an amateur in our interpretation of the word. He is a subsidized performer, whose value to the state, because of his personal athletic ability, is rewarded by a position which permits him to achieve success in the sport competition to which he is assigned.

Mr. Speaker, Members of the House, here in the United States we have seen the tremendous records of our American track stars develop as a result of personal concentration and the willingness of American educational institutions to cooperate with the desires of their students to achieve a high degree of athletic ability. We have never exploited our athletes as a propaganda arm of the State Department nor has the Government, either at the Federal, State, or local level, subsidized our promising youngsters in order to use them for propaganda purposes. Our successful American athletes are products of individual initiative and the personal desire to earn their spurs in the field of intense competition.

Since the Soviet Union has embarked upon a deliberate attempt to use athletic competition as a means of advancing their claims for communistic superiority, we are faced with two alternatives. We can either abandon the amateur role of athletes and subsidize them, as the Soviets have done. Obviously, this course of action would not be acceptable. The other course, the one that should be adopted, is to insist that the Soviet Union accept the high standards of amateur qualification that we follow in selecting American members for international athletic teams. Through our proper international amateur athletic representatives, we should insist that only bona fide amateurs be permitted to compete in Olympic games and other international sports events and that state subsidization of athletes, as practiced by the Soviet Union, be terminated or their athletes be declared professionals, as they actually are.

Mr. Speaker, I would also suggest that consistency dictates, since the Soviet Union claims that its three representative nations holding membership in the General Assembly of the United Nations are independent states, that the International Olympic Committee require that the participants in the Olympic games representing the Soviet Union participate as three teams; namely, the Ukrainian Soviet Socialist Republic team, the Byelorussian Soviet Republic team, and the Union of Soviet Socialist Republics team, each to be represented by the amateur athletes coming from within the respective borders of these Republics.

My purpose in discussing this matter this afternoon on the floor of the House is to reemphasize the fact well known to all of us that the Soviet regime uses every possible weapon at its disposal to achieve maximum propaganda effect through individual or collective action of any of its citizens. As much as sports fans respect and admire the ability and achievements of these Soviet athletes, we must at the same time be completely realistic and recognize them as propaganda arms of their Government. Remember they are being used by their Government in the constant struggle for men's minds between the freedom-loving nations of the world and the atheistic Soviet slave regime.

Mr. Speaker, Members of the House, we should never be deluded into thinking that friendly relations at the level of international sports is any indication that the Kremlin leaders have softened in their intense hatred of our free enterprise society. Let us call a spade a spade and be ever mindful, as I have pointed out to you, that every action of the Soviet Government is premeditated upon its dream of world domination.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JONES of Missouri (at the request of Mr. FOUNTAIN), for today, July 22, 1959, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CARNAHAN, for 15 minutes, today.

Mr. BOW, for 30 minutes, on Wednesday next, July 29, 1959.

Mrs. ROGERS of Massachusetts, for 10 minutes, today.

Mr. HOFFMAN of Michigan, for 15 minutes, today.

Mr. FERNÓS-ISERN, for 30 minutes, on tomorrow.

Mr. CURTIS of Missouri, for 30 minutes, tomorrow.

Mr. PORTER (at the request of Mr. OLIVER), for 30 minutes, tomorrow, and to revised and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MASON.

Mr. LANE in two instances.

Mr. PATMAN.

Mr. BURLESON, to revise and extend his remarks on the conference report on the foreign aid bill and to include extraneous matter.

At the request of Mr. CURTIN, the following Members were granted permission to extend their remarks and include extraneous matter in the RECORD.

Mr. HORAN in one instance.

At the request of Mr. OLIVER, the following Members were granted permission to extend their remarks and include extraneous matter in the RECORD.

Mr. JOHNSON of Maryland.

Mrs. SULLIVAN.

Mr. THOMPSON of New Jersey.

Mr. STUBBLEFIELD.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1138. An act to provide the readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963; to the Committee on Veterans' Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 322. An act for the relief of Monmouth County, N.J.;

H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens;

H.J. Res. 353. Joint resolution to facilitate the admission into the United States of certain aliens; and

H.R. 1605. An act for the relief of Harry F. Lindall.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 210. An act for the relief of Pantaleon Ibarra, also know as Elmo Gomes Arcibal.

ADJOURNMENT

Mr. OLIVER. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Thursday, July 23, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1232. A letter from the Assistant Secretary of Agriculture, transmitting the report for May 1959 of the General Sales Manager, concerning the policies, activities, and developments, including all sales and disposals, with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support; to the Committee on Appropriations.

1233. A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting a report respecting the disposition of the request of the Secretary of State and of the Deputy Secretary of Defense each dated January 22, 1959 for an investigation of imports of crude oil and its derivatives and its products in keeping with section 8(b) of that act, pursuant to the Trade Agreements Extension Act of 1958 (19 U.S.C. 1352a, Public Law 85-686); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 6940. A bill to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska; with amendment (Rept. No. 699). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 4697. A bill to amend the act of August 4, 1955 (Public Law 237, 84th Cong.), to provide for conveyance of certain interests in the lands covered by such act; with amendment (Rept. No. 697). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 2188. A bill to set aside certain lands in Washington for Indians of the Quinault Tribe; with amendment (Rept. No. 698). Referred to the Committee of the Whole House on the State of the Union.

Mr. MACK of Illinois: Committee on Interstate and Foreign Commerce. H.R. 7948. A bill to declare nonnavigable a part of the west arm of the South Fork of the South Branch of the Chicago River situated in the city of Chicago in the State of Illinois, as hereinafter described; with amendment (Rept. No. 700). Referred to the House Calendar.

Mr. WILLIAMS: Committee on Interstate and Foreign Commerce. S. 2183. An act granting the consent of Congress to interstate compacts for the development or operation of airport facilities; without amendment (Rept. No. 701). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 322. Resolution for consideration of H.R. 7072, a bill to provide for the participation of the United States in the Inter-American Development Bank; without amendment (Rept. No. 702). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 323. Resolution for consideration of H.R. 7244, a bill to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies; without amendment (Rept. No. 703). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 324. Resolution for consideration of H.R. 8186, a bill to amend titles 10 and 14, United States Code, with respect to Reserve commissioned officers of the Armed Forces; without amendment (Rept. No. 704). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 325. Resolution for the consideration of H.R. 8189, a bill to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major; without amendment (Rept. No. 705). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 326. Resolution agreeing to Senate amendments to H.R. 3460; without amendment (Rept. No. 706). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS of Louisiana:

H.R. 8325. A bill for the establishment of a Commission on a Department of Science and Technology; to the Committee on Government Operations.

By Mr. FOLEY:

H.R. 8326. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. GUBSER:

H.R. 8327. A bill relating to the Federal income tax liability of regulated public utilities engaged in the furnishing or sale of electric energy; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 8328. A bill to establish an Interdepartmental Highway Safety Board; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS:

H.R. 8329. A bill to provide standards for the issuance of passports, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HOLIFIELD:

H.R. 8330. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. JOHNSON of Maryland:

H.R. 8331. A bill to create a Federal Public Building Agency, to transfer certain functions to that Agency in order to insure proper and economical land acquisition, public building construction, and leasing; to the Committee on Public Works.

By Mr. KARTH:

H.R. 8332. A bill to amend section 2(b) of the Bank Holding Company Act of 1956 to exclude from coverage under such act certain corporations the entire income of which, less expenses, is turned over to an exempt organization; to the Committee on Banking and Currency.

By Mr. KEOGH:

H.R. 8333. A bill to provide an election as to the carryback of 1954 net operating losses; to the Committee on Ways and Means.

By Mr. KING of Utah:

H.R. 8334. A bill to amend the National Aeronautics and Space Act of 1958 to encourage participation in amateur rocketry, particularly among young people, by establishing facilities for study and experimentation in rocketry and related fields throughout the United States; to the Committee on Science and Astronautics.

By Mr. McINTIRE:

H.R. 8335. A bill to provide for the establishment of a Commission on Agricultural Policy; to the Committee on Agriculture.

By Mr. SMITH of California:

H.R. 8336. A bill to implement the Constitution by amending title 4 of the United States Code; to the Committee on the Judiciary.

By Mr. WATTS:

H.R. 8337. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on cigarettes shall apply to cigarettes made with substitutes for tobacco; to the Committee on Ways and Means.

By Mr. JENNINGS:

H.J. Res. 472. Joint resolution to provide that the costs of the surplus food distribu-

tion programs, the National School Lunch Act programs, and the special milk programs shall be attributed for budgetary purposes to the Department of Health, Education, and Welfare; to the Committee on Government Operations.

By Mr. SMITH of California:

H.J. Res. 473. Joint resolution to implement the Constitution by amending title 4 of the United States Code; to the Committee on the Judiciary.

By Mr. GIAIMO:

H. Con. Res. 342. Concurrent resolution expressing the sense of the Congress with respect to official recognition by the United States of the centennial anniversary of the unity of Italy; to the Committee on Foreign Affairs.

By Mr. BENNETT of Florida:

H. Con. Res. 343. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. CARNAHAN:

H. Con. Res. 344. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. JOHNSON of California:

H. Con. Res. 345. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. SIKES:

H. Con. Res. 346. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. STUBBLEFIELD:

H. Con. Res. 347. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOK:

H.R. 8338. A bill for the relief of Dr. E. V. Magpantay; to the Committee on the Judiciary.

H.R. 8339. A bill for the relief of Dr. Ferruh Unalan; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 8340. A bill for the relief of Suma Ikari; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

244. By Mr. BUSH: Petition of Disabled American Veterans, Department of Pennsylvania, urging the Congress of the United States to appropriate sufficient money to the Veterans Employment Service of the U.S. Employment Service and the State employment service to assure the continuing adequacy of very necessary services to disabled veterans; to the Committee on Appropriations.

245. Also, petition of Disabled American Veterans, Department of Pennsylvania, favoring the addition of a 200-bed wing and auditorium at the Veterans Administration Hospital, Wilkes-Barre, Pa.; to the Committee on Veterans Affairs.

EXTENSIONS OF REMARKS

Representative Evins Urges Amendment to Small Business Investment Act To Protect Small Business

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1959

Mr. PATMAN. Mr. Speaker, it is generally recognized that the Small Business Investment Act of 1958 probably was the most important piece of small business legislation enacted during the 85th Congress. This measure, as all of the Members will recall, is the one that provided a source of equity capital and long-term loans for small business concerns needing such assistance for their normal growth and expansion.

Last month, Representative JOE L. EVINS, chairman of Subcommittee No. 1 of the House Small Business Committee, held a series of hearings respecting the operations of the Small Business Administration and during the course of these hearings emphasis was placed upon the manner in which the Small Business Investment Act of 1958 was being implemented by that agency and by the investment companies. Yesterday, in response to the invitation of the Senate Banking and Currency Committee, Representative EVINS appeared before that committee and testified concerning his views on the Small Business Investment Act and the various amendments that have been proposed, including the provisions of those bills which he himself has introduced.

In view of the high degree of authority with which Representative EVINS speaks on this subject, I believe his testimony will interest the entire membership of the House and for that reason have caused it to be inserted in the RECORD. His statement and proposed amendment (H.R. 8096) follow:

STATEMENT OF THE HONORABLE JOE L. EVINS, MEMBER OF CONGRESS, BEFORE THE SENATE BANKING AND CURRENCY COMMITTEE, JULY 21, 1959

Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you and to testify in regard to amendments to the Small Business Investment Act which the committee has under consideration.

I have the honor to be the chairman of a subcommittee of the House Select Committee on Small Business, which is charged with the responsibility of reviewing the operations of the Small Business Administration. Some weeks ago our subcommittee held extensive hearings on the operations of the Small Business Administration, with special reference to the administration of the Small Business Investment Act. Our hearings have indicated some areas in which amendments are needed and necessary. Accordingly, I have introduced in the other body bills to amend the Small Business Act and the Small Business Investment Act, and I should like especially to refer to these proposed changes to the Small Business Investment Act which I consider needed and desirable.

For the sake of convenience I will discuss these changes, not necessarily in the order of importance, but in the order in which they would appear in the act itself.

1. As the committee knows, the Small Business Investment Act limits the operations of the act to the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

The act should be amended to provide that the geographical limits of the act will include the territory of Guam. The desirability of this was clearly pointed out by the testimony of the Hon. A. B. Won Pat, Speaker of the Legislature of the territory of Guam, in which it was shown that for some reason the wording of the act precluded an investment company from being organized in Guam although this territory is within the jurisdiction of the Small Business Administration under the Small Business Act. The evidence indicates that the financial and economic conditions of Guam are such that a small business investment company could very well perform a worthwhile mission there. At least I know of no logical reason why citizens of Guam should not have the privilege of filing a proposal and having it passed on by the Small Business Administration if they so desire.

This could be provided for by an amendment to section 103(4) of the Small Business Investment Act to provide that the term "United States" includes in addition to the Commonwealth of Puerto Rico and the District of Columbia, the territories of the United States.

2. Subsection 302(a) and 303(b) should be amended to provide that the funds advanced by the Small Business Administration to small business investment companies should be furnished at a rate equal to the rate charged the Small Business Administration by the Treasury for said funds plus a fraction of 1 percent for overhead costs.

The funds furnished under 302(a) are advanced by the Small Business Administration for the purpose of creating the minimum capital requirement of the investment companies. At the present time, the act does not set out what his rate should be and the Small Business Administration is charging 5 percent per annum. I am advised that only 9 of the 18 companies licensed have utilized this fund and only $282,000 has been disbursed to date.

Subsection 303(b) is the provision whereby the Small Business Administration is given authority to lend funds to the investment companies up to one-half of their capital and surplus. At the present time the act provides that the Administration shall set the rate of interest on these loans. The Small Business Administration has also set this rate at 5 percent. Indications are that this fund will be utilized very little by the investment companies. In fact, to date there has been no application for a loan under this section.

These proposed changes concerning the interest charged for Small Business Administration funds have been widely recommended.

As the committee knows, this is wholesale money and there is very little administra-

tive cost in the processing of this type of loan since the Small Business Administration already has complete records of, and almost day-to-day control over the small business investment companies. These loans are not be to compared with the loans made to small business concerns by the Small Business Administration under its financial assistance program wherein it is necessary to process and investigate each loan application through a complete analyses of the financial condition of the applicant from the very beginning. A small business investment company would not be licensed by the Small Business Administration unless it would be eligible for loans under 302(a) and 303(b). It should not cost them much to process these loans.

The testimony at our hearings indicates that these investment companies are not going to be very interested in making direct loans to small business concerns unless they can receive their wholesale money at a more reasonable rate. Of course, it is hoped and expected that these companies will obtain most of their funds from other sources, but it is also felt that if they could get these Federal funds at a reasonable rate that it will help get them off the ground and will attract other capital.

There may be a time in the future when the 5 percent rate set by the Administration will be realistic but at the present time it is thought by some to be out of line. At the time of the drafting of this statement, the Treasury Department had not yet informed the Small Business Administration as to what the cost of these funds would be during the current fiscal year of 1960. The cost of these funds to Small Business Administration during the past fiscal year of 1959 was 2⅜ percent. The cost of these funds to Small Business Administration is determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities, pursuant to section 4(c) of the Small Business Investment Act. I am advised that the determination is made in the first month of the fiscal year and the rate so determined pertains throughout the year.

This change is recommended both on theory that Small Business Administration should not lose money on these loans and also that the small business investment companies should receive these funds at a rate that would promote the making of small business loans to small business concerns.

3. The next proposed change is one which should certainly be approached with caution but which has much merit. It is felt that section 304 of the act should be amended in such a manner as to give the investment companies more flexibility in supplying equity capital to the small business concerns. At the present time, as the committee knows, it provides only one method by which equity capital can be provided to small business concerns by the investment companies. This is by the purchase of debentures from the concerns. These debentures may be convertible at the option of the holder, but are subject to call by the concern on any interest payment date, with 3 months' notice.

There was much testimony in the hearings before my subcommittee to the effect that, in addition to convertible debentures, the investment companies should be allowed to purchase from the business concerns debentures with detachable stock warrants and perhaps even preferred or common stock. I understand that there are bills before your subcommittee which would amend section 304 to delete the portion concerning convertible debentures and provide that the investment companies could supply equity capital to the small business concerns "in such manner and under such terms as the small business investment company may fix with the approval, by regulation or otherwise, of the administration." This would place the matter of equity financing on open negotiations between the investment company and the business concerns. This would provide for greater flexibility and marketability.

But when considering this important change I think there are other things to be considered, more especially the interest of the small business concern and its attitude toward giving up partial ownership and perhaps control of his company. At the present time, under section 304, the business concern can at least cause the investment company to make a decision as to whether it will convert its stock now rather than holding it over the head of the business concern for a number of years. This can be done by calling in the debentures on 3 months' notice. Under the proposed change this would be deleted from the act and would be left to open negotiations. Of course open negotiations in the marketplace are always a desirable feature. Many feel that when a concern must have money and there is but one place to get it there is no real open market and the negotiations are onesided.

It would seem advisable to put some provision in section 304 which would assure that, somewhere along the line, the small business concern would have an opportunity to reacquire its equity if desired. It is also felt that there should be some protection against the investment companies' obtaining control of the small business concern through stock purchase and subsequent refinancing.

It is suggested that if section 304 is amended provision should be added whereby the small business concern would have the opportunity to repurchase their equity at sound book value from the investment company as long as the investment company has control of the stock. This would in no wise prevent the investment company from obtaining a secondary market for the stock since this repurchase option would not follow the stock into the secondary market but it would provide that as long as the investment company holds control of the stock the business concern could buy it back. Of course, if the stock passed out of the hands of the investment company into the open market it could be reacquired by the business concern at market price and it would also assist in diluting the ownership of the stock passing out of control of the investment companies.

A repurchase provision would be desirable and evidence indicates it would be acceptable to the investment companies. One witness testified—and I quote—"I think something should be in the act if you want to keep the company from gobbling up the small businesses."

The primary concern of banks and investment companies entering this field is that of the investor and that of making money.

And, of course, it is recognized that they must be able to make money for this program to work. But we must also look to the side of the small business concerns. Will they be willing to give up equity in their businesses without the hope that they may be able to reacquire it? We do have the testimony of one small businessman who appeared before the House Small Business Subcommittee and who referred to the problem briefly. Mr. Gary E. Lilly, of Des Moines, Iowa, appeared before the subcommittee to testify concerning the direct-loan program of the Small Business Administration. During his testimony and while discussing his attempts to obtain financing, he stated:

"We did subsequently investigate the possibility of a loan through one of these small business investment firms, but we did not wish to give up the control of our company or stock interest in the company to such a concern, which we were advised would be necessary."

I have spent so much time on this proposed change because I consider it to be of paramount importance. I think that perhaps the success or failure of this program will turn on section 304 of the act. Certainly we would be contradicting our very purpose if, in our anxiety to make small business investment companies attractive, we set up a system that might exploit small business instead of serving it. Whatever we do about these amendments, in my view, we must keep in mind that the purpose of these small business investment companies is to serve small business and to help small business. In other words, we want to harness this system of small business investment companies to work for small business. We do not want to set up a system that would result in small business investment companies harnessing small business only for their profit and advantage.

4. Section 304(c)2 should be amended in order to provide that the small business concern will agree not to incur any additional indebtedness except open account or temporary short term indebtedness without first securing the approval of the company and giving the company the first opportunity to finance such indebtedness. The only change that this entails would be the insertion of the word "additional" and the phrase "except interim or short term." Our hearings developed that there is a possibility that section 304(c) 1 and 2 of the act could be used as a yoke to keep the small business concern harnessed to the investment company's sole financing sources.

Of the 20 companies licensed to date, at least 4 are owned by banks, bank holding companies, or have common ownership with banks. At least two others are interlocked with banks through common top officials. One is completely owned by a finance company and at least one other is closely connected by interlocking officials with a finance company. This means that at least 8 of the 20 companies licensed are tied in with established lending institutions.

This suggested change would assure the business concern that, if desired, it could refinance its indebtedness at another source and could obtain open account or temporary short term credit without returning to the same company. This is in line with regulations of the Small Business Administration now in effect (regulation sec. 107.304–1(g)), and should be enacted into law.

5. Section 304(d) of the act should be amended to provide that the small business concern will have the opportunity to become a stockholder-proprietor of the company by investing in the capital stock of the company in an amount equal to not less than 2 percent nor more than 5 percent of the amount of capital received from the investment company. At the present time the act makes it mandatory that the small business concern do this, but the proposed change, herein mentioned, would make it optional. There is much merit to the arguments in favor of doing away with this requirement and there is also some merit to the theory that the small businesses should be encouraged to invest in the investment companies. It has been stated by Mr. Barnes, Administrator of the Small Business Administration, in testimony before our subcommittee that this "theory of compulsory stock purchases by the small business concerns was to reduce indebtedness of the investment company to the Government and thus gradually to lessen Government participation until the program ultimately rests solely on private capital." This is perhaps true, but it is also felt that there is another reason; that it was the intent of Congress to set up a program whereby the ownership of these investment companies would be on the broadest base possible and that the small businesses themselves would

have an interest in them and in their operation. By this same method, of course, production credit associations all over the country are becoming home owned by the farmers themselves.

A majority of those testifying on this subject stated that the small business concerns do not want to be compelled to purchase this stock—and that it is the small business concern that objects to it. As a result, I believe it to be advisable that this portion of the act be amended to make this stock purchase optional rather than mandatory. I would hope that the investment companies would not discourage the small business concerns from purchasing this stock but that in many suitable cases would encourage them.

6. Section 304 of the Small Business Administration Act provides that it should be a "primary" function to provide equity capital, and section 305 of the act, which provides for direct loans, failed to indicate that this was a "primary" function of the act.

Subsection 305(a) of the act should be amended in such a manner as to indicate that the making of loans to small business concerns is also a "primary" function of these investment companies.

It is noted that proposed legislation before this committee would eliminate the word "primary" from section 304. I believe it would be preferable to leave it in and add to section 305 that it would also be a "primary" function to provide direct loans.

The act should be amended to provide for assistance to both incorporated and unincorporated business concerns.

7. There is strong argument for the suggestion that some provisions should be made whereby the investment companies would be excluded completely from the Investment Company Act of 1940. It is recognized that the Security Act of 1933, with its disclosure mandate is a necessary control over the investment companies. But, the Investment Company Act of 1940 is essentially a regulatory act and it was not the original intent that it should apply to the investment companies which are created under the SBIA. The constant day-to-day control that the Small Business Administration has over the investment companies should be sufficient regulations, the type which would be provided by the Investment Company Act of 1940.

In other words the Investment Company Act of 1940 should not apply to the small business investment companies and an exemption should be provided.

It is recommended that subsection (c) of section 307 of the Small Business Investment Act be deleted and a provision inserted therein which would make clear that these small business investment companies are not to be construed by law as being subject to the Investment Company Act of 1940.

Before closing, I would like to make one further observation relative to the financing of these investment companies. There exists a need or will exist a need, as more companies are chartered and their business expands, for a secondary market. The committee may well look now to providing a means of guaranteeing an adequate supply of wholesale money for these small business investment companies.

H.R. 8096

A bill to amend the Small Business Investment Act of 1958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Investment Act Amendments of 1959".

SEC. 2. Section 103(4) of the Small Business Investment Act of 1958 is amended to read as follows:

"(4) the term 'United States' includes the several States, the Territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia;".

SEC. 3. Section 302(a) of such Act is amended by adding at the end thereof the following new sentence: "Any debentures purchased by the Administration under this subsection during any fiscal year shall bear interest at a rate equal to one-half of 1 per centum plus the rate charged the Administration, under the last sentence of section 4(c) of the Small Business Act, for funds obtained during such fiscal year from the revolving fund established by such section 4(c) for the exercise of its functions under this Act."

SEC. 4. The first sentence of section 303(b) of such Act is amended to read as follows: "To encourage the formation and growth of small business investment companies, the Administration is authorized to lend funds to such companies through the purchase of their obligations which shall bear interest at a rate (with respect to obligations purchased during any fiscal year) equal to one-half of 1 per centum plus the rate charged the Administration, under the last sentence of section 4(c) of the Small Business Act, for funds obtained during such fiscal year from the revolving fund established by such section 4(c) for the exercise of its functions under this Act, and which shall contain such other terms as the Administration may fix."

SEC. 5. Section 304 of such Act is amended to read as follows:

"PROVISION OF EQUITY CAPITAL FOR SMALL-BUSINESS CONCERNS

"SEC. 304. (a) It shall be a primary function of each small business investment company to provide a source of equity capital for incorporated small-business concerns in such manner and under such terms as the small business investment company may fix with the approval, by regulation or otherwise, of the Administration: *Provided,* That if a company obtains stock in a small-business concern in exchange for equity capital either by direct purchase, conversion of debentures, exercise of stock options, or other means, the terms of the transaction shall include a repurchase provision whereby the small-business concern shall have the right to repurchase such stock from the company at the option of the small-business concern as long as the stock is held by or remains in the control of the company. The repurchase price shall be the sound book value of the stock, determined at the time of the exercise of the repurchase option.

"(b) Before any capital is provided to a small-business concern under this section—

"(1) the company may require such concern to refinance any or all of its outstanding indebtedness so that the company is the only holder of any evidence of indebtedness of such concern; and

"(2) except as provided in regulations issued by the Administration, such concern shall agree that it will not thereafter incur any additional indebtedness, except interim or short term indebtedness, without first securing the approval of the company and giving the company the first opportunity to finance such indebtedness.

"(c) Whenever a company provides capital to a small-business concern under this section, such concern shall be given the opportunity to become a stockholder-proprietor of the company by investing in the capital stock of the company in an amount equal to not less than 2 percent nor more than 5 percent of the amount of the capital so provided, in accordance with regulations prescribed by the Administration."

SEC. 6. Section 305(a) of such Act is amended by striking out "Each" and inserting in lieu thereof the following: "It shall also be a primary function of each small business investment company to make loans to small-business concerns and each".

SEC. 7. Section 307(c) of such Act is amended to read as follows:

"(c) Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3) is amended by inserting 'small business investment company,' after 'homestead association,'."

Workers Are Doing Well, but Only Until They Retire

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 22, 1959

Mr. GOLDWATER. Mr. President, in the absence of Victor Riesel, a noted labor columnist, a number of people have been writing columns for him from day to day. One column was written by the Senator from Kentucky [Mr. MORTON], and was published in the Wichita Beacon of July 9, 1959, under the title "Workers Are Doing Well, But Only Until They Retire." I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WORKERS ARE DOING WELL, BUT ONLY UNTIL THEY RETIRE

(By Senator THRUSTON B. MORTON (pinch-hitting for Victor Riesel))

WASHINGTON.—"Our trade unions have continued to obtain substantial wage advances, while prices have remained relatively steady. * * * Real wages are showing very significant increases. This means a continuously rising American standard of living."

Republican propaganda, you say, delivered by the Republican National Committee chairman?

Not at all. The quotation is from an article written earlier this year by George Meany, president of the AFL–CIO.

The quotation sets forth the broad basic reason why the Republican nominee for the Presidency in 1960 again is going to receive the votes of an overwhelming majority of America's workers and at least a near-majority of the votes of union members, despite whatever may be the political leanings of the unions' leadership.

The simple—but monumental—fact is that since 1953 America's workers, both union and nonunion, have made more personal economic progress than in any comparable period in our history.

Another testimonial came from a union source in February of this year, when the Machinist—official organ of the AFL–CIO Machinists' Union—published a research study aimed at finding out whether the American worker had more purchasing power in 1958, 1948 or 1938.

The verdict was overwhelmingly in favor of 1958, the sixth year of our Republican administration.

"Almost everything is cheaper" now than in 1948 or 1938, said the Machinist, when prices are measured against the time it takes to earn the money to buy things. The Machinist cited an impressive list of examples, including these:

In 1938 it took 12 minutes of work to earn enough to buy a quart of milk. By 1958 this had almost been cut in half—the required 1958 labor for the price of a quart of milk

is 7¼ minutes. In a family which uses 2 quarts of milk daily, in other words, the wage earner now works 89 fewer hours over a year to pay his annual milk bill—this is more than a 2-week saving.

For two packs of cigarettes, the Machinist reported, 24 minutes' work was required in 1938 against a required 12 minutes' work today—a 100-percent reduction required labor.

Hard facts and documented realities such as these will stand up against the flood of things-were-never-worse propaganda which is hitting workers' families from sources more interested in political power in the opposition party than in the economic status of the workers.

All measurements confirm the findings of Mr. Meany and the Machinists Union.

Personal income, factory income, savings, consumer expenditures—all are at record levels.

Prices have remained steady for about the past year—the longest period of such stability in history.

Social security has been made almost universal and benefits have been improved. The minimum wage has been increased.

Compared with 1952, more than 7 million more American families have incomes of $4,000 or more while those limited to $2,000 or less have been reduced a stunning 2 million—this is real migration upward in the income brackets for everybody.

And this is the economic record on which we will run in 1960, a year for which every indicator points to the greatest American prosperity in history, nurtured and promoted by sound Republican policies.

This is a record which needs no defense, only effective presentation.

In the U.S. Capitol in Washington today, a tremendous battle is going on which involves the security and future of every American worker. This is the so-called battle of the budget.

This battle is far deeper than most generalizations would indicate. It's not a matter of penny-pinching. It's not a matter of cold numbers on a balance sheet. And it's not a matter of partisan politics.

National security and personal security are involved and America's workers especially are involved.

The issue might be stated thus: What does it profit a man to labor his entire life if what he is laboring for becomes worthless when he is ready to enjoy it?

That is what inflation does to hard-earned savings, investments, social security payments, insurance policies, and the pension plans on which so many millions rely for retirement income. And deficit spending by the Federal Government is a definite major factor in inflation.

Consider a typical retired senior citizen. He's 76 years old now, 11 years retired. When he retired his $200 a month pension would let him live out his days in comfort.

What he didn't figure on, however, was the 50-percent price rise skyrocket sent up by the Truman administration during a Democratic era in which the value of the dollar was being halved through inflation and deficit Government spending. So today the retired gentleman is dependent on the charity of distant relatives.

This is the type of thing which the Republican Party is fighting against—it's what the battle of the budget is all about—and we've been largely successful. Since 1953, loss in dollar value has been less than a nickel and the 50-percent price rise of the Democrats has been slowed to a 6-year increase of just 8 percent. For the past year consumer prices have been steady.

This is a record, and an economic policy which deserves and will get the support of those hurt worse by inflation—those on fixed incomes, those with savings accounts, insurance policies, pension, and all other types of retirement plans.

If we can hold the spending line against inflation today—a time of rising prosperity—then the future will be more secure and brighter, both for the Nation as a whole and for each individual family.

Women's Page Editors and TV-Radio Commentators on Homemaking News Should Alert Consumer to Proposed End of Federal Grading of Lamb and Mutton

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EXTENSION OF REMARKS
OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1959

Mrs. SULLIVAN. Mr. Speaker, I am disappointed that so little has appeared in the newspapers' homemaking sections, or has been used over radio and television, on the proposal of the Department of Agriculture to end its present program for quality grading of lamb and mutton carcasses. The St. Louis newspapers, I am happy to say, have carried news stories on this matter, but I have not seen a word on it in any other newspaper, or heard a thing over the air about it.

It is, of course, not the most serious issue facing America—that I will grant. But I do think it is important to the homemakers of the Nation to know of the proposal and what it will mean to them in shopping for lamb. And if lamb grading is now eliminated, at the demand of the sheep raisers and the big packers, many of us wonder how long it will be before the Federal grading program for beef is also killed. These grading programs are voluntary—they are paid for by the processors wanting the service—so they do not cost the taxpayer a cent. And they are intended to help the consumer to get fair value—to know the quality of the meat she buys.

The women's sections of most newspapers are full of food advertising and recipes of all kinds, plus some information on foods in good supply, but I seldom see any news in them which could possibly be considered critical of any part of the food industry, and I think that is a mistake. I am proud that our St. Louis papers do not hesitate to include in the sections containing articles primarily aimed at women, news which is of importance to them as consumers, such as information on the food-additives law we passed last year, or on use of color additives containing coal tar colors of doubtful safety, or, in this instance, of the proposed elimination of Federal grading of lamb. I suggest that other metropolitan newspapers would similarly do well to put news about food where it can readily be seen by the food buyer of the household in skimming the papers.

Only a few consumers have apparently raised their voices in opposition to the end of lamb grading, and the reason for that, I am convinced, is that most housewives just do not know about it.

The Department of Agriculture made the original announcement late in May of its intention to end lamb grading by August 1, but it was the end of June before it came to my attention. I never saw a word in any newspaper about it up to that time. On July 1 I wrote to Secretary Benson, urging that the proposal not be adopted, and further urging that the July 6 deadline for comments on the proposal be set back to a later date to give the consumer a chance to learn about the issue and register her views on it. I released my letter to the St. Louis newspapers which carried news stories on it. In the meantime, other Members of Congress have written or spoken on it, but very little, if anything, has appeared in print about it.

This does not mean there is any conspiracy of silence. I certainly do not charge that. All it seems to mean is that most newspapers apparently have felt there is very little public interest in the matter.

Yesterday, on July 21, I received a reply from the Department of Agriculture to my letter of July 1. It informed me the Department had set back to July 20 the deadline for receiving comments from the public on its proposal to end lamb grading, and had delayed the effective date of the proposed suspension to September 1.

Outside of the fact that it took the Department 3 weeks to inform me of an action decided upon the day after I wrote to them, and outside of the fact that I was advised on July 21 that comments would be accepted from the public up to July 20 on this issue, I congratulate the Department for at least holding off on its final decision.

I now urge, regardless of the July 20 deadline set by the Department of Agriculture for comments from the public, that the women's editors of the newspapers of the Nation, and the radio and television commentators on home issues, alert the housewives to this proposal and encourage them to write to the Secretary of Agriculture in opposition to the proposal to end grading of lamb.

Mr. Speaker, my letter of July 1 to Secretary Benson on this subject is as follows:

The Honorable EZRA TAFT BENSON,
Secretary, Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: I am very anxious to go on record in opposition to the proposal now being considered by the Department of Agriculture to end the voluntary program for grading of lamb and mutton carcasses as urged by the National Wool Growers Association. I would like to think that there will be widespread public protest over the proposal, but, frankly, I am afraid very few consumers have heard of it.

It is my understanding that protests on this suggestion must be received in the Department by July 6. Is there any reason for such an early closing date on such an important matter when the suspension of grading—if carried out— would not go into effect before August 1? May I urge that the decision be delayed until the public can be heard from?

While it is true the proposal was inserted in the Federal Register, I have not seen a word on it in any newspaper and I have not heard from any of the consumer groups, so

I assume they are just not aware of it. One meat packer in the St. Louis area has written to me about it and he makes these excellent points in opposition to eliminating the grading program:

1. The grading program is self-supporting, in that users of the service pay all costs.

2. The Department in earlier years went to much trouble to educate the public on the value of selecting graded meats, and now that the public looks for and wants this protection it is to be withdrawn at the demand of producer interests unable or unwilling to "put the proper finish to their animals."

3. Instead of discontinuing grading because so many carcasses fail to qualify for "Choice" grading, help the producers to do a better job of raising lambs. "With the proper buying and handling," this firm's spokesman adds, "we have approximately 90 percent Choice." He believes discontinuance of grading would be detrimental to the smaller packers and a definite disservice to the consumer.

Sincerely yours,

LEONOR K. (MRS. JOHN B.) SULLIVAN,
Member of Congress, Third District, Missouri.

Rural Development

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 22, 1959

Mr. HORAN. Mr. Speaker, I wish briefly to call attention to the fine progress that is being made in the Stevens County, Wash., resource development program. This work is part of the national rural development program, which I understand, is now going forward in more than 100 counties in all major regions of the Nation.

Washington State College has entered into an agreement with leaders in Stevens County setting up a cooperative program which will push forward the long-term economic development of the area. A rural resource development planning council was recently established in the county. Industrial and educational development are two important objectives of the program in Stevens County.

Although less than 2 years in operation, the resource development work in Stevens County has already had considerable influence in the area. According to latest reports of the State college, which is also cooperating with the U.S. Department of Agriculture in the program, two additional counties in my district, Ferry and Pend Oreille, are now organizing programs similar to the one in Stevens County. This is an extremely important development. It indicates that in my district resource development is moving from the pilot stage to the stage of established areawide cooperation, under a long-term program involving several counties and many small towns and villages.

Many difficult problems remain to be solved if our rural resource development program is to raise incomes and levels of living among our rural people. We need more industry to balance our agriculture. And our county development committees are presently handicapped in some of their projects by a lack of credit resources.

However, I believe that rural and resource development programs, modeled on those under way throughout the Nation, offer the only sound approach presently on the horizon for a long-term solution to the chronic problems of our declining rural areas and rural low income. I for one intend to exert every effort to make this work succeed and help the able, conscientious leaders in my district who are volunteering their time and talents to make the program a success.

TVA, Coal, and Electric House Heating

EXTENSION OF REMARKS
OF
HON. FRANK A. STUBBLEFIELD
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 22, 1959

Mr. STUBBLEFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to make a statement relating to the actual benefits which coal miners, coal producers, and the coal industry in general will derive from the TVA self-financing bill, H.R. 3460, which is scheduled to come before the House for final action soon.

I especially commend this statement to those of my colleagues who are particularly interested in expanding coal consumption.

TVA, COAL, AND ELECTRIC HOUSE HEATING

More and more sections of our Nation are beginning to discover a simple fact that many of us who live in the Tennessee Valley have known for many years. I refer to the fact that electricity can provide the most satisfactory and satisfying way to heat one's home. Or to heat one's store or shop or factory, for that matter. And furthermore, that electric heating can be a boon not only to the user, but also to the electric systems and the coal industry.

These are facts which some of us in the Tennessee Valley and in the Pacific Northwest have known for many years. We are happy that others too are now discovering the advantages of electric heat.

The gentlewoman from West Virginia [Mrs. KEE] is one of my colleagues who is looking forward to great benefits to her district and State from a growing use of electric heat. She placed in the CONGRESSIONAL RECORD on February 5 a statement entitled "Coal by Wire." With this statement she introduced us to a series of articles on electric heat that have been appearing in the United Mine Workers Journal. I am happy to help the gentlewoman from West Virginia put in the RECORD some of the encouraging facts about electric heat. Let me begin by joining her in quoting the United Mine Workers Journal. Its issue of May 1, 1958, said:

If you, as a consumer, want ultramodern, ultraconvenient and ultraclean heat, electricity is the answer. And here coal stands ready to serve the Nation by producing the electricity to heat your home or other buildings.

The great value of electric heat to the coal industry is fairly obvious. To supply electricity today to the average home, the average power system burns about 1½ tons of coal a year. However, if the home is heated electrically, the power system will buy about 10 tons of coal to supply its annual power requirements. This reflects not only the energy used for electric heat, but the almost inevitable fact that a family which heats its home electrically will also use electricity for cooking, water heating, and any other purposes for which it might otherwise use some other fuel. Ten tons of coal, instead of 1½, multiplied by any number of homes in each utility's service area. No wonder the coal industry is interested.

But the curious question is, Why has this not happened in more areas sooner? Only now is electric heat beginning to be used in widespread areas. In January of this year, the lead editorial in the magazine Coal Age contained the following:

The good news is that electric coal for home heating—and cooling—has reached the snowballing stage, meaning in turn a major increase in electric-power generation in the years to come. Most significant is the fact that this means that coal, since it is the premier powerplant fuel, is staging a reentry in the home-heating field.

Why wasn't this snowballing stage reached 10 or 20 years ago? By then both gas and oil were rapidly displacing coal as the usual home-heating fuel. Why didn't electricity then enter the heating field on a large scale nationally?

I am afraid the answer is only too simple. The coal and electric industry were not as alert to their opportunities as the gas and oil industries. The only exceptions were the public power systems in the Northwest and particularly in the Tennessee Valley. Elsewhere one found among the electric utilities not only an absence of any considerable interest but quite often active discouragement of electric heating—even outright refusal to allow its use.

Now, finally, with the rather late encouragement of the coal industry, the President of the Edison Electric Institute, the utilities' trade organization, can be quoted as saying:

I firmly believe that we should view electric house heating as a principal means by which our rate of growth can be dramatically increased. (J. W. McAfee quoted in Electrical World, Apr. 28, 1958.)

I am glad that the electric industry is finally, though lethargically, awakening to its opportunities.

Let me give you an interesting statistic. The area served with TVA power includes only 3 percent of all the homes in the United States, but it includes half of all the electrically heated homes.

Again the reason is simple. Congress did not ask TVA to supply power only to loads that were sure to be highly profitable. Congress told TVA to encourage

the abundant use of electricity at the lowest possible rates. TVA operates on the basis that the consumers are entitled to use electricity in new ways if they want to.

TVA takes its public service obligations seriously. Why do not the private utilities? They are given the exclusive right to serve an area. Regulatory commissions guarantee them a 6-percent return on their investment. Are they not obligated to furnish their customers all the electricity they want to buy?

What is happening now is this. With the benefit of the long experience of the public power systems of the Tennessee Valley and the Northwest, the utilities have become convinced that electric heat can be a profitable load. So now they have become interested in providing this service. Now they are interested in building up this load.

Some of the utilities are now even beginning to offer electricity for house heating at a little lower rate than before. The Wall Street Journal stated on December 16, 1958, that 105 utilities in various parts of the country have reduced their rates to electric heating customers. This is in interesting contrast to the steady upward trend of nearly all of the other rate schedules of the private utilities.

Why utilities should even have special rates for electric heating, I do not know. Homes served by the distributors of TVA power buy electricity under the same rate schedule whether they use electricity for heating or whether they do not. This simple rate policy has worked to the eminent satisfaction of all concerned. The distributors and TVA have covered their costs, and the consumers can buy electricity for heating, as for other purposes, at an attractively low rate. Experience has demonstrated the soundness of the TVA determination that it was unnecessary to establish special rates for this, that, or the other residential use. Many of the private utilities, on the other hand, set up prohibitively high rates for electricity used for space heating. Now they are gradually reducing those rates.

I hope it will not take the utiilties as long to learn that electricity for heating can be supplied at a low price as it has taken them to learn that heating is a desirable load. Here, too, they need to apply the lessons they can learn from the TVA demonstration.

The UMW Journal's series on "coal by wire" and the remarks on that subject by the gentlewoman from West Virginia presented ably some very pertinent information. I would protest mildly, however, that the reader might assume that electric home heating was invented by certain private utilities. The utilities and the coal industry would not appear to be the fountainhead of knowledge on this subject. Perhaps some of my colleagues or their constituents would like to learn more about the advantages of this most modern form of home heating. If so, may I suggest that they turn to the area where more time-tested experience has been developed than in all the rest of the Nation put together. I refer, of course, to the Tennessee Valley—to TVA and the distributors of TVA power.

It will be a blessing if the use of electric home heating multiplies rapidly throughout our Nation. Our homes will be cleaner and more comfortable. The coal industry will find a needed market for many millions of tons of coal. We will conserve some of our exhaustible supplies of gas and oil. The electric industry can profit from a much expanded residential load. It can, that is, if it seeks for a volume market and is content with a low profit per unit. I fear, however, that the electric utilities may hope that many consumers will heat their homes electrically even if they have to pay 2 or 3 cents a kilowatt-hour for the electricity. If any of them think that, I can assure them that the oil and gas industry will continue to outcompete them. As each new home is built, the builder and owner, however reluctantly, will nearly always decide against electric heat. However, if the power industry follows the example of the Tennessee Valley and puts its customers' interest first, then, as in the Tennessee Valley, many new homes will be electrically heated. Then power use will multiply as it has in the Tennessee Valley. Coal use will multiply as it has in the Tennessee Valley. I wish all success to the mine workers, the coal producers, and the power companies in pursuing that goal.

Tribute to Speaker Rayburn and Senate Majority Leader Johnson of Texas

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 22, 1959

Mr. ENGLE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very stimulating press release signed by Representative CECIL R. KING and seven of his colleagues from California.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

Following is the text of a letter sent to House Speaker SAM RAYBURN and Senate Majority Leader LYNDON JOHNSON by Congressman CECIL R. KING, Democrat, of California, and seven other Democratic Congressmen from the State of California:

"In periods when the Government is divided, there is always the temptation for irresponsible politicians to concentrate on the division, and seek to impede, obstruct, and even paralyze our Government.

"This temptation has been resisted and fought by the Democratic leadership of the Congress, which has demonstrated its preference for constructive achievement as against destructive argument.

"We are proud of the leadership you have exhibited, and we want you to know that it meets with our wholehearted approval, and we believe with the approval of an overwhelming majority of the American people."

CECIL R. KING, HARRY R. SHEPPARD, Judge D. S. SAUND, CHET HOLIFIELD, B. F. SISK, CLYDE DOYLE, JOHN MOSS, HAROLD T. JOHNSON.

Drinking and Serving of Alcoholic Beverages Aboard Air Carrier Aircraft

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 22, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my letter addressed to Mr. James T. Pyle, Acting Administrator of the Federal Aviation Agency, with comments, suggestions, and recommendations relative to the proposed amendments of section 40.371, 41.135, and 42.65 of the civil air regulations:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 22, 1959.

Re proposed amendments sections 40.371, 41.135, and 42.65 of the civil air regulations.

Mr. JAMES T. PYLE,
Acting Administrator,
Federal Aviation Agency, Washington, D.C.

DEAR MR. PYLE: Pursuant to the notice set forth in the Federal Register, page 5424, Friday, July 3, 1959, my comments, suggestions, and recommendations, relative to the foregoing matter (drinking and serving of alcoholic beverages aboard air carrier aircraft) are set forth below:

It is obvious to all that the common carriage of passengers by air entails certain risks and dangers peculiar to that form of travel. It is therefore incumbent upon every one and especially your agency, which is concerned with safeguarding the lives and safety of passengers, crews, and others, to discover, eliminate, and prevent wherever and whenever possible all hazards to safe air travel.

The foregoing duty is required not only as to known hazards but also for the elimination of potential dangers, dangers which are obvious and apparent to people of ordinary and reasonable prudence. Any failure to eliminate such potential dangers is not only inexcusable but also culpable should injury or loss of life or damage to property result therefrom.

An intoxicated person is irresponsible and his behavior is unpredictable. Space on board an airplane is limited and confining and there is no room to avoid him, no policeman to restrain him and opportunities for imperiling the lives and safety of all aboard and on the ground are varied and many.

The mischief he can do and the tragedy that can ensue is irremediable and inexcusable.

The hazards and dangers to which all are exposed by the presence of an intoxicated person on board an airplane is clear and obvious and incidents have been testified to and your agency is cognizant thereof.

A drunk on board an airplane is a clear and present danger to the lives and safety of everyone, everywhere, whether the inebriety is brought on by liquor carried onto the plane and there consumed or by liquor purchased on the airplane from the carrier by one who does not appear to be intoxicated.

I feel that in recognizing the dangers that flow from intoxication aboard an airplane your Agency should adopt regulations that eliminate them by eliminating all possibility of intoxication on board the airplane.

The effect of the proposed regulation is not to eliminate the risk but simply to place the responsibility, in the event tragedy flows

from it, onto the shoulders of anyone other than this Agency.

As long as you can regulate you can eliminate. There is no actual need for intoxicating beverages during flight nor is there a demand for such. All airlines would gladly discontinue serving such beverages provided the discontinuance would be complete for all airlines.

The Air Lines Pilots Association and the Stewards and Stewardesses Association have brought this subject up at their national conventions. Each has called for regulations forbidding the serving of alcoholic beverages on planes because it is a potential nuisance to passengers and crews alike and a threat to the safety of all.

In the opinion of those who serve and in the opinion of those being served there is no place for liquor in airplanes during flights.

The language of the proposed regulation could easily imply that: only airlines can serve non-intoxicating alcoholic beverages, the airlines derive a sizable revenue from the sale of intoxicants, and you encourage the consumption of intoxicants sold by airlines.

The proposed regulation places an unfair and unjust burden on the airline personnel by requiring them to determine if a person requesting service is or appears to be intoxicated.

I fail to see how the proposed regulation eliminates the possibility of tragedy that can arise from a drunken act by one made drunk from being served intoxicants by the airline although he did not appear to be intoxicated when served.

To avoid an anomalous situation created by this Agency I recommend that the regulation be amended to read as follows:

"No person shall drink any alcoholic beverage aboard an air carrier aircraft while in flight within the United States."

The actual amount of time in flight is so short that the total prohibition of the use of intoxicants during flight will create no hardship on anyone, even the habitual user.

Sincerely yours,

THOMAS J. LANE.

DRINKING AND SERVING OF ALCOHOLIC BEVERAGES ABOARD AIR CARRIER AIRCRAFT

Notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend parts 40, 41, and 42 of the Civil Air Regulations as hereinafter set forth.

Section 43.45 of the Civil Air Regulations forbids a pilot to permit any person to be carried in the aircraft who is obviously under the influence of intoxicating liquor. However, there is no regulation dealing with the problem of alcoholic beverage consumption by passengers aboard an aircraft.

At hearings conducted before subcommittees of the House and Senate Committees on Interstate and Foreign Commerce, to consider bills to prohibit the serving of alcoholic beverages aboard air carrier aircraft, witnesses described a number of instances in which the intoxication of passengers aboard air carrier aircraft had led to disorderliness or other conduct which may have endangered the safety of the aircraft. These instances, however, appear to have been caused by the passenger's consumption of a personal liquor supply rather than by consumption of liquor served to him under the control and supervision of the air carrier.

Under the provisions of section 601(a)(6) of the Federal Aviation Act of 1958, the Administrator has the power and the duty to prescribe regulations governing such practices as he finds necessary to provide adequately for safety in air commerce. In the exercise of this power and duty the Administrator now finds that the drinking and serving of alcoholic beverages aboard air carrier aircraft must be controlled to the extent necessary to provide adequately for safety in air commerce. Accordingly, in order to provide such control, it is proposed to adopt a regulation which would prohibit (1) the drinking of any alcoholic beverage aboard an air carrier aircraft unless the beverage has been served by the air carrier operating the aircraft, and (2) the serving by the air carrier of such beverage to a person who is or who appears to be intoxicated. Under this regulation, a passenger who drinks an alcoholic beverage aboard an air carrier aircraft without being served such beverage by the air carrier will be subject to a civil penalty not to exceed $1,000. Correspondingly, an air carrier which serves an alcoholic beverage to an intoxicated passenger will also be subject to such a penalty.

Interested persons may participate in the making of the proposed rule by submitting such written data, views or arguments as they desire. Communications should be submitted in duplicate to the Docket Section of the Federal Aviation Agency, room B-316, 1711 New York Avenue NW., Washington 25, D.C. All communications received within 60 days after publication of this notice in the Federal Register will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in light of comments received. All comments submitted will be available for examination by interested persons in the Docket Section when the prescribed date for return of comments has expired.

This amendment is proposed under the authority of sections 313(a) and 601(a)(6) of the Federal Aviation Act of 1958 (72 Stat. 752, 775; 49 U.S.C. 1354(a), 1421(a)(6)).

In consideration of the foregoing, it is proposed to amend parts 40, 41, and 42 by adding new sections 40.371, 41.135, and 42.65 respectively, each to read as follows:

Drinking and serving of alcoholic beverages: (a) No person shall drink any alcoholic beverage aboard an air carrier aircraft unless such beverage has been served to him by the air carrier operating the aircraft.

(b) No air carrier shall serve any alcoholic beverage to any person aboard an air carrier aircraft if such person is or appears to be intoxicated.

JAMES T. PYLE,
Acting Administrator.

Dr. Ahmed Benabud

EXTENSION OF REMARKS
OF
HON. THOMAS F. JOHNSON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 22, 1959

Mr. JOHNSON of Maryland. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I delivered on April 24, 1959, at a testimonial dinner in Baltimore, Md., honoring Dr. Ahmed Benabud:

Mr. Toastmaster, my good friend Dr. Benabud, ladies and gentlemen, I am privileged to laud a young outstanding diplomat who recently served with distinction as Minister of Morocco to the United States. Dr. Ahmed Benabud's talents, his devotion and loyalty to his King and country merited his appointment as Minister Plenipotentiary of Morocco to the United States. Almost 3 years ago, Dr. Benabud came from Morocco to establish his nation's first Embassy in America. His friendly and forthright manner, his knowledge of and friendship for the people of our country did much to facilitate the beginning of diplomatic relations between his nation and ours.

Dr. Benabud worked diligently to present Morocco to the United States and the United States to Morocco, and his efforts have created a strong bond of friendship and understanding.

Morocco, one of the first countries to recognize the independence of the United States in 1778, has maintained friendly and cordial relations with our Nation. In this trying period of history when our country is confronted by many international crises and problems, Dr. Benabud tactfully advises that we cannot turn our attention entirely away from the problems and needs of nations like Morocco which has recently regained its independence and is laboring to reconstruct the country on a stable foundation. Morocco, during the past 3 years, has been working quietly, but diligently, to achieve stability and realize its national aspirations. Through its own inspired national effort, Morocco has covered its expenditure budget and contributed from its own resources 60 percent of its development budget. I say Morocco deserves and should have our continued cooperation in her praiseworthy endeavor. It should be noted that Morocco has recently passed an investment law encouraging and welcoming foreign investments. This law offers unusual facilities, opportunities, and protection for the foreign investor. Already a number of American companies have started working in Morocco.

For almost 3 years Dr. Benabud has ably represented his country. Dr. Benabud has pointed out that there are two outstanding problems between our two countries: (1) The presence of American military establishments on Moroccan soil; (2) the Algerian war. The Moroccan diplomat feels that negotiations between our two countries with respect to American military bases on Moroccan soil will produce a satisfactory settlement The Algerian war is having a devastating effect on all the countries of north Africa and Dr. Benabud hopes that our Nation will use its influence to find an early and equitable termination to this conflict.

Morocco is working hard at home to build a nation on the solid foundation of a strong and expanding economy. In the field of foreign diplomacy, men like Dr. Benabud have displayed outstanding leadership in establishing amicable relations with other nations.

Dr. Benabud labored in our Nation for nearly 3 years to bring us an accurate picture of his country's purposes, its needs, and its determination to meet its goals. His talents, his courtesy, and understanding have elevated the stature of Morocco in the eyes of the family of nations. We have found him a valuable and worthy friend of the United States.

Recently Dr. Benabud was appointed Ambassador to India. Our Nation wishes him success in his new post. India's gain is our loss.

S. 2014 and H.R. 7391 Should Not Pass

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 22, 1959

Mr. MASON. Mr. Speaker, in several recent sessions of the Congress, I have introduced a bill proposing to remedy a defect in the Capper-Volstead Act which was adopted on February 18, 1922. This

year, my bill is numbered H.R. 200 and as always it proposes merely that "jurisdiction for determination of undue enhancement of prices by cooperative associations monopolizing or restraining trade" shall be transferred from the Secretary of Agriculture, who might understandably be prejudiced, to the Attorney General, who has jurisdiction in all other matters involving monopoly or restraint of trade.

I have never urged immediate action on this bill, for to the best of my knowledge only one cooperative has willfully taken advantage of the Capper-Volstead Act of 1922. That cooperative, the Maryland-Virginia Milk Producers' Association, has on several occasions defiantly entered a defense that the law urges cooperatives to become monopolies and offers them full protection if they do so.

It may have been, I suppose, in the thought that the protection of this law, which had worked so well before, might work again, that the Maryland-Virginia Milk Co-op bought, 5 years ago, the Embassy Dairy, one of the bigger suppliers of milk to the city of Washington and the District of Columbia. There was loud public complaint at the time, as I recall, for flagrant monopoly is not well thought of when it threatens the welfare of babies by control of their principal food. In time, complaint was lodged by the Department of Justice and eventually, hearings having been held, Judge Holtzoff of the district court declared that the Embassy purchase was in violation of the Sherman and Clayton Antitrust Acts and ordered the Maryland-Virginia Milk Co-op to divest itself thereof.

But, Mr. Speaker, as you probably know, the managers and leaders and attorneys of farmers' cooperative associations do not easily give up the advantages and special privileges that they have been given. Having grown to corporations that rival many big proprietary companies, they still have the colossal nerve to say that they are little, struggling partnerships. Admitting that the rank and file of their farmer members get less than $10 a year in patronage dividends, they still have the effrontery to ask Congress to tax those little farmers on paper that the courts have found without value now or in the foreseeable future. And on fat earnings they pay little or no Federal income tax, though parasitically they expect and demand service and protection and subsidies from the Government of the United States.

You may wonder why I have brought this matter up at this time. Let me tell you.

About 2 months ago similar bills proposing to put farmer co-ops into wholesale and retail business were introduced in the House and in the Senate. The Senate bill, S. 2014, was blindly titled "A bill to clarify and amend the Capper-Volstead Act (42 Stat. 388, 7 U.S.C. 291–292), and for other purposes." The House bill, H.R. 7391, was "to authorize farmers and other producers of agricultural products and/or their associations to own and operate agricultural sales outlets, and for other purposes." Strangely, both bills were referred to the Agriculture Committees—not, as would have seemed much more proper, to the Judiciary Committees.

S. 2014 was considered—God save the mark—by a subcommittee of the Senate Committee on Agriculture and Forestry. No hearings were held, though the matter was one of considerable national importance. And the bill was reported to the Senate, though some members of the full Senate committee had never even heard of the proposed legislation.

Mr. Speaker, to tell most of the rest of the story, let me present the news account which was printed on Monday, July 20, in the Washington Daily News, and, I hope, in all other Scripps-Howard papers from coast to coast. The headline, significantly, read, "Committee Acts Secretly: Retailers Here Fight Co-op Bill."

The article read as follows:

Manager Joseph Cotter of Hyattsville's Harvey Dairy said today his company and other local milk retailers are fighting a bill which might save Washington's big dairy farm cooperative several million dollars.

It sneaked through the Senate Agriculture Committee last week without hearings.

It would virtually wipe out District Court Judge Alexander Holtzoff's ruling of January 30, 1959, ordering the Maryland and Virginia Milk Producers' Association to sell Embassy Dairy of 1620 First Street NW.

Judge Holtzoff held that the big co-op bought the Embassy Dairy in 1954 to eliminate competition from farmers who supplied Embassy under its previous ownership.

The co-op paid about $4 million for Embassy, and according to other retailers here, have not been able to make it earn a profit.

Forced sale (ordered by Judge Holtzoff within a year after January 30) might mean a big financial loss to co-op members, who financed the deal.

But the bill reported July 14 by the Senate Agriculture Committee would get the co-op off the hook.

The co-op appealed Judge Holtzoff's ruling to the Supreme Court, which agreed to review the case promptly. The Senate bill would be retroactive, wiping out Judge Holtzoff's ruling and making Supreme Court action useless.

It would give all farm co-ops almost complete freedom to buy and operate retail outlets for their products with exemption from antitrust laws.

Justice Department opposed the bill in a seven-page letter referring to the Embassy case.

Deputy Attorney General Lawrence E. Welsh wrote the committee that this legislation would "have the effect of legitimatizing an acquisition held to have been in violation of sections of Federal antitrust laws. * * * If acquisitions such as this are legitimatized, cooperatives can deny actual or potential marketing facilities to other cooperatives or farmers simply by buying the facilities."

Acting Agriculture Secretary True D. Morse also opposed the bill.

Mr. Speaker, Senate Report 528, which was submitted when S. 2014 was reported out of committee, confirms the statement in the Washington Daily News that this proposed legislation is primarily for the benefit of monopolistic action by the Maryland and Virginia Milk Cooperative, though it sets the stage for widespread co-op acquistions.

The decisions of the court—

Says the report

cast doubt upon past and prospective acquisitions of facilities by many and varied farmer cooperatives. * * * The bill would make it clear that they may acquire facilities to carry out such activities from whatever source and would remove any question concerning past acquistions."

The report further states—

It does not appear that enactment of the bill would result in any additional Federal expenditure.

But you may note that no mention is made of the loss from Treasury revenues of taxes heretofore paid not only by the Embassy Dairy, which used to be a big taxpayer, but all other wholesale and retail outlets that the cooperatives can acquire, by fair means or foul.

Mr. Speaker, S. 2014 will presumably come before the Senate for action very soon. It should be defeated: First, because it is iniquitous legislation; second, because it was sneakily offered and was reported in hopeful secrecy; third, because it proposes to set up a monopolistic system under which the Federal income tax rolls can be raided again and again and again; fourth, because it would be at least unseemly for the majority party in this 86th Congress, which is so violent in its objections to even the least approach to monopoly among taxpaying companies, to condone and foster monopoly among the cooperatives.

H.R. 7391 is still in the hands of the House Agriculture Committee. I hope that it will be quietly shelved and forgotten, as the Justice Department and the Department of Agriculture have recommended.

Senior Citizens Annual Outing at Salem Willows, Mass.

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my remarks as the principal guest speaker at the annual outing of the Senior Citizens and Associates of America, Salem Willows, Mass., on July 19, 1959. Among the other speakers were Charles C. O'Donnell, president and legislative director of the Senior Citizens and Associates of America; State Representative Michael J. Carroll, of Lynn; and Attorney John J. Tobin, counsel for the Senior Citizens.

My remarks at the outing follow:

Greetings: Although I am neither a teenager nor a senior citizen, I am reminded that the one becomes the other in the course of a long and productive life.

Many of the young people who are enjoying themselves at the beach today have started on jobs that are building social security accounts that will provide for them in their old age.

Perhaps some of them will look back across the milestones to this day, and be grateful for your determination to broaden and strengthen our national old-age pension system.

You worked hard during the many active years of your lives to develop our Nation and its wealth, and to love and care for your children until they grew up and were able to support themselves.

Now it is their turn to help you through the group effort that we call social security.

Eventually, when this program is complete, workers and employers, and the Government which represents all, will cooperate to provide a comprehensive plan of benefits to all retired Americans.

But that program is not complete today.

Social security itself is in the process of growing up.

Born in 1935, it is only 24 years old, and it has much to learn, and to accomplish before it reaches full maturity.

The United States was the last of the established nations to recognize the need to provide for the wants of our elder citizens in their retirement.

We started off cautiously, on the basis of old age and survivors or old age assistance checks sent each month to those who were 65 or older.

But as the cost of living increased we found that upward adjustments of the benefits rates were required, even before we could improve on the program.

With progress in public health, and medical science, and in nutritional values the life span of our people is steadily increasing.

Experience in the field of social security revealed serious deficiencies.

We discovered that the monthly checks, such as they were, did not solve the whole problem.

There were other needs, such as proper housing for the aged and provision for hospital, medical, and nursing home care, that were overlooked in the beginning.

Since your able and faithful president, Charlie O'Donnell, first organized the Senior Citizens and Associates of America, retired Americans have been campaigning for a national old-age pension. This would be at the rate of $150 per month to insure a decent and comfortable standard of living at today's prices.

The aging veterans of World War I are seeking a pension at the same level, and with both groups working toward this objective, the prospects are improving for a general pension that will apply to all who reach the eligible age of 65, or possibly, 62.

The increasing number of older people, in proportion to our total population, means that their influence on national policy and legislation will gain in strength year after year.

Meanwhile, however, there are other benefits that can be won before the major goal comes into view.

First among these is the enactment of legislation to provide the elderly with hospital surgical and nursing home care.

This past week I submitted a statement to the House Ways and Means Committee in Washington supporting H.R. 4700. This is Congressman FORAND'S bill to amend the Social Security Act by adding health insurance to the benefits.

If, and when, this bill passes, it will mean that 60 days of hospitalization will be given in any 12-month period to those eligible for old-age and survivors insurance benefits. The cost will be paid from the Federal OASI Trust Fund to the hospital, physician, and nursing home which provides the services.

A duly qualified physician or dentist must verify that such hospitalization is medically necessary. Such referral shall not be required in an emergency where delay would be impractical. Where surgery may be needed, the individual may freely select the surgeon of his choice.

If the patient is transferred to a nursing home from a hospital, and if the services are for an illness or condition associated with that for which he received hospital services, an additional 60 days of nursing home care will be paid for from the Insurance Trust Fund. In no case shall the combined total exceed 120 days in any 12-month period.

This would cover those persons now receiving benefits, as well as those who would be eligible if they applied.

This proposed plan of health benefits would be of great assistance to aged persons, and to widowed mothers of young children who now have difficulty in acquiring private insurance, and are too often crushed by the expense of illness.

Social security is not doing the job when it forces many of its so-called beneficiaries to seek public assistance with its degrading means test and when it fails to provide for hospital and surgical care.

The Consumers League of New York reports that over 1,600,000 residents of that State are 65 years of age and older. More than 900,000 of them are currently receiving OASI benefits. Too large a proportion of these retired citizens must apply for public relief to supplement their undernourished checks, even when these combine OASI payments and other private retirement benefits.

The league found that the relief costs to New York State can be reduced and much unnecessary suffering for the older citizens can be avoided if the earned retirement benefits of the program are increased so that they are more nearly in keeping with changes in the cost of living which have occurred during the past few years.

This reinforces our contention that a national pension of $150 per month is the only fair solution to this problem.

Even when the Social Security Act was being formulated back in 1935, there was an awareness of the fact that health insurance should be provided in addition to monthly benefit checks.

After 24 years it's about time that we made some progress as a Nation toward filling that void.

The mounting number of the aged in our population, and the steady rise in the cost of medical care, will not permit the national conscience to evade its responsibilities to the older citizens.

As so many people must turn to public relief to meet their daily living requirements, it is apparent that the present system of providing for the aged does not meet their needs, or fulfill the Nation's duty to them.

For most of the aged, private purchase of medical care is impossible.

And this financial problem occurs at a time when the infirmities of age require increased medical attention.

Social security is not only a program to provide for the material needs of the aged. It must ever bear in mind their rights to human dignity.

The aged rightly resent any questions by officials as to the resources of their children. They do not want anyone to contact their sons and daughters, and ask what they can contribute to the support of their parents.

This is a matter of personal pride that should never be violated.

With this in mind, social security, pensions, and health insurance for the aged must be a right to which they are entitled because of the Nation's obligations to them.

Through organizations like the Senior Citizens and Associates of America, the general public is never permitted to forget that so much remains to be done before we develop a social security system that is worthy of the name.

Not every one upon retirement can pack up and move to Florida.

Most of us prefer to live in Massachusetts among the scenes and the people that we know best.

After health insurance for the aged becomes an established fact, Congress will then face the responsibility of providing more special housing units for the aged, where they can enjoy peace and quiet among those who share their interests and their hobbies.

It is a pleasure for me to be a guest at your annual outing.

I wish you every joy at this outdoor social, increased by the knowledge that Congress is working on further improvements to social security legislation. At times, the rate of progress appears to be slow.

But of this you can be sure: Social security is developing.

Thanks to your efforts, it will become a bigger and better program in the not too distant future.

Health insurance is the next forward step in promoting happiness with security for our senior citizens.

Dispute Over Moscow Exhibit Points Up Need for U.S. Arts Council

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1959

Mr. THOMPSON of New Jersey. Mr. Speaker, the conflicting views of President Eisenhower and some of his fellow artists as to the kind of paintings the United States should exhibit in Moscow, U.S.S.R., focuses new attention on the importance of establishing a Federal Advisory Council on the Arts, and, indeed, on the touchy question of the relation of the Federal Government to the arts.

This is the conclusion of Thomas W. Ottenad, Washington correspondent of the St. Louis Post-Dispatch. He finds, in an excellent and comprehensive article published in that newspaper on July 19, 1959, that—

> There is a surprising amount of support for the view that the time has come for the Government to take a hand in efforts to raise the artistic and general cultural level of American society.
>
> Among those supporting this view are: Mr. Eisenhower, an amateur Sunday-type painter whose taste in art tends to the classic and photographic; Nelson A. Rockefeller, a bountiful patron of the arts; Senator Hubert H. Humphrey, Democrat, of Minnesota, who is scarcely ever on the same side of a political fence as the President or Rockefeller; Representative Frank Thompson, Jr., Democrat, of New Jersey, an advocate of culture by legislation; Secretary of Health, Education, and Welfare, Arthur S. Flemming, and nearly every major artistic organization in the Nation.

I am very happy to be in this company on this issue. In fact, I am very happy to have had my bill, H.R. 7656, to establish a Federal Advisory Council on the Arts, favorably and unanimously reported by the Special Education Subcommittee headed by the distinguished gentleman from Alabama [Mr. ELLIOTT] on June 10, 1959. Everyone seriously concerned with the cultural status of our country is deeply indebted to the members of this subcommittee for their devoted and painstaking work in this field. Due to their efforts this legislation, which has been before the Congress since early in 1955, will likely become law in this 86th Congress.

As to the Moscow Fair, and the art we display there, Senator HUBERT H. HUMPHREY and I have declared that if we are going to have a cultural exchange program with the U.S.S.R. and other countries then let us conduct it in an orderly, logical and mature fashion—in a way that will gain for our Nation the respect of artists and intellectuals throughout the world, rather than subject us to ridicule.

It does little good to appropriate substantial sums of money for State Department and U.S. Information Agency programs of cultural exchange if the advantages of these programs are to be thrown away by hasty and thoughtless comments by high public officials.

Legislation to establish a Federal Advisory Council on the Arts which Senator HUMPHREY and I have sponsored would, if enacted into law, create a vehicle to channel into governmental policy on the arts the balanced and mature judgment of many distinguished educators, artists and supporters of cultural activities throughout our Nation—judgment which would tend to keep our country free of the scourge of "foot-in-mouth-disease" insofar as art and cultural activities are concerned.

I include here the text of my press release pointing up the need for a Federal Advisory Council on the Arts, as well as the article from the St. Louis Post-Dispatch to which I have referred.

CITE PRESIDENTIAL COMMENT ON ART AS ARGUMENT FOR FEDERAL ADVISORY COUNCIL ON THE ARTS

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, and Representative FRANK THOMPSON, JR., Democrat of New Jersey, said today that President Eisenhower's recent statement on the American art exhibit going to Moscow is "an example of why we ought to have a Federal advisory council on the arts."

The coauthors of the International Cultural Exchange and Trade Fair Participation Act of 1956 termed the President's remarks at his last press conference (that in the future he would see to it that Government art juries would include one or two people who know what America likes) most unfortunate.

"If we are going to have a cultural exchange program with the U.S.S.R. and other countries," they pointed out, "then let us conduct it in an orderly, logical, and mature fashion; in a way that will gain for our Nation the respect of artists and intellectuals throughout the world, rather than subject us to ridicule."

"It does little good," they said, "to appropriate substantial sums of money for State Department and U.S. Information Agency programs of cultural exchange if the advantages of these programs are to be thrown away by hasty and thoughtless comments by high public officials."

The two Democrats have introduced legislation in the House and Senate this year which would create a Federal Advisory Council on the Arts—legislation which was favorably reported by a Special Education Subcommittee of the House Education and Labor Committee on June 10.

"Such legislation," they said, "would create a vehicle to channel into governmental policy on the arts the balanced and mature judgment of many distinguished educators, artists, and supporters of cultural activities throughout our Nation—judgment which would tend to keep our country free of the scourge of 'foot-and-mouth' disease insofar as art and cultural activities are concerned."

[From the St. Louis Post-Dispatch, July 19, 1959]

DISPUTE OVER MOSCOW EXHIBIT STIRS HOPE FOR U.S. ART BODY—SOME FEEL THAT FEDERAL ADVISORY COUNCIL WOULD HAVE PREVENTED TROUBLE OVER SELECTION OF PAINTINGS

(By Thomas W. Ottenad)

WASHINGTON, July 18.—The conflicting views of President Eisenhower and some of his fellow artists as to the kind of paintings the United States should exhibit in Moscow focus new attention on the touchy question of the relation of the Federal Government to the arts.

There is a surprising amount of support for the view that the time has come for Government to take a hand in efforts to raise the artistic and general cultural level of American society.

Among those supporting this view are: Mr. Eisenhower, an amateur Sunday-type painter whose taste in art tends to the classic and photographic; Nelson A. Rockefeller, a bountiful patron of the arts; Senator Hubert H. Humphrey, Democrat, of Minnesota, who is scarcely ever on the same side of a political fence as the President or Rockefeller; Representative Frank Thompson, Jr., Democrat, of New Jersey, an advocate of culture by legislation; Secretary of Health, Education, and Welfare, Arthur S. Flemming, and nearly every major artistic organization in the Nation.

To a man, they all favor bills pending in Congress to create a new Federal Advisory Council on the Arts. The council would have two major purposes: to suggest ways for increasing interest and participation in the creative arts and to advise other Government agencies on artistic matters.

The council's powers, while broad in scope, would be advisory only. It would have no authority to hire artists, commission works or conduct competitions. Cost is expected to be nominal at first, perhaps no more than $50,000 a year.

It could open the door eventually to Federal financial support for the arts, a highly controversial proposal that has failed repeatedly in the past.

HUMPHREY and THOMPSON, cosponsors of the pending legislation, feel that the still-smouldering dispute over the Moscow exhibit might have been prevented if the proposed advisory council had been in existence. It would have provided "the balanced judgment which would keep our country from continually getting in hot water where the arts are concerned," they said in a joint statement.

The dispute over the Moscow exhibit arose after Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, chairman of the House Un-American Activities Committee, charged that half of the artists whose works were selected for the exhibition have records of affiliation with Communist fronts and causes. The committee then conducted hearings on the matter.

When Mr. Eisenhower was questioned about the controversy at a press conference, he said he would not censor works selected for the exhibit, but might take a hand in similar undertakings in the future.

He described one of the works to be exhibited, a somewhat unflattering portrayal of an Army general, as a lampoon rather than a serious work of art. Those who had selected the paintings defended their choices, but later several paintings traditional in style were added to the exhibit. The explanation was that they were intended to give balance to the exhibit.

The pending legislation has had a strong bipartisan background. Rockefeller, a potential candidate for the Republican nomination for President next year, is credited by some people with initiating his party's interest in the subject.

Rockefeller helped draft legislation of the type now pending when he was an Under Secretary of the Department of Health, Education, and Welfare. It was he who interested Mr. Eisenhower in the matter.

The President first proposed creation of a Federal Advisory Council on the Arts in his state of the Union message in 1955. He told Congress at that time:

"In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities."

Despite the President's support, the plan did not get very far. In 1956 a bill embodying his proposal was passed by the Senate, but it died in the House. In 1957 a similar measure failed to get out of committee.

This time supporters of the plan think they have a better chance.

"Prospects for the bill are better than ever before," remarked Representative THOMPSON. "Chances are excellent that the bill will be enacted."

He explained that there is no substantial opposition to the measure and added: "Furthermore, the idea of voting for Federal action in cultural fields has become more widely accepted than it was in previous years."

The need for Government action was stressed by Secretary Flemming recently at hearings by the House subcommittee on special education.

Asserting that there is "inadequate recognition of the fundamental importance of artistic endeavor in our national life," Flemming pointed out:

"Our Nation has a rich tradition of achievement in the arts. We take justifiable pride in our great museums, art galleries, and orchestras.

"Yet millions of Americans know painting and sculpture only in reproductions and hear great music only by recordings. We are proud of the creative vitality of our theater, yet living theater is never seen in vast areas of our Nation."

The projected Federal council would seek ways to remedy these deficiencies, Flemming noted, adding that increased development of cultural and artistic interests "serves a dual purpose in that it contributes to the well-being of the individual by developing his creative abilities and, at the same time, it enables the individual to further enrich our civilization."

Artistic organizations strongly endorsed the pending legislation. Elihu Winer, secretary of the National Council on the Arts and Government, an organization with members in all fields of the arts, told the House subcommittee that artists want the Government to give simple recognition to the contributions they have made to American life.

"Art, like anything else," he warned, "flourishes best when its worth is recognized and its practitioners encouraged. It is false to assume that great art can only be created in adversity.

"Individual works of art may be created under adverse circumstances, but it is a fair assumption that these are created despite, rather than because of, circumstances."

Only a scattering of artists has expressed opposition to the proposed legislation. They have voiced concern that governmental activity might infringe on their artistic freedom or lead to socialized art.

The pending legislation would throw the weight and influence of the Federal Government into the fight that a few, dedicated private citizens and philanthropic organizations have been waging to improve the cultural tone of American society.

The proposed Advisory Council is charged with making studies and proposing methods "to maintain and increase the cultural resources" of the United States and to

encourage "creative activity in the performance and practice of the arts and participation in and appreciation of the arts." One of its primary objectives would be to seek ways of expanding "private initiative" in the arts and of bringing about cooperation of private interests with local, State, and Federal agencies in cultural programs.

Recommendations by the Council would go to the Secretary of Health, Education, and Welfare for comment and transmittal to the President.

Composed of 21 members appointed by the President, the Council would be assisted by an executive secretary and could call on experts for additional aid. Council members are to have broad knowledge, experience or interest in one art field or more. Major art categories listed by the bill include radio, television, and various crafts along with painting, music, literature, and other traditional art forms. The Council membership is to provide an appropriate balance of representation among these fields.

Some supporters of the pending bill hope that eventually the Council will propose a program of Federal aid to the arts. With the weight of the Council behind it, they feel it may be possible to overcome Congress' usual antipathy to art subsidies.

About the only time the Federal Government has given direct assistance to the arts was during the depression years of the 1930's, but the purpose then was relief rather than art. Congress has denied to artists the subsidy assistance it has given to farmers, railroads, airlines, shipbuilders, and other elements of the American economy.

While Federal activity in the field of the arts has increased markedly in the last decade, the United States still lags far behind many European countries in assisting cultural activities. Emphasizing the importance of expanded artistic and cultural programs, THOMPSON remarked:

"It is certainly true that civilizations are remembered as much for their contributions to the fine arts, to literature, to painting, to sculpture, and by their architecture as they are by the battles which have reshaped the course of human history."

SENATE

THURSDAY, JULY 23, 1959

The Senate met at 11 o'clock a.m.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, from the tumult of an angry world, so full of suspicion and hatred, we seek the sanctity and serenity of Thy presence, we feel about us the drive of forces whose direction we cannot calculate, whose outcome we do not see. In such times of upheaval we crave a sense of reality which is not glimpsed in smooth, worn phrases passed on from a different past of unchallenged security and confidence.

For such days as these in which our lot is cast and in which our stewardship must be exercised, we reach out lame hands of prayer groping for a new revelation of love and duty to which we may entrust ourselves with the confidence that sustains a summer bird swaying on branches tempest tossed—a feathered songster that—

On fragile branches balanced
For a moment sits and sings;
He feels them tremble, but he sings unshaken,
Knowing he hath wings.

In tumultuous times, give us an inward poise as Thy promise is fulfilled, even in the agitation of our daily toil, "I will keep that man in perfect peace whose mind is stayed on Me."

We ask it in the Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 23, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 22, 1959, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H.R. 7125) to provide for a study of the feasibility of establishing the President Adams Parkway, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 836. An act to amend the code of law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; and

H.R. 7500. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 7125) to provide for a study of the feasibility of establishing the President Adams Parkway, was read twice by its title and referred to the Committee on Public Works.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Foreign Relations Committee.

The Fiscal Affairs Subcommittee of the Committee on the District of Columbia.

The Civil Service Subcommittee of the Committee on Post Office and Civil Service.

The Administrative Practice and Procedure Subcommittee of the Committee on the Judiciary.

The Housing Subcommittee of the Committee on Banking and Currency.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SEVICES

The following favorable reports of nominations were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

Dudley C. Sharp, of Texas, to be Under Secretary of the Air Force; and

Brig. Gen. Thomas James Hartford, and sundry other officers, for temporary appointment in the Army of the United States.

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services, I report favorably a group of 1,947 nominations in the Army in the grade of lieutenant colonel and below. All of these names have already appeared in the CONGRESSIONAL RECORD, so in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations ordered to lie on the desk are as follows:

John E. Aber, and sundry other officers, for appointment and promotion in the Regular Army of the United States.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the calendar will be stated.

THE AIR FORCE RESERVE

The Chief Clerk proceeded to read sundry nominations for appointment in the Air Force Reserve, under the provisions of section 8373, Public Law 861, 85th Congress, and chapter 35, title 10, of the United States Code.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

FEDERAL TRADE COMMISSION

The Chief Clerk read the nomination of Sigurd Anderson, of South Dakota, to be a Federal Trade Commissioner for a term of 7 years from September 26, 1959.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Edwin R. Butler, of Illinois, to be Assistant Director of Locomotive Inspection, Interstate Commerce Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR VARIOUS AGENCIES (S. DOC. NO. 42)

A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1960, in the amount of $20,265,263, for various agencies (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

EXTENSION OF AUTHORITY OF INTERNATIONAL WHEAT AGREEMENT ACT OF 1949

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the International Wheat Agreement Act of 1949, as amended, to extend the authority contained in that act to implement the 1959 International Wheat Agreement (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF GENERAL SALES MANAGER, COMMODITY CREDIT CORPORATION

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the General Sales Manager, concerning the policies, activities, and developments, including all sales and disposals, with regard to each commodity which the Commodity Credit Corporation owns or which it is directed to support, for the month of May 1959 (with an accompanying report); to the Committee on Agriculture and Forestry.

DISTRICT OF COLUMBIA CIVIL DEFENSE ACT

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the act entitled "An act to authorize the District of Columbia government to establish an Office of Civil Defense, and for other purposes," approved August 11, 1950 (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON IMPORTS OF CRUDE OIL AND ITS PRODUCTS

A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on the investigation of imports of crude oil and its derivatives and products (with accompanying papers); to the Committee on Finance.

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman, U.S. Tariff Commission, Washington, D.C., transmitting, pursuant to law, a report on the operation of the trade agreements program, for the period July 1957–June 1958 (with an accompanying report); to the Committee on Finance.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO UTILIZATION OF EXCESS PROPERTY

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the utilization of excess property and to simplify the reimbursement procedure for transfers of such property (with an accompanying paper); to the Committee on Government Operations.

AMENDMENT OF KLAMATH TERMINATION ACT

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the Klamath Termination Act (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON RECEIPT OF APPLICATION FOR LOAN UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that the Weber-Box Elder Conservation District, at Ogden, Utah, had applied for a loan of $304,000, under the Small Reclamation Projects Act of 1956 (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on tort claims paid by the Department of Agriculture, for the period July 1, 1958, to June 30, 1959 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Jitsuo Kikunaga from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on July 15, 1958; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H.J. Res. 280. Joint resolution consenting to an interstate compact to conserve oil and gas (Rept. No. 564).

By Mr. MUSKIE, from the Committee on Government Operations, with amendments:

S. 747. A bill to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois (Rept. No. 565).

By Mr. STENNIS, from the Committee on Armed Services, with amendments:

S. 1795. A bill to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the regular components of the Armed Forces (Rept. No. 571); and

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes (Rept. No. 572).

By Mrs. SMITH, from the Committee on Armed Services, without amendment:

H.R. 3290. An act to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy (Rept. No. 566).

By Mr. ENGLE, from the Committee on Armed Services, without amendment:

H.R. 3320. An act to amend the act of June 21, 1950, relating to the appointment of boards of medical officers (Rept. No. 567).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

H.R. 3321. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes (Rept. No. 568).

By Mr. SYMINGTON, from the Committee on Armed Services, without amendment:

H.R. 4068. An act to amend title 10, United States Code, by repealing section 7475, which restricts the increasing of forces at naval activities prior to national elections (Rept. No. 569).

By Mr. JACKSON, from the Committee on Armed Services, with an amendment:

S. 2210. A bill to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa. (Rept. No. 570).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of May 1959. In accordance with the practice of several years' standing I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD.

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MAY 1959 AND APRIL 1959, AND PAY, APRIL 1959 AND MARCH 1959

PERSONNEL AND PAY SUMMARY

Information in monthly personnel reports for May 1959 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In May numbered—	In April numbered—	Increase (+) or decrease (−)	In April was—	In March was—	Increase (+) or decrease (−)
Total [1]	2,340,658	2,342,836	−2,178	$1,031,174	$1,025,113	+$6,061
Agencies exclusive of Department of Defense	1,266,750	1,268,082	−1,332	544,489	543,763	+726
Department of Defense	1,073,908	1,074,754	−846	486,685	481,350	+5,335
Inside continental United States	2,156,786	2,159,539	−2,753			
Outside continental United States	183,872	183,297	+575			
Industrial employment	565,005	566,242	−1,237			
Foreign nationals	190,162	191,303	−1,141	[2] 22,543	22,144	+399

[1] Exclusive of foreign nationals shown in the last line of this summary. [2] Subject to revision.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number of Federal employees in industrial-type activities by Executive agencies.

Table V shows foreign nationals working under U.S. agencies overseas, not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during May 1959, and comparison with April 1959, and pay for April 1959, and comparison with March 1959*

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	86,949	86,010	939		$35,988	$35,185	$803	
Commerce [1]	31,529	31,520	9		14,614	14,529	85	
Health, Education, and Welfare	58,059	57,941	118		27,013	26,981	32	
Interior	51,377	50,582	795		24,593	24,190	403	
Justice	29,636	29,757		121	16,844	17,016		$172
Labor	5,830	5,813	17		3,145	3,081	64	
Post Office	545,356	544,117	1,239		216,985	217,302		317
State [2]	35,506	[3] 35,502	4		15,711	15,419	292	
Treasury	77,613	80,878		3,265	39,423	38,790	633	
Executive Office of the President:								
White House Office	394	401		7	242	232	10	
Bureau of the Budget	421	421			324	329		5
Council of Economic Advisers	31	31			25	25		
Executive Mansion and Grounds	73	72	1		34	36		2
National Security Council [4]	63	79		16	43	42	1	
Office of Civil and Defense Mobilization	1,682	1,683		1	1,050	1,043	7	
President's Advisory Committee on Government Organization	5	6		1	4	4		
President's Committee on Fund Raising Within the Federal Service	4	4			4	4		
Independent agencies:								
Alaska International Rail and Highway Commission	2	2			2	2		
American Battle Monuments Commission	518	517	1		82	83		1
Atomic Energy Commission	6,725	6,742		17	4,198	4,216		18
Board of Governors of the Federal Reserve System	599	603		4	351	345	6	
Boston National Historic Sites Commission	3	3			2	1	1	
Career Executive Board	4	4			3	3		
Civil Aeronautics Board	709	697	12		443	446		3
Civil Service Commission	3,800	3,824		24	1,987	2,023		36
Civil War Centennial Commission	6	6			4	4		
Commission of Fine Arts	4	4			3	3		
Commission on Civil Rights	74	74			40	36	4	
Commission on International Rules of Judicial Procedure	4	2	2		1		1	
Development Loan Fund	65	66		1	49	48	1	
Export-Import Bank of Washington	226	222	4		151	150	1	
Farm Credit Administration	836	844		8	504	492	12	
Federal Aviation Agency	32,596	32,174	422		17,288	17,874		586
Federal Coal Mine Safety Board of Review	7	7			4	4		
Federal Communications Commission	1,222	1,219	3		737	742		5
Federal Deposit Insurance Corporation	1,234	1,237		3	695	688	7	
Federal Home Loan Bank Board	952	951	1		539	533	6	
Federal Mediation and Conciliation Service	339	337	2		263	259	4	
Federal Power Commission	822	820	2		498	494	4	
Federal Trade Commission	721	717	4		468	481		13
Foreign Claims Settlement Commission	71	73		2	49	51		2
General Accounting Office	5,129	5,172		43	2,795	2,783	12	
General Services Administration [5]	27,805	27,843		38	11,667	11,855		188
Government Contract Committee	28	26	2		14	15		1
Government Printing Office	6,528	6,544		16	3,257	3,296		39
Housing and Home Finance Agency	10,946	11,010		64	5,950	6,022		72
Hudson-Champlain Celebration Commission	3	3			1	2		1
Indian Claims Commission	17	17			14	12	2	
Interstate Commerce Commission	2,255	2,255			1,315	1,367		52
Lincoln Sesquicentennial Commission	6	8		2	5	5		
National Aeronautics and Space Administration	8,948	8,904	44		5,265	5,275		10
National Capital Housing Authority	308	310		2	128	129		1
National Capital Planning Commission	32	31	1		21	20	1	
National Gallery of Art	310	319		9	122	121	1	
National Labor Relations Board	1,423	1,427		4	869	866	3	
National Mediation Board	117	114	3		88	92		4

[1] May figure includes 210 seamen on the rolls of the Maritime Administration and their pay.

[2] May figure includes 12,910 employees of the International Cooperation Administration as compared with 12,912 in April, and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The May figure includes 1,916 of these trust fund employees and the April figure includes 1,939.

[3] Revised on basis of later information.

[4] Exclusive of personnel and pay of the Central Intelligence Agency.

[5] Includes 3 employees of the Federal Facilities Cooperation.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during May 1959, and comparison with April 1959, and pay for April 1959, and comparison with March 1959*—Continued

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Independent agencies—Continued								
National Science Foundation	481	485		4	$256	$272		$16
Outdoor Recreation Resources Review Commission	13	[3] 4	9		3	3		
Panama Canal	14,005	14,099		94	4,024	4,073		49
Railroad Retirement Board	2,344	2,301	43		1,092	1,100		8
Renegotiation Board	311	311			225	226		1
St. Lawrence Seaway Development Corporation	171	172		1	87	83	$4	
Securities and Exchange Commission	913	921		8	562	563		1
Selective Service System	6,336	6,378		42	1,792	1,814		22
Small Business Administration	1,940	1,906	34		1,086	1,048	38	
Smithsonian Institution	1,026	1,026			433	435		2
Soldiers' Home	1,012	1,021		9	300	239	61	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	15	15			7	3	4	
Subversive Activities Control Board	30	31		1	24	24		
Tariff Commission	224	223	1		147	147		
Tax Court of the United States	150	148	2		105	105		
Tennessee Valley Authority	14,919	15,024		105	8,437	7,994	443	
Texas Water Study Commission	12	12			4	4		
Theodore Roosevelt Centennial Commission	2	2			2	2		
U.S. Information Agency	10,792	10,775	17		3,692	3,682	10	
Veterans' Administration	171,439	172,237		798	66,149	66,761		612
Virgin Islands Corporation	693	1,046		353	148	139	9	
Total, excluding Department of Defense	1,266,750	1,268,082	3,731	5,063	544,489	543,763	2,965	2,239
Net change, excluding Department of Defense			1,332				726	
Department of Defense:								
Office of the Secretary of Defense	1,735	1,740		5	1,158	1,183		25
Department of the Army	404,427	404,335	92		177,435	174,293	3,142	
Department of the Navy	354,327	354,488		161	168,121	167,481	640	
Department of the Air Force	313,419	314,191		772	139,971	138,393	1,578	
Total, Department of Defense	1,073,908	1,074,754	92	938	486,685	481,350	5,360	25
Net change, Department of Defense			846				5,335	
Grand total, including Department of Defense	2,340,658	2,342,836	3,823	6,001	1,031,174	1,025,113	8,325	2,264
Net change, including Department of Defense			2,178				6,061	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during May 1959, and comparison with April 1959*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	85,705	84,795	910	
Commerce [1]	30,892	30,901		9
Health, Education, and Welfare	57,561	57,434	127	
Interior	50,744	49,949	795	
Justice	29,281	29,403		122
Labor	5,738	5,709	29	
Post Office	543,241	542,057	1,184	
State [2]	8,773	8,834		61
Treasury	76,710	79,982		3,272
Executive Office of the President:				
White House Office	394	401		7
Bureau of the Budget	421	421		
Council of Economic Advisers	31	31		
Executive Mansion and Grounds	73	72	1	
National Security Council [3]	63	79		16
Office of Civil and Defense Mobilization	1,682	1,683		1
President's Advisory Committee on Government Organization	5	6		1
President's Committee on Fund Raising within the Federal Service	4	4		
Independent agencies:				
Alaska International Rail and Highway Commission	2	2		
American Battle Monuments Commission	14	14		
Atomic Energy Commission	6,688	6,707		19
Board of Governors of the Federal Reserve System	599	603		4
Boston National Historic Sites Commission	3	3		
Career Executive Board	4	4		
Civil Aeronautics Board	709	697	12	
Civil Service Commission	3,788	3,813		25
Civil War Centennial Commission	6	6		
Commission of Fine Arts	4	4		
Commission on Civil Rights	74	74		
Commission on International Rules of Judicial Procedure	4	2	2	
Development Loan Fund	65	66		1
Export-Import Bank of Washington	226	222	4	
Farm Credit Administration	826	834		8
Federal Aviation Agency	31,081	30,677	404	
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,208	1,205	3	
Federal Deposit Insurance Corporation	1,232	1,235		3
Federal Home Loan Bank Board	952	951	1	
Federal Mediation and Conciliation Service	339	337	2	
Federal Power Commission	822	820	2	
Federal Trade Commission	721	717	4	
Foreign Claims Settlement Commission	71	73		2
General Accounting Office	5,053	5,094		41
General Services Administration [4]	27,754	27,791		37
Government Contract Committee	28	26	2	
Government Printing Office	6,528	6,544		16
Housing and Home Finance Agency	10,774	10,838		64
Hudson-Champlain Celebration Commission	3	3		
Indian Claims Commission	17	17		
Interstate Commerce Commission	2,255	2,255		
Lincoln Sesquicentennial Commission	6	8		2
National Aeronautics and Space Administration	8,944	8,900	44	
National Capital Housing Authority	308	310		2
National Capital Planning Commission	32	31	1	
National Gallery of Art	310	319		9
National Labor Relations Board	1,399	1,403		4
National Mediation Board	117	114	3	
National Science Foundation	481	485		4
Outdoor Recreation Resources Review Commission	13	[5] 4	9	
Panama Canal	390	416		26
Railroad Retirement Board	2,344	2,301	43	
Renegotiation Board	311	311		
St. Lawrence Seaway Development Corporation	171	172		1
Securities and Exchange Commission	913	921		8
Selective Service System	6,158	6,200		42
Small Business Administration	1,912	1,877	35	
Smithsonian Institution	1,016	1,015	1	
Soldiers' Home	1,012	1,021		9
South Carolina, Georgia, Alabama, and Florida Water Study Commission	15	15		
Subversive Activities Control Board	30	31		1
Tariff Commission	224	223	1	
Tax Court of the United States	150	148	2	
Tennessee Valley Authority	14,919	15,024		105
Texas Water Study Commission	12	12		
Theodore Roosevelt Centennial Commission	2	2		
U.S. Information Agency	2,699	2,671	28	
Veterans' Administration	170,286	171,075		789
Total, excluding Department of Defense	1,207,349	1,208,411	3,649	4,711
Net decrease, excluding Department of Defense			1,062	
Department of Defense:				
Office of the Secretary of Defense	1,691	1,697		6
Department of the Army	346,749	347,227		478
Department of the Navy	320,966	321,537		571
Department of the Air Force	280,031	280,667		636
Total, Department of Defense	949,437	951,128		1,691
Net decrease, Department of Defense			1,691	
Grand total, including Department of Defense	2,156,786	2,159,539	3,649	6,402
Net decrease, including Department of Defense			2,753	

[1] May figure includes 210 seamen on the rolls of the Maritime Administration.
[2] May figure includes 1,879 employees of the International Cooperation Administration, as compared with 1,881 in April.
[3] Exclusive of personnel of the Central Intelligence Agency.
[4] Includes 3 employees of the Federal Facilities Corporation.
[5] Revised on basis of later information.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during May 1959, and comparison with April 1959*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,244	1,215	29	
Commerce	637	619	18	
Health, Education, and Welfare	498	507		9
Interior	633	633		
Justice	355	354	1	
Labor	92	104		12
Post Office	2,115	2,060	55	
State [1]	26,733	[2] 26,668	65	
Treasury	903	896	7	
Independent agencies:				
American Battle Monuments Commission	504	503	1	
Atomic Energy Commission	37	35	2	
Civil Service Commission	12	11	1	
Farm Credit Administration	10	10		
Federal Aviation Agency	1,515	1,497	18	
Federal Communications Commission	14	14		
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	76	78		2
General Services Administration	51	52		1
Housing and Home Finance Agency	172	172		
National Aeronautics and Space Administration	4	4		
National Labor Relations Board	24	24		
Panama Canal	13,615	13,683		68
Independent agencies—Continued				
Selective Service System	178	178		
Small Business Administration	28	29		1
Smithsonian Institution	10	11		1
U.S. Information Agency	8,093	8,104		11
Veterans' Administration	1,153	1,162		9
Virgin Islands Corporation	693	1,046		353
Total, excluding Department of Defense	59,401	59,671	197	467
Net decrease, excluding Department of Defense			270	
Department of Defense:				
Office of the Secretary of Defense	44	43	1	
Department of the Army	57,678	57,108	570	
Department of the Navy	33,361	32,951	410	
Department of the Air Force	33,388	33,524		136
Total, Department of Defense	124,471	123,626	981	136
Net increase, Department of Defense			845	
Grand total, including Department of Defense	183,872	183,297	1,178	603
Net increase, including Department of Defense			575	

[1] May figure includes 11,031 employees of the International Cooperation Administration as compared with 11,031 in April These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The May figure includes 1,916 of these trust fund employees, and the April figure includes 1,939.

[2] Revised on basis of later information.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during May 1959, and comparison with April 1959*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,224	3,203	21	
Commerce	2,010	1,997	13	
Interior	6,879	6,886		7
Treasury	5,329	5,379		50
Independent agencies:				
Atomic Energy Commission	155	154	1	
Federal Aviation Agency	826	817	9	
Federal Communications Commission	13	13		
General Services Administration	1,252	1,224	28	
Government Printing Office	6,528	6,544		16
National Aeronautics and Space Administration	8,948	8,904	44	
Panama Canal	6,941	6,980		39
Tennessee Valley Authority	12,124	12,221		97
Virgin Islands Corporation	693	1,046		353
Total, excluding Department of Defense	54,922	55,368	116	562
Net decrease, excluding Department of Defense			446	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 136,300	[2] 136,485		185
Outside continental United States	[1] 8,200	[2] 8,163	37	
Department of the Navy:				
Inside continental United States	199,739	199,734	5	
Outside continental United States	5,246	5,216	30	
Department of the Air Force:				
Inside continental United States	157,348	157,763		415
Outside continental United States	3,250	3,513		263
Total Department of Defense	510,083	510,874	72	863
Net decrease, Department of Defense			791	
Grand total, including Department of Defense	565,005	566,242	188	1,425
Net decrease, including Department of Defense			1,237	

[1] Revised on basis of later information.

[2] Subject to revision.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of May 1959, and comparison with April 1959*

Country	Total		Army		Navy		Air Force	
	May	April	May	April	May	April	May	April
Belgium	13	13					13	13
England	3,740	3,930					3,740	3,930
France	22,173	22,083	16,848	16,759			5,325	5,324
Germany	83,493	83,665	71,327	71,533	[2] 58	56	12,108	12,076
Japan	68,023	68,884	24,863	25,335	[2] 15,770	15,890	27,390	27,659
Korea	8,150	8,111	8,150	[1] 8,111				
Malta	79	78			79	78		
Morocco	3,894	3,921	6	6	[2] 825	820	3,063	3,095
Netherlands	39	38					39	38
Norway	24	23					24	23
Trinidad	534	557			534	557		
Total	190,162	191,303	121,194	121,744	17,266	17,401	51,702	52,158

[1] Revised on basis of later information.

[2] Subject to revision.

STATEMENT BY SENATOR BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of May totaling 2,340,658. This was a net decrease of 2,178 as compared with employment reported in the preceding month of April.

Civilian employment reported by the executive agencies of the Federal Government, by month in fiscal year 1959, which began July 1, 1958, follows:

Month	Employment	Increase	Decrease
July	2,373,410	6,306	
August	2,373,934	524	
September	2,356,493		17,441
October	2,355,482		1,301
November	2,354,767		715
December	2,351,833		2,934
January	2,337,820		14,013
February	2,335,209		2,611
March	2,337,474	2,265	
April	2,342,836	5,362	
May	2,340,658		2,178

Total Federal employment in civilian agencies for the month of May was 1,266,750, a decrease of 1,332 as compared with April total of 1,268,082. Total civilian employment in the military agencies in May was 1,073,908, a decrease of 846 as compared with 1,074,754 in April.

Civilian agencies, reporting the larger decreases were Treasury Department with 3,265, Veterans' Administration with 798, and Virgin Island Corporation with 353. The larger increases were reported by Post Office Depart-

ment with 1,239, Agriculture Department with 939, Interior Department with 795, and the Federal Aviation Agency with 422.

In the Department of Defense decreases in civilian employment were reported by the Department of the Navy with 161 and the Department of the Air Force with 722. The Department of the Army reported an increase of 92.

Inside continental United States civilian employment decreased 2,753 and outside continental United States civilian employment increased 575. Industrial employment by Federal agencies in May totaled 565,005 a decrease of 1,237.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,340,658 civilian employees certified to the Committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 190,162 foreign nationals working for U.S. military agencies during May who were not counted in the usual personnel reports. The number in April was 191,303. A breakdown of this employment for May follows:

Country	Total	Army	Navy	Air Force
Belgium	13			13
England	3,740			3,740
France	22,173	16,848		5,325
Germany	83,493	71,327	58	12,108
Japan	68,023	24,863	15,770	27,390
Korea	8,150	8,150		
Malta	79		79	
Morocco	3,894	6	825	3,063
Netherlands	39			39
Norway	24			24
Trinidad	534		534	
Total	190,162	121,194	17,266	51,702

REPORTS OF COMMITTEES ON PERSONNEL AND FUNDS

Pursuant to Senate Resolution 123, 80th Congress, 1st session, the following reports were received by the Secretary of the Senate:

JULY 10, 1959.

COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Kenneth E. BeLieu	Professional staff member.	$8,149.98
Max Lehrer	Professional staff member (from Jan. 26, 1959).	6,773.24
Everard H. Smith, Jr.	Professional staff member (from Jan. 8, 1959).	7,559.81
Glen P. Wilson	Chief clerk	5,364.40
Earl W. Lindveit	Professional staff member (from Feb. 2, 1959).	4,233.57
Mary R. Guilfoyle	Clerical assistant	3,361.26
Kathryn M. Keeney	Clerical assistant (from Jan. 16, 1959).	3,037.19
Emily J. Brown	Clerical assistant (from Jan. 26, 1959).	2,858.83
Marie D. Wilson	Clerical assistant (from Jan. 10, 1959).	$2,983.13
Harry C. McPherson	Assistant chief clerk (from Apr. 16, 1959).	1,994.62

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	2,998.30
Balance available for expenditure at end of period	7,001.70

LYNDON B. JOHNSON,
Chairman.

JULY 10, 1959.

SPECIAL COMMITTEE ON SPACE AND ASTRONAUTICS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Janie E. Mason	Research assistant	$221.37
Horace W. Busby, Jr.	Consultant w.a.e.	1,222.49
Walter P. Webb	do	271.66

Funds available for expenditure at beginning of period	$27,602.01
Additional funds authorized during period	
Total available for expenditure during period	27,602.01
Expended during period	7,692.76
Balance available for expenditure at end of period	19,909.25

LYNDON B. JOHNSON,
Chairman.

JULY 1, 1959.

COMMITTEE ON AGRICULTURE AND FORESTRY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Harker T. Stanton	Professional staff member.	$8,149.98
Henry J. Casso, Jr.	do	7,407.94
C. M. Mouser	Chief clerk	6,377.98
James M. Kendall	Assistant chief clerk	6,230.85
Betty M. Mason	Clerical assistant	3,248.22
Blanche O'Berg	do	3,832.26
Helen A. Miller	do	3,191.70

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	1,586.00
Balance available for expenditure at end of period	8,413.97

ALLEN J. ELLENDER,
Chairman.

JULY 1, 1959.

COMMITTEE ON APPROPRIATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Everard H. Smith	Chief clerk	$8,149.98
Thomas J. Scott	Assistant chief clerk	7,865.70
Francis S. Hewitt	Assistant clerk	7,375.26
Edmund T. King	do	6,982.92
Kenneth J. Bousquet	Professional staff member.	7,375.26
Earl W. Cooper	do	7,803.03
William J. Deachman	do	6,639.60
Herman E. Downey	do	7,375.26
Leonard E. Edwards	do	6,982.92
Joe E. Gonzales	do	7,375.26
William J. Kennedy, Jr.	do	6,982.92
Cecil C. McDaniel	do	7,375.26
Harold E. Merrick	do	7,375.26
Mamie L. Mizen	do	5,110.80
Vorley M. Rexroad	do	6,884.82
Raymond L. Schafer	do	7,375.26
John M. Witeck	do	7,375.26
William W. Woodruff	do	7,375.26
Gloria S. Butland	Clerical assistant	2,984.46
Virginia D. Carroll	do	2,984.46
Leon DeVille	do	2,871.42
Mildred L. Fowlkes	do	2,984.46
Mary S. Gatton	do	2,984.46
Sally L. Heath	do	2,758.38
Richard H. Jackson	Clerical assistant (from Apr. 6).	1,062.36
Rebul H. Nichols	Clerical assistant	2,984.46
Mary Louise Vaughn	do	3,775.74
Paul J. Cotter	Staff member	7,375.26
Alonzo B. Gonzales	do	4,453.98
Maurice P. Pujol	do	6,884.82
Gardner C. Turner	do	7,375.26

CARL HAYDEN,
Chairman.

JULY 1, 1959.

COMMITTEE ON APPROPRIATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report on miscellaneous expenses during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

MISCELLANEOUS EXPENSES

Unexpended balance of amount authorized by Legislative Appropriation Act, 1958, as of Dec. 31, 1958	$333,376.30
Amount expended Jan. 1 to June 30, 1959	0
Balance unexpended as of June 30, 1959	333,376.30
Unexpended balance of amount authorized by Legislative Appropriation Act, 1959, as of Dec. 31, 1958	354,733.47
Amount expended Jan. 1 to June 30, 1959	31,878.41
Unexpended balance as of June 30, 1959	322,855.06
Unexpended balance of amount authorized by Reorganization Act for 85th Cong. and S. Res. 315 as of Dec. 31, 1958	9,966.81
Amount expended Jan 1 to June 30, 1959	104.70
Unexpended balance as of June 30, 1959	9,862.11
Amount authorized by Reorganization Act for 86th Cong	10,000.00
Amount expended Jan. 1 to June 30, 1959	1,513.58
Balance unexpended as of June 30, 1959	8,486.42

CARL HAYDEN,
Chairman.

JULY 1, 1959.

COMMITTEE ON ARMED SERVICES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959 to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Atkinson, Herbert S.	Assistant chief clerk	$4,841.06
Braswell, T. Edward Jr.	Professional staff member.	7,755.01
Dantzic, Maurine E.	Clerical assistant	3,154.06
Darden, William H.	Professional staff member.	8,150.00
Francovich, Virginia C.	Clerical assistant	2,645.38
Johnson, Edna E.	do	3,210.58
Nease, Gordon A.	Professional staff member (from Feb. 23.)	5,284.41
Welker, Mary M.	Clerical assistant	3,041.02
Wingate, Harry L. Jr.	Chief clerk	7,489.72

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	4,322.05
Balance available for expenditure at end of period	5,677.95

RICHARD B. RUSSELL,
Chairman.

JULY 1, 1959.

COMMITTEE ON ARMED SERVICES

PREPAREDNESS INVESTIGATING SUBCOMMITTEE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959 to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Brammer, Billy Lee	Investigator	$4,985.78
Busby, Horace W., Jr.	Consultant	1,901.65
Bush, Morris W.	Investigator	4,453.98
Byles, E. M., Jr.	do	4,657.65
Canaday, Alyce D.	Clerical assistant	2,588.82
Cooper, Genevieve	Secretary	3,097.50
French, Stuart P.	Special counsel	5,511.54
Friedenberg, Ronald	Attorney	5,110.80
Galloway, Eilene W.	Special consultant (from Feb. 1).	5,255.84
Gilleas, Ben J.	Attorney	5,274.46
Graumann, DeEstye M.	Clerical assistant (from Mar. 18).	1,513.72
Hartford, Carolyn G.	Stenographer (to Apr. 15).	1,378.26
Horwitz, Solis	Counsel (to Feb. 16)	1,922.38
Jeffries, Jo Ann V.	Clerk-typist	2,475.78
Mason, Janie E.	Research assistant (from Feb. 1).	1,106.85
McGillicuddy, Daniel F. Jr.	Attorney	5,560.56
Miller, Mary M.	Stenographer	2,645.34
Neal, Robert M.	Attorney	4,311.10
Nichols, Dorothy J.	Secretary (from Apr. 1).	2,170.47
Siegel, Gerald W.	Consultant	407.49
Wallace, Thomas R.	Investigator	2,588.82
Webb, W. P.	Consultant	271.66
Wilson, James W.	Counsel (from Feb. 17).	4,614.20

Funds available under S. Res. 212 for expenditure at beginning of period	$76,319.80
Funds expended during period under S. Res. 212	12,681.48
Balance returned to contingent fund of Senate	63,638.32
Funds authorized under S. Res. 26, agreed to Feb. 2, 1959	190,000.00
Funds expended during period	72,893.46
Balance available for expenditure at end of period	117,106.54

RICHARD B. RUSSELL,
Chairman.

LYNDON B. JOHNSON,
Chairman, Preparedness Investigating Subcommittee.

JULY 15, 1959.

COMMITTEE ON BANKING AND CURRENCY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959 to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
John H. Yingling	Chief clerk	$8,150.00
Robert A. Wallace	Staff director (to Apr. 20).	4,669.48
Matthew Hale	Chief counsel	7,865.74
Paul Cyr	Assistant clerk	7,522.42
James B. Cash, Jr.	Professional staff member (from Feb. 1).	7,522.42
Charles L. Egenroad	Professional staff member.	6,268.65
Henrietta S. Chase	Clerical assistant	3,775.77
Pauline C. Beam	do	3,436.65
Florence Barr	do	3,493.17
Caro M. Pugh	do	3,436.65

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	3,171.74
Balance available for expenditure at end of period	6,828.26

A. WILLIS ROBERTSON,
Chairman.

JULY 15, 1959.

COMMITTEE ON BANKING AND CURRENCY

SUBCOMMITTEE ON HOUSING

(S. Res. 207, agreed to Feb. 5, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959 to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Milton P. Semer	Chief counsel	$1,248.28
Dean F. Cromer	Staff assistant	975.81
Carl A. S. Coan	Research director	959.46
Dudley L. O'Neal, Jr.	Assistant counsel	833.81
Clarence R. Jacobs	Investigator	610.45
Mildred Mitchel	Clerical assistant	487.99
Doris I. Thomas	do	459.73

Funds available for expenditure at beginning of period	$14,012.62
Additional funds authorized during period	----------
Total available for expenditure during period	14,012.62
Expended during period	7,624.61
Balance available for expenditure at end of period	6,388.01

A. WILLIS ROBERTSON,
Chairman.

JULY 15, 1959.

COMMITTEE ON BANKING AND CURRENCY

SUBCOMMITTEE ON HOUSING

(S. Res. 11, agreed to Feb. 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Dean F. Cromer	Staff assistant	$4,879.05
Carl A. S. Coan	Research director	4,797.30
Dudley L. O'Neal, Jr.	Counsel	4,453.05
Milton P. Semer	Chief counsel (to Apr. 23).	3,453.57
Clarence R. Jacobs	Investigator (from Apr. 24).	3,052.25
James E. Palmer, Jr.	Professional staff member.	2,787.82
Mildred Mitchel	Clerical assistant	2,439.95
Doris I. Thomas	do	2,298.65

Funds available for expenditure at beginning of period	$100,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	100,000.00
Expended during period	32,062.66
Balance available for expenditure at end of period	67,937.34

A. WILLIS ROBERTSON,
Chairman.

JULY 15, 1959.

COMMITTEE ON BANKING AND CURRENCY

(S. Res. 214, agreed to Feb. 5, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Reginald W. Barnes	Assistant counsel	$842.81
Charles L. Egenroad	Professional staff member.	1,248.28
Olin Cavness	Staff assistant	788.86
William Field	do	437.91
Arthur J. Wilson	Staff assistant (to Jan. 5).	141.96
Carole Ann Allen	Clerical assistant (from Jan. 16).	234.57

Funds available for expenditure at beginning of period	$37,674.34
Additional funds authorized during period	----------
Total available for expenditure during period	37,674.34
Expended during period	13,620.89
Balance available for expenditure at end of period	24,053.45

A. WILLIS ROBERTSON,
Chairman.

JULY 15, 1959.

COMMITTEE ON BANKING AND CURRENCY

(S. Res. 20, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Carl T. Arlt, Jr.	Economist (from Feb. 26).	$5,201.16
Reginald W. Barnes	Assistant counsel	4,214.05
Olin Cavness	Staff assistant	3,944.30
Milton P. Semer	Counsel (from Apr. 24).	2,787.82
Peter A. Reese	Assistant counsel (from Feb. 6).	2,449.68
Carole Ann Allen	Clerical assistant	2,345.75
William Field	Staff assistant	2,189.55

Funds available for expenditure at beginning of period	$70,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	70,000.00
Expended during period	24,870.35
Balance available for expenditure at end of period	45,129.65

A. WILLIS ROBERTSON,
Chairman.

JULY 10, 1959.

COMMITTEE ON THE DISTRICT OF COLUMBIA

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Leo A. Casey	Chief clerk (to Mar. 1).	$2,761.93
Chester H. Smith	Chief clerk (from Mar. 2).	5,200.10
William P. Gulledge	Professional staff member	7,865.70
Donald P. Feldman	Professional staff member	5,752.69
Charles W. Lee	do	4,653.88
Ruth W. Bryant	Clerical assistant	3,832.26
Arlene B. Williams	do	3,832.26
Grace M. Stewart	Clerical assistant (from Apr. 1).	1,633.53
Carolyn S. Bell	Clerical assistant (to Jan. 12).	149.98

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	1,137.70
Balance available for expenditure at end of period	8,862.30

ALAN BIBLE,
Chairman.

JULY 8, 1959.

COMMITTEE ON FINANCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittee:

Name	Profession	Total salary received
Elizabeth B. Springer	Chief clerk	$6,884.82
Evelyn R. Thompson	Clerical assistant	3,832.26
Betty Mae Tapy	do	3,832.26
Sandra Everly	do	2,758.38
Jesse R. Nichols	Document clerk	3,210.54
Serge N. Benson	Professional staff member.	7,489.68

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	1,968.67
Balance available for expenditure at end of period	8,031.33

HARRY F. BYRD,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Carl M. Marcy	Professional staff member.	$8,149.98
Pat M. Holt	do	7,865.70
George C. Denney, Jr.	do	7,865.70
Donald G. Henderson	do	7,522.38
W. John Newhouse	Professional staff member (from Mar. 9).[1]	4,680.59
Darrell St. Claire	Chief clerk	7,522.38
Francis R. Valeo	Assistant chief clerk (to Jan. 6).	250.74
Morella R. Hansen	Professional staff member.[2]	5,056.86
Milrae E. Jensen	Professional staff member.[3]	5,056.86
Mary A. Sames	Clerical assistant	3,832.26
Theresa Bowen	Clerical assant	3,040.98
Lois H. Fleischhacker	do	2,984.46
Varney L. Porter	do	2,701.86
Judith A. Lund	do [2]	2,701.86
Mary E. Haugerud	Clerical assistant (from May 1).[1]	787.58
Robert E. Cole	Clerical assistant [3]	3,154.02
Penelope de Bordenave.	Clerical assistant (from Mar. 23 to Apr. 30).[1]	498.80

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	7,374.16
Balance available for expenditure at end of period	2,625.84

[1] Authority of S. Res. 30, agreed to Feb. 2, 1959.
[2] Authority of S. Res. 240, agreed to Jan. 16, 1958, and S. Res. 30, agreed to Feb. 2, 1959.
[3] Authority of S. Res. 259, agreed to Feb. 13, 1958, and S. Res. 32, agreed to Feb. 2, 1959.

J. W. FULBRIGHT,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

SUBCOMMITTEE ON STUDY OF FOREIGN POLICY, DISARMAMENT, AND LATIN AMERICAN AND CANADIAN RELATIONS

(Under authority of S. Res. 31, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Arthur M. Kuhl	Staff member	$6,146.05
Betty Goetz	Staff assistant	4,592.95
Carolyn F. Smith	Assistant clerk	2,345.75
Phillip J. Carlson	Staff member	2,534.15
John A. O'Neill, Jr.	Assistant clerk	1,034.40
Penelope de Bordenave.	Assistant clerk (from May 1).	787.58
Lessie H. Lewis	Assistant clerk (from Apr. 20).	931.97
Jerome A. Cohen	Staff member (from May 19).	881.00
Allard K. Lowenstein.	Clerical assistant (from Apr. 1 to May 31).	1,089.02
Mary E. Haugerud	Assistant clerk (to Apr. 30).	1,181.37

Funds available for expenditure at beginning of period	$500,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	500,000.00
Expended during period	79,197.65
Balance available for expenditure at end of period	420,802.35

J. W. FULBRIGHT,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

(Authority of S. Res. 259, agreed to March 6, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

No salaries.

Funds available for expenditure at beginning of period (by S. Res. 259 of Mar. 6, 1958)	$4,217.24
Additional funds authorized during period	----------
Total available for expenditure during period	4,217.24
Expended during period	1,857.11
Balance available for expenditure at end of period	2,360.13

J. W. FULBRIGHT,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

(Authority of S. Res. 332, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

No salaries.

Funds available for expenditure at beginning of period (by S. Res. 332 of Feb. 2, 1959)	$5,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	5,000.00
Expended during period	747.44
Balance available for expenditure at end of period	4,252.56

J. W. FULBRIGHT,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

SUBCOMMITTEE ON AMERICAN REPUBLICS AFFAIRS

(Under authority of S. Res. 330, agreed to July 31, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Phillip J. Carlson	Staff member (from Jan. 6 to 31).	$422.36

Funds available for expenditure at beginning of period	$148,849.83
Additional funds authorized during period	----------
Total available for expenditure during period	148,849.83
Expended during period	451.40
Balance available for expenditure at end of period	148,398.43

J. W. FULBRIGHT,
Chairman.

JULY 8, 1959.

COMMITTEE ON FOREIGN RELATIONS

(Subcommittee on Disarmament under authority of S. Res. 335, agreed to July 28, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Betty Goetz	Staff director	$918.59
Carolyn F. Smith	Assistant clerk	469.15
Agnes S. Sullivan	Assistant clerk (to Jan. 3).	46.91

Funds available for expenditure at beginning of period	$25,895.50
Additional funds authorized during period	----------
Total available for expenditure during period	25,895.50
Expended during period	13,543.24
Balance available for expenditure at end of period	12,352.26

J. W. FULBRIGHT,
Chairman.

JULY 20, 1959.

COMMITTEE ON FOREIGN RELATIONS

EXECUTIVE SUBCOMMITTEE ON U.S. FOREIGN POLICY

(Under authority of S. Res. 336, agreed to July 31, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Arthur M. Kuhl	Staff member	$1,229.21
John A. O'Neill, Jr.	Assistant clerk	206.88
Mary E. Haugerud	Assistant clerk (from Jan. 12).	249.40

Funds available for expenditure at beginning of period	$278,028.88
Additional funds authorized during period (repayment statutory receipt)	15,000.00
Total available for expenditure during period	293,028.88
Expended during period	6,761.07
Balance available for expenditure at end of period	286,267.81

J. W. FULBRIGHT,
Chairman.

JULY 15, 1959.

COMMITTEE ON GOVERNMENT OPERATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Walter L. Reynolds	Chief clerk	$7,865.70
Glenn K. Shriver	Professional staff member.	7,489.68
Eli E. Nobleman	do	7,489.68
Miles Scull, Jr.	do	7,489.68
William E. O'Brien	do	6,639.60
Arthur A. Sharp	do	5,056.86
Ann M. Grickis	Assistant chief clerk.	4,397.46
Ray Barnett	Clerical assistant	3,493.14
Vivien I. Hood	Clerical assistant (to May 15).	2,535.07
Kathryn Keeney (Mrs.).	Clerical assistant (to Jan. 15).	267.54
Yvonne Scott	Clerical assistant	3,106.91
Dorothy M. Sullivan	Clerical assistant (from Feb. 9).	2,328.65
Anne L. Kalland (Mrs.).	Clerical assistant (from June 1).	487.99

Funds available for expenditure at beginning of period, 86th Cong.	$10,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	10,000.00
Expended during period	1,194.03
Balance available for expenditure at end of period	8,805.97

JOHN L. MCCLELLAN,
Chairman.

JULY 15, 1959.

COMMITTEE ON GOVERNMENT OPERATIONS

SUBCOMMITTEE ON REORGANIZATION AND INTERNATIONAL ORGANIZATIONS

(S. Res. 347)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Julius N. Cahn	Professional staff member.	$1,248.28
Elizabeth S. Reynolds (Mrs.).	Clerical assistant	478.57
Howard E. Haugerud	Staff member	629.29
Emma S. Abbott (Mrs.).	Clerical assistant (from Jan. 12).	303.09
Kitty B. Celorier (Mrs.).	Clerical assistant-typist (from Jan. 21).	112.42

Funds available for expenditure at beginning of period	$16,355.38
Advance repaid	10,000.00
Total available for expenditure during period	26,355.38
Expended during period	5,128.75
Balance available for expenditure at end of period	21,226.63

JOHN L. MCCLELLAN,
Chairman.

HUBERT H. HUMPHREY,
Chairman, Subcommittee.

JULY 15, 1959.

COMMITTEE ON GOVERNMENT OPERATIONS

SUBCOMMITTEE ON REORGANIZATION AND INTERNATIONAL ORGANIZATIONS

(S. Res. 42)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Julius N. Cahn	Professional staff member.	$6,241.40
Elizabeth S. Reynolds (Mrs.)	Clerical assistant	2,416.39
Howard E. Haugerud	Staff member	2,035.77
Emma S. Abbott (Mrs.).	Clerical assistant	2,510.59
Kitty B. Celorier (Mrs.).	Clerical assistant-typist.	1,709.93
Juan Manzanares	Clerical assistant (from Feb. 16).	1,984.00
Thomas A. Sappington.	Professional staff member (Mar. 1-31).	1,000.33
Dr. Louis L. Williams.	Consultant (from Apr. 23).	384.86

Funds available for expenditure at beginning of period	$45,000.00
Additional funds authorized during period	----------
Total available for expenditure during period	45,000.00
Expended during period	19,796.03
Balance available for expenditure at end of period	25,203.97

JOHN J. MCCLELLAN,
Chairman.

HUBERT H. HUMPHREY,
Chairman, Subcommittee.

JULY 15, 1959.

COMMITTEE ON GOVERNMENT OPERATIONS

SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing

the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Buffalohide, Maxine B.	Assistant clerk	$3,379.09
Becker, Susan S.	Acting chief clerk (from Apr. 16).	1,196.42
Calabrese, Alphonse	Investigator	7,358.91
Dearborn, Alice S.	Assistant clerk	3,719.22
Duckett, Margaret W.	Acting chief clerk (to Apr. 15).	1,872.81
Dunne, Robert E.	Assistant counsel	6,443.40
Egan, Thomas G.	Investigator	6,100.08
Kennedy, Rosemary K.	Assistant clerk	3,125.76
Maisch, Carl F.	Investigator	5,266.32
Morgan, Philip W.	Chief counsel to minority (from Feb. 7).	5,062.51
Nulty, Leo C.	Investigator	6,639.60
O'Donnell, Donald F.	Acting chief counsel.	7,816.68
Switzer, Mildred L.	Assistant clerk	3,040.98

Funds available for expenditure at beginning of period	$12,565.44
Additional funds authorized during period	220,000.00
Total available for expenditure during period	232,565.44
Expended during period	72,014.75
Balance available for expenditure at end of period	160,550.69

JOHN M. MCCLELLAN,
Chairman.

JULY 15, 1959.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Callaghan, Richard L.	Staff director	$8,149.98
French, Stewart	Chief counsel	7,865.70
Gamble, James H.	Professional staff member.	7,522.38
Lineweaver, Goodrich L.	do	7,865.70
Stong, Benton J.	do	7,522.38
Callaghan, Marcia M.	Clerical assistant	3,154.02
Davis, Dorothy A.	do	2,984.46
Donnelley, Rosemary	do	3,380.10
McSherry, Nellie D.	Clerk	6,100.08
Todd, Pauline B.	Clerical assistant	3,154.02

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	7,004.62
Balance available for expenditure at end of period	2,995.38

JAMES E. MURRAY,
Chairman.

JULY 15, 1959.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(S. Res. 229, agreed to January 29, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Broide, Macy I.	Professional staff member (to Jan. 2)	$55.58
Curtis, Dorothy S.	Clerical assistant	497.41
Eaton, Eugene D.	Professional staff member (to Jan. 7).	1,147.47
Haburchak, Olga	Clerical assistant	100.67
Harrington, Joan M.	do	497.41
Holderer, Geo. B.	Professional staff member.	1,147.47
Lahr, Mary Catherine	Clerical assistant	487.99
Mann, Jerry E.	do	487.99
Mapes, Milton C., Jr.	Professional staff member.	1,090.25
Nelson, Elmer K.	do	1,248.28
O'Connor, Adele R.	Stenographer	487.99
O'Toole, Richard F.	Professional staff member.	1,180.16
Redwine, Robert W.	do	1,147.47
Sutton, Betty M.	Clerical assistant (from Jan. 19).	478.57
Downs, Harry P.	Professional staff member.	251.71
Thomas, Thomas R.	Clerical assistant	212.47

Funds available for expenditure at beginning of period	$18,335.85
Additional funds authorized during period	
Total available for expenditure during period	18,335.85
Expended during period	12,848.69
Balance available for expenditure at end of period	5,487.16

JAMES E. MURRAY,
Chairman.

JULY 15, 1959.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(S. Res. 70, agreed to February 6, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Baron, Sandra S.	Clerical assistant (from Apr. 13).	$1,244.28
Cafferty, Michael J.	Professional staff member (Feb. 6 to Mar. 12).	4,968.31
Childers, Frankie	Clerical assistant	601.85
Curtis, Dorothy S.	Clerical assistant (from Mar. 1).	2,487.05
Dwyer, Robert P.	Professional staff member.	4,655.28
Eaton, Eugene D.	do	5,737.35
Harrington, Joan M.	Clerical assistant	2,487.05
Lahr, Mary Catherine	do	2,439.95
Mapes, Milton C., Jr.	Professional staff member (from June 15).	5,565.69
McHale, John J.	Clerical assistant	245.19
Nelson, Elmer K.	Professional staff member.	6,241.40
O'Connor, Adele R.	Stenographer	2,439.95
Redwine, Robert W.	Professional staff member (Mar. 13 to May 21).	5,737.35
Shannon, Helen G.	Clerical assistant	1,122.37
Sutton, Betty M.	Clerical assistant (to Apr. 30).	2,430.53
Thomas, Thomas R.	Clerical assistant (from Feb. 2).	1,124.85
Wolf, Robert E.	Professional staff member.	4,724.73

Funds available for expenditure at beginning of period	$200,000.00
Additional funds authorized during period	
Total available for expenditure during period	200,000.00
Expended during period	65,273.40
Balance available for expenditure at end of period	134,726.60

JAMES E. MURRAY,
Chairman.

JULY 7, 1959.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Bowers, Joan A.	Administrative-clerical staff.	$2,758.38
Cooper, Grace R.	do	2,475.78
Jarrett, Edward	do	7,865.70
McElroy, John M.	do	7,865.70
Rudolph, Vera B.	do	3,832.26
Shaffer, Martha P.	do	3,380.10
Bailey, James E.	Professional staff	7,489.68
Barton, Frank L.	do	7,489.68
Baynton, Harold I.	do	8,149.98
Zapple, Nicholas	do	7,489.68

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	0
Total available for expenditure during period	10,000.00
Expended during period	5,166.18
Balance available for expenditure at end of period	4,833.82

WARREN G. MAGNUSON,
Chairman.

JULY 7, 1959.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(S. Res. 27, agreed to March 5, 1959, authorizing the Committee on Interstate and Foreign Commerce to investigate certain matters within its jurisdiction; S. Res. 29, agreed to March 5, 1959, providing for a study of transportation policies in the United States)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Adkisson, Sandra L.	Administrative-clerical staff (to May 3).	$1,191.54
Butz, John R.	Administrative-clerical staff.	3,570.35
Chase, Anna M.	Administrative-clerical staff (from May 4).	673.71
Cobb, Dorothy E.	Administrative-clerical staff (from June 10).	211.34
Dean, Betty P.	Administrative-clerical staff.	1,686.40
Fadely, Catherine E.	do	2,581.25

Name	Profession	Total salary received
Grinstein, Rosalie A.	Administrative-clerical staff (from June 2).	$316.92
Lewis, Willie L.	Administrative-clerical staff.	1,921.85
Monk, Jane E.	do	2,298.65
Rogers, Kathryn B.	Administrative-clerical staff (to June 11).	1,925.22
Torre, Catherine C.	Administrative-clerical staff.	2,581.25
Barnes, George	Professional staff (from June 25).	249.65
Black, John W.	Professional staff	3,937.93
Bourbon, August J.	do	6,241.40
Cox, Kenneth A.	Professional staff (from Apr. 1).	3,744.84
Dinsmore, John N.	Professional staff (from Apr. 21).	2,334.10
Dyer, John M.	Professional staff (from June 26).	166.72
Grinstein, Gerald B.	Professional staff	3,899.30
Hockelle, Paul E.	Professional staff (to Apr. 15).	3,120.70
Huse, Harry C.	Professional staff	4,879.05
Lordan, Frederick J.	Professional staff (from Apr. 24 to June 30).	2,787.82
Luckey, Albert B., Jr.	Professional staff	5,083.40
Markel, Daniel B.	Professional staff (from Mar. 5).	3,224.07
Murphy, Robert T.	Professional staff	6,241.40
Rudy, Leslie M.	do	6,241.40
Stern, Edward A.	do	4,552.05
Watkins, Charles D.	do	3,570.35
Wissman, Bertram O.	Professional staff (to May 5).	3,952.88

Funds available for expenditure at beginning of period	$515,000.00
Additional funds authorized during period	0
Total available for expenditure during period	515,000.00
Expended during period	93,895.60
Balance available for expenditure at end of period	421,104.40

WARREN G. MAGNUSON,
Chairman.

JULY 7, 1959.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(S. Res. 224, agreed to February 5, 1958, authorizing the Committee on Interstate and Foreign Commerce to investigate certain matters under its jurisdiction; S. Res. 287, agreed to May 6, 1958, authorizing a study of the textile industry of the United States; S. Res. 303, agreed to June 23, 1958, providing a study of transportation policies in the United States)

TO THE SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Adkisson, Sandra L.	Administrative-clerical staff.	$384.37
Butz, John R.	do	714.07
Dean, Betty P.	Administrative-clerical staff (from Jan. 9).	247.33
Fadely, Catherine E.	Administrative-clerical staff.	516.25
Lewis, Willie L.	do	356.11
Monk, Jane E.	do	459.73
Rogers, Kathryn B.	do	440.89
Torre, Catherine C.	do	516.25
Black, John W.	Professional staff	695.23
Bourbon, August J.	do	1,248.28
Grinstein, Gerald B.	do	779.86
Hockelle Paul E.	Professional staff (from Jan. 5).	$1,081.84
Huse, Harry C.	Professional staff	975.81
Kohler, William L.	do	788.86
Luckey, Albert B., Jr.	do	1,016.68
Miernyk, William H.	do	701.18
Murphy, Robert T.	do	1,248.28
Rudy, Leslie M.	do	1,248.28
Stern, Edward A.	do	910.41
Watkins, Charles D.	do	714.07
Wissman, Bertram O.	do	1,165.06

Funds available for expenditure at beginning of period	$173,137.84
Additional funds authorized during period	0
Total available for expenditure during period	173,137.84
Expended during period	28,590.62
Balance available for expenditure at end of period	144,547.22

WARREN G. MAGNUSON,
Chairman.

JULY 7, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON IMMIGRATION AND NATURALIZATION

(S. Res. 235, agreed to January 29, 1958, and S. Res. 55, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Ashcraft, Ann	Clerk	$2,532.30
Blair, Drury H.	Staff member	7,489.68
Brown, James M.	Legal assistant	5,707.74
Buckner, Catlett L.	Staff member	5,658.66
Burton, Robert R.	Staff member (to Apr. 7).	3,612.06
DeGooyer, Franzetta R.	Clerk	3,267.06
Horrigan, Arthur J.	Staff member (from Feb. 9).	3,156.99
McCloskey, Mary J.	Clerk	3,267.06
Mesmer, Fred M.	Staff member	7,489.68
Stevens, William A.	Minority counsel (from Apr. 8).	3,197.27

Funds available for expenditure at beginning of period (S. Res. 235)	$9,700.09
Funds expended from S. Res. 235	7,263.08
Balance on Jan. 31, 1959, at which time S. Res. 235 expired	2,437.01
Additional funds authorized during period (S. Res. 55 agreed to Feb. 2, 1959)	96,000.00
Funds expended from S. Res. 55	40,078.65
Balance available for expenditure at end of period	55,921.35

JAMES O. EASTLAND,
Chairman, Committee and Subcommittee.

JULY 7, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON ADMINISTRATIVE PRACTICE AND PROCEDURE

(S. Res. 61, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Bolton-Smith, Carlile.	Attorney (from Apr. 13).	$3,245.53
Carlin, Virginia D.	Secretary (from Mar. 9).	1,786.66
Ennis, Edna Mae	Clerical assistant (Apr. 20 to May 28).	622.14
Kennedy, Cornelius B.	Minority counsel (from Apr. 1).	3,466.92
McDonald, Joseph M.	Chief counsel (from Mar. 9).	4,660.24
Mote, Eleanor D.	Stenographer (from June 16).	239.28

Funds available for expenditure at beginning of period	$115,000.00
Additional funds authorized during period	
Total available for expenditure during period	115,000.00
Expended during period	14,773.04
Balance available for expenditure at end of period	100,226.96

JAMES O. EASTLAND,
Chairman.
JOHN A. CARROLL,
Subcommittee Chairman.

JULY 10, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS

(S. Res. 58, agreed to Feb. 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Fensterwald, Bernard, Jr.	Chief Counsel (from Feb. 1).	$6,268.65
Coulter, Kathryn M.	Secretary (from Mar. 4).	2,035.79

Funds available for expenditure at beginning of period	$25,000.00
Additional funds authorized during period	
Total available for expenditure during period	25,000.00
Expended during period	9,815.48
Balance available for expenditure at end of period	15,184.52

JAMES O. EASTLAND,
Chairman.
ESTES KEFAUVER,
Subcommittee Chairman.

JULY 15, 1959.

COMMITTEE ON THE JUDICIARY

NATIONAL PENITENTIARIES SUBCOMMITTEE

(S. Res. 230, agreed to January 29, 1958; S. Res. 60, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing

the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

No employees.

Funds available for expenditure at beginning of period (S. Res. 230)	$4,477.87
Funds expended from S. Res. 230	
Balance on Jan. 31, 1959, at which time S. Res. 230 expired	4,477.87
Additional funds authorized during period (S. Res. 60 agreed to Feb. 2, 1959)	5,000.00
Funds expended from S. Res. 60	
Balance available for expenditure at end of period	5,000.00

JAMES O. EASTLAND,
Chairman.

THOS. C. HENNINGS, Jr.,
Subcommittee Chairman.

JULY 15, 1959.

COMMITTEE ON THE JUDICIARY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Joseph A. Davis	Chief clerk	$7,865.70
Thomas B. Collins	Professional staff member.	7,803.03
George S. Green	do	7,516.93
Lincoln P. B. Lipscomb.	do	7,516.93
Francis C. Rosenberger.	do	7,516.92
Arthur A. Sandusky	Professional staff member (from Mar. 9).	4,222.84
G. Dugas Shands	Professional staff member (from Apr. 6).	3,552.23
Robert B. Young	Professional staff member (to Mar. 31).	3,755.74
Mildred E. Canon	Clerical assistant	3,606.18
Costas C. Chrissos	do	3,606.18
Carrie Lee Conner	do	3,606.18
Katharine M. Ellis	do	3,606.18
Beatrice M. Gray	do	3,097.50
Mary I. Rogers	do	3,606.18
Richard F. Wambach	do	3,606.18

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	941.75
Balance available for expenditure at end of period	9,058.25

JAMES O. EASTLAND,
Chairman.

JULY 6, 1959.

COMMITTEE ON THE JUDICIARY

SENATE ANTITRUST AND MONOPOLY SUBCOMMITTEE

(S. Res. 231, agreed to February 5, 1958; S. Res. 57, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Arnett, Lucy V	Stenographer	$3,097.50
Beaton, Adele V	Secretary to counsel for minority (to Feb. 19).	843.21
Blair, John M	Chief economist	7,489.68
Bolton-Smith, Carlile	Attorney (to Apr. 12).	4,244.15
Browne, E. Wayles, Jr.	Economist	6,884.82
Bryant, Lucile	Stenographer	2,927.94
Campbell, Persia	Attorney (w.a.e.)	131.47
Carpenter, Robert A	Associate hearing editor.	5,511.54
Chaney, Katherine Ford.	Stenographer	2,758.38
Chumbris, Peter N	Counsel for the minority.	7,489.68
Clifford, George E	Assistant counsel	5,707.74
Cole, Raymond C., Jr.	Investigator	5,110.80
Dixon, Paul R	Counsel and staff director.	7,489.68
Dupree, Edwin D., Jr.	Attorney (from May 1).	2,000.66
Farrow, Larry J	Messenger (from Mar. 4 to Apr. 3).	256.04
Finley, Carl M., Jr	Messenger (from Feb. 3 to 28).	238.98
Flurry, Horace L	Assistant counsel	7,151.84
Fry, L. Carl	Special economist	6,541.50
Golden, Joseph C	Attorney	4,077.18
Graffam, O. Marie	Telephone operator	1,716.60
Green, Paul S	Hearing editor	5,707.74
Hamilton, Irene T	Economist (w..a.e.)	3,297.10
Heins, Richard M	Attorney (w.a.e.)	1,290.11
Holladay, Carl R	Messenger (from Apr. 1 to May 31)	512.10
Holzman, Bernice M	Stenographer (w.a.e.).	447.69
Kittrie, Nicholas N	Attorney for the minority (from Apr. 30).	1,202.94
Layton, Philip R	Assistant counsel	6,639.60
McHugh, Donald P	Counsel	7,489.68
McKellar, Janice R	Stenographer (from Jan. 15)	2,344.13
Measday, Walter S	Economist	5,658.66
Montier, Gladys E	Clerk	3,719.22
Neville, Gareth M	Assistant counsel	7,489.68
Oliver, Mae	Records clerk	3,719.22
Olshine, Lucille L	Research assistant (to Mar. 31).	1,520.49
Peck, Theodore T	Attorney	7,489.68
Posmantur, Peter T	Attorney (to June 15).	3,668.33
Raymond, Jeanne M	Secretary for counsel for the minority (from Mar. 1).	1,688.20
Read, Arlone	Stenographer	2,927.94
Ridley, Ida E	Stenographer (to Jan. 15).	201.60
Rosenman, Louis	Attorney	3,888.78
Scarbrough, John F	Messenger (from June 1).	256.05
Sparks, Wilbur D	Attorney	5,315.34
Thomas, Wayne	Messenger (from Jan. 6 to 31).	213.37
Underwood, Paula L	Stenographer	2,456.94
Wendt, Lucile B	Attorney (from Apr. 23).	2,156.25
Williams, Thomas C	Attorney	3,719.22
Youngblood, Jo Anne	Stenographer (from Feb. 23).	1,720.36
Zaiany, Emily W	Stenographer	2,871.42

Funds available for expenditure at beginning of period (S. Res. 231)	$52,497.95
Funds expended from S. Res. 231	38,460.31
Balance on Jan. 31, 1959, at which time S. Res. 231 expired	14,037.28
Additional funds authorized during period (S. Res. 57, agreed to Feb. 2, 1959)	395,000.00
Funds expended from S. Res. 57	161,291.06
Balance available for expenditure at end of period	233,708.94

JAMES O. EASTLAND,
Chairman.

ESTES KEFAUVER,
Subcommittee Chairman.

JULY 6, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON TRADING WITH THE ENEMY ACT

(S. Res. 232, agreed to January 29, 1958; S. Res. 56, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Downey, Mabel A	Clerk	$3,388.26
Gale, Clara R	Research assistant (Mar. 17 to May 15).	904.13
Gibson, Helen A	Minority clerk (from June 18).	178.80
Riley, Richard W	Attorney (from June 8).	453.56
Sarratt, Frances R	Stenographer (from June 16).	168.63
Stevens, William A	Minority counsel (Mar. 11 to Apr. 7).	1,040.08
Tawney, James A	Minority counsel (from June 1).	1,155.64
Wood, Harlan	Counsel	7,489.68

Funds available for expenditure at beginning of period (S. Res. 232)	$24,769.48
Funds expended from S. Res. 232	2,135.79
Balance on Jan. 31, 1959, at which time S. Res. 232 expired	22,633.69
Additional funds authorized during period (S. Res. 56, agreed to Feb. 2, 1959)	60,000.00
Funds expended from S. Res. 56	14,037.40
Balance available for expenditure at end of period	45,962.60

JAMES O. EASTLAND,
Chairman.

OLIN D. JOHNSTON,
Subcommittee Chairman.

JULY 13, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS OF THE COMMITTEE ON THE JUDICIARY

(S. Res. 234, agreed to January 29, 1958; S. Res. 62, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Bevan, Robert L	Assistant counsel	$704.65
Esco, J. Delmas	do	4,733.16
Farquhar, Norman J	Clerical assistant (from June 4).	295.07
Gomez, Angelina T	Secretary (from May 25).	529.06
Gowen, Mary A	Secretary	3,323.58
Grieg, Lydia S	do	3,323.58
Irwin, Mary A	Legislative consultant.	4,733.16
Johnson, Curtis E	Research consultant (from May 15).	1,596.50
MacNaughton, Marcia J.	Research assistant	2,645.34

Name	Profession	Total salary received
Maloney, Walter H., Jr.	Assistant counsel (to June 28).	$3,759.53
McCandless, Sue H.	Research assistant (to Apr. 30).	1,763.56
Miller, Martin R.	Clerical assistant (from Jan. 12).	935.92
Patton, William D.	1st assistant counsel and deputy staff director.	5,903.91
Simmons, Belva T.	Research assistant	2,743.06
Slayman, Charles H., Jr.	Chief Counsel and staff director.	7,522.38

Funds available for expenditure at beginning of period (S. Res. 234)	$27,264.13
Funds expended from S. Res. 234	9,432.62
Balance on Jan. 31, 1959, at which time S. Res. 234 expired	17,831.51
Additional funds authorized during period (S. Res. 62, agreed to Feb. 2, 1959)	115,000.00
Funds expended from S. Res. 62	42,023.60
Balance available for expenditure at end of period	72,976.40

JAMES O. EASTLAND,
Chairman.
THOS. C. HENNINGS, Jr.,
Subcommittee Chairman.

JULY 13, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE OF THE COMMITTEE ON THE JUDICIARY TO INVESTIGATE PROBLEMS CONNECTED WITH REFUGEES AND ESCAPEES

(S. Res. 239, agreed to January 29, 1959; S. Res. 52, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Eleanor C. Guthridge	General counsel	$7,489.68
Lucille M. Zisler	Secretary	2,871.42
Thomas R. Amlie	Consultant (from May 1).	413.76

Funds available for expenditure at beginning of period (S. Res. 239)	$12,825.94
Funds expended from S. Res. 239	2,000.66
Balance on Jan. 31, 1959, at which time S. Res. 239 expired	10,825.28
Additional funds authorized during period (S. Res. 52 agreed to Feb. 2, 1959)	37,500.00
Funds expended from S. Res. 52	9,832.50
Balance available for expenditure at end of period	27,667.50

JAMES O. EASTLAND,
Chairman.
WILLIAM LANGER,
Subcommittee Chairman.

JULY 10, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS

(Pursuant to S. Res. 236, agreed to February 5, 1958; and S. Res. 53, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from Jan. 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Brennan, Thomas C.	Investigator (from June 10).	$348.19
Chrissos, Louise J.	Secretary	2,899.68
Clesner, Herschel F.	Assistant counsel	5,363.11
Dinkins, Clarence M.	do	4,894.14
Ercegovich, Ann M.	Secretary	3,238.79
Gehlmann, Donald E.	Clerk	1,279.67
Gibbons, Richard M.	Secretary-typist	2,527.58
Haaser, Stephen G.	Chief clerk	5,634.14
Osswald, Jack	Investigator (to June 30).	2,984.46
Stedman, John C.	Associate counsel (to Jan. 31).	1,248.28
Stedman, John C.	Associate counsel (from Feb. 13) (w.a.e.).	1,765.82
Solo, Robert A.	Consultant (to Jan. 31) (w.a.e.).	505.82
Turk, Thad A.	Clerk	2,362.74
Wright, Robert L.	Chief counsel	7,495.13

Funds available for expenditure at beginning of period (S. Res. 235)	$57,526.41
Funds expended from S. Res. 236	10,304.79
Balance on Jan. 31, 1959, at which time S. Res. 236 expired	47,221.62
Additional funds authorized during period (S. Res. 53, agreed to Feb. 2, 1959)	145,000.00
Funds expended from S. Res. 53	41,914.37
Balance available for expenditure at end of period	103,085.63

JAMES O. EASTLAND,
Chairman.
JOSEPH C. O'MAHONEY,
Subcommittee Chairman.

JULY 7, 1959.

COMMITTEE ON THE JUDICIARY

(S. Res. 233, agreed to January 29, 1958; S. Res. 378, agreed to August 20, 1958, and S. Res. 59, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959 together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Baker, Dorothy C.	Records manager	$5,110.80
Betts, Mary E.	Secretary	2,758.38
Buckley, Wilburn	Investigator (to Feb. 14).	1,575.05
Dua, Bernice E.	Secretary	2,758.38
Fox, Miriam O.	Confidential secretary.	3,832.26
Hutto, Ralph H., Jr.	Assistant editorial director.	5,560.56
Jackson, George B.	Messenger (from June 9).	233.97
Lowell, William E.	Editorial director	5,095.81
Mandel, Benjamin	Research director	6,933.84
McCarthy, Mary C.	Secretary (from Mar. 26).	1,455.81
McManus, Robert C.	Investigations analyst (from Jan. 6).	6,550.49
McManus, William F.	Research assistant	4,171.38
McShan, Antoinette M.	do	3,436.62
Pierce, Clarence A.	Investigator	4,114.86
Rushing, Dorothy S.	Secretary (from Mar. 16).	1,442.94
Schroeder, Frank W.	Chief investigator	6,737.64
Sisson, W. D.	Clerk	2,645.34
Sourwine, J. G.	Chief counsel	8,149.98
Stavropulos, Mary	Clerk	2,871.42
Tonnar, Helen H.	Secretary	3,040.98
Wooton, Elliott T.	Clerk	$2,213.15
Baarslag, Karl	Consultant (w.a.e.)	362.21
Hunter, Edward	Consultant (w.a.e.)	271.65
McManus, Mary B.	Consultant (from Mar. 24) (w.a.e.).	674.24

Funds available for expenditure at beginning of period (S. Res. 233 and S. Res. 378)	$36,896.00
Funds expended from S. Res. 233 and S. Res. 378	16,752.41
Balance on Jan. 31, 1959, at which time S. Res. 233 and S. Res. 378 expired	20,143.59
Additional funds authorized during period (S. Res. 59, agreed to Feb. 2, 1959)	224,000.00
Funds expended from S. Res. 59	77,319.79
Balance available for expenditure at end of period	146,680.21

JAMES O. EASTLAND,
Chairman.
JULY 7, 1959.

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE TO INVESTIGATE JUVENILE DELINQUENCY

(S. Res. 237, agreed to January 29, 1958, and S. Res. 54, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, toegther with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Beaton, Adele V.	Secretary (from Feb. 20).	$2,249.88
Bernstone, Arthur H.	Chief counsel	7,489.68
Birdzell, F. Douglas	Minority professional staff member (from Mar. 3).	4,545.52
Butts, Dorothy C.	Stenographer	2,645.34
Childers, Frankie	Editorial director (from Mar. 23).	2,178.76
Fullmer, Marvin R.	Investigator (from Apr. 13).	2,074.41
Holland, Cecil F.	Clerical assistant (from June 11).	202.79
Lent, M. J.	Clerical assistant (June 15 to 30).	119.08
Louis, Margaret M.	Stenographer	2,720.70
McGill, Elizabeth T.	Chief clerk	3,964.14
Mish, William H.	Clerical assistant (June 4 to 12).	76.81
Nalty, Paul A.	Clerical assistant (Jan. 5 to May 22).	828.76
Perian, Carl L.	Research director	4,894.52

Funds available for expenditure at beginning of period (S. Res. 237)	$30,108.93
Funds expected from S. Res. 237	4,454.66
Balance on Jan. 31, 1959, at which time S. Res. 237 expired	25,654.27
Additional funds authorized during period (S. Res. 54 agreed to Feb. 2, 1959)	150,000.00
Funds expended from S. Res. 54	35,162.55
Balance available for expenditure at end of period	114,837.45

JAMES O. EASTLAND,
Chairman.
THOS. C. HENNINGS, JR.,
Subcommittee Chairman.

JULY 6, 1959.

COMMITTEE ON LABOR AND PUBLIC WELFARE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees

during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Stewart E. McClure	Chief clerk	$7,489.68
Roy E. James	Assistant chief clerk (to Apr. 6).	3,994.49
Crawford C. Heerlein	Clerical assistant	3,832.26
Vivien T. Harman [1]	do	3,719.22
Thelma W. Blankenship.	do	3,436.62
Majorie M. Whittaker.[1]	do	3,380.10
Helen H. Papps	do	3,380.10
Alice H. Price	do	3,154.02
Helyn Eagle [1]	do	3,154.02
Lucile Gould [1]	do	2,927.94
Nina S. Fountain [1]	Clerical assistant (from Jan. 30).	2,313.97
Patricia A. Noland [1]	Clerical assistant (from Mar. 25 to June 6).	899.88
Virginia T. Ludwick [1]	Clerical assistant (from June 7).	367.78
Juanita K. Hamilton [1]	Clerical assistant (from June 11).	306.49
John S. Forsythe	General counsel	7,865.70
Michael J. Bernstein	Minority counsel	7,865.70
William G. Reidy	Professional staff member.	7,489.68
Raymond D. Hurley	Minority professional staff member.	7,489.67
Frederick R. Blackwell.[1]	Professional staff member.	7,489.68
Ralph A. Dungan [1]	do	7,489.68
Samuel A. Merrick [1]	Professional staff member (from Jan. 21).	6,657.49
Frederick Randolph [1]	Professional staff member (from Apr. 8).	3,453.57

[1] Under authority of S. Res. 49, Feb. 2, 1959.

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	4,121.13
Balance available for expenditure at end of period	5,878.87

LISTER HILL,
Chairman.

JULY 6, 1959.

COMMITTEE ON LABOR AND PUBLIC WELFARE

SUBCOMMITTEE ON PROBLEMS OF THE AGED AND AGING

(Under authority of S. Res. 65, February 6, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 6, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Paula M. Duncan	Clerical assistant (from June 25).	$60.38
Evelyn M. Douglas	Clerical assistant (from May 8).	329.70
Loyis A. Duran	Clerical assistant (from Apr. 6).	1,249.19
Patricia G. Slinkard	Clerical assistant	1,249.19
Dolores D. Sutton	Clerical assistant (from May 6).	808.30
Sidney Spector	Staff director and consultant (w.a.e.).	2,827.81
Harold L. Sheppard	Research director and consultant (w.a.e.).	3,028.00
Wilbur J. Cohen	Consultant (w.a.e.)	226.38

Funds available for expenditure at beginning of period	$85,000.00
Additional funds authorized during period	
Total available for expenditure during period	85,000.00
Expended during period	11,212.17
Balance available for expenditure at end of period	73,787.83

LISTER HILL,
Chairman.

JULY 6, 1959.

COMMITTEE ON LABOR AND PUBLIC WELFARE

SUBCOMMITTEE ON LABOR

(Under authority of S. Res. 66, February 6, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 6, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Virginia Ludwick	Clerical assistant, (from Feb. 25 to June 6.)	$1,723.21
Charles O. Gregory [1]	Consultant (w.a.e.)	527.23
Archibald Cox [1]	do	749.77
David L. Cole [1]	do	667.24
Russell A. Smith [1]	do	479.87
Denison Kitchel [1]	do	100.11
George W. Taylor [1]	do	498.04

[1] Members of Special Panel on Labor Law Revision.

Funds available for expenditure at beginning of period	$20,000.00
Additional funds authorized during period	
Total available for expenditure during period	20,000.00
Expended during period	11,050.44
Balance available for expenditure at end of period	8,949.56

LISTER HILL,
Chairman.

JULY 14, 1959.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Brawley, H. W	Chief clerk	$8,149.98
Kerlin, J. Don	Professional staff member.	7,865.70
Paschal, Frank A	do	7,865.70
Faucette, Andrew McC.	do	7,522.38
Finzel, Hubert H	do	7,522.38
Fuller, Richard G	Assistant chief clerk (from Mar. 9).	$3,734.56
Perrott, Virginia E	Assistant chief clerk (to Mar. 8).	1,490.44
Sisk, Elizabeth R	Clerical assistant	3,832.26
Thornton, Peggy L	do	2,984.46
Gooselaw, Jay E	do.[1]	2,984.46
McDonald, Innis E	do	3,313.52
Finney, Joan M	do	3,380.10

[1] Under authority of S. Res. 210, agreed to Jan. 29, 1958, and S. Res. 7, agreed to Feb. 2, 1959.

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	1,049.19
Balance available for expenditure at end of period	8,950.81

OLIN D. JOHNSTON,
Chairman.

JULY 14, 1959.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

(Investigation of the Administration of the Federal Employee Group Life Insurance Program, the Civil Service System, and the Postal Service, S. Res. 208, agreed to January 29, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittes:

Name	Profession	Total salary received
Alexander, Betty C	Clerical assistant (to Jan. 15).	$211.02
Gandal, Gabriele	Clerical assistant (to Jan. 4).	62.55
Johnston, Nannette G.	Clerical assistant	563.35
McEnroe, Louella C	do	553.93
Miller, William W	Investigator	894.07
Seastrunk, F. Jack	Consultant (w.a.e.)	129.33

Funds available for expenditure at beginning of period	$9,763.31
Additional funds authorized during period	
Total available for expenditure during period	9,763.31
Expended during period	3,027.22
Balance available for expenditure at end of period	6,736.09

OLIN D. JOHNSTON,
Chairman.

JULY 14, 1959.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

(Study of the administration by the Post Office Department of the postal service, and the desirability of establishing a group medical and hospitalization program for Federal employees

(S. Res. 8, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Bell, Elizabeth E	Clerical assistant (from Feb. 16).	$1,941.61
Connerton, John J	Staff assistant (from Apr. 10).	1,673.65
Johnston, Nannette G.	Clerical assistant	2,877.67
Klappenbach, Patricia.	Clerical assistant (from Feb. 16).	1,941.61
McEnroe, Louella C	Clerical assistant	2,816.12
Miller, William W	Investigator	4,470.35
Perrott, Virginia E	Chief clerk (from Mar. 9).	2,454.85

Funds available for expenditure at beginning of period	$90,000.00
Additional funds authorized during period	
Total available for expenditure during period	90,000.00
Expended during period	20,114.14
Balance available for expenditure at end of period	69,885.86

OLIN D. JOHNSTON,
Chairman.

JULY 13, 1959.

COMMITTEE ON PUBLIC WORKS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Irving E. Moore	Chief clerk	$8,149.98
Theo W. Sneed	Professional staff member.	7,473.36
John L. Mutz	do	7,473.36
Frances Ortiz	do	6,933.84
Charles N. Kapnic	Clerical assistant (to May 31).	2,655.59
Eloise Porter	Clerical assistant (to Mar 31).	3,193.55
Frances T. Clark	Clerical assistant	3,832.26
Lorenzo E. Tapia	do	3,323.58
Eve Townsend	Clerical assistant (from June 10).	354.78
Rodney F. Moulton	Assistant chief clerk (from Feb. 4).	5,502.41
Alfred M. Eberle	Clerical assistant (from Apr. 1).	1,916.13

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	759.21
Balance available for expenditure at end of period	9,240.79

DENNIS CHAVEZ,
Chairman.

JULY 7, 1959.

COMMITTEE ON PUBLIC WORKS

SUBCOMMITTEE ON INVESTIGATIONS

(Under authority of S. Res. 45, agreed to February 6, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Leo A. Casey	Clerk (from Mar. 3)	$2,490.97
Paul McBride	Clerk	5,480.13
Margaret A. Young	Clerk (from June 15)	170.16
Rodney F. Moulton	Clerk (to Feb. 3)	1,010.44

	Jan. 1–31 under authority of S. Res. 213	Feb. 1 to June 30, under authority of S. Res. 45
Funds available for expenditure at beginning of period	$24,469.38	$125,000.00
Additional funds authorized during period repayment of statutory receipts	4,000.00	
Total available for expenditure during period	28,469.38	125,000.00
Expended during period	4,060.27	11,693.38
Balance available for expenditure at end of period	24,409.11	113,306.62

DENNIS CHAVEZ,
Chairman.

JULY 1, 1959.

COMMITTEE ON RULES AND ADMINISTRATION

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Harrison, Gordon F	Chief clerk	$8,149.98
Dryden, Franklin B	Professional staff member.	7,865.70
West, Langdon C	do	7,489.68
Neilon, Patrick J	do	5,665.40
Mote, Walter L	do	5,511.54
Coder, John P	do	5,056.86
Moore, Marian G	Assistant chief clerk	4,284.42
Gavin, B. Floye	Clerical assistant	3,832.26
Mitchell, Elizabeth S	do	3,380.10
Sharp, Hildreth T	do	3,474.30

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	
Total available for expenditure during period	10,000.00
Expended during period	1,097.17
Balance available for expenditure at end of period	8,902.83

THOS. C. HENNINGS, Jr.,
Chairman.

JULY 10, 1959.

COMMITTEE ON RULES AND ADMINISTRATION

SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Clark, Alice	Special assistant (to Jan. 31).	$779.86
Corneaby, Ed. M	Investigator (to Feb. 28).	1,428.14
Daly, Mary G	Clerical assistant	2,758.38
Duffy, James H	Chief counsel	7,489.68
Gale, Clara R	Research assistant (to Feb. 28).	1,296.26
Humphrey, David J	Investigator (to Feb. 28).	1,484.66
Johnson, Vernon J	Minority counsel	1.248.28
Mase, Sadi J	Associate chief counsel.	7,489.68

	Jan. 1–31 under authority of S. Res. 250	Feb. 1–June 30 under authority of S. Res. 69
Funds available for expenditure at beginning period	$67,848.59	$75,000.00
Additional funds authorized during period (repayment of statutory receipt)	10,000.00	
Total available for expenditure during period	77,848.59	75,000.00
Expended during period	8,194.65	18,265.79
Balance available for expenditure at end of period	69,653.94	56,734.21

THOS. C. HENNINGS, Jr.,
Chairman.

JULY 15, 1959.

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Adlerman, Jerome S	Assistant chief counsel.	$7,865.70
Aporta, John A	Investigator	6,590.52
Becker, Susan Sloan	Assistant clerk (to Apr. 15).	1,618.47
Brucas, Marie K	Assistant clerk	2,758.38
Casey, Mary L	do	2,758.38
Clark, Edgar	Research assistant (from Apr. 10).	910.65
Constandy, John P	Assistant counsel	5,879.37
Davies, Dorothy H	Assistant clerk	3,380.10
Douglas, Evelyn M	Assistant clerk (to Mar. 21).	1,114.10
Duffy, LaVern J	Investigator	6,590.52
Frey, Dorothy E	Assistant clerk	3,125.76
Heck, Lena K	do	3,125.76
Jones, Edward M	Investigator	6,271.74
Joy, James H	Research assistant (to Apr. 30).	1,386.79
Kamerick, Paul E	Assistant counsel	7,489.68
Kaplan, Arthur G	do	6,590.53
Kaylor, Verna M	Assistant clerk (from Feb. 16).	2,153.56
Kelly, James P	Investigator	5,313.60
Kennedy, Robert F	Chief counsel	8,149.98
Kenney, Mary F	assistant clerk	3,125.76
Kopecky, George M	Assistant counsel	6,590.52
Langenbacher, Irwin	do	6,590.52
Maher, Joseph F	do	6,271.74
Manuel, Robert E	Assistant counsel (from Apr. 6).	3,181.67
Martin, George H	Investigator	6,590.52
Mason, Margaret	Assistant clerk (from Feb. 23).	1,599.78
Mates, Lillian L	Assistant clerk (to Feb. 15).	$760.24
Maxwell, Barbara L	Assistant clerk (to Feb. 7).	508.91
May, Walter R	Assistant counsel	7,064.64
McInerney, Michael J	Research assistant	2,419.26
McShane, James J. P	Investigator	5,313.60
Mills, Ralph W	Assistant counsel	7,358.91
Novello, Angela M	Assistant clerk	3,888.78
O'Donnell, Philip K	Assistant counsel	7,489.68
Osolin, Catherine F	Assistant clerk (to Feb. 28).	825.26
Powers, Mary E	Assistant clerk	2,956.20
Ranstad, Harold	Assistant counsel	4,126.08
Reese, Peter A	Research assistant (to Feb. 5).	352.24
Rowlett, Rita D	Assistant clerk	3,125.76
Salinger, Pierre E. G	Investigator	7,489.68
Schmitt, Lorraine Y	Assistant clerk (from Mar. 3 to May 31).	1,099.86
Sheridan, Walter J	Investigator	7,064.64
Steinbeck, Rachel	Assistant clerk (from Mar. 3).	1,474.81
Stokes, Hannah H	Research assistant (from Feb. 23).	1,439.06
Sullivan, Elizabeth K	Assistant clerk	3,125.76
Terry, John A	Research assistant	2,588.82
Thomas, Mildred J	Assistant clerk (from Mar. 19 to May 31).	1,370.91
Tierney, Paul J	Assistant counsel	7,358.91
Uhlmann, Martin S	Investigator	6,982.89
Vollett, Sara L	Assistant clerk (from Feb. 23).	1,599.78
Watt, Ruth Young	Chief clerk	4,650.09
Wilber, Georgia H	Assistant clerk	3,125.76
Willse, Sherman S	Investigator	5,313.60

Funds available for expenditure at beginning of period	$91,170.22
Additional funds authorized during period	750,000.00
Total available for expenditure during period	841,170.22
Expended during period	410,470.03
Balance available for expenditure at end of period	430,700.19

JOHN L. MCCLELLAN,
Chairman.

JULY 10, 1959.

THE SELECT COMMITTEE ON SMALL BUSINESS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Amis, William D.	Professional staff member.	$6,982.92
Anderson, James C.	Clerk-messenger	2,249.70
Brewton, Charles S., Jr.	Professional staff member (from Mar. 4).	4,538.89
Byrne, Elizabeth A.	Assistant chief clerk.	3,832.26
Jehle, Philip F.	Professional staff member (to Feb. 7).	1,334.55
Messick, Wiley S.	Professional staff member.	6,136.03
Novak, Gertrude C.	Clerical assistant	2,871.42
O'Connor, Blake	Professional staff member.	6,982.92
Ruppert, Minna L.	Chief clerk	5,854.86
Ryan, Nell F.	Clerical assistant	2,804.54
Stults, Walter B.	Staff director	8,149.98

Funds available for expenditure at beginning of period	$10,000.00
Additional funds authorized during period	None
Total available for expenditure during period	10,000.00
Expended during period	1,613.69
Balance available for expenditure at end of period	8,386.31

JOHN SPARKMAN,
Chairman.

JULY 10, 1959.

THE SELECT COMMITTEE ON SMALL BUSINESS

(Pursuant to S. Res. 209, agreed to January 29, 1958)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from January 1, 1959, to January 31, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Chaternuck, Pauline	Clerical assistant	$393.79
Creech, William A.	Professional staff member.	902.24
Dye, Elaine C.	Clerical assistant	422.05
Flynn, John J.	Professional staff member (to Jan. 2).	60.14
Foley, Eugene P.	Professional staff member.	902.24
Gordon, Benjamin	do	902.24
McInarnay, William T.	do	877.72
Forsythe, Robert A.	Professional staff member (Jan. 6-14).	349.14
Maness, Sandra K.	Clerical assistant	282.59
Stoddard, Charles H.	Professional staff member.	1,000.33
Watts, Raymond D.	do	784.20

Funds available for expenditure at beginning of period	$15,744.81
Additional funds authorized during period	None
Total available for expenditure during period	15,744.81
Expended during period	10,608.19
Balance available for expenditure at end of period	5,136.62

JOHN SPARKMAN,
Chairman.

JULY 10, 1959.

THE SELECT COMMITTEE ON SMALL BUSINESS

(Pursuant to S. Res. 16, agreed to February 2, 1959)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from February 1, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Anderson, John L.	Professional staff member (from Feb. 2).	$4,096.61
Ansberry, T. Peter	Professional staff member (from Feb. 3).	3,755.10
Chaternuck, Pauline	Clerical assistant	1,968.95
Creech, William A.	Professional staff member (to Feb. 7).	210.52
Dye, Elaine C.	Clerical assistant	2,110.25
Foley, Eugene P.	Professional staff member.	4,511.20
Gordon, Benjamin	do	4,511.20
Maness, Sandra K.	Clerical assistant	1,468.95
McInarnay, William T.	Professional staff member.	4,998.91
Putnam, Harold	Professional staff member (from Mar. 9).	3,887.14
Stoddard, Charles H.	Professional staff member (to Feb. 15).	500.16
Watts, Raymond D.	Professional staff member.	4,241.01

Funds available for expenditure at beginning of period	$100,000.00
Additional funds authorized during period	None
Total available for expenditure during period	100,000.00
Expended during period	40,322.57
Balance available for expenditure at end of period	59,677.43

JOHN SPARKMAN,
Chairman.

JULY 13, 1959.

SELECT COMMITTEE ON NATIONAL WATER RESOURCES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, 80th Congress, 1st session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees during the period from April 20, 1959, to June 30, 1959, together with the funds available to and expended by it and its subcommittees:

Name	Profession	Total salary received
Ackerman, Edward A.	Consultant (from May 19).	$532.76
Duckett, Margaret W.	Clerical assistant (from May 15).	661.59
Hoyt, William G.	Consultant (from June 3).	478.68
Jackson, Victor L.	Clerical assistant (from May 15).	690.47

Funds available for expenditure at beginning of period	$175,000.00
Additional funds authorized during period	None
Total available for expenditure during period	175,000.00
Expended during period	4,575.07
Balance available for expenditure at end of period	170,424.93

ROBERT S. KERR,
Chairman.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KENNEDY:

S. 2425. A bill for the relief of Dr. Lawrence C. Kingsland, Jr., John A. Bellizia, Theodore A. Shepardson, and Dr. Dwight C. Monnier; to the Committee on the Judiciary.

By Mr. JAVITS (for himself and Mr. DOUGLAS):

S. 2426. A bill to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2427. A bill for the relief of Wiktoria Stefania Cranak; to the Committee on the Judiciary.

By Mr. ENGLE:

S. 2428. A bill to establish the Point Reyes National Seashore in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILEY:

S. 2429. A bill to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 2430. A bill for the relief of certain employees of the General Services Administration; to the Committee on the Judiciary.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. SCHOEPPEL (for himself and Mr. CARLSON):

S. 2431. A bill to provide for the striking of medals in commemoration of the 100th anniversary of statehood of the State of Kansas; to the Committee on Banking and Currency.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2432. A bill relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a governmental agency in the exercise of the right of eminent domain; to the Committee on Agriculture and Forestry.

By Mr. CARROLL:

S. 2433. A bill for the relief of Mrs. Marguerite Lucas; to the Committee on the Judiciary.

By Mr. McGEE:

S. 2434. A bill to revise the boundaries and change the name of the Fort Laramie National Monument, Wyo., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALLOTT (for himself and Mr CARROLL):

S. 2435. A bill to provide that certain funds in the Treasury of the United States to the credit of the Confederate Bands of Ute Indians be transferred to the credit of the Ute Mountain Tribe of the Ute Mountain Reservation, Colo.; to the Committee on Interior and Insular Affairs.

DEDUCTION FOR TAX PURPOSES OF CONTRIBUTIONS TO UNITED NATIONS CHILDREN'S FUND

Mr. JAVITS. Mr. President, on behalf of myself, and the Senator from Illinois [Mr. DOUGLAS], I introduce, for appropriate reference, a bill to provide that contributions by individuals and private groups in the United States, made directly to the United Nations Children's Fund—often referred to as UNICEF—shall receive the same Federal-tax-exempt status as that now accorded to donations to charitable organizations operating within the United States. An identical bill will be introduced in the House of Representatives by Representative JOHN LINDSAY.

Mr. President, this bill would restore UNICEF donations to the same classification they held prior to January 1, 1959, the effective date of a new ruling based on a reinterpretation of the Internal Revenue Code which removed such donations from any tax-exempt status. Since that time, UNICEF has returned all direct contributions of $10 or more from individuals, and has called attention to the new ruling. For the first 6 months of 1959, such donations have dropped by more than 30 percent below the contribution rate for the same period in 1958.

Mr. President, every effort should be made to maintain at full strength the lifesaving, lifegiving programs of UNICEF, into which have flowed, during the past decade, thousands of dimes and dollars from individual Americans. In partnership with the U.S. Government and 86 other countries, thousands of our citizens have been waging a global war against the ravages of disease, hunger, and privation which conspire to limit the life expectancy of more than one-third of the world's population to less than 43 years.

That UNICEF has become one of the truly exemplary self-help operations in modern history is evident in the report by the Fund that for every $1 it sends into a country, the recipient government invests $2.50 in UNICEF programs for economic and social rehabilitation and development.

Although governments are the principal support of UNICEF—their contributions totaled $20 million in 1958 with $11 million from the United States—the continuation of individual participation in UNICEF through contributions from private U.S. citizens is vitally important. These dollars represent the positive expression of deep personal concern felt by the average American for the current welfare and the future security of an impoverished family or a diseased child thousands of miles away. This is one of the primary reasons behind this proposal introduced today to grant to contributions to UNICEF the same Federal tax status already held by domestic charitable organizations.

In April 1959, two constituents of mine who live in West Hempstead, Long Island, called the problem to my attention by the following letter:

DEAR SENATOR: We understand the Internal Revenue Bureau has ruled that contributions to UNICEF are not deductible on one's income tax return.

This works a hardship not only for the donors but for the Children's Fund, which is a very worthy charity. Many contributors may be forced to cut down or eliminate their donations. This is a charity though handled through the U.N. We would appreciate your doing whatever you can to correct this ruling.

Respectfully yours,

MARTHA D. DUNN.
HERBERT DUNN.

After consulting with the U.S. Treasury Department and making inquiries at the United Nations and with UNICEF—where I learned that individual contributions have fallen off some $10,000 so far this year—I am convinced of the need for the proposed amendment. Although there is substantial private support for the Fund today in 26 other countries, U.S. citizens in 1958 contributed about $1 out of every $3 raised from nongovernmental sources. I believe that if this amendment is acted upon by the Congress, the valiant work of the Fund will be materially aided and sustained.

The Dunn family of Long Island also deserves our thanks for the deep personal interest they have taken in seeing us fulfill an international responsibility toward UNICEF. I believe that their action in this matter is a working example of the most constructive kind of direct citizen participation in government, a basic strength in a democracy. It is especially significant today when an invisible tug of war is being waged furiously between the free world and the Soviet bloc involving the minds, the hearts, and the bodies of more than 1 billion people whose skins are yellow or black and who now live in the underdeveloped, undernourished nations of the world.

At the present time, domestic charities in the United States are given a tax-exempt status for contributions in respect to individual income, corporate income, gift and estate taxes, subject to certain statutory limitations. This bill would include specifically UNICEF contributions within these exemptions as outlined in the Internal Revenue Code, subject to the same restrictions governing domestic charities.

Mr. President, I hope everyone will be encouraged to recognize that when he writes his Representative or Senator in Congress, it means something, and that we pay serious attention to it. This is not the first time I have proposed legislation based on exactly that kind of representation. I am very glad to acknowledge the parentage of this bill, which I send to the desk for appropriate reference.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2426) to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes, introduced by Mr. JAVITS (for himself and Mr. DOUGLAS), was received, read twice by its title, and referred to the Committee on Finance.

REGISTRATION AND PROTECTION OF CERTAIN TRADEMARKS

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended.

For more than a decade I have maintained an interest in amending the Trademark Act of 1946 in order that its provisions might, in all respects, be clear and unambiguous. Most of that which is needed is in the nature of administrative changes.

Following my discussions in 1948 with groups of lawyers representing various bar associations and the United States Trademark Association, I recommended that the lawyers get together and see if they could not agree on a bill which would reflect the wishes of the great majority of those interested. The result was a bill which I introduced in August 1951 in the 81st Congress when I was chairman of the Subcommittee on Patents, Trademarks, and Copyrights. The bill was not acted upon during the Congress and in the first session of the 83d Congress I introduced a somewhat revised bill known as S. 2540. Again, I was chairman of the subcommittee and I conducted all hearings on this bill in March 1954. As a result, the Senate Judiciary Committee recommended the bill for favorable consideration of the Senate, but no action was taken in the House due to the imminence of adjournment.

In the 1st session of the 84th Congress I reintroduced the bill which had been passed by the Senate and this bill was identified as S. 215. The same bill was introduced in the House as H.R. 7734, but no action was taken on either bill.

It is rare indeed when lawyers and businessmen can reach substantial agreement on subject matter as complicated as the registration and protection of trademarks and the implementation of international treaties and conventions relating to trademarks. The continuing efforts of those interested in the best possible statute have resulted in finally eliminating from the bill the few remaining items which were controversial and we now believe that we have finally achieved a draft which will meet with the approval of all.

My efforts and my continued interest in this proposed legislation during the past 11 years are climaxed by the introduction of this bill, which I believe merits the support of the Senate of the United States.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2429) to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946, as amended, introduced by Mr.

WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

RELIEF OF CERTAIN EMPLOYEES OF GENERAL SERVICES ADMINISTRATION

Mr. JOHNSTON of South Carolina. Mr. President, I introduce, for appropriate reference, a bill for the relief of certain employees of the General Services Administration.

The 12 employees for which relief is sought in this bill were denied the annual leave requested by them. The leave would have been forfeited if not granted and taken before the end of the 1956 leave year. At the time their request for annual leave was denied they were told that arrangements were made for them to take compensatory time for this leave during 1957.

The Comptroller General ruled this official action by General Services Administration illegal.

This bill authorizes and directs the Administrator of General Services to restore to the credit of these persons this annual leave.

The total amount involved is $853.17.

Relief should be granted to restore this annual leave to these employees since they were denied the use of it by official administrative authority.

The Administrator of General Services approves and urges the enactment of this bill for these employees.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2430) for the relief of certain employees of the General Services Administration, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF TITLE 46, UNITED STATES CODE, TO CLARIFY CERTAIN TYPES OF ARRESTMENT—AMENDMENTS

Mr. THURMOND submitted amendments, intended to be proposed by him, to the bill (S. 1958) to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen, which were ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MURRAY:

Letter written by him to Mr. Harold Lorenz, president of the Chamber of Commerce, Sidney, Mont., on the occasion of the 11th Annual Upper Missouri Basin Conference, on July 23, 1959; and an address delivered by Mr. Floyd E. Dominy, Commissioner of Reclamation, on the aforesaid occasion.

NOTICE OF HEARING ON NOMINATION OF JOHN A. FIELD, JR., TO BE U.S. DISTRICT JUDGE, SOUTHERN DISTRICT OF WEST VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for 2:30 p.m., Monday, August 3, 1959, in room 2300, New Senate Office Building, on the nomination of John A. Field, Jr., of West Virginia, to be U.S. district judge for the southern district of West Virginia, vice Ben Moore, deceased.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

DEMOCRATIC LEADERSHIP OF THE 86TH CONGRESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at this time I may speak for not to exceed 10 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, at this time I should like to speak in praise of the excellent leadership under which we of the majority serve in this 86th Congress.

During the past 6 years, I had the honor to work in the House of Representatives under the able leadership of Speaker SAM RAYBURN, Majority Leader JOHN MCCORMACK, and Assistant Floor Leader CARL ALBERT. During 2 of the 6 years, of course, the Republican Party was in control of the House. Now, as a freshman Member of the Senate, I have the distinct privilege and pleasure of serving under my party's leadership which is in the capable hands of Senators LYNDON JOHNSON, CARL HAYDEN, MIKE MANSFIELD, and TOM HENNINGS. I have had the opportunity, as have many of my colleagues, to observe at close range the conduct of the leadership of the Democratic Party in the Congress of the United States. And I wish to state for the RECORD, Mr. President, that, while I make no pretense of political omniscience, or even of political astuteness, I believe that the Democratic leadership in this Congress is good leadership.

I personally feel that the majority leadership of both Houses of the Congress has sought to enact a good and reasonably liberal program. While some may protest that certain of the measures enacted have not been liberal enough, and others may protest that they have been too liberal, I feel that it is unquestionably true that the majority leadership has striven to attain the best possible legislation under the myriad of handicaps and hindrances which beset it. The majority leadership of this Congress should, I feel, be commended for performing a difficult task, and performing it well.

Mr. President, all of us in the Congress must accept our responsibility to the country; and we must recognize the fact that, primarily, we are servants of the people, which consideration takes precedence over any purely political considerations. I believe, therefore, that if we in the Congress and in the party were to approach our duties from the standpoint of politics, solely and entirely, we would be subordinating the primary interests and welfare of our Nation to the furtherance of something which is secondary in importance. The responsibility of the party's leadership in the Congress, then, is to work to enact a program which is at least attainable—even though it may not conform to the ultimate sought to be achieved—rather than to strive merely to establish a voting record. If the leadership were to do otherwise, it would be remiss in the performance of its duties, recreant to its responsibilities, self-serving in its objectives, and unworthy of the confidence and respect of the people.

There is a great gulf between idealism and realism. This fact cannot entirely escape one's consideration, in view of the difficulties confronting us of the majority party in the Congress. I say this advisedly, for we must have some measure of cooperation from the administration, and we must similarly cooperate, in the enactment of a worthwhile legislative program, because it would avail us nothing—as a party or as a Congress—and it would be inimical to the best interests of our Nation—to pass legislation sure to encounter a Presidential veto, merely to establish a record for the forthcoming political campaign. Although we Democrats in the Congress are eternally dedicated to the attainment of certain ideals, we realize that at times we must effect a legislative compromise in order to gain for our people and our country that which is workable and achievable. We are here to legislate, not to make a political record.

Our party has its imperfections, just as we, as individuals, have our frailties and foibles. None of us would gainsay this. However, one must not be unmindful of the fact that our party's legislative leadership is confronted with a very pertinent reality—that of being forced to deal with a Chief Executive of opposite political faith. It is readily apparent that such a circumstance serves to compound the ever-present and difficult problems confronting the legislative leadership.

Therefore, Mr. President, in view of these difficult circumstances, I firmly believe that the majority leadership of this Congress—which was elected by unanimous decision of the Democratic Members of Congress—has done a commendable and praiseworthy job of attempting to hammer out the best possible legislation under existing conditions.

I believe that, once the whole record of the 86th Congress has been written, the record of the majority and its leaders will be one of which all Democrats can be justly proud, and one which Americans generally will applaud.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary of the major pieces of legislation which have been passed by the Senate between January 7 and July 17, 1959.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SUBSTANTIAL LEGISLATION PASSED BY THE SENATE, JANUARY 7, 1959, THROUGH JULY 17, 1959

APPROPRIATION BILLS

Second supplemental for 1959: Appropriated $2,764,500,380 (conference figure). Final passage, 80 to 1.

Agriculture and farm credit for 1960: Appropriated $3,971,362,673 (conference figure). Final passage, 74 to 10.

Commerce Department for 1960: Appropriated $712,672,900 (conference figure). Final passage, 89 to 4.

Defense Department for 1960: Appropriated $39,594,339,000. Final passage, 90 to 0.

District of Columbia: Federal contribution $27,218,000 (conference figure). Final passage, 68 to 0.

Interior Department and related agencies for 1960: Appropriated $472,717,100 (conference figure). Final passage, 82 to 0.

Legislative for 1960: Appropriated $128,797,380. Final passage, 80 to 1.

State-Justice-Judiciary for 1960: Appropriated $643,934,700 (conference figure). Final passage, 90 to 0.

Treasury-Post Office-Tax Court for 1960: Appropriated $4,643,363,000 (conference figure). Final passage, 53 to 3.

Independent offices for 1960: Appropriated $6,559,348,600. Final passage, 89 to 1.

Labor-HEW-related agencies for 1960: Appropriated $4,056,746,581. Final passage, 84 to 10.

General Government matters for 1960: Appropriated $13,463,500 (conference figure). Final passage, 79 to 2.

Public works for 1960: Appropriated $1,256,836,300. Final passage, 82 to 7.

AGRICULTURE

REA: Restored authority of REA Administrator to approve or disapprove loans without supervision by the Secretary of Agriculture. Vetoed. Final passage, 60 to 27.

Wheat supports: Provides price support at 90 percent of parity; reduces acreage allotments by 25 percent below the allotment it would otherwise receive for the 1960 and 1961 crops; and limits wheat price support to $35,000 a year for each producer. Final passage, division vote. Action clearing bill for President adopted by vote of 44 to 40. Vetoed.

Federal land banks: Effective December 31, 1959, transfers from the Farm Credit Administration appraisal responsibility to the Federal land banks; repeals the statutory 5 percent interest rate limitation now applicable to farm loan bonds; and repeals the $200,000 maximum loan limit applicable to land bank loans. Voice vote.

Animal quarantine laws: Strengthened the animal quarantine laws and closed a number of gaps and loopholes by increasing the Department's seizure authority; clarifying the import restrictions; and increasing authority for inspection and sanitation. Voice vote.

Surplus cotton sales to domestic mills: Designed to assist the U.S. cotton textile industry in regaining its equitable share of the world market by making our surplus cotton available to textile mills at prices with which they can compete in world markets with cheap foreign labor; and limits the use of this surplus cotton for sale in world export markets at competitive prices. Voice vote.

Tobacco supports: Stabilizes and protects the level of tobacco price supports by permitting the support price to be either the 1958 level or 90 percent of new parity, whichever is lower, until 90 percent of old parity exceeds either of these levels. Voice vote. Vetoed.

Special school milk program: Raised limitation on special school milk program to $80 million for 1960 and 1961. Increased to $78 million for current year. Voice vote.

CIVIL RIGHTS

Cloture: Liberalized the cloture rule by providing that two-thirds of the Senators voting may close debate on any measure, including rule changes; and affirmed the fact that the Senate is a continuing body. Final passage, 72 to 22.

HAWAII

Provided for admission of Hawaii to the Union as the 50th State. Final passage, 76 to 15.

ALASKA OMNIBUS ACT

Amends various Federal laws to facilitate orderly transition from territorial to statehood status. Voice vote.

HOME RULE

Provides for an elected mayor, city council, and a nonvoting delegate to the House of Representatives for the District of Columbia. Voice vote.

ECONOMY

Economic study: Provided $200,000 for a major study of the Nation's economy by the Joint Congressional Economic Committee. Voice vote.

Unemployment problems: Established a Commission on Unemployment Problems of 11 members, five to be appointed by the President and six by Congress, to make a study of the problems and report in 60 days. Voice vote.

Tax rate extension: Extended for 1 year to June 30, 1960, the existing corporate tax rate and certain excise taxes; reduced from 10 to 5 percent the tax on transportation of persons effective July 1, 1960; and repealed the tax on local telephone service effective July 1, 1960. Final passage, 79 to 0. Conference report adopted 57 to 35.

Temporary unemployment extension: Extended benefits of Temporary Unemployment Compensation Act of 1958 for 3 months to jobless whose State payments expired before April 1, 1959. Voice vote.

Insurance taxes: Provided for a permanent and more realistic formula for taxation of life insurance companies and increased their taxes from $319 million under the present stopgap law to $500 million for the year 1958. Voice vote.

FINANCE

Public debt: Raised the permanent debt limit from $283 billion to $285 billion, and provided a temporary increase of $10 billion for fiscal 1960—bringing the overall debt limit to $295 billion. Voice vote.

Bank mergers: Requires that bank mergers have the approval of Federal Reserve Board, Comptroller of Currency, or Federal Deposit Insurance Corporation to assure against monopoly. Voice vote.

Clayton Act: Amends Clayton Act to expedite procedures for enforcement by Federal Trade Commission. Voice vote.

Federal Reserve Board: Permits Federal Reserve Board to lower reserve requirements of member banks. Voice vote.

GIFTS FROM SERVICEMEN—FREE IMPORT

Extends to July 1, 1961, the present privilege accorded to servicemen stationed abroad to send to the United States, duty free, bona fide gifts up to $50 in value. Voice vote.

METAL SCRAP

Continues to June 30, 1960, suspension of duties on metal scrap. Voice vote.

REAL ESTATE LOANS

Authorizes national banks to make real estate loans guaranteed by a State or State agency without regard to present limitations imposed by the Federal Reserve Act. Voice vote.

FOREIGN RELATIONS

World Bank and International Monetary Fund: Increased U.S. subscription to the International Monetary Fund by $1.375 billion and the World Bank by $3.175 billion. Final passage, 73 to 10.

Health for peace: Authorized a $50 million a year program to improve health conditions through international cooperation in research, training and planning. Final passage, 63 to 17.

Mutual security: Authorized a total of $3,543,320,000 for fiscal 1960; authorized an appropriation of $2 billion over the next 2 years for the Development Loan Fund. Established center for cultural and technical exchange between East and West in Hawaii. Final passage, 65 to 26.

Inter-American bank: Provides for U.S. membership in the Inter-American Development Bank to aid in the economic development of Latin American countries. Final passage, 89 to 3.

International Wheat Agreement: Ratified an extension of the 10-year-old International Wheat Agreement for another 3 years, to July 31, 1962. Ratified, 92 to 1.

IMMIGRATION

Orphans and TB patients: Extends to June 30, 1961, authority for Attorney General to issue visas for permanent residence to individuals with tuberculosis; and to June 30, 1960, special nonquota visas for eligible alien orphans. Voice vote.

LABOR AND PUBLIC WELFARE

TV education: Authorized grants up to $1 million to each State for purchase of TV facilities and equipment upon their agreement to provide land, building, and operate and maintain an educational channel. Voice vote.

Railroad retirement: Provided for a 10 percent increase in benefits under Railroad Retirement and Unemployment Compensation Acts. Voice vote.

Labor reform: Labor-Management Reporting and Disclosure Act to curb undemocratic and racketeering practices in labor unions and labor-management relations. Final passage, 90 to 1.

Longshoremen: Amends the Longshoremen's and Harbor Workers Compensation Act to permit a third party liability suit without forfeiting his right to compensation under the act. Voice vote.

Housing: Omnibus bill: Provided for a $1.375 billion housing program emphasizing low-cost housing, college housing, urban renewal, and a more realistic building program for the elderly. Final passage, 60 to 28. Conference report adopted by vote of 56 to 31. Vetoed.

Veterans' housing: Provided $100 million for direct Federal housing loans to veterans in rural and small urban areas. Permits the administration to allow lenders to charge 5¼ percent on GI housing loans. Voice vote.

Depressed areas: Authorized a new Federal program with an initial authorization of $389,500,000 in loans and grants for industrial redevelopment in economically depressed areas. Final passage, 49 to 46.

Air pollution: Made permanent the Federal air pollution control program, authorized funds, and provided for agency cooperation. Voice vote.

Health traineeships: Extends to June 30, 1964, the programs providing for graduate training of professional public health personnel and the advanced training for professional nurses. Voice vote.

Health benefits—Federal employees: Provides for a voluntary Federal civilian employees health benefit program comparable to those available to other large employee groups by authorizing payroll deductions and an equal contribution by the Government to meet the costs of the program. Final passage, 81 to 4.

NATIONAL SECURITY

AEC: Authorized $165,400,000 for a total of 43 new construction projects; $7 million for the Euratom research and development program; $55,500,000 for the cooperative power reactor demonstration program; and extends for another 5 years the compulsory licensing of atomic energy. Voice vote.

Military construction: Authorizes a total of $1,211,480,000 for construction at military installations within and outside the continental limits of the United States. Final passage, 89 to 3.

Space supplemental: Authorized $48.3 million supplemental appropriations for fiscal 1959 to expedite projects of the National Aeronautics and Space Administration. Final passage, 91 to 0.

Space authorization for 1960: Authorized $485.3 million for NASA for fiscal 1960. Final passage, 81 to 1.

Jet age: Amends Federal Aviation Act to facilitate financing of new turboprop and jet aircraft. Voice vote.

Draft: Extended draft to July 1, 1963; extended Doctor Draft and Dependents' Assistance Acts, and the suspension of personnel strength limitation on Armed Forces. Final passage, 90 to 1.

Modern Navy: Authorized $110 million construction program of modern naval vessels for 1960. Voice vote.

Airports: Extended for 2 years, until June 30, 1961, the present Airport Act at the same level of annual authorization—$63 million for 1960 and 1961. Substitute adopted 71 to 11.

Renegotiation Act: Extends to June 30, 1962, the Renegotiation Act of 1951, and provides for a broad-scale study of the act and the Board. Voice vote.

Reserves: Extends for 4 years the Reserve enlistment program requiring a 6-month training period and 8 years' service. Voice vote.

NATURAL RESOURCES

TVA financing: Authorizes issuance of up to $750 million revenue bonds by TVA to finance additional power facilities subject to congressional and Treasury Department approval.

So far, in this 1st session of the 86th Congress, we have passed a total of 514 measures of which 173 are private bills. In addition, we have confirmed 33,914 nominations submitted by the administration.

STANDARDS OF CONDUCT FOR AGENCY HEARING PROCEEDINGS OF RECORD

Mr. DIRKSEN. Mr. President, notwithstanding the limitations under the morning hour rule, I ask leave to proceed for 10 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I recall when J. Warren Madden, who was either a professor or dean at the law school at Pittsburgh, came to Washington as the first Chairman of the Labor Relations Board. I believe there was a disposition in many quarters to believe that, under the direction of Mr. Madden, and the Smith brothers, who were the other two members of the board, they would impress themselves deeply on the business community of the country.

I refer to the same J. Warren Madden who is now on the Court of Claims, and who wrote the opinion in the Dixon-Yates case. I applaud the action of the court for one thing. I think it is a vindication of the position of the administration. Along with that, I think the court made it clear that it rejected the Government's contention that the contract, because of the role played by Adolph Wenzell, violated public policy, and I think also the court rejected any implication of a violation of a criminal statute with respect to a conflict of interest.

I read only one paragraph of the decision into the RECORD. The court stated:

"As between the parties, the Government and the plaintiff which succeeded to the interest of the Dixon-Yates sponsors, we see not the slightest conflict of interest in Wenzell's position. The interest which he shared with the President and the Bureau of the Budget, that the negotiations should produce a contract, was the Government's interest, though it coincided with the sponsors' interest. He served the Government, did what he was assigned to do, did nothing for the Dixon-Yates interest and received nothing from it.

Mr. President, the reason why I allude to this matter today is that a hearing is taking place at the present time before a subcommittee of the Senate Judiciary Committee, of which I happen to be a member. One of the bills before that committee is Senate bill 2374. It was introduced, on request, by the very distinguished Senator from Colorado [Mr. CARROLL]. The title of the bill is, "A bill to establish standards of conduct for agency hearing proceedings of record."

It contains an interesting section, to which I gave a great deal of attention yesterday in connection with one of the witnesses before the subcommittee. I wish to read that section into the CONGRESSIONAL RECORD:

SEC. 5. EX PARTE INFLUENCE, RESPONSIBILITIES OF LITIGANTS AND OTHERS.—(a) It shall be unlawful after a proceeding subject to section 2(a) of this Act has been noticed for hearing for any person, with intent to influence the consideration or decision of a proceeding, to communicate ex parte, directly or indirectly, with any agency member or hearing officer concerning a proceeding which is pending before the agency, except in circumstances authorized by law or upon reasonable notice to all parties of record.

(b) A willful violation of section 5(a) shall be subject to a fine of not more than $10,000 or imprisonment of not more than one year, or both.

Mr. President, when that section is stripped down what it means is that if any person, with intent to influence, telephones and make an ex parte communication to an agency member or a hearing examiner regarding an adversary proceeding which is pending, and there is no legal authority to do so under the circumstances, he may be put in jail and fined $10,000.

To me, that is very intriguing mainly because of the testimony of the General Counsel of the Navy before a committee of the House of Representatives, who in his testimony, which I read into the RECORD, said that in our system, even a casual inquiry by a Member of Congress has great weight. The words "great weight" in my book can have no other connotation than being considered as influence.

Mr. President, the inference of all this inquiry and this search for ethical standards raises several questions. The first one is this. I wonder whether there are people who think we live in a vacuum in Washington, D.C. I have been calling agencies for 25 years. I make no apology for it. I do not know how otherwise, a Member of Congress can serve his constituents in a big, baffling, labyrinthian government, in which even Senators and Representatives in Congress get lost and cannot find where the authority in a certain field rests. What shall the average citizen do? Are we to be put on the carpet because we represent our constituents, make inquiries, and find out what the status of matters is, and so serve our constituents?

I mention this because of what I said in committee yesterday. There are nearly 10 million people in the State of Illinois. The matters in which they are interested are numberless. As a matter of fact, it is almost impossible for a finite mind to spell out the diversity of interests which are affected by and impressed by governmental action, particularly in the agencies. It is said there are 102 agencies and subagencies in Government that have courtlike powers and powers to adjudicate.

In all the years I have been a Member of Congress, particularly in calling up an agency I have called up persons whom I know. That is the natural thing to do. If one knows somebody in an agency, he calls him up and asks, "What is the score? What is this all about. What is the status of this case?"

That is the first question I raise. It was not answered at the hearing. A distinguished lawyer was there as a witness. He is a member of a committee of the American Bar Association. A number of lawyers have come to my office in the past 25 years who have asked me to make inquiry. The list is so long it would almost be equal to a Martindale Directory.

Mr. President, some persons may think we live in a vacuum here in Washington, D.C. But there is not a vacuum, and we are made of flesh and blood. If a constituent from Illinois comes to Washington and asks for information, I am not going to plead the fifth amendment and say "I have no comment." That is what it amounts to when a Member of Congress talks to his constituents and does not try to ascertain the information they seek.

Mr. President, that is the first implication of this issue. The reason for my talking about it today is to forestall this kind of legislation, which will be on the floor of the Senate later and

when many questions may be asked and no answers will be forthcoming. I could not get an answer from the witnesses as to whether in a matter before the Interstate Commerce Commission I would come under the purview of section 5 of the bill in an adversary proceeding, if no one urged me to make the call, but I picked up the telephone on my own volition and made an inquiry. It was stated there were no exceptions. I would be subject to fine and imprisonment. If that is the score, I want to know about it, and I want to know about it now.

Then, Mr. President, I have something to say to the American Bar Association, because there have been many lawyers in my office during these many years and there have been many members of bar associations. I, too, am a member of a flock of bar associations. I want to know what circumscription there might be of me in my representative capacity.

Mr. MAGNUSON. And the lawyers get paid for their services.

Mr. DIRKSEN. The Senator from Washington is so right.

Mr. MAGNUSON. Well, let us put it in the record, Mr. President. I suggested that they get paid.

Mr. DIRKSEN. That might have a bearing on the situation. I do not know. But the more vicious implication and inference is the reflection on many officials who work in the executive branch of the Government in judicatory positions. Sometimes when there is an airplane accident, as my colleague from Washington can testify, and a search is made for the reasons for the accident, it is said, "There was some kind of pilot failure." Well, we have a pilot failure around here, too.

When we consider the molds in which human beings are cast, we must admit that there are failures under stress. Ministers fail. Bankers fail, and embezzle funds of their own banks. Those facts are merely testimony to the frailties and weaknesses God has left in us. They are vestigial things which will disappear through the chastening effect of civilization, but it will take a long time. By and large, those in the regulatory agencies are uninfluenced, and noboday knows it any better than does the Senator from Washington, who has handled the independent offices appropriation bill and has seen representatives of various agencies march before his committee year after year and testify. They do a good job. I think it is a frightful reflection upon the ICC or the FTC or the FCC or any other regulatory agency to imply that when a Senator calls up and asks an official about the status of a case, the official is going to cave in and consider it as influence. That is a serious reflection upon the character of Government officers, I must say. They are decent people. They are honorable people. I have always found them to be so.

That was the core of the Wenzell matter in the Court of Claims and as it was ventilated before various committees in both the House and the Senate. An impression was created that since Mr. Wenzell was the vice president of the First Boston Corp., since he had been a consultant to the Bureau of the Budget and other agencies, he was slinking through the corridors, as some sinister character to put his impress upon things for his personal benefit, or otherwise to lure a bond issue into the files and portfolio of the First Boston Corp. The Court of Claims dealt with the matter, and said there was no conflict of interest. The court gave him a completely clean bill of health, as it should have done. But there was a reflection upon him constantly, until his good name was cleared by the Court of Claims in a formal decision. That is also true of those who serve on various agencies, and I mean to stand up for them, as I mean to stand up for myself. I expect to serve in my representative capacity just as Edmund Burke defined it for the House of Commons when he was a member of that body long ago. Until somebody brings a new kind of persuasion or light upon me, that is precisely what I intend to continue to do. I am going to serve my constituents as best I can.

I was in the Congress when the Legislative Reorganization Act was drafted. There were six Senators and six Members of the House of Representatives on the committee. That was in 1945. The very distinguished Senator from Oklahoma [Mr. MONRONEY], then a Representative in the House, was the cochairman of that committee. I served on the committee. Senator La Follette served on the committee. So did many others. We worked for 2 long years. Finally we enacted the Legislative Reorganization Act.

What a to-do there was about incorporating in it an antilobbying title. We did so. For months we searched for language in order to make it effective and enforcible, and at long last we put the antilobbying provision on the books. We required, among other things, that under certain circumstances those who come to impress themselves upon Members of the House of Representatives and Members of the Senate—to persuade them, to seek to influence them in matters of legislation—had to register. They do so now. They not only register, but they put down how much they receive by way of expenses and compensation.

It was 1946 when that law became effective. Every quarter a report is filed. It is printed in the CONGRESSIONAL RECORD. In nearly every other issue the Congressional Quarterly features the antilobbying business.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Illinois may proceed for an additional 5 minutes.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, antilobbying activities are featured. There are set forth all the names and all the money figures. Yet I have not heard a speech on the Senate floor on the antilobbying statute from the day it was put on the books, and I have no knowledge that any such speech was ever made on the floor of the House of Representatives.

All of those engaged in lobbying line up. They all register. They all indicate how much money they receive for their services. We take it in stride. Nobody is concerned about it. Nothing is changed. The individuals concerned were not sinister before. We do not regard them as sinister now. We do not have any hesitation about going to the reception room and talking to representatives of labor unions, of farm organizations, of chambers of commerce, or of the National Association of Manufacturers.

What kind of creatures would we be if we listened to them and then let somebody say that we had been influenced, that our decisions had been modified or changed or molded by such interviews? Nobody in these Halls ever gets such an impression. A man would not be worthy of his salt in this body or in any other body if he could not talk to the legitimate representatives of various interests, have them lay their cases before him as persuasively as they can, and still preserve his independence in dealing with any matter involved.

If we arrogate that kind of attribute to ourselves, then why should we not say as much for those who sit on regulatory benches and adjudicate adversary proceedings day after day? I see them around. I go to parties, as anybody else does. I have a cocktail, as anybody else does. I might see the commissioner of this agency or of that agency at some party. Probably at times I have asked, at these social functions, about certain cases. I might say, "You have this matter over in your shop. What is its present status?" Is there anything so heinous or horrendous about that? It is the most natural thing in the world, but that does not mean the administrator caves in under any suggestion I may make. If he did, he should not be in the position he occupies today.

Is it necessary constantly, to emphasize the fact that we have to have something on the statute books with respect to ethical standards of conduct? People had a chance to appraise our qualities before we came to Congress. They usually take us apart pretty well in any campaign. If there is anything wrong or weak about a candidate, it will be discovered, and our opponents will find it out and will dress it up so that people can understand. We are pretty well screened before we come to Congress.

Mr. President, those who sit in judgment on questions coming before Government agencies have been screened, too.

My real purpose in rising today was to say a kind word for those who sit in

adjudicatory positions in the executive branch of the Government. There will be failures; that is only natural in the whole human scheme. However, taking them by and large, I am proud of what they do. I am proud that they do not cave in simply because we lift a telephone and say, "Joe, there is a case pending in your shop. Can you give me the facts about it?" They respond. They cooperate, but at the same time they preserve the integrity and independence of character for which they were selected in the first instance.

So we have this matter to deal with in a committee. I have freely expressed myself already with regard to the bill, and I have freely expressed myself to my people. I made a TV and radio speech a few weeks ago, carried by 15 TV stations and 60 radio stations. It was at the time when a proceeding was pending before a committee of the House of Representatives. I said, "I want to make clear to you, the people of Illinois, how I feel about the matter. Do not be dismayed, and do not be deterred about sending your problems to my shop, if I can be of help. You sent me to Congress. I am one of your intermediaries, one of your liaison agents, as well as a lawmaker. I desire to help you in this big Government, which is so colossal, so gigantic, so gargantuan that sometimes it simply baffles all description."

It is no wonder that the citizen gets lost. I want to take him by the hand and help him. Until there is a mandate in the law which says it is wrong and that I will be put in jail for doing it, I am going to continue to do so; and whenever we put such a law on the statute books I feel that I shall have outlived my usefulness in the public life of this country.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Montana?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Mr. President, if such a mandate is put in the law it will mean there will be many new Senators and new Representatives in Congress. We will not be able to carry out our duties because we will be tying our own hands.

I feel no compunction whatever about calling an agency downtown on behalf of a constituent of mine who has a legitimate request or complaint. I do not exert any pressure. I have been treated very favorably and fairly by those who administer the agencies and this applies to both Democratic and Republican administrations.

I would be remiss in my duty if I did not try to do for my constituents everything I possibly could to comply with their legitimate requests. I certainly think this is a part of the job of being a Senator. I would be opposed to having any inhibition placed upon us in the carrying out of our functions in this respect, because in all too many instances we are in effect a court of last resort, and our constituents have no one else to whom to turn.

I think the Senator from Illinois is to be commended for what he has said. I assure him that I stand shoulder to shoulder with him in looking after the interests of my constituents in the calling up of executive agencies on their behalf at any time when I can be of legitimate assistance to them.

Mr. DIRKSEN. Mr. President, the assistant majority leader has spoken well. I can add to his remarks by recounting that even in the New Deal and Fair Deal days, when one of my principal functions was to sit on the House Committee on Appropriations and try to chop back the appropriations, which would never make the agencies happy, they were still always very cooperative, even knowing I was on the other side of the fence. That did not mean they caved in. It did not mean they were susceptible to influence. They did not regard an inquiry from me as a deliberate effort to influence them, but they were fair and cooperative in advising me of the status of different matters.

Mr. TALMADGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Georgia?

Mr. DIRKSEN. I was about to yield the floor, but I am happy to yield to the Senator.

Mr. TALMADGE. Mr. President, first I should like to commend the distinguished minority leader for the comments he has made. I also wish to agree with the comments of the distinguished Senator from Montana. I fully concur in those sentiments.

I feel that the constituents in our respective States send us to the U.S. Senate to represent them in matters of government. If their affairs concern some regulatory agency, I think it is the duty of a Senator to represent his constituents before that regulatory agency. So long as a I remain a Member of the U.S. Senate I intend to do so.

Mr. DIRKSEN. Well spoken.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I wish to commend the Senator from Illinois for his statement, and I should like to add something further, so that my position will be clear in this matter.

As the Senator from Illinois knows, I happen to be the chairman of a committee which handles most of the affairs of the regulatory agencies, and the chairman of the Subcommittee on Appropriations which handles the appropriations.

Many Senators have constituents who have problems with the various agencies. Many Senators come to me and ask me what they should do. I have no hesitancy in helping them out, and finding out what their constituents need to know. I shall continue to do so. Some days I think I am a Senator's Senator. Many of the problems are varied and difficult.

I commend the Senator from Illinois for what he has said. Like himself, if I did not do as I have been doing, I would have no reason to be here. I try to help my people and the people of the country when they have problems connected with the great agencies of Government.

Our role is difficult. I do not believe that we receive any favors from the agencies. Perhaps they may be a little more considerate in expediting consideration of a case because some Senator may have called; but, as to their decisions, I have had as many "noes" as "yeas." I hope it will continue to be that way, and that the heads of the various agencies will call the shots as they see them.

Mr. DIRKSEN. I appreciate the comments of the distinguished Senator from Washington. We served together in the House and we have served together in the Senate. I know how long he has dealt with these agencies. He speaks with great authority.

GEORGIA DEMOCRATS SUPPORT SENATOR SMATHERS FOR DEMOCRATIC NATIONAL CHAIRMAN

Mr. TALMADGE. Mr. President, as evidence of the great respect and admiration which the people of my State of Georgia have for the able and distinguished junior Senator from our sister State of Florida [Mr. SMATHERS] is the recent proposal by a group of Georgia Young Democrats that he be named national chairman of the Democratic Party. There is no man who could be selected for the post who would be more popular with Georgia Democrats or in whom they would have more confidence to lead a united and winning Democratic Party in next year's elections. In that connection, Mr. President, I ask unanimous consent to have printed herewith in the body of the RECORD the editorial of the Miami Herald of July 16, 1959, entitled "This George Could Do It."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THIS GEORGE COULD DO IT

The Georgia Young Democrats who proposed our Senator GEORGE SMATHERS as national party chairman came up with an intriguing idea.

If anybody could take over the post from embattled Paul Butler and bring peace to

the factions in the majority party, SMATHERS might be the one.

He is alined neither to the northern liberals nor the southern conservatives but has followed an independent course.

Though he has close ties with Majority Leader LYNDON B. JOHNSON, he is on intimate terms with all three of the other presidential hopefuls in the Senate, KENNEDY, SYMINGTON, and HUMPHREY.

As chairman of the Senate Democratic Campaign Committee, SMATHERS helped every Democratic Senator who was elected last year and has close and friendly party associations in every State.

He is enormously popular with his colleagues.

All this would contribute to a good and successful chairmanship. No doubt SMATHERS would lead a united party to the 1960 convention and help put together the best possible ticket and platform.

But Floridians will wonder if his highest service is not to stay away from party strife and continue to devote most of his time to the affairs of the Nation and its fast-growing State. Stanch party service would then be a secondary, not a primary consideration.

It is a good question, and if the chairmanship idea takes root, perhaps will weigh heavily on Senator SMATHERS' mind and heart.

But his friends will say to the Georgia Young Democrats, "thanks, anyway, for the compliment."

CANCELLATION BY COLUMBIA BROADCASTING SYSTEM OF SCHEDULED APPEARANCE BY SENATOR HUMPHREY

Mr. McCARTHY. Mr. President, on Thursday, July 16, the Columbia Broadcasting System ruled that as a result of the announcement by Governor Freeman and me of the formation of a volunteer "HUMPHREY for President" committee, Senator HUMPHREY would no longer be allowed to participate in that network's public service radio and television programs.

I am a cosponsor of legislation which seeks to clarify the equal-time provisions of the Federal Communications law. If, however, this ruling by the Columbia Broadcasting System is an indication of the manner in which radio and television stations are interpreting existing laws, I am of the opinion that no attempt in clarification would be effective.

The Washington Post on July 22 announced the formation of "President" clubs in Wisconsin not in behalf of Senator HUMPHREY, but in behalf of another distinguished Member of the U.S. Senate. Smaller clubs and committees have been formed in other parts of the country in behalf of various candidates.

Section 315 of the Communications Act refers to "legally qualified" candidates for any public office. There are today no legally qualified candidates except in the constitutional sense that every citizen born in the United States who is 35 or who will be over the age of 35 by the time he would be sworn in, in January 1961, is a legally qualified candidate.

These are the only legally qualified candidates for the Presidency in the United States today. It seems to me that if this is the case the Columbia Broadcasting System ought to take the position that every citizen who will be 35 years old in January 1961, and who was born in this country, is a legally qualified candidate, and that the Columbia Broadcasting System could not allow him any time on released time or public service time according to this rule.

I have reflected on this problem so far as the Presidency is concerned. We never do in fact reach the time in this country when we have a legally qualified candidate for the Presidency. When the electoral college votes, it selects a President, and he becomes President; but before that act every citizen born in this country who is over 35 years of age is eligible, we do not have anyone who is specifically a legally qualified candidate.

Under the CBS ruling it seems to me that no one could speak on any question or issue on any of the public service time on any radio or television station in the country. It is my opinion that the ruling is ridiculous. It fails to take into account the provisions of the Federal Communications Act with reference to legally qualified candidates for public office.

No candidate can declare himself legally qualified, nor can spokesmen for a candidate. Certainly Governor Freeman and I do not have the legal authority to say who is a legal candidate or who is not; the attorneys for the Columbia Broadcasting System do not have the authority to declare who is legally qualified or who is not.

The reference in the CBS statement to general news treatment as sustaining the network's action is surprising indeed. Is general news treatment to be the criterion for determining whether a candidate is legally qualified? If this is the case, I assume that CBS is going to extend its ban to include many more prominent public figures.

The equal-time provision applies not only to presidential candidates, but to candidates for other public offices. It wold not be inconsistent for CBS to request that any public officeholder whom they might be considering for appearance on public service programs declare that he will not be a candidate for reelection if he is to be permitted to go on the program, since the ruling in the case of Senator HUMPHREY made no reference to filing dates, primaries, or convention proceedings.

Mr. President, there are some officeholders who reputedly begin running for reelection immediately after election.

Mr. MAGNUSON. Mr. President, will the Senator yield. I must leave the Chamber to attend a meeting of the Committee on Foreign Relations.

Mr. McCARTHY. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. I point out that the Senate Committee on Interstate and Foreign Commerce unanimously reported a bill, which will be on the calendar as soon as the hearings are printed, which will not be until Saturday. So I suppose the bill will not be before the Senate until next week. The bill is aimed at correcting this situation.

I thoroughly agree with the Senator from Minnesota. The Columbia Broadcasting System was most active in trying to bring about a change. I do not know whether the lawyer made the right decision or not, but it is felt that the decision which the system made, right or wrong, is the sort of thing that should not be permitted to continue.

Mr. McCARTHY. I suggest that before action is taken on the "equal time" bill, a full hearing be held on the action by the Columbia Broadcasting System.

Mr. MAGNUSON. Time is of the essence in getting the bill passed. Then we can go into some of the rulings. I have talked with the Senator from Montana [Mr. MANSFIELD] and with Mr. HARRIS, chairman of the House Committee on Interstate and Foreign Commerce. We expect to bring the bill to the floor of the Senate next week and pass it. I am sure it will be signed by the President, because he has also publicly expressed his opinion on this subject.

Mr. McCARTHY. I appreciate the comments of the Senator from Washington.

It is my opinion that the language "legally qualified candidate" has been subjected to a most strained interpretation, and that if it were to be applied to presidential candidates, or to all candidates for public office, it would have the effect of eliminating all "public service" time.

In my opinion, the Columbia Broadcasting System ruling borders on the ridiculous, and argues against any hasty repeal of the equal-time provision of the Communications Act. The Federal Communications Commission in the Lar Daly case made it clear that the decision affected only legally qualified candidates. The CBS lawyers in their decision set up new standards for legality.

I urge the Senate Interstate and Foreign Commerce Committee to hold full hearings on the CBS ruling and on the whole question of public service time and network procedures during political campaigns.

KHRUSHCHEV'S YELPS OF ANGUISH DEMONSTRATE THE EFFECTIVENESS AND IMPORTANCE OF CAPTIVE NATIONS WEEK

Mr. KEATING. Mr. President, this week is being marked all across America as Captive Nations Week. As one of the cosponsors of the resolution proclaiming this week, I am pleased, and proud of the vigorous manner in which so many Americans are observing it.

The enslaved nations of the world, now writhing under the boot of Communist oppression, deserve our constant thought and should always be in our prayers. We deeply share the aspirations of these noble peoples to be free and to walk erect in the sunlight of freedom. We recognize, applaud and share their aspirations for national independence and individual liberty.

By ceremonies in America and the free world recalling the plight of the captive nations, we can serve to remind the Communists that their monstrous deeds behind the Iron Curtain have not gone unnoticed. We can serve warning on the men in the Kremlin that the subjugation of these proud nations is fresh in our minds. We can reaffirm our dedication to the day when they will once more take their rightful places in the family of free nations.

Mr. President, the finest testimonial possible to the importance and effectiveness of Captive Nations Week is to be found in the yelps of anguish emanating from Premier Khrushchev and other Red leaders. We have hit the Communists where it hurts them and their blithering rejoinders about interference in their internal affairs merely points up what a tender spot the plight of the enslaved peoples is in their wall of iron.

I hope we will continue to hit and hit hard on the theme of America's spiritual and moral allegiance to the captive peoples. By doing so we cannot only live up to our obligations to the relatives and friends of these courageous people who live today in America, but we can also be contributing significantly to this Nation's security. For surely, by encouragement and reassurance that they are not forgotten, these people will be spurred to keep alive their desire for independence and liberty.

Mr. President, we in America are proud of the many peoples who have come to our land from the nations now behind the Iron Curtain. They have become the finest of Americans and have contributed mightily to the progress and prosperity of our Nation in all fields of endeavor. In good conscience, and in keeping with our obligation to these fine people and their outstanding organizations in this country, and in keeping with America's vital traditions of helping those who yearn for freedom, we must keep up the drumfire of criticism of Soviet tactics of tyranny in the satellite nations. We must continue to beam messages of truth to the captive nations. We know that the truth hurts the Communists. We know that eventually, the truth will help set free the enslaved peoples.

Let us, then, renew our dedication to work and pray for the liberation of those now trapped behind the Iron Curtain. Let us shout from the rooftops, so that it can be heard through the grim walls of the Kremlin, our message that the free world is ever mindful of the plight of the captive peoples, that we refuse to reconcile ourselves to their continued enslavement, and that we will not rest until these people once more are free. There is no finer task to which the American people can dedicate themselves.

Mr. BARTLETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR PROXMIRE BEFORE HOUSING SUBCOMMITTEE OF THE SENATE BANKING AND CURRENCY COMMITTEE

Mr. PROXMIRE. Mr. President, this morning I had the opportunity to make a brief statement to the Housing Subcommittee of the Banking and Currency Committee. The purpose of the statement was to plead with the subcommittee to include in the housing bill which now is being considered by it the same provision which was included in the housing bill which was passed by the Senate earlier at this session, but subsequently was vetoed by the President. I refer to the provision in regard to housing for the aged.

Mr. President, I am convinced—in fact, there is no question at all in my mind—that if at least half of our elderly people are to have adequate housing, some provision of this kind must be included in the housing bill.

I ask unanimous consent that the brief statement I made this morning before the Housing Subcommittee of the Senate Banking and Currency Committee be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PROXMIRE

The President, in his veto message on the housing bill, said: "A new program of direct Federal lending is authorized for housing for elderly persons when needs in this area can be adequately met by private funds invested under the protection of Federal insurance."

In this single sentence, the President manifests a staggering lack of knowledge and understanding about (1) the housing needs of elderly persons, and (2) the ability of the private market, even with FHA insurance, to meet these needs.

(1) THE HOUSING NEEDS OF ELDERLY PERSONS

We are all becoming increasingly aware of the fact that the elderly constitute an increasing percentage of our total population. There are some 15 million people aged 65 and over, who make up about 9 percent of our total population. This is in marked contrast to the situation at the turn of the century when 3 million persons in this age group made up only 4 percent of the population. By 1980, according to population experts the aged will have increased to some 25 million, or nearly 10 percent of the total population.

Medical science is succeeding in prolonging life, but longer life is a dismal prospect indeed unless it can be enjoyed with at least a minimum standard of decent living, such as decent, safe and sanitary housing.

Available statistics are pathetically inadequate to inform us about the present housing needs of the elderly, but the meager information that is available, principally from local studies that have been made in various parts of the country, justify the flat ascertion that there are, right now, several hundred thousand of our senior citizens who have an immediate need for better housing.

(2) PRIVATE AND FHA EFFORTS ALONE CANNOT MEET THE NEED

Churches, unions, and other charitable and nonprofit organizations, as well as many State and local governments, are trying desperately to meet this need. The private market is obviously not meeting this need; the reason is easy to understand—it is not profitable enough.

Under the existing FHA insurance program for elderly persons a typical project requires a rental of $87.50 for a one-bedroom apartment and $67.50 for an efficiency apartment. These are actual figures taken from the Vine Court project in Hartford, Conn. The figures come to an average per unit of $70.82, and an average per room of $33.97.

Who among the elderly can afford these typical accommodations under the FHA program? If we can assume that 20 percent of income can be devoted to housing expenses, it would take a monthly income of about $354 and even if we assume as high as a third of monthly income can be devoted to housing expenses, it would take about $212 to afford one of these typical FHA units. How many of our elderly possess this kind of income?

Attached is a table showing the money income for families and unrelated individuals for 1957, the latest year available. It shows that of the families in which the head of the family is 65 or over the median income is $2,490 a year, or just about the income needed to afford a typical FHA unit, assuming a third of income is devoted to housing expenses. What this means, of course, is that the FHA insurance program is geared to serve the upper half of the income scale among the elderly and cannot serve the lower half.

Turning now to unrelated individuals among the elderly, the median income is $918 a year. Here the situation is especially grim, for less than 15 percent can afford the typical FHA unit.

I am heartily in favor of an FHA insurance program for elderly persons. I believe the subcommittee chairman deserves the admiration of the entire country as well as the elder persons themselves for having pioneered this program several years ago, but when the President says that these needs "can be adequately met by private funds invested under the protection of Federal insurance," and at the same time calls for an abrupt end of the public housing program which is available to the elderly, he is leaving a growing group in our population without hope for a minimum standard of housing in their declining years.

The vetoed bill, S. 57, provides for a comprehensive and balanced approach to the problem. First, it improves the existing FHA insurance program. Second, it continues the public housing program, which is available to the elderly. And third, it provides for a modest beginning on an experimental basis, toward a Federal loan program, using the technique used under the college housing program, to meet the needs of the elderly whose incomes are not sufficient to afford FHA-insured housing and who can not otherwise be accommodated by subsidy programs such as public housing.

The conference bill is a modest and responsible approach. I do not believe that this committee can in good conscience recommend less.

TABLE 4.—*Age of head: Families and unrelated individuals, by total money income in 1957, for the United States, urban and rural*

Total money income	Families							Unrelated individuals						
	Total	Age of head (years)						Total	Age (years)					
		14 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 and over		14 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 and over
UNITED STATES														
Total:														
Number thousands	43,714	2,219	9,134	10,448	9,466	6,629	5,818	10,313	830	1,138	1,106	1,593	2,227	3,419
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under $500	3.0	2.9	2.0	2.3	3.3	3.9	4.7	16.8	26.5	8.4	13.2	12.5	16.7	20.3
$500 to $999	3.4	2.3	1.4	2.2	2.8	3.9	10.3	20.6	15.8	10.6	9.6	12.5	16.2	35.5
$1,000 to $1,499	4.0	4.7	2.2	2.0	2.8	4.1	12.7	12.7	11.1	8.4	8.6	10.2	12.7	17.2
$1,500 to $1,999	4.5	6.2	2.4	2.4	3.5	5.0	12.1	8.5	8.4	6.3	6.8	9.0	8.8	9.6
$2,000 to $2,499	5.2	8.1	3.8	3.3	4.4	5.9	10.4	7.6	9.8	9.1	9.4	9.3	7.6	4.9
$2,500 to $2,999	4.4	7.3	3.8	2.9	3.9	5.0	7.5	5.5	9.2	5.7	8.0	4.6	6.8	3.1
$3,000 to $3,499	5.7	10.7	6.1	5.1	4.8	5.6	5.9	5.6	5.9	8.9	6.3	8.4	7.0	2.0
$3,500 to $3,999	6.1	10.0	6.9	6.0	5.3	5.5	5.3	5.0	7.0	9.0	6.7	6.2	5.0	2.0
$4,000 to $4,499	7.3	10.8	9.6	7.1	5.6	7.5	4.7	4.7	3.0	8.3	8.4	7.4	5.2	1.2
$4,500 to $4,999	6.8	8.1	8.5	7.7	5.4	6.6	4.1	3.1	1.2	6.7	5.3	4.8	2.8	1.1
$5,000 to $5,999	14.5	14.2	19.4	16.2	14.3	11.7	6.7	4.4	1.7	7.6	10.0	7.0	4.7	1.0
$6,000 to $6,999	10.3	8.1	12.3	12.2	10.6	9.6	4.6	2.1	.3	4.3	3.3	3.6	2.7	.5
$7,000 to $9,999	16.3	6.1	16.7	20.7	20.3	15.2	6.3	2.0	------	5.2	3.1	2.6	2.2	.8
$10,000 to $14,999	6.5	.7	4.3	7.7	9.6	8.1	3.6	.9	------	1.0	.7	1.7	1.3	.6
$15,000 to $24,999	1.4	------	.5	1.5	2.6	1.8	.7	.2	------	.4	.5	.2	.2	.1
$25,000 and over	.5	------	------	.7	.9	.6	.3	------	------	.2	------	------	.1	------
Median income	$4,971	$3,890	$5,170	$5,556	$5,573	$4,773	$2,490	$1,496	$1,347	$3,084	$2,650	$2,312	$1,750	$918
Head year-round full-time worker:														
Percent of total	65.4	58.1	76.3	76.7	73.8	63.3	21.2	38.8	40.5	62.6	66.7	58.5	44.5	10.9
Median income	$5,718	$4,710	$5,537	$5,936	$6,179	$5,596	$4,199	$3,214	$2,714	$3,701	$3,394	$3,352	$3,146	$2,455
URBAN														
Number thousands	27,486	1,510	5,544	6,406	6,049	4,373	3,604	7,885	625	975	897	1,239	1,689	2,460
Median income	$5,359	$4,030	$5,318	$5,843	$6,222	$5,433	$3,000	$1,716	$1,492	$3,206	$2,735	$2,423	$2,065	$992
RURAL NONFARM														
Number thousands	11,418	572	2,956	3,031	2,210	1,327	1,322	1,784	133	112	142	289	389	719
Median income	$4,894	$3,735	$5,243	$5,535	$5,322	$4,192	$2,217	$1,037	(1)	(1)	(1)	$2,261	$1,163	$786
RURAL FARM														
Number thousands	4,810	137	634	1,011	1,207	929	892	644	72	51	67	65	149	240
Median income	$2,490	(1)	$3,177	$3,306	$2,525	$2,387	$1,606	$945	(1)	(1)	(1)	(1)	(1)	$711

[1] Median not shown where there were fewer than 100 cases in the sample reporting on income.

PROMOTION OF SENATOR GOLDWATER TO BRIGADIER GENERAL IN THE AIR FORCE RESERVE

Mr. DIRKSEN. Mr. President, I should like to take occasion to note that today, when the Senate confirmed the nominations on the executive calendar, the Senate confirmed the nomination of the distinguished junior Senator from Arizona [Mr. GOLDWATER] to be a brigadier general in the Air Force Reserve.

Senator GOLDWATER has served in the Reserve for 29 years—first in the Infantry, and later in the Air Force.

He is now—and I believe he bears his rank with proper dignity—a brigadier general in the Air Force Reserve. His assignment would be military personnel.

I am advised that he flies 11 different types of jets, and flies altogether 70 different types of aircraft. Actually, Mr. President, that is a very considerable accomplishment; and in the eyes of one who has so little mechanical instinct as I do, it is nothing short of "super", as the youngsters of today say.

He served in World War II, first in the Air Transport Command, and also in the Ferry Command.

As one Member of the Senate, I wish to salute our distinguished colleague, the junior Senator from Arizona, for his elevation to the rank of brigadier general in the Air Force Reserve.

Mr. BARTLETT. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield to the distinguished Senator from Alaska.

Mr. BARTLETT. Will the minority leader designate the junior Senator from Arizona as perhaps a high flyer with his feet on the ground?

Mr. DIRKSEN. Oh, very definitely so. [Laughter.]

Mr. BARTLETT. As a member of the Armed Services Committee, I was happy to vote in favor of confirmation of this nomination; and I think the Senate is further dignified by having both General GOLDWATER and Senator GOLDWATER simultaneously in its ranks.

Mr. WILEY. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield to the distinguished Senator from Wisconsin.

Mr. WILEY. I am happy to join the minority leader in the congratulations to the junior Senator from Arizona [Mr. GOLDWATER]. But I do not wish it to be inferred that he is the only Member of the Senate who flies high but keeps his feet on the ground. [Laughter.]

Mr. DIRKSEN. Mr. President, I conclude by simply saying that now we have our choice: We can address our colleague either as the distinguished Senator from Arizona or as the distinguished General from Arizona.

I yield the floor.

THE NEED FOR A NEW LOOK AT THE RESPONSIBILITY OF THE FEDERAL GOVERNMENT TO PROMOTE LABOR-MANAGEMENT PEACE

Mr. WILEY. Mr. President, in view of the serious consequences which a prolonged strike in the steel industry or in any other major industry would have on the defense and economy of the Nation, I believe Congress should take a "new look" at its responsibilities in relation to labor-management peace. Let us not "pass the buck" or try to place the blame on the executive branch of the Government. Let us realize that Congress has a job to do. So let us take a "new look" at the steel strike and at our responsibilities in connection with that situation.

On yesterday, I discussed this matter, and expressed my view in regard to it. I repeat that Congress has a job to do, and should not constantly try to blame someone else. After all, the Members of Congress are the legislators of the Nation.

Today, at a time of international crises, our country is suffering the adverse effects of a strike in the strategic steel industry. According to the estimates, approximately 500,000 workers in the steel industry will be idle, and 85 percent of the Nation's steelmaking capacity will be directly involved. The Federal Government, which already is hard put to pay its bills, may suffer revenue losses amounting to as much as $7 million a day. But, Mr. President, that will be only the beginning. We must also consider the effects on other industries of a prolonged strike in the steel industry. For instance, one railroad recently laid off from work 5,000 of its employees, because it was no longer hauling the iron ore which it had been hauling prior to the strike. Such adverse economic repercussions—like the ripples caused by a stone which is dropped into a pool of water—will spread across the economy, far beyond the immediate clash of the interests directly concerned.

As I stated on yesterday, in connection with this issue, I take only one side; namely, the side of the public. In its overall effect, the steel strike will be costly to the workers, the consumers, our industries, and also, possibly, our defense. In addition, the strike may well have serious inflationary effects on the economy.

Naturally, Mr. President, the bargaining rights of both labor and management must be preserved—but not to the detriment of the rights of the public.

In this period, particularly, as I said on yesterday—this period of change and of threat—we cannot sit idly by and say that these are normal times and that we are going to follow normal procedures, many of which are outmoded today.

So, Mr. President, in view of the high costs of such a strike in terms of money, living standards, defense, and other factors, I believe that the Federal Government, through the Congress and the executive branch, should take a "new look" at this situation, and should do

something about it. The purpose would be to try to find proper ways and means by which agreements could be reached, particularly in industries which affect the national interest, to solve this problem.

I repeat that this situation involves not only the 5,000 steel industry strikers; it also involves the other 177 million Americans. The strike involves not only the steel industry, but also a great many other industries. The economic life of our Nation is involved.

Mr. President, let us consider who is most interested in a prompt solution of the steel strike: Not industry, not even labor; those who are most interested are the great majority of the 177 million Americans who remain outside of either group that is immediately involved in this strike situation.

So I repeat, as I said yesterday, that Congress has a job to do.

The PRESIDING OFFICER. Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT OF VICE PRESIDENT NIXON TO MOSCOW—CAPTIVE NATIONS WEEK

Mr. JAVITS. Mr. President, Vice President Nixon has just arrived to open the U.S. Fair in Moscow and I am informed by press reports that Premier Khrushchev did not meet his plane; instead, the Premier was busy denouncing Captive Nations Week once again in another part of Moscow. I do not believe the Vice President will be affected by this attack, nor will the American people. Premier Khrushchev has an easy way to meet the issue if he means what he says that "the only enslaved peoples are in the capitalist countries."

If Mr. Khrushchev wishes to answer the challenge of Captive Nations Week, then let him essay to prove to the world—and to himself, if he dares—that the years of Communist indoctrination have truly convinced the great masses of people in the nations of central and southeastern Europe that communism is their salvation. We in the West have no fear of such a free expression. Khrushchev can answer this challenge only by allowing free elections under U.N. auspices for self-determination in the captive nations.

On July 17, in response to Senate Joint Resolution 111 passed by the Congress, President Eisenhower issued a proclamation designating the third week of July as "Captive Nations Week." The proclamation called upon the people of the United States to "observe such week with appropriate ceremonies and activities" and "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the peoples of those captive nations."

The adoption of such a resolution by the Congress and its proclamation by the President is a natural consequence of the deep and historic concern of the American people for those peoples deprived of their national independence and personal liberty. This traditional concern for the oppressed extends to the over 100 million peoples of the captive nations of central and southeastern Europe.

The Soviet Union has chosen to take umbrage at this observance. Soviet Premier Nikita Khrushchev has denounced the campaign of prayer being conducted in the United States for the liberation of the subjugated peoples of Europe. Apparently, a sore spot in the Communist conscience has been struck. The most serious setbacks the world Communist enterprise has suffered were on the occasion of the bloody and tragic suppression of the Hungarian revolution in 1956 and the Tibetan revolt this year. In both instances the uprising of the people—the workers, the farmers, the citizens—of these nations struck at the very heart of the Communist argument that they represent a new order of economic and political freedom for all. Laid bare, communism is seen to be imperialism by force—but with better propaganda technicians.

The Soviets, by their reaction, reveal that what they fear is not only our material strength but our spiritual resources; the Communists can duplicate our material gains by using a bigger whip, but they do not dare to give the freedoms enjoyed by every citizen of our land.

Mr. President, yesterday the representatives of the captive nations in the United States came to the Senate Office Building and very graciously presented scrolls to the Senator from Illinois, Mr. DOUGLAS, myself, and Representative MCCORMACK, the majority leader in the other body, and made some very important addresses on that occasion.

I ask unanimous consent that there be included as a part of my remarks in the RECORD the addresses by Mr. Korbonski and Mr. Halychyn on that occasion, as well as the response of the Senator from Illinois, Mr. DOUGLAS, and myself.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS BY STEFAN KORBONSKI, CHAIRMAN OF THE ASSEMBLY OF CAPTIVE EUROPEAN NATIONS, AT CEREMONY HONORING SENATOR PAUL H. DOUGLAS, SENATOR JACOB K. JAVITS, AND REPRESENTATIVE JOHN W. MCCORMACK, WASHINGTON, D.C., JULY 22, 1959

Senator DOUGLAS, Senator JAVITS, Representative MCCORMACK, it is a great privilege for me to convey to you, and through you, to the Congress of the United States of America, the grateful thanks of the Assembly of Captive European Nations for the joint congressional resolution authorizing and requesting the President of this great Nation to issue a proclamation designating the third week of July 1959 as Captive Nations Week, to be observed each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

The joint resolution unanimously adopted by the Senate, on July 6, and by the House of Representatives, on July 9, is an act of historical significance to the silenced peoples of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, and Rumania for whom we are the spokesmen in the free world, as it is for all the other peoples, in Europe and Asia, which have fallen victims to the most ruthless imperialism known in history: Communist imperialism.

It is significant, first of all, because it was unanimously adopted by the most independent and respected legislative body in the world which can look back proudly to almost two centuries of uninterrupted service to the American people and to the cause of human freedom. It is significant because it not only gives solemn expression to the serious concern, so often and so consistently expressed in the Halls of the U.S. Congress, for the fate of the captive peoples, but also officially pledges support for the just aspirations of these peoples to freedom and independence. And it is significant because it was issued at this particular time when, in preparation of further expansionist moves, the Soviet rulers would like to consolidate their rule over their Eastern European springboard by securing the sanction of the United States and her allies for their ill-gotten conquests, and when the Western Powers are often advised by the timid and the faltering to embark on what they call the realistic course of recognizing the accomplished facts which, as they put it, the West has no power to change.

There is not the slightest doubt in my mind that if free to express themselves, the people of our countries would overwhelmingly hail the basic propositions of the joint congressional resolution. They know, alas, too well, something about Soviet imperialism and are, therefore, in a position to judge how right Congress was in exposing the mockery of the Soviet advocacy of coexistence. They draw much satisfaction from the knowledge that the U.S. Congress is aware of the fact that they regard the United States as the "citadel of human freedom" and look to it for "leadership in bringing about their liberation and independence." And they are gratified that Congress has so forcefully pointed to the truth, sometimes forgotten in the free world, that their "desire for liberation and independence constitutes a powerful deterrent to war," while their freedom is an essential prerequisite to a just and lasting peace.

The captive peoples will be forever indebted to the Congress of the United States for their demonstration of solidarity and support at a time when Soviet propaganda and sometimes the very march of events seem to conspire in trying to undermine their faith in the West and their hopes in a better tomorrow—that is the very foundations of their spirit of resistance.

A clear purpose is the beginning of any effective action. The Congress and the President of the United States have now clearly, forcefully, and solemnly declared their purpose in regard to the captive nations. Would it be too much to hope that political action will now follow and that we can look forward from now on to a persistent resort to all peaceful means to achieve this purpose?

In raising the unresolved issue of freedom and independence of our captive nations at all international conferences concerned with a European settlement, as well as before the United Nations, we are convinced that the Western Powers would undertake the right action not only from the moral but also from the political viewpoint. We are, of course, under no illusion that such action would bring immediate, practical results. We believe, however, that in the longer run Western political and diplomatic pressures

and the pressures our peoples are constantly exerting from within—represent a most powerful combination that may wear down even the most stubborn adversary. It is in this spirit that we have been advocating a new approach to the problem of peacemaking in Europe. Instead of putting forward proposals of limited scope and seemingly acceptable to the Soviets, the approach which failed to pass the test of Geneva, wouldn't it be more rewarding for the West to proclaim clearly, to reiterate unremittingly and to pursue persistently an overall European peace plan based on the principle of self-determination for all European nations? And, from a mere tactical viewpoint, wouldn't a persistent call for the withdrawal of Soviet troops from Eastern Europe (to be followed by free elections) be the most effective Western answer to the Soviet challenge both on Berlin and in the underdeveloped and non-self-governing nations?

We trust that our views which (we have good reasons to believe) are also the views of the most competent experts on Soviet conduct: the people in the captive nations, will eventually gain ground in the free world. And we are quite sanguine that in our efforts to promote them we shall be able to count on the understanding help of the many friends our nations have in the U.S. Congress.

Senator DOUGLAS, Senator JAVITS, Representative MCCORMACK, let me conclude with an expression of profound gratitude to you for the initiative you have taken in introducing the joint resolution and for all your efforts to see it through. Thank you from the bottom of our hearts. The success of your initiative is another illustration of what leadership and steadfastness can achieve even against the staggering obstacles on a congressional homestretch. As a token of deep gratitude and respect the Assembly of Captive European Nations, together with the American Friends of the Captive Nations and the Conference of Americans of Central-Eastern European Descent, beg you to accept these scrolls. May our peoples themselves soon be in a position to honor you, as they know best, and show you their affection, gratitude, and respect for what you have been doing for so many years on their behalf.

STATEMENT BY MR. DMYTRO HALYCHYN, CHAIRMAN OF THE CONFERENCE OF AMERICANS OF CENTRAL AND EASTERN EUROPEAN DESCENT (CACEED) AT THE MEETING WITH CONGRESSIONAL SPONSORS OF THE CAPTIVE NATIONS WEEK RESOLUTION, ON JULY 22, 1959, IN WASHINGTON, D.C.

It is my pleasure and distinct honor to appear here personally and in the name of the Conference of Americans of Central and Eastern European Descent (CACEED) thank the sponsors of the joint congressional resolution for their great insight and belief in the cause of the enslaved nations of Europe and Asia, which they demonstrated by sponsoring the said resolution. I also thank the President of the United States who issued a proclamation of July 17, 1959, designating this week as the Captive Nations Week and who signed a congressional resolution providing for annual observance of the week.

This resolution, which has now become Public Law 86-90, constitutes a great and significant event in our relations with the enslaved nations languishing in the tyrannical slavery of Communist Russia, because it clearly and definitely states that the U.S. Government and the American people as a whole have not forgotten these victims of Soviet Russian despotism and slavery.

Our organization, encompassing the many millions of American citizens of Albanian, Bulgarian, Czechoslovak, Hungarian, Estonian, Latvian, Lithuanian, Polish, Rumanian, and Ukrainian descent has been a stanch and intrepid advocate of an enlightened U.S. policy of liberation in deep conviction that only a wholehearted support of the enslaved nations in their struggle against Soviet Russian imperialism and domination can prevent Communist Russia from her further conquests and aggressions in the world.

This is why we believe that the passage of the resolution will greatly enhance the prestige and power of the United States, as it will remind both the free and the enslaved worlds that it still is a champion of freedom and independence of all the enslaved and persecuted, and a bastion and ultimate hope of mankind as a whole.

It is with a sense of deep gratitude that our organization pledges its support to you and to our Government in fighting the Communist encroachments everywhere, as it firmly believes that only a bold stand against Communist Russia would enable us not only to maintain our precious freedom and security, but eventually it would help the 23 enslaved nations, enumerated in the joint congressional resolution, to regain their own freedom and independence to which they, as God's creations, are fully entitled.

STATEMENT BY SENATORS DOUGLAS AND JAVITS

Prime Minister Nikita Khrushchev yesterday complained to Western newsmen in Warsaw against the campaign of prayer that is being conducted in this country for the liberation of peoples subjugated by communism that is being conducted in this country as part of the observance of Captive Nations Week. His reported reply to this action was that the only enslaved peoples are in the capitalist countries.

The fact that Khrushchev was moved to reply so promptly and so angrily is the best possible proof that, in thus assuring the captive peoples that we will continue to work by all peaceful means for their ultimate liberation, we have touched on Khrushchev's sorest and most vulnerable spot.

Not even the cows of Kazahstan will be impressed by Khrushchev's claim that this is freedom in the Communist world and that the only enslaved peoples are in the capitalist countries. What is slavery, after all? A man is a slave when he is not his own master. When a man cannot vote for a government of his choice, when he does not have the protection of civilized laws, when he is not free to travel or to change employment, when he is completely at the mercy of an all-powerful state, when he cannot speak his mind for fear of persecution—then he is certainly not his own master. It is significant that the very same issue of the New York Times which reported Mr. Khrushchev's speech carried the news that of the 23 members of the editorial board of the learned Soviet publication, the Botanical Journal (Botanichesky Zhurnal), all but 2 have recently been dismissed because their views on heredity failed to conform to the internationally ridiculed but officially sponsored views of Academician Trofin D. Lysenko. What more devastating commentary could there be on the abasement and enslavement of the human mind which is a condition of Communist power?

Khrushchev's statement identifying freedom with slavery and slavery with freedom is as preposterous as it sounds. If the peoples in the satellite nations are truly free, as Khrushchev claims, why does he not consent to prove his point by arranging for free elections in all of the captive countries, under the supervision of the United Nations? If he did so, he could restore respect for the pledged word of the Soviet regime, remove the most important source of tension in Europe, and pave the way for a general settlement that would assure security to both the Soviet Union and Western Europe. This is the crux of the issue being discussed so fruitlessly right now in Geneva.

Until such time as Mr. Khrushchev consents to such free elections, we, for our part, shall do our utmost to expose Soviet rule in the captive free world, to fortify them in their spirit of resistance, and to work for their ultimate liberation by every peaceful means.

The churches and synagogues of America, by offering prayers for the liberation of the captive peoples, have simply acted in harmony with their fundamental belief in the God-given rights of man. We have nothing to apologize for if these prayers have offended Mr. Khrushchev. On the contrary, we can assure him that his reaction will stimulate the American people of all religions, to pray with all the more fervor that the freedom which is theirs will someday, in the not too distant future, be shared by their brothers in all countries.

Mr. JAVITS subsequently said: Mr. President, I thought Senators might be interested in hearing Khrushchev's words today in Moscow, in the light of what I have said about how the Communists have become very irritated about the fact that we have declared a Captive Nations Week.

This comes from an American source, and is a direct translation of Mr. Khrushchev's speech this morning coming over the wires from London. It is as follows:

The oppressed peoples, the working people of the capitalist countries, are striving with increasing persistence to get rid of the rule of the monopolies, the lack of rights and fierce exploitation. Being aware of all this, the monopolists are giving as it were an anti-Soviet, anti-Socialist inoculation of the peoples of their countries and are taking such irrational decisions as the holding of all sorts of "week of aid to enslaved peoples," using in this black deed all the rabble which the peoples of the socialist countries have thrown out of their countries.

They have thus added fuel to the flames at the time of the arrival of U.S. Vice President NIXON in the Soviet Union—"the enslaved country of communism."

Mr. President, to this I think I should say we are delighted Mr. Khrushchev is so irritated, and we think Mr. NIXON can very well handle that in stride. We hope very much that the fact that we have at last touched the sensitive nerve of the Communists will help Mr. NIXON in his mission, in which we certainly all wish him the best of luck.

NEW YORK TO MOSCOW FLYING RECORD

Mr. MAGNUSON. Mr. President, I was called shortly after 8 o'clock this morning and learned that another Seattle produced Boeing 707 has made aviation history.

Now an American plane holds the New York to Moscow record, having cut more than an hour from the flying time of the Russian built plane which carried Soviet First Deputy Premier Frol Kozlov to Russia earlier this month.

I ask unanimous consent that the United Press International account of this great achievement be printed in the body of the RECORD.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

Moscow.—America's biggest commercial jetliner today streaked nonstop from New

York to Moscow in the record time of 8 hours and 45 minutes.

The flight of the intercontinental version of the Boeing 707 knocked 63 minutes off the flying time of the Russian TU–114 propjet that set the previous New York-Moscow record when Soviet First Deputy Premier Frol Kozlov returned to Russia earlier this month.

The new record was set by a Pan American World Airways jetliner, under charter to the U.S. State Department carrying 96 persons, most of them American newsmen assigned to cover Vice President NIXON's 11-day tour of Russia.

The record-breaking flight began last night at 10:35 p.m. e.d.t. when the Boeing 707 took off from Idlewild International Airport in New York.

The Pan American jetliner arrived over Moscow at 7:20 a.m. e.d.t., circled for 7 minutes before getting landing clearance, and 2 minutes later, at 7:29 a.m., e.d.t., was on the ground.

The newsmen left New York about 90 minutes after NIXON left Friendship, Md., aboard an Air Force UC–137 Jet Transport—the smaller and slower version of the Boeing 707. They beat NIXON into Moscow.

The press plane flew nonstop from New York. The Nixon plane refueled at Reykjavik, Iceland.

REQUIREMENT OF LOYALTY OATH UNDER NATIONAL DEFENSE EDUCATION ACT

Mr. BRIDGES. Mr. President, I merely want to say that I am surprised—perhaps shocked is a better word. Here in the Senate of the United States is offered a bill to do what? To remove the requirement of making an oath of loyalty to the United States. What does that loyalty oath say? It says this:

I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and the laws of the United States against all its enemies, foreign and domestic.

What possibly can be wrong with requiring any young man or woman to take such an oath before he or she receives the benefits provided under the National Defense Education Act—I repeat, the National Defense Education Act?

What possibly can be wrong with requiring these young people to sign an affidavit that they do not believe in, are not members of, and do not support any organization that teaches or believes in the overthrow of the U.S. Government by force or any illegal methods?

Mr. President, it seems to me that there is nothing wrong with asking these young people to repeat such oaths and sign such affidavits. It seems to me, Mr. President, that it is only right that they should do so.

In fact, I cannot understand why these young people—yes, and their august teachers also—would not deem it a privilege to take this oath. I would think they would feel some allegiance to the Government from which they seek loans to complete their education.

It has been argued here that we should not single out these young people when we do not ask others receiving Government benefits to take an oath.

To this, I say they should feel honored to be so singled out. I find nothing wrong with asking all persons receiving any kind of U.S. benefits to pledge allegiance to the principles for which America stands. In a similar way I have been opposed to giving aid to Communist countries.

We have also been told that such oaths should be repealed because they do not keep out subversives.

This may be true, but these oaths serve another purpose, Mr. President—a purpose which needs more serving and which can never receive too much service. And that purpose is to remind these young Americans and all Americans that we all owe allegiance to our country and that we are privileged to be American citizens. In short these oaths serve the purpose of patriotism.

That is why I am shocked at this bill. We need more patriotism in this country, not less. We need, as we have never needed before, young people who will realize what America means, what is important about its history and its principles. And we need young people who are not ashamed to stand up and say proudly that they pledge their allegiance to the United States.

For these reasons, Mr. President, I hope the provision of the act, adopted in good faith by the 85th Congress, will remain in effect, and, if anything, will be bolstered by the 86th Congress, and not weakened.

I cannot understand why in the Senate of the United States Members of this body advocate the repeal of that part of the National Defense Education Act which was passed in good faith last year.

As time goes on, as it is going on, and as the months and years pass by, I say to the Members of this body who are advocating the repeal of the loyalty oath that some day their action is going to haunt them. As one U.S. Senator, I want the RECORD to show I am opposed to such repeal, and I care not what pressures are put on me or anyone else to take this step. I believe any young man or woman in this country who is the product of our great country should deem it a privilege to take such an oath or make such an affidavit.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. ERVIN. The Senator, of course, is aware, as every Member of this body ought to be, that article VI of the Constitution of the United States requires every Senator, every Representative in Congress, every member of any State legislature, and all executive and judicial officers, both of the United States and of all the States, to take an oath or affirmation that they will support the Constitution of the United States.

Mr. BRIDGES. I am.

Mr. ERVIN. The Senator is also aware, is he not, that a person is not even allowed to join the Army, the Navy, the Marine Corps, or the Air Force, which have been established to defend this country, if he is unwilling to take an oath to support the Constitution of the United States?

Mr. BRIDGES. I am. I want to say to the Senator from North Carolina that I am shocked at what is sought. I venture to say it will come back to hit any Senator who takes the action suggested.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes. To the Senator from New Hampshire, I will say I think there is general agreement with what he is talking about. I stated last night I would accept gladly language which would provide for an oath or affirmation to support the Constitution of the United States and a pledge of allegiance. I will also say to the Senator from New Hampshire what we are talking about is that a student should not be required to supply an affidavit. A Senator is not so required, nor is one who is in the Army or Navy required to present an affidavit that he is not a member of an organization seeking to overthrow the Government of the United States. That is quite different from the requirement of a pledge of allegiance.

Does the Senator recognize that distinction?

Mr. BRIDGES. Yes, but, in effect, it is the same thing.

Mr. KENNEDY. I think there is quite a difference between requiring someone to take an oath or a pledge of allegiance to the U.S. Government and requiring a particular group to file an affidavit that they are not members of the Communist Party or Communist front organizations. We require such an affidavit of employees of the Government or officers of the Army or Navy. We are talking about students. It is not proposed that all recipients of Government aid shall do so, but only needy students, and that is what I object to.

Mr. ERVIN. Mr. President, I should like to make one observation. When any person takes an oath to support the Constitution of the United States and to defend it against all its enemies, both foreign and domestic, as every officeholder in the United States is required to do, as every member of the Armed Forces is required to do, and as every person who attempts to register to vote in any of the States is required to do, he impliedly and as a part of the oath states, in essence, that he does not believe in overthrowing the Government by force and violence.

Mr. CLARK. Mr. President, is the Senate still in the morning hour?

The PRESIDING OFFICER. The Senate is still in the morning hour.

Mr. CLARK. Mr. President, may I have the attention of my good friend from North Carolina.

I think the position of those of us who favor the pending bill is based to a large extent on the fact that we do not think the students or the educational institutions of this country should be treated any differently from anybody else in connection with oaths and affidavits.

If my good friend the Senator from North Carolina would be willing to submit an amendment to the bill which would provide that every farmer who gets a loan on his tobacco crop, every member of an REA cooperative, and every mortgage banker who gets Government insurance under the FHA or

VA programs, would also be required to take oath of allegiance, I for one would have no objection. My point of view is that this is an attempt to make second class citizens out of the brains of America. It is an unjust smear against people who are as loyal to the United States of America as is any tobacco farmer in my State or in the State of the Senator from North Carolina.

If the Senate is willing to retain this oath requirement for anybody who gets a loan under the education bill, then we ought to be willing to apply it to anybody under any kind of loan program of the U.S. Government. We should not single out the brains of the country and try to put them in a category which suggests that some of them may be more disloyal to the Government of the United States than other persons who receive Government loans or grants under the acts of Congress without being asked to take loyalty oaths.

Mr. ERVIN. I suggest nothing of that kind, Mr. President. This is a national defense education act. Why should we be willing to spend the money of the taxpayers to educate people for national defense if those people believe they ought to destroy by force and violence, against the will of our people, the Government which is furnishing the money?

Mr. CLARK. Why should we be willing to spend the money of the Government of the United States to make loans to tobacco farmers who might be disloyal to the Government of the United States?

The PRESIDING OFFICER. The Chair wishes to state that the unfinished business has not been laid before the Senate. Is there further morning business? If not, morning business is concluded.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Presiding Officer may lay before the Senate the unfinished business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 819) to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance.

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment offered by the Senator from South Dakota [Mr. MUNDT].

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The time is to be allocated under the unanimous-consent agreement.

Mr. CLARK. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum and that the time necessary to call the roll not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. JOHNSON of Texas. Mr. President, I object to that.

The PRESIDING OFFICER. Objection is heard.

Mr. MUNDT. Mr. President, Senators will recall that at the conclusion of the discussion yesterday afternoon the Senator from Georgia [Mr. RUSSELL] had suggested a proposal for addition to the amendment which I had offered in the nature of a substitute, and we were discussing, in a colloquy with the Senator from Arizona [Mr. GOLDWATER], a revision of the language. As Senators know, my original amendment in the nature of a substitute eliminated both the oath disclaiming Communist membership and the oath of allegiance and provided in lieu thereof effective protective mechanism for preventing disloyal Americans from participation in the funds available under the National Education Defense Act.

I felt the collegiate groups opposing the oaths would not oppose this traditional method of safeguarding these funds. However, late yesterday Senator KENNEDY agreed to accept the allegiance oath proposed by Senator RUSSELL so I am likewise moving to accept that oath as part of my proposed substitute.

Consequently, today, I have conferred with both the Senator from Georgia [Mr. RUSSELL] and the Senator from Arizona [Mr. GOLDWATER]. The Senator from Arizona is presently detained from the floor of the Senate, since he is addressing the National Press Club luncheon. However, I ask unanimous consent that I may modify my amendment in order to include these revisions in language in my proposed substitute, and I do so on behalf of the Senator from Arizona [Mr. GOLDWATER] and myself.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota?

Mr. CLARK. Mr. President, a parliamentary inquiry.

Mr. ERVIN. Mr. President, I should like to ask a question. I did not quite understand what the Senator said. My question is this: Does the Senator from South Dakota ask to substitute the language of the Goldwater amendment for the language of his amendment?

Mr. MUNDT. The Senator is correct, as a part of my revision.

Mr. ERVIN. In other words, it is a substitute rather than an addition?

Mr. MUNDT. That is correct; it is actually both.

Mr. CLARK. Mr. President, reserving the right to object—and I shall not object—I ask the Senator from South Dakota, whom I could not hear very well, to tell me whether he is withdrawing his amendment and offering the Goldwater amendment.

Mr. MUNDT. I will explain that, if I may have a few minutes.

What I am doing in the proposed modification of my amendment, is, first, replacing the language which I had suggested about the Attorney General's list, with the language of the Goldwater amendment, which is printed. Then I have added the suggestion of the Senator from Georgia [Mr. RUSSELL] about the oath of allegiance, so as to have it all wrapped up in one package.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. CLARK. Are copies of the amendment as sent to the desk available to the Members of the Senate?

Mr. MUNDT. They are available in two pieces. The Goldwater amendment is printed and on the desk, and the Russell proposal is in the RECORD of yesterday where the Senator from Massachusetts [Mr. KENNEDY] agreed to accept the oath of allegiance and where subsequently I made the same agreement.

Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota to modify his amendment?

Mr. CLARK. Mr. President, reserving the right to object, I should like to ask the Presiding Officer to have the clerk read the amendment, as the Senator requests that it be modified, because I am not clear as to what we are asked to do. Does the Senator from South Dakota object to having that done?

Mr. MUNDT. Not at all.

The PRESIDING OFFICER. The amendment, as it is proposed to be modified, will be stated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof:

That section 1001 of the National Defense Education Act of 1958 is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f) (1) No person shall hereafter accept any funds, payment, loan, or other benefit made available under the authority of this Act if such person (A) advocates the overthrow of the Government of the United States by illegal means, or (B) is a member of an organization that advocates the overthrow of the Government of the United States by illegal means, knowing that such organization so advocates.

"(2) Any person who violates paragraph (1) of this subsection shall be guilty of a felony, and shall be fined not more than $1,000 or imprisoned for not more than one year and a day, or both.

"(3) The text of paragraphs (1) and (2) of this subsection shall be set forth in full upon the face of each form adopted for the submission by any person of any application for a benefit under this Act, and a copy of such text shall be transmitted promptly to each person presently reciving any benefits under this Act.

"(4) No part of any funds appropriated of otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic.' "

Amend the title to read as follows: "A bill to amend section 1001 (f) of the National Defense Education Act of 1958."

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Under the unanimous consent agreement, how much time is available for each side on the modified amendment proposed by the Senator from South Dakota?

Mr. MUNDT. As I understand the situation, Mr. President, the modification would not change the time allocation. If it does, it would add 15 minutes for each side.

Mr. CLARK. May I ask for a ruling from the Presiding Officer, so that we may plan our time accordingly?

The PRESIDING OFFICER. The time remaining on the amendment is 40 minutes for the proponents and 46 minutes for the opponents.

Mr. CLARK. I thank the Presiding Officer.

Mr. MUNDT. I thank the Senator very much.

The PRESIDING OFFICER. The Chair wishes to state also that 30 minutes remain for the proponents and 57 minutes remain for the opponents of the bill.

Is there objection to the request of the Senator from South Dakota to modify his amendment?

Mr. CLARK. Mr. President, reserving the right to object, did I correctly understand that the Presiding Officer revised the time allotments?

The PRESIDING OFFICER. The Chair was merely stating the amount of time remaining on the bill.

Mr. CLARK. On the bill?

The PRESIDING OFFICER. On the bill.

Mr. CLARK. Not on the amendment?

The PRESIDING OFFICER. Not on the amendment.

Mr. CLARK. The time on the amendment remains as stated a minute ago?

The PRESIDING OFFICER. As stated.

Is there objection to the request of the Senator from South Dakota to modify his amendment? The Chair hears none; and, without objection, it is so ordered.

Mr. MUNDT. Mr. President, for the information of the Senate, we have before us the amendment as modified in a cooperative effort by the Senator from Arizona [Mr. GOLDWATER], the Senator from Georgia [Mr. RUSSELL], and myself. That which we provide is precisely the language which Senators will find incorporated in Public Law 330, which is printed as a part of the transcript of hearings on page 106. This would mean we would apply precisely the same safeguards to the privileged young people who are getting portions of the $90 million special fund for the national educational defense, that are applied to all the staff members of all the Members of Congress, and all other Government employees under precisely the same kind of rules and regulations.

The PRESIDING OFFICER. The Senate will be in order. A number of conversations which are being carried on at the rear of the Chamber must cease before the Senator may proceed. The Senator from South Dakota will not proceed until the Senate is in order.

The Senator from South Dakota may proceed.

Mr. MUNDT. This provision would apply precisely the same safeguards as apply in the case of all Members of Congress, all members of their staffs, and every single employee of the Government.

There are eliminated from my original amendment two features. First, the 5-year feature is gone. Second, there is gone the list supplied by the Attorney General. It now contains two provisions found on page 106 of the hearings, where there is to be found a reprint of Public Law 330, of the 84th Congress.

First, it would mean that no one could obtain these funds until he took an oath of allegiance to the United States. That is precisely what the Senator from South Carolina has been talking about. That is what the Senator from Georgia has been talking about. That is what the Senator from New Hampshire has been talking about. That is what the Senator from Massachusetts [Mr. KENNEDY] yesterday agreed to support in lieu of his committee amendment. No one would be able to qualify for these loans or grants until and unless he had taken a pledge of allegiance to the United States.

That provision was not in my original amendment, because it was my conclusion that the committee opposed it and that such an oath was considered objectionable and ineffective by many in the educational community. However, the committee bill would now include it. The committee hearings were dedicated to the elimination of it; but when the chairman of the subcommittee rose and said, "This is acceptable to me," obviously I then added that provision to my amendment in the nature of a substitute, so that the issue will be clearly drawn as to whether, in addition to the oath of allegiance, we want to provide for these privileged young people who are enjoying the benefits of this multimillion dollar loan fund the safeguards protecting the national interest which Congress passed almost unanimously, and which became Public Law 330, applying to less privileged youngsters in the country who are working for a living in the bureaus, commissions, and offices of the Government, and in the offices of Members of the U.S. Senate and House of Representatives.

Unless we do this, it seems to me that we shall have great difficulty on confronting our constituents when we get home, when we say, "We voted $90 million of your tax money to provide for a National Defense Education Act with regard to youngsters who go to college to study in laboratories and become atomic scientists, but we voted out the one safeguard which provides that Communists, or other people dedicated to the overthrow of the Government by illegal methods, shall not be permitted to use the taxpayers' money to learn better how to destroy the taxpayers' institutions."

Mr. President, I reserve the remainder of my time.

Mr. CLARK. Mr. President, will the Senator yield, with the understanding that such time as is consumed by our colloquy may be charged to the opponents of the amendment?

Mr. MUNDT. With that understanding, I yield.

Mr. CLARK. Will the Senator advise me whether his new amendment, which, as I understand, is a combination of the Goldwater amendment and the Russell amendment, would in effect reenact the Smith Act?

Mr. MUNDT. No. What it does is to reenact two paragraphs of Public Law 330. It would reenact the part which provides that no one who advocates the overthrow of our constitutional form of government in the United States shall receive any of this money. If there are Senators who wish, on a yea and nay vote, to say, "We would like to make these grants available to someone openly advocating the overthrow of the Government of the United States or who is a member of an organization which advocates the overthrow of government," let them so vote. The yeas and nays have been ordered.

We are either for or against making the money available to people who advocate the overthrow of the Government of the United States by force, or who belong to an organization advocating the overthrow of the Government by force and violence.

Mr. CLARK. So the answer to my question is that the Senator's amendment is not a reenactment of the Smith Act?

Mr. MUNDT. Not in its entirety.

Mr. CLARK. But in substance?

Mr. MUNDT. In part; but it contains new language.

Mr. CLARK. Now will my friend also tell me whether he would take the same view with respect to requiring loyalty oaths by persons, such as wheat farmers in the Dakotas, who receive loans under acts of Congress other than the National Defense Education Act.

Mr. MUNDT. The Senator from South Dakota would take precisely the same view, provided—and this is a most important proviso—that the legislation making the money available was presented to the Congress and the country on the basis of its being a national defense act. It was under that label, and with that definition, that we appropriated $90 million in the National Education Defense Act now under consideration.

Mr. CLARK. I thank the Senator for his answers.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MUNDT. I believe the Senator from Pennsylvania has the floor.

Mr. LAUSCHE. I thought not.

Mr. MUNDT. If I have the floor, I yield.

Mr. CLARK. I shall be glad to yield the floor.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me after the Senator from Ohio has concluded?

Mr. MUNDT. Certainly.

Mr. LAUSCHE. In the event an applicant is a member of an organization which advocates the overthrow of the Government, and the applicant does not know of the purpose of the organization, would the penalties apply against him? My belief is that they would not.

Mr. MUNDT. The Senator is a distinguished lawyer, and I am only a country boy from South Dakota. However, I assume, from my knowledge of the law, that they would not apply, because one must knowingly violate the statute under my amendment.

Mr. LAUSCHE. The language of subdivision (B) of subsection (f) reads: "is a member of an organization that advocates the overthrow of the Government of the United States by illegal means, knowing that such organization so advocates."

Mr. MUNDT. That is correct. He must know it.

Mr. LAUSCHE. I construe that to mean definitely that if he were innocently a member, the sanctions could not be imposed against him.

Mr. MUNDT. The Senator is exactly correct; and the legislative language should make the meaning clear.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, as I understand, the Senator from South Dakota has now adopted a combination of the Goldwater amendment and the Russell amendment.

Mr. MUNDT. That is correct.

Mr. SALTONSTALL. As I understand, the sum and substance of the difference between the Senator's amendment and the present law is that no affidavit is involved.

Mr. MUNDT. There is no affidavit, and there is no disclaimer oath.

Mr. SALTONSTALL. But there is added a penalty.

Mr. MUNDT. There is added a penalty in the case of the individual who surreptitiously seeks these funds, knowing that he belongs to an organization which advocates the overthrow of the Government.

Mr. SALTONSTALL. The important point is that the affidavit is no longer required.

Mr. MUNDT. It is not the most important thing to me. It may be the most important thing to the committee. The amendment sustains the committee position that no affidavit and no disclaimer oath are required.

Mr. CLARK. Mr. President, I do not see the majority leader or the distinguished Senator from Massachusetts [Mr. KENNEDY] in the Chamber. The Senator from Massachusetts, when he left the Chamber, asked that I attempt to represent his interest in his absence. So I assume there will be no objection from the majority leader if I yield myself 10 minutes in opposition to the Mundt amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. CLARK. Mr. President, as we consider the bill in the form in which it came from the committee, and the modified Mundt amendment, I think it is important that we put the issues in perspective.

The proposed amendment to existing law results from a strong, deep movement among the educational authorities of the United States, who firmly believe that subsection (f), which we seek to strike from the National Defense Education Act, is morally wrong and unfair.

Let me cite the names of a few of the distinguished educators who appeared before our committee or submitted statements advocating the repeal of this subsection:

Everett N. Case, president, Colgate University.

Katharine E. McBride, president, Bryn Mawr College, Bryn Mawr, Pa.

Rev. Michael P. Walsh, S.J., president, Boston College, representing Association of American Colleges, Washington, D.C.

Gaylord P. Harnwell, president, University of Pennsylvania.

Courtney Smith, president, Swarthmore College, Swarthmore, Pa.

Dr. Hugh Borton, president, Haverford College, Haverford, Pa.

Hon. Arthur S. Flemming, Secretary, Department of Health, Education, and Welfare.

Dr. William P. Fidler, general secretary, American Association of University Professors.

Robert F. Goheen, president, Princeton University.

Bower Aly, University of Oregon.

Ewart M. Baldwin, secretary, American Association of University Professors.

Wesley C. Ballaine, president, University of Oregon Chapter AAUP.

Donald G. Balmer, Lewis and Clark College.

Louis T. Beneget, Colorado College.

Frank B. Bennett, Eastern Oregon College.

Robert D. Clark, University of Oregon.

J. Ritchie Cowan, Oregon State College.

James Creese, Drexel Institute of Technology.

M. W. Cronyn, Reed College.

W. R. Davies, Wisconsin State College.

Hoyt C. Franchere, Portland State College.

A. Whitney Griswold, Yale University.

Jere C. King, Los Angeles chapter, American Association of University Professors.

Donald M. Love, secretary, Oberlin College.

Adelma E. Mooth, secretary, Boston chapter, American Association of University Professors.

E. N. Peterson, president, American Association of University Professors.

Nathan M. Pusey, president, Harvard University, Cambridge, Mass.

Helen E. Raynolds, Baldwin-Wallace College.

A. L. Strand, President, Oregon State College.

Richard P. Tucker, chairman, Oberlin College.

O. Meredith Wilson, president, University of Oregon.

In addition resolutions urging the repeal of subsection (f) of the Education Act were adopted by the faculty of Dartmouth College, the faculty of Bowdoin College, and the faculty of the University of Oregon.

The bill has the strong and unanimous support of the presidents of our great American universities. It also has substantial student support, as I pointed out in my speech before the Senate yesterday afternoon.

Certainly with respect to the first part of subsection (f) which requires a disclaimer affidavit, the educational community is united in opposition. With respect to the second part, the loyalty oath, concerning which I do not feel strongly, except that it designates our students as second class citizens, as compared with other recipients of the Government's bounty, I believe the majority of American educational authorities are also opposed.

Let us put this question in historical perspective.

The provision in the law which the bill proposes to repeal is nothing more than a reactivation of the test oath, which goes back to the days of religious bigotry in the 16th and 17th centuries in England, when, in order to qualify for any privilege or benefit, one had to take a test oath, indicating loyalty to the Church of England.

It is a reminder of a number of relatively disreputable incidents in our country's history. I shall not dwell on the Salem witch hunt, although I might; but I will mention the alien and sedition laws. I will mention the red baiting by Attorney General A. Mitchell Palmer, after World War I. I will mention the disgraceful proceedings, for which this august body bears its share of the fault, which went on during the years 1950 to 1954, and which are part of the memory of every Member of this body, whether he was then a Senator or not.

The oath which is being sought to be stricken by the committee bill is different in a great many respects from the ROTC oath and the oath which we take as Senators. Those differences have been pointed out earlier in the debate.

The important issue in this controversy is whether the Congress will permit a law to remain on the books which classifies as second-class citizens students of the United States who desire to borrow money to complete their education. If a man is a tobacco farmer in Pennsylvania or North Carolina and wants to borrow money from the United States Government, he does not have to make an affidavit or take a loyalty oath. If he is a wheat farmer of the Great Plains and wants to borrow money from the U.S. Government, he does not have to make an affidavit or take an oath. If he is a member of an REA cooperative which is getting Government loans at low rates of interest, he does not have to make an affidavit or take an oath. If he is a mortgagee who wants to secure FHA insurance on the mortgage he holds, he does not have to make an affidavit or take an oath. But if he is a young man going to college who wants to borrow money from the Government, he is set aside as one of a suspect class which has to make an affidavit denying participation in subversive activities and take a loyalty oath in order to qualify.

Under the modified Mundt amendment if a student receives a loan and is found subsequently, or at the time, to be advocating the overthrow of the Government of the United States by illegal means, or if he is a member of an organization which advocates the overthrow

of the Government by illegal means, then he is guilty of a felony and is subject to imprisonment and to a $1,000 fine. He is set aside from other citizens who receive Government loans under a number of other acts.

I say to the Senator from South Dakota that I am very glad to stand on the floor of the Senate and vote against his amendment, because I think it represents a return to that type of thought control which was so much a part of our national mores in the early 1950's, and which I thought had left the floor of the Senate for good. I am happy, indeed, and proud to vote in opposition to the amendment.

Mr. President, I yield back the remainder of my time.

Mr. MUNDT. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield with the same understanding under which the Senator from South Dakota yielded to me a little while ago; namely, that his remarks will be charged to his time.

Mr. MUNDT. Very well. The Senator's position is inconsistent though emphatic. Would he want to advocate the repeal of Public Law 330, which applies to persons in his office and on the staff of the Senate; to persons who work in the executive departments downtown; and to some 2 million Federal employees?

Mr. CLARK. I have considerable doubt in my mind as to the efficacy of that particular law, although I am not prepared at this moment to take a final position on that question, because I think it is entirely irrelevant to the matter before the Senate. We are talking about the brains of America—the students, the academicians, the source of our great national wealth. I will not be drawn into a consideration of other issues which, in my own opinion, are not germane.

Mr. MUNDT. I hope the Senator is not implying that there are no brains employed in senatorial offices or in the Government offices downtown. If he is, very well; but I deny it, so far as I am concerned.

Mr. CLARK. Is that a question?

Mr. MUNDT. That is a comment on my own time.

Mr. LAUSCHE. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. LAUSCHE. Am I correct in my understanding that the University of Pennsylvania, in a letter addressed to the junior Senator from Pennsylvania [Mr. SCOTT], as reported on page 115 of the hearings, made this statement:

> Please bear in mind that we have not voiced an objection to the second part of section 1001(f), which requires the taking of a simple promissory oath or affirmation.

Is it not true that the University of Pennsylvania sees nothing wrong in asking an applicant to swear that he believes in the Constitution and will support it?

Mr. CLARK. If the Senator will turn the page, he will find that the letter from which he has quoted was sent by my dear friend Jefferson B. Fordham, dean of the Law School of the University of Pennsylvania. I do not differ with Dean Fordham in his position. But I do say that if it is the intent of Congress to impose such an oath on the students of America, let us impose it on the corn farmers of Ohio and all others receiving Government grants and loans.

Mr. LAUSCHE. I think that is arguing in a circle.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes.

There is no objection on the part of the Senator from Massachusetts, as there is no objection on the part of Mr. Fordham, whom the Senator from Ohio has quoted, to having the oath of allegiance attached to this kind of procedure. What we object to is the affidavit.

Mr. LAUSCHE. I think there is strength to that statement; but, in my opinion, the opponents of the Mundt amendment ought to recognize, when they argue against a disclaimer of communism, that while they then may be on sound ground, they are on indefensible ground when they say it is an exploitation of the dignity of the student to ask him, as a prerequisite to the right to get a loan, to swear that he will uphold the Constitution.

Mr. CLARK. I have no objection to that; although I question its value, but if the oath is to be required of student loan applicants, the practice ought to be even, across the board, for everybody who gets Federal bounty. Why single out students?

Mr. ERVIN. Mr. President, will the Senator from South Dakota yield me 5 minutes?

Mr. MUNDT. Before yielding, I ask unanimous consent that there be a quorum call, the time for the quorum call not to be charged to either side. I think it is indefensible parliamentary procedure to continue a debate which is of vital concern to our national security without having a quorum call, in the first instance, to call together Senators who are interested and without having more than a handful of Senators on the floor.

Mr. President, I ask unanimous consent that, without the time being charged to either side, there be a quorum call. After the quorum call, I will yield 5 minutes to the Senator from North Carolina.

Mr. PASTORE. Mr. President, does the Senator from South Dakota intend to call for a live quorum?

Mr. MUNDT. No.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUNDT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUNDT. Mr. President, I yield 5 minutes to the distinguished Senator from North Carolina [Mr. ERVIN].

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 5 minutes.

Mr. ERVIN. Mr. President, I have a sympathetic understanding of the position of those who object to singling out any group of Americans and requiring them to take a so-called anti-Communist oath. However, the Mundt amendment does not retain the provision of the National Defense Education Act of 1958 which requires the making of an anti-Communist affidavit. The only oath the Mundt amendment retains is the one required of a student who applies for a grant or a loan under the National Defense Education Act of 1958, as follows:

> I do solemnly swear or affirm that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all enemies, foreign and domestic.

Mr. President, I am unable to see any reasonable objection to requiring the taking of such an oath by a student who applies for a loan or a grant under the National Defense Education Act of 1958. That is true because that oath is in substance the same as the one which is required of all American citizens who seek to exercise any of the privileges of their citizenship.

The third clause of the article VI of the Constitution of the United States provides as follows:

> The Senators and Representatives before mentioned, and the members of the several State legislatures, and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution.

The only requirement of the Mundt amendment, insofar as an oath is concerned, is virtually identical with the provision of the Constitution to which I have just referred.

Furthermore, under congressional acts and under regulations adopted by the Defense Department in connection with those acts, every person who enters the Army, the Navy, the Marine Corps, or the Air Force has to take substantially the same oath as that required by the National Defense Education Act of 1958 and by the Mundt amendment; namely, an oath to support the Constitution of the United States. And every person who undertakes to register and to vote in any election conducted in any one of the 50 States of our Union is also required to take an oath to support the Constitution of the United States, which oath is substantially the same as that which would be required under the Mundt amendment, and which is now required under the National Defense Education Act of 1958, in the case of students who apply for loans or grants under that act.

I am unable to accept as valid the argument made by my able and distinguished friend, the senior Senator from Pennsylvania [Mr. CLARK], to the effect that the Mundt amendment would make second-class citizens of the students who apply for loans or grants.

The document which gives first-class citizenship to every American citizen, both under the Federal system and in the States, is the Constitution of the United States. How can it be properly argued that to require one to swear that he will support and defend the Constitution which declares him a citizen of

his Nation and a citizen of his State makes him a second-class citizen? I cannot accept that argument. In my opinion, such argument has no validity.

Mr. KENNEDY. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. Yes; if I have sufficient time to do so.

Mr. KENNEDY. I shall yield time, if that proves to be necessary.

Let me state that I do not think there is any opposition to taking such an oath.

But what is the position of the Senator from North Carolina in regard to the affidavit?

Mr. ERVIN. The Mundt amendment eliminates the affidavit.

Mr. KENNEDY. Does the Senator from North Carolina approve of that?

Mr. ERVIN. Yes; because I am not in favor of singling out any group of persons and requiring them to take an oath or to make an affidavit that is not required of all American citizens. But I am in favor of requiring one who seeks to obtain any benefits from our Government to take an oath that he supports the Constitution which creates our Government.

Mr. KENNEDY. The Senator from North Carolina and I are not arguing about the oath of allegiance. I think it is agreed that that might be desirable.

Mr. President, at this time I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, I think we are debating whether such a student should be subject to the law the Senator from South Dakota proposes.

The Senator from North Carolina [Mr. ERVIN] is an eminent lawyer. Will he tell us the difference between the Smith Act and the legislation now proposed by the Senator from South Dakota? It seems to me that the latter is redundant.

Mr. ERVIN. I think it would take more time than that at my disposal or that at the disposal of the Senator from Massachusetts to state the difference between the two.

Mr. KENNEDY. I shall be glad to hand to the Senator from North Carolina a copy of the Smith Act. It seems to me that it provides exactly what the Senator from South Dakota seeks to have placed on the statute books.

Mr. ERVIN. Does the Senator from Massachusetts think we should leave this law in such a fashion that one who is a member of the Communist Party, one who is in favor of overthrowing the Constitution and the Government of the United States by force or violence, should be allowed to be educated at the expense of the American taxpayers?

Mr. KENNEDY. It seems to me that the question is whether everyone who receives a subsidy from the Federal Government, including the publishers who send their magazines and newspapers throughout the country and receive subsidies for each mailing—and those publishers include the publisher of the Daily Worker—and those who receive other Government benefits, should be subject to the same provision. If such a proposal is made, I shall accept it. But I object to singling out these students.

Mr. ERVIN. If the Senator from Massachusetts assures me that the provision of the Mundt amendment in regard to Communists who might receive benefits under this act is identical with the provision of the Smith Act, I shall accept his statement as correct. But if that is so, certainly no great harm will be done by placing the same provision on the statute books a second time.

Mr. KENNEDY. I agree with Lord Faulkner that when it is unnecessary to act, it is necessary not to act.

When the Smith Act is in effect, I see no necessity to enact a similar piece of legislation.

Mr. CLARK. Mr. President, will the Senator from Massachusetts yield 2 minutes to me?

Mr. KENNEDY. I yield 2 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 minutes.

Mr. ERVIN. First, I should like to answer the Senator from Massachusetts: I see nothing in the Smith Act which would interfere with the Mundt amendment. The Smith Act does not deal with receiving benefits under the National Education Act of 1958.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from North Carolina?

Mr. CLARK. I should like to address my remarks to the Senator from North Carolina, who is a fine constitutional lawyer, and formerly was a great judge in his own State.

I have before me a copy of the Smith Act. It provides as follows:

Whoever—

Not just a student—

knowingly or willfully advocates * * * overthrowing * * * the Government of the United States * * * by force or violence * * * or becomes or is a member of, or affiliates with, any such society, * * * shall be fined not more than $20,000 or imprisoned not more than 20 years, or both.

That is a far more stringent criminal penalty than the one now proposed.

Why single out such students to legislate similar penalties for? I do not wish to have them discriminated against; and I should not think that my friend, the Senator from North Carolina, would want them to be singled out for discrimination, even by providing for them a lighter penalty than the one now provided by the Smith Act.

Actually, this entire effort is simply an attempt by the anti-intellectual elements of the country to cast doubt on the loyalty of the students of the Nation. For that reason, I feel just as strongly about the matter, on my side of the question, as does the Senator from South Dakota, on the other side.

Mr. ERVIN. I will accept the designation of the able and distinguished Senator from Pennsylvania as belonging to the anti-intellectual element if advocating requiring every American to take an oath to support the Constitution of the United States and to defend the United States against all its enemies, foreign and domestic, makes one an anti-intellectual.

Mr. CLARK. The Senator well knows that the designation was not intended to apply to him, and that the issue is not as he has stated it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 2 minutes.

Mr. ERVIN. The Mundt amendment retains that provision of the National Defense Education Act of 1958 which states that every student applying for a loan or grant under the act shall subscribe to an oath or affirmation in the following form——

Mr. CLARK. Mr. President, we have agreed to accept that provision in the bill.

Mr. KENNEDY. We have agreed to accept that language.

Mr. ERVIN. That language has been accepted by the Senator from South Dakota.

Mr. KENNEDY. It has been accepted also by the Senator from Massachusetts.

Mr. ERVIN. The Senator from Pennsylvania was talking about the requirements of the Mundt amendment in respect to the oath.

Mr. CLARK. No.

Mr. ERVIN. The Senator stated it would make second-class citizens out of students. I disagree. The Mundt amendment requires an oath or affirmation to support the Constitution of the United States and to defend the United States against all enemies, foreign and domestic.

Mr. CLARK. The Mundt amendment does a lot more than enact a loyalty oath. It is the other provisions of the amendment of the Senator from South Dakota which make second-class citizens of all students receiving benefits under the act in my judgment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, I yield 1 minute to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 1 minute.

Mr. CLARK. Before my colleague from North Carolina, who is a fine constitutional lawyer, replies——

Mr. ERVIN. Even if he is an anti-intellectual.

Mr. CLARK. The Senator knows I was not referring to him. I trust the Senator realizes that the Mundt amendment raises grave constitutional questions. If a student receiving benefits under the act has to disqualify himself because of ineligibility under the terms of the amendment, he is virtually admitting liability under the Smith Act and is forced to incriminate himself in violation of the fifth amendment. In addition, the broad prohibition of advocacy of overthrow contained in the amendment may violate the first amendment.

The Supreme Court pointed out the constitutional pitfalls of this type of prohibition, unless limited to advocacy of improper action as distinguished from belief, in the Yates case.

Mr. ERVIN. I disagree. I do not believe the question of self-incrimination is involved. There is merely raised the question as to whether the U.S. Government shall educate people who think the United States should be overthrown by force and violence, contrary to the Constitution, under the terms of an act of Congress designed to promote the national defense of the United States.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Ohio [Mr. YOUNG].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. YOUNG of Ohio. Mr. President, may I say at the outset that I am supporting the proposal of the junior Senator from Massachusetts [Mr. KENNEDY], to rid the National Defense Education Act of its futile and offensive non-Communist oath requirement. Also, may I assert at this time, I shall vote against the pending amendment. I shall vote against any of the proposed amendments to the bill, and I hope that they will be defeated and that the bill of the Senator from Massachusetts will be passed later today.

Mr. President, I refer to and embody as a part of the remarks I make, an editorial which appeared in the Washington Post and Times Herald of this morning, urging the passage of the pending bill and objecting to amendments that would put in the bill provisions making it a felony for anyone expecting benefits under the act to advocate or belong to an organization advocating the overthrow of the Government by illegal means.

The editorial reads:

OFFENSIVE OATH

The Senate today is to consider Senator KENNEDY'S proposal to rid the Defense Education Act of its futile and offensive non-Communist oath requirement. Senators GOLDWATER, DIRKSEN, and PROUTY, while agreeing with the majority of the Labor and Public Welfare Committee that the oath ought to be eliminated, propose to put in its place a provision making it a felony for anyone accepting benefits under the act to advocate or belong to an organization advocating overthrow of the Government by illegal means. We hope the Senate will accept the Kennedy amendment and reject the Goldwater amendment.

Education affords the strongest possible bulwark against subversion. Those who would make orthodoxy a condition of education have lost faith in the utility of freedom, in the appeal of free institutions and in the loyalty and good sense of American youth. They do a grave injustice to their country and their countrymen.

Mr. President, a short time ago it was stated on the floor of the Senate that we are now debating a bill of vital concern to our national security. There is an honest difference of opinion between Senators who have so stated and myself, because it seems to me it is nothing of the kind. We are debating a subsection that was no doubt written into the law by those people—and, unfortunately, there are many in this country—who seem to see Communists under every bed.

May I say that I am not attempting to be the poet laureate of the Senate. That position is reserved for the distinguished Senator from West Virginia, who is presently occupying the chair as the Presiding Officer of the Senate [Mr. BYRD], but there is a couplet which is apropos to the subject, and which reads as follows:

> Last night I saw upon the stair
> A little man who wasn't there.
> He wasn't there again today,
> Oh, how I wish he would go away.

Mr. President, it happens that I am an alumnus of a small liberal arts college in Ohio, Kenyon College. The secretary of that college, which is located in Gambier, Ohio, wrote me that no one objects to the requirement of an affirmative oath in support of the Constitution of the United States. However, he continued to write that at a meeting of the Kenyon chapter of the American Association of University Professors on February 5, 1959, the following motion was unanimously voted for:

That the Kenyon chapter is opposed to the disclaimer affidavit required of all recipients of aid under the National Defense Education Act of 1958, title X, section 1001. We urge that you as an alumnus of Kenyon College and as a U.S. Senator support the repeal of the disclaimer affidavit.

I have received similar requests from many other universities, colleges, and faculty organizations in Ohio.

Mr. President, most Americans are patriotic, loyal citizens, completely dedicated to the welfare of their Nation. They abhor and detest our country's enemies. The very idea of disloyalty is repugnant to them. Equally distasteful is the idea that any one of them—any American citizen—should be singled out to prove his loyalty. The number of Communists in this country has never been great enough to warrant doing so.

Arthur Schlesinger, Jr., in his great work "Crisis of the Old Order," stated:

Communism became the whole of life for very few Americans. In 1930, the party claimed only 6,000 members; by 1932, after 2 years of furious agitation in the midst of economic collapse, only a meager 12,000. Many more signed membership cards in these years; but most passed through the party as through a revolving door, finding the discipline unbearable, the dialectic meaningless, and the vocabulary incomprehensible.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. I yield 2 additional minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 additional minutes.

Mr. YOUNG of Ohio. At this time there are undoubtedly fewer than 5,000 Communists in my State of Ohio.

If there are valid grounds for questioning the loyalty of any American or group of Americans, the necessary governmental machinery is available to investigate and ascertain this fact. It is completely foreign to our American way of life to insist that any one segment of our society be required to attest to its loyalty.

From the earliest days of our Republic, from the enactment of the alien and sedition laws, which were quickly repealed, this practice has been deplored by all free-thinking, liberty-loving Americans.

Section 1001(f)(1) of the National Defense Education Act provides that before any funds are paid to an individual under the provisions of the act, he must first file an affidavit stating that he is not a member of and does not support any organization that advocates the overthrow of the U.S. Government by force or violence.

This loyalty oath is a direct slap at the intellectual community. It is a hangover from the "know-nothingism" that swept America before the Civil War, and that recurs periodically in the form of the Ku Klux Klan or the Communist witch hunts of the early 1950's.

It indicates a lack of confidence in the young people of America—the future leaders of our country—and in our entire educational system. More concretely, the oath requirement is preventing the use of a good part of the $900 million made available under the act.

It is delaying the training of scientists, mathematicians, and linguists needed in the defense of the Nation. This act was passed not merely to aid education, but to provide educated persons available for national service.

With the inclusion of this loyalty oath requirement, the act is partly self-defeating. Some fine colleges have gone so far as to refuse grants under the act because of this oath. To name two, there is Antioch College, an excellent institution of learning in my own State of Ohio, and Reed College, an equally fine school in Oregon. Hundreds of other universities, large and small, have deplored this oath.

I do not think it can be shown that a loyalty oath has even been used to trap a spy. The mere thought of this is silly. Any spy or disloyal American would certainly not hesitate one moment to sign such an oath if he thought it was necessary to further his purpose.

Those who refuse to sign are those persons of principle who object to being singled out unduly because of their profession. Would a really subversive person refuse to sign? Yet the educational community—one of the most respected and honored in our society—has been singled out for this obnoxious oath. It is unjust and unfair.

I assert that this requirement is nothing more than an attack on the educated man in our society—an attack on learning and knowledge by those who would keep men in ignorance, in fear, and in intellectual bondage. It is then that the real forces of totalitarianism, of un-Americanism, can really begin to have their way about things.

The act under discussion is "small potatoes" when compared with our annual farm subsidy program, our social security program, or a dozen other Federal aid programs. Yet, those who receive money under these huge subsidy

and aid programs are not asked to sign loyalty oaths.

We do not require the farmer to sign the oath. We do not require the aged to sign the oath. We do, however, insinuate that the teacher and student in our society are prone to disloyalty by requiring them to sign the oath.

Is it any wonder that we are faced with a shortage of competent teachers at a time when we need them as never before, when we confront them with this type of situation? Is it any wonder that the reputation and attractiveness of the teaching profession has fallen when the Congress of the United States has by innuendo questioned its loyalty?

Our educators and institutions of learning have no objection to a positive oath—one in which they declare they will uphold and support the Constitution and the laws and ideals of the Nation.

They do object, and rightfully so, to this negative loyalty oath. By implication it assumes a fact, the fact of disloyalty, which must be disproven by the applicant. It is like requiring a man to swear that he will quit beating his wife before he can be hired—this in spite of the fact there is no evidence whatsoever that he ever beat his wife. Would any dignified American submit to a requirement of this kind?

Still, there are those who would require our teachers and our young people entering the educational field to do so.

Now is the time to get rid of this un-American requirement in the National Defense Education Act. It is long past due.

Let us reassert again, in a postive way, our respect for education and the teacher. Let us act as an example to all Americans and remove this stigma from the honored profession of learning. Let us show our faith in our youth, in the America of tomorrow, and give our future teachers and educators the right to hold up their heads in pride and dignity.

Mr. KENNEDY. Mr. President, may I ask how much time the opposition to the Mundt amendment and the proponents have?

The PRESIDING OFFICER. The proponents have 26 minutes.

Mr. KENNEDY. On the amendment or on the bill?

The PRESIDING OFFICER. On the amendment, and the opponents have 24 minutes. On the bill, the proponents have 30 minutes, and the opponents have 55 minutes.

Mr. PASTORE. Mr. President, will the Senator yield to me for a question?

Mr. KENNEDY. I yield 2 minutes to the Senator from Rhode Island, or such time as he may need.

Mr. PASTORE. Mr. President, I should like to direct a question to the distinguished Senator from Massachusetts [Mr. KENNEDY] who is managing the bill on the floor.

Do I correctly understand that under existing law today, irrespective of whether a person applies for funds or for a loan under the National Defense Education Act, if that individual advocates the overthrow of our Government by illegal means or is a member of an organization which advocates the overthrow of our Government by illegal means, that person today is subject to prosecution, conviction and imprisonment under existing law?

Mr. KENNEDY. No. I will say that the Smith Act applies to all American citizens. The language of the Smith Act is somewhat different. The language of the amendment offered by the Senator from South Dakota varies somewhat from the language of the Smith Act. The Senator uses the words "illegal means," and the Smith Act provides:

> Whoever knowingly or willfully advocates, abets, advises, or teaches the duty, necessity, desirability, or propriety of overthrowing or destroying the Government of the United States or the government of any State, Territory, District, or possession thereof, or the government of any political subdivision therein, by force or violence, or by the assassination of any officer of any such government; or
>
> Whoever, with intent to cause the overthrow or destruction of any such government, prints, publishes, edits, issues, circulates, sells, distributes, or publicly displays any written or printed matter advocating, advising, or teaching the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence, or attempts to do so; or
>
> Whoever organizes or helps or attempts to organize any society, group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of any such government by force or violence; or becomes or is a member of, or affiliates with, any such society, group, or assembly of persons, knowing the purposes thereof.

So the words "illegal means" are not in the Smith Act. I do not think there has been any evidence developed which would show that students are advocating some course of action which would be prohibited by the language of the amendment of the Senator from South Dakota, but which would not be prohibited by the very broad language of the Smith Act.

Mr. PASTORE. If I may have the indulgence of the junior Senator from Massachusetts, I should like to direct a question to the distinguished Senator from South Dakota.

What does the Senator mean by the use of the words "illegal means" as different from the Smith Act?

Mr. MUNDT. The Smith Act is generally interpreted as being enforceable when it relates to those who aid, abet, teach or actively participate. There seems to be considerable doubt in the administration of the Act as to whether it can be legally applied to somebody who simply is a member of an organization.

I provide for the use of "illegal means" so that there can be no doubt about what the Congress has in mind.

Mr. PASTORE. If a person is knowingly a member of an organization which advocates the overthrow of the Government by illegal means or by force and violence, is that person not a member of a mass conspiracy for which, under existing law, he is already liable for imprisonment?

Mr. MUNDT. He is, in my book; and I am sure he is, in the book of the distinguished Senator from Rhode Island. Unhappily, as the courts have interpreted the law, this is not always necessarily so. I want there to be no doubt, so far as those who are using the taxpayers' money for education under the National Defense Education Act is concerned. I want the door to be closed to the saboteurs, so far as getting this Government money is concerned.

Mr. PASTORE. May I go a step further? Is it not a fact that under existing law if a person is a member of a conspiracy, regardless of whether he applies for a subsidy under a farm program or for a loan under an educational program, the penalties are provided for being a member of a conspiracy which advocates the overthrow of the Government by force or violence, and those penalties are much more severe than what is being set forth in the bill presently under consideration?

Mr. MUNDT. Unfortunately that is not correct.

Mr. PASTORE. Why not?

Mr. MUNDT. It has never been held that membership in the Communist Party, per se, is illegal in this country. It is not illegal. People can belong to the Communist Party legally. However, I do not want those people legally to be able to get loans from the Federal Government, so that they may study to be more skillful in their sabotage.

Mr. PASTORE. Is the Senator saying to me that his amendment defines who is a Communist in this country?

Mr. MUNDT. It does not.

Mr. PASTORE. Of course not. That is precisely the point the junior Senator from Rhode Island is making.

Under the guise of being rigid and strict we are actually becoming more lenient. I say this: If we say to a student in this country, or say to any citizen, what I understand the committee is willing to accept, that he must swear allegiance to the United States of America and take an oath, why is that not sufficient? That is, as I understand the situation, what the committee is willing to do. Why is that not sufficient?

We should say to the individual, "After you have taken the oath—like the oath Senator PASTORE took when he became a Member of the Senate of the United States, or like any young man takes when he accepts a commission in the Armed Forces—once you have done that, then if you enter into any conspiracy to overthrow the Government you shall go to jail not for 1 year but for 20 years under existing law."

What are we arguing about?

Mr. MUNDT and Mr. JAVITS addressed the Chair.

Mr. PASTORE. I yield to the Senator from South Dakota.

Mr. MUNDT. I point out that we are arguing about these provisions as they apply to the realities of the case. Otherwise we would not have to require, as Congress required by the enactment of Public Law 330, the very precise stipulations applying to Government employees in every other area except this area, if we are to exempt this area.

Mr. PASTORE. I would go so far, in answering the question of my distinguished colleague from South Dakota, to

say "Yes." I would compel every attaché of the Congress, whether on the staff of a Senator or of a committee, to take the oath of allegiance, as we do as Senators.

Mr. MUNDT. They do.

Mr. PASTORE. I cannot help what has prevailed before. I am arguing with respect to the bill which is before the Senate.

I would make the same rule for those staff members. I would say, "You take the oath. Then, if you enter into a conspiracy for the overthrow of the Government which feeds you and your family, by paying you a weekly salary, as we all collect, whether Members of Congress or attachés, when you enter into the conspiracy to overthrow the Government you will go to jail not for 1 year, my friend, but you will go to jail for 20 years."

As a matter of fact, I would throw away the key.

Mr. MUNDT. We do exactly that with regard to the senatorial staff members. All those staff members take an oath of allegiance. But they also come under Public Law 330, which sets up additional criteria for them, as it properly should, and as it does for every other Government employee.

Mr. PASTORE. I understand the Senator, but I am a little disturbed over what is meant by "illegal means."

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from New York.

Mr. JAVITS. Let us unravel this thing.

Mr. PASTORE. I have it all unraveled. Let us not worry about that. I was never raveled. I have the problem unraveled all the time.

Mr. JAVITS. We will try to give the Senator the law and a statement of what is sought to be accomplished. What is sought to be accomplished by the Mundt amendment is, in essence, an overruling of the Yates case. In short, the difference between the Mundt amendment and the Smith Act is that the word "organization," which is contained in the Smith Act, was construed to mean that the defendant had to be a party to an initial establishment of an organization to overthrow the Government by force. What the Mundt amendment would do is to change that. The words used in the Mundt amendment are "is a member of an organization." That is, as a fact, language not contained in the Smith Act. Therefore, if the committee prevails and we have the loyalty oath provision, which my substitute amendment fully covers, and which the committee will accept, we will arrive at the situation when the Smith Act will cover a person who himself advocates overthrow of the Government or who is an activist member of an organization. That will be covered by the words "abets, aids, advises." However, it will not cover a nonactivist member. That was exactly the decision in the Yates case. That is what is sought to be covered, in addition, by the Mundt amendment. That is the situation.

I agree thoroughly with the Senator from Rhode Island that this is stretching a student requirement far beyond what it ought to be. I think we ought to have the situation very clear.

Mr. KENNEDY. Mr. President, the Judiciary Committee——

Mr. PASTORE. May I ask a question? I ask the Senator from Massachusetts to wait just a moment.

Mr. KENNEDY. Mr. President, I yield 2 more minutes to the Senator from Rhode Island.

Mr. PASTORE. When a person takes a pledge of allegiance and an oath to be faithful to the Government and to the Constitution, how does that make him a Communist?

Mr. JAVITS. I agree.

Mr. PASTORE. How can he be both? That is the point I am making. I will read the wording which is in the amendment:

> I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America.

How can a Communist do that? Can he do that?

Mr. JAVITS. He certainly cannot.

Mr. PASTORE. Of course, he cannot.

> I will support and defend the Constitution and laws of the United States.

Can a Communist do that?

Mr. JAVITS. He certainly cannot.

Mr. PASTORE. Then what are we talking about? Does a person have to prove twice he is not a Communist? That is what I am saying. We are being asked to compel these people to take an oath of allegiance, and I am all for it, but why does the person have to prove his allegiance twice? Why does he have to prove his allegiance in such an adulterated fashion?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. I say that anyone who takes this oath and does it in violation of his own conscience and his own convictions, and then reaches his hand out into the Treasury of the United States should go to jail not for 1 year, my friends, but for the rest of his life. We should throw the key away.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. That is the point I make this afternoon. We are wasting our time quibbling over words and getting away from the meaning and getting away from the intent. We are putting a cloud over these innocent young people who are willing to take an oath. Why should they come in and say, "I affirm or prove by an affidavit I do not belong to such an organization"? Who said they ever did?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. PASTORE. Who said they ever did? If the committee is willing to accept the oath and to keep it in the law, the oath which all of us must take as Members of Congress, then we have the added protection of the Smith Act, and we have covered the case fully. Beyond that, I think we are quibbling over words.

I now yield to my friend from Pennsylvania.

Mr. CLARK. I should like to express my commendation to the Senator from Rhode Island for his very clear exposition of the essential situation we face.

Mr. President, I should like to have the attention of the Senator from South Dakota when I ask the Senator from Rhode Island if it is not true that the amendment of the Senator from South Dakota is an effort to overrule the Yates decision of the Supreme Court and is thus in essence an anti-Court measure brought in under the guise of an amendment to the National Defense Education Act?

I read the critical language from the Yates decision:

> The Smith Act reaches only advocacy of action for the overthrow of the Government by force and violence. The essential distinction is that those to whom the advocacy is addressed must be urged to do something, now or in the future, rather than merely to believe in something.

I think that decision was correct. I do not think we should overrule Supreme Court decisions in connection with the bill under consideration. I commend my friend from Rhode Island for his vigorous and able defense of the position taken by the committee and by the junior Senator from Massachusetts.

Mr. MUNDT. Mr. President, will the Senator yield so that I may answer his question?

Mr. CLARK. I do not have the floor.

Mr. MUNDT. Was it simply a rhetorical question? The Senator said he wanted to have my attention, so I listened. Now the Senator says he has no time for me to answer.

Mr. CLARK. I would be happy to have an answer.

Mr. MUNDT. Very well.

The PRESIDING OFFICER. Does the Senator from South Dakota yield time?

Mr. CLARK. I am perfectly willing to answer any question, if we can get some time.

Mr. MUNDT. The Senator asked me a question, and then says I cannot answer because he does not have any time.

Mr. CLARK. I do not have the floor.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor. Does the Senator from South Dakota wish to yield himself some time?

Mr. PASTORE. Mr. President, if I have the floor and if the Senator from South Dakota would like to speak, I should be glad to yield.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield further time to the Senator from Rhode Island?

Mr. KENNEDY. Mr. President, I yield further.

Mr. PASTORE. Mr. President, I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I dislike to be jarred out of my meditations by hearing the Senator from Pennsylvania say, "Will the Senator from South Dakota give me his attention, so that I may ask a question" and then not be given time to answer the question.

Mr. CLARK. I was unable to yield for an answer for the simple reason that I did not have the floor and I still do not have the floor now.

Mr. MUNDT. The question was, Is this an anti-Supreme Court bill?

Mr. CLARK. Yes.

Mr. MUNDT. The answer is "No." Neither is it an anti-intellectual bill.

Mr. CLARK. I thank my friend for his candid answer. I regret that I do not agree with him.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Kentucky [Mr. COOPER]. I hope that following his remarks the Senator from South Dakota will take some time.

Mr. COOPER. Mr. President, I was a member of the committee which recommended to the Senate the pending amendment to the National Defense Education Act.

I leave for a moment the questions which have been raised respecting the Smith Act and other acts which deal with communism to discuss a question which I think has significance, and which the Senate should take into consideration when it votes on the amendments before us. I ask the question: What are the reasons, the necessity for singling out college students as special objects of loyalty tests?

So far as I am concerned, I have taken the oath of allegiance and the constitutional oath many times in my life, as a public official and as a member of the armed services. As the great patriot from Georgia [Mr. RUSSELL] said yesterday afternoon regarding his experience, every time I have taken the oath I have been proud. I felt that it had done me good.

But we will not be voting today on the intrinsic merit of the oath of allegiance to the Constitution and to the flag. That is not the true issue before us. We ought to answer squarely this question: Is there a reason for requiring a special group of citizens of the United States to take the oath of allegiance, or to respond to other conditions that the Mundt amendment proposes? Is there a reason for requiring these special conditions of college students? Does it follow that because we believe in the intrinsic value of the oath of allegiance, that a special group—and one group alone—must be required to take an oath of allegiance, and thereby prove their loyalty to the United States?

What are the reasons? It is argued that the reason for such a requirement is that loans and grants to students are made under the programs of the National Defense Education Act, and therefore are closely connected with national defense. But teachers of high schools who attend institutes, boys taking vocational training in mechanics as well as young high school graduates seeking scholarships, come under that act. I do not believe there is much basis for claiming these young people are so close to defense as to require them to take an oath, or to undertake other conditions to prove their loyalty.

Why then are we asking these college students to prove their loyalty?

Is it because we distrust them?

Is it because we distrust the teaching in our colleges?

Is it because we distrust a free system of education—the search for ideas, and the search for truth?

These young boys and girls will change their minds time and time again while they are in college. A few of them may become Communists. Among the hundreds of thousands who go to college under this bill there may be a dozen, or there may be 20, or 30—or there may be 50—who will become Communists. But there will be 200,000—if this is the full number expected in the program—who will be loyal to their country.

What I do not like about the bill, is that we are singling out the young boys and girls who are going to school, and for unclear reasons we would say to them, "You must prove your loyalty to the United States of America." The very essence of our system is that it is free—freedom of ideas, freedom of search for the truth. We must believe that the free system of education will win out over conformity—the conformity of communism.

I do not believe it is a good thing to place special restrictions on one group—the young men and women of our country. I should like to read from the hearings. Dr. Hugh Borton, president of Haverford College, Haverford, Pa., testified, as appears on page 80 of the hearings:

> In fact, it was largely because restrictions had been placed on thought and belief by the governments of the countries in which they were living that many of our forefathers left England and Europe to settle in the American colonies. It is not surprising, therefore, that practices such as thought control and brainwashing which unfortunately have become prevalent in other parts of the world during the past two decades, are so abhorrent to us. Thus my first objection to the act is that it appears to be contrary to our basic principle of freedom of thought. The act assumes that the Federal Government has a right to make a person's belief a condition of participation in the use of the funds provided under the act.

Catching 10, 15, 25, 30—or even 50—students who have wrong ideas does not justify placing all the thousands of loyal boys and girls in a position different from that of others of us, and saying to them, "You must prove your loyalty."

There is a basic concept involved, in the amendments before us and we should meet it squarely. I will vote against the bill, if these proposed amendments are retained.

Mr. MUNDT. Mr. President, I yield myself 3 minutes on the amendment.

First, on behalf of the distinguished junior Senator from Arizona [Mr. GOLDWATER], who is co-author of my amendment, and who is detained downtown temporarily addressing the National Press Club, I send to the desk a statement he has prepared on the amendment and ask that it be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

As the minority report points out, we who subscribe to that report agree with our colleagues of the majority on the desirability of eliminating subsection 1001(f) from the National Defense Education Act of 1958. That subsection requires an affidavit disclaiming a belief in or advocacy of the overthrow of our Federal Government by illegal or unconstitutional means as a condition of receiving any payment or loan under the act. Our agreement is based on the belief that such affidavits are ineffectual to accomplish the purpose for which they are intended, and may create an erroneous public impression that those who are required to execute them are members of a class or category of persons peculiarly guilty of or susceptible to disloyalty or subversion.

However, we of the minority also feel that the Federal Government should not be left completely unprotected against those few individuals who may procure and enjoy benefits under the act while simultaneously advocating the overthrow of the very Government which provides them with such benefits. They therefore indicated that they would offer or support on the floor of the Senate, amendments, which while superseding the existing affidavit requirement, would make it a crime for any individual to accept such benefits while advocating the overthrow of our Government by illegal means.

Consistent with that position of the minority, I have joined Senator MUNDT in offering this amendment. It is a simple measure which clearly and precisely notifies any potential beneficiary of the specific conditions, which if they exist in his case, render him criminally liable if he accepts any benefit under the act. In substance, the amendment makes it a felony for any person to accept a benefit under the National Defense Education Act of 1958, if he advocates, or is a member of an organization which advocates, the overthrow of our Federal Government by illegal means and is aware of such advocacy. To assure adequate notice of these conditions and penalties to each applicant for or recipient of a benefit, the amendment further requires that the text of the amendment be brought to the attention of each such applicant or recipient.

It is my opinion that it would be extremely unwise for the Congress to eliminate the existing affidavit requirement and substitute nothing in its place. To do so would be to create the misleading impression that the elected representatives of the American people had deliberately decided that a Communist menace no longer existed in the United States.

This false impression would be given added currency by the fact that for more than 9 years the act of May 10, 1950, establishing the National Science Foundation has contained a disclosure affidavit and loyalty oath requirement identical with the one we here propose to eliminate from the 1958 statute, yet during that entire period not a single effort has been made to repeal what has now become a controversial legislative provision. Moreover, the National Defense Education Act of 1958, is not, as its title indicates, merely a general measure in aid of education. Its very reason for being is its direct relation to the defense of our country as the policy section of the act itself unequivocally declares. I quote from section 101:

"It is therefore the purpose of this act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States."

Under these circumstances, it is my firm conviction that the Congress dare not strike from a statute directly related to the national defense against the threat of communism, a provision designed to exclude Communists and other subversives from the act's benefits without creating the impression that it now believes that the threat has substantially diminished. I am sure that the

Congress does not so believe, and is therefore obligated to demonstrate its justified concern with the problem by substituting a suitable alternative.

The amendment which we have offered does not constitute a limitation either on freedom of thought, of belief, or of the interplay of minds and the exchange of ideas in the academic world, or for that matter, anywhere else. Its restrictions are placed on none of these but solely on precisely defined and determinable conduct—advocacy of subversion or knowledgeable membership in organizations engaging in such advocacy. The authorities administering the program of benefits and the institutions participating therein are placed under no burden either of engaging in surveillance or themselves being subjected to surveillance.

In the light of the considerations I have adduced, I strongly urge my colleagues, the Members of this body, to support our amendment.

Mr. MUNDT. Mr. President, we heard a long list of organizations read by the proponents of the committee bill, which seeks to strike everything pertaining to this subject from the National Defense Education Act. They failed to point out that in the hearings there are also many testimonials in the hearings sent in by those who support the legislation now on the books or some completely effective substitute. Someone, in his enthusiasm, said that the educational world was united in its opposition. Far from it, Mr. President, on the basis of the hearings before us. On page 127, for example, the president of Houghton College, of Houghton, N.Y., testified against the action of the committee in bringing out this repealer and providing absolutely no safeguards in its place.

On page 131 the president of Eastern Michigan College testified against the action of the committee.

On page 135 the president of Norwich University, of Northfield, Vt., testified against the action of the committee.

On page 135 the president of Wheaton College, of Wheaton, Ill., testified against the action of the committee.

There is no unanimity among educators. There may be a preponderance of evidence, so far as the hearings are concerned. There may be, in fact, a preponderance of evidence in the country at large. We have no factual information on that assumption. However, it should be pointed out that the hearings indicate that a substantial number of highly placed educators feel that it is fitting to try to retain in the law the language as it is or to strengthen it by substitute provisions.

In an effort to find some common meeting ground, the Senator from Arizona and I joined with the Senator from Georgia [Mr. RUSSELL] to combine the two concepts into one program, so that there will need to be no disclaimer oath and no affidavit; but the security provisions will be intact.

On page 123 of the printed hearings, there is a very strong statement from the American Farm Bureau Federation opposing the committee position, and opposing the repeal or weakening of the National Defense Education Act's protective provisions and security devices.

There are also statements of support from the Daughters of the American Revolution, the Veterans of Foreign Wars, and the American Legion.

So I think we should have clearly before us the fact that a large body of opinion in the country, whose taxes are to pay the $90 million involved, want to be certain that the scholarships go only to loyal Americans, and not to Communists, Fascists, or others illegally endeavoring to overthrow the Government.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I reserve the remainder of my time, and I yield 10 minutes to the distinguished Senator from South Carolina [Mr. THURMOND].

Mr. THURMOND. Mr. President, I have read the report of the Committee on Labor and Public Welfare, in which it reported favorably the bill of the distinguished Senator from Massachusetts. I am deeply disappointed in the action of the Committee on Labor and Public Welfare.

The committee gave four reasons for desiring to eliminate section 1001(f) of the National Defense Education Act. It said, first, that the committee believes that section 1001(f) does not constitute an effective national security measure.

In other words, simply because they felt it would not be completely effective, they are trying to eliminate the entire provision pertaining to the subject.

I invite the attention of Senators to section 1001, title 18 of the criminal code and criminal procedure, which reads as follows:

> Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

That provision of the United States Code, section 1001 of title 18 provides for punishment of a person making a false or fraudulent statement.

So there is a way to enforce the provision which the committee wishes to eliminate. The committee claims it cannot be enforced. They claim that the provision is ineffective, for that reason, as a security measure.

I should like the Senate to know that there is no sound basis for that reasoning at all. If a person complies with section 1001(f), there are two requirements: first, he must execute an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the Government of the United States by force or violence or by illegal or unconstitutional methods. What is wrong with that? There is nothing wrong with such an affidavit.

But if he makes a false affidavit, the section of the code to which I have referred provides that he can be punished. He can be sentenced to pay a fine of $10,000 or to serve for a period of 5 years in jail. So that reason goes out the window.

The next reason which the committee offered was that this provision interferes with the operation and objectives of the National Defense Education Act. There is no reason given to support that contention. The committee goes on to say:

> At least seven colleges and an undetermined number of students in other colleges have refused to participate in the student loan program because of the oath and disclaimer provision.

It is hard for me to believe that if any young man is trying to get aid from the Federal Government to go to school, he would refuse, or even think of refusing, to take an oath that he is not a member of and does not believe in or support any organization which has as its purpose the overthrow of the Government of the United States; and further, that he would not hesitate to take an oath of allegiance to the Constitution of the United States. So there is no validity to this contention of the committee.

The third reason given by the committee is that this provision casts unfounded doubts upon the loyalty of the members of the educational community. It does no such thing. If a person is a good American, why should he hesitate to sign an affidavit that he does not believe in the overthrow of the Government? Why should he hesitate to take an oath that he will support the Constitution of the United States? Some persons have not signed such affidavits. They may be the very ones who cannot truthfully sign it. I do not say that everyone has refused for that reason. But I do say that if a person refuses to sign an oath to support the Constitution, when required to do so in order to get Government money, he does not deserve and should not receive Government money with which to go to school.

The fourth reason assigned by the committee relates to the constitutionality of the provision. The committee contends that serious questions appear to exist concerning the constitutionality of this provision. Do they cite any legal opinion to the effect that the provision is not constitutional? Has the Department of Justice said it is not constitutional? I see no evidence presented to the effect that it is not constitutional.

The committee says that substantial testimony was presented to it concerning the unconstitutionality of section 1001(f) on the ground that it is vague and indefinite to such a degree that it offends the due process clause of the fifth amendment. The committee cites several decisions to the effect that indefiniteness in a criminal statute has long been recognized as ground for declaring a statute void. On that ground there is no merit to the committee's contention.

This provision is not vague; it is not indefinite. The provision states, in plain terms, that a person must execute an affidavit if he expects to get Government money with which to go to school.

So it is clear that there is no merit in any of the four grounds which the committee cited to the Senate as reasons for abolishing section 1001(f) of the National Defense Education Act. So far as I am concerned, I think the law is all

right as it is. But since the matter has come up, and various amendments have been offered, I shall support the Mundt amendment, which, as I now understand, is a combination of the Goldwater amendment and the Russell amendment.

What is the effect of that amendment? It provides two things: First, that no person who advocates the overthrow of the Government of the United States by illegal means shall accept funds, loans, or other benefits.

Is that a reasonable provision? Should the Government make a loan or a payment to any student who is not willing to swear that he does not advocate the overthrow of the Government of the United States by illegal means?

Then the amendment provides that no payment or loan or benefit shall be accepted by a person who is a member of an organization which advocates the overthrow of the Government of the United States by illegal means, knowing that such organization so advocates. That is a protection. If someone joined an organization not knowing that it was subversive, not knowing that it advocated the overthrow of the Government of the United States by illegal means, then he would not be held criminally liable under the amendment. But if he is a member of an organization which advocates the overthrow of the Government of the United States by illegal means, and if he knows that the organization advocates such a course, then why should he get a loan or a payment or a benefit from the Federal Government?

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. THURMOND. Mr. President, will the Senator from South Dakota extend my time?

Mr. MUNDT. I yield the Senator 5 minutes, this 5 minutes to be charged to the time on the bill.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 additional minutes.

Mr. THURMOND. The penalties included in the amendment provide that any person who violates the proposed law shall be fined not more than $1,000 or imprisoned for not more than 1 year. That would be a very light sentence for anyone who violated the oath which he had taken to the effect that he was not a member of an organization to overthrow the Government of the United States, or which advocated the overthrow of the Government of the United States, by illegal means. Personally, I think the penalty ought to be heavier. It is only a fine of $1,000 or imprisonment for not more than 1 year. That is the first part; that is the Goldwater portion of the amendment.

Before leaving that part, I may say that every Government employee when he begins to work for the Government must execute an oath. The applicable statute provides:

> No person shall accept or hold office or employment in the Government of the United States or any agency thereof, including wholly owned government corporations, who advocates the overthrow of our constitutional form of government in the United States or is a member of an organization that advocates the overthrow of our constitutional form of government in the United States, knowing that such organization so advocates.

Every member of my staff, including every secretary in my office, and every member of the staff of every other Senator and Member of the House of Representatives, takes such an oath. What is objectionable about it? It is an oath which is very similar to the one proposed by the Mundt amendment. Why would anyone hesitate to take such an oath? Why would anyone hesitate to make such an affidavit? If he makes a false statement or a false affidavit, then why is it not the duty of the Government of the United States to put him in jail for so doing? If he obtains money under false pretenses, on the statement that he does not advocate the overthrow of the Government when he really does, or when he says he does not belong to subversive organizations when he really does, then, I say, it is the duty of the Government to put him in jail.

The first oath I ever took, I believe, was when I became a second lieutenant upon graduating from college. At least, I was graduated in June. I was 21 in December, and took the oath in January. I swore to support the Constitution of the United States. I had no qualms about doing so. I do not see why any young person today, if he is asked to serve in a position of trust and responsibility, or undertakes a course of study financed by public funds, should have any qualms about taking an oath to support the Constitution of the United States.

I do not believe there is any merit in the advocacy of the repeal of this provision of the National Defense Education Act. I think we are straining at gnats. I think it will be hard to explain to the people of the United States why it is desired to repeal an oath that we will support the Constitution of the United States.

Mr. President, patriotism may be becoming old-fashioned; but, so far as I am concerned, patriotism is one of the highest qualities of character which a man can possess. I do not know of any quality I would rather have attributed to me than that I am a loyal, true, patriotic citizen. If a person does not love his country, and if he is not willing to take an oath that he will support the Constitution, I say he has no business getting a loan from the Government of the United States. Furthermore, I should like to see him detected, apprehended, and punished, because he is dangerous, and a menace to society.

The PRESIDING OFFICER. The time yielded to the Senator from South Carolina has expired.

Mr. MUNDT. Mr. President, I shall yield 5 minutes to the distinguished Senator from Colorado [Mr. ALLOTT], but first I ask unanimous consent that there now be a short quorum call, with the time required for it not to be charged to the time available to either side under the unanimous-consent agreement.

The Senators now present will observe that, aside from those of us who recently have been engaging in the debate, virtually no other Senators are in the Chamber. I think that more of the Members of the Senate should be present.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota?

Mr. CLARK. Mr. President, reserving the right to object—although I shall not object—let me say that when all time available on the Mundt amendment has been used, I shall offer an amendment in the nature of a substitute. The Parliamentarian has informed me that such an amendment will be in order, and will be subject to debate. I understand that thereafter the Senator from New York will also submit an amendment in the nature of a substitute, and that it, also, will be subject to debate.

If, under these circumstances, the Senator from South Dakota wishes to suggest the absence of a quorum, I have no objection.

Mr. MUNDT. I wish to suggest the absence of a quorum, although I expect to ask unanimous consent that the order for the call of the roll be rescinded before a full quorum call is had.

Mr. CLARK. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota? Without objection, it is so ordered.

Mr. MUNDT. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MUNDT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUNDT. Mr. President, at this time I yield 5 minutes to the distinguished Senator from Colorado [Mr. ALLOTT].

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. ALLOTT. Mr. President, as one of the cosponsors of the National Defense Education Act, and one who attended every meeting of the committee with respect to that measure, and who also attended the several meetings of the conference committee, I feel that I cannot remain silent when so important a matter as this is under consideration by the Senate.

As I recall the situation, there was not a great deal of discussion or debate in regard to the inclusion of the oath in the National Defense Education Act. But in view of the fact that that act, as passed by both Houses, included the oath provision, and in view of the further fact that, so far as I recall, there was no attempt to eliminate that provision from the act, it seems to me we have committed ourselves to a course of action which we cannot now ignore.

I shall not support the bill, regardless of the action upon the amendment.

I shall support the amendment in its present form, although I would not have supported it in its original form.

First of all, Mr. President, what are we talking about? I read to the Senate an excerpt from page 3 of the report, a letter from a prominent educator:

> Far from deterring real transgressors, they offer them a convenient cloak for their intentions and transgressions. In this respect they are worse than futile. They tend to alienate the good will of the loyal citizen without gaining a corresponding advantage in protecting the public against the actions or intentions of the disloyal.

When have we gotten so low and so soft in this country, mentally, morally, and physically, that we can say an oath tends to alienate the good will of the loyal citizen? I took my first oath when I was 16 years old when I enlisted in the National Guard. Since then I have taken innumerable oaths of office. I have never taken one without having come out of the experience a little better man, knowing that I had reaffirmed the oaths which I had taken previously to support my country and its Constitution. Mr. President, I do not know what to call it; perhaps this may sound like "pulling out the stops" too much, but when one has lived with boys and seen them die in the service of their country, patriotism is not such a shallow thing that one can talk about and then merely pass it off.

Mr. MUNDT. Mr. President, will the Senator yield so I may yield to him 5 additional minutes, making 10 minutes on the bill?

The PRESIDING OFFICER. The Senator from Colorado is yielded 5 additional minutes on the bill.

Mr. ALLOTT. Mr. President, when we get to the point that we say the oath of office or the oath of allegiance tends to alienate the good will of the loyal citizen, then I think we have reached the stage of refining our logic to the point that it becomes meaningless. No man will stand up longer than I will to advocate that every philosophy, every kind of belief, should have an opportunity to be studied and analyzed in our institutions. Only if our children understand communism can they be the real and true foes of communism that we hope them to be. So it is necessary that we preserve scholastic freedom. But what is there in the provisions of the act that stops a man from being scholastically free? I will agree that the present oath required will not deter any Communist from taking the oath, and also from taking the money. But what did we provide this money for? Under section 204 of the act, we provided it for students with a superior academic background who expressed a desire to teach in elementary or secondary schools, and, second, students whose academic background indicates a superior capacity or preparation in science, mathematics, engineering, or a foreign language.

Now there is before the Senate a bill by which we would say and advertise to the world that we have refined our so-called intellectual processes so far that we are willing to educate the finest students we have in this country and not even require of them the kind of loyalty oath that everyone in this body and all of our Government employees and hundreds of thousands of others have taken.

What does the amendment provide? It can do no harm. It provides that no person shall be the beneficiary of these funds if he advocates the overthrow of the Government by illegal means or is a member of an organization that advocates such overthrow, knowing that such organization so advocates. So if we want to think that our young boys and girls get into an emotional stage in their teens, as they do, when they reevaluate all their ideas of morality and intellectual processes, and may team up with organizations which, through high-sounding ideals, attract them, we do not have to be afraid of that because the provision would touch only the boy or the girl who joined such an organization knowing it advocated the overthrow of the Government and that there was a penalty provided for so joining. Then the affidavit provides for the ordinary oath, that a person solemnly swears or affirms he will bear true faith and allegiance to the United States of America and will support the Constitution and laws of the United States against all its enemies, foreign and domestic.

Mr. President, I will support scholastic freedom in this country to any degree, but I draw a line between scholastic freedom and scholastic privilege. If we expect to keep up the great pace in the struggle to win men's minds and to produce the greatest scientists and mathematicians, we must do it on the basis that we do it for our country. If we have reached a place where being a patriot or using the word "patriotism" casts a blight upon a person, then I say we have indeed reached the place where the very ideals and the very solid moral fiber that made this country great have been defeated.

So I want to urge my colleagues to support the amendment offered by the Senator from South Dakota. I cannot see that it does harm except to the person who seeks to procure the money provided, knowing he is a member of an organization that wants to overthrow the Government by illegal means. It gives to students the opportunity to do what all of us have done and many millions of others have done, namely, swear or affirm that they will bear true faith and allegiance to the Government of the United States. It is essential. I see no reason why we should advertise to the world, by removing from the act the requirement of an oath, that we are willing to educate the best brains of the country without requiring of them that they bear true faith and allegiance to the Government of the United States.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, may I have 1 minute for the question?

Mr. DIRKSEN. I yield 1 minute to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 1 additional minute on the bill.

Mr. HICKENLOOPER. I wish to say I have received no objections thus far from any students or prospective students or from any borrowers or prospective borrowers from the fund. I have received certain objections from certain college professors. Significantly, I received a letter from one college professor who advanced the strange theory that under the oath as it now stands, namely, that a loan recipient may not belong to an organization that advocates the overthrow of the Government by force or violence or by illegal or unconstitutional means would, as the professor says, prevent the teaching of forceful overthrow of a government of tyranny. Think that one over. Whether he meant it or not, there is a suggestion that teachers should be able to teach the forceful overthrow of the government in case of a tyrannical government. Who is to say what is a tyrannical government? Every revolutionary in the world has said that his opposition was tyrannical. We in this country operate by legal means, and I hope we will continue to do so.

Mr. ALLOTT. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator from Colorado has again expired.

Mr. CURTIS. Mr. President, will the minority leader yield 1 minute to me?

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. CURTIS. Mr. President, I wish to commend the distinguished Senator from Colorado for his opposition to the pending measure. There is no reason why any student accepting the help of the Government should object to signing an oath as required by existing law. I particularly wish to point out one very important point made by the distinguished Senator from Colorado. Even though there may be a few evil people who take this oath and disregard it, the great good from the oath comes from the effect upon the students, who take one somber moment to reflect upon their duty to the country which is providing their education, which alerts them to the evil influence of communism. I commend the Senator for making that point.

Mr. ALLOTT. I thank the Senator for his very kind remarks.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. How much time remains on the Mundt amendment for each side?

The PRESIDING OFFICER. The proponents of the amendment have 8 minutes remaining and the opponents have 4 minutes remaining.

Mr. CLARK. Mr. President, I ask unanimous consent that I may offer the amendment which I send to the desk as an amendment to the Mundt amendment, and have it presently considered, despite the fact that all time on the Mundt amendment has not expired, reserving to each side the remaining time

on the Mundt amendment, after my amendment has been disposed of.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. ALLOTT. Mr. President, reserving the right to object, I should like to inquire of the Senator if he has cleared this matter with the Senator from South Dakota, who has had to leave the Chamber.

Mr. CLARK. I have cleared the matter with the distinguished minority leader, and I have discussed the matter with the distinguished Senator from South Dakota.

Mr. ALLOTT. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. Time is running.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. At the conclusion of the time allotted under the unanimous-consent agreement to the proponents and opponents of the amendment offered by the Senator from South Dakota, will it then be in order, under the rules, for any Senator to offer an amendment in the nature of a substitute for the amendment presently pending?

The PRESIDING OFFICER. Any Senator who is recognized may offer such an amendment.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

Mr. CLARK. Mr. President, will the Senator withhold his suggestion for a moment, now that the minority leader has returned?

Mr. KUCHEL. Mr. President, I withhold my suggestion.

Mr. CLARK. The Senator from Colorado [Mr. ALLOTT] objected to my request.

Mr. ALLOTT. Mr. President——

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senator from Pennsylvania may offer an amendment, for the purpose of getting it on the desk and for the purpose of speaking on it, without in any way prejudicing the time on the Mundt amendment or the position of the Mundt amendment, notwithstanding the fact that the time on the Mundt amendment has not all been used.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. ALLOTT. Mr. President, I offered an objection to this request before. I believe no business has transpired, so that it is subject to a double objection.

I wish to say that I inquired of the Senator from Pennsylvania whether this procedure was agreeable to the Senator from South Dakota, and the Senator did not answer the question, but said that he had the consent of the minority leader. The Senator said he had discussed it with the Senator from South Dakota. I will not withdraw my objection, and I do object, unless I can be assured that this procedure is satisfactory to the Senator from South Dakota.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. CLARK. I will say to my good friend from Colorado that I have discussed this matter with the Senator from South Dakota, and I am quite confident it is agreeable to him that I bring up my amendment now, but I did not want to put myself in the position of saying categorically that it was, because I could not give that assurance. I am positive in my own mind, but I do not want to say so for the record.

Mr. ALLOTT. Mr. President, reserving the right to object, I have been assured by the minority leader that this procedure is satisfactory, so I withdraw my objection.

Mr. CLARK. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois that the Senator from Pennsylvania be permitted to offer such an amendment? The Chair hears none, and it is so ordered.

The amendment will be stated for the information of the Senate.

The CHIEF CLERK. In lieu of the language proposed in subsection 4, it is proposed to insert the following:

(4) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act or any other Act of Congress shall be used to make payments on loans to any individual, and no individual (including any farmer, homeowner, mortgagee, or member of a cooperative entitled to assistance under the Rural Electrification Act of 1936) shall be eligible to receive any grant or loan from any agency of the United States, or any financial assistance by way of guarantees or insurance by such agency, unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all enemies, foreign or domestic."

Mr. CLARK. Mr. President, do I correctly understand I have 15 minutes in support of the amendment?

The PRESIDING OFFICER. The Senator is correct. How much time does the Senator yield himself?

Mr. CLARK. I yield myself such time as I may require, not in excess of 15 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. CLARK. Mr. President, the purpose of the amendment can be simply stated. It is to establish the equal protection of the laws for the students of America. The purpose of the amendment is to see to it that students shall not be singled out as one class of American citizens suspected of disloyalty, whereas other classes of American citizens who receive the bounty of the United States Government in the form of loans under various programs, including subsidy programs, are treated differently.

Senators who heard the amendment read have no doubt noted that it would deny loans to any individual who has not taken the oath set forth in the Russell addition to the Mundt amendment. I do not have the slightest objection to including the oath requirement in the present bill, if a majority of the Senate sees fit to do so. But, Mr. President, why should we single out the students of America as the only persons who are required to take that oath? Is it thought that if students should turn out to be disloyal to the United States they would be in a peculiar position to do harm or damage to our Government or to our Constitution?

Mr. President, is that only equally true with respect to a cotton farmer in South Carolina, a tobacco grower in North Carolina or in Pennsylvania, a wheat farmer in South Dakota, a corn farmer in Iowa, or those who raise peanuts throughout our great country and who accept subsidies and loans from the U.S. Government?

I observe that the Senator from Minnesota is present in the Chamber. I am sure the Senator would agree with me that the great farmers of his State are just as loyal Americans as are the students of America, but probably no more loyal.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLARK. I will yield in a moment.

If we are to require the students of America to take an oath, I wonder why the county agents in Minnesota should not have every wheat farmer, as he receives a Government subsidy or an allotment, take an oath to support and defend the Constitution of the United States and the laws of the United States, against all enemies, foreign or domestic?

I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. I will say to the Senator from Pennsylvania most respectfully that we presume and assume, and justly so, because of the great record of patriotic service and citizenship of the people of my State—the Senator has mentioned the farm people—both the farm people and the other people are good, loyal citizens. When they come forward to get loans on their crops—not subsidies, I will say, most respectfully, but loans upon their crops—they are asked only one question. They are asked "Do you have the crop? Do you have the wheat?" If they do, the law is specific. It says that they are entitled to 75 percent of parity as a crop loan. They sign the papers, stating the number of bushels of wheat involved and the amount of the loan. The amount for the storage is deducted, and the amount for interest is taken. I will state, by the way, that the Government collects before storage. The loan recipients sign their names, and that is it.

The presumption is that a citizen of this country is a loyal citizen until proved to be disloyal.

Mr. CLARK. I take it my friend from Minnesota will agree with me that when a student of America applies for a loan the only question which would be really

pertinent would be, "Do you have the brains necessary to assimilate the education?" Does my friend agree to that?

Mr. HUMPHREY. I surely do agree. I would add that one of the points which interested me in the argument to which I listened yesterday and today is the fact that students borrow from universities. For example, my own University of Minnesota has a student loan fund. That is a publicly supported university. It is true that the student loan fund, up until last year, did not have Federal funds, but it represented moneys collected from citizens of the United States. I received one of those loans when I was a student. I might add, it was hard to pay back. It would have been a little easier if I could have had a scholarship, if I had merited one by academic attainment. But I did not have to sign anything except a note.

Mr. CLARK. If I may interrupt, I wish to say I am amazed that the Senator, even at that early day, did not have the academic attainment necessary to achieve a scholarship. I am sure he would today. [Laughter.]

Mr. HUMPHREY. I will say, most respectfully, the Senator from Minnesota most likely did not have the academic attainment necessary, but there were no scholarships available. [Laughter.]

Mr. CLARK. That is a far better and more understandable reason for the Senator's not receiving a scholarship.

Mr. HUMPHREY. I want the Senator to know that I surely would have tried, had there been a scholarship available.

Mr. CLARK. I thank my friend for his interruption.

Mr. President, I would not want it thought that my amendment is an antifarm amendment. Far from it. In the Commonwealth of Pennsylvania we have a multitude of farms. Some are prosperous. Some are barely getting along; and others are not doing so well. My amendment would apply to the city dweller as well as to the farmer. The amendment provides that any homeowner who may get a loan through the Home Owners Loan Bank or any mortgagee who may wish to have a mortgage insured under the FHA, or any other city dweller, who receives benefits—which would include anyone living in public housing under a subsidy by the Federal Government, or anyone who is the recipient of a loan or bounty from the Federal Government—should be treated on the same basis.

The purpose of the amendment is merely to see to it that those who believe we can inculcate loyalty through the simple process of requiring an oath make that principle applicable across the board to all recipients of Government funds. If they are correct, we need no longer fear that any member of an REA cooperative or any borrower in a city from the Home Owners Loan Corporation would be subversive against the United States. If the danger is so great as some of our friends think it is, let us do this right, and make everyone take an oath.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HUMPHREY. Do I correctly understand that the Senator's amendment provides that if a person has one hand out for government funds, he must put the other hand up? [Laughter.]

Mr. CLARK. The Senator, in his usual terse and able way, explained in less than 15 seconds what would have otherwise taken me 15 minutes.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. McCARTHY. To extend the argument one step further, if that were the case, a man could not hold out both hands for a Government subsidy.

Mr. CLARK. I am afraid the Senator from Minnesota is correct. This may be of some consolation and solace to some of our friends on the other side of the aisle, as well as some Members on this side of the aisle, who are afraid of wild-eyed spending. If this amendment were adopted, only one hand at a time could be held out.

Mr. McCARTHY. Mr. President, will the Senator further yield?

Mr. CLARK. I yield.

Mr. McCARTHY. I am somewhat sensitive on this question, inasmuch as one of the chief proponents of the amendment campaigned against me. I believe he said that if my opponent were elected, the people of Minnesota would sleep better at night. This disturbed me.

Mr. CLARK. Needless to say.

Mr. McCARTHY. Not only that; but it seemed such a striking statement that it was taken up by his campaign committee, recorded, and rebroadcast around the State. I have done some superficial checking since and I find—at least, my medical friends tell me—that insomnia has not increased in Minnesota since my election.

Mr. CLARK. That is encouraging.

Mr. McCARTHY. Also, the sale of tranquilizers may have fallen off a little since my election.

Mr. CLARK. I am sure this will interest that great pharmacist, the senior Senator from Minnesota.

Mr. McCARTHY. He has a full understanding of the subject. Of course, he did not panic under those conditions.

Inasmuch as the Senator from Pennsylvania has started down the road, perhaps he should include everyone who participates in the school lunch program.

Mr. CLARK. If the Senator wishes to offer such an amendment, I shall be glad to accept it. However, it would be an amendment in the third degree, and would probably be subject to objection.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. CLARK. I am glad to yield to the Senator from New York.

Mr. KEATING. Will the Senator explain again just what his amendment provides?

Mr. CLARK. I shall be glad to do so. This is a little difficult, because, as the Senator knows, we have not had the privilege of having available the Mundt amendment, as amended. Subsection 4 of the revised amendment offered by the Senator from South Dakota, is in effect, the amendment suggested yesterday by the distinguished senior Senator from Georgia [Mr. RUSSELL]. My amendment, which is a substitute for subsection 4 of the new Mundt amendment, would expand the list of people who must take the oath.

Mr. KEATING. In other words, the Senator's amendment does not bear on the section relating to the person who may accept funds and still be advocating the overthrow of the Government, and be subject to the penalty.

Mr. CLARK. My amendment has nothing to do with the Goldwater part of the amendment. It has to do only with the Russell part of the amendment. I shall vote against the Mundt amendment, as modified, whether or not my amendment is adopted.

I am undertaking to do nothing but see to it that the school population of America is not treated any differently from anyone else.

Mr. KEATING. Would it not be more effective if the Senator's amendment were applied to any person accepting funds under any law, as well as this law? Should it not apply to any such person who advocates the overthrow of the Government, and make him subject to the penalty?

Mr. CLARK. I am under the impression that such an amendment might not be germane from a parliamentary standpoint.

Mr. KEATING. I did not know that there was a rule of germaneness.

Mr. CLARK. It is in the unanimous-consent agreement.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. ERVIN. I do not wish to add any discomfort to the Senator.

Mr. CLARK. I am sure the Senator will not. His courtesy is well known.

Mr. ERVIN. All those who have engaged in farming have already taken an oath to support the Constitution, if they have ever voted. But I do not rise to make that point.

The Senator is familiar with the fact that article VI of the Constitution requires Members of the Senate, in order to exercise the functions of their office, to take an oath to support the Constitution of the United States.

Mr. CLARK. Of course.

Mr. ERVIN. Does my able and distinguished friend from Pennsylvania believe that the fact that the fifth amendment to the Constitution requires him and me and all other Members of the Senate to take an oath to support the Constitution of the United States compels the inference the Senator draws in respect to students, namely, that the Founding Fathers had doubt about our loyalty to the U.S. Government?

Mr. CLARK. Who knows what the Founding Fathers would think if they could come back and see the U.S. Senate in operation today? I am sure I do not, and I am reasonably confident that my friend from North Carolina does not, either.

Mr. President, I reserve the remainder of my time. How much time remains to me?

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes remaining.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

Mr. CLARK. I hope that if any Senator desires to speak against the amendment, he may be heard now.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. At the conclusion of the time allotted under the unanimous-consent agreement, will the question then be on agreeing to the amendment of the able Senator from Pennsylvania? And when that is disposed of, will there remain the question of using the rest of the time on the Mundt amendment?

The PRESIDING OFFICER. After the opposition to the substitute amendment offered by the Senator from Pennsylvania has used its time, the question will recur on the substitute amendment offered by the Senator from Pennsylvania. After the 12 minutes are used, the question will recur on the amendment offered by the Senator from South Dakota, as modified.

Mr. KEATING. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. Under the unanimous-consent agreement under which the Senate is operating, is it provided that only an amendment which is germane shall be in order?

The PRESIDING OFFICER. The unanimous-consent agreement provides that all amendments must be germane.

Mr. KEATING. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. Would an amendment to apply to a person accepting funds or benefits made available under other laws be germane to this legislation?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that any amendment directed to persons beyond the confines of this Act would not be germane.

Mr. KEATING. I thank the Chair.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARTHY. What is the situation with regard to time on the Clark amendment?

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes remaining. The opposition has 15 minutes.

Mr. McCARTHY. Who controls the time for the opposition?

The PRESIDING OFFICER. The opposition time is under the control of the majority leader, if he is opposed to the substitute amendment offered by the Senator from Pennsylvania.

Mr. McCARTHY. I should like to be recognized to speak against the pending amendment.

The PRESIDING OFFICER. If the majority leader is not opposed to the substitute amendment, time in opposition is under the control of the minority leader.

Does the minority leader yield time to the Senator from Minnesota?

Mr. CLARK. Mr. President, as acting majority leader, I yield to my friend from Minnesota 5 minutes of the time in opposition to the amendment.

Mr. McCARTHY. I believe I shall need 10 minutes.

Mr. CLARK. I yield 10 minutes to the Senator from Minnesota.

Mr. McCARTHY. Mr. President, it seems to me that the central issue in the debate——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CLARK. Is the Senator from Minnesota opposed to the amendment or in favor of it?

Mr. McCARTHY. I am opposed to the Senator's amendment.

Mr. CLARK. Then I cannot yield the Senator any time.

Mr. McCARTHY. The Senator could. He could yield me the majority leader's time.

Mr. CLARK. Mr. President, the Senate of the United States occasionally gets itself into rather peculiar parliamentary situations. I am advised—and I ask the Chair to check this statement with the Parliamentarian—that although I as an individual Senator am strongly supporting my own amendment, nevertheless I, as the acting majority leader, am opposed to my amendment, and therefore I am authorized to yield the distinguished Senator from Minnesota 10 minutes in opposition to my amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania has been authorized to act as the majority leader. He may yield time in opposition to his own amendment to the Senator from Minnesota.

Mr. CLARK. I so yield.

Mr. McCARTHY. I thank the Senator from Pennsylvania for having gone to these great lengths in order to yield me time to speak against his amendment.

Mr. President, in my opinion the central issue in the debate on loyalty oaths in the National Defense Education Act is not one of security, but rather one of propriety.

I do not believe that the essential security of the United States will really be affected whether we include this oath or strike it from the bill. Certainly no convinced adherent of communism or totalitarian philosophies will be deterred by taking an oath. Neither do I think that the integrity of the academic community will be destroyed if we retain the oath which was written into the law last year. Students and educators are resilient. The students are able to stand effectively against the faculty; the faculty seems to survive despite the administration; the administration seems to survive despite the regents; in the case of a State university, the board of regents seem to survive despite the State legislatures. All have to put up with a great many disagreeable things.

What is involved, I believe, is the judgment of the U.S. Senate as to whether the general welfare of the United States will in any way be advanced if we require an oath or an affidavit of loyalty as a condition to taking a grant or a loan for the purpose of securing a college education.

There are several general principles which, I think, should guide us in making this judgment.

First, it is essential that we reflect upon the nature of an oath. In Western civilization, the taking of an oath has always been a very important act. It has been an act of great religious as well as civil significance. The taking of an oath has strong traditions in both the Old Testament and the New Testament. The traditional sanction of the oath was respect for the name of the Deity. It is not an idle declaration to state that no man should take the name of the Lord in vain. The proper use of the oath has been restricted to serious decisions and serious occasions; for times of major decisions and major actions. The taking of an oath should be a matter of great dignity and solemn affirmation. It loses something of its luster and its significance, and I think, too, something of its effectiveness, if it is used lightly or commonly, without preparation, ceremony or due cause.

The oath taken by the President, the Vice President, the Members of Congress, the judges of the courts, the members of the armed services is a sign and a manifestation that they are making serious decisions; that they are performing a very special kind of act of dedication to the public and to the public welfare. It indicates that they are entering upon the work of the state. It is a reminder to them of the importance of their responsibilities, and is also a public declaration to the people of the country that they are accepting those responsibilities in a very special way.

The taking of an oath traditionally has been surrounded by a formal ritual reflecting the solemnity of the occasion and the importance of the act, both to the individual who takes it, and also to the community in the service of which it is taken.

The purpose for which the oath is taken has an important bearing on the nature of the oath. In my opinion, it seriously lowers the dignity of the oath when it is used in a routine manner, as a mere step in the paperwork of making a loan, as a trivial step, perfunctorily taken and perfunctorily administered.

As a matter of respect for the dignity of an oath, let us go slowly in extending it to minor relationships of the state and its citizens. Making a loan to a student to enable him to go to college is essentially a personal financial contract. In my opinion, it does not merit the dignity of an oath, such as is recommended here.

The second principle which should guide us, I believe, is the fundamental concept of democratic government. Democracy is an affirmation of confidence in the integrity of the individual person. In a democracy, we assume that the individual is innocent unless he is proved guilty, insofar as crime is concerned. Insofar as his general acts as a citizen are concerned, we should assume

that he is loyal until he has been proved to be other than loyal.

Democratic government acknowledges that the individual has individual responsibilities; that he is a human person in which certain inalienable rights are inherent; and that this attribute of his nature gives him a certain measure of freedom and measure of responsibility for self-discipline which is outside the power of any group or institution, including the state.

Democracy recognizes that government exists to assist the individual in his efforts to attain perfection. Certainly, in the Judeo-Christian tradition of Western civilization, it is accepted that the individual has a destiny which is not limited to time; and he has a responsibility which goes beyond the meeting of his temporal obligations.

A loyalty oath is consistent with democracy when it is taken by one who is assuming a responsible position in society. Under these circumstances, the citizen is not so much making a negative promise to avoid treason or subversion as he is making a proud and public affirmation of his dedication to duty.

When we read history, we discover that it is the tyrannies, the absolute monarchies, the totalitarian states, and the governments of those civilizations which are uncertain of themselves and which may well be on the verge of collapse, which have made oath taking a rigid and universal requirement.

If we go back only to the Nazi period in Germany, we can recall that every time a citizen of Germany met another citizen on the street, he took an oath of allegiance, or at least declared his allegiance to Hitler with a sign and with the words "Heil Hitler."

That was not a sign of a living society or a society of free men, but rather a sign of uncertainty, hesitation, and fear. That is what is involved in the debate, not in the same degree, of course, but certainly, in substance. For the absolute monarchs and the tyrants, oath-taking becomes a device to harass, to threaten, to control their citizens. Loyalty oaths of this kind are not a contribution to the security of the Nation.

They are manifestation of insecurity. They reflect the fear of government officials who, in fear and insecurity, use loyalty oaths in order to frighten men into conformity. This is the record of recent history.

Obviously, I do not suggest that the loyalty oath in the National Defense Education Act is in this order. By itself, it is not that significant. But it is symbolic of an unhealthy trend which does not do honor to democracy or demonstrate true confidence in it.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. McCARTHY. Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Minnesota is recognized for 5 additional minutes.

Mr. McCARTHY. Mr. President, I believe we move in the direction of undemocratic and fearful government and insecurity when we extend loyalty oaths to more and more relationships which are relatively unimportant, and that we run the danger of undermining confidence in democratic government and democratic society.

This conviction, we know, was strongly held by many of the Founding Fathers of the American Government. Even the conservative Alexander Hamilton opposed the expurgatory oath which was designed to root out the Tories in New York. He said:

> It was to excite the scruples in the honest and conscientious, and to hold out a bribe to perjury * * *. Nothing can be more repugnant to the true genius of the common law than such an inquisition * * * into the consciences of men.

Nor do I believe that Jefferson would be happy over imposing loyalty oaths on students seeking loans to enter the University of Virginia, an institution which he regarded as "based on the illimitable freedom of the human mind. For here we are not afraid to follow truth wherever it may lead, nor to tolerate error so long as reason is free to combat it." The obligation of the student is to seek truth.

Finally, I think we should make our decision on this question with some regard for the principle that professional groups should govern their own members. Just as we recognize in a democracy the necessity of each citizen to be loyal and assume generally that he will be, so too we expect each profession to determine its own goals and to adopt its own procedure for discipline of its members. A democracy reserves the authority of government intervention unless the common good is threatened by the failures of self-discipline of professional groups. We expect, for example, that the American Medical Association will promote medicine without government threat and that its members will abide by the Hippocratic oath which they take. We as legislators and other governmental officials take a professional oath when we begin our term of office. Our responsibility is the business of the state. The doctor's responsibility is to the health of patients. We take an oath of office to pledge faithful performance of professional duty. The word "profession" itself is based upon the action of professing or publicly taking an oath.

The academic profession has its goals and responsibilities. The colleges and universities have a common purpose—namely, to help students seek and acquire truth, although each institution also has its unique traditions and objectives. The student makes an implicit pledge of fidelity to the purposes of a university, when he enters; and if he does not adhere to its standards, he ultimately withdraws or is expelled. While he is a student, his professional responsibility is the concern of the college; and the college authorities keep him in line through a variety of efforts, not excluding an appeal to loyalty to the crimson or—as in Minnesota—to the maroon and gold.

As a former college teacher, I have confidence in the overall integrity and ability of school teachers and administrators and I have confidence in American college students. For the Government to intervene in the professional controls now exercised, and to take steps which purport to guarantee loyalty of students, would require substantial evidence that the colleges had failed in self-discipline. I do not believe that the proponents of the loyalty oath have seriously questioned the loyalty of the academic community, faculty or students; nor do they declare that in fact any pattern of disloyalty exists.

The PRESIDING OFFICER. The time yielded to the Senator from Minnesota has expired.

Mr. KENNEDY. Mr. President, I yield 1 additional minute to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 1 additional minute.

Mr. McCARTHY. I thank the Senator from Massachusetts.

Mr. President, as I stated at the beginning of my remarks, the issue is really one of propriety regarding oaths, and of respect for the traditions of this Nation and of the meaning of democracy. I am not persuaded that any danger exists which justifies the imposition by Congress of loyalty oaths, affidavits, threats of criminal prosecution, or similar devices, on students who make application for a Government loan to enable them to attend any college or university in the Nation.

Mr. KENNEDY. Mr. President, I yield myself 30 seconds.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for one-half a minute.

Mr. KENNEDY. Mr. President, I wish to state that I believe the Senator from Minnesota [Mr. McCARTHY] has developed the issue most completely. He has made the best speech on the subject which has been delivered in the Senate. I wish every Member of the Senate had heard it, because I am confident that if so, the Senate would speedily reject the amendment of the Senator from South Dakota.

Mr. CLARK. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 minutes.

Mr. CLARK. Now that the Senator from South Dakota, has heard the arguments in support of the amendment in the nature of a substitute, I wonder whether he will be willing to accept it and incorporate it as a part of his amendment.

Mr. MUNDT. Mr. President, I am impelled—although with an abundance of regret—not to accept the amendment in the nature of a substitute, because it seems to me to be highly inapplicable. In the second place, I regret that I do not have sufficient time to be able to accommodate the very large number of Senators who wish to speak in opposition to the amendment in the nature of a substitute which the Senator from Pennsylvania has proposed.

Mr. CLARK. Mr. President, in view of the fact that my good friend, the

Senator from South Dakota, is not willing to accept my amendment in the nature of a substitute, and in view of my realization of the great prestige and influence which the Senator from South Dakota has in this body, and in view of my realization that without his support, it would not be possible to have my amendment prevail, I withdraw my amendment in the nature of a substitute.

The PRESIDING OFFICER. The amendment in the nature of a substitute, which has been proposed by the Senator from Pennsylvania, is withdrawn.

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield 5 minutes to me?

Mr. MUNDT. Yes; but first I should like to ask how much time remains.

The PRESIDING OFFICER. The Senator from South Dakota has 8 minutes remaining under his control, on his amendment. The opposition to his amendment has 4 minutes remaining.

Mr. MUNDT. How much time remains on the bill?

The PRESIDING OFFICER. On the bill, the proponents have 30 minutes remaining, and the opponents have 41 minutes remaining.

Mr. MUNDT. I yield 5 minutes to the distinguished Senator from Florida, and ask that 3 minutes of it be charged to the time available to me on my amendment, and 2 minutes be charged to the time available to me on the bill.

The PRESIDING OFFICER. That will be done; and the Senator from Florida is recognized 5 minutes.

Mr. HOLLAND. Mr. President, two things have intrigued me during the course of the debate on this amendment.

One is the fact that up to now I have not received any communication from any Florida student, to indicate any concern whatever about this provision. Let me say that I am a trustee of three reputable colleges and I am a member of the executive committee of the alumni association of the University of Florida, and I suspect I know several thousand students at those four institutions and others and I know many of the faculty members of those institutions. But I have not received one word of complaint from any of them. That fact has intrigued me somewhat, Mr. President; and I think it indicates that at least in our section of the country, insofar as this important defense program—and that is what it is—is concerned, no difficulty has resulted from the provisions of the existing act which are complained about in connection with the pending measure.

Second, Mr. President, I have been intrigued by the fact that up to now the record shows nothing at all of the experience under the act in the year 1959, the first year during which the act has been operative.

I have just completed speaking with the Commissioner of Education, Mr. Derthick, and with Mr. Hughes, the Executive Officer of that Office; and they have authorized me to state for the RECORD that during this first year of the operation of the act, despite a late start, approximately 40,000 students throughout the Nation filed applications which were approved and which resulted in loans which enabled them to pursue their important educational courses.

These gentlemen have likewise authorized me to state that 1,227 institutions of higher learning applied for qualification under the act; and 7 of them withdrew because of this provision; 1,220 of them went ahead with programs under the act.

Mr. MUNDT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. MUNDT. Do I correctly understand that all this hullabaloo has been created because only 7 institutions out of more than 1,200 withdrew their applications because of the provision?

Mr. HOLLAND. I would not state that of my own knowledge. I am simply placing in the RECORD statistics which were furnished me only a few minutes ago by the Commissioner of Education.

In that connection, let me quote the Commissioner. He said 1,227 institutions of higher learning had evidenced interest in this act, and that 7 of them after finding out about this particular provision, declined to go further with their applications; and that those 7 included, as the records show, some highly respected religious institutions, such as Swarthmore and Haverford, which are Quaker institutions, and perhaps others like them, although I do not have the names of the other 5.

Mr. MUNDT. That is a most significant statistic.

Mr. HOLLAND. The Commissioner was careful to state, also—and I wish to be completely fair—that 700 other institutions of higher learning, of one kind or another, throughout the Nation, expressed no interest and did not make any approach under this act; but he would not say that was because of their lack of interest or because of this provision. He wanted these facts, which come from his office, to be stated in full; and I have tried to do so.

The most important thing the Commissioner said—and I reduced to writing the exact words he used in speaking to me; and after I reduced them to writing, I read them back to him—was that there is no showing, from their experience this year, that the provision of the law which we have been discussing here, seriously limited the number of enrollees.

I am also authorized to state that, in the opinion of these gentlemen, this provision of the act does not seriously limit the number of enrollees.

So, Mr. President, I believe we have been fighting over practically nothing; and I think it most disappointing that a bill of this kind would be reported by an able committee of the Senate, which undoubtedly was inspired by the highest motives, without any record at all regarding the operation of the law under this provision, and without any record at all of the history of its operation, and without any other record at all, except that certain institutions of higher learning, and certain professors, and, I have no doubt, certain students, have opposed it—having in mind that students in other parts of the country may have wished to oppose this requirement that they state their loyalty to their Government. But no student from my State has stated such to me; the Senator from Georgia [Mr. RUSSELL] has stated that no student from his State has made such a statement; and the Senator from North Carolina [Mr. ERVIN] has made a similar statement; and today I have talked to other Senators who have had the same experience.

So, Mr. President, we are fighting over nothing but a very minor whirlwind; and I am sorry this matter has come to the floor of the Senate and has disturbed the Senate so greatly and taken so much time.

Mr. RANDOLPH. Mr. President, I favor the Mundt amendment. Will the Senator from South Dakota yield 2 minutes to me?

Mr. MUNDT. I yield 2 minutes to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 2 minutes.

Mr. RANDOLPH. I request the attention of the distinguished Senator from Arizona [Mr. GOLDWATER]. Does he not recall that during the consideration of this proposed legislation by the Committee on Labor and Public Welfare, there were votes on the question of sustaining the principle expressed in the amendment which has been submitted by the able Senator from South Dakota [Mr. MUNDT]? In addition, will the Senator from Arizona indicate whether I joined him in the support of this principle, as it was offered before that committee?

Mr. GOLDWATER. In reply to the request made by the Senator from West Virginia, I definitely remember that the Senator from West Virginia expressed himself as he now states. He will also recall that in the subcommittee we tried to include a provision quite similar to the one we are discussing at the present time, namely, the Mundt-Goldwater-Russell substitute. But we were unsuccessful.

The PRESIDING OFFICER. The time yielded to the Senator from West Virginia has expired.

Mr. RANDOLPH. Will the Senator from South Dakota yield me 1 additional minute?

Mr. MUNDT. I yield 1 additional minute to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 1 additional minute.

Mr. RANDOLPH. I yield further to the Senator from Arizona.

Mr. GOLDWATER. I distinctly remember that we had the support of the Senator from West Virginia in connection with that effort.

Mr. RANDOLPH. I call attention to that situation, because the eminent Senator from Florida [Mr. HOLLAND] had asked about the action by the committee which brought this proposed legislation to the floor. I wish to indicate emphatically that there was very cogent comment from several Senators and the sub-

sequent action to which I have made reference in consideration of the purpose of the so-called Mundt amendment.

Mr. GOLDWATER. I may say, if the Senator will permit me, that there was a pretty determined effort on the part of all on the subcommittee to arrive at some language in this field. We recognized the general objections, some in varying degree, but we were unable to arrive at any conclusion. We all expressed the feeling that had we done so in committee, it would have eliminated a long argument on the floor.

Mr. MUNDT. Mr. President, if I hear no objection from the minority leader, I yield 5 minutes of his time to the Senator from Arizona.

Mr. DIRKSEN. I have no objection.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 5 additional minutes.

Mr. GOLDWATER. I do not know that I shall use 5 minutes——

Mr. KENNEDY. Mr. President, will the Senator yield for a unanimous consent request?

Mr. GOLDWATER. On the time of the Senator from Massachusetts.

Mr. KENNEDY. I ask unanimous consent that Mr. Michael J. Bernstein, a member of the staff of the Senate Committee on Labor and Public Welfare, be given the privilege of the floor during the consideration of the pending measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Arizona is recognized for 5 minutes.

Mr. GOLDWATER. Mr. President, as I started to say, I do not think I will need 5 minutes, but, as ranking minority member of the Committee on Labor and Public Welfare, I signed the minority views, in which I expressed agreement with the majority as to the desirability of eliminating from the National Defense Education Act the requirement of the non-Communist oath. At that time the junior Senator from Arizona, together with other Senators, namely, the Senator from West Virginia [Mr. RANDOLPH], and, I believe, if my memory serves me correctly, the Senator from Kentucky [Mr. COOPER], and the Senator from New York [Mr. JAVITS], were trying to write into the bill language which would accomplish the same purpose. As a result of that, I submitted an amendment which has been incorporated as——

Mr. COOPER. Mr. President, if the Senator will yield, although it is not of great importance, I did not happen to be one of those who joined the Senator, because I have opposed such an amendment.

Mr. GOLDWATER. I am glad the Senator has corrected the RECORD. He has been with me so often that I am surprised to find him away from me in this particular instance.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. GOLDWATER. I dislike to lose the Senator from West Virginia, too, but the Senator may go right ahead. [Laughter.]

Mr. RANDOLPH. The Senator will not lose me on this subject. I regret that the Senator from Kentucky [Mr. COOPER] who comes from a State which is contiguous to West Virginia, has not joined with his colleagues from a sister State. Both our States have much in common; we even have in the hills in both States the product—moonshine—and it continues to be produced in very considerable quantity.

The Senator from West Virginia stands side by side with the Senator from Arizona. We have been so seldom together in votes in the Senate Labor and Public Welfare Committee and on the floor of the Senate. In this matter we are on a paramount premise of the requirement of answers to questions which should be answered.

Mr. HOLLAND. Mr. President, will the Senator yield to me for one short statement?

Mr. GOLDWATER. Let me say to the Senator from Florida I have been yielded only 5 minutes. I shall be happy to yield to him if I can get more time to make up for it.

Mr. HOLLAND. Thirty seconds will be sufficient to make the statement I wanted to make.

Mr. GOLDWATER. I yield.

Mr. HOLLAND. I should have stated a while ago, in quoting from Mr. Derthick, Commissioner of Education, that the best estimates they have now from reports of colleges and universities is that the number of enrollees for fiscal 1960 will be about 120,000.

Mr. GOLDWATER. I thank the Senator from Florida.

I may say to the Senator from West Virginia that while we have disagreed on subjects involving political philosophy, we have never disagreed on friendship. I sincerely hope that as he exposes himself more and more to my ideas he will see that the ideas of the Senator from Arizona are ideas which should prevail.

To continue, I was discussing the efforts made to get something in the bill, before it came out of subcommittee and the full committee, relative to taking care of the requirement of the non-Communist affidavit. I think all of us, as expressed in the minority views, recognized that there was some legitimate objection to the requirement. My amendment put the "monkey on the student's back," one might say, in other words, if the student knew he was a member of a subversive organization whose purpose it was to overthrow the Government by illegal means, and he nevertheless took the money, he would be subject to fine and imprisonment.

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Mr. GOLDWATER. I ask for 3 more minutes.

Mr. DIRKSEN. I yield 3 more minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 3 additional minutes.

Mr. GOLDWATER. I understand that there has been added to the amendment known as the Mundt substitute the language of the Russell amendment which was submitted last night. I can see absolutely nothing wrong with our asking a student, or anyone else in this country, to take the same oath which clerks, stenographers, and every one of the 2 million Government employees take, which we take as U.S. Senators, and which members of the Armed Forces take. We are all getting money from the Government of the United States. Some persons may not think we earn it; nevertheless, we take it. If we have to take the oath, I say it is good enough to have students who are getting money from the Government take the same oath.

Mr. President, we are not talking about a great problem. If it is true that at least seven colleges and an undetermined number of students in other colleges have refused to participate in the student loan program, I do not think it necessarily means that many are involved. Seven colleges have been mentioned. I do not know which ones they are. We do not have seven colleges in Arizona. We have five. That shows what an insignificant number we are talking about. An undetermined number of students has been mentioned. Is it five? Five thousand? One hundred thousand? I do not care if it is 5 million, there is no reason to exempt any American from taking an oath that he will support the Constitution of the United States. There is no reason for Congress to obliterate mandatory language from the act and remove the responsibility from anybody relative to his basic constitutional responsibilities to our Government.

Mr. President, I am hopeful this amendment will be adopted. In fact, I am hopeful my distinguished colleague from Massachusetts will accept it. We came very close in committee to adopting the language of my amendment. We considered taking very similar language proposed by the Senator from New York [Mr. JAVITS]. This language will not work a hardship on anybody. I do not see how the Senate can, in all good conscience, say to the people, "We have decided we should not have a non-Communist affidavit from any student who gets money from the Government under the law."

The PRESIDING OFFICER. The time of the Senator from Arizona has again expired.

Mr. GOLDWATER. Mr. President, may I have 30 seconds?

Mr. DIRKSEN. I yield 1 minute to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 additional minute.

Mr. GOLDWATER. If we should do what has been suggested, the next step conceivably would be the removal of the requirement of the oath from all Government employees. I am not willing to accept the idea that there are no Communists left in this country. I think that if we lift enough rocks, we will find some. I do not want to be a party to any effort to create such a situation that, when we lift the rocks and find Communists in our educational system, we shall have no means of getting rid of them.

Mr. KENNEDY. Mr. President, as I understand, the Senator from Pennsylvania has withdrawn his amendment, and the question now is on the Mundt amendment, as modified. I understand the Senator from New York [Mr. JAVITS] wants to offer a substitute for the amendment of the Senator from South Dakota. I wonder if, while we are having a quorum call, with the understanding that the time for it will not be taken from the time of either side, we may have the Senator from New York to come to the floor. It is my understanding that as soon as the Senator from New York comes to the floor he will offer his amendment.

Mr. President, I suggest the absence of a quorum, with the understanding that the time not be charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. JAVITS. Mr. President, reserving the right to object, I should like to understand the parliamentary situation. Has all time expired on the Mundt amendment?

Mr. MUNDT. Mr. President, I can answer that question for the Senator. All time has not expired, but it has almost expired. The Senator from Massachusetts and I have 4 or 5 minutes remaining. If it would not be out of order, I should like to propound a unanimous consent request which will permit the Senator from New York to proceed at this time.

Mr. JAVITS. I have no objection.

Mr. MUNDT. Mr. President, I ask unanimous consent that the Senator from New York may offer an amendment and have time allocated on that amendment.

The PRESIDING OFFICER. The order for the quorum call will have to be rescinded first.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield me a half minute from the time on the bill?

Mr. DIRKSEN. I yield a half minute to the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may offer a substitute amendment for the Mundt amendment, as modified, and that the time may be allocated under the unanimous consent agreement for the debate on my substitute amendment, without curtailing the time which still remains on the Mundt amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. DIRKSEN. Mr. President, for information, I am advised there are only 2 minutes remaining for the opponents and 4 minutes remaining on the side of the proponents of the Mundt amendment, as modified.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. So there are only 6 minutes involved.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. In lieu of the language proposed to be inserted by Mr. MUNDT, it is proposed to insert the following:

(f) No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic."

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

Mr. President, I have offered the substitute amendment really as a committee service. I am a member of the committee which dealt with this particular matter. I think we have to present to the Senate the basic issues, so that the Senate can vote the various proposals up or down.

Much as I appreciate the seriousness involved in this whole debate, I respectfully submit that we have explored the subject probably as much as it needs to be explored.

My amendment would simply preserve the oath of allegiance, which is essentially the point of the discussion on the floor by the Senator from Georgia [Mr. RUSSELL], the Senator from Rhode Island [Mr. PASTORE], and other Senators.

I think even my distinguished colleague, the Senator from South Dakota, will agree that we have to get down to cases. The alternative to doing what the Senator from South Dakota wants to do is to present the oath of allegiance as a separate proposition. The Senate has three choices. It can take the oath of allegiance alone. It can take the Mundt amendment, which contains the oath of allegiance, plus a provision making it a felony to take money under the act as a loan if the loanee is seeking the overthrow of the Government by force, or belongs to an organization seeking to do so. Finally, the Senate can take the Kennedy bill, which provides for striking out the whole requirement.

Having laid these three choices before the Senate, I say we can proceed to take one of them and dispose of the question. I think what I have proposed is a fair compromise, essentially based upon the debate. My reason for favoring this course is that I do not feel quite as passionately as do some of my colleagues about what the Senator from South Dakota has proposed, but I think when we couple the Smith Act with the oath of allegiance, and the fact that a good many of us, including myself, have had very widespread manifestations of disapproval of the provision as it is contained in the law today, we can make a reasonable compromise in regard to college students, who are not fully grown, who have engaged in a great many activities in their lives, and who are very sensitive in regard to this kind of proposition, anyway, and perhaps not quite so inured to this kind of affidavit as the rest of us. We can give some accommodation to their ideas, and at the same time, as the Senator from Rhode Island pointed out with great eloquence, I think, we can require them to certify to what is essential; namely, their basic loyalty and the lack of any doubt in their own consciences as to their loyalty to the country, which is a proper precondition for the loan.

We are not in an area of guessing. I should like to invite attention to page 16 of the record of hearings. Mr. Everett Case, the president of Colgate University, a very distinguished university in my own State of New York, who appeared for the Committee on Relationships of Higher Education to the Federal Government, American Council on Education, to which a great many colleges and universities belong, said that the American Council's committee was unanimous in advocating the elimination of the disclaimer oath—which refers to advocacy, and so on—but that only a majority voted for the elimination of both. That refers to the disclaimer and the oath of allegiance.

I think that is a very important point. Mr. Case also threw some light upon the proposition, which I think was quite properly argued by my colleague from South Dakota, with respect to the National Science Foundation, which does require the disclaimer in terms of the law in the same way the Senator from South Dakota has put it before us.

Mr. Everett Case, of Colgate University, is the person to whom I refer.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MUNDT. The amendment does not provide exactly what is provided by the National Science Foundation. It includes what is now in the National Defense Act.

Mr. JAVITS. That is exactly correct. I accept that, and I want to make it very clear. It requires an affirmative oath.

Mr. MUNDT. That is correct.

Mr. JAVITS. It is required that the Foundation itself administer oaths to recipients of its grants, whereas in other cases the matter passes through the colleges and universities, where sensitivity of feeling is strongly involved.

It is also pointed out that we are dealing with students in terms of age and experience on a far different level from

those who participate in the National Science Foundation work.

Mr. PASTORE. Mr. President, will the Senator yield to me?

Mr. JAVITS. I yield.

Mr. PASTORE. Can the distinguished Senator from New York imagine any situation in which an individual would be in violation of the first part of the Mundt amendment, which is the Goldwater amendment, without violating the oath of allegiance which he would be required to take under the amendment of the Senator from New York?

Mr. JAVITS. Of course, the answer to that is that I can visualize no such situation.

Again, we have to be very fair about this matter. The difference is that the Senator from South Dakota feels this has to be cemented into the law in two ways: First, by a criminal penalty. I must say, with all deference to the Senator, I think the penalty of making membership in the Communist Party a felony is a pretty serious one. I think that is one of the grave questions in regard to the amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. If a person takes an oath of allegiance to the United States, as required under the Senator's amendment, and violates the oath, he is guilty of perjury. Under our statutes such a person is subject to imprisonment for up to 5 years and a money penalty of up to $2,000, or both. What we are actually being asked to do, in the first part of the so-called Mundt amendment, is to water down the penalty for an act which would be a violation of an oath, which carries a penalty of imprisonment up to 5 years, instead of 1 year. That is where I say the incongruity lies in the amendment.

Mr. JAVITS. I agree with the Senator. I was simply pointing out, as a lawyer, in fairness to the proponent of the principal amendment which we have been discussing for some time, that he does desire to tie it down to specifics of membership, and so on. I will come to a discussion of the law on that in a moment.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 additional minutes.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. AIKEN. It seems to me the amendment offered by the Senator from New York has the same inequity as the amendment offered by the Senator from South Dakota, in that it is applicable to college students only. What justification is there for enacting such legislation, providing such special penalties, special requirements, or special restrictions for college students, which would not be applied to other people, particularly to those who borrow money from the Government, of whom there are several hundred thousand annually? What justification is there for this procedure?

Mr. JAVITS. I will state the justification for the Senator. The justification is that this is a National Defense Education Act. We justified the aid to education by the element of national defense, the relationship to the defense of the country. Therefore, we are extending the kind of oath we require in the ROTC and in other aspects of our national life, based upon the defense of the country, to those who come under this act. The Senator could argue—and I could agree with him—that we had no business doing that, that we should not have justified aid to higher education under the guise of national defense. But we did; and I believe that when we did we opened the door to the possibility of this proposal. I offer that explanation because I do not think it is discrimination, in view of the fact that we ourselves opened the door by making this program an aid to defense of the country, instead of allowing it to stand on its bottom as education.

Mr. AIKEN. Is not virtually every loan which is made by the Federal Government to an individual made in the name of national security or the national economy?

Mr. JAVITS. That is true; but, as I said to the Senator, we stamped this program specifically as an element of the defense activity of the country, so I think we opened the door to the present proposal.

Let me complete my argument. The proposed substitute is not a creature of my brain. It grew out of the effort to arrive at a reasonable adjustment or accommodation between conflicting points of view. I agree with that principle. As a matter of fact, I rather felt this way in the committee, when we discussed the question. The proposed substitute is a fair accommodation of various points of view; and I believe such accommodation should be made. If we were to adopt it, it would leave the law in the following situation: The oath of allegiance would be taken. The Smith Act would remain on the books. The prescription with respect to the oath would stand on its bottom, as it does in the case of an oath taken in any other connection, in the defense activities of the country.

As to the applicability of the Smith Act, the Smith Act will catch any student who is himself an advocate of overthrowing the Government by force and violence, or an activist, who would be caught under the provision relating to aiding and abetting. It will not catch a man who is a nonactivist member, because that situation is not specifically covered by the Smith Act. It may be covered by the Subversive Activities Control Act, relating to the obtaining of passports and other things; but it is not, as a criminal offense, covered by the Smith Act.

On the other hand, the amendment of the Senator from South Dakota would catch a nonactivist member of such an organization, and would subject him to the felony penalty contained in the amendment.

I think the real argument between the opposing sides is that the Senator from South Dakota is going too far in respect to college students who obtain these loans. It is for that reason, and in an effort to arrive at a proposal which would crystallize the conflicting views of Senators, that I have proposed my substitute. I very much hope that it may be adopted.

Mr. MUNDT. Mr. President, may I ask the majority leader, as the one who is resisting the amendment, if I may have the 15 minutes allocated to the defense?

Mr. JOHNSON of Texas. Certainly.

Mr. MUNDT. Mr. President, I yield myself 7 minutes.

I think the time has come to get the whole picture in the proper perspective. Let us go back to the time when the National Defense Education Act was enacted, and let us reread what we pledged the American public at that time—not a general aid to education bill, not a higher education bill. Specifically, we said, in the very beginning, in title I, section 101, that this is a National Defense Education Act. This is what was said in the bill itself:

> The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental processes and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of the Nation depends upon the mastery of modern techniques developed from complex scientific principles.

We heard very clear and persuasive speeches by the majority leader and by other Members of the Senate at that time, to the effect that that bill should be enacted because of the national defense. They said our security required it. So we are dealing with a national defense mechanism. That is point No. 1.

Point No. 2 is that the committee handling the bill at that time, deciding that we should provide adequate protective mechanism, wrote in, in committee, the specific protective language which it is now proposed to remove. This language was not proposed by the Senator from South Dakota. It was not written on the floor. It was not added by amendment. It was in the bill as the committee reported it to the Senate.

I think it is a legitimate question to ponder—What has changed since the committee, in the committee room, decided to protect the taxpayers' $90 million under the National Defense Education Act by making it unavailable to Communists, Fascists, totalitarians, and saboteurs?

What has changed in the past year? Does anyone contend that communism has changed? I do not believe so. Communism is just as anti-American and anti-Christian now as it was then.

Does anyone contend that the attitude of the Senate toward communism has changed? I do not think so. I believe that basically each of us wants to do as much now as we did then to protect the interests of the country against misappropriation and misuse of funds to aid and abet communism.

What has changed? Does anyone contend that the world situation has changed for the better? I do not think so. The aggressive onward march of atheistic communism has now reached Cuba, 90 miles from the United States. Is that any reason for us to become complacent? Is that any reason for us to walk down the hill? Is that any reason for us to burn down the jail and shoot the policeman and say, "We are not going to be as tough on communism as we were a year ago, when we enacted the National Defense Education Act?"

Nothing has changed, I am sure, except that a group of college professors, exercising their right to petition Congress, have asked us to make a deletion in this legislation. We can make a deletion in the legislation without killing the policeman, and without putting up the welcome sign and saying, "Come on in, Communists, and get the money."

We can do so without saying that we made a mistake in our previous position; we can do so by adopting my original amendment in the nature of a substitute which omits and deletes the two oaths in question but which provides a more effective and acceptable safeguard or we can do so by adopting the new, modified form of my amendment.

I think it is interesting to note that the groups in the country which are primarily interested in problems of national defense, and who were in the vanguard supporting the National Defense Education Act, namely, the Veterans of Foreign Wars, the American Legion, and the American Farm Bureau Federation, are all on record as saying, "Either do not change the law as it was originally enacted, or, if you do, write in some new and more effective protective mechanism."

I hold in my hand a telegram which was delivered to me on the floor of the Senate a few minutes ago. The dispatch is dated Washington, D.C., July 23, 1959, at 1:59 p.m. It reads as follows:

WASHINGTON, D.C., *July 23, 1959.*

HON. KARL E. MUNDT,
Senate Office Building,
Washington, D.C.:

Veterans of Foreign Wars deeply concerned over efforts to remove loyalty oath requirement from Military Education Act. If loyalty oath is to be eliminated for any reason, we strongly recommend some substitute which would protect public funds for education from being allocated to Communists and members of organizations listed by the Attorney General as Communist-front organizations.

VFW previously recommended substitute provision making it a penalty for any Communist or fellow traveler to apply for and obtain funds under the Military Education Act.

OMAR B. KETCHUM,
VFW Legislative Director.

The last statement is precisely and exactly what is before the Senate in the language jointly offered by the Senator from Arizona [Mr. GOLDWATER] and the Senator from South Dakota [Mr. MUNDT], supported by the Senator from Georgia [Mr. RUSSELL]. It specifically provides that there shall be a penalty in the case of any fellow traveler who applies for and receives funds under the National Defense Education Act, because it spells out exactly what provisions obtain with respect to anyone seeking funds who belongs to an organization desiring illegally to destroy the United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 3 additional minutes.

Mr. MUNDT. I believe this issue involves another point. Now we are talking about West Berlin, the conference at the summit, and what Khrushchev is saying about us as we send the Vice President over to Russia on a ceremonial tour. I think this is a poor time to signal the neutral countries of the world that in the United States we are pulling down the guard we put up a year ago.

The reasons for a change of any kind are not very strong. The distinguished Senator from Florida [Mr. HOLLAND] says that seven colleges object by refusing to participate. We are living in a pretty tricky world. Many people in the neutral countries are watching us every time we legislate. What reason can we give them for doing now what we declined to do a year ago? What change can we point to to say, "We do not have to be as concerned in 1959 as we were universally concerned in 1958"? Is this an indication that we are softening up, that we are modifying our position? If it is not that, what is it? Or is it a surrender to the seven colleges which say, "We would like to have it some other way"?

I believe that this is a serious question. Should we, on a yea-and-nay vote, vote against safeguarding the funds of the United States, without better reasons than those advanced so far in this debate? Better by far to leave the legislation as we passed it a year ago.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. ALLOTT. Would the Senator say that the practical effect of the substitute offered by the Senator from New York [Mr. JAVITS] and his own amendment is that both require a student to take an oath of faith and allegiance, but that the amendment of the Senator from South Dakota contains a prohibition against any person accepting funds if he advocates the overthrow of the Government, or if he is knowingly a member of an organization which advocates it?

Mr. MUNDT. The Senator is exactly correct.

Mr. ALLOTT. Let me follow that with one further question. Can the Senator tell me of any sane, plausible excuse why any person in the United States would be hurt by a prohibition against the acceptance of funds by anyone who advocates the overthrow of the Government, or who is a member of an organization which wants to overthrow the Government of the United States?

Mr. MUNDT. It is impossible for me to understand why anyone would vote against that, especially in view of the international situation which could be created by the propaganda which could be originated about the United States voting in 1959 to do something less to protect the country against communism than it did in 1958.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. I yield myself 2 additional minutes.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. PASTORE. I am opposed to communism, and I shall endeavor to do all I possibly can to rid the country of Communists. But I wish to ask a question in connection with the eloquent argument just made by the distinguished Senator from South Dakota. Can he imagine anyone advocating the overthrow of the Government of the United States by illegal means without violating the oath of allegiance?

Mr. MUNDT. The Senator from South Dakota for nearly 20 years has been a member of congressional committees dealing with this subject. I can state from the record the cases of Mr. Watson, Mr. Lovett, Mr. Dodd, Mr. Remington, and others, who successfully escaped conviction after having taken the oath of allegiance, while at the same time engaging in illegal activities to overthrow the Government, to the point where the U.S. Congress, not once, but twice denied them funds, in the consideration of appropriation bills, for salaries, and the Supreme Court again and again restored their funds. So I not only imagine what would happen; I know it from the record of history in the past 20 years right here in Congress.

Mr. PASTORE. Is it not true that if a person violates the oath of allegiance which he is compelled to take under the law, he commits perjury?

Mr. MUNDT. In my opinion, he does; yes.

Mr. PASTORE. Can the Senator from South Dakota imagine that any Communist could in good conscience take an oath of allegiance?

Mr. MUNDT. The Senator from South Dakota cannot imagine any Communist taking an oath in good conscience—period. They do not do anything in good conscience. But if they take the oath, they run the risk of committing perjury. They have successfully escaped punishment many times before, but they cannot escape the pinpointed language which is included in my amendment.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. KENNEDY. I yield 2 minutes on the bill to the Senator from Rhode Island.

Mr. PASTORE. I think the confusion under which we are dwelling, in connection with this particular amendment, is that we all have the same objectives in mind, but we have different ways of approach. All the arguments which have been made heretofore are directed toward the elimination of the oath of allegiance as well as the affidavit. The Javits amendment retains the oath of allegiance. The Senator in charge of the bill, the distinguished Senator from Massachusetts, has already agreed to accept the retention of the oath of allegiance. What is the oath of allegiance?

The oath of allegiance to the United States of America is as follows:

I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America.

A Communist cannot take that oath without violating it. No man who advocates the overthrow of the U.S. Government by illegal means can take that oath without violating it. If he violates that oath, he commits perjury and is subject to a penalty of 5 years' imprisonment, not 1 year. That is what I am arguing. Senators may pinpoint it all they want, but they are simply adulterating the penalty.

I agree with the distinguished Senator from Georgia [Mr. RUSSELL] that it is an honor to be invited to take the oath of allegiance. It is an act of dignity, not of humiliation. I am all for it. I say it ought to be written into the law. But in one breath we are saying: "If you are a Communist, and if you violate your oath of allegiance, you are subject to a penalty of 5 years"——

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. KENNEDY. I yield 2 minutes additional to the Senator from Rhode Island.

Mr. PASTORE. Let us go one step further. If the overthrow of the Government is advocated by illegal means, then the person found guilty of that goes to jail for 1 year. How can we be so inconsistent? The requirement proposed is that when a person applies for funds he must take an oath of allegiance, which means that he must swear that he will bear full faith and allegiance to the Constitution and laws of the United States; that he will support the Constitution and laws of the United States. If he is a Communist, he cannot do that. If he takes the oath as a Communist, he commits perjury.

I say that we are simply using a lot of razzle-dazzle talk, trying to make it appear that if one does not go along with the Mundt amendment he is in bed with the fellow travelers. That is not so at all. As a matter of fact, I say the Javits amendment is even stronger than the Mundt amendment, because under the Javits amendment, if a person takes the oath of allegiance and violates it, he has committed perjury. If one commits perjury under the statutes of the United States of America, the fine is $2,000, or imprisonment for 5 years, or both.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. KUCHEL. I agree with the Senator from Rhode Island. I have asked the Senator from New York if he would be willing to accept an additional sentence in his amendment to make crystal clear the truth and accuracy of what the Senator from Rhode Island says.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. JAVITS. I yield to the Senator from California 1 minute.

Mr. KUCHEL. In the present law, the last sentence reads:

The provision of section 101, title 18, United States Code, shall be applicable with respect to such affidavits.

Section 1001 of the present law reads as follows:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

To make crystal clear that what the Senator says is correct, I have asked the Senator from New York if he would approve an amendment of his amendment making this criminal penalty specifically apply. He has agreed to it.

Mr. PASTORE. What the Senator has read is the provision in the Smith Act, is it not?

Mr. KUCHEL. No; I am reading section 1001 of title 18 of the United States Code—the law making it a crime to swear falsely in connection with Federal statutes.

Mr. PASTORE. There, again, is surplusage. If a person goes beyond the first part of the Mundt amendment and commits a crime under the Smith Act, he is subject to a penalty of up to 20 years' imprisonment. But the argument made here is that the chances are a person will not go quite so far. He may only advocate the overthrow of the Government, not being a member of an organization; therefore, he may only advocate the overthrow of the Government himself, not being a member of an organization; therefore, he would not come within that category. That is a pretty good argument, so far as it goes.

But what we are forgetting is the oath of allegiance. The men who suggested and framed the oath of allegiance were true Americans, who knew everything which was required to prove one's Americanism.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KENNEDY. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. The Senator from Massachusetts has 20 minutes remaining on the bill.

Mr. KENNEDY. I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. There is no conceivable thing which one could do under the first part of the bill which would not be a violation of the oath of allegiance; and if there is a violation of the oath of allegiance, it is a crime of perjury under our law, and carries with it a jail sentence of up to 5 years.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. PROUTY. I am not a lawyer, so this point is not clear in my mind. Suppose I took the oath of allegiance tomorrow, but later found that I might have been engaged in subversive activities. How could I prove that at the time I took the oath of allegiance I was not a subversive?

Mr. PASTORE. No matter what was done, the thing which counts occurs at the time of the taking of the money. When a person takes the money, he must prove his allegiance to the United States. That is all controlling.

Mr. PROUTY. I thank the Senator.

Mr. PASTORE. No matter what was done, the person must advocate the overthrow of the Government at the time he takes the money. He must be a member of such an organization at the time he takes the money. He must take the oath of allegiance at the time he takes the money.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. MUNDT. Mr. President, I yield 3 minutes on the bill to the Senator from Florida.

Mr. HOLLAND. Mr. President, I dislike to disagree completely with the Senator from Rhode Island and the Senator from California, but I do so because I think they are, clearly, on unsound legal ground. The crime of perjury is committed, if it is committed at all, when the oath is taken. The oath of allegiance which is contained in the so-called Javits amendment might be violated by a perjurer who is a Communist at the time he took the oath. But if he was not such at the time he took the oath, and then during the 4-year course of his education he went ahead and decided to become a Communist or a subversive, as is described in the Mundt amendment, it is my distinct belief, and it is my statement now, unqualifiedly, that the Mundt amendment would cover the acceptance of any money at any time during the course of the operation, whereas the oath of loyalty would not.

The oath of loyalty is distinctly worthwhile. Its violation may be a ground for a charge of treason, in some cases; for impeachment in other cases; for removal from office in other cases. But what we are talking about now is crime and criminal prosecutions.

Every Senator who is a lawyer, and who has studied criminal law, knows that the crime of perjury, if it has been committed, must have been committed at the time the oath was taken. So while the penalty would be applicable to one who took the oath at the time he was a Communist, it would not be applicable throughout the relationship, as it would be under the Mundt amendment, which reads:

No person shall hereafter accept any funds, payments, loans, or other benefits made available under the provisions of this Act, if such person advocates the overthrow of the Government—

And so forth.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield as soon as I have finished my statement.

The amendment to which the Senator from Rhode Island agrees so vigorously

is good as of one time only, insofar as his charge that a perjury prosecution could lie. It is not good as to acts committed after that time.

I yield to the Senator from Rhode Island.

Mr. PASTORE. Has the Senator from Florida any proof that at any time when such a student accepts such funds, he is not obliged to take the oath of allegiance? Where does the Senator from Florida get the notion that perhaps the student could have taken the oath of allegiance last year, but that thereafter he could advocate the overthrow of the Government by force or violence, and would still be eligible to receive the loan checks? Nothing of that sort is provided in the law; everything in the law is written in the present tense.

Mr. HOLLAND. The Senator from Rhode Island said that when the student takes the oath, he is free to accept the checks. If the Senator from Rhode Island means that when the check comes to the student, each month, he will have to take the oath again—and again and again, from month to month—there would be some point to the statement the Senator from Rhode Island made.

But there is no such requirement. On the contrary, the previous statement made by the Senator from New York [Mr. JAVITS], the author of the amendment in the nature of a substitute, is clearly to the point, and is clear evidence of the fact that once the oath is taken, the student is qualified.

Mr. PASTORE. Mr. President, will the Senator from Florida yield further to me?

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). Does the Senator from Florida yield to the Senator from Rhode Island?

Mr. HOLLAND. I yield.

Mr. PASTORE. Let me suggest that I was a prosecutor for 10 years, and I certainly do not give this provision the same interpretation the Senator from Florida gives it.

Mr. HOLLAND. Mr. President, I dislike to disagree so completely with my distinguished friend, whom I greatly respect; but I believe the Senator from Rhode Island has fallen into great error.

Mr. PASTORE. Mr. President, I apologize to no one for taking the position I have stated.

The PRESIDING OFFICER. The time yielded to the Senator from Florida has expired.

Mr. KENNEDY. Mr. President, I yield 2 additional minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 additional minutes.

Mr. HOLLAND. Then, Mr. President, I yield further to the Senator from Rhode Island.

Mr. PASTORE. I have concluded.

Mr. HOLLAND. In that event, Mr. President, I shall use the 2 minutes myself.

Mr. KENNEDY. Mr. President, the Chair was in error; I yielded 2 minutes to the Senator from Rhode Island [Mr. PASTORE], who supports my position.

Mr. PASTORE. But I have concluded.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield 2 minutes to me?

Mr. KENNEDY. I will yield 2 minutes to the Senator from Florida.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Florida.

Mr. HOLLAND. I accept the 2 minutes which have been yielded to me by the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 minutes.

Mr. HOLLAND. Mr. President, I have heard some completely new law expounded today on the floor of the Senate. Every lawyer who has practiced criminal law knows perfectly well that if the commission of a crime is charged, the charge must state the definite time of the commission of the crime; and if the defendant can prove that the alleged crime was not committed as of that time, he may not be convicted, under that charge, of something done later on, which simply constituted a violation of a promise or an assurance given.

I simply repeat what the Senator from New York has stated—namely, that his amendment in the nature of a substitute proposes that when the oath of allegiance is taken as provided by existing law, the student remains free to accept the payments throughout the rest of the period.

I am simply stating as a matter of law that, so far as the criminal law is concerned, under such conditions there is not the slightest doubt that the Mundt amendment—which provides that if the student does accept Federal funds at a later time when he has subversive convictions he shall be guilty of committing a crime. The Mundt amendment therefore covers the entire relationship during the entire 3 or 4 years involved; and the mere taking of an oath of loyalty at the beginning of the period does no such thing.

I yield now to the Senator from Rhode Island.

Mr. PASTORE. It is my understanding that one who makes an application for education funds will come under a program, and under the program he will be obliged by the law to take the oath of allegiance.

The idea that if he takes the oath of allegiance today, and if on tomorrow he decides to join a Communist group, he then will be free to accept the money, and will not be guilty of a violation of the law, is a rather farfetched notion, to my way of thinking. The Senator from Florida may argue to the contrary; but I do not so understand the law.

This law relates to a program which obliges the applicant to take the oath of allegiance, and the oath he takes will last for as long as he receives the funds and for as long as he participates in the program. Certainly the law must be reasonable; and if it is reasonable, it must be complied with.

Mr. HOLLAND. But the only way the Senator from Rhode Island could make such a law reasonable would be to require—although the law does not require it—that the student renew the oath every time he receives an additional check.

Mr. PASTORE. I do not agree.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, as I stated when I offered my amendment in the nature of a substitute, I hope the Senate will reach a conclusion of this issue. I think that will be very much in the interest of the Senate and in the interest of the proposed legislation.

It is now my understanding that the following will occur: I am about to propose that my amendment be modified so as to include specifically the penalty for perjury, as contained in section 1001 of title 18, United States Code. If it appears that the amendment, as thus modified, will add to the law something which the law already contains, that certainly will do no harm. I think that in that respect my amendment, as modified, differs from the amendment of the Senator from South Dakota, in that we agree that this provision would be a new one in regard to membership in such an organization.

I also understand that the Senator from Illinois [Mr. DIRKSEN] will move that my amendment in the nature of a substitute be laid on the table; and the distinguished minority leader has stated that on that question he will request the yeas and nays. In that way the Senate will have an opportunity to vote, in substance, on my substitute amendment, as perfected, which then will show clearly that the penalty for perjury is included in it.

If the motion to lay on the table is rejected, the Senate will have an opportunity to vote on the amendment, in the nature of a substitute for the amendment of the Senator from South Dakota [Mr. MUNDT].

Thus we shall come to some resolution of this issue.

It seems to me that everything that needs to be said in that connection has already been said.

I merely wish to point out that the law has been argued quite thoroughly; but I believe it important to note that the Secretary of Health, Education, and Labor favors taking this entire provision out of the bill. In order to make that situation crystal clear, and in view of the fact that there are two letters from the Secretary of Health, Education, and Welfare, I ask unanimous consent that those letters be printed at this point in the RECORD, in connection with my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
May 4, 1959.

Hon. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of February 5, 1959,

for a report on S. 819, a bill "To amend the National Defense Education Act of 1958 in order to repeal certain provisions requiring affidavits of loyalty and allegiance."

The bill would strike section 1001(f) of the National Defense Education Act of 1958, thereby eliminating the requirement that an individual who receives payments or loans under the act (1) execute and file with the Commissioner of Education an affidavit that he does not believe in and does not belong to or support any organization that believes in or teaches the illegal overthrow of the Government, and (2) take an oath of allegiance to the United States.

I believe that the provisions should be repealed for the following reasons:

1. Persons responsible for the administration of this act would have been able to deny funds to persons who were identified as persons who themselves believe in or who belong to or support organizations that believe in or teach the overthrow of the Government by force or violence, even though this provision had never been inserted. It is clear that such persons are not entitled to and should not receive funds from the U.S. Government under the provisions of this act.

2. Requiring persons who receive funds under this act to sign an affidavit and an oath of allegiance will not uncover or deter any persons who themselves believe in, or who belong to organizations that believe in, or teach, the overthrow of the Government by force or violence. Such persons have no scruples about signing such an affidavit and taking such an oath.

3. The inclusion of this requirement in the National Defense Education Act singles out educators and students for special treatment without making a contribution to national security.

It has been alleged that this provision can make a contribution to our internal security in that if a person who advocates the overthrow of our Government by force or violence signs this affidavit, he can then be prosecuted for perjury. I believe that, if a person receiving assistance under this act is identified as a person who is in violation of our internal security laws, he should be prosecuted immediately under the laws designed directly and specifically for such offenses.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

ARTHUR S. FLEMMING,
Secretary.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
June 23, 1959.

Hon. JOHN F. KENNEDY,
U.S. Senate, Washington, D.C.

DEAR SENATOR KENNEDY: Your letter of June 8, 1959, refers to my testimony before the Subcommittee on Education of the Committee on Labor and Public Welfare on S. 819, a bill to amend the National Defense Education Act of 1958. You ask that I expand upon a paragraph which appears on page 85 of the record of the hearings to the effect that even without section 1001 (f) of the National Defense Education Act, it would be possible to deny funds to a person who belongs to or supports an organization which advocates the overthrow of the U.S. Government.

The act authorizes Federal payments to be made directly to individuals in the form of stipends for certain graduate training (title IV), for attendance at counseling and guidance training institutes (part B of title V), for advanced training in a modern foreign language (part A of title VI), and for attendance at institutes for training teachers of modern foreign languages (part B of title VI). Federal grants to individuals are also authorized under title VII in relation to research and experimentation in more effective utilization of new educational media for educational purposes. Loans to individuals may be made through National Defense Student Loan funds which are operated by institutions of higher education. These loans are made possible through Federal contributions under title II to loan funds of institutions of higher education.

None of the titles in the act prescribes specific conditions for Federal payments which if met confer a right to selection. Instead, the act leaves to those responsible for selection the development and application of reasonable standards of selection which are consistent with the purposes of the act as a whole, and of a particular program involved. For example, the act at no point specifically requires that a person selected for student aid be of good moral character; yet, it would scarcely be maintained that there is no authority to refuse stipends or loans when it is apparent that an applicant fails to meet a reasonable standard in this area.

By the same reasoning, persons administering the National Defense Education Act clearly have the right to deny funds to a person who belongs to or supports an organization which advocates the overthrow of the U.S. Government.

Sincerely yours,

ARTHUR S. FLEMMING,
Secretary.

Mr. JAVITS. Mr. President, at this time I ask that my amendment in the nature of a substitute be modified by adding at the end thereof the following:

The provisions of section 1001 of title 18, United States Code, shall apply to such oath or affirmation.

The PRESIDING OFFICER. The amendment of the Senator from New York will be modified accordingly.

Mr. MUNDT. Mr. President——

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 1 minute.

Mr. MUNDT. Mr. President, I see no objection to the general procedure outlined by the Senator from New York. It seems to me that we have had a rather full debate, and that Senators who have wished to participate in the debate have had ample opportunity to do so. Those who have desired to hear the arguments have heard them. No one has been denied an opportunity to talk.

I hope the procedure outlined by the Senator from New York will be followed, so the Senate will decide what safeguards should be added to the bill or what disposition we should make of it.

In conclusion, Mr. President, I wish to state that I think this is a good time for the Senate and for the country generally to renew the determination to eliminate from participation in this program all who would erode or eliminate our great system of government. Certainly, I do not believe the Congress should do anything to enlarge the size of the openings in the net through which the subversives seek to move in their attempts to destroy our basic freedoms.

Mr. DIRKSEN. Mr. President, let me ask how much time remains on the amendment of the Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York has 2 minutes remaining under his control.

No time remains to the opponents to the amendment.

Mr. DIRKSEN. How much time remains on the Mundt amendment?

The PRESIDING OFFICER. Two minutes remain under the control of the Senator from South Dakota [Mr. MUNDT], and 4 minutes remain under the control of the Senator from Massachusetts [Mr. KENNEDY].

Mr. DIRKSEN. Mr. President, inasmuch as the Senator from New York has 2 minutes remaining under his control, as I recall, and the Senator from South Dakota has 2 minutes remaining under his control, let me ask whether those Senators propose to use that time.

Mr. JAVITS. That will depend on the outcome of the vote on the motion to lay on the table. If the Senator from Illinois is prepared to make his motion now, I think that will be the best way to proceed. Thereafter, we can determine whether to use the remaining time.

Mr. DIRKSEN. Very well.

Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute on the bill.

Mr. DIRKSEN. Mr. President, the Senator from New York accurately and succinctly has stated the case. In the interest of clarifying the issue, I believe that a motion to lay on the table the amendment in the nature of a substitute, which has been offered by the Senator from New York, which amendment relates to the oath, plus the perjury clause, is probably the best way to test the sentiment of the Senate.

So, Mr. President, if we are now ready, at this point I move that the amendment in the nature of a substitute, as proposed by the distinguished Senator from New York [Mr. JAVITS], be laid on the table.

Mr. JAVITS. Mr. President, on that question, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, the motion to lay on the table is not debatable, is it?

The PRESIDING OFFICER. A motion to lay on the table is not debatable.

Mr. KENNEDY. In that event, no remaining time on the bill itself can be used at this point; is that correct?

The PRESIDING OFFICER. That is correct.

The question is on the motion of the Senator from Illinois [Mr. DIRKSEN] to lay on the table the amendment of the Senator from New York [Mr. JAVITS]. On this question, the yeas and nays have been ordered.

Mr. DIRKSEN. Mr. President, I desire to suggest the absence of a quorum; and I ask unanimous consent that the time required for the quorum call not be charged to the time available to either side, under the unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Illinois [Mr. DIRKSEN] to table the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Will the Chair state whether a nay vote upon this motion would mean a vote that the substitute which I have proposed to the amendment of the Senator from South Dakota be not tabled, but that it be voted upon on its merits?

The PRESIDING OFFICER. An affirmative vote to table the amendment offered by the Senator from New York would be to defeat the amendment. A negative vote would permit a vote on the merits of the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

If present and voting, the Senator from Maryland [Mr. BUTLER] and the Senator from Iowa [Mr. MARTIN] would each vote "yea."

The result was announced—yeas 39, nays 54, as follows:

YEAS—39

Allott	Ervin	Long
Bible	Frear	McClellan
Bridges	Fulbright	Mundt
Byrd, Va.	Goldwater	Prouty
Byrd, W. Va.	Hayden	Randolph
Cannon	Hickenlooper	Robertson
Capehart	Holland	Russell
Cotton	Hruska	Schoeppel
Curtis	Johnson, Tex.	Stennis
Dirksen	Johnston, S.C.	Talmadge
Dworshak	Jordan	Thurmond
Eastland	Kerr	Williams, Del.
Ellender	Lausche	Young, N. Dak.

NAYS—54

Aiken	Hart	Morse
Anderson	Hartke	Morton
Bartlett	Hennings	Moss
Beall	Hill	Murray
Bennett	Humphrey	Muskie
Bush	Jackson	Neuberger
Carlson	Javits	Pastore
Carroll	Keating	Proxmire
Case, N.J.	Kefauver	Saltonstall
Chavez	Kennedy	Scott
Church	Kuchel	Smathers
Clark	Langer	Smith
Cooper	McCarthy	Sparkman
Douglas	McGee	Symington
Engle	McNamara	Wiley
Gore	Magnuson	Williams, N.J.
Green	Mansfield	Yarborough
Gruening	Monroney	Young, Ohio

NOT VOTING—5

Butler	Dodd	O'Mahoney
Case, S. Dak.	Martin	

So Mr. DIRKSEN's motion to lay on the table Mr. JAVITS' amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 3460) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 39 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 25 and 29 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted on its disagreement to the amendment of the Senate numbered 1 to the bill.

REPEAL OF CERTAIN PROVISIONS REQUIRING AFFIDAVITS OF LOYALTY AND ALLEGIANCE

The Senate resumed the consideration of the bill (S. 819) to amend the National Defense Education Act of 1959 in order to repeal certain provisions requiring affidavits of loyalty and allegiance.

Mr. DIRKSEN. Mr. President——

The PRESIDING OFFICER. The Senator from New York has 2 minutes remaining.

Mr. JAVITS. Mr. President, I think the Senate has expressed itself upon this proposition. There are far more Members present now than were present before. I wish to state to all my colleagues I have put this proposal forward in an entirely representative capacity, because it seemed to me to be the consensus of the debate. I will say the proposition in essence was first suggested by our colleague the Senator from Georgia [Mr. RUSSELL].

Mr. DOUGLAS. Mr. President, may we have order in the Chamber, please?

The PRESIDING OFFICER. The Senate will be in order. The Senator from New York will suspend. There may be a vote within a few minutes, and the Chair will insist on order.

The Senator from New York may proceed.

Mr. JAVITS. Mr. President, what we now seek to do is to require an oath of allegiance from everyone who gets a loan under the National Defense Education Act. We seek to justify it on the ground that it is a national defense measure.

We ourselves have tied this aid to higher education into our national defense. We therefore ask the recipients of loans to take the same oath we ask of those who participate in the ROTC program or in the other branches of the defense effort.

In order to make it crystal clear that we mean business in regard to this oath, we have attached to the substitute amendment the penalties for perjury as they are classically carried in the United States Code.

I respectfully submit to my colleagues that this is a fair effort to resolve a difficult question in which there are involved deep sensibilities of young people. I was greatly helped by the very able articulation of this proposition by the Senator from Rhode Island.

Again I repeat, I have put this forward in a representative capacity. I hope the Senate will carry through its will and make this the bill which we will pass.

The PRESIDING OFFICER. All time has expired on the amendment offered by the Senator from New York.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Do I not have 4 minutes remaining in opposition to the amendment? I believe it was announced I had 4 minutes, before the vote was taken.

The PRESIDING OFFICER. All time on the amendment of the Senator from New York has been exhausted. The Senator has some time remaining on his own amendment.

Mr. MUNDT. I thank the Presiding Officer.

Mr. DIRKSEN. Mr. President, I will say particularly to my colleagues that the motion to table the substitute amendment offered by the distinguished Senator from New York was made only after consultation and agreement, for the purpose of clarifying the air and testing the sentiment of the Senate.

The Javits amendment provides that no loan can be made unless the oath is taken, and adds to it a perjury penalty. That is the amendment on which the Senate expressed itself, as a substitute for the Mundt amendment.

If I may be permitted to take a moment longer, perhaps I can summarize the entire proposition.

Under the existing provisions of law one might say it is "No oath, no loan; no affidavit, no loan." I think the chairman will bear me out, that that is correct. What the committee bill seeks to do is to wipe that out entirely, so that there would be no affidavit required and there would be no oath required.

The amendment offered as a substitute by the Senator from South Dakota makes the provision, "No oath, no loan," but, in addition thereto, one may apply for a loan at his own peril, if he is member of a subversive organization or in one of the interdicted groups, because it would be a felony with the customary penalties.

The Javits proposal, as a substitute, would require only the oath, so that it would be "No oath, no loan." It provides a penalty and goes no further.

I think that summarizes the situation presently before the Senate.

The next order of business, I believe, will be action upon the Javits amendment. I believe there are some 6 minutes of time remaining on the Mundt amendment.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HRUSKA. Will the Senator from Illinois describe for us the difference in penalties, if any, between the amendment proposed by the Senator from South Dakota and the amendment proposed by the Senator from New York?

Mr. DIRKSEN. I believe the actions would both be characterized as felonies. I suggested, with respect to the amendment of the Senator from South Dakota, perhaps the Senator might want to think about a modification of the amendment to provide for a misdemeanor rather than a felony, but in all candor it must be said that aspect of the matter has at no time been discussed, insofar as I know, in the course of the debate on the bill.

Mr. HRUSKA. Is it not true that the penalty for perjury under title 18, section 1001, is $10,000 or imprisonment for 5 years or both, whereas the penalty under the amendment suggested and proposed by the Senator from South Dakota is a fine of not more than $1,000 and imprisonment for not more than 1 year, or both?

Mr. DIRKSEN. I think it is beyond a year. I think the action is made a felony.

Mr. HRUSKA. One year and one day.

Mr. DIRKSEN. That is correct; so it is a felony and not a misdemeanor.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KEATING. As I understand the first part of the language which was incorporated in the Javits amendment, a person violating the provision would be guilty of perjury. Therefore, under the Mundt amendment the same would be true so far as the penalty is concerned, even though the exact wording is not incorporated in the Mundt amendment.

Mr. JAVITS. Mr. President, I believe that in order to clarify the situation we should say that if the Mundt amendment should prevail and we were to prosecute under that law, the penalty would be a year and a day, plus a monetary penalty. If, on the other hand, we chose to prosecute for perjury, we could do so, and it would come under the classic perjury statute referred to by the Senator from Nebraska.

Mr. DIRKSEN. That is correct.

Mr. JAVITS. Mr. President, I believe that quite inadvertently the Senator from Illinois did not correctly state the parliamentary situation.

Mr. DIRKSEN. Mr. President, it is my understanding now that although the motion to table was defeated, there is still required affirmative action on the Javits proposal to make it a substitute for the Mundt amendment; and on that question, I am sure, the Senator from South Dakota will wish to be heard.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. Do I correctly understand the situation to be that in the event the Javits amendment should prevail, there would be no vote upon the Mundt amendment, and no opportunity to vote upon it?

The PRESIDING OFFICER. There would be a vote on the Mundt amendment as amended, which would be the same as the Javits amendment. If the Javits amendment were adopted as a substitute for the Mundt amendment, there would be a vote on the Mundt amendment as amended by the Javits amendment.

Mr. ALLOTT. In other words, it would be a vote on the substitute; and if the Javits amendment should prevail there would be no opportunity to vote for the Mundt amendment.

The PRESIDING OFFICER. The Senator is substantially correct. The language of the Mundt amendment would then be identical with that of the Javits amendment.

Mr. ALLOTT. Reverting to my parliamentary inquiry—because I think this is important—if the Javits amendment should prevail, the only vote remaining would be a vote on the bill, as amended by the Javits amendment. Is that correct?

The PRESIDING OFFICER. There would be a vote on the Mundt amendment as amended, which would precede the vote on the bill. However, the Senator is substantially correct.

Mr. ALLOTT. Technically, there would be a vote on the Mundt amendment as amended by the Javits amendment, which would mean a vote on the bill as amended by the Javits amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. As I understand, the question before the Senate at this time is on agreeing to the Javits amendment to the Mundt amendment.

The PRESIDING OFFICER. As modified.

Mr. KERR. If that is defeated, the vote will then be on the Mundt amendment?

The PRESIDING OFFICER. As modified. There is some time remaining for debate.

Mr. KERR. The purpose of the Javits amendment is to modify the Mundt amendment. If the Javits amendment is defeated, the vote will be on the Mundt amendment as offered——

The PRESIDING OFFICER. Not as offered, but as it has been modified by the Senator from South Dakota.

Mr. KERR. It is his amendment. He has modified it. The Senator from New York now attempts to modify it further. If the Javits proposal is defeated, we can then vote on the Mundt amendment, as modified by the Senator from South Dakota. Is that correct?

The PRESIDING OFFICER. As modified by the Senator from South Dakota, and not by the Senator from New York.

Mr. DIRKSEN. Mr. President, I yield 4 minutes on the bill to the distinguished Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL. Mr. President, I wish to make a brief statement, inasmuch as an amendment which I offered yesterday is involved in both of the proposals before us. The amendment I suggested will be found among the printed amendments on the desks of the Senators. It adopted that part of the existing law which denied the use of any of these funds for payments or loans unless the individual receiving the loan or payment was willing to take an oath of his faith and allegiance to the United States of America and the Constitution of the United States.

Today the distinguished Senator from South Dakota called me after a conference we had last evening, and asked if I had any objection to my amendment being embraced within his amendment. It was not part of his original amendment. The amendment of the Senator from South Dakota, in effect, made it illegal for any person who was a member of the Communist Party to receive any of these funds.

Yesterday, the Senator from New York [Mr. JAVITS] had offered the same language as contained in my amendment as a substitute for the Mundt amendment. I point out that the language is identical in both proposals—in the amendment which is offered in the nature of a substitute by the Senator from New York, and in the amendment which is offered by the Senator from South Dakota [Mr. MUNDT].

A few moments ago I voted to lay on the table the amendment proposed by the Senator from New York, which was in the nature of a substitute for the amendment offered by the Senator from South Dakota. I shall vote against the amendment proposed by the Senator from New York even though it contains almost exclusively the language which I offered. I believe he has since modified it somewhat by adding a perjury provision.

I shall oppose his amendment for two reasons. The first reason is that yesterday, when the debate opened, the Senator from New York was apparently opposed to retaining any part of this language and was supporting the bill as reported by the Committee. The Senator from South Dakota, on the other hand, had insisted all along that the loyalty section should not be stricken from the bill. I have never been completely reconciled to the parable in the Good Book which relates that the man who came to work at the 11th hour should be paid exactly as much as the one who had started laboring at the break of day. I do not propose, by my vote, to give to the Senator from New York credit for writing the bill, when he is an 11th hour convert to the idea of retaining any loyalty requirement at all in the act, whereas the Senator from South Dakota has all along insisted that the present law should not be amended to death, and that some loyalty requirement should be retained.

I have been interested in the debate which has taken place. Some good lawyers have spoken. In my opinion, if we

proposed to prosecute anyone under either of these suggested amendments, it would be much easier to convict under the language offered by the Senator from South Dakota than under the language offered by the Senator from New York. That is the second reason why I will vote against the amendment of the Senator from New York.

Therefore, as a matter of substance and merit, and not only because of the injustice of rewarding the gleaner who comes in at the 11th hour, I favor the amendment offered by the Senator from South Dakota. I think it would be much easier to convict, under the provision of his amendment, a person who really is subversive, than it would be to convict for the mere taking of an oath of allegiance. There would be great difficulty in proving that a subversive had committed perjury when he took the oath of allegiance.

I was so little impressed by arguments in favor of the perjury provision that I did not see fit to add it to my original amendment. I do not think it would be possible to convict under those circumstances.

In my opinion, it is only fair and just to vote on the amendment offered by the Senator from South Dakota. Senators will not have an opportunity to do that unless the amendment offered by the Senator from New York is rejected.

Mr. KENNEDY. Mr. President, I think the Senator from Georgia has been unfair to the Senator from New York. The Senator from New York participated with the subcommittee in the discussion of the amendment. He appeared before the full committee. I have before me the minutes of the executive meeting of the committee on June 24, which show that the Senator from New York first offered language comparable to that offered by the Senator from South Dakota. After discussing it with members of the committee he withdrew it. So he is not a "sunshine patriot" in this regard. When we began, his thinking was quite close to that of the Senator from South Dakota. He finally changed his position and accepted the judgment of the majority, and came to the floor without any amendment.

Personally I would prefer not to accept either the amendment of the Senator from South Dakota or the amendment of the Senator from New York. I am a "sunshine patriot" in that regard.

Yesterday I informed the Senator from Georgia that, in view of the feeling manifested on the floor of the Senate, and in order not to imperil the bill, and provide that the affidavit should be continued—which was most objectionable—I indicated to the Senator from Georgia that even if the amendment of the Senator from South Dakota was defeated I would accept the amendment of the Senator from Georgia, which I am glad to do.

The Senator from New York merely offers the same language which I agreed to accept when offered by the Senator from Georgia. He offers it as a substitute for the amendment of the Senator from South Dakota.

I must say that the Senator from New York has played a constructive role. I do not believe there is any reason to vote against an amendment, if we think it is good, merely because we may have some feeling or other about the timing of the amendment.

I think the Senator from New York has done a first-class job. I hope the amendment may be voted upon on its merits.

Mr. RUSSELL. Mr. President, not being a member of the committee, I do not know what transpired in there. However, I was on the floor yesterday and heard the debate. The Senator from New York supported the bill as reported by the committee. I base my statement on that. I think it is a perfectly fair conclusion from what appears in the RECORD.

Mr. KENNEDY. The Senator may form his own judgment, of course, but I am only attempting to give the sense of the entire record, which is that the Senator from New York supported the committee, but in the committee, during the consideration, he supported, at first, a position comparable to that taken by the Senator from South Dakota. I am only attempting to clarify the record.

Mr. RUSSELL. If I am unfair to the Senator, it is on the basis of the CONGRESSIONAL RECORD, and due to a lack of knowledge of what transpired in the committee over which the Senator presided.

Mr. JAVITS. Mr. President, I speak with a rather heavy heart. I first suggested to the Senator from Massachusetts that he offer the amendment himself. He felt that was inconsistent with his position on the bill.

The record will show that I then asked the Senator from Georgia whether he proposed a complete substitute, in his own words, for the amendment of the Senator from South Dakota, and suggested that that was the way in which to crystallize the situation. He preferred to add his amendment to the Mundt amendment. Therefore, the only way in which it could be brought before the Senate was the way in which I offered it. When I rose, I said I was acting in a strictly representative capacity.

I respectfully submit that neither the press of the country nor anybody else will be under any illusions that this is anything but the Kennedy bill as amended by the Senator from South Dakota. That is the way I intended it; that is the way I am confident it will be accepted.

Mr. MUNDT. Mr. President, have I 4 minutes remaining on my amendment?

The PRESIDING OFFICER. The Senator's amendment is not before the Senate at this time.

Mr. MUNDT. Under the unanimous-consent agreement, the Javits amendment was to be discussed with no impact on the status of the time. That was specifically stated in the unanimous-consent agreement, at the time I agreed to it, identically as was done in the case of the amendment of the Senator from Pennsylvania. So whatever time I had then, I have now.

The PRESIDING OFFICER. If the Javits amendment shall be defeated, the Senator's statement as to the situation is correct.

Mr. DIRKSEN. Mr. President, I yield to the Senator from South Dakota 4 minutes on the bill.

Mr. MUNDT. Mr. President, I am delighted that we finally have a time for some careful, objective consideration of the issues before us, with more than a quorum of the Senate present. I shall not enter into a discussion as to whether the distinguished Senator from New York is an 11th hour convert or an 11th hour dissenter, but I wish to talk about the specific provisions covering the two points of view before us.

The Senator from New York proposes that we retain the provision which the committee originally struck out. So we are making some progress. When we began yesterday, as the Senator from Georgia correctly points out, the Senate had before it the Kennedy bill, submitted on behalf of the committee, eliminating all the oaths entirely, and providing absolutely no safeguards as a substitute. Now we seem to be agreed that at least we will go so far as to maintain the affirmative oath of loyalty to the country. Mr. KENNEDY now favors that and so do I.

The question now is whether, under present world conditions, that is all we want to do in connection with safeguarding the funds secured from the American people as a defense measure, a national defense act to screen, select, and train young men and women to become better equipped to aid in our great contest against communism and our promotion of the free way of life.

Originally the committee, in its good judgment, provided a host of other precautions. Now we are agreed that we will strike out the affidavit provision; and we are agreed that we will strike out the oath of disclaimer if adequate substitute protective language is enacted.

What shall we do on the yea-and-nay vote on this simple issue, an issue which is as clear as the path to the country schoolyard? If we vote for the Javits amendment, we vote to say that these funds shall be available now, as they have not been available in the past, to persons who may be guilty of membership in a subversive organization, or an organization seeking illegally to overthrow the Government.

If we vote against the Javits amendment and for my amendment, which has been the subject of discussion for 2 days, we add to the loyalty oath two things. We say that none of these funds shall be available except at the peril of the person who surreptitiously secures them; that none of these funds shall be available to anyone who advocates the overthrow of the Government of the United States by illegal means.

Senators should ask themselves: Do we want to make it easier and legal, so that someone seeking to overthrow the Government by illegal means can get a scholarship with taxpayers' funds, and study under the label of the National Defense Education Act?

Mr. LONG. Mr. President, will the Senator yield?

Mr. MUNDT. I have not the time.

The second point is this: None of the funds under the provisions of the so-called Mundt amendment shall go to a person who is a member of an organization which advocates the overthrow of the Government of the United States by illegal means, knowing that such organization so advocates. Knowing that such a person belongs to an organization which seeks to overthrow the Government of the United States, Senators should ask themselves: Should that person, at taxpayers' expense, under the guise of the National Education Defense Act, be eligible to receive such funds? We shall be voting our convictions, yea or nay, on a yea-and-nay vote.

Senators should know now that this matter has been the subject of careful scrutiny and debate for 2 days. Most of the debate was unheard by most Members of the Senate, but all of it we have the right to expect Senators to understand before they vote on an issue which is so vital to the national security. Several different times I asked for and secured quorum calls in order to bring more Senators to the floor, so that we will not make the hideous and ghastly mistake of giving the taxpayers' funds to persons who deliberately expect to use them to overthrow the Government by illegal means.

In this kind of cold war, how soft, how silly, can we get? The issue is not complicated; it is pretty clear as to whether we want to reestablish a part of the shield which the committee stripped away. Originally the committee stripped all of it away. In the course of the debate, we have replaced a part of it. I think we should replace sufficient of it to make it effective in order to protect the security of the country.

We are not dealing with ordinary money. This is money obtained under the guise of national defense. Are we going to have people coming to Congress after a while and saying, "When money is appropriated for the officers of the Army, it is not necessary for them to take the oath. We do not need to have safeguards."

We are simply seeking to put into operation Public Law 330, which is already in operation in every congressional office, in every executive department and commission, in every other office of the Government, and which applies to 2 million Government employees. Why except students in a matter involving the national defense and say, in effect, that we will not apply the screening requirements to them?

I urge that the Javits amendment in the nature of a substitute be rejected, so that we may then vote on the merits of the original substitute, as offered by the Senator from Arizona and myself.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, I have already stated on the floor of the Senate that Mr. Derthick, the Commissioner of Education, has told me today there is no showing that the provisions of the present law seriously limited the number of enrollees.

Mr. President, I ask unanimous consent to have printed in the RECORD the amendment offered yesterday by the Senator from Georgia. It was an amendment to the Mundt amendment and would have left in operation the penalty provisions of the Mundt amendment, which would not be the case if the Javits substitute were adopted.

There being no objection, the amendment proposed by Mr. RUSSELL to the Mundt amendment, was ordered to be printed in the RECORD, as follows:

Add the following subsection:

"(g) No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic.' "

Mr. HOLLAND. Mr. President, third, I remind Senators that both the American Legion and the Veterans of Foreign Wars have made it completely clear that they favor no emasculation of the requirements of the act so as to leave the country unprotected with respect to payments to subversives out of Federal funds. The telegram from the American Legion, which appears on page 13992 of yesterday's RECORD, reads:

If Senate repeals oaths in the National Defense Education Act, American Legion strongly feels there should be some substitute language to insure that only persons having loyalty to the United States be permitted to participate in this program. In our opinion your proposed amendment with its punitive provisions offers such assurance and we are glad to support it. Have previously advised members of Senate Labor and Public Welfare Committee to the above effect.

MILES D. KENNEDY,
Director, National Legislative Commission, American Legion.

I shall read from the letter sent by the Veterans of Foreign Wars to the Senator from Montana [Mr. MURRAY], chairman of the Subcommittee on Education:

It is suggested that in lieu of the provision for the signing of a loyalty oath, a substitute provision be included in the Defense Education Act of 1958 which would deny benefits to any applicant who is a member of the Communist Party or a member of any organization listed by the U.S. Attorney General as subversive. Such a provision would protect, to some extent, the payment of Federal funds to applicants for benefits under the 1958 Defense Education Act who are identified as Communists or members of Communist-front organizations as determined by the Attorney General.

It seems abundantly clear to me that the adoption of the Javits amendment would leave no penalty and no protection against the payment of large sums of public money to persons who might prove to be subversives, and that the only way to guarantee the inclusion of adequate penalties and adequate protection of our Nation in this regard is as suggested by those two large veterans organizations, namely, to support the Mundt amendment. I hope the Senate will do just that, by first rejecting the Javits amendment in the nature of a substitute, and then adopting the Mundt amendment.

Mr. BENNETT. Mr. President——

The PRESIDING OFFICER. For what purpose does the Senator from Utah rise?

Mr. BENNETT. I desire to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state it.

Mr. BENNETT. The Senate has before it the Javits amendment in the nature of a substitute for the Mundt amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. I do not believe we have in final form the Mundt amendment which is proposed to be substituted. As I understand, the Senator from South Dakota has accepted an amendment from the Senator from Georgia, and he has also included proposals offered by the Senator from Arizona.

Although this is not a parliamentary inquiry, I should like to ask unanimous consent, without the time being taken from either side, that the clerk state the Mundt amendment in the form in which it is now before the Senate.

Mr. JAVITS. Mr. President, would the Senator from Utah include both?

Mr. BENNETT. I should be happy to do that; but I assumed that we had, in printed form, the Javits amendment.

The PRESIDING OFFICER. Is the request of the Senator from Utah that the Mundt amendment, as modified, be stated?

Mr. BENNETT. In the form in which it is now before the Senate.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. Mr. MUNDT'S amendment, as modified, reads as follows:

Strike out all after the enacting clause and insert in lieu thereof: "That section 1001 of the National Defense Education Act of 1958 is amended by striking out subsection (f) and inserting in lieu thereof the following:

"'(f)(1) No person shall hereafter accept any funds, payment, loan, or other benefit made available under the authority of this Act if such person (A) advocates the overthrow of the Government of the United States by illegal means, or (B) is a member of an organization that advocates the overthrow of the Government of the United States by illegal means, knowing that such organization so advocates.

"'(2) Any person who violates paragraph (1) of this subsection shall be guilty of a felony, and shall be fined not more than $1,000 or imprisoned for not more than one year and a day, or both.

"'(3) The text of paragraphs (1) and (2) of this subsection shall be set forth in full upon the face of each form adopted for the submission by any person of any application for a benefit under this Act, and a copy of such text shall be transmitted promptly to each person presently receiving any benefits under this Act.

"'(4) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm)

that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic'.'

"Amend the title to read as follows: 'An Act to amend section 1001(f) of the National Defense Education Act of 1958'."

Mr. JAVITS' amendment, as modified, reads as follows:

In lieu of the language proposed to be inserted by Mr. MUNDT insert the following: "That section 1001 of the National Defense Education Act of 1958 is amended by striking out subsection (f) and inserting in lieu thereof the following:

"'(f) No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic".'

"The provisions of section 1001 of title 18, United States Code, shall apply to such oath or affirmation."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. JAVITS].

Mr. MUNDT. Mr. President, on this question, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. The Senate is about to vote on the question of agreeing to my amendment in the nature of a substitute; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. CHURCH. Mr. President——

Mr. KENNEDY. Mr. President, I yield 4 minutes to the Senator from Idaho; and I am prepared thereafter to yield back all time then remaining under my control.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 4 minutes.

Mr. CHURCH. Mr. President, I should like to state briefly the reasons why I support the amendment of the Senator from New York.

During the debate it has been observed that this issue is not really one of national security, inasmuch as it involves only a handful of students who may have Communist proclivities, and who attend universities or colleges scattered over the country, and take various courses there. Instead, the question is one of propriety.

I believe the Congress has always agreed on our objective—which has been, and remains, that we do not want to have Communists participate in the benefits of the National Defense Education Act. We do not think Communists should be educated at public expense. All of us agree on that proposition.

Indeed, it was to accomplish that objective that the original National Defense Education Act contained the provision which now is at issue. The original act provided that students who wish to qualify under the National Defense Education Act must, first, make an anti-Communist affidavit and, second, pledge allegiance to the United States and its Constitution.

The committee sought to alter this original provision of the law.

The amendment of the Senator from New York [Mr. JAVITS], in the nature of a substitute, would modify this original provision of the law, by striking out the anti-Communist affidavit provision, while leaving in the provision for the taking of the oath of allegiance to the United States and its Constitution.

The committee thinks this is wise and proper. And so do I, because the anti-Communist oath flies in the face of the traditions of Anglo-Saxon law, and runs contrary to the presumption which should be applicable to all our citizens—namely, the presumption of innocence until proven guilty.

The committee retained in the bill all that is needed to accomplish the purpose and intent of Congress, and the Javits amendment leaves in the bill everything we should ask if our purpose is to prevent Communist students from being educated at the public expense. I take it that no Member of the Senate denies that such is the objective we seek to achieve.

The amendment of the Senator from New York [Mr. JAVITS] provides that no part of any funds appropriated or otherwise made available for expenditure under the authority of this act shall be used to make payments or loans to any individual unless he takes this oath of allegiance to the country:

I do solemnly swear that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic.

Is there a Member of the Senate who will say that this oath can be truthfully taken by a Communist? Of course there is not. The Javits amendment prescribes that a false taking of the oath will subject such a false-sayer to the penalties prescribed under the Federal law for perjury.

Who, then, can say that the Javits amendment lacks teeth for the enforcement of the objective which Congress seeks to attain? Mr. President, our objective can be accomplished by adopting the Javits amendment, and I think it is to be preferred to the Mundt amendment, for several reasons.

The PRESIDING OFFICER. The time yielded to the Senator from Idaho has expired.

Mr. KENNEDY. Mr. President, I yield 2 additional minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 2 additional minutes.

Mr. CHURCH. Mr. President, the amendment of the Senator from South Dakota [Mr. MUNDT] is unnecessary to the accomplishment of our objective. That amendment merely would add a little Smith Act; it would prescribe, in words almost identical to those of the present Smith Act, what shall constitute subversion.

Mr. President, an antisubversion act should be applicable equally to all our citizens. There is no justification for prescribing a little Smith Act to be applicable only to the youngsters who are attending our colleges and universities. Furthermore, such a provision is unnecessary, because the Smith Act already applies to them and to all other citizens, equally. In addition, such a provision would be unwise, because an antisubversion statute should be made equally applicable to all our people, without selecting a certain group for separate treatment.

So I suggest to the Senate that the accomplishment of its objective is fully covered, in ways consistent with the best traditions of Anglo-Saxon law, by the amendment submitted by the distinguished Senator from New York [Mr. JAVITS]. I urge its adoption, inasmuch as I believe that it will accomplish our purpose, without violence to the underlying precepts of a free society.

The PRESIDING OFFICER. The additional time yielded to the Senator from Idaho has expired.

Mr. KENNEDY. Mr. President, does any further time remain on the Javits amendment?

The PRESIDING OFFICER. All time on the Javits amendment has been used.

Mr. DIRKSEN. Mr. President, I believe that some time remains on the bill.

The PRESIDING OFFICER. The Senator from Illinois has under his control 9 more minutes on the bill.

Mr. DIRKSEN. Mr. President, I shall proceed to use some of that time.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, sometimes I wonder what strange fever has come upon our country in the past 25 years. It was not here before. It was not here when I was a student on a college campus. I did not mind holding up my hand and taking an oath.

But a peculiar, cold cynicism has come upon the country; and it overrides all the kind words which have been uttered. I do not know what is the sophistication we encounter today; but somehow it is here when it is suggested that students be singled out, and that the finger be pointed at them, rather than at anyone else.

But, Mr. President, what about the boys who still lie in the bunkers in Korea? They held up their hands.

What about the boys who are training at Colorado Springs? They held up their hands.

What about the boys who are training at West Point? They held up their hands. They did not seem to mind doing it; the taking of the oath did not seem to bother them at all. There was no anguish of soul when they were asked to take the oath. There was no torment of the spirit. There was no delegation coming to Washington and saying, "Oh, this is an inhibition on freedom. This is an interdiction upon the spirit and soul. You should not write this into the statute." We heard nothing about it. But

now, when public funds by the billions are available to enable young men and women to go to school, a movement is started in America to delete what we wrote into the act previously. That movement has been energized to such a point that it now finds its way into the discussions which have ranged across the floor.

I wonder if it is the effect of the space age in which we now live that people do not want to be earthbound to an oath, when new spaces are being explored. Perhaps, Mr. President, we had better rediscover some of the old landmarks. I think somewhere in Proverbs—and I always like to hear my friend from Georgia quote the Scripture—it is said, "Remove not the ancient landmark, which thy fathers have set." One of the ancient landmarks has been a proprietary interest in America. So what is proposed now distresses me. I think some of us have become a little enervated and cannot abide the idea that deep in the hearts of these young men there should be such a feeling that they can say, "This is my land, and I am willing to hold up my hand and swear." No; sophistication, fantasy, cynicism, or a sense of amusement can make that unfashionable.

In my study back home is a cartoon which causes everyone who sees it to laugh. I think it is one of the finest things I own. The title of the cartoon is, "Congressman Horsefeathers Delivers Fourth of July Speech." The cartoon depicts the Congressman marching up and down the platform. He knocks over the water pitcher. People are looking up at him with beatific faces, their stomachs disturbed by all the pink lemonade, but their minds refreshed by something that has been recalled to them on a great day. They go home, tired and worn and upset by too much ice cream, peanuts, and lemonade, but with a better grasp of what it means to be an American.

In a moment of cynicism, some may say that is waving the flag, that that is making the eagle scream. Well, perhaps such cynicism is a disease in America today, so that we must spend 2 full days on the Senate floor deciding whether a loyalty oath should be required. Those who are against it did not want a loyalty oath requirement in the act in the first place.

I shall vote for the Mundt substitute because it goes a little further than the Javits substitute. It says, "No oath, no loan." But it also says, "Apply for the loan if you want to, but if you are a Red, if you belong to an interdicted organization and we find it out, we are going to indict you for the commission of a felony."

Mr. LAUSCHE. What is wrong with that?

Mr. DIRKSEN. There is nothing wrong with it, I say to the Senator from Ohio. That is the reason why I shall vote against the Javits substitute, and vote for the Mundt substitute for the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. JAVITS] as a substitute for the amendment of the Senator from South Dakota [Mr. MUNDT], as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Montana [Mr. MURRAY] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

If present and voting, the Senator from Maryland [Mr. BUTLER] and the Senator from Iowa [Mr. MARTIN] would each vote "nay."

The result was announced—yeas 46, nays 45, as follows:

YEAS—46

Aiken	Hartke	Monroney
Anderson	Hayden	Morse
Bartlett	Hennings	Moss
Bush	Hill	Muskie
Carroll	Humphrey	Neuberger
Case, N.J.	Jackson	Pastore
Church	Javits	Proxmire
Clark	Keating	Saltonstall
Cooper	Kennedy	Scott
Douglas	Kuchel	Sparkman
Engle	Langer	Symington
Fulbright	McCarthy	Williams, N.J.
Gore	McGee	Yarborough
Green	McNamara	Young, Ohio
Gruening	Magnuson	
Hart	Mansfield	

NAYS—45

Allott	Eastland	Morton
Beall	Ellender	Mundt
Bennett	Ervin	Prouty
Bible	Frear	Randolph
Bridges	Goldwater	Robertson
Byrd, Va.	Hickenlooper	Russell
Byrd, W. Va.	Holland	Schoeppel
Cannon	Hruska	Smathers
Capehart	Johnson, Tex.	Smith
Carlson	Johnston, S.C.	Stennis
Chavez	Jordan	Talmadge
Cotton	Kerr	Thurmond
Curtis	Lausche	Wiley
Dirksen	Long	Williams, Del.
Dworshak	McClellan	Young, N. Dak.

NOT VOTING—7

Butler	Kefauver	Murray
Case, S. Dak.	Martin	O'Mahoney
Dodd		

So the amendment offered by Mr. JAVITS as a substitute for the amendment of Mr. MUNDT, as modified, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the substitute amendment was agreed to.

Mr. BUSH. Mr. President, I move to lay that motion on the table.

Several Senators asked for the yeas and nays, and the yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut to lay on the table the motion of the Senator from New York to reconsider. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Montana [Mr. MURRAY] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Montana [Mr. MURRAY] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

If present and voting, the Senator from Maryland [Mr. BUTLER] and the Senator from Iowa [Mr. MARTIN] would each vote "nay."

The result was announced—yeas 50, nays 42, as follows:

YEAS—50

Aiken	Gruening	Mansfield
Anderson	Hart	Monroney
Bartlett	Hartke	Morse
Bennett	Hayden	Morton
Bush	Hennings	Moss
Carlson	Hill	Muskie
Carroll	Humphrey	Neuberger
Case, N.J.	Jackson	Pastore
Chavez	Javits	Proxmire
Church	Keating	Saltonstall
Clark	Kefauver	Scott
Cooper	Kennedy	Sparkman
Douglas	Kuchel	Symington
Engle	McCarthy	Williams, N.J.
Fulbright	McGee	Yarborough
Gore	McNamara	Young, Ohio
Green	Magnuson	

NAYS—42

Allott	Ervin	Mundt
Beall	Frear	Prouty
Bible	Goldwater	Randolph
Bridges	Hickenlooper	Robertson
Byrd, Va.	Holland	Russell
Byrd, W. Va.	Hruska	Schoeppel
Cannon	Johnson, Tex.	Smathers
Capehart	Johnston, S.C.	Smith
Cotton	Jordan	Stennis
Curtis	Kerr	Talmadge
Dirksen	Langer	Thurmond
Dworshak	Lausche	Wiley
Eastland	Long	Williams, Del.
Ellender	McClellan	Young, N. Dak.

NOT VOTING—6

Butler	Dodd	Murray
Case, S. Dak.	Martin	O'Mahoney

So the motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from New Jersey [Mr. WILLIAMS].

Mr. WILLIAMS of New Jersey. Mr. President, I wish to take this opportunity to express my support of the bill sponsored by Senators KENNEDY and CLARK, to strike out the non-Communist affidavit provisions of the scholarships offered under the National Defense Education Act.

Farmers do not have to sign an affidavit to be eligible for Federal aid. Nor State highway commissioners, nor, in fact, any individual who receives Federal assistance in all of its forms. There is no valid reason for the loyalty affidavit which must be taken before students

may qualify for loans under terms of the National Defense Education Act.

Not only are the current provisions objectionable to the student who must wonder why he should be singled out as potentially more disloyal than other groups receiving Federal aid, but it places upon the colleges the obligation to decide upon the beliefs of the student. To ask our colleges to become national examining boards for personal beliefs is an outrage to our intellectually free educational system.

I am happy to report, however, that the colleges have not let this encroachment on their academic freedom go unnoticed. I would like, at this point, to introduce into the RECORD, a letter from President Robert F. Goheen, of Princeton University.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PRINCETON UNIVERSITY,
Princeton, N.J., January 7, 1959.

Hon. HARRISON A. WILLIAMS, Jr.,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: You may be aware that disquiet has been growing in academic circles following somewhat belated awareness of the requirement of the loyalty affidavit and oath in the new National Defense Education Act.

I am enclosing a copy of a letter from President Griswold, of Yale University, to Secretary Flemming which expresses very well the reasons why this requirement (particularly the affidavit) causes concern in this and other academic communities. He has stated the points so well that I shall not seek to expand them here.

I would like to point up the dilemma in which we are caught. We object to the requirement of the loyalty affidavit and oath on principle and because of deleterious effects we foresee from it. At the same time we believe that Federal aid to higher education, both public and private, is essential, and we believe that the new National Defense Education Act is, on the whole, a step in the right direction. This forces us into a temporizing position. We are loath to see an emotional crisis generated over the loyalty oath, lest it jeopardize the possibility of enlarged appropriations for the National Defense Education Act which we believe to be so necessary. We must hope that the unfortunate inclusion of this requirement in the act will receive the thoughtful attention of Congress and that a constructive amendment of the act in this respect can be brought about.

The issue posed by the required loyalty affidavit and oath in the National Defense Education Act is intensified for colleges and universities, it seems to me, because of their involvement in the administration of grants under this act. Since their inception the National Science Foundation fellowships have required recipients to sign an affidavit and oath similar to those required in the National Defense Education Act. This has seemed to most of us regrettable but largely unobjectionable, since these awards have been wholly a matter between the National Science Foundation and individuals. Such is no longer the case either under the various titles of the National Defense Education Act or in the new National Science Foundation cooperative fellowships. Colleges and universities are here involved as agents of the Government, as well as beneficiaries of Federal funds. It is at this point that the issue of institutional responsibility and independence in dealing with students becomes significant.

The Federal Government should not, it seems to me, seek to restrict in any way a university's right to choose its own students and to accord them aid upon principles which it determines, any more than the Government should interfere in curricular matters or in staff appointments within universities. While it may be argued that the interference is minor and not intended, it involves a principle of great importance in assuring the self-directing integrity of long established and responsible educational institutions.

Careful study of the language of the National Defense Education Act and of the administrative procedures so far developed has made clear other features of the legislation which appear to us to be unduly restrictive upon institutional freedom. We find that fellowship grants are related to specific additions to graduate facilities rather than to an institution's ability to provide effective graduate education. We find that the loan provisions are more generous and yet more rigid than is justified by long-tested experience. If we can be of assistance in a more detailed analysis of the legislation, I hope you will call upon us.

Sincerely,

ROBERT F. GOHEEN.

Mr. WILLIAMS of New Jersey. Dr. Goheen says in part:

The Federal Government should not, it seems to me, seek to restrict in any way a university's right to choose its own students and to accord them aid upon principles which it determines, any more than the Government should interfere in curricular matters or in staff appointments within universities. While it may be argued that the interference is minor and not intended, it involves a principle of great importance in assuring the self-directing integrity of long established and responsible educational institutions.

One of the ironies of this affidavit is that if we stop a moment to think about it, we must realize that a true subversive would not have the slightest qualm against signing it. There is no penalty involved for perjury except the forfeit of the loan and there seems to be no logical reason why a real subversive would not gladly perjure himself in order to receive the loan.

The only students whom this provision bears heavily upon are those who are sensitive to an encroachment on their personal beliefs. And yet it has been this type of individual which forms the bedrock of our free society. Can anyone imagine Thomas Jefferson willing to sign an affidavit that his beliefs were not in conflict with the contemporary ones?

Perhaps this amendment would be of small importance to the practical administration of the program if it were not for the fact that many of our leading colleges have refused to accept the scholarships when offered with such an objectionable provision. We, therefore, have many students who are deprived of the benefits of the National Defense Education Act because of this one provision. At this juncture, I would like to quote from a letter I received from a boy who attends Antioch College in Ohio. Antioch College has refused the scholarships because of the objectionable oath. The letter said, in part:

I do hope you will do something about this section of the bill. I want a college education but I cannot afford to pay for my education now. This bill can prove to be of great value to our country if the lawmakers will rectify this mistake.

Mr. President, I ask unanimous consent that the entire letter, without the name of the writer, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 20, 1959.

Senator HARRISON A. WILLIAMS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: I am a resident of Roselle Park, N.J., going to college in Ohio. As a student of Antioch College and in need of assistance in paying for my college education, I attempted to secure a loan through the National Education Defense Act of 1958. It seems that Antioch has rejected this program for the reasons stated in the enclosed college statement.

Senator JOHN KENNEDY, of Massachusetts, criticized section 1001(f) of the bill. This criticism was published in the spring issue of the AAUP.

I do hope you will do something about this section of the bill. I want a college education but I cannot afford to pay for my education now. This bill can prove to be of great value to our country if the lawmakers will rectify this mistake.

A farmer does not have to sign a loyalty oath to obtain a crop subsidy, but a student going to college must sign such a paper.

Sincerely,

——— ———.

Mr. WILLIAMS of New Jersey. Mr. President, in view of the foregoing objections, I am hopeful that my colleagues will join with me in giving overwhelming support to the Kennedy-Clark bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT], as amended.

Mr. LONG. Mr. President, I move to recommit the bill to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

Mr. LONG. Mr. President, I believe I have 15 minutes to debate the motion.

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. LONG. I make this motion because, after looking at the Javits amendment, I am convinced that any Communist who takes advantage of the bill could not be prosecuted under the fraud and delusion this bill will be if we pass it. I hope that Senators who voted for the Javits amendment realize that we might as well completely dispense with any procedure in the law designed to prosecute a Communist who takes advantage of the National Defense Education Act, if we pass the bill with the Javits amendment.

What would we have? We would have merely an oath of allegiance to the United States, which any Communist on earth can take. After he takes it, if he is prosecuted for it, or found to be a Communist, all he will have to say will be that, "Just for that one brief moment when I took the oath of allegiance, I did intend to be loyal to the United States, and I changed my mind the moment I had signed the paper." That is all he needs to do.

Anyone who has ever handled criminal prosecutions knows what I am talking about. The burden would be on the

Government to prove beyond a reasonable doubt, before a jury, which must decide the case unanimously, that the particular person, during the brief moment when he took the oath of allegiance, did not mean to be loyal to America. It would have to be proved beyond a reasonable doubt in order to convince a jury of 12 persons that the particular individual, did not intend during that brief moment, to be loyal to the United States.

At least we had something with the Mundt amendment, which provided that if a man was a member of a Communist organization whose purpose it was to destroy America, and he signed up and received the money, if it could be proved that he was a member—the Government again assuming the burden of proof before a jury of 12 men—and that he knew that the organization was planning to destroy the Government if it could; and, in addition, if it could be proved beyond a reasonable doubt that he knew the organization to which he belonged was trying to destroy America, he could be successfully prosecuted.

I do not believe that the bill, or any of the proposals which have been offered, will make any difference so far as loyal Americans are concerned. If a person needs money he will sign whatever forms are necessary and declare whatever loyalty is necessary to get the money.

I am not referring to some fool who gets into the Communist organization without knowing it. His rights should be protected. I am referring to the sort of person with respect to whom it can be proved beyond a reasonable doubt, to convince a jury of 12 people, unanimously, that he was a Communist, and meant to destroy the country; that he was a traitor to America all the time, or that he belonged to a subversive organization well understanding its purpose. If all that could be proved beyond a reasonable doubt, he could be put in jail. There is no chance of doing that under the Javits amendment. It would be necessary to prove that for the single instant in which the traitor was taking the oath of office, he did not believe in America. It would be impossible to convince anyone beyond a reasonable doubt that even for that brief moment, the culprit did not want to do the right thing.

That is what we have under the Javits substitute.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KENNEDY. The Javits substitute was never proposed as a substitute for the Smith Act. This is not an anti-Communist act. In offering the amendment as originally suggested by the Senator from Georgia [Mr. RUSSELL], he said he thought any American would be proud to take the oath. This is not supposed to be an all-inclusive anti-Communist measure. If that is the intent of the Senate, I think it should accept the language of the Senator from South Dakota [Mr. MUNDT] or try to strengthen the Smith Act.

Mr. LONG. What is wrong with the law the Senator is seeking to amend?

We have seen Klaus Fuchs come over here and get America's atomic secrets and sell them to the Russians. We have seen the Rosenbergs steal our atomic secrets and sell them to our enemies. We have seen Communists infiltrate the Government, to the great advantage of the Russians.

To convict such people we must prove that they have run afoul of our laws.

Somewhere along the line we might have found that someone swore, under oath, that he was going to be loyal to America, but that he perjured himself when he lied and said he was not betraying America. I should hope that there would be some pitfall into which some Communist trying to destroy the Government might fall, so that we could convict him of something more than denying that he did his best to destroy the Government.

The country in entitled to something better, and the Senate is entitled to something better than the delusion that we have done something to restrain Communist activities, when all we have done is to give a wide open invitation to Communists by passing a futile, meaningless gesture favoring patriotism. I should hope that the committee might find some substitute offering a slight hope of putting a Communist in jail for being disloyal to America.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RUSSELL. After my amendment has been offered by other Senators and agreed to, I find that it now becomes the Russell amendment.

I stated yesterday that I was content with the law as it is. I am not eager to change it.

I think the Senator from Louisiana has made a fine suggestion. I think the bill should be recommitted to see if the committee cannot bring back some amendment about which the Senate can feel better than it does about the proposal in its present form.

I do not know why it should be considered to be out of order to discuss the Communist menace in this country, or to try to devise ways and means to avoid educating Communists, not for the purpose of defending America, but for the purpose of destroying America. Any time we mention communism, it is said that we are insulting someone.

I wish to make the record clear that in my remarks earlier I did no injustice to the Senator from New York [Mr. JAVITS]. I wish to read from his own statement, on page 13991 of yesterday's RECORD, where he associated himself with the Senator from Massachusetts in support of the bill, and where he made this statement:

> The Senator from Georgia asked if any young men appeared before the committee of the Senator from Massachusetts. I shall be glad to produce hundreds, and I think there may be thousands, of letters from young students and from professors who say this is an insult to their intelligence and to their Americanism, and they do not want the education at that price.
>
> The Senator from Georgia may not necessarily feel that that is any reason why he should vote for this particular bill, but I think the bill has been properly reported to the Senate and is properly before the Senate, and I hope the Senate will act favorably on it.

The Senator from New York was for the bill as it was reported until he changed his mind and offered his amendment. That was his right. I am not being critical of him for that. I based what I said upon his own statement on the floor of the Senate.

We are getting into a queer state of affairs in this country when we cannot mention communism in connection with our colleges. I yield to no man in my respect for those who devote their lives to the administration of our great educational institutions. But in most instances they are far removed from the harsh realities of life. I shall not abandon my responsibility to undertake to protect the Treasury of the United States from Communist infiltrators merely because I am told that it is an insult to thousands of young men in this country, who seek financial help from the Government to go to college, to ask them to say that they are not Communists, or to ask them to take an oath to support and defend the Constitution of the United States.

The bill should be recommitted, to give the committee an opportunity to bring back to the Senate a bill which will more adequately deal with the subject.

Mr. LONG. Mr. President, I agree with the Senator from Georgia. I hope the memories of Senators are not fading so badly that we cannot recall the Alger Hiss case. There was a man in one of the highest positions in our Government. He was finally convicted of being a Communist, although he denied that he was. The case was investigated and tried, up one side and down the other. All he could be convicted for was that he lied, under oath, about never having been a Communist.

At least, why not put a few obstacles along life's path for another Alger Hiss who might come along? Are we going to make conditions such that it will not be possible to convict a man who is a Communist, who is taking money from the Government and taking advantage of all the things which the Government offers? Somewhere along the line there may be an opportunity to prosecute him. We have the opportunity to provide for it now. I would hate to take away any of the safeguards. That is what would happen if we passed the bill without such safeguards.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BRIDGES. The Senator from Louisiana is completely right. I am one U.S. Senator who hopes that the motion to recommit will prevail. Perhaps as a result there will be no bill or a satisfactory amendment to the bill. I am entirely satisfied with the Defense Education Act as it now exists. It is shocking to me to see Members of this body, Senators whom I respect and consider my friends, stand up in the Chamber and advocate, as they are advocating today, the repeal of these provisions.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JOHNSTON of South Carolina. I call the attention of the Senate to a few facts concerning how Communists operate in the colleges. In the Subcommittee on Internal Security we have found a pattern. The Communists use the students within the college to further their purpose. In many instances they are students in the journalism department. The idea is to turn suspicion away from the student.

If we let one such person into a college, as we will if we vote for the amendment as it now stands—he will be protected to a certain extent because the student body will say that he is attending the college because of payments he is receiving from the Government of the United States, and that tends to turn suspicion away from that individual. That is one reason why I want to throw all the protections possible around those whom we assist as students in the colleges of the United States.

I think the Senator from Louisiana is entirely correct. The bill should be recommitted for further study.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RANDOLPH. The motion presented by the eminent Senator from Louisiana should be agreed to, I believe, by the Senate. I speak, of course, in good humor, but in all sincerity, when I express the hope that once again, if the book has been studied by an individual Senator, that he will reread the documented volume entitled "Masters of Deceit," written by the Honorable J. Edgar Hoover.

Let me briefly recall, Mr. President, the speech of Director Hoover in Charleston, W. Va., on June 16 of this year. The FBI leader described vividly and accurately the Communist conspiracy in this country. I shall not forget Mr. Hoover's warning that a "tried and proven weapon the Communists have used has been the ruthless smear. Those who attack subversion and defend American concepts are primary targets." He continued with the truism that "the Communist too often is able to exploit social, economic, racial, and other problems which arise in our communities."

We must face this issue in a realistic manner. I, for one, as a member of the Committee on Labor and Public Welfare, would welcome the opportunity for the further consideration of the pending matter. There is always an area of understanding and effective compromise by which Senators can create a new awareness of citizenship responsibility which is in no manner offensive to our youth or to our people as a whole.

Mr. KERR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KERR. If the Senator's motion prevails, as I understand it, two things would result. First, the bill would still be in committee for further consideration and further action. It could again be reported to the Senate. Is that correct?

Mr. LONG. That is correct.

Mr. KERR. In the meantime, the present law would be in effect.

Mr. LONG. That is correct.

Mr. KERR. Mr. President, will the Senator from Louisiana yield me 3 minutes?

Mr. LONG. If I have 3 minutes, I will yield them, yes.

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining.

Mr. LONG. The Senator from Oklahoma may have my 1 minute.

Mr. KERR. No; I will ask for the full time.

Mr. MUNDT. Mr. President, assuming that the Senator from Oklahoma is speaking on the same side as that shared by the Senator from South Dakota, we have 6 minutes remaining, and I shall be happy to yield 3 of them to him.

Mr. DIRKSEN. Mr. President, as I understand, the opposition has 15 minutes on the Long motion, and it is in control of the minority leader.

The PRESIDING OFFICER. The Senator from Illinois is correct.

Mr. DIRKSEN. Does the Senator from Oklahoma desire me to yield him time?

Mr. KERR. I should like to have 3 minutes.

Mr. DIRKSEN. I yield 3 minutes to the Senator from Oklahoma.

Mr. KERR. I shall vote for the motion to recommit. I have had no indication that the heavens would fall and the glory of the flag would forever terminate if we did not do something drastic to the present law. I spend much time among the educators in my State. I have yet to see one in chains or under coercion or intimidation or with any other threat to his freedom.

Mr. President, the American mind cannot be chained. I see no reason to get into a froth at this time of day and at this period of this session, to free the American intellectual from a prison which does not exist and from shackles which have no form except in the minds of men.

There are no professors in chains or under intimidation. There could not be in this free country. I must say that we are getting along very well under the current law. I have heard of no uprising in Oklahoma by professors seeking to be freed from fetters on men's minds or shackles on their souls. I have heard more about that on the floor of the Senate in the past 2 days than I have heard in Oklahoma in 5 years.

I ask the distinguished chairman of the committee how many years the present law has been in existence.

Mr. KENNEDY. The present law has been in existence for about a year.

Mr. KERR. Perhaps we should give it a chance. [Laughter.]

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MUNDT. We have had the law for a year; but the identical provisions have been in the National Science Act for 5 years, and the scientists have not complained yet.

Mr. KERR. I have had a sense of security in the belief that the law has been in existence for some time. Now that we have had our security implemented by law, I should regret to be deprived of it before sundown on this day.

I should think that we could make no mistake—rather, that we would have all to gain and nothing to lose—by recommitting the bill and letting the committee study it further, in the hope that if they report it to the Senate again it will be in a form in which Senators will not be in confusion as between making a selection between chains and fetters which do not exist, and preserving our country, which I know is the determination of every Member of the Senate.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. MUNDT. I think the Senator from Louisiana has a most constructive and noble idea. I associate myself with Senators who have spoken in support of it.

Mr. President, before going further, I think the yeas and nays ought to be ordered on the motion to recommit. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, I have sought as best I can for 2 days to try to focus this issue, after having been the only Senator in the committee room in opposition to the presentation by the committee.

Mr. KENNEDY. Mr. President, a parliamentary inquiry. Who has control of the time in opposition to the motion of the Senator from Louisiana to recommit? I believe the Senator from Illinois [Mr. DIRKSEN] just yielded 5 minutes of that time to the Senator from South Dakota, who supports the motion to recommit.

Mr. DIRKSEN. Mr. President, I address an inquiry to the Chair as to who controls the time.

Mr. KENNEDY. The majority leader has informed me that the minority leader, even though he supports the motion to recommit, controls the time in opposition. That means that we who are opposed to the motion to recommit would have no time available to us unless the Senator from Illinois would yield it to us. Is that correct?

The PRESIDING OFFICER. Under the unanimous-consent agreement, when the majority leader favors a proposition, the time in opposition is controlled by the minority leader.

Mr. KENNEDY. How much time is left?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that not to exceed 30 minutes be granted, the time to be equally divided between the mover of the motion and the minority leader.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, I will take any steps necessary to secure time for the Senator from Massachusetts, but it seems to me that we are going a long way to do it by adding 30 minutes to the debate on the motion. Is the Senator from Illinois willing to yield time to the Senator from Massachusetts?

Mr. DIRKSEN. Yes; but first let us have the matter clarified. As I understand, 6 minutes remain for debate on the bill. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. That is the 6 minutes I have yielded to the Senator from South Dakota. Then 10 minutes remain on the motion to recommit.

The PRESIDING OFFICER. The Senator is correct; 10 minutes remain on the motion to recommit.

Mr. DIRKSEN. I want to yield 5 minutes of that time to the Senator from Massachusetts.

Mr. KENNEDY. Then, Mr. President, how many minutes remain on the bill?

The PRESIDING OFFICER. Fourteen minutes remain on the bill.

Mr. JOHNSON of Texas. Mr. President, will the Chair put my unanimous-consent request?

Mr. KERR. Mr. President, I understand that the Senator from Massachusetts has 15 minutes under his control.

The PRESIDING OFFICER (Mr. CANNON in the chair). Is there objection to the request of the Senator from Texas?

Mr. BRIDGES. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Texas. Mr. President, I modify my request by asking that not to exceed 20 minutes now be available on the motion to recommit, to be under the control of the Senator who made the motion and the minority leader, and to be yielded to any Senators to whom they may desire to yield.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. MUNDT. Mr. President, I believe I have the floor, to speak in the time available to one side or the other, although I do not know how much time is now available to me.

Mr. DIRKSEN. Mr. President, I yield to the distinguished Senator from South Dakota 6 minutes, in entirety.

Mr. MUNDT. I thank the Senator from Illinois.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 6 minutes.

Mr. MUNDT. Mr. President, I do not think I shall use all of that time.

I believe the Senator from Louisiana has proposed a very fine solution of what appears to be a very difficult problem and a most unsatisfying dilemma.

I have been a little surprised that the majority party policy committee and the majority leader would regard this issue as of sufficient importance to deserve 2 days of the time of the U.S. Senate, in times like these. With the world on fire and with the inflationary fires burning at home and with much unfinished business before us, it seems to me the Senate might well devote its attention to something a little more constructive than a proposal to weaken the procedures by which our Nation opposes subversive influences here at home.

But the issue is now before us, and we have been debating it for 2 days.

I think it prudent that we dispose as quickly as possible of this issue, on which, in fact, the Senate has been almost equally divided; the division has been almost exactly 50–50 as our rollcalls demonstrate.

Illustrative of the confusion and uncertainty which confront the Senate in this situation, I point out that originally the Senator from New York [Mr. JAVITS] supported the bill as reported by the committee. But on yesterday the Senator from New York announced that he would sponsor an amendment in the nature of a substitute for the Mundt amendment; and the substitute retained the provision providing for the oath of allegiance. But today the Senator from New York has strengthened his amendment in the nature of a substitute, by adding to it a provision in regard to perjury. The succession of changes and shifts dramatizes, it seems to me, the uncertainty—particularly as the Senator from New York has proceeded from one position to another. Certainly, his motives have been of the best; and certainly that is true of all other Senators. Nevertheless, the evidence of confusion and uncertainty remains, and is very clear. In addition, many Senators did not hear and have had no opportunity to read these 2 days of debate.

If the pending measure is recommitted, the committee will be able to consider the various possible procedures. New testimony can be taken. If the committee then prefers my amendment in the nature of a substitute, it can agree to report it. Or if the committee then prefers the amendment which the Senator from Vermont [Mr. PROUTY] has been seeking to offer—an amendment which is close to my original amendment—the committee can decide to report it. Or the committee will be able to do as it did before—I guarantee that it could not possibly do worse—namely, report a blank page, so to speak, and try to strike out the oaths and resist the inclusion of any new protective legislation.

Another reason for recommitting the bill is to be found in the fact that now the committee advocates the acceptance of half of what it originally urged the Senate to delete entirely. Next time, maybe the committee can report out a position from which it will not feel compelled to retreat.

Therefore, Mr. President, it seems to me that it is appropriate for the bill to be recommitted, for reconsideration and additional study by the committee. If, later on, the committee believes this issue to be of such international magnitude as to justify several additional days of debate by this body, the committee can again report the measure to the Senate; and at that time there can be several additional days of debate, and perhaps, if necessary, day and night sessions, for as long as the Senate may decide. In any event, I shall be ready to proceed as the Senate may prefer, at that time.

Certainly there have been great confusion and uncertainty during the proceedings in the Chamber today and yesterday. I am quite sure that a number of Senators who have participated in the votes taken earlier today will, when they read the RECORD for today, have some concern and some misgivings about those votes.

If the motion to recommit is agreed to, all Senators will have an opportunity to read the RECORD and to confer with advisory groups and to decide on some constructive alternative method of dealing with the situation now before the Senate.

So I urge my colleagues—and I urge it with all the force at my command—to vote to recommit this measure, so that the committee will be able to reexamine it and, if the committee so decides, it will be able to report the measure to the Senate at a later time, when the Senate will be able to vote on it with much better information at hand and with more specific facts before it.

Mr. President, I reserve the remainder of the time which has been yielded to me and urge the Senate to vote to recommit the committee bill.

Mr. KENNEDY. Mr. President, I am prepared to yield back all but 3 minutes of the time available to me on the motion to recommit, if the Senator from Illinois or the Senator from Louisiana is prepared to yield back all but 3 minutes of the time under his control. Let me ask whether such a procedure will be agreeable?

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. Under the applicable parliamentary procedure, if the bill is recommitted, the bill will be returned to the committee without any of the amendments which have been added to it today on the floor of the Senate, will it not?

The PRESIDING OFFICER. That is correct; the bill will be recommitted in the same form in which it was reported from the committee to the Senate.

Is there objection to the request of the Senator from Massachusetts? The Chair hears none. Without objection, it is so ordered.

Mr. KENNEDY. Then, Mr. President, I yield back all but 3 minutes of the time under my control; and I shall use those 3 minutes now, if the other side will agree to do likewise.

Mr. DIRKSEN. Mr. President, I yield back all but 3 minutes of the time under my control.

Mr. KENNEDY. Mr. President, I wish to speak to the motion to recommit.

In speaking on behalf of the members of the Committee on Labor and Public Welfare, I must say that I doubt very much whether the bill will ever again see the light of day if it is recommitted at this time. So the question now facing the Senate is whether the Senate is interested in improving the present legislation. If the Senate is interested in improving the present legislation in this field, the Senate should reject the motion to recommit, because if the bill is recommitted, it will die in the committee, and then the legislation now on the statute books will continue in force.

I wish to make clear that this measure is not before the Senate as the result of some brainstorm on the part of a few college students or presidents of colleges. The bill which came to the floor of the Senate was voted to be reported to the Senate by a vote of 12 to 3 in the committee. Secretary Flemming, the

head of the Department of Health, Education, and Welfare, speaking for the administration, supported the bill as it was reported to the Senate. Mr. Hughes, speaking for the Bureau of the Budget, and representing the President, supported the bill as it was reported to the Senate.

Mr. President, this measure relates to a matter of substantive importance. If the bill is recommitted, the affidavit now provided by law will be continued and the oath of allegiance now provided by law will be continued, although they have been objected to by many colleges.

I do not know the source of the information of the Senator from Oklahoma [Mr. KERR]; but I have received a great many letters from college presidents in various parts of the country. They object to the oath of allegiance which is required by the present National Defense Education Act. Seven colleges—among them some of the foremost in the Nation, including Byrn Mawr and Swarthmore—particularly the Quaker institutions—have refused to apply for these grants or funds; and the Association of College Presidents and the Association of the Faculty of American Colleges have unanimously objected to the affidavit.

Let me state the crux of the issue: I believe there is no reason why college and university students should be required to take this oath when the beneficiaries of other forms of assistance on the part of the Federal Government are not subject to such a requirement. Certainly the Smith Act applies to all Americans. Why should not we make a similar requirement of the farmers, the newspaper publishers, and those who receive mortgage assistance in connection with their homes? Why should this requirement be made only of college and university students? That is the basic issue which confronts the Senate.

If Senators wish to have the Senate pass a measure which will protect the security of the country, I suggest that they propose a strengthening of the Smith Act. But Senators should not take a position which would weaken the security of the Nation, which is what would result from taking an improper attitude toward college and university students.

So I believe it will be in the interest of strengthening the national security to repeal the affidavit requirement.

Therefore, Mr. President, I hope the motion to recommit will be rejected.

Mr. YARBOROUGH. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. YARBOROUGH. Is it not a fact that the Javits amendment which the Senator has adopted in the nature of a substitute for the Mundt amendment now proposes the imposition of just as heavy a penalty on a student borrowing $500 a year—which is about the maximum loan which would be available—if the student was guilty of a violation of the oath, as the present penalty provided by law on a U.S. Senator who draws $22,500 a year in salary—would be subjected to, if he committed such a violation? Does not the Javits amendment require the same oath of a student as a Senator takes, and put as heavy a penalty on a student as on a U.S. Senator, for a violation? And does not this record of the hearings before the subcommittee contain four pages of an index listing American colleges requesting that this law be changed?

The PRESIDING OFFICER. The 3 minutes allotted to the Senator from Massachusetts have expired.

Mr. LONG. Mr. President, it seems to me that when the loyalty, the security, and the safety of the Nation are involved, if the Senate can come no nearer to agreeing than to decide the issue by a margin of a single vote, it is evident that sufficient consideration has not been given to the issue, because certainly there is no division among us on the question of our desire to protect this Nation. Thus, Mr. President, it is obvious that further consideration of the pending measure is required.

All of us wish to do all within our power to protect the security of the Nation. But in doing so, we wish to follow the American procedure of fair play; we do not wish to have injustice done to anyone. We realize that there are a number of problems involved in connection with this situation.

Some years ago the Senate was confronted with a similar problem, at the time when the late Senator McCarthy of Wisconsin was pressing his investigation of Communists, and was doing it so hard that the Senate began to try its own conscience on the matter, and appointed a commitee to investigate and determine what should be done in regard to the tactics used at that time by the late Senator McCarthy, in connection with his fight against communism. The Senate felt that the methods used in that fight had gone out of bounds. The Senate appointed a committee to look into the matter. The committee made a unanimous report and recommendation to the Senate. When the Senate voted on the committee's recommendation, every Democratic Member of the Senate voted in favor of it, and half of the Republican Members of the Senate voted in favor of it.

I happen to recall the names of the Senators who were appointed at that time by the Senate to make that investigation in regard to the methods an investigator had the right to employ in investigating loyalty and patriotism, and the methods he should not use. Three of those Senators have been on the floor of the Senate today. All three of them have been voting to retain in the bill the provisions which would make it possible to prosecute the Communists. I refer to the Senator from North Carolina [Mr. ERVIN], the Senator from Mississippi [Mr. STENNIS], who left the floor a few minutes ago, and the Senator from Kansas [Mr. CARLSON], who also left the Chamber a moment ago. Those Senators have been voting regularly and uniformly, here on the floor of the Senate today; and I assume that the reason they have done so is that they believe the Senate should vote to retain in the law the provisions which make it possible to prosecute those who seek to subvert our Nation and who seek to obtain funds which have been appropriated for defense purposes and purposes related to defense, when such persons would use such funds to further the Communist conspiracy.

I submit that if the bill is recommitted, thereafter the committee will be able to report to the Senate a better bill than this one, and certainly one with which we would be better satisfied when we passed it.

Incidentally, Mr. President, the bill now before the Senate is the same one the Senator from Massachusetts [Mr. KENNEDY] brought to the Senate last year. I assume that he wrote the provisions of both of the bills.

Mr. KENNEDY. Mr. President, the Senator from Louisiana is mistaken.

Mr. LONG. Did not the Senator from Massachusetts write those provisions?

Mr. KENNEDY. No, I did not. The bill was reported by the committee, but that was a mistake on the part of the members of the committee. That is why we are trying now to correct that mistake.

Mr. LONG. But the same committee reported that bill, last year.

Mr. KENNEDY. And the same committee is trying to correct it now.

Mr. LONG. Certainly that was the judgment of the committee at that time, was it not?

Mr. KENNEDY. But now the committee is trying to correct it.

Mr. LONG. But I know that certainly a considerable number of the members of the committee felt then that that was the right thing to do; and I am sure that a considerable number of them still feel the same way.

So, Mr. President, I urge that the Senate recommit the bill.

The PRESIDING OFFICER (Mr. CANNON in the chair). The time of the Senator from Louisiana has expired.

All time on the motion to recommit has expired.

Mr. DIRKSEN. Mr. President, has all time on the motion expired?

The PRESIDING OFFICER. All time on the motion has expired.

Mr. DIRKSEN. Mr. President, I think all time has not expired.

The PRESIDING OFFICER. All time was yielded back except 3 minutes to each side, and 3 minutes to each side have expired.

Mr. DIRKSEN. Mr. President, I thought there was a definite understanding that we were to reserve 3 minutes to each side. I think that was the understanding of the Senator from Massachusetts. I remember distinctly saying that I yielded back all but 3 minutes.

Mr. MORSE. Mr. President, I ask unanimous consent that the Senator from Illinois be allowed 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I am grateful, but I still believe that my position was correct.

The Senator from Massachusetts said that if the bill goes back to committee it will probably not again see the light

of day in this session. That may be true, but if it is true, I am sure the columns in this Chamber will not tremble. I do not believe these walls will crumble. I do not believe there will be weeping and gnashing of teeth on the sun kissed shores of California or in the waving wheat fields of the Great Plains. I doubt if under the fair skies of Florida there will be weeping if the bill fails to see the light of day again in this session. We have lived with the present law thus far. I think it deserves a further chance. Mr. President, I have heard no statement of the administration's position on this issue. There is no budget issue involved. To be sure, those from the Department of Health, Education, and Welfare made a statement before the committee, but, I am frank to say, I have not been advised of any administration position on the bill.

So I utter the hope that perhaps we can do much better, if we are so minded, by sending the bill back to committee; and perforce, if we do not get around to it during the remaining days of 1959, there will be a great deal of time in 1960 to come to grips with the issue.

I therefore respectfully recommend that Senators support the motion to recommit. I yield back my time.

The PRESIDING OFFICER. All time on the motion to recommit has been yielded back.

The question is on agreeing to the motion of the Senator from Louisiana [Mr. LONG], to recommit. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Montana [Mr. MURRAY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent because of illness in his family.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

If present and voting the Senator from Maryland [Mr. BUTLER] and the Senator from Iowa [Mr. MARTIN] would each vote "yea."

The result was announced—yeas 49, nays 42, as follows:

YEAS—49

Allott	Frear	Prouty
Beall	Goldwater	Randolph
Bennett	Hartke	Robertson
Bible	Hayden	Russell
Bridges	Hickenlooper	Schoeppel
Byrd, Va.	Holland	Scott
Byrd, W. Va.	Hruska	Smathers
Cannon	Johnson, Tex.	Smith
Capehart	Johnston, S.C.	Sparkman
Carlson	Jordan	Stennis
Cotton	Kerr	Talmadge
Curtis	Langer	Thurmond
Dirksen	Lausche	Wiley
Dworshak	Long	Williams, Del.
Eastland	McClellan	Young, N. Dak.
Ellender	Morton	
Ervin	Mundt	

NAYS—42

Aiken	Gruening	Magnuson
Anderson	Hart	Mansfield
Bartlett	Hennings	Monroney
Bush	Hill	Morse
Carroll	Humphrey	Moss
Case, N.J.	Jackson	Muskie
Church	Javits	Neuberger
Clark	Keating	Pastore
Cooper	Kefauver	Proxmire
Douglas	Kennedy	Saltonstall
Engle	Kuchel	Symington
Fulbright	McCarthy	Williams, N.J.
Gore	McGee	Yarborough
Green	McNamara	Young, Ohio

NOT VOTING—7

Butler	Dodd	Murray
Case, S. Dak.	Martin	O'Mahoney
Chavez		

So the motion to recommit was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

ORDER FOR ADJOURNMENT TO NOON TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in adjournment until noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

BURNS CREEK SITE, UPPER SNAKE RIVER VALLEY, IDAHO

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 434, S. 281.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 281) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

Mr. JOHNSON of Texas. We will not act on the bill tonight. I understand there are some rather lengthy speeches to be made, but I should like to have the bill made the unfinished business.

We will follow the consideration of this bill with consideration of Calendar No. 513, S. 2208, to provide for equal treatment for the State of Alaska as for other States of the Union with respect to the allotment of funds under the Federal Airport Act and for other purposes, and then we will have a call of the calendar, when we shall have concluded consideration of those bills tomorrow.

I am not in a position to inform the Senate whether we will have any yea and nay votes tomorrow. If we do, they will probably be on the unfinished business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to and the Senate proceeded to consider the bill (S. 281) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. JOHNSON of Texas. Mr. President, I wish to inform the Senate that I anticipate no yea-and-nay votes this evening, but we will keep the Senate in session long enough for any Senators to make any statements they may care to make.

TRIBUTE TO MAJ. GEN. DONALD WILSON McGOWAN

Mr. STENNIS. Mr. President, on Monday of this week Maj. Gen. Donald Wilson McGowan was administered the oath of office as Chief of the National Guard Bureau. His nomination was confirmed by the Senate last Friday while I was away on official business. Otherwise, I would have made these remarks at that time.

Mr. President, the post to which General McGowan has been elevated is one of the most important in our entire Military Establishment. It is responsible for furnishing the leadership and organization of the training of this major group of Ready Reserves. The National Guard is a reservoir of trained and experienced citizen-soldiers, ready for mobilization and the defense of our Nation during any crisis. It is a force molded together with the common purpose of service, loyalty and devotion to American principles of freedom. It has a long and proud history of success and accomplishment under the most trying circumstances, on battlefields throughout the world. The National Guard, a cross-section of our finest men from every State, from all walks of life, is truly representative of the best of our Nation.

A native of New Jersey, General McGowan has recently served as Chief of the Army Division, National Guard Bureau. He is a very capable officer with a fine capacity for service in this post. It has been my privilege during past years to work closely with him on National Guard problems. Under his leadership, I am sure that the guard will continue to fill its vital and prominent role in national defense and that his tenure of service will be constructive and outstanding.

I heartily congratulate General McGowan on his office and the expanded opportunities it brings to him.

NOTICE OF HEARINGS OF SPECIAL SUBCOMMITTEE ON PROPOSED AMENDMENTS TO THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

Mr. GRUENING. Mr. President, as chairman of the Special Subcommittee

on Proposed Amendments to the Federal Property and Administrative Services Act of the Committee on Government Operations, I give notice that public hearings will begin on July 29 at 10 a.m. on the various bills referred to the subcommittee relating to the expansion of the surplus property donation programs. The hearings will continue on July 30. Because of the large number of bills referred to this subcommittee and the number of persons who must be heard, it is possible that further hearings may be held at a later date or dates to be announced. Those desiring to testify should communicate with the chief clerk of the Committee on Government Operations.

THE YOUTH CONSERVATION CORPS

Mr. YARBOROUGH. Mr. President, because there has been a clouding of the issues in the minority views on the Youth Conservation Corps bill, soon to come before the Senate, I desire to have the chairman of the subcommittee, the Senator from West Virginia [Mr. RANDOLPH] clarify matters for the guidance of interested Senators.

I ask the distinguished Senator, are there any limits on spending in the Youth Conservation Corps bill?

Mr. RANDOLPH. Mr. President, I am appreciative of the question asked by the able Senator from Texas.

First, we have placed a top limit on the number of enrollees. It is 50,000 for the first year, 100,000 for the second year, and 150,000 thereafter. We have reposed the responsibility to the President to shape the program within these limits.

Mr. YARBOROUGH. It has been said by some uninformed persons that this is a "plush" job. Will the Senator please state how much will be paid to a member of the Youth Conservation Corps per month for his service?

Mr. RANDOLPH. The enrollee in the corps will be paid $60 per month.

Mr. YARBOROUGH. Is it not possible for the President to further control the cost by accepting less than 50,000 boys per year, if he sees fit to do so?

Mr. RANDOLPH. I will say to the Senator from Texas, who was a member of the special subcommittee and who has given helpful counsel to this matter, that the corps cannot accept any enrollees until funds are requested and provided.

Mr. HUMPHREY. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. RANDOLPH. I will say very frankly, in the presence of the distinguished Senator from Minnesota [Mr. HUMPHREY] who is the chief sponsor of this proposed legislation, joined in by 20 of his colleagues, that we are powerless to embark on a wild spending program by bringing such a measure to favorable action. Congress must appropriate every cent in advance of the administration enrolling a single youth in this effort.

Mr. YARBOROUGH. How can the program be coordinated in the executive branch to prevent duplication?

Mr. RANDOLPH. I would not want to presume to indicate how the President would proceed but I would suggest what I would do. We have provided for a Commission, which would be composed of representatives of the Secretaries of the Department of Agriculture, the Department of the Interior, the Department of Health, Education, and Welfare, and the Department of Labor.

When the 1961 budget process begins, actually the Secretaries of Agriculture and Interior, who will have the major portion of the responsibility under the proposed program, can agree on a portion of the needed conservation work to be done by the Youth Conservation Corps in their respective department programs.

I will say further to the Members of the Senate that I think it might be well for the Bureau of the Budget to take a look at the Youth Conservation Corps program and to compare it with the total conservation agency program. If the President decides that 5,000 or 25,000 young men is a better first year figure than 50,000, the Bureau of the Budget can see that his desire is met.

Mr. YARBOROUGH. I will ask the distinguished Senator from West Virginia further if it is not true that Secretary of Agriculture Benson would like to ask for a $41 million increase in the Forest Service request next year.

Mr. RANDOLPH. Yes, that is true. The Secretary sent such a program to the Congress. Of course, the Senator from Texas realizes that the sending of a program to the Congress does not make it a fact. However, if $20 million worth of that work could be done effectively by the Youth Conservation Corps, then Secretary Benson could very well ask for the funds under that program.

I think that our Appropriations Committee in the Senate would want to see each agency describe its entire budget, including the portion from the Youth Conservation Corps funds.

Mr. YARBOROUGH. My last question to the distinguished Senator from West Virginia is this: Is it not true that the Congress would automatically give the Budget searching scrutiny, as we have done since this administration came to power?

Mr. RANDOLPH. Yes. I think it is important to set forth the fact that so far $217 million has been cut from the proposed 1960 budgets, which have become public law. Already several billions have been cut from the budget estimates since 1953. So I am sure that this program would not be sacrosanct. In fact, the burden would be on the executive branch, when it came before the Appropriations Committee, to justify the expenditures of the Youth Conservation Corps expenditure.

I am most appreciative of the fact that the distinguished Senator, a member of the Committee on Labor and Public Welfare, has given us an opportunity to discuss this vital subject prior to the actual consideration of Senate bill 812 in this body.

Mr. YARBOROUGH. I thank the distinguished Senator from West Virginia for his clarification of the cost of handling the Youth Conservation Corps program.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. I hold in my hand the prominently placed article from the Charleston, W. Va., Daily Mail of July 20, 1959, under the headline "Senate Proposal Gets Backing: Revival of CCC Program Seen as Boon for Youth."

One paragraph in particular I call to the attention of the Senate. This is from the statement of an anonymous West Virginian:

> I think it would be a good thing to have camps like that all of the time, to teach boys to work with their hands. * * * Such camps should not be used just to alleviate unemployment.

The article, in this widely read newspaper, points out the value, over and beyond any employment value, which comes from a Youth Conservation Corps.

I ask unanimous consent that at this point in the RECORD, following the splendid colloquy between the Senator from West Virginia [Mr. RANDOLPH] and the Senator from Texas [Mr. YARBOROUGH], this article be printed as a part of this particular discussion.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston Daily Mail July 20, 1959]

REVIVAL OF CCC PROGRAM SEEN AS BOON FOR YOUTH

Remember the old CCC camps of the depression days? A U.S. Senate committee believes they should be revived.

So does a West Virginian who was very active in the Civilian Conservation Corps from 1935 until the beginning of World War II when the corps was abandoned.

And no state took more advantage of the plan to take unemployed youths off the streets and put them to work in forests than West Virginia. At one time this state had 28 camps averaging 200 boys to a camp.

The Senate Labor Committee doesn't have anything of that magnitude in mind now. A bill it approved last week would take 50,000 youths into a Youth Conservation Corps the first year, 100,000 the second and 150,000 thereafter.

As in the old three C's, they would work in national parks and forests, and on State lands if the State pays half the costs.

The idea is still controversial and was passed out of the Senate committee on a straight party vote—nine Democrats for it, six Republicans against.

The West Virginian, who asks to remain anonymous, doesn't believe such camps should be used just to alleviate unemployment.

He said: "I think it would be a good thing to have camps like that all the time, to teach boys to work with their hands. Some of the boys we got in those days didn't know what a mattock was. They chopped on trees half a day and it looked like a groundhog had been gnawing on it. But most of them learned and we have very few to send home.

"They built roads, trails, fire towers, cabins and bridges. And it wasn't until the CCC that we actually got on top of the forest fire situation in this State.

"They would come to us thinned and starved, and in 2 or 3 weeks the color would come back to their cheeks; they'd pick up weight, and that's what it takes to make a boy."

The camps were supervised by Army Reserve officers and retired military personnel. They followed the military routine and, the oldtimer says:

"When World War II broke out, the CCC furnished the toughest and nearest ready young men this country had. With a little more Army training they were ready to go into battle."

Besides working in the forests, the CCC boys also learned some stone masonry "and that's why you see so many stone houses in West Virginia today; they learned in the CCC and went home and built them."

GOT START IN CCC

Also, they learned to operate heavy equipment like bulldozers, and the veteran CCC official says he knows one prominent contractor in this State who got his start that way.

"Many of the boys made good, and I still meet them around the State. They always remember the camps and us," he added.

They had some interesting experiences. In the great Ohio River flood of 1947 the CCC boys went to Huntington and Louisville to help dig those cities out of the mud.

"Huntington people didn't even thank us, but the people of Louisville did," he says.

As he remembers the program, the CCC boys got very little, if any, pay, and it cost the Government about $6.50 a day per boy, including supervision, clothing and lodging.

Under the Senate bill they would get $60 to $90 a month, depending on the length of enrollment, duties and other factors. It would cost the taxpayers $375 million when in full swing with 150,000 boys.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Pennsylvania.

Mr. SCOTT. Did I correctly understand, from the colloquy between the Senator from Minnesota and the Senator from West Virginia, that the proposed Youth Conservation Corps would be a renewal of the old Civilian Conservation Corps idea?

Mr. RANDOLPH. It is a modification of the former successful Civilian Conservation Corps program. It has certain purposes, I say to my friend from Pennsylvania, which were widely accepted in the period when the Civilian Conservation Corps aided in the conservation and the development of our natural resources and the building of a better youth in our country.

Mr. SCOTT. If we are desirous of proceeding with new programs, I am wondering why it is not possible to include them under old agencies. I wonder why it is necessary to have new bureaus and a new bureaucracy for each new program. Would it not be possible to conduct such a program under the Department of the Interior?

Mr. HUMPHREY. That is exactly what the bill proposes. It would utilize existing establishments. It would not establish a single new bureau. There would be a coordinating commission, to take into consideration the views of the Departments of Agriculture, Interior, Labor, and Health, Education, and Welfare. But the program would be administered by the Forest Service, by the Department of the Interior, by the Department of Labor, and by the Bureau of Public Lands, under present institutions, and present departmental organizations, with no new people.

Mr. SCOTT. Could it be done, in the Senator's opinion, with present personnel?

Mr. HUMPHREY. I think it could well be done with present personnel, with the exception, of course, of the enrollees. The personnel who come in would be under the supervision of a Federal forest ranger or a Federal conservationist.

Mr. SCOTT. I thank the Senator.

Mr. RANDOLPH. Mr. President, we are appreciative of the questions asked by our distinguished colleague. The enrollees themselves would come in on a voluntary basis, through clearance by the U.S. Employment Service, at the local levels of government. No bureaucracy will blossom from this meritorious program.

Mr. SCOTT. I understood that there was some such program for summer employment at the present time. I seem to remember that students and young people have been given an opportunity, within the Department of the Interior, to work in the national forests during the summertime. That would represent, in part, what the distinguished Senator [Mr. RANDOLPH] has been proposing.

I was merely asking for clarification, having no previous knowledge of the plan.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I give notice that we may plan to consider tomorrow Order No. 557, House bill 6596, a bill to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

The bill was reported by the Senator from Montana [Mr. MURRAY]. The report is available. If the bill does not pass on the call of the calendar, it may be taken up tomorrow on motion. I should like to have Senators on notice to this effect.

I also give notice that I should like to start the call of the calendar tomorrow with Order No. 471, House bill 1219, a bill to amend section 2038 of the Internal Revenue Code of 1954, relating to revocable transfers.

URBAN RENEWAL PROGRAMS

Mr. WILLIAMS of New Jersey. Mr. President, ever since the President vetoed the omnibus housing bill, there has been a great deal of discussion on the progress of the urban renewal programs and how they would be hampered by the veto. To my mind, however, there has not been sufficient awareness of the very vital part the system of public housing plays in any urban renewal project.

One of the main motives of the Congress in passing the Housing Act of 1949 was to provide proper alternative facilities for those people who were displaced in an urban renewal project. As is well known, at the present time, we have written into the law a provision stating that, unless a city can show that those people have other places in which to live once they are evicted, it cannot proceed with any urban renewal project. The rationale behind this provision was the understandable fear that the urban renewal project, in which slum housing was torn up and replaced with a modern shopping center, would be of no help in ridding a city of its slums if the people who were evicted were forced to squeeze some housing out of the already crowded housing districts in other parts of the city.

The provision of the 1949 act calling for alternative housing has been of great help to the cities in assuring that the slum clearance really was effective and was not a mere transferral of poor living conditions from one section of the city to another. The development of public housing, originally backed by the late Senator Taft, has guided the development of urban renewal in this direction and has made it a much more effective program than it would otherwise have been.

It is with this history in mind that we are forced to consider the contention of the veto message written for the President that no more new public housing is necessary, and his subsequent veto of the bill. The veto message has blandly asserted that since 100,000 new units of public housing have been authorized and not been constructed, there is no need for more public housing. This is a shocking misstatement of the facts. It gives the thoroughly misleading impression that those cities which have need for additional public housing units can simply avail themselves of the units which have been authorized but not constructed. This, of course, is not true. Every one of these 100,000 units has been committed to a particular city and cannot possibly be allocated to another metropolitan area. We are all familiar with the timelag which exists in any attempt to construct housing on a large scale. Land purchase, planning, contracting, and the actual construction itself requires up to 2 years. To mislead the American people by hiding behind a timelag and implying that outstanding authorizations might be used for cities needing new public housing is to me a shocking revelation. The Federal Housing Administration now has applications pending for 58,000 units. This is in addition to the 100,000 units already committed, not to mention many of the applications expected.

The tremendous importance of an adequate urban renewal program for the State of New Jersey was emphasized last week in a letter from Salvatore Bontempo, the State commissioner of conservation and economic development. I ask unanimous consent to have printed at this point a copy of the letter.

I should also like to present a letter from Mr. Kenneth R. Erfft, the vice president and treasurer of Rutgers, the State University. Both of these men have pointed up the importance of the omnibus housing bill.

An adequate slum-clearance program must include some provision for public housing. As we start public hearings today on the bill, I hope that we will be able to convince the administration to retreat from its shortsighted plan of urban renewal without any provision for such a public housing plan.

I have a third item which I ask to have printed in the RECORD. It is an article from the Christian Science Monitor of July 21. It expresses some of the widespread concern over the housing bill veto.

There being no objection, the letters and article were ordered to be printed in the RECORD, as follows:

STATE OF NEW JERSEY,
DEPARTMENT OF CONSERVATION
AND ECONOMIC DEVELOPMENT,
Trenton, N.J., July 9, 1959.

Hon. HARRISON A. WILLIAMS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The President's veto of the Housing Act of 1959 strikes particularly hard in New Jersey, the Nation's most urban State. I, therefore, urge that you join in any action which will give the country a Housing Act of the magnitude and vision of that which has been vetoed.

The problems of urban renewal, planning, public housing, housing for our senior citizens, college housing, and mortgage insurance for private housing are not simple problems and will be met only by a program which matches with adequate Federal funds the administration's professed concern that more and better housing be provided for the American people.

Specifically, the following programs will suffer if a Housing Act of 1959 fails to become law:

(1) Five New Jersey communities—Woodbridge Township, Mount Holly, Glassboro, East Orange, and Newark—now have urban renewal applications pending with the Urban Renewal Administration, and these cannot receive favorable consideration unless a Housing Act is passed. An estimated $10,600,000 in Federal funds and $5,300,000 in local funds will be needed for these projects. In addition to these five formal applications for funds, five communities not now in the urban renewal program—Carteret, Pitman, Bordentown, Guttenberg, and West New York—and at least four communities with urban renewal activities well advanced—Hackensack, Perth Amboy, Camden, and Newark—are known to be preparing planning and survey applications for urban renewal projects.

New Jersey communities, many of which are among the oldest in the Nation, are well aware of the problems of deterioration and blight and are taking important steps to put their houses in order. They have been encouraged to do so by Federal legislation which has, in the past, recognized that the national welfare is but a reflection of local progress and prosperity.

Last year there was no Housing Act. This year the administration threatens to settle only for its own halfhearted proposals. Faced with such a climate of indecision, New Jersey communities cannot plan a long-range program of blight elimination but rather are forced into a posture of opportunistic grabbing for whatever dribs and drabs of Federal assistance that may come along. Our cities and towns deserve better than this.

(2) The vetoed Housing Act contains not only increased authorization of funds for local planning assistance—the 701 program in which 120 New Jersey communities are participating and in which many more desire to participate—but also makes available such planning assistance to communities between 25,000 and 50,000 in population and inaugurates a program of grants for State planning. All of these important amendments would be of major assistance to the State and its communities.

(3) No new concept in the vetoed Housing Act can be of greater long-range significance than the establishment, under title II, of a program of direct Federal loans for the building of rental housing for senior citizens. It is the experience of every agency dealing with these citizens that housing ranks close to health protection as the most pressing problem of this ever-increasing segment of our people. The $100 million revolving fund authorized will permit only a token effort to provide housing within the means of our citizens of retirement age but it is a token effort that should be started at once.

And further, with regard to providing housing for senior citizens, it should be noted that low-rent public housing is now able to meet the housing needs of some senior citizens. Certainly neither 190,000 nor 290,000 new units of public housing will meet the needs of the more than 9 million persons over 65 years of age who have money income of less than $1,000 annually.

Congress is to be congratulated for enacting a Housing Act of 1959 which is neither excessive nor extravagant. I urge you to join in passing it once again.

Sincerely yours,

SALVATORE A. BONTEMPO,
Commissioner.

RUTGERS, THE STATE UNIVERSITY,
New Brunswick, N.J., July 10, 1959.

Hon. HARRISON A. WILLIAMS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: In the absence of President Gross, I wish to express the concern of Rutgers University in the matter of the provisions of the Housing Act which affect colleges and universities.

It is not within the province of the administrator of an educational institution to comment on the whole of this very complex piece of legislation and the arguments made of or against it.

On one section, however, we do wish to speak with all possible emphasis from direct experience.

The Federal loans for new construction at colleges and universities authorized in the Housing Act are of surpassing importance to all institutions of higher learning, whether public or private. The Federal loan program has provided one of the foundations upon which the colleges have been planning the vast expansion that will be necessary to meet the tidal wave of students who will be coming to our doors beginning this year.

The legislation by which it is accomplished is the decision of the Congress, but I cannot overemphasize the urgency and need for the college housing provisions which were part of the Housing Act. In our judgment, some way must be found to reinstate them if the institutions of higher learning are to meet their responsibilities to the Nation's young people.

Of equal importance to those colleges and universities with urban centers is the matter of the slum clearance and redevelopment authorizations. These programs have provided the first real hope to colleges and universities that their urban facilities could expand in a sound and economical manner. Plans for expansion by Rutgers in Camden and Newark are tied directly to such redevelopment projects.

I wish to emphasize again the urgency of at least maintaining intact the Federal program of aid which will so vitally affect the future of our colleges and universities.

Sincerely yours,

KENNETH R. ERFFT,
Vice President and Treasurer.

[From the Christian Science Monitor, July 21, 1959]

MAYORS EMBITTERED BY HOUSING VETO

(By John C. Waugh)

LOS ANGELES.—Uppermost in the minds of American mayors is money—how to get more of it.

Furthermore, they aver, they have been shortchanged by the Federal Government.

Mayors of the Nation's major cities have just ended their 1959 national conference in Los Angeles. They talked, then listened, they discussed, and they made resolutions.

The predominant picture that emerged from their deliberations was of cities strapped for funds and needing new sources of income. And the mustachioed villain in the picture was Uncle Sam.

HOUSING VETO DISLIKED

Mayors are most disturbed—indeed, even embittered—by President Eisenhower's recent veto of the housing bill, which had earmarked $900 million for urban renewal. This sum, of course, was scuttled with the rest of the bill. And mayors feel strongly about urban renewal. While here they passed overwhelmingly a resolution calling on Congress to hold public hearings on the President's veto.

But mayoral feeling about the need for Federal help in certain civic undertakings goes deeper than just that.

Norris Poulson, mayor of Los Angeles and president of the U.S. Conference of Mayors, said bluntly that the time has come for a reappraisal of the priorities the country gives in doling out money for domestic programs.

It's all lopsided, Mayor Poulson said in effect. He, and other speakers as well, pointed out that two-thirds of all Americans now live in urban areas. Three-fourths of all industrial jobs are centered in cities and more than half of the national real wealth is, too.

AID PROPORTION HIT

In spite of this, Mayor Poulson told his colleagues, a preponderant amount of Federal aid is still being pumped into rural areas. In fiscal 1959, he charged, the Government spent $5,400 million on farm subsidies alone. It only allotted $300 million "for urban renewal, slum clearance, housing, and all the related programs."

What makes this so hard to swallow, according to Mayor Richardson Dilworth of Philadelphia, is that requests for $600 million worth of urban renewal projects alone are now on file with the Federal Housing Administration. And he says surveys show there will be $500 million in new applications each year for the foreseeable future.

Another thing that rankles, Mayor Poulson said, is that aid for urban renewal goes into capital improvements, which cannot be said of farm supports. He explained that not only does urban renewal reduce local costs—for police, fire, and health services which unrenewed "slum" areas need—but it piles up new tax revenues for State and National Governments as well.

TREND TO CONTINUE

Though two-thirds of the U.S. population—or 100 million people—now live in 168 urban areas, this, the Mayors stressed, was not the end of it. Eighty percent are expected to live in cities by 1980.

Everyone admits, said Mayor Dilworth, that the cities are straining their resources to the utmost to prepare for what is coming.

"But," he said, "it is clear that the cities cannot do it alone any more than the farmers can do it alone, or than the free world can do it alone without the help of our National Government. And the cities are asking for only $300 million a year as against a grand total of more than $8 billion which will be spent on farm and foreign relief.

"Yet we are faced (referring to the housing bill veto) with a stubborn refusal by the executive branch of our Federal Government to face up to the fact that today and for the foreseeable future we are an urban people."

CAPTIVE NATIONS WEEK

Mr. DOUGLAS. Mr. President, several days ago Congress passed, by unanimous vote of both Houses, the so-called Captive Nations Week resolution, setting aside the third week of July as a week in which the American people would offer prayers and express their wishes for the ultimate liberation of the various nationalist groups which are now enslaved by Soviet Russia.

President Eisenhower has carried out the mandate of the resolution, and proclaimed the third week of July as Captive Nations Week.

This morning, as we all now know, Soviet Premier Khrushchev made a very bitter speech, charging that the resolution and the Presidential proclamation were a direct interference in the international affairs of the Soviet Union, and stating that there was a campaign in the United States to discredit communism.

The Soviet Premier was correct in one respect: The passage of the resolution was a part of a campaign to discredit communism and to hit communism in one of its weakest spots, namely, its control over various national groups which undoubtedly desire their independence, but which are unable to obtain it because of the pressure of the Russian secret police and the Russian armies.

Those countries include the three Baltic States of Latvia, Lithuania, and Estonia; Poland, Czechoslovakia, Bulgaria, Romania, Albania, Hungary, East Germany, and various groups in the prewar Russian states such as Ukrainia and others.

I wish to make it clear that the resolution is not intended to encourage any premature revolution. We do not wish to cause the patriots in those countries prematurely to take up arms and to sacrifice the leadership in those areas. But we do want to assure them that we have not forgotten them, and that we hold out a message of hope for their ultimate liberation.

At the same time, we serve notice upon Russia that while she is making a vicious attack upon the democracies of the West, we intend to emphasize before the bar of public opinion her own weaknesses and criminal acts.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. The Senator from Illinois is to be complimented and congratulated for his leadership in the Senate on this resolution. It was a real privilege for me to be invited to share as a cosponsor of the resolution. This is exactly the kind of thing that needs to be done, where the executive branch and the legislative branch of the Government cooperate completely in a statement of the fundamental issues of foreign policy.

Premier Khrushchev is right, indeed, when he says that we seek to discredit communism. He may be right, indeed, when he says that we interfere in at least some Soviet affairs, Soviet affairs which are not at all decent, and anything but honorable. What we seek to do is to reassure people who are devoted to freedom and independence, as the Senator from Illinois has stated, that they are not forgotten and that they will not be forgotten. I hope we seek to reassure them that in any conference we attend, one of the items on the agenda must always be that the Soviet Union be called to account for her failure to keep her commitments in the postwar period, commitments of free elections and freedom to the now captive states, and, indeed, for the rape of and the assault upon Estonia, Latvia, and Lithuania in the period of the 1940's.

Mr. SCOTT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield.

Mr. SCOTT. I congratulate the distinguished Senator from Illinois in offering and pressing for the adoption of the resolution. I was very proud to be the individual who secured a plank in the platform of the Republican Party at the national convention of 1950 along the same line. I have at all times been, as the Senator from Illinois has been, very much interested in the problem of the captive nations. If Mr. Khrushchev says we meddled, then my answer to him is that, in my judgment, it is proper to ask questions of a jailor as to who is in the jail and why they are there.

I believe the sad and tragic posture of the captive peoples should always be kept before world opinion. We should always remember that one of the great weaknesses of expanding Soviet materialism lies in the fact that the only satellites which the Soviet Union can trust are those which it thrusts into the air, not those which it thrusts into prisons. Therefore, I believe that we at all times and in all conferences should reserve the right to discuss their relations among all peoples as to their future destiny and their right to govern themselves. We should continue to hold out the hope that freeedom, indeed, is a blessing to which they have every right to aspire and to hope for.

Mr. DOUGLAS. I thank both the Senator from Minnesota and the Senator from Pennsylvania for their remarks. Both Senators were very valuable allies in this struggle, as were many other Members of the Senate. At an appropriate time, I shall see to it that the names of those Senators are included in the RECORD.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD the text of the joint resolution which was passed, setting the third week of July as Captive Nations Week, together with the proclamation by the President of the United States putting the resolution into effect.

There being no objection, the resolution and proclamation were ordered to be printed in the RECORD, as follows:

PUBLIC LAW 86-90 86TH CONGRESS, SENATE JOINT RESOLUTION 111, JULY 17, 1959

Joint resolution providing for the designation of the third week of July as "Captive Nations Week"

Whereas the greatness of the United States is in large part attributable to its having been able, through the democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere and to recognize the natural interdependency of the peoples and nations of the world; and

Whereas the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes a detriment to the natural bonds of understanding between the people of the United States and other peoples; and

Whereas since 1918 the imperialistic and aggressive policies of Russian communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world; and

Whereas the imperialistic policies of Communist Russia have led, through direct and indirect aggression, to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others; and

Whereas these submerged nations look to the United States, as the citadel of human freedom, for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist, or other religious freedoms, and of their individual liberties; and

Whereas it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

Whereas the desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace; and

Whereas it is fitting that we clearly manifest to such peoples through an appropriate and official means the historic fact that the people of the United States share with them their aspirations for the recovery of their freedom and independence: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the third week in July 1959 as "Captive Nations Week" and inviting the people of the United States to observe such week with appropriate ceremonies and activities. The

President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

Approved July 17, 1959.

CAPTIVE NATIONS WEEK, 1959

A proclamation by the President of the United States of America

Whereas many nations throughout the world have been made captive by the imperialistic and aggressive policies of Soviet communism; and

Whereas the peoples of the Soviet-dominated nations have been deprived of their national independence and their individual liberties; and

Whereas the citizens of the United States are linked by bonds of family and principle to those who love freedom and justice on every continent; and

Whereas it is appropriate and proper to manifest to the peoples of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence; and

Whereas by a joint resolution approved July 17, 1959, the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July 1959 as Captive Nations Week and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby designate the week beginning July 19, 1959, as Captive Nations Week.

I invite the people of the United States of America to observe such week with appropriate ceremonies and activities and I urge them to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the peoples of those captive nations.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 17th day of July in the year of our Lord 1959 and of the independence of the United States of America the 184th.

[SEAL] D. D. EISENHOWER.

Mr. DOUGLAS. Mr. President, in the last hour or two, a number of representatives of the press asked me how it happened that the third week of July was set as the week to commemorate the captive nations, when that happened to be the week in which Vice President NIXON took off for Moscow and landed there. The question has been raised as to whether this was intentional or purely coincidental. I can say most emphatically that it was purely coincidental.

The original resolution called for making the week of July 4 Captive Nations Week. But there was a delay in the Senate Committee on the Judiciary in dealing with the matter, largely because of the lateness with which the resolution was introduced. Therefore, it was not until the 6th day of July that the Senate could pass upon the matter. So it was necessary to fix the period as the third week of July, rather than the week of July 4.

We did not know when Vice President NIXON would go to Russia or when he would arrive. But the fates obscurely willed it that it should be in the same week, and that Mr. Khrushchev should blow off at precisely the time of the arrival of the Vice President.

Mr. SCOTT. It may be that Mr. Khrushchev had read of the fact that July is also National Hot Dog Month, and he may have thought that it was also National Hot Foot Month. There is always that possibility.

Mr. DOUGLAS. I have no regrets of having stirred up Mr. Khrushchev. I think it is always well to have a bully revealed in his own character.

The policy of Khrushchev's first of being soft and gentle, and then of being tough, is the familiar cat and mouse tactics. It is precisely what Hitler used to do in the 1930's. I think we should be immune to his blandishments and unafraid of his threats.

Mr. President, I ask unanimous consent that there may be printed at the conclusion of my remarks on this subject the text of a Captive Nations Week manifesto which was issued by the American Friends of the Captive Nations, under the chairmanship of Mr. Christopher Emmet, who, by the way, is a collateral descendant of the great Irish patriot, Robert Emmet, and who has struggled for freedom all his life, continuing the traditions of the Emmet family; and also under the chairmanship of Msgr. Jonas Balkunas, chairman of the Conference of Americans of Central Eastern European Descent; and Mr. Stefan Korbonski, chairman of the Assembly of Captive European Nations.

There being no objection, the manifesto was ordered to be printed in the RECORD, as follows:

CAPTIVE NATIONS WEEK MANIFESTO

Issued by the American Friends of the Captive Nations, the Conference of Americans of Central Eastern European Descent, and the Assembly of Captive European Nation on the occasion of the opening of Captive Nations Week, July 19, 1959

The undersigned organizations, which are dedicated to the liberation of the captive peoples now subjugated by the Kremlin, hail as a step of historic significance the President's proclamation of July 17 designating the third week of July as Captive Nations Week, to be observed throughout the United States, "with appropriate ceremonies and activities."

We believe the captive peoples and the free world both, owe a particular debt of gratitude to the House and Senate of the U.S. Congress which unanimously passed the joint resolution upon which the President's action was based.

We agree wholeheartedly with the basic propositions of the joint congressional resolution:

1. That "the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between Nations";

2. That "the submerged nations look to the United States as a citadel of human freedom for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their * * * religious freedoms and of their individual liberties";

3. That "the desire for liberation and independence by the overwhelming majority of the people of these subjugated nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace."

We are profoundly convinced that the national observances of Captive Nations Week will serve the cause of America and the entire free world; that by thus dramatically demonstrating our continuing concern over the fate of the captives peoples, we shall be bolstering their morale; that the will to liberation of the captive peoples and their hatred of the regime that oppresses them constitute the chief deterrent to a shooting war and, properly supported, could become the West's most effective instrument in the cold war; and that Captive Nations Week, if it is nationally observed and treated as a moral guide to action, will strengthen the hand of the West in all of its critical negotiations with the Kremlin. The ultimate impact of Captive Nations Week, however, will depend on its translation into concrete political and diplomatic measures.

The West has made a number of efforts to bring about serious international discussions on the subject of captive nations. Perhaps the most forceful statement made by a Western spokesman was contained in President Eisenhower's letter of January 13, 1958, to Nikolai Bulganin, Chairman of the Council of Ministers of the Soviet Union. He reminded Mr. Bulganin that "the heads of our two Governments, together with the Prime Ministers of the United Kingdom agreed in 1945 that the peoples of these countries should have the right to choose the form of government under which they would live, and to foster the conditions under which these peoples could exercise their right of free choice." In closing his letter the President said: "I propose that we should now discuss this matter. There is an intrinsic need of this in the interest of peace and justice, which seems to me compelling."

Unfortunately the West's efforts have not been sufficiently persistent. It has acquiesced too easily before the Kremlin's repeated and arrogant refusal to discuss the matter of the captive nations at the United Nations or to place it on the agenda of diplomatic conferences. By its failure, for example to insist that this matter be included in the agenda at the Foreign Ministers' Conference in Geneva, has the West not tacitly accepted the position that the enforcement of solemn international covenants to which the Soviet Union is a party should not be discussed if the Soviet Government offers objection, while the West itself stands willing to discuss new Soviet demands which fly in the face of international covenants and whose acceptance would involve the abandonment of moral principle and of the freedom of millions of its friends in Europe?

Concretely, the undersigned organizations wish to propose:

1. That the position taken by President Eisenhower in his letter of January 13, 1958, be made the basis for a forthright, inspiring and comprehensive Western plan for a just and lasting European settlement, including the liberation of the captive nations through free elections, the reunification of Germany, and, based on these measures, the conclusion of the pacts on nonaggression and disarmament.

2. That this plan be made the cornerstone of Western diplomacy over the coming period, and that the West insist on its discussion in all diplomatic negotiations with the Soviets.

3. That the question of the captive nations be raised at every session of the United Nations General Assembly.

The proclamation of a Western plan for a general European settlement and the resolute pursuit of this goal in all the West's political and diplomatic actions, would strengthen the moral position of the Western powers and restore confidence in their steadfastness. It would bolster the spirit of resistance of the captive peoples; and it would set in motion political pressures that could ultimately compel the Soviets to consent to an acceptable settlement.

Only in this way, we are convinced, can the West avoid the dilemma of having to choose

between the dire alternatives of war or step-by-step surrender.

CHRISTOPHER EMMET,
Chairman, American Friends of the Captive Nations.
Msgr. JONAS BALKUNAS,
Chairman, Conference of Americans of Central Eastern European Descent.
STEFAN KORBONSKI,
Chairman, Assembly of Captive European Nations.

COMMENT BY DEPUTY SOVIET PREMIER MIKOYAN ON NOMINATION OF LEWIS L. STRAUSS

Mr. SCOTT. Mr. President, I am certain that we are not always aware in the Senate when what we say and what we do may have its impact, in one degree or another, on foreign affairs. I ask unanimous consent to have printed at this point in the RECORD the text of an Associated Press dispatch from Moscow headed "Governors," which contains the opinion of Mr. Anastas Mikoyan concerning the rejection by the Senate of the nomination of Mr. Lewis L. Strauss to be Secretary of Commerce. Mr. Mikoyan said:

I'm not usually in agreement with the [U.S.] Senate, but we were pleased when the Senate disapproved his nomination.

Mr. Mikoyan is cheered by the victory which he has obtained.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

GOVERNORS

Mikoyan, who traveled across the United States earlier this year, lectured the visiting Governors at length on the Soviet Government's desire for East-West trade. He again accused the U.S. State Department of trying to raise a dollar curtain.

He also assailed Lewis L. Strauss for denying an export permit for 12,000 tons of steel pipe to the Soviet Union. Strauss made the decision while serving as Secretary of Commerce on a recess appointment.

"I'm not usually in agreement with the [U.S.] Senate," Mikoyan said, "but we were pleased when the Senate disapproved his nomination."

This was the second major conference at the Kremlin between the Governors and a Soviet leader. They met Soviet Premier Khrushchev on July 8.

THE VIENNA YOUTH FESTIVAL

Mr. HUMPHREY. Mr. President, some time ago, I addressed the Senate on the subject of the Vienna Youth Festival which presently is underway. As I indicated in my previous remarks in the Senate, the festival will be attended by a number of representatives of Communist youth organizations in the Iron Curtain countries.

I pointed out that although I felt it was fitting and proper for young Americans to attend the festival, they should do so, not in an official capacity, but, rather, as individuals, and they should use that opportunity to carry to every meeting they possibly could attend the message of American democracy, and they should state there the principles of freedom and the position of the free nations.

I have received some very favorable comments regarding that statement by me; the comments have come from the press of the country—the religious press, the daily press, and the student press.

I was interested to note that an article attacking the speech I made in the Senate on the Vienna Youth Festival was published in the so-called Komsomol'skaia Pravda, which is the Communist youth paper of the Soviet Union. The writer of the article which was published in that newspaper criticized me for what he called my effort to indoctrinate, in what the writer of the article stated was an improper manner, the minds of our young people who will attend that youth festival.

I wish to make clear that the festival is indeed a Communist-dominated activity. Nevertheless, I believe we should meet these issues head on. So I am pleased to note that our State Department and our groups of young people take a similar view.

I asked the Library of Congress to prepare a translation of the article which was published in the Pravda publication. The article is entitled, according to the translation, "Senator HUMPHREY Gets Ready for the Festival."

The author of the article has taken me to task for alerting our young people to what the festival is about, and for urging our young people to challenge the Communists and the Soviets, wherever they find them.

I read now a part of the translation of the article in the Pravda publication:

Now Senator HUMPHREY is quoted as giving the following advice to those about to participate in the festival: "They should be thoroughly instructed as to all aspects of our internal and external policies, on problems of our educational system, on labor question, on principles of private initiative. * * * They should properly understand the widely spread misconception as to racial discrimination, military alliances, atomic tests. * * * Only those who deeply understand these facts and principles can be an asset to the festival."

The Communist author of the article also stated:

Apparently Senator HUMPHREY wants to avoid such situations when an American, asked why they (the Americans) do not accept the proposals concerning curbing atomic tests, would answer: "Well we ourselves are against these terrible bombs," or would even describe how their mothers and sisters used to go to Washington with their petitions in this matter.

Mr. President, I have taken up with the Columbia Broadcasting System the subject of the Vienna Youth Festival. I have urged that the Columbia Broadcasting System make a broadcast on this subject. I am happy to state that Dr. Frank Stanton, president of the Columbia Broadcasting System, indicated to me on July 14, that serious consideration was being given to televising a 30-minute documentary film on the Vienna Youth Festival. In fact, I understand that that decision has been made, and that the Columbia Broadcasting System will televise at least a 30-minute documentary film on the Vienna Youth Festival. That will be enlightening in regard to what is occurring there.

I call this matter to the attention of the Senate, because it is obvious that action taken in this body does have an effect.

The other day I received a telegram from Mayor Willy Brandt, of Berlin, on the resolution which I submitted in the Senate, in backing our Secretary of State in connection with our negotiations at Geneva. I am happy to note that the mayor of Berlin thought that was important and worthwhile, and indicated that the press in free Berlin had heralded that particular action.

I feel that when the executive and the legislative branches of our Government work together on these important matters of foreign policy, such action is indeed helpful and salutary.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with amendments:

S. 2308. A bill to validate certain extended oil and gas leases (Rept. No. 574).

FEDERAL ELECTIONS ACT OF 1959—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS

Mr. HENNINGS. Mr. President, from the Committee on Rules and Administration, I report an original bill entitled "Federal Elections Act of 1959," and I submit a report (No. 573) thereon. I ask unanimous consent that the report may be printed, together with individual views.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Missouri.

The bill (S. 2436) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was read twice by its title and placed on the calendar.

ADDITIONAL BILLS INTRODUCED AND REPORTED

The following additional bills were introduced and reported, read the first time, and, by unanimous consent, the second time, and referred or placed on the calendar, as follows:

By Mr. HENNINGS:

S. 2436. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; placed on the calendar.

(See the remarks of Mr. HENNINGS when he reported the above bill, which appear under the heading "Reports of Committees.")

By Mr. NEUBERGER:

S. 2437. A bill to provide for the reservation of the power from the John Day Dam

for use in the State within which such dam is located; to the Committee on Public Works.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2438. A bill to authorize certain persons to be appointed as probationary or permanent teachers in the public schools of the District of Columbia; and

S. 2439. A bill to authorize certain teachers in the public schools of the District of Columbia to count as creditable service for retirement purposes certain periods of authorized leave without pay taken by such teachers for educational purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bills, which appear under a separate heading.)

RESERVATION OF POWER FROM JOHN DAY DAM TO STATES OF OREGON AND WASHINGTON

Mr. NEUBERGER. Mr. President, out of order, I introduce a bill to provide for the reservation of the power from the John Day Dam for use in the States where the dam is located. Under terms of the bill, the States of Oregon and Washington would share equally in the amount of power produced by the huge Columbia River project which is now, fortunately, under construction. I propose this legislation because precedent for it has been set at many other places in the Columbia River Basin and in the Nation.

The at-site power from Hungry Horse Dam has been reserved since the completion of that mighty project for use within the State where it is located. This has given Montana a guarantee of a minimum share of 208,000 kilowatts from the federally generated power in the Bonneville Power Administration system. It is also true that S. 555, which would have authorized construction of the great Federal high dam at Hells Canyon, provided for the reservation of a half million kilowatts from that project for use exclusively within the State of Idaho and the Snake River Basin.

Similarly, at the present time there is before the Senate S. 1226, a bill introduced by the two illustrious Senators from the State of Montana to authorize construction of the Knowles-Paradise Dam in the Clark Fork Basin. This authorization would reserve the full amount of the at-site firm power production attributable to the project for use within the State of Montana. Similarly, in the Flood Control Act of 1958 half of the 450,000 kilowatts to be produced at the Big Bend Dam on the Missouri River was reserved for use within the State of South Dakota. All of these are reasonable and technically feasible reservations relating to specific projects and I certainly have no objection to them.

MANY PRECEDENTS FOR POWER RESERVATION

Except for tiny segments of three other States, the four States comprising the Pacific Northwest and the Columbia River Basin are Idaho, Montana, Oregon, and Washington. At the present time Montana has the Hungry Horse Reservation and the proposed Knowles-Paradise Reservation to protect its minimum share of the Federal generation in the region. Southern Idaho is not now in the Bonneville Power Administration marketing area, but it has several Bureau of Reclamation projects with power installations, Minidoka, Palisades, American Falls, Anderson Ranch, and Cascade Reservoir. Although there is no express reservation of the power from these projects that I know of, as a practical matter almost their entire production is in fact reserved for use within southern Idaho because the Bureau of Reclamation has no lines extending outside the State. It sells power primarily to the public agencies within the State through wheeling contracts with the Idaho Power Co.

Thus, both of the upstream States in the basin have, in effect, a minimum protected share of the Federal power development of the Columbia River Basin, by keeping within their borders some of the power generated therein. At the same time Oregon and Washington, the two States which actually use the major share of the power from the Federal projects in the region, have no legal or physical guarantee of receiving even a minimum amount of that power. It has increasingly seemed to me that some form of insurance to Oregon and Washington would be only fair and equitable. And when the geographical reservation method is not abused, this is what it amounts to: An insurance policy for the State where a project is located that all the power generated there will not be exported from the State which provides it.

Last Wednesday, Thursday, and Friday, July 15, 16, and 17, hearings were held by the Subcommittee on Flood Control, Rivers, and Harbors of the Senate Public Works Committee on S. 1927, a bill to amend the Bonneville Project Act in order to establish the Bonneville Power Corporation.

POWER ALLOCATION PROTECTS OREGON

During these hearings the problem of geographical allocation of power was much discussed, and its pros and cons widely debated. I came away from these hearings with my previous feeling strongly reinforced. Generally, I feel that geographical allocation of power from some projects, or a partial allocation from specific projects, is acceptable as a means of providing minimum protection to the area where the power is generated. The major danger of such allocation arises when the device is overworked, that is, when a large proportion of the available power in the system is expressly allocated in geographical terms, with the result that the system is seriously split up. I have always opposed this sort of extensive Balkanization and always will, because it makes efficient operation of a power system impossible; power in any integrated system must generally be free to flow where it is needed at any given time, under the terms of existing contracts, and where specific allocations comprise a large proportion of the total system power, the resulting conflicts could be seriously detrimental to the entire operation of the system.

As I listened to the testimony at these hearings, the feeling grew on me that it would not be unfair to remedy this situation by a simple legislative enactment. I raised the question of such a proposal with several of the witnesses, including Dr. William A. Pearl, Administrator of the Bonneville Power Administration, and his solicitor, Mr. Raymond Coulter; as well as with Mr. Hugh Smith, attorney for Pacific Power & Light Co. and Pacific Northwest Power Corp.

Dr. Pearl and Mr. Coulter agreed that a reservation of power from the John Day Dam for the State of Oregon would be advisable and beneficial to the State. I request unanimous consent to include at this point a brief excerpt from the hearing record where I discussed this problem with Dr. Pearl and Mr. Coulter.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senator NEUBERGER. Dr. Pearl, I would like to ask you and Mr. Coulter a question.

You discussed a little earlier the Hungry Horse power reservation and its method of operation. Do you think it would be advisable policy to include in legislation a reservation for the State of Oregon at the John Day proportion or that proportion of John Day at-site power which is generated in Oregon?

Dr. PEARL. If you are asking for a personal opinion, I would say yes.

I would like to have Mr. Coulter give his reply.

Mr. COULTER. That would be a policy question rather than a legal one, Senator.

Senator NEUBERGER. Well, you can answer a policy question, can't you, Mr. Coulter?

Mr. COULTER. Yes; but I had never given much thought to that one. We had discussed it, of course, and I agree with Dr. Pearl. I think it would probably be of benefit to the State of Oregon.

OREGON, WAHINGTON WOULD SHARE POWER EQUALLY

Mr. NEUBERGER. Mr. President, later in the hearing I discussed with Dr. Pearl the corollary question of a reservation for the State of Washington, and he agreed that if there was such a reservation for Oregon, it would therefore be appropriate to provide a somewhat parallel reservation for the State of Washington. I ask unanimous consent that this excerpt be included in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senator NEUBERGER. This is a corollary question I would like to ask.

You will remember that I put the question somewhat in the context of the situation prevailing in the State of Montana.

There has existed for a substantial period of time, I guess from the time of its operation, an outside reservation for Montana at the Hungry Horse project, I believe that is correct.

Dr. PEARL. That's right.

Senator NEUBERGER. And we also made reference to the Knowles-Paradise bill introduced by the two eminent Senators from Montana which would provide an at-site reservation for Montana of the power to be generated at the proposed Knowles-Paradise project for the State of Montana.

Dr. PEARL. Yes.

Senator NEUBERGER. That is proposed in that legislation if I am not mistaken. This

is the question I would like to ask both Dr. Pearl and Mr. Coulter. In view of the context in which we have discussed this, do you believe that if a reservation were included in the John Day legislation or added legislatively to the John Day authorization for an at-site reservation geographically for the State of Oregon for 50 percent of the power, that the legislation should also include a similar at-site reservation for the other State which shares the location of the John Day project; namely, the State of Washington?

Dr. PEARL. I think that you have raised a real question there, for the geography is just a little different. At Hungry Horse the water originates in Montana. When you ask the question I still definitely think a reservation for Oregon would be desirable for Oregon, but I am inclined to think if Oregon had a reservation, then the State of Washington should, also.

You realize this dividing of the power that is generated in the Northwest among the States has been something that has been given considerable study. The Interstate Compact Commission was set up, and one of the functions of that was to work out just such an arrangement whereby the power would be equitably distributed among the States in the Columbia Basin, and they at least so far have been unable to solve that problem.

But when you raised that question, I couldn't help but think that is a real serious question, and since the river flows between the two States, it would seem that there should be an allocation to each State. Likewise, there perhaps should be some allocation of the other States that are around the Columbia Basin too.

Then we get right back to the overall function that an Interstate Compact Commission could have served, and that was an equitable division of power among the States in the Columbia Valley.

Senator NEUBERGER. Thank you very much. In other words, I gather that you feel that if there should be a John Day Reservation for the State of Oregon, that then appropriately there would have to be a somewhat parallel reservation for the State of Washington because it shares the location of John Day with the State of Oregon?

Dr. PEARL. I think that is correct.

POWER COMPANY SPOKESMAN SEES ADVANTAGES IN ALLOCATION

Mr. NEUBERGER. Mr. President, in addition, I discussed the same problem with Mr. Hugh Smith and he concurred in the conclusions reached by Dr. Pearl. I request unanimous consent to include the excerpt from Mr. Smith's testimony in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Mr. SMITH. As you are aware I believe, Mr. Chairman, the company that I represent and the other utility companies in the State of Oregon have previously expressed themselves in favor of the concept of a geographical reservation from John Day. This question of course is in this particular aspect novel, but it would appear to us that in the framework of the present preference clause that is an extremely suitable way of assuring to Oregon at least some share of power from the Columbia River.

Senator NEUBERGER. I just raise this question because I feel that you can't digress from precedents. In other words, the Hungry Horse Reservation and the Knowles-Paradise Reservation also have been used for justifications for a John Day reservation for Oregon. But the State of Washington participates in the geography of the John Day site, too, and I have tried to consider this as to how I would look at it if I were a Senator from the State of Washington.

There are two Senators from the State of Washington and they are very able advocates. I fear that if we advocated a 50-percent reservation of John Day for Oregon and not a parallel one for the State of Washington, that they could make a very plausible case against that because it would depart from all the other geographical reservations within the preference clause that have been proposed.

Mr. SMITH. Personally I would be in favor of the approach that you have suggested, Mr. Chairman.

Mr. NEUBERGER. Mr. President, this bill is truly a minimum amount of protection for these States, a sort of basic insurance policy. There are four projects completed and under construction on the Columbia River in the stretch where it forms the boundary line between Oregon and Washington. I do not believe it would be desirable for the operation of the system to reserve a large proportion of the power from them or from other dams of the Northwest for use within specific States, but I do not believe anyone can claim it is unreasonable to reserve to the two lower-basin States this minimum block of power, which is considerably less than they are presently using. It is probably unnecessary to add that within each of the States involved here, the preference clause would still apply as it does throughout the Bonneville system.

I therefore send this bill to the desk and ask that it be referred to the appropriate committee, which I hope will be the Senate Public Works Committee, of which I am a member.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2437) to provide for the reservation of the power from the John Day Dam for use in the States within which such dam is located, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Public Works.

PERMANENT APPOINTMENT OF TEMPORARY TEACHERS AND TEACHERS' RETIREMENT COVERAGE IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce, for appropriate reference two bills which would, when enacted, help attract qualified teachers, and encourage their further professional growth. One of these bills would authorize the school officials to appoint with probationary and permanent status qualified former teachers, who are now, on returning to teaching, and have been for some time, serving continuously as temporary teachers. This situation is caused by their returning to teaching after reaching a currently stipulated entrance age. Because the well qualified teachers are annually appointed as temporary teachers they are not given the full benefits of the teachers' salary law, nor of the teachers' retirement law.

It seems ridiculous to me that while the city is so desperately in need of fully qualified teachers, and while the U.S. Office of Education and the Women's Bureau in the Department of Labor are encouraging the reappointment of professionally qualified former teachers, that our school here should, in effect, penalize those who are willing to return, by appointing, and annually reappointing, such well qualified teaching personnel, year after year, on a so-called temporary status, and in so doing deny to these experienced, well qualified teachers the right to annual increments and the full benefits of the teachers' retirement law, to both of which their highly satisfactory experience entitles them.

The second bill would also correct an injustice now practiced against teachers who have been granted educational leave without pay.

All teachers and officers are continually urged to continue their studies and research work. To encourage such studies by our Washington teachers, the Congress has enacted two laws, one, which provides for educational leave with part pay for teachers and officers on educational leave, and the other which allows Washington teachers and officers to participate in the teacher exchange program, and be paid their full salaries while on such leave, while the foreign, or out-of-town, teachers in our schools are paid by their respective educational authorities. Teachers who are now granted educational leave with part pay or full pay are allowed to contribute to their pension fund while on such leave. However, teachers who receive no pay allowance while on educational leave are denied the right to contribute to their pension fund.

Obviously, it is only just that teachers on educational leave, who plan to pay all their own expenses, should have the same privileges as those who receive part pay or full pay while on educational leave.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills, introduced by Mr. MORSE, were received, read twice by their titles, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

S. 2438. A bill to authorize certain persons to be appointed as probationary or permanent teachers in the public schools of the District of Columbia:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who has satisfactorily taught in the public schools of the United States as a temporary, probationary, or permanent teacher for a period or periods totaling not less than five years shall, notwithstanding the age of such person, be eligible, if otherwise qualified, for appointment as a probationary or permanent teacher in the public school system of the District of Columbia if, included within such period or periods of teaching experience, such person has taught for a period or periods totaling not less than two years in the public schools of the District of Columbia subsequent to any other period or periods of teaching. No person appointed pursuant to this section shall be required to take any mental or physical examination.

SEC. 2. Any person appointed as a probationary or permanent teacher within the public school system of the District of Columbia shall be entitled to coverage under the Act entitled "An Act for the retirement of public-school teachers in the District of Columbia", approved August 7, 1946 (60 Stat. 875), in accordance with the provisions of such Act.

S. 2439. A bill to authorize certain teachers in the public schools of the District of Columbia to count as creditable service for retirement purposes certain periods of authorized leave without pay taken by such teachers for educational purposes:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any teacher who, on or after the date of enactment of this Act, retires pursuant to the Act entitled "An Act for the retirement of public-school teachers in the District of Columbia", approved August 7, 1946 (60 Stat. 875), shall be entitled to have included in the years of service creditable to him for retirement purposes any period of authorized leave of absence which was taken by him after June 30, 1940, without pay, and for educational purposes; except that credit for any such period shall be conditioned upon the deposit by such teacher to the credit of the teachers' retirement and annuity fund of the District of Columbia of a sum equal to the accumulated contributions and interest which would have been credited to his individual account if he had remained on active duty in the public schools of the District of Columbia during any such period.

DONATION OF SITE FOR PAN AMERICAN HEALTH ORGANIZATION—CHANGE OF REFERENCE

Mr. HUMPHREY. Mr. President, on May 26, 1959, a bill was introduced in the Senate to authorize the acquisition of land for donation to the Pan American Health Organization as a headquarters site. This bill was offered by the distinguished Senator from Kentucky [Mr. COOPER], a member of the Committee on Public Works, to whom the bill was referred.

The subject had come to my attention some weeks previously, in my capacity as chairman of an international health study being conducted by the Committee on Government Operations. I had planned to introduce a bill for this purpose therefore.

Accordingly, on July 1, I introduced, together with my colleague, the junior Senator from Minnesota [Mr. MCCARTHY], Senate Joint Resolution 115 for this same purpose. The only difference between S. 2057 and Senate Joint Resolution 115 is the latter's preamble statement which gives, in effect, the reasons why this bill is so important for PAHO by way of fulfillment of America's offer made as far back as 1950 to donate land for the site. Senate Joint Resolution 115 was referred to the Committee on Government Operations and in particular to the Subcommittee on Reorganization and International Organizations, of which I am chairman.

I should like to say that there are precedents, both for the Committee on Public Works handling this type of bill and for the Committee on Government Operations handling it.

The important thing, however, is that the bill will be acted upon. The matter was discussed with my good friend, the junior Senator from Oregon [Mr. NEUBERGER], who is chairman of the Public Buildings Subcommittee, of the Committee on Public Works.

Yesterday, I was pleased to learn, at a hearing of that subcommittee, S. 2057 was reported to the full Committee on Public Works.

I know that this subject is of deep interest to our associate, the able chairman of the Committee on Public Works, the senior Senator from New Mexico [Mr. CHAVEZ]. His contributions to pan American relations are so well known as to hardly need reiteration on my part.

In order that the way may be cleared toward final action on this subject, I ask unanimous consent that the Committee on Government Operations be discharged from further consideration of Senate Joint Resolution 115 for the PAHO building site and that it be referred to the Committee on Public Works.

I should also like to note that companion bills are pending on the House side; H.R. 7579, as authored by Congressman CRAMER, and House Joint Resolution 456, identical to Senate Joint Resolution 115, as offered by my good friend from Minnesota [Mr. BLATNIK].

By the end of this year the Committee on Government Operations will have made an extensive report on the splendid work of the Pan American Health Organization. This report is being compiled with the excellent cooperation of Dr. Abraham Horwitz, Director, Pan American Sanitary Bureau. I hope that by that time our committee will have been able to report that, in this 1st session of the 86th Congress, action was taken by the Senate and I hope, if possible, by the House as well, to donate this site so that there can be erected this headquarters building. It will be an invaluable instrument in further serving the well-being of the peoples of the Western Hemisphere.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

ADJOURNMENT

Mr. SCOTT. Mr. President, in accordance with the order previously entered, I now move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 8 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, July 24, 1959, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 23, 1959:

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be prescribed by the Secretary of the Air Force:

TO BE CAPTAIN, USAF (DENTAL)

Homer L. Phillips, AO3045064.

TO BE CAPTAINS, USAF (JUDGE ADVOCATE)

John H. Carey, AO1910841.
William T. Marcollo, AO679913.
William T. Watkins, AO1340516.

TO BE FIRST LIEUTENANTS, USAF (JUDGE ADVOCATE)

Donald G. Anderson, AO3060570.
Albin E. Chovanec, AO2214785.

TO BE FIRST LIEUTENANTS, USAF (MEDICAL)

Steven C. Beering, AO3078231.
Francis J. Dannemiller, AO3079263.
Irwin L. Hirsch, AO3075352.
John R. Jones, AO3078100.
Angelo Lurus, AO3004210.
Emil W. Peterson, AO3075118.
Charles N. Thomas, AO3075142.
William G. Wixted, AO3079017.
Willis F. Wunder, AO3088652.

TO BE FIRST LIEUTENANTS, USAF (NURSE)

Ruth E. Adams, AN1912928.
Ona M. Cyrus, AN2243005.
Alice E. Felder, AN2242842.
Norma I. Hamer, AN2243522.
Norda M. King, AN2243221.
Rose A. Stephens, AN902431.

The following distinguished aviation cadet graduates for appointment in the Regular Air Force, in the grade of second lieutenant, under section 8284 of title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Don H. Cagle, AO3082353.
Roger L. Christen, AO3082342.
David L. Hodges, AO3082325.
Larry P. Van Sickle, AO3082348.
George R. Wright, AO3082339.

Subject to medical qualification and subject to designation as distinguished military graduates, the following distinguished military students of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under section 8284 of title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Donald P. Adee
Frank C. Baker
Jerry L. Bay
James M. Bell
Gary D. Bernard
Asa O. Bishop, Jr.
Richard C. Bower
Bruce L. Brown
William E. Cheney
James L. Clark
Walter K. Combs
David C. Craig
John N. Crawford
John H. Croy
Gino Della Libera
Tracy K. Dorsett, Jr.
Don C. Eckholdt
George E. Flynn III
Ira D. Good
John F. Groeneweg
Billy C. Harlan
James H. Haynes
Bernard A. Higdon
Donald L. Howell
Carl T. Hubbell
Donald L. Kaufman
Garry V. Kenworthy
Richard A. Kramer
John E. Kutzbach
Donnavon P. Laudenslager
Howard E. Lynch
Royal D. Miller, Jr.
Frederick J. Mitchell
Phillip M. Mlynek
Jerry L. Moore
Michael L. Murray
Donald S. Nash
John G. Nickel
John H. Partridge, Jr.
George V. Phillips, Jr.
Thomas S. Purrington II
John R. Ross, AO3099478
Ronald K. Scheltens
Glen R. Schmieding
Grant E. Secrist
James L. Socolofsky
Harold M. Stewart
James R. Stidham
Frederic R. Strub
Larry G. Van Pelt
Losie V. Watkins, Jr.
Jimmy G. Wilcox
James H. Wingerter

CONFIRMATIONS

Executive nominations confirmed by the Senate July 23, 1959:

IN THE AIR FORCE RESERVE

The following-named officers for appointment in the Air Force Reserve to the grades indicated, under the provisions of section 8373, Public Law 861, 85th Congress, and

chapter 35, title 10, of the United States Code:

TO BE MAJOR GENERAL

Brig. Gen. Clyde H. Mitchell AO263935, Air Force Reserve.
Brig. Gen. Clayton Stiles AO269341, Air Force Reserve.
Brig. Gen. John R. Alison AO328165, Air Force Reserve.

TO BE BRIGADIER GENERAL

Col. James M. Stewart AO433210, Air Force Reserve.
Col. Theodore G. Kershaw AO239295, Air Force Reserve.
Col. Barry M. Goldwater AO270184, Air Force Reserve.
Col. John B. Montgomery AO304671, Air Force Reserve.
Col. Charles F. Blair, Jr., AO2261311, Air Force Reserve.
Col. Roy T. Sessums AO913943, Air Force Reserve.
Col. John S. Bagby, AO406530, Air Force Reserve.

FEDERAL TRADE COMMISSION

Sigurd Anderson, of South Dakota, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1959.

INTERSTATE COMMERCE COMMISSION

Edwin R. Butler, of Illinois, to be Assistant Director of Locomotive Inspection.

COAST AND GEODETIC SURVEY

TO BE ENSIGN

Meinrode H. Schilly
Charles W. Mathisson

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 23, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Corinthians 2: 5: *That your faith should not stand in the wisdom of men but in the power of God.*

Eternal God, who art the source of wisdom and power for all who need counsel and strength, grant that daily we may enter upon new ventures of faith.

Help us to understand that the peace which we are striving for and prize so highly cannot be secured and maintained until Thy spirit prevails and permeates the life of men and nations.

We pray that Thou wilt bestow upon our Speaker and the Members of Congress the benediction of Thy grace and favor as they seek to fulfill the duties of their high calling with a sincere and steadfast devotion.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate disagrees to the amendment of the House to the amendments of the Senate to the bill (H.R. 6118) entitled "An act to amend section 6 of the act of September 11, 1957," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EASTLAND, Mr. JOHNSTON of South Carolina, Mr. MCCLELLAN, Mr. DIRKSEN, and Mr. KEATING to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7500) entitled "An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes."

COMMITTEE ON APPROPRIATIONS

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, July 24, to file a report on the mutual security appropriation bill for 1960.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. TABER reserved all points of order.

INDEPENDENT OFFICES APPROPRIATION BILL, 1960

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that there may be brought up today at the pleasure of the majority and minority leaders the report on the independent offices appropriation bill for the year 1960 and the amendments in disagreement thereto.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CUBAN ELECTIONS BEFORE THE END OF 1960

Mr. PORTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, Castro's 26th of July movement celebrates its first free anniversary this Sunday.

This is an occasion for opponents of tyrants to rejoice with them in the overthrow of Batista. It is also an occasion for friends of freedom to remind Castro and the 26th of July that every democracy must have an active and legitimate internal opposition.

The only way such an opposition can arise is through free elections. The date for these elections should be set without further delay and the elections should be held before the end of 1960.

On this anniversary Castro and the 26th of July Movement are in the midst of hectic, complex struggles to attain the democratic and prosperous Cuba for which they and so many other Cubans fought and died. They deserve and they have our hopes and prayers in their valiant efforts.

EXCISE TAX ON AUTOMOBILES

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, once again, Congress is taking a jaundiced look at the automobile. Although most everyone will readily concede that the automobile has for some years been a necessity, not a luxury, in our American way of life, whenever additional revenues are needed, the family car seems to be thought of first. This, without apparent recognition of the extreme importance of the automotive industry to our national economy.

I am considerably disturbed about the latest congressional proposal, now being considered in the Ways and Means Committee, which, in my judgment, will virtually insure the permanency of the automotive excise tax. I refer to the plan to designate one-half of the present 10-percent excise tax on automobiles for the highway trust fund. To be sure, this is termed a temporary emergency solution to the current dilemma of a shortage of moneys for the highway trust fund, to continue the splendid highway program we have so wisely undertaken. Perhaps I have become cynical about the temporariness of congressional legislation. The 10-percent excise tax on automobiles imposed almost 10 years ago was "temporary" but every year it is blithely extended with resistance from only a few who are deeply concerned about the automotive industry and the impact of this tax on automobile sales, production, and employment. The word "temporary" seems to have a much different meaning to Congress than it did to Webster.

As my efforts over the past few years have been directed to eliminating the 10-percent excise tax on cars, it gives me cold chills to think of our highway program becoming dependent on part of this tax for its operation. I do not minimize the importance of good roads in this country which are absolutely essential, not only for business and pleasure, but for national defense and many urgent public services. Nonetheless, I urge that every possible solution to the need for funds for the highway building program be thoroughly explored before saddling the automobile with the continuation of this discriminatory tax.

TVA SELF-FINANCING

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 326 and ask for its immediate consideration.

CALL OF THE HOUSE

Mr. MACK of Washington. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 114]

Ashley	Gray	Minshall
Auchincloss	Griffiths	Powell
Barden	Gubser	Rabaut
Bowles	Johnson, Colo.	Simpson, Pa.
Brown, Ohio	Kilburn	Staggers
Canfield	McMillan	Steed
Celler	Madden	Taylor
Forrester	Miller, N.Y.	Watts

The SPEAKER. On this rollcall 407 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TVA SELF-FINANCING

The SPEAKER. The Clerk will report the resolution offered by the gentleman from Texas [Mr. THORNBERRY].

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution, the bill, H.R. 3460, with the Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby, agreed to.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Illinois [Mr. ALLEN]. And at this time I yield myself such time as I may use.

Mr. Speaker, as a reading of the resolution indicates, it simply takes from the Speaker's desk the bill H.R. 3460 and calls for agreement to the Senate amendments to that bill.

The parliamentary situation before the House is that at the conclusion of 1 hour's general debate on House Resolution 326, a motion will be made to order the previous question and upon its adoption a vote will be taken on the resolution calling for concurrence in all Senate amendments to the bill H.R. 3460, and this will be the end of the matter.

In order that the amendments may be fully explained to the membership of the House, I now yield 10 minutes to the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS of Tennessee. Mr. Speaker, it is urgent that this resolution which will concur in the Senate amendments to the House bill, H.R. 3460, be adopted.

The original TVA Act was signed by the President on May 18, 1933. Even the opponents of the philosophy of public power admit that the Tennessee Valley Authority in the last 26 years has operated most efficiently and has rendered a sound accounting of its stewardship.

Originally the TVA was designed to serve power within a reasonable economic transmission distance. Some of the engineers said that was over 200 miles; some reduced it to 175 miles. Under that original concept TVA would have served in round figures 300,000 square miles. As of July 1, 1957—and I still use round figures, because it is slightly under—TVA was serving 80,000 square miles. The House bill limited the area to be served to 80,000 square miles and added just 5 or 6 very small communities without any opposition in the House.

The Senate has changed this bill in this regard. They recognized that the House provision would undoubtedly lead to extensive litigation around the periphery of the area so receiving TVA power. As a substitute the Senate bill, in effect, draws a line around the periphery of the area for which either TVA or its distributors were the primary source of power supply on July 1, 1957. It permits additional service within that area; and, recognizing the need for peripheral adjustments, it also permits sale of power within a strip 5 miles wide around the periphery, subject, however, to these limitations—the total additional area may not exceed 2,000 square miles; not more than 500 miles of it may be within any one State; none of it may be in any new State; and it may not include a municipality receiving electric service from another source.

The Senate version also adds the towns of Fulton, Monticello, and Hickman, Ky., and Oak Ridge, Tenn., to the list of cities in the House bill which TVA may serve irrespective of the area limitation. It also contains a specific provision covering service to the Naval Auxilliary Air Station in Lauderdale and Kemper Counties, Miss., and places the Atomic Energy Commission in the same position as the Department of Defense under the proviso in the House bill "that nothing herein contained shall prevent the transmission of TVA power to the Department of Defense on certification by the President of the United States" as to the need for such power.

Now, gentlemen, I would remind you that more than 50 percent of the total electric output of TVA is now purchased by the Federal Government, and all of that, with just a little exception, is devoted to our defense effort.

I will try my best to discuss all of the Senate amendments. There were 10 in all. Four are simply clarifying amendments, but I shall proceed as quickly and, I hope, as clearly as I can to develop these amendments.

Now, the second Senate amendment struck certain language. The House bill provided that except during a peroid of defense emergency, no bond proceeds shall be used to initiate the construction of an additional power producing project until TVA notifies the President and the Congress and thereafter a period of 90 days elapses while Congress is in a single session without the passage of a concurrent resolution disapproving such construction. The Senate amendment provides that the President shall transmit the corporation's power construction program as recommended by the corporation to the Congress along with his budget estimates, and that no new project shall be begun by the corporation until such program shall have been before the Congress for 90 calendar days. Under both provisions Congress is given an opportunity to disapprove any new project. The major difference is that the Senate version excepts the first project to be built by TVA from this requirement in recognition of the fact that TVA will need to begin construction of a new project very soon.

I should like to remind the House that no appropriations have been permitted for construction since 1953. It takes 3 years to build one of these big plants, and it is urgent that this single project be started at once, because by the winter of 1961 and 1962 TVA will be unable to supply the demand within this very restricted area to which I have referred.

Now, some have suggested that we are denying the President of the United States the prestige and the dignity of his office. But, I would like to read again:

Provided, That, with the budget estimates transmitted by the President to the Congress, the President shall transmit the power construction program of the Corporation as presented to him and recommended by the Corporation, together with any recommendation he may deem appropriate.

I would remind you, Mr. Speaker, that the President of the United States has appointed all three members of the Tennessee Valley Authority. Undoubtedly he has confidence in them. They are all rendering good service.

But the President has another arm to advise him, and that is the Bureau of the Budget. But, as you know, in the last 6 years, Congress has not known the program of the TVA because it has never been able to get by the Bureau of the Budget. I respectfully submit that the Bureau of the Budget should not be entitled to keep that information and have the power of veto.

This bill, as amended by the Senate, guarantees that the Congress shall know the program of the TVA and at the same time he submits the budget estimates. The President of the United States will also be able to submit his own recommendations and comments. Then I suggest that he would turn naturally, and in all good reasons, to the Bureau of the Budget to get their advice. So he comes to Congress not only with the advice of the Board, but also with the advice of the Bureau of the Budget. That is just as sound as it can be.

The enactment of this bill, with the amendments, will move the revenue bond financing as a source of capital for capacity additions required to meet the growing power needs of the area it serves. There need be no further appropriation of funds from the Treasury. The bonds to be issued will not be guaranteed by the Government. They will not be tax exempt. They will be carried and retired by power revenues alone.

The bill requires TVA to charge a power rate sufficient to pay all of its expenses and to make a cash return on the appropriation investment, and also to pay interest.

I should like to say that TVA has now $1.2 billion chargeable out of appropriation funds to power. Under this bill, as amended by the Senate, the Tennessee Valley Authority will be required to pay the average rate of interest on all Government borrowings for all time. I am informed that now that is 2.87 percent. Being a poor mathematician, if you will permit me to use the figure 3 percent, you can quickly deduct that small dif-

ference of 0.13 percent. TVA will be required to pay immediately 36 million a year.

The House bill requires a repayment to the Treasury; and, by the way, I would remind you that the owner of TVA is the U.S. Government, the people of this country. The Senate increased that to $15 million after the first 5 years and $20 million after 10 years until a total of $1 billion was repaid to the Treasury. Under the 1948 formula TVA is required to pay on an average of 2½ percent over 40 years. Some have told you that it will take 120 years to liquidate this balance with the Treasury, but it will take 54 years, and all of you know that a great many municipal projects and even private projects are based on a 50-year repayment.

So, then, instead of being paid in 40 years, without this interest, we will have $36 million, plus $10 million and as that goes down, we will still have the 2.87 percent. I would also say that a lot of this money that we appropriated cost the Government far less than 2.87 percent. I would remind you that there has been some statement that the Senate bill requires a repayment to the Treasury of $1 billion as against $1.2 billion. I submit that the Senate was wise in holding $200 million of equity so that the balance of debt to capital outlay would not be imprudent.

Mr. Speaker, this legislation is extremely important to more than 6 million people in an area that depends on it altogether.

I need so much more time, but let me very quickly describe the amendment as it relates to the Secretary of the Treasury. The House bill gave the Secretary of the Treasury control only over the timing of the bonds. But under it the Secretary could delay the issuance of the bonds for as much as 90 days and such a delay might be very costly. The Senate provision eliminates this long delay and gives the Secretary control over both the timing and the maximum rate of interest but requires that within 7 working days following the date on which he is advised of the proposed sale he must either approve the sale or furnish interim financing for a year by buying TVA interim obligations up to a maximum amount of $150 million outstanding at any one time. If no agreement is reached within 8 months—and follow me—the corporation may then sell its own bonds with which to obtain the money to pay off the interim obligations held by the Treasury but never in excess of $150 million. The bill also provides that the Secretary of the Treasury may purchase TVA interim obligations if the Congress finds itself in a situation where a proposed issue cannot be sold publicly on reasonable terms but subject to the limitation mentioned, that the Treasury may not hold more than $150 million of interim TVA obligations at any one time.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Tennessee. I yield briefly to the gentleman.

Mr. STRATTON. Mr. Speaker, I am disturbed about the second Senate amendment in which reference to the Buy American Act has been deleted. It appears on pages 6 and 7 of the bill as it passed the other body. This amendment was one which I offered on the floor of the House at the time of the original debate on this bill, and one which was accepted by the House Committee as well as by the Members of the House themselves. My amendment refers to the language of the bill which provides that the "expenditure of bond proceeds" by the TVA "shall not be subject to the requirements or limitations of any other law." It was my belief that if this language meant anything in plain English at all it meant that in spending the $750 million provided for by the bill, the TVA would not be subject to "the requirements or limitations" of the Buy American Act, a law which sets up reasonable price differentials between products manufactured in the United States and those manufactured abroad. The 12 percent margin provided in the Buy American Act for unemployment areas is, in my judgment, already slim enough. I certainly would not want to support this legislation if I felt that even this narrow margin was now to be eliminated with regard to the funds being made available under this bill, since in that case the almost inevitable result would be that American businesses and American working men and women in the turbine industry, including those located in my district, would be almost automatically barred from obtaining their fair share of this new business.

Mr. Speaker, I have noted that in the report on H.R. 3460 filed by the Public Works Committee of the other body there appears on page 4 this statement in explanation of the committee's action in eliminating the Stratton amendment:

> The requirement that expenditure of bond proceeds be subject to the so-called Buy American Act was deleted as being unnecessary.

There also appears in the committee report on the top of page 7 this additional wording:

> The committee understands that all purchases by the TVA are subject to the provisions of the so-called Buy American Act, and has deleted certain language applicable to that act from H.R. 3460, with the explanation that TVA will continue to follow existing rules and regulations thereto, with the application of the appropriate cost differential to proposals for such purchases.

I have also noted in the CONGRESSIONAL RECORD for July 9, on page 13050, that the Senator from Oklahoma [Mr. KERR] the distinguished chairman of the subcommittee, is quoted as making this statement:

> It is the opinion of the committee that the act does apply, and it certainly was not the intent of the committee to change the language so the Buy American Act would not apply.

Again on page 13052 Senator KERR is further quoted as saying:

> I may say if the Senator from Oklahoma can be shown the opinion of the committee, that the language of the bill is not necessary to keep the Buy American Act effective with reference to the investment of these proceeds is erroneous, the Senaor from Oklahoma is one who would be happy to develop the necessary language in conference to make that plain.

In view of these statements in the other body, Mr. Speaker, I wonder if the gentleman from Tennessee would care to comment on this point, or whether he is aware of the existence of any document which might indicate more clearly the position of the members of the TVA Board with regard to the Buy American Act.

Mr. DAVIS of Tennessee. Yes; this amendment does not exempt the TVA but I yield to my distinguished colleague, a member of the committee, the gentleman from Mississippi [Mr. SMITH] for a more direct answer.

Mr. SMITH of Mississippi. Mr. Speaker, as was pointed out in debate in the House there is no indication at all that the TVA does not consider itself under the Buy American Act under the present law or under the proposed law. I would like to read a telegram from the three directors of the Tennessee Valley Authority:

> KNOXVILLE, TENN., *July 22, 1959.*
> The Honorable FRANK SMITH,
> *House Office Building,*
> *Washington, D.C.:*
>
> In response to your inquiry, TVA is subject to the provisions of the Buy American Act and will continue to be subject to the provisions of that act if H.R. 3460 becomes law in the form passed by the Senate. The TVA Board will continue to comply with the Buy American Act if H.R. 3460 is enacted.
>
> HERBERT D. VOGEL,
> *Chairman, TVA Board.*
> A. R. JONES,
> *Director.*
> BROOKS HAYS,
> *Director.*

Mr. STRATTON. I thank the gentleman. Personally, as the gentleman well knows, I have had some serious doubts in my own mind as to the soundness of the position taken by the Public Works Committee of the other body and now, in the telegram just read, by the members of the TVA Board. Nevertheless, it seems quite apparent that the discussion which has been held in the other body and in this body has now at last made it very clear that in adopting H.R. 3460 the Congress is not intending to exclude TVA from conforming to the provisions of the Buy American Act in the expenditure of the proceeds from bonds authorized under this legislation. On this point, Mr. Speaker, the legislative history would now seem to be unmistakably clear.

I am extremely grateful to the gentleman from Mississippi for the telegram which he has just read and for the clear-cut statement on the part of all three members of the TVA Board to the effect that "the TVA Board will continue to comply with the Buy American Act if H.R. 3460 is enacted."

I have no particular pride of authorship, Mr. Speaker, in the Stratton amendment to this bill, and I am not wedded to any particular wording. All I am concerned about, and I am deeply concerned about it, is that American businessmen and American workingmen, including those in my district who have been particularly hard hit by unemployment, may have their fair opportunity

to get a share of the business which will be created if this legislation is adopted. I am confident that if the Buy American Act were not to apply to the expenditure of these proceeds, then American businessmen and American workers would certainly not get their fair share of this business. But in view of what has been said by the gentleman from Tennessee and the gentleman from Mississippi, together with the clear-cut statement by the chairman and the members of the TVA Board which has been placed in the RECORD, it seems clear to me that this important protection for American business and American workingmen will continue to be followed by the TVA Board if H.R. 3460 is adopted in the form approved by the other body. That, Mr. Speaker, is the sole reason for which I made the original fight for my amendment and why I have taken the time of the House this afternoon to clarify this important point. I am happy that the point has been clarified, and that there has been made in this House and in the other body a legislative record sufficiently binding both morally and legally as to insure that the jobs of thousands of American workers in the turbine industry will not be jeopardized by this legislation.

Mr. DAVIS of Tennessee. I thank the gentleman very much. Mr. Speaker, I do hope this resolution will be adopted.

Now, Mr. Speaker, I should like to amplify my analysis of the several amendments citing the page and line in the bill as amended in the Senate.

Amendment 1: Strike language beginning page 2, line 13, "Unless otherwise" through "power exists" on page 3, line 7, and substitute language beginning page 3, line 7, "Unless otherwise" through "power exists" on page 5, line 5.

This amendment accomplishes the same purpose as the corresponding provision in the House bill of limiting the area within which TVA power may be made available to the general area supplied by power on July 1, 1957, but it provides a more workable formula. The House bill would prohibit, with certain specified exceptions, the sale or delivery of power for use outside the "service area" of TVA as it existed on July 1, 1957. TVA has no service areas in the usual sense of the term. It delivers power at specific points to municipal and cooperative distributors which resell the power to their customers and to a few Federal installations and large industries. The House provision would undoubtedly lead to extensive litigation around the periphery of the area so receiving TVA power. As a substitute the Senate bill, in effect, draws a line around the periphery of the area for which either TVA or its distributors were the primary source of power supply on July 1, 1957. It permits additional service within that area; and, recognizing the need for peripheral adjustments, it also permits sale of power within a strip 5 miles wide around the periphery, subject, however, to these limitations—the total additional area may not exceed 2,000 square miles; not more than 500 miles of it may be within any one State; none of it may be in any new State; and it may not include a municipality receiving electric service from another source.

The Senate version also adds the towns of Fulton, Monticello, and Hickman, Ky., and Oak Ridge, Tenn., to the list of cities in the House bill which TVA may serve irrespective of the area limitation. It also contains a specific provision covering service to the Naval Auxiliary Air Station in Lauderdale and Kemper Counties, Miss., and places the Atomic Energy Commission in the same position as the Department of Defense under the proviso in the House bill "that nothing herein contained shall prevent the transmission of TVA power to the Department of Defense on certification by the President of the United States" as to the need for such power.

Amendment 2: Strike language beginning page 6, line 24, "except" through "construction" on page 7, lines 10–11, and substitute language beginning page 7, line 11, "provided" through "approval" on page 7, line 25.

The House bill provides that, except during a period of defense emergency, no bond proceeds nor power revenues shall be used to initiate the construction of an additional power-producing project until TVA notifies the President and the Congress and thereafter a period of 90 days elapses while Congress is in a single session without the passage of a concurrent resolution disapproving such construction. The Senate amendment provides that the President shall transmit the corporation's power construction program as recommended by the corporation to the Congress along with his budget estimates, and that no new project shall be begun by the corporation until such program shall have been before the Congress for 90 calendar days. Under both provisions Congress is given an opportunity to disapprove any new project. The major difference is that the Senate version excepts the first project to be built by TVA from this requirement in recognition of the fact that TVA will need to begin construction of a new project very soon.

This amendment also strikes the language "except the so-called Buy American Act" from the provision that the issuance of bonds and the expenditure of bond proceeds shall not be subject to the requirements or limitations of any other law, for the reason that this language is unnecessary since TVA is already subject to the Buy American Act and the bill does not exempt it from its provisions.

Amendment 3: Strike language beginning page 8, line 8, "and such proceeds" through "said investment" on page 8, line 15.

The stricken language provides that bonds and bond and revenue proceeds shall not be included in computations of receipts, expenditures, surpluses, or deficits in the annual budget except to the extent of amounts budgeted by TVA for payment to the Treasury as a return on or in reduction of the appropriation investment. Since the bonds are not obligations of or guaranteed by the United States and are not part of the indebtedness subject to the statutory debt limit, it seems logical that they should not be reflected in the tax-supported portion of the budget. However, this goes to a matter of bookkeeping which can be handled without legislation and the Senate committee has recommended to the Bureau of the Budget that the source of funds and details on the revenue bonds be properly identified in the budget so that expenditure of bond proceeds will not be reflected as a net budget expenditure—Senate Report No. 470, July 2, 1959, pages 12–13. The provisions in the House bill would be desirable but it is not essential to the marketing of the bonds or the expenditure of the bond proceeds.

Amendment 4: Strike language beginning page 9, line 3, "Provided" through "agreed upon" on page 9, line 15, and substitute language beginning page 9, line 15, "Provided" through "obligations hereunder" on page 11, line 9.

The House bill gave the Secretary of the Treasury control only over the timing of the bonds, but under it the Secretary could delay the issuance of the bonds for as much as 90 days and such a delay might be very costly. The Senate provision eliminates this long delay. It gives the Secretary control over both timing and maximum rate of interest, but requires that within 7 working days following the date on which he is advised of a proposed sale he must either approve the sale or furnish interim financing for a year by buying TVA interim obligations up to a maximum amount of $150 million outstanding at any one time. If no agreement is reached within 8 months, the corporations may then sell its own bonds with which to obtain the money to pay off the interim obligations held by the Treasury. The bill also provides that the Secretary of the Treasury may purchase TVA interim obligations if the corporation finds itself in a situation where a proposed issue cannot be sold publicly on reasonable terms, but subject to the limitation mentioned above that the Treasury may not hold more than $150 million of interim TVA obligations at any one time.

Amendment 5: Substitute "its" for "such" on page 11, line 10.

This is simply a perfecting amendment.

Amendment 6: Strike language beginning page 11, line 19, "notwithstanding" through "but" on page 11, line 22.

Under the House bill TVA is exempted from the provisions of section 302 of the Government Corporation Control Act which require it to deposit its funds with the Treasury except as the Secretary may permit the deposit of such funds with a Federal Reserve bank or a bank designated as a depositary or a fiscal agent of the United States, and also from the provision of section 303(b) which prohibits a corporation from selling or purchasing any direct or guaranteed obligations of the United States in excess of $100,000 at any one time without the approval of the Secretary of the Treasury. Representatives of the Secretary of the Treasury assured the Senate committee that the Treasury would cooperate with TVA and it seems unlikely that the necessary approvals would be withheld. The provision in the House bill would be desirable, but it is not essential to the

marketing of the bonds or the expenditure of the bond proceeds.

Amendment 7: Strike language beginning page 13, line 11, "which" through "investment" on page 13, line 12, and substitute language beginning page 13, line 12, "for" through "repaid" on page 13, line 17.

This amendment increases the payment which the corporation is obligated to make annually in reduction of the appropriation investment from the $10 million a year provided under the House bill to $10 million for the first 5 years, $15 million for the next 5 years, and $20 million thereafter. It also provides that such payments shall cease when a total of a billion dollars of the presently outstanding appropriation investment of $1.2 billion has been repaid.

Amendment 8: Page 15, line 1, add word "additional" before phrase "reduction of appropriation investment."

This is a perfecting amendment.

Amendment 9: Page 16, line 14, add word "necessary" before the phrase "engineering and construction work."

This is also a perfecting amendment.

Amendment 10: Page 17, lines 13–16, add a new section 3 amending section 5(m) of the Tennessee Valley Authority Act to permit the sale of ferrophosphorus for export.

Ferrophosphorus is a by-product of the chemical operations at Wilson Dam. Much of it is a low-grade material for which there is an active market in Belgium and Luxembourg but no domestic market. The Senate amendment will permit TVA to obtain considerable revenue from the sale of a product which at present is not only going to waste but also presenting a serious storage problem.

And now, Mr. Speaker, a summary of several points in the bill.

THE BUREAU OF THE BUDGET'S PARTICIPATION IN TVA BOND ISSUANCE

With enactment of H.R. 3460 TVA will move to revenue bond financing as a source of capital for capacity additions required to meet the growing power needs of the area it serves. There need be no further appropriation of funds from the Treasury. The bonds to be issued will not be guaranteed by the Government. They will not be tax exempt. They will be carried and retired by power revenues alone. The security and well-being of over 5 million people and the economic growth of the region of 80,000 square miles depends upon the success of this new method of financing.

From the beginning of consideration of this legislation the Bureau of the Budget has contended that bond proceeds should be treated as though they were funds appropriated from the Treasury. The budget has gone even further. It has seized the occasion presented by consideration of this legislation to demand that TVA power revenues should likewise be subject to the appropriation process in the future. In appraising such recommendations it should be remembered that the estimates upon which Congress acts when it considers appropriation bills are not necessarily the estimates presented by the agency concerned and further that agencies are prevented by Budget regulation from advocating the appropriation of funds not included in the budget estimates. In the case of the TVA power system this would mean that if the contentions of the Bureau of the Budget had been adopted, Congress would never know how much capacity the Board of TVA believed required to meet the needs of the area. This vital responsibility of management would have been transferred from the Board of TVA to the staff of the Bureau of the Budget. Both Houses of Congress—twice in the Senate, once in the House—have expressed their disapproval of the desire of the Bureau to run TVA from Washington.

Under H.R. 3460 as adopted by the Senate the intent of the Congress is clear. TVA's contemplated use of power revenues and bond proceeds will be presented to the Bureau of the Budget as such estimates for the use of revenues always have been presented. The program will then be transmitted to the Congress by the President with his budget estimates and any comments or recommendations which the President desires to submit will accompany the estimates. Congress will know what the Board of TVA proposes. At the same time Congress will be advised of the judgment of the President, that is, the Bureau of the Budget, with respect to TVA's proposed program.

Under this provision the Bureau of the Budget is assured that its point of view will be conveyed to Congress and can be fully considered, and at the same time the Congress can be assured that the recommendations of the responsible management of TVA are available to it.

One further provision gives opportunity for congressional consideration. The beginning of a new project with either bond proceeds or power revenues—and exempting the first such project—must not be undertaken until the proposal has been before Congress for 90 days, even though both TVA and the Budget join in the recommendation. Congress need not act to approve commencement of the project, but can disapprove by concurrent resolution if it so desires.

CASH PAYMENTS TO THE TREASURY

No section of the bill has been subject to more misrepresentation than the provision for cash payments to the Treasury. In the original version of the bond financing bill present law with respect to cash payments was repealed and there was substituted instead a provision requiring that TVA should make a payment of cash to the Treasury each year. It was to be regarded as a cash "return" to the owner, the size of the payment to be calculated by applying the average rate on outstanding Treasury obligations to the net investment of funds from the Treasury. Such payments were not to be regarded as a reduction of the appropriation investment.

When the Kerr bill was under consideration in the Senate 2 years ago, an amendment was offered which provided that in addition to the cash "return" contemplated under the bill, $10 million would be added each year and this fixed sum was to be considered in reduction of the appropriation investment.

Opponents of the legislation immediately complained, pointing out that while under present law the investment would be repaid in 40 years, under the new legislation it would not be repaid for 120 years. They never pointed out that the Treasury would receive larger amounts of cash each year under the new legislation. They ignored that larger portion of the cash payment which was considered a return to the owner on the investment of Treasury funds. Such opponents insisted upon regarding the $1.2 billion, the net appropriation investment, as a loan. They regard the return as the payment of interest. This is the basis of the confusion, and careless use of words such as "principal" and "interest" compound the problem. So much discussion was raised about the $10 million so-called payback and so little attention was paid to the cash return, which is not a payment of interest but which provides a return out of which the owner can pay his interest costs, that in the Senate H.R. 3460 was amended to require heavier cash payments. As the bill now stands, to the cash payment considered a return there will be added larger amounts to be considered as reducing the appropriation investment—$10 million for 5 years, $15 million for the following 5 years, and $20 million a year thereafter until the appropriation investment has been reduced to $200 million.

Once more the opponents complained that $200 million of debt is being forgiven, or canceled, or what have you. That is not the case at all. The Senate has simply advised the investing public that the owner intends to leave $200 million of the appropriation investment in the system. Everyone knows that if the owner, the Government, withdraws imprudent amounts of cash the proportion of debt to equity capital will grow too rapidly. At this time the Senate apparently concluded that $1 billion of the equity provided by appropriation could be safely withdrawn—in 54 years—and that $200 million should be left. It is a judgment figure.

The simple fact is that under the bond financing bill the cash payments to the Treasury will be larger than under present law but only a part of the total cash payment will be considered to reduce the appropriation investment.

Mr. ALLEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 326 provides for the taking of H.R. 3460 from the Speaker's table and agreeing to the Senate amendments.

The ordinary and customary procedure should have been to send it to conference. When the question was before the Rules Committee to provide a rule agreeing to the Senate amendments, I offered a substitute motion to send it to conference. My motion was voted down.

The Rules Committee is supposed to be fair to the minority, whichever party is in power. It should in writing a rule, provide for a motion to recommit with or without instructions. Under this

rule, there is only one thing that the minority could do—attempt to vote down the previous question.

The Senate amendments makes a practically new bill. There are six major amendments and four perfecting ones—the six major amendments are foreign to the bill as passed the House.

For several months the Committee on Public Works have had the question of amending the Tennessee Valley Act of 1933 before it. Now under this rule the members of that committee have but an hour to attempt to explain the six major amendments.

As I see it, the question before us is: Are we for private or public power? As far as I am concerned I am for private power and positively against extension or expansion of public power. This bill provides for expansion. It will serve as a precedent for the expansion of other governmental power agencies, such as Bonneville.

It provides $150 million for construction of a plant or more plants through the back door of the Treasury—any revenue or profits from a plant or plants to be used for further public expansion. I am opposed to the back-door approach to the Treasury.

In my considered judgment it is an invasion of the President's powers and authority. Under its provisions, it is feasible that the President would be obliged to send to the Congress, the recommendations of the Tennessee Valley Commissioner, recommendations that he does not approve—from an agency under his jurisdiction. In my opinion, I am unable to reconcile a President giving up this authority provided in the Constitution. He must protect this legal authority and constitutional power for future Presidents.

In closing may I reiterate, that I regret this procedure which limits debate to 1 hour. There are too many intrinsic and far-reaching problems involved which cannot possibly be given fair consideration in that short period of time.

I urge you to vote down the previous question.

Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, first of all I would like to say something about the reason why I objected the other day to the consent request to concur in the Senate amendments. Certainly it would seem to be a sufficient explanation of my position to point to the statements that have already been made by the very distinguished gentleman from Tennessee [Mr. DAVIS], in respect to the far-reaching consequences of some of the amendments adopted in the other body.

Some of those amendments are completely out of line with what ought to be in this legislation, and certainly I would have been remiss in my duty had I not objected to such a unanimous consent request, realizing, of course, that the way was open to go to the Rules Committee to bring out a rule either to send the bill to conference or to concur in the Senate amendments.

I want to commend the gentleman from Illinois [Mr. ALLEN], for the very able statement he has made. I do not know whether I can add very much to what he has said. As he pointed out, this procedure deprives us of any right to amend. Unless the previous question can be voted down, the only vote is up or down on the Senate bill. If the matter had gone to conference and come back here in the form of a conference report we would have had the right to a motion to recommit, but this rule deprives us of such right.

I speak as one recognizing that as of this time certain opportunities for an expansion to meet the power needs of the Tennessee valley are necessary. I am not opposed to the general proposition. I have done everything that I could to try and work out a fair and reasonable arrangement.

I well recall the fights we were in when we were dealing with the first steam generating plants. I recall we were told it was just a firmup of the hydroelectric power. It has been firmed up to the point where 60 to 70 percent of the power generated in TVA is now generated by steamplants, not by the flow of water but by steamplants, paid for by all the taxpayers of the country. Up until this very day $1,200 million of the taxpayers' money, my taxpayers and yours, is being used free by the people in the Tennessee Valley area.

Some of us have said that the time has come for the TVA to mature, some of us have said that the time has come to have a territorial limitation, some of us have said that TVA should start paying back interest and making substantial payments on the principal. Some of those things are in a measure provided for in the bill that is presently before us.

The point I want to make is, and it will be raised by voting down the previous question so that we can amend the bill as passed by the Senate, that this is still a Government corporation. The very fact that you say TVA is going to pay back only $1 billion of the $1,200 million that it owes confirms my point, and the express reason for that is that you want the Government to continue to own the corporation. But if it is still a Government corporation, why should not this corporation as any other agency of the Government in the executive branch retain in the executive branch budgetary control and budgetary recommendations, and the other arrangements that go with that sort of issue?

There are no comparable provisions of law affecting any department, agency, or corporation, under the executive branch of the Government, which require the President to transmit an agency's proposed budget program to the Congress without change as the basis for congressional action.

The budgetary provisions in the Senate bill would, in effect, place the TVA budget estimates with respect to new power projects in the same position as the budget estimates for the legislative and judicial branches, notwithstanding the fact that the TVA is an executive agency responsible to the President as head of the executive branch. The budget provisions would also create a precedent for other agencies and corporations, in whose behalf similar efforts have been made, to press for preferred treatment on budgetary matters. If they were successful, such action would further undermine the role of the President and impair the integrity of the consolidated executive budget as provided for in the Budget and Accounting Act of 1921 and the Government Corporation Control Act of 1945.

Quite aside from its budgetary aspects, the proposed arrangement would establish a wholly unacceptable basic relationship between the President and an executive agency. The provision would appear to reverse the normal relationship with respect to important policies and programs of the TVA, making the corporation's Board the superior and the President the inferior officer. Such a relationship would be intolerable both to the President and the TVA Board of Directors, in that it would destroy normal supervisory relationships and keep before both the President and the Board at all times the question whether removal by the President of one or more members of the Board was the only solution open to him to resolve policy issues with respect to the construction of new power projects.

I happen to have heard the President quite recently discuss this matter. He discussed it not in the light of what it means as far as he is concerned, because a year and a half from now he will no longer be President of the United States, but what he was talking about was the continuation of that degree of responsibility and authority in the executive branch of the Government that ought to be retained under the Constitution and under proper procedures and operations of the Congress itself. Believe me, if you vote for the previous question and this resolution carries, you have opened the door wide to a breakdown of that degree of budgetary control and control in the executive branch that one day you may regret, if you live long enough and serve here long enough to see that day come.

My suggestion is that the previous question be voted down. If that is done, an amendment to the rule would be offered which will provide for these things I have been talking about. Then if that is adopted, this can go on and become law. May I say that if this resolution to amend is adopted, I shall vote for the resolution. I cannot vote for it without the adoption of such an additional regulation.

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Speaker, I am privileged to represent the district in which International Business Machines Corp. has its home office. And so it was that I was particularly interested to read, the other day, that one of IBM's top scientists had devised a computing machine that not only could play a mechanical game of checkers, as other machines have been able to do for some time, but now, from its own playing experience, could learn how to improve on its own game to the point where it is now practically unbeatable.

This is a fascinating sort of thing—machines learning to outthink the men who invent them. Undoubtedly when we can apply such machines toward the solution of some of our many social and economic problems the effect may be profound. And yet, I confess, that while fascinated by the prospect I also found the whole subject somewhat frightening.

I wonder how many of my colleagues recall the same mingling of fascination and fright with which, in our younger days, we used to watch those science-fiction movies of the "Frankenstein" type wherein men created monsters that eventually threatened their own existence?

You may well ask what all this has to do with the Tennessee Valley Authority, or, more specifically, with H.R. 3460, now again before us.

Just this, Mr. Speaker: TVA was created by this Congress some 25 years ago. Some people have regarded it as a noble experiment, others find in TVA the perfect example of creeping socialism. Some of us will today cast our vote for or against this rule on the basis, mainly, of which side of that philosophical, age-old argument we find ourselves. Others of us may be more concerned with the so-called service-area limitations, or the time and method, as spelled out now in this bill, for the repayment by TVA to the taxpayers of at least a part of their investment therein. There are numerous points on which there are honest differences of opinion.

But, in my humble judgment, Mr. Speaker, the crux of the matter we are debating here, today, is none of those things but, instead, lies hidden in the language on page 7 of this bill, as amended by the Senate, which provides that the President shall, with his budget estimates, transmit what to the Congress? Not what the President deems "necessary and expedient," in the language of article II, section 3 of the Constitution, in the way of a power-budget program for TVA, but TVA's own power-budget program.

Now, let us pause and ask ourselves who, under our Constitution, represents all the people of the United States in the legislative process through which our Government operates. Not the Congress, Mr. Speaker, for while all of us like to feel we are, at all times, cognizant of the national interest, we, and the Members of the other body, are still elected only by the people of our congressional districts or of our States, and thus are often tempted to be more responsive to their needs and wishes than to the needs of the Nation. So, the answer is, the President of the United States.

The wise men who drafted our Constitution devised a unique system of checks and balances, and gave the President a major part to play in our legislative process by requiring him, in his position of freedom from the influence of sectional interests and pressure groups, to submit his own recommendations to Congress, not TVA's or the demands of any other creature of government.

Of course, under this bill, the President may, in transmitting TVA's power budget, make such comments thereon as he "may deem appropriate," but to what does this amount? Not much, in my opinion, as we will already have the cart squarely in front of the horse if we pass this bill, in that the President will be required to transmit TVA's proposals without modification, and not his own.

Now then, what of Congress? Under this bill does it act positively on TVA's proposals? The answer is "No," and so, again, Congress is being asked to relinquish some more of its direct powers. All Congress can do under this bill is to take the negative action of modifying TVA's program by passage of a concurrent resolution within a period of 90 calendar days. This is bad enough by itself, but is compounded by the inherent danger implicit in the difficulties, so apparent this year, in obtaining prompt congressional action on any subject under our cumbersome system of rules and committees.

And then, finally, Mr. Speaker, the whole think is compounded further by the fact that a concurrent resolution, as my colleagues know, is not subject to a Presidential veto. Thus, if this bill passes and becomes law, which I hope it shall not, TVA will have succeeded in removing the President, and therefore the people, almost completely from having any further direct control over TVA's future power expansion.

Is this right? How can we justify a vote to so shatter the spirit, if not the language, of the Constitution that has heretofore worked so well for us, as a people, throughout the years? What unknown doors can this action, as a precedent, serve to open in the future? Mr. Speaker, I, for one, cannot forget that the people of the United States have an unwilling investment of $1.6 billion in TVA, and that New York's estimated share of that investment amounts to $295.4 million. And so I cannot vote to permit the loss of any part of their rightful and constitutional control, through our existing and time-tested legislative processes, over that investment.

My final question is, does all this indicate that TVA has now come full circle? Has it, a creature of the Congress, and a body that desires to be neither fish nor fowl insofar as the responsibilities of the private enterprise system are concerned, now reached the point where it can dictate to and enforce its will on its creators? Has it devised here a way to defeat us at the game of legislative checkers?

The answers rest in our hands.

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Speaker, I would like to support a self-financing plan for TVA. Actually, I have been advocating such a plan ever since first coming to Congress. Several times I stated in debates on appropriation bills that I felt TVA was mature and strong enough to stand on its own feet. I still feel that way about it and am convinced that TVA has sufficient income from power sales to finance its future operations.

But under the parliamentary situation with which we are now faced, no opportunity will be given for the Members of the House to consider 10 amendments to the bill that were added in the Senate, unless we vote down the previous question. At least six of those amendments are substantive and are worthy of some consideration by the Members of the House, either here on the floor or by our representatives in conference with representatives of the other body. But if the previous question is adopted here today, it takes away every opportunity the Members of this House will have to even consider these significant and substantial amendments that were adopted by the Senate.

I do not believe that is a sound way to legislate. I do not believe we should be asked to legislate in that fashion. The House of Representatives should not be compelled to function in that manner. We at least should be given an opportunity to consider these amendments placed in the bill by the other body or an opportunity to vote on a motion to recommit in order that careful consideration might be given the amendments in a committee of the House.

The following are a few of the substantive changes made in the other body which I think are deserving of at least some consideration by the Members of the House:

First. Amendment No. 2 frees TVA from all existing controls, budgetary and otherwise, and makes of the President a mere conduit through which the TVA Board of Directors transmits its construction program to Congress and provides that this program shall be deemed to have congressional approval unless it is modified by a concurrent resolution within 90 calendar days. This is too much authority and power to give any agency of Government and I fear that a very unwise precedent will be established by this amendment. Certainly it is of sufficient substance to require some study and consideration by this body.

Second. Amendment No. 4 carries the principle of back-door financing to a ridiculous length. It directs the Secretary of the Treasury, if he does not approve a proposed issue of bonds within 7 working days following the date on which he was advised of the proposed sale, to purchase up to $150 million of TVA bonds for interim financing. No discretion is left to the Secretary of the Treasury in the matter. He is required by this act of Congress to dig up the money and purchase the bonds, regardless of the condition of the Treasury, the national debt, or other circumstances and conditions. Much has been said on the floor of the House during this session about how unsound this method of back-door financing is. I agree with what has been said on the subject and am opposed to this method of withdrawing funds from the U.S. Treasury. Amendment No. 4 would completely ignore the President's budget submitted to Congress, would completely ignore budget review,

and would completely ignore the appropriating processes of House and Senate.

Third. Amendment No. 7 would require the repayment, over a period of 54 years, of $1 billion of the money the American taxpayers have invested in TVA power facilities. But everyone admits that the taxpayers have more than a billion dollars invested in that system. When the bill originally left the House, it required the repayment of $1.2 billion of this investment but $200 million became lost somewhere between the time the bill passed the House and its return in its present form. I do not believe the taxpayers should lose this $200 million. Existing law requires all of the capital funds invested in TVA's power program to be repaid, but the bill we are asked to approve today would knock $200 million off of that obligation.

But that is not the whole story. The rest of it is that, in addition to the $1.2 billion of taxpayer's money invested in TVA power facilities, TVA has used approximately $470 million of retained revenue from its operations in the expansion of its capital plant. We have been repeatedly told on this floor by many Members of Congress that the revenues received by TVA belong "to all of the people of the United States." If this is true, and I submit that it is true, then the $470 million reinvested from revenues should be returned to the taxpayers of the United States just as this bill requires the repayment of $1 billion of appropriated funds.

In other words, it seems clear that the investment of the taxpayers of the United States in the TVA power program is $1.6 billion. If we are going to cut TVA loose from all controls, and grant authority to issue $3¼ billion with very slight restrictions or supervision, then it seems to me that we cannot at all justify failing to make some provision for the repayment of the $1.6 billion of the people's money which has been invested in creating this utility system.

These are three of the fundamental and substantive amendments that were placed in the bill in the other body. I think they are important enough to deserve more consideration than is being allowed under this procedure. Therefore, as much as I would like to be able to vote for a sound self-financing plan for TVA, I cannot justify voting to accept the bill as thus amended. I shall therefore vote against the previous question.

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, with the large number of presidential hopefuls here in the House of Representatives and in the Senate, it is more than a little strange that we in the House are considering the TVA bill today in its present form.

All of us realize that the Presidency is a trying and tiring job, and that a great many decisions must be made daily to keep the functions of Government operating smoothly and in good working order. Many of us have decried these many responsibilities and the vast amount of work which is entailed in this position.

But I never seriously thought that so many of my colleagues would feel so compassionate toward the President that they would attempt to take away some of his powers to control an agency of the executive branch of our Federal Government. I never thought they would be so solicitous as to reduce his duties to that of a mere errand boy in trotting to Congress with this agency's recommendations on how to run its own show.

Yet this is exactly what is proposed today in this bill. The Office of President would be reduced to merely picking up the recommendations of the Board of Directors of the Tennessee Valley Authority and seeing to it that they arrive safely in the hands of the Speaker of the House.

Now I ask you, we who preach efficiency in government on so many occasions, why have we let this opportunity to achieve even greater efficiency in our Federal Government slip past us. Would it not be much more simple for the Board of Directors of TVA to send their communications directly to the House of Representatives without bothering with the middleman? Or, to carry this line of reasoning further, would not it be much more efficient to simply do away with the office of the President and save all of us the expense of a national election every 4 years?

The kindness and consideration engendered by the sponsors of this bill touches my heart. Their concern for our Nation's taxpayers exceeds all expectations and goes far above and beyond the call of duty.

But I, for one, fail to see any advantage in abolishing the traditional system of checks and balances which has served the interests of the people of our Nation on so many occasions. I, for one, do not want to see any relaxation in surveillance of the conduct of our Federal agencies by the executive branch.

Yet, this is exactly what this bill asks us to do. It asks us to forget about the advice of those who founded this Nation, who—in their wisdom—foresaw the dangers of placing too much power in the hands of any of our three branches of Government.

There are many other reasons why I would oppose this bill. Not the least of these has to do with the people of my own home State of Michigan, who are faced with the prospect of finding the money they have paid for taxes to construct the TVA now being used against them to take away their jobs.

This is at a time when Michigan, and particularly the Detroit metropolitan area, is one of the most seriously affected pockets of unemployment in the Nation. One out of every ten workers in the Detroit metropolitan area is without a job, and that percentage is expected to rise sharply in the next few weeks.

We in Michigan are faced with raiders from Tennessee who boast that they have found 23 live prospects in industry who are interested in moving to the TVA service area, mainly because of the low power rates which industry would enjoy, low rates which are paid for out of the taxes paid by our workers.

We would further see this multibillion dollar investment in TVA thrown aside in favor of new bondholders who would not contribute even half of the investment in power facilities already paid for by our taxes. This money invested in TVA belongs to the people of the United States. They are the ones who should hold a first mortgage on its holdings.

But most important, most imperative, is that we do not divorce ourselves from our own system of government which is the topic of so many of our campaign speeches and accolades on the holiday we celebrated just a few short weeks ago.

These checks and balances were put there for a reason, and it is wise for us to heed them. Let us defeat this bill which will take away from our President the power to veto future projects proposed by TVA if they are not in the public interest. Let us remain on the firm and stable path of our ideals and not sacrifice them for political expediency.

Mr. ALLEN. Mr. Speaker, I yield 8 minutes to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Speaker, the gentleman from Tennessee [Mr. DAVIS] in his statement to the Rules Committee yesterday said all the private power agencies in the vicinity of the Tennessee Valley are agreeable to this legislation. I agree with his statement because a representative of these private power companies of the Tennessee Valley area have told me that they favor this legislation. The public power agencies support this legislation. The President of the United States has recommended the $750 million of revenue bonds financing plan provided it is accompanied by safeguards against abuses. The gentleman from Florida [Mr. CRAMER] and myself who are likely to be, if the bill goes to conference, the House minority conferees favor the self-financing plan. Most of the minority members as well as the majority members of the committee favor this provision. The issue of public versus private power is not paramount in this legislation.

The paramount issue in this legislation is the section of the bill on page 7 which impairs and denies to the President of the United States the powers, duties, and responsibilities granted to him by the Constitution of the United States.

The Constitution directs that the President from time to time shall recommend to the consideration of Congress "such measures as he shall judge necessary and expedient."

The language on page 7 of this bill specifically deprives the President, Chief Executive Officer of the Nation, this authority and grants it to his appointed subordinates. This procedure undermines and debases the powers, prerogatives, and authority of the President.

The language on page 7 directs that the TVA Commissioners shall present their program to the President and that the President then must submit this program of his appointed officials, the TVA

Directors, to the Congress, accompanied by such comments as he, the President, may care to make.

The language on page 7 specifies that the proposed program of the President's TVA subordinates, not the program of the President, must lie before the Congress for 90 calendar days and then if Congress does not by concurrent resolution disapprove the TVA Commissioners' proposals that their proposals shall be deemed to have been accepted by Congress. The TVA Directors then will, without any action by Congress, be free to float bond issues of any amount up to $750 million and go ahead with any construction of new power facilities that they have said they desire to undertake. The President cannot veto a concurrent resolution. Were he able to do so we would have a better check on wasteful and extravagant spending.

The only power left to the President in all this arrangement is that he may comment on the program or programs proposed by his appointive agents, the TVA Directors. In effect the President, occupant of the world's most powerful office, merely will be allowed to write a letter to his Congressman, a right any private citizen already possesses under the Bill of Rights.

This bill will reduce the Presidency, as far as TVA is concerned, to a mere figurehead and make of the President an errand boy for his appointees, the three TVA Commissioners, to deliver their program to Congress.

In no other agency matter are the Presidential powers so hamstrung. Every executive agency of the Government must submit its programs to the President and the President then, based on their requests, transmits his budgetary program of these agencies to the Congress. The executive agencies are expressly prohibited by the Accounting Act of 1921 from submitting their programs directly to Congress. As to all the programs of all these agencies the Congress acts on the President's recommendations, not upon the recommendations of his subordinates.

If this bill is passed by Congress, TVA, which is an executive agency accountable to the President, will be the only executive agency in the entire Government establishment that will be removed to all intent and effect entirely from the control of the President.

Even the regulatory agencies, such as the Federal Power Commission, the Federal Communications Commission, and the Interstate Commerce Commission, must transmit their programs to the President, and the President then sends his budgetary requests on their diagrams to the Congress. The Congress then is at liberty to approve, disapprove, or modify the President's request.

This bill, as far as TVA is concerned, so weakens the powers, rights, and duties of the President that I cannot conceive of any President, be he Republican or Democrat, signing such a bill into law and passing on to his successor the Office of President with its powers weakened, impaired, and emasculated.

This bill is not a public versus private power fight. It is a fight over whether the power prerogatives and responsibilities of the Presidency specifically granted by the Constitution are to be taken away by the Congress.

There is a strong probability that this bill may be vetoed. Furthermore, the constitutionality issue doubtlessly will be raised as to whether the Congress legally can deny to the President the powers granted to him by the Constitution. Those who will be the potential buyers of the bond issues of up to $750 million this bill authorizes certainly will want to have the constitutionality of this legislation studied and possibly ruled on by the highest courts, a process which conceivably could delay the floating of any TVA bond issue for a matter of months and possibly, due to the slow pace of the courts, for several years.

The amendment I propose to offer to the Senate bill, if I am provided an opportunity to do so, will eliminate, in my opinion, the possibility or likelihood of a veto and it also will preclude the raising of the constitutional question as to the legality of the Congress denying the powers, duties, and responsibilities specifically reposed in the Presidency by the Constitution.

Furthermore, my amendment will provide TVA with everything it wants except the hamstringing and impairment of the Presidential powers and prerogatives which seems desired by some.

This is a fight between the Democratic majority that controls Congress and the President. The majority resents the President's veto of some of its most extravagant spending programs. In retaliation they seek to deny to the President some of his constitutional powers. If they succeed in this attempt precedent of far-reaching consequences will be established that very well may undermine the entirely orderly, effective, and efficient operation of the administration agencies of the Federal Government. I am sure the President is aware of that danger and will not let it happen.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Indiana, the minority leader.

Mr. HALLECK. I think, if the gentleman wants to, it would be well for him to read the language of the amendment to the rule that he would propose if the previous question is voted down. And, again I would like to emphasize that with the adoption of that amendment, certainly to my mind, the TVA could continue to do all that it ought to do or reasonably should do to meet expanding requirements down there, and with that in it, in my opinion, it could become law and, as I said, I would certainly vote for it if it is in there. If it is not, I cannot vote for it.

Mr. MACK of Washington. My amendment is a modest one. The Senate bill proposes that the TVA Directors shall submit their program to the President and that he in turn must submit this program of his subordinates, the TVA Directors, to the Congress and that then the Congress will act on the program not of the President but upon that of his subordinates, the TVA Directors.

My amendment turns the procedure around. My amendment provides that the TVA Directors submit their program to the President and that the President then submit his program for TVA to the Congress, accompanying it with the recommendations of the TVA Directors. The President's program then will be before the Congress and the Congress may accept, reject, or modify it in any respect the Congress deems advisable.

My proposed amendment, it seems to me, offers procedure that does not deny or infringe on the powers and responsibilities granted to the President by the Constitution and yet it will accomplish all rightful purposes that TVA or its supporters may seek. My amendment maintains complete review of all TVA programs within the control of the President and Congress where certainly they should be kept.

Here is the language of my proposed amendment.

Provided, That, in addition to the budget program transmitted by the President to the Congress in the Budget, the President shall transmit a summary of the power construction recommendations of the Corporation as presented to him by the Corporation.

No commitment for the construction of new power producing projects or for additions to existing power producing projects (except for replacement purposes) shall be made unless approved by the Congress in connection with action taken on the budget program transmitted by the President. *Provided*, That programs so approved shall be subject to such reasonable adjustment as the Corporation may determine to be necessary due to changes in requirements for power facilities and the amounts of expenditures necessary therefor.

There are other questionable provisions in the Senate bill now before us.

The Senate bill, which the House democratic majority appears determined to adopt, grants the TVA Directors authority to build the first TVA steam plant proposed after the effective date of this legislation without any review by the President, or the Congress or any committee of the Congress.

The TVA Directors can, under this bill, go ahead with the construction of their first new steam plant, after enactment of this bill, without submitting to anyone any information as to where it is to be located, as to what it will cost or, as to whether it is economically feasible. A resolution proposing a $35,000 study as to the desirability and economic feasibility of a new road, or flood-control project must be reviewed by the Congress and its committees. Yet this bill grants authority to the three nonelective TVA Directors to go ahead and build a $300 million steam plant and sell the bonds to finance its construction without either the President, the Congress, or any of its committees having the right to ask a single question of the TVA Directors as to what are their intentions.

This, in my opinion, is voting away to nonelective bureaucrats the powers of the Congress and of the President to extremely absurd and unsound extent.

These steam plants in the Tennessee Valley area are not small toys. The present TVA steam plant at Kingston, Tenn., has a firm power generating capacity of 1,440,000 kilowatts and another TVA steam plant at Shawnee has a generating capacity of 1,350,000 kilowatts. Each of these plants generates more kilowatts of power than is generated by any power dam in the United States except the great Grand Coulee Dam in Washington State.

Each of these TVA steam plants generates more than twice as much power as does the great Bonneville Dam in the State of Washington.

The Kingston steam plant cost TVA $200 million and the Shawnee steam plant $200,014,000.

A comparable TVA steam plant, to either of these which TVA is permitted to build by this bill without any review by the President, by Congress or any congressional committee, the Budget Bureau estimates at today's cost will be $300 million.

The authority to spend $300 million to build such a plant and to issue without review by anyone of $300 million in bonds to finance its construction seems to me to be too much power to vote to three nonelective appointive officials of the Federal Government.

The TVA self-financing bill, when it was first before the House several weeks ago, proposed that the $1,200 million of appropriated investment of American taxpayers' money which the Congress has poured into Tennessee Power development projects should be paid back to the Federal Government at the rate of $10 million a year. On this basis it would require 120 years for TVA to repay the debt TVA owes to the American taxpayers.

The Bonneville Power Administration in the Pacific Northwest is required to pay off the funds Congress has invested in power projects there in 50 years and must charge power rates to do so.

On the St. Lawrence Waterway and power project the St. Lawrence Authority is required to pay back principal and interest on these projects in 50 years and charge tolls and power rates to do so.

In the light of this it seemed to me that TVA should not be granted the special concession of being allowed 120 years to repay the American taxpayers the $1,200 million they have advanced to build Tennessee Valley power projects when other similar agencies are required by existing law to make full repayment in 50 years.

I proposed an amendment, which the House rejected, that would have required TVA to repay the appropriated investment at the rate of $20 million a year, thereby allowing TVA 60 years to repay the Federal Government. This seems to me fair and easily within the capacity of TVA to meet inasmuch as TVA last year had a surplus of more than $99 million after paying all maintenance and operating costs.

I am happy to note that the Senate bill accepts at least in part my amendment. The Senate bill provides that instead of paying off the investment capital as the original House bill proposed at the rate of $10 million a year, and taking 120 years to pay it off, that TVA must repay the Government $10 million a year during the next 5 years, $15 million a year during the 6th through the 10th year and thereafter $20 million a year.

However, the Senate did write in a strange and unusual provision into this repayment provision. The Senate bill proposes that TVA, which admittedly is using $1,200 million of appropriated funds, shall pay off this debt only until $1 billion of it is repaid. The Senate bill makes no provision for repayment of the remaining $200 million of the appropriated investment.

Existing law requires that the Bonneville Power Administration and the St. Lawrence Seaway Authority repay every dollar of the appropriated investment made by Congress in these projects. TVA should not, in my opinion, be treated any more favorably than the Bonneville Power Administration or the St. Lawrence Authority. This is especially true because TVA is a going and extremely profitable operation as is indicated by the fact that it had a surplus last year of $99 million after paying all costs of maintenance and operation and according to present estimates will have even a much larger surplus this year than it had last year.

The SPEAKER. The time of the gentleman from Washington [Mr. MACK] has expired.

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks on this resolution at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. STUBBLEFIELD. Mr. Speaker, I would like to add my voice to the chorus of congratulations and commendations of our distinguished colleagues, CLIFF DAVIS, of Tennessee, BOB JONES, of Alabama, FRANK SMITH, of Mississippi, for their outstanding job on the TVA self-financing bill. The overwhelming vote of the House in behalf of this bill this afternoon represents the legislative culmination of 4 years of often exhausting and at all times conscientious and painstaking effort to enact legislation to maintain the TVA program as a living and vibrant monument to the vision and destiny of a free people, utilizing our God-given resources for the benefit of the people of the Nation—a demonstration to the world that democracy has within itself the will and the wisdom to leash the power of a mighty river and convert the power of ravaging and destructive flood waters into shining lights in the often lonely farm homes in 80,000 square miles of the heartland of this Nation.

So long as men such as CLIFF DAVIS and BOB JONES are available to lead the fight, the efforts of men who would throttle or destroy TVA and thus seek to conceal from the world the truth of the success of this great project will be blacked out by the truth, and the lights will keep shining in the homes, the stores, and the factories of the Tennessee Valley.

Mr. VINSON. Mr. Speaker, the end is now in sight for a bill which has had a long, and at times, arduous journey.

I am referring, of course, to H.R. 3460, the bill which permits TVA to undertake a self-financing program in order that it may increase its generating capacity to better serve the areas in which it now operates.

This bill authorizes the Tennessee Valley Authority to issue and sell revenue bonds in an amount not to exceed $750 million outstanding at any one time, to enable TVA to finance needed additions to its power system.

Under the bill, TVA will be required to charge rates for power sufficient to cover debt service on bonds, and other expenses; pay a return to the Treasury on the appropriation investment; and make annual repayments to the Treasury, on the appropriation investment to the extent of a total of $1 billion.

Furthermore, the Tennessee Valley Authority will be required to pay to the Treasury a return on the appropriation investment account equal to the average amount being paid by the Treasury on its oustanding obligations.

In addition, for the first 5 years after the bill becomes effective, the Tennessee Valley Authority will pay $10 million a year to the Treasury, as reimbursement; for the second 5 years, $15 million a year; and thereafter $20 million a year, until it has reimbursed the Government a total of $1 billion on the appropriation investment account.

The bill also contains provision for a territorial limitation with regard to the area in which TVA power can be distributed which I will discuss more fully in just a few moments.

In addition, the bill provides for the submission and transmittal by TVA of its proposed construction program to the Congress, through the President. The program would be submitted to the Congress as a part of the President's annual budget estimates.

H.R. 3460 also provides for review by the Secretary of the Treasury of the proposed bond issues.

Now, Mr. Speaker, in each of his budget messages since 1956, the President of the United States has asked the Congress to provide legislation which will permit the sale of revenue bonds by the Tennessee Valley Authority so that TVA may meet its needs for new generating facilities.

Thus, the President is on record as favoring a self-financing program through the issuance of revenue bonds in order for TVA to meet the additional requirements for power within the present area.

I think it is fair to say that the provisions of the bill dealing with the submission of contemplated power projects to the Congress does not conform to the recommendations of the Bureau of the Budget in all respects.

It is my understanding that the Bureau of the Budget recommended that proposed power projects be first submitted to the President for later transmittal to the Congress, with such changes as the President saw fit to make.

However, H.R. 3460, as it is now before the House, contains a provision to the effect that the power construction program for TVA shall be submitted to the President and shall be transmitted as submitted to the President, to the Congress were it will stay before the Congress for 90 calendar days while the Congress is in session. In the absence of a concurrent resolution by the Congress to the contrary, the power construction program contemplated by TVA will be deemed to have congressional approval.

This keeps the Congress in the chain of events and permits some exercise of congressional control.

Now, Mr. Speaker, during the debate in the other body there was considerable discussion with regard to a territorial limitation on TVA.

I will not burden the membership with a recital of the gentleman's agreement with respect to service areas under which TVA and private utility systems have operated successfully for the last 20 years, but I think that I should remind the membership that such an agreement has existed for this period of time.

So long as the Congress of the United States had to provide appropriations for any expansion programs, there was, for all practical purposes, no need for a statutory limitation on the expansion of the TVA service area.

But now that it is proposed by the President, and by a majority of the Congress, that TVA issue revenue bonds for the purpose of building new generating and other facilities, the question of territorial expansion becomes a grave one not only to the privately owned utility systems that operate adjacent to TVA, but also to the future of all privately owned utility systems throughout the Nation, as well as of serious concern to the many municipalities, counties, States, and other governing bodies which derive considerable revenues from taxes levied on the private utility systems that operate in their areas.

While the Tennessee Valley Authority has informed Congress, from time to time, that it has been advised by its General Counsel that it has the legal authority to serve any area within economical transmission distance of its hydroelectic plants, the fact is that it has confined its service area to that encompassed by the gentleman's agreement earlier referred to, and it is to this area the House bill sought to confine it.

The bill as it passed the House provided that:

> Unless otherwise specifically authorized by Act of Congress existing and subsequently built, leased, or acquired power facilities of the Corporation shall not be used for the sale or delivery of power for use outside the service area of the Corporation as it existed on July 1, 1957—

This limitation was subject to certain stated exceptions.

As the Senate report states—Calendar No. 463, page 8:

> The service area of TVA is the service area of its customers.

It is in this sense that the phrase "service area of the Corporation" was used in the House bill.

The Senate report also states—page 8—that:

> Although there has been no statutory boundary established, there has been no material increase for about 15 years in the area supplied by power from TVA.

It was because the TVA service area had shown no material increase for about 15 years or, stated another way, because the TVA service area had become and remained stabilized for so long that the House believed it was appropriate to fix that area by law as the Corporation service area for the future, subject only to certain specified exceptions.

The other body saw fit to liberalize the House territorial limitation provision.

Now when I say "liberalize," I mean that they have enlarged the territory in which TVA power may be sold. In short, they have authorized an increase in TVA's service area.

The proponents of TVA have said that no expansion was desired or contemplated, but provision had to be made to take care of peripheral areas.

The Senate amendment is an attempt, and I believe a successful one, to accommodate the desires of those who wish to place reasonable limitations on TVA and at the same time permit TVA to serve the areas it served on July 1, 1957; meet the increased power requirements within that area; and at the same time to allow it to reach out beyond its present service area a reasonable distance to take care of the growth in the power requirements of present customers around the periphery of the present service area.

As we all know, the TVA service area today consists of about 80,000 square miles of territory. Under the Senate amendment this service area may be expanded by 2,000 square miles in States in which it is now rendering service, but not more than 500 square miles of which may be in any one State. However, in providing an area limitation, the Senate, instead of using the definition of "service area," which seemed to be confusing to some, referred instead "to the area for which TVA and its distributors were the primary source of power supply on July 1, 1957."

The words "primary source of power supply on July 1, 1957" have the same meaning as the language "service area of the Corporation as it existed on July 1, 1957."

Thus, the net result of the Senate amendment is to permit TVA to expand to the extent of 2,000 square miles within a 5-mile band around its service area as it existed on July 1, 1957, subject only to the requirement that no more than 500 miles may be in any one State.

Now, Mr. Speaker, in that connection, I would like to explain my understanding of the Senate amendment to H.R. 3460, which deals with the territorial limitation. As I understand it:

First. TVA can make no contract for the "sale or delivery" of power which would have the effect of making the corporation or its distributors "directly or indirectly" a source of power supply outside the area for which TVA or its distributors were the primary source of power supply on July 1, 1957, subject to certain exceptions stated below.

Second. The amendment permits TVA to increase its present service area by not more than 5 miles around the periphery of the present area provided that the additional area does not increase by more than 2,000 square miles the total area for which TVA and its distributors were the primary source of power supply on July 1, 1957, subject to the following limitations:

(a) None of this expansion may be in a State not now served by TVA or its distributors.

(b) None of this expansion may include a municipality receiving electric service from another source on and after July 1, 1957.

(c) None of this expansion may increase the service area of TVA within any one State by more than 500 square miles.

Third. However, the amendment does permit TVA or its distributors to supply electric power to customers within the area in which TVA or its distributors had generally established electric service on July 1, 1957, so long as no electric service was being supplied to such customers from another source on the effective date of this act. This is not intended as an enlargement of the existing territory, but only to permit TVA and its distributors to supply power to small, unserved islands or "isolated areas" within the general area already being served by TVA and its distributors.

Fourth. In addition, the limitations in the bill are not to be construed to prevent TVA from making exchange power arrangements with "other power generating organizations" with which TVA had such arrangements on July 1, 1957. Furthermore, nothing in the subsection limiting the TVA expansion is to be construed to prevent TVA from "continuing to supply power to Dyersburg, Tenn., and Covington, Tenn., or from entering into contracts to supply or from supplying power to the cities of Paducah, Ky.; Princeton, Ky.; Glasgow, Ky.; Fulton, Ky.; Monticello, Ky.; Hickman, Ky.; Chickamauga, Ga.; Ringgold, Ga.; Oak Ridge, Tenn.; and South Fulton, Tenn.; or agencies thereof; or from entering into contracts to supply or from supplying power for the naval auxiliary air station in Lauderdale and Kemper Counties, Miss., through the facilities of the East Mississippi Electric Power Association."

Fifth. Finally, the amendment permits TVA to transmit power to the Atomic Energy Commission—as well as the Department of Defense or any agency thereof—if the President certifies that an emergency defense need for such power exists.

Some Members have expressed concern that TVA and its distributors might somehow circumvent the clearly intended limitations of the amended subsection by resorting to modifications or renewals of contracts entered into prior to July 1, 1957. Of course, any such device as that would clearly violate the spirit, as well as the letter, of the territorial limitation.

So as to leave no doubt, let me say that this limitation was intended to prevent TVA from making any contract—whether a new contract or a renewal or modification of an existing or earlier contract—"which would have the effect of making the corporation or its distributors, directly or indirectly, a source of power supply outside the area for which the corporation, or its distributors, were the primary source of power supply on July 1, 1957"—and the 5-mile peripheral band and other extensions specifically authorized by the Senate amendment. Certainly, TVA, which has so meticulously observed the gentlemen's agreement with respect to territory for the last 20 years, will not now or hereafter attempt such evasion. If it did, it would be clearly violating the spirit as well as the letter of this legislation.

Mr. Speaker, it is my opinion that the amendments adopted by the other body are, generally speaking, reasonable under all the circumstances.

While the territorial limitation by the Senate is more generous to TVA than that of the House, I believe it can be justified. I think, therefore, it is safe to say that this amendment proposed and adopted by the other body, if adopted by the House and enacted into law, will provide a fair and reasonable limitation under which TVA will be allowed to increase its power generating capacity to meet the increased requirements within the area delineated by the amendment, and at the same time give reasonable protection to the privately owned systems, and their investors, and to the municipalities and other governmental organizations dependent upon the privately owned systems as an indispensible source of tax revenue.

Mr. EVINS. Mr. Speaker, as we debate this issue again, we again hear vague threats of a presidential veto. I urge my colleagues not to be misled by these threats. I certainly hope the President will approve the bill and I am making the flat prediction that the President will not veto this bill but will sign it and permit this measure to become law.

I do not have any private pipelines to the White House. I do not have the opportunity our friends on the other side enjoy of speaking to the President once or twice a week. But neither am I looking into a crystal ball.

Mr. Speaker, I have disagreed with the President on many basic issues. But during the late war, I was privileged to serve under General Eisenhower in a capacity which gave me the opportunity to become impressed by his high sense of honor, fairness, and justice. I will not believe that his years in the political arena have eroded these high qualities from his character.

Twice the President has assured the people of the Tennessee Valley that he would not destroy the TVA. In 1952, just before his election, he said, as I recall it, that he wanted to maintain the TVA operations at high efficiency. In 1956 before his reelection he gave similar assurances in a telegram to one of his supporters which was widely reported by the press and by those who campaigned for him.

Apparently the people of my great State, Tennessee, took these assurances at face value for they twice gave him a majority of their vote.

Furthermore, the President asked for this legislation. And this bill gives him more than 90 percent of what he has requested.

Under these circumstances, I am confident that when the President balances the interests of 6 million people in the Tennessee Valley against the pleas of a few enemies of the TVA he will make a decision that expresses his high sense of honor, fairness, and justice, and sign the bill.

In addition to the above considerations there are many compelling reasons why he should approve this measure. Among them are the following:

First. The President himself first proposed this legislation to the Congress in his budget message on January 17, 1955. The President has repeated his request for self-financing legislation for TVA in his budget messages of 1956, 1957, and 1958, and again in January of this year—on five separate occasions.

Second. Committees of the Congress have worked for 4 years to write a reasonable and workable bill.

Third. Extensive hearings have been held—five sets of hearings—on this legislation in both Houses of the Congress.

Fourth. Both the House and the Senate have acted favorably on this bill and there has been 5 years of debate on this measure, both inside and out of the Congress.

Fifth. Both Houses have passed the bill by decisive majorities. Two years ago the Senate passed it by a vote of 61 to 20; this year the House passed it by a vote of 245 to 170, and the Senate by a vote of 73 to 17.

Sixth. The bill represents a reasonable compromise of many views. It is considered satisfactory in the main, not only to the TVA, but also to the private utility companies bordering on the TVA area.

Seventh. The Secretary of the Treasury has expressed his approval of desirable features of the financing phases of this bill—and indeed all approved the measure except a limited few who want TVA destroyed and dismembered.

Eighth. The bill puts a fence around TVA—a territorial limitation is prescribed—and not a kilowatt of power can be sold outside the area.

Ninth. The TVA will make a far greater return of payments into the Treasury than under the present law.

Tenth. TVA is a creature of Congress—will remain under the control of the Congress. The President can make recommendations for changes at any time and the Congress can enact changes at any time.

Eleventh. All three members of the Board—Chairman Vogel, former Congressman Hays, and former Deputy Director of the Budget Bureau, Jones, have all been appointed by the President, and surely they can be depended upon to carry out the provision of this legislation in a responsible manner.

With the territorial limitations, with Treasury Department control, and congressional control, and Presidential control through the naming of the Board members, no further control should be desired.

When we are appropriating millions for the development of water resources throughout the country—and billions throughout the world—surely it is just and fair that the citizens of a great area would be given the privilege of voting bonds for self-financing, bonds that are taxable, and bonds that are not included but outside the national debt.

I express the hope again that the President will be objective and fair and not disapprove, but approve, this needed and meritorious legislation. Such approval would permit the TVA to operate in a businesslike fashion, but without undue political and partisan influence and to a large degree eliminate the annual congressional fight over TVA's operations. This would be in line with statements and assurances of the President of his friendship and support for this great agency of the Government.

Mr. JONES of Alabama. Mr. Speaker, today we approach final action on a measure which has been pending before us for 4 years. There have been many changes in the legislation since it was first introduced. There have been extensive hearings before committees of both Houses. There has been debate on the floor. The measure before us, therefore, contains compromises and adjustments. But it is a good bill and should be passed. When it is enacted TVA will be authorized to go to the private money market for capital for investment in power facilities. It will issue revenue bonds, and the consumers of electricity supplied by TVA will provide the revenues from which the bonds will be repaid. The Government will still own the facilities, cash payments to the Treasury will be increased, and the purposes for which the power system is operated will be unchanged. The policies will be the policies laid down by Congress in 1933. Only the financing will be different. No longer will funds need to be appropriated from the Treasury for investment in power facilities for TVA.

My memory goes back to the day TVA was created. More than a quarter of a century has passed since TVA became a reality with the President's signature on May 18, 1933. Over the years, we remember the steady sequence by which multipurpose dams have been built, dams that create a navigation channel, control a river's floods, and provide electric energy for the people. We have participated in the debates by which new generating facilities, both steam and hydro, have been provided as the rapid load growth of a growing region has required the addition of new capacity each year, and as the energy requirements for national defense have soared. We may have failed sometimes to recognize that the steady growth of power capacity required to keep up with the load was a tribute not only to TVA but to the Congress which established the policies under which power from this government-owned system would be made available to the people.

Remember that the region now supplied with power from TVA had only

814,500 kilowatts installed in 1933 and the private power companies then serving the area said it was enough for the foreseeable future. Today almost 11 million kilowatts barely meet the region's needs. There were only 225,000 domestic and rural users of electricity in the area then. Today there are 1,500,000 and the percentage of farms having electric service has grown from 3 to 95. Then, the average residential consumer used 600 kilowatt-hours each year, today he uses 7,189.

All this has been accomplished because TVA has faithfully carried out the mandate of the Congress. The policies set out in the law have resulted in economic growth, they have increased the well-being of the people, and they have achieved direct returns to the Treasury, returns which we were told could never be realized when we laid out objectives for TVA to accomplish. From the very beginning revenues from the rates established, not to make money, but to carry out the congressional directive, have been enough to cover all costs of operation, to make in lieu taxpayments to States and counties, to provide for depreciation, and beyond that to earn a return for the Government, the owner, which has averaged 4 percent during years when money has cost the Government about 2 percent. This is the answer to the charge of subsidy. More than that it is the answer to the Doubting Thomases who told us in 1933 that our dreams were vain, that the people of this region would not use electricity as a tool to change their farming practices, to make their homes more comfortable, to develop the resources of the area. The cynics and the scoffers were wrong. The people have justified our faith, the management of TVA has deserved our trust, and with passage of this bill the Congress will yield to the power consumers of the region responsibility for providing revenues which will finance the capacity additions required to serve them in the future. This is an enormous achievement, and I am proud.

I am proud when I recall how TVA has provided power for the national defense over the years, and at rates which have saved the taxpayers hundreds of millions of dollars. Last year over half the energy produced by TVA went to vital installations of defense, principally the facilities of the Atomic Energy Commission at Paducah and Oak Ridge. That does not measure the list of TVA's benefits to the Nation. Those savings in power bills paid by the Government are important, but more important to me is the fact that the total TVA program of which this power system is such an impressive part has accomplished precisely the results intended by the Congress. It has widened the economic opportunity of the people of the area. It has developed the resources of the region. It has added to national strength. Statistics prove it.

In 1932, the year before TVA began, the per capita income of the people in the area was only 42 percent of the national average. Today it stands at a higher level, 65 percent of the national average. This means that the people of the area are able to bear a larger portion of the total cost of our national Government. It reduces the amount which would otherwise have to be collected from other regions. It means that the people are able to buy the goods and services of other areas more abundantly.

I am glad when I note that TVA itself has spent more than $1 billion for materials purchased in States outside the region. It has meant jobs, it has meant profits, it has meant income tax collections from other parts of the country. But I am even more impressed when I read that the consumers of power in the TVA area have spent, since the end of the war, more than $2½ billion in the purchase of electrical appliances to use the current supplied by TVA. I translate that into employment and profits in States where such equipment is made. I shall not labor the point. It should be clear to all of us.

For let us never forget that this Nation is one and indivisible. When one region is strengthened, every area is benefited. I am glad that the area served by TVA demonstrates sound economic growth. I am gratified to read the statistics and to talk to the people. There should be a commonsense of satisfaction that new industries are developing in the area. They are not moving to the TVA area from other regions of the country; almost all of them represent additions to our national productivity. Not a single industry has moved from my own State to the Tennessee Valley but industries in my State have benefited and will benefit in the future because of the increasing economic strength of the great region served by TVA. Of that I am sure.

TVA has demonstrated that Government programs can be administered efficiently, with imagination, with a deep sense of responsibility to the Congress and to the people. That demonstration I cherish and applaud, and I am gratified that the objectives of TVA will not be changed as the agency moves to revenue bond financing. Its responsibility to the Congress will not be altered. This is still our program. TVA is still our responsibility. We created it, gave it guidelines to follow. Now we authorize it to borrow money. That is all. This bill should pass. Without it, and failing appropriations from the Federal Treasury, we who represent the Government which owns this system would be saying to an area of 80,000 square miles where 5 million people live, "You will be short of power in the winter of 1962–63, in spite of your contracts, in spite of your fine record, in spite of your good faith." This is an intolerable and an unnecessary alternative. We should pass this bill and now. It is a good bill, it represents a fair adjustment of differing points of view. To fail to respect the deliberations of our committees and our earlier actions on this floor, to delay longer, would be an act of irresponsibility. When we pass this bill TVA can continue to function with that maximum efficiency which the President promised to uphold when he campaigned for his high office in 1952.

Mr. ANDERSEN of Minnesota. Mr. Speaker, the fact that I am opposed to this particular TVA measure is no sign that I am opposed to the TVA program. Quite the contrary, I have recognized the need for the Authority and also know the great amount of good it has done in that area. As a matter of fact, I have generally supported the appropriations for TVA during the years I have been in Congress.

But I am basically opposed to the measure before us. There are a number of reasons for my opposition, some of which have already been discussed, but the major and fundamental reason is the fact that approval of this bill would constitute a precedent for similar action affecting REA and I am unalterably against such action.

It may sound fine to some TVA advocates down in the South to send TVA into the private money market for its financial needs, but out in my area we have been fighting against just such a proposal for our Rural Electrification Administration program. In my Subcommittee on Agriculture Appropriations we have for the third year now been engaged in a running battle with certain individuals—both in and out of Government—who want to throw our REA Cooperatives to the mercy of the private money market.

From the very beginning I have led the fight against those who would force our REA Cooperatives to borrow their money from private sources, and I am not today going to stand idly by while the Congress goes about approving a similar scheme for TVA.

Why, Mr. Speaker, the ink would hardly be dry on any such proposal after it had been approved by the Congress before the enemies of REA would be in here citing this action as a precedent for REA.

If some of my colleagues from the South see merit in the TVA self-financing proposal, that is their business. But out my way we are united in our opposition to a similar self-financing program for REA and for that reason I cannot possibly go along with this program for TVA. I have never in my life been for one thing one day and the opposite the next, so I am going to be consistent in opposing self-financing in the private money market for both TVA and REA.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, this is one of the most unusual and, in a sense, amusing debates I have ever heard offered by my Republican friends. My very good friend from Illinois [Mr. ALLEN] laid the premise that the question involved was whether or not we are for public or private power. My friend, the gentleman from Washington [Mr. MACK], who just left the floor, said that that question is not involved, that both public power and private power are in agreement. So where does that leave my friends?

My friend the gentleman from Indiana [Mr. HALLECK], talked about punishing the President of the United States. I think the President really has more friends on the Democratic side than he

has on the Republican side. They say it is a question of budgetary control. That is not so. The President has control under the Constitution. There is nothing in this language that takes away from the President anything. What is involved here is whether or not the Congress of the United States is going to be advised of the views of the Tennessee Valley Authority Board. Or are they going to get into the executive branch and have executive secrecy imposed? My friend from California [Mr. Moss], and his subcommittee, have had many hearings on that question. Let us look at the language to which they object.

Provided, That with the budget estimates transmitted by the President—

That is the President's job, and that is recognized here—

to the Congress, the President shall transmit the power construction program—

Not the budget estimates of the TVA authority but—

transmit the power construction program of the corporation as presented to him and recommended by the corporation—

Does it stop there? No—

together with any recommendations he—

The President—

may deem appropriate.

The amendment they are going to offer, if the previous question is voted down, indirectly defeats the bill, the purposes of this bill. Oh, I have seen it for 30-odd years, this haggling. I have seen them using the decoys. They did not dare oppose, but tried to use some devious means to defeat. What they could not kill by direction, they tried to kill by indirection.

My friend from Indiana talks about the inability to offer amendments. This bill was fought out on the floor. We had full debate on this bill. Amendments were offered and defeated. This is majority rule; thank God, we are living in a democracy.

It seems as though, in the minds of some, the Congress of the United States has to bend to the will of the President, that with him it is "all or nothing." And I am against the "all or nothing" boys, whether they are in the Republican Party or in the Democratic Party.

So this is a fair bill. It is something that the Republicans have been arguing for years—private financing by the TVA instead of direct appropriations by the Congress. Now, when the bill comes in and everybody agrees to it, as the gentleman from Washington [Mr. Mack] said—where both public and private power agree, and I never thought I would see the day that they would ever get together—they now want to defeat the bill by indirection by some technical amendment that pleases their will in their opposition to this program which they dare not openly oppose in a direct manner. And whether my friends on my side voted for or against the bill previously when the bill was up or whether they voted for or against any amendments, the legislative situation is now different and I say to my Democratic friends that the legislative situation as it is now, coming to a final vote on the question of taking from the Speaker's desk this resolution and concurring in the Senate amendments—the situation is such that they could vote to do that and vote for the previous question and then vote for the adoption of the resolution.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. ALLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. Scherer].

Mr. SCHERER. Mr. Speaker, while the provisions of this bill and the various controversial amendments offered in both the House and the Senate are somewhat complex, the over-all issue is an old one and a simple one. It is public power against private enterprise power. The adoption of either the House or the Senate version of this bill by the Congress will be a tremendous victory for the advocates of socialized power.

The heart and real danger of this legislation is the granting to TVA for the first time the right to issue revenue bonds in order to expand its steamplant facilities for the production of electric power. More than 6 percent of TVA's total power output already comes not from hydroelectric generators but from steamplants.

Today the advocates of public power will agree to almost anything in order to get their foot in the door with bond-issuing authority. Once they obtain the right to issue the $750 million worth of revenue bonds as provided in this bill, the sky will be the limit. In fact, the proponents of this legislation have stated that they intend to be back shortly and ask to raise the $750 million limit. Year after year they will come back to the Congress and ask to increase this authority. They will point out that the increase will cost the Federal Treasury nothing. Of course, they will carefully avoid mentioning the loss of corporate and other taxes to the General Treasury. For instance, when TVA moves in to serve seven of the cities exempted from the territorial limitations in both the House and Senate versions of this bill—cities having a total population of only 55,000—the Federal Government will lose $800,000 annually in Federal taxes.

Mr. Speaker, as soon as TVA gets this bond-issuing authority, then you are going to have a rash of bills which would permit every other Government power agency over the United States to do the same thing. In fact, the Senate has just completed hearings on a bill to create a planning, financing, power-generating and power-transmitting corporation to absorb the Bonneville Power Administration. Under the bill the Bonneville power corporation would be authorized to issue bonds to the Treasury up to $1,100 million to finance electrical generating and transmission facilities. We are having difficulty now in selling our Government bonds. What will the TVA and Bonneville authorizations do to the Government's financing program? Is there any question that eventually giving revenue-bond-issuing authority to these Government-owned corporations all over the United States is the beginning of the socialization or nationalization of power in this country and the beginning of the end of private enterprise power?

Today the TVA proponents are willing to accede to certain territorial limitations on TVA because they know it will take a number of years to build the facilities necessary to meet the current power demands of the industries which TVA has pirated from your State and mine into its present service area. But once those demands have been satisfied, it will reach out like an octopus and gradually but surely grab more and more territory.

Some of us here are worried about maintaining certain budgetary and other Government controls over TVA. The only real and effective control that this Congress can have is to make TVA come to the Congress, as it has in the past, for its needed appropriations. You know very well that, with the precarious financial condition of the Government, which will continue for many years, and with taxes as high as they are, no Congress is going to hand out to TVA $750 million and more to build steamplants all over the South. On more than one occasion this Congress has turned down requests for new steam facilities.

Mr. Speaker, Members of this Congress from my State, from Pennsylvania, from Michigan, from the New England States, and elsewhere are not going to continue to pour exorbitant sums into TVA so that it can build more steamplants to pirate more industries from these areas into the Tennessee Valley by using so-called cheap, subsidized power as bait.

Some people, including the private utilities, felt that a great victory had been achieved when the House Committee on Public Works tentatively approved the Vinson amendment which limited TVA to its service area as of July 1, 1957, which is approximately its present service area. However, before the bill even came out of the committee, a number of exceptions were made. Now the Senate has increased the service area by 2½ percent or 2,000 square miles, whichever is the lesser.

The strongest advocates of public power in this Congress have said on the record that they are opposed to any limitation of area, but they are willing to agree to some limitation for the present. Sure they are, because, as I have said, it is going to take some years for TVA to meet the demands within the present service area. But with the bond-issuing authority, the fence around TVA is going to fall like the proverbial house of cards as it has already started to do in the Senate bill.

In fact, the language of the Senate bill invites the proponents of TVA to come back for further expansion because on page 3, lines 7, 8, and 9, in the section dealing with the Senate's territorial limitation, the language clearly indicates that the territorial limitations apply only until Congress extends the service area further.

Mr. Speaker, as I have said, the House bill restricted TVA's operations to the service area as it was on July 1, 1957, with a few exceptions. The Senate bill increases that area by permitting an extension of 5 miles beyond TVA's present

periphery. It permits an expansion up to 2½ percent of the present service area, or 2,000 square miles, whichever is the lesser. It further requires that not more than 500 square miles of any added territory or area be in any one State now served by TVA, and that no part of the added area shall be in a State not now served or in a municipality now served by another source, with the exception of the cities specified in the bill.

In addition to the cities which are included as exceptions to the territorial limitation in the House bill, the Senate bill includes the additional cities of Fulton, Monticello, and Hickman, Ky.; Oak Ridge, Tenn.; and the Naval Auxiliary Air Station in Lauderdale and Kemper Counties, Miss.

One can readily see that the Senate bill is going to lead to a great deal of confusion and uncertainty as to the exact boundaries of the service area. The limitations in the House bill were definite and certain, namely, that the service area be limited to those customers being served on July 1, 1957, with the exception of certain specified cities. At first blush, it appears as if the Senate amendment merely extends the service area 5 miles beyond the present periphery. If this were so, little confusion would result.

However, the total area of such 5-mile extension beyond the present periphery greatly exceeds the 2½ percent or 2,000 square mile limitation provided by the Senate bill. Therefore, TVA during the next few years can pick and choose as it sees fit in this 5-mile extended area such spots as it desires until the 2½ percent or 2,000 square miles have been reached.

One can readily see that in some places the present periphery will not be extended at all. In other places it may be extended 1 mile beyond the present periphery; in other places, 2 miles or 3 or 4 miles. TVA will pick and choose the best and most lucrative spots in this 5-mile area whenever it gets around to it. In the meantime, private power companies certainly will hesitate to extend their service to anyone within the 5-mile area because there will be no assurance that TVA might not the next day decide to take over that particular area.

It is easy to see the confusion and uncertainty that will be created and that some people in this 5-mile area are going to be deprived of power, at least until TVA decides what part of the pie it wants. This decision may be delayed for quite sometime if the representations that TVA proponents have made are true, namely, that there is a demand for service within its present service area that it cannot now meet because of the lack of steam power-producing plants.

Mr. Speaker, both the Senate and the House bills are bad legislation. As long as they grant revenue bond-issuing authority, they should not become law.

Mr. ALLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I was very much interested in the remarks of the distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], particularly with regard to the fact that this bill has been debated on the floor of the House. This bill with its 10 amendments added in the Senate has been substantially changed from the House version and has not, as amended, been debated on the floor of the House. The only way it can be debated is through going to conference and the conference report being brought back to the House.

Some 10 amendments were added in the Senate, very substantial and important amendments added on the floor of the Senate and in the committee, which the House has had no opportunity whatsoever to consider further.

The distinguished majority leader said this was an effort on the part of some of us to put up some sort of decoy. I would say that the objectives of the minority in this respect, and certainly of myself, is to prevent decay, not to put up a decoy, to prevent decay, the matter of the erosion and decay of Presidential rightful responsibility and the rights of the Executive. I do not want to see the President of the United States as head of the executive branch take a secondary advisory position to any of his executive agencies, be it TVA or any other, and that is exactly what the amendment that appears on page 7 of the bill would do. It is the only semblance of Presidential or congressional control over TVA that exists in the legislations.

I am against the decay of the congressional authority which has in the past under present laws and should in the future continue to be exercised over TVA. We are not asking for any additional new type of control over TVA but only the continuation of existing present controls under which Congress can exercise its will in the form of affirmative action instead of negative action as provided on page 3 of the bill.

I am concerned about the decay of the fiscal soundness of our Government which is affected by the bill as passed by the Senate and which was not included in the bill which passed the House. I wish each Member of Congress in considering this bill would look at just one page of the bill, page 10, and see where $150 million of the taxpayers' money is going. Not as a matter of discretion, but under compulsion, the Treasury must lend to TVA $150 million—just as big and wide-open, backdoor approach to the Treasury as I have ever seen. That was put in the bill on the Senate side, and I say to you that is a matter which certainly should be considered by the conferees on the bill. The bill should go to conference. The previous question should be voted down.

I am against the decay of congressional control over the budget through appropriation processes which is involved in this bill. So far as I am concerned this is in addition to the question of decay of basic substantial Presidential authority over the budget of this country. That is what we are opposed to and that is why we oppose the bill in its present form.

I would like to discuss in detail the question of Presidential control as head of the executive branch of the Government over this wholly owned Government corporation, an arm of the Executive. This discusion will, I trust, substantiate my position that any President should rightfully be concerned over this bill in its present form.

H.R. 3460, the TVA revenue bond bill as reported by the Senate Committee on Public Works, contains significant provisions that would have the effect of infringing upon the President's authority over TVA. Since the TVA is an executive agency and a part of the executive branch of the Government the President, by the Constitution, is vested with authority over it and responsibility for its activities. Because this bill would infringe or limit his authority over this agency, I would here like to explore with you the question of whether, should Congress pass H.R. 3460 in its present form, the President should veto the bill.

After indicating briefly what this bill does relative to Presidential control over TVA, I would like to discuss with you broad outlines of the nature of the Presidential Office as created by the Constitution, and show how a number of Presidents viewed their powers and their role in the Government. Then I will attempt to show specifically how this bill will affect Presidential authority over TVA.

INTRODUCTION

The major reason why I believe that this bill would improperly restrict the President's authority over TVA is because it contains language in subsection 15d(a) that would exempt TVA from Presidential control over its power program whether financed through revenue bonds or through power revenues; and this program over the next 5 to 7 years will involve the expenditure of over a billion dollars. By removing this program from Presidential control H.R. 3460 would greatly erode the President's authority over a significant executive agency. This would be inconsistent with the dignity and authority of the Presidential office as created by the Constitution and as it has developed since 1789.

So long as TVA has available proceeds from revenue bonds and power revenues, it will be able to build as it wishes power facilities without any control by the President. The plans of the TVA to spend power revenues and the proceeds of revenue bonds to build power facilities could be carried out by the TVA without any control by the President. More specifically, language in subsection 15d (a) would in effect remove the TVA in its power program from Presidential budgetary control as provided in the Budget and Accounting Act of 1921 and in the Government Corporation Control Act of 1945. The only control over TVA would be entirely of a negative nature—through a concurrent resolution of both Houses of Congress, which the President has no power to approve or disapprove, prohibiting the expenditure of funds on specified projects. The President would have no control over what projects are to be built, their size, timing, location, or cost. These decisions would be in the hands of the Board of Directors of TVA

which, although an executive agency, would be beyond the control of the President, at least in this respect.

Certainly Congress could, should it wish, determine by law what powerplants TVA should build, where they are to be located, how much power they should be designed to produce, and how much they should cost. But by this bill these fundamental decisions will be left up to the TVA, an executive agency. The President would be deprived of his most important instrument, budgetary control, for supervising TVA in performing these vital functions. Although the President would still be responsible for TVA, he would be deprived of authority commensurate with that responsibility.

The result of this provision in H.R. 3460 is that a significant facet of the executive branch of the Government would be removed from the control of the President. A part of the executive branch would be set apart and left to spend money in its own way, build facilities, and incur longrun obligations without the slightest control by the President of the United States.

Perhaps a reflection on Presidential authority in general would be of some assistance here.

THE CONSTITUTIONAL BASIS OF PRESIDENTIAL POWER

The idea that the President to a significant degree could be deprived of authority over a part of the executive branch of the Government is directly at variance with the office of the President as created by the Constitution. The Constitution created a strong President, responsible for the executive branch and with all the authority necessary to exercise that responsibility. Article II, section 1 of the Constitution provides that, "The executive power shall be vested in a President of the United States." Repeatedly this has been interpreted to mean that all of the executive power of the United States is vested in one person, the President of the United States, and in no other person or agency.

Concerning this point the Supreme Court of the United States, speaking through Chief Justice Taft, who had also been President, said in *Myers* v. *United States* (272 U.S. 52, 163 (1926)):

> Our conclusion on the merits * * * is that article II grants to the President the executive power of the Government, i.e., the general administrative control of those executing the laws, including the power of appointment and removal of executive officers—the conclusion confirmed by his obligations to take care that the laws be faithfully executed.

The significance of what the Court said is that article II, section 1 of the Constitution of itself constitutes a real grant of Executive power upon the President. By it he is granted directly the Executive power and all of the Executive power. This power, said the Court, includes "the general administrative control of those executing the laws."

Article II, section 2 provides that the President shall nominate, and "by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and counsels, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law." As a part of the appointing power the Supreme Court has held—in the Myers case cited above—that the President has the power to remove all officers of an executive nature appointed by him. Obviously the authority to appoint and to remove is a major source of the President's power; but because of the finality of the removal power its utility as a means of control is limited.

Section 3 of article II of the Constitution provides that "he shall take care that the laws be faithfully executed." As will be seen this is a most important aspect of Presidential power, and it constitutes a major source of much of his power to control the executive branch. Article II, section 2 also provides that:

> He may require the opinion, in writing, of the principal officer in each of the executive departments, upon any subject relating to the duties of their respective offices.

Article II, section 3 provides that:

> He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

This is of fundamental importance in connection with the President's executive budget, provided for in the Budget and Accounting Act of 1921.

Finally, article II, section 2, provides that:

> The President shall be Commander in Chief of the Army and Navy of the United States.

This provision is significant in relation to the President's authority over the TVA under H.R. 3460; but its importance will be considered later.

One important element of Presidential authority and power springs from another article of the Constitution, article I. Section 7 of that article in effect makes the President a part of the legislative branch of the Government. It does this by giving him a veto over acts of Congress, a veto which only can be overridden by a two-thirds vote of both Houses of Congress.

These provisions of the Constitution, when taken together, make it clear that the framers of the Constitution created a strong Presidential Office vested with all of the powers necessary for the discharge of his responsibilities.

THE PRESIDENCY AS VIEWED BY SEVERAL INCUMBENTS OF THE OFFICE

Alexander Hamilton, one of the framers of the Constitution and an author of the first commentary on it, "The Federalist," said concerning the nature of the power of the President:

> The general doctrine of our Constitution then is, that the executive power of the Nation is vested in the President; subject only to the exceptions and qualifications, which are expressed in the instrument.

The significance of Hamilton's position is that if any executive agency of the Government is allowed to operate outside of the President's control and authority, that agency would be vested with some of the Executive power; but this would be contrary to the Constitution, for by that instrument of government all of that Executive power is vested only in the President and in no one else. As we shall see this is a view of the power of the Presidency shared by President Franklin D. Roosevelt and his advisers on administrative management.

In the first Congress of the United States when the administrative agencies of the Government were being first organized, James Madison—also a framer of the Constitution, and whose version of the proceedings of the convention is our major source of information on what was done in that body—relying especially on the clause of the Constitution that provides that the President should take care that the laws be faithfully executed, argued that the President must be responsible for the executive departments. He asserted that this responsibility carried with it power to inspect and control the conduct of all inferior executive officers of the Government. Certainly one of the most important ways to control a subordinate officer of the Government is to limit both the amount of money that he can ask Congress to appropriate and to limit how and when that money might be spent.

That great proponent of popular democracy, President Andrew Jackson, was a militant defender of a strong, powerful, and aggressive Presidency. His attitude toward the President's power is well illustrated by his Herculean struggle to compel the Secretary of the Treasury to withdraw the Government's funds from deposit in the Second Bank of the United States. In fact he removed two Secretaries of the Treasury in order to compel the withdrawal of a few million dollars from that bank. In chartering the Second Bank of the United States in 1816 Congress provided that Federal funds were to be deposited with it unless the Secretary of the Treasury decided otherwise, and if he did so he had to furnish his reasons to Congress. In support of the removal of the second of these Secretaries for failing to remove the funds as the President decided, Andrew Jackson read a paper before the Cabinet in which he said:

> Upon him [the President] has been devolved by the Constitution and the suffrages of the American people, the duty of superintending the operation of the executive departments of the Government, and seeing that the laws are faithfully executed.

At another point in it he said:

> And it being the duty of one of the executive departments to decide in the first instance, subject to the future action of the legislative power, whether the public deposits shall remain in the Bank of the United States until the end of its existence, or be withdrawn some time before, the President has felt himself bound to examine the question carefully and deliberately in order to make up his judgment on the subject.

After the Senate in 1834 censured him for removing the deposits, he told that body that the "entire Executive power is vested in the President" and that "the custody of the public property and money is an Executive function." Further:

> In the performance of these duties he [the Secretary] is subject to the supervision and control of the President.

He went on to say that the act setting up the bank "did not and could not change the relationship between the President and the Secretary—did not release the former from his obligation to see the law faithfully executed nor the latter from the President's supervision and control." The idea of an executive agency being able to spend a billion dollars completely free from Executive control would have been inconsistent with Jackson's view of the Presidency.

And it would have been contrary to President Theodore Roosevelt's view of that office. He wrote in his autobiography:

The most important factor in getting the right spirit in my administration * * * was my insistence on the theory that the Executive power was limited only by specific restrictions and prohibitions appearing in the Constitution or imposed by Congress under its constitutional powers. My view was that every executive officer, and above all every executive officer in high position was a steward of the people found actively and affirmatively to do all he could for the people * * * I decline to adopt the view that what was imperatively necessary for the Nation could not be done by the President unless he could find some specific authorization to do it. * * * I did not usurp power but I did greatly broaden the use of Executive power.

Woodrow Wilson observed the Presidency for over 40 years as both a scholar and as President. Although as a young man he had doubts as to whether a strong President was possible, nevertheless as President he did a great deal to increase the stature of the office. He pointed out that the office "has been one thing at one time, another at another." Although in 1884 he was concerned about the "declining prestige of the Presidential office," even before he became President his views on its importance changed significantly. In 1908 he wrote:

The President is at liberty both in law and conscience, to be as big a man as he can. * * * His office is anything he has the sagacity and force to make it. * * * His is the vital place of action in the system, whether he accept it as such or not, and the office is the measure of the man—of his wisdom as well as of his force.

It was his opinion that the President was in a position to bring the contending elements in the Government together:

If he have character, modesty, devotion, and insight as well as force, he can bring the contending elements of the system together into a great and efficient body of common counsel.

After his first election but before inauguration he said that the President "is expected by the Nation to be the leader of his party as well as the Chief Executive Officer of the Government and the country will take no excuses from him. He must play the part and play it successfully or lose the country's confidence. He must be Prime Minister, as much concerned with the guidance of legislation as with just and orderly execution of law; and he is the spokesman of the Nation in everything, even the most momentous and most delicate dealings of the Government in foreign affairs."

He considered that two of the major sources of the President's power spring from his right to veto bills passed by Congress and from his authority to make recommendations to Congress. Concerning the first of these powers he wrote:

The President is no greater than his prerogative of veto makes him.

Concerning the latter, sending messages to Congress, he said:

The Constitution bids him speak and times of stress must more and more thrust upon him the attitude of originator of policies.

To dramatize the significance of his messages and his leadership of the Government, he revived the long-abandoned practice of delivering messages to Congress in person.

President Franklin D. Roosevelt always believed in a strong Executive having complete control over the executive branch. He asserted that "the constitutional intent" was "that there be a single responsible Chief Executive to coordinate and manage the departments and activities in accordance with the laws enacted by the Congress." It was his belief the "entire Executive power of the National Government" was vested in the President. In fact he requested that Congress grant to him wider powers of Executive control than have been granted to any President. In making this request he said to Congress on January 12, 1937:

The Presidency as established in the Constitution of the United States has all of the powers that are required. In spite of timid souls in 1837 who feared effective government, the Presidency was established as a single, strong, Chief Executive Office, in which was vested the entire Executive power of the National Government, even as the legislative power was placed in the Congress and the judicial in the Supreme Court. What I am placing before you is not the request for more power, but for the tools of management and the authority to distribute those powers which the Constitution now places upon him. Unless we are prepared to abandon this important part of the Constitution, we must equip the Presidency with authority commensurate with his responsibilities under the Constitution.

PRESIDENTIAL CONTROL AND THE TOOLS OF MANAGEMENT

Among the tools of management that President Roosevelt was referring to were budgetary, personnel and audit controls, as well as the authority to reorganize executive agencies. Congress in 1921 had gone a long way toward providing adequate budgetary authority for the President. President Roosevelt among other things desired to have the regular Government departments exercise such controls over even the independent regulatory commissions.

His proposals were recommended to him by a committee of experts appointed by him in 1936. This group, called the Committee on Administrative Management, consisted of Charles E. Merriam, Luther Gulich and Louis Brownlow. In their report transmitted to Congress by President Roosevelt, they said concerning the nature of the Presidency:

The Constitution of the United States sets up no administrative organization for the Government. The whole matter of executive power is dealt with in a few brief phrases. First in importance is: "The executive power shall be vested in a President of the United States of America." Reference is also made to the Army and Navy of which the President is named "Commander in Chief," and, indirectly to the "executive departments"; and there is laid on the President alone the duty to "take care that the laws be faithfully executed." In these few words, supplemented by those defining the scope of the legislative and the judicial branches, there is set forth the constitutional principle of the separation of powers, which places in the President, and the President alone, the whole executive power of the Government of the United States.

As a consequence of its basic concept that the whole of the Executive power is vested in the President alone, that committee was highly disturbed by the creation of any independent agency that might be outside the President's control and jurisdiction. They said:

The multiplication of these agencies cannot fail to obstruct the effective overall management of the executive branch of the Government almost in geometric ratio to their number. At the present rate we shall have 40 to 50 of them within a decade. Every bit of executive and administrative authority which they enjoy means a relative weakening of the President, in whom, according to the Constitution, "the executive power shall be vested." As they grow in number his stature is bound to diminish. He will no longer be in reality the Executive, but only one of many executives, threading his way around obstacles which he has no power to overcome.

We have watched the growth of boards and commissions transfer the executive branches of our State governments int grotesque agglomerations of independent and irresponsible units, bogged by the weight and confusion of the whole crazy structure. The same tendency in national administration will bring the same disastrous results. That tendency should be stopped.

Similarly they were disturbed by the development of Government corporations—and the TVA is one—that might be beyond the President's control. The committee contended that although these bodies should have a certain degree of freedom and flexibility nevertheless, in most instances, the group believed that these corporations would gain through the use of central budget, accounting and personnel services under Presidential control. The group said:

It should be within the power of the President to see that these services are appropriately applied in each case.

More specifically, these experts recommended:

Each governmental corporation should also be placed under a supervisory agency in an appropriate department. In addition, there should be continuing authority in the President to place such corporations under civil service, under other rules regarding personnel, and to apply such overall governmental controls as may be found advisable in each case in the fields of budgeting, accounting, audit, and the issuance of obligations.

The Committee on Administrative Management viewed the budgetry process as probably the chief device available to the President for reviewing and controlling the operations of all executive agencies. Specifically it said:

The creation in 1921 of the Bureal of the Budget was a major step in the direction of

effective administrative management in the Federal Government. It placed upon the President responsibility for the preparation of a comprehensive annual budget and recognized the need for Executive discretion and leadership in preparing and submitting to the Congress a program of revenue and expenditure. At the same time it provided the President with one of the primary instruments needed for effective overall management of the executive establishment. The Director at the head of the Bureau is appointed by the President and, though within the Department of the Treasury, reports directly to the President. Through him the President can review and control the effectiveness of Government agencies.

The committee's staff in its report on budgeting pointed out that:

Current budgetary control is, or should be, a responsibility of the President, although he may delegate to fiscal officers under his direction the authority to exercise such controls. This responsibility does not now rest squarely upon the President, because of the improper distribution of powers in the present system of financial administration.

More specifically it objected to the policy of Congress of making "appropriations directly to the spending agencies of the Government." It considered this practice to be undesirable because "it compels the President to treat with spending agencies in order to persuade them to schedule the expenditure of their appropriations over the months or quarters of the fiscal year, setting up, if possible, a small reserve which may not be expended. Under this scheme, current budgetary control is little more than a matter of persuasion." This group certainly would have been horrified by the provisions of H.R. 3460 which would free TVA's power construction program from all presidential control.

The first Commission on Organization of the executive branch of the Government, headed by former President Hoover, adopted the same general view concerning the nature of the Executive power of the President and the need for adequate tools for management and control. This group said in 1949 at the outset of its first report:

The President, and under him his chief lieutenants, the department heads, must be held responsible and accountable to the people and the Congress for the conduct of the executive branch.

Responsibility and accountability are impossible without authority—the power to direct. The exercise of authority is impossible without a clear line of command from the top to the bottom, and a return line of responsibility and accountability from the bottom to the top.

The wise exercise of authority is impossible without the aids which staff institutions can provide to assemble facts and recommendations upon which judgment may be made and to supervise and report upon the execution of decisions.

Both the actual text of the Constitution as well as its actual application by numerous occupants of the Presidential office make it clear that all of the executive power is vested in the President and that any agency exercising executive power is under his responsibility and over it he must have authority commensurate with that responsibility. During the last quarter of a century several different independent groups or commissions have urged that the President must have adequate tools of management for exercising his responsibilities relative to all executive agencies.

PRESIDENTIAL MANAGEMENT AND THE TVA

Now one may well ask how this discussion concerning the nature of the Presidency and his authority over and responsibility for agencies in the executive branch relates to TVA's power construction program under H.R. 3460. First, I will seek to show that the TVA has always been considered to be an executive agency and as such is subject to the President's executive power. After that I will analyze how certain provisions of H.R. 3460 attempt to limit improperly the President's authority over TVA.

Under the Constitution the Government of the United States is based upon the separation of the legislation, executive and judicial powers. Thus, the Supreme Court has said in *O'Donohue* v. *United States* (289 U.S. 516, at 530–531):

The Constitution, in distributing the powers of Government, creates three distinct and separate departments * * * this separation is not merely a matter of convenience or of governmental mechanism. Its object is basic and vital * * * namely, to preclude a commingling of these essentially different powers of Government in the same hands.

These three powers are each independent and equal. As was pointed out earlier, the Executive power is vested in the President by article II of the Constitution; and according to Chief Justice Taft, this constitutional provision constitutes a real grant of authority to the Chief Executive:

Article II grants to the President the executive power of Government, i.e., the general administrative control of those executing the laws * * * a conclusion confirmed by his obligation to take care that the laws be faithfully executed (*Myers* v. *United States*, 272 U.S. 52).

It is obvious that Congress alone can create or provide for the creation of executive agencies. But, once the legislative branch has provided for their organization and has authorized them to exercise Executive power, then pursuant to the Constitution they must be under the control of the President. This is stated well in Humphreys, Executor against United States:

While Congress has power to create an executive political office, control of that office should be in the hands of the President in order not to circumscribe the power of the President to control his agents (295 U.S. 602 at 610).

President Franklin D. Roosevelt, his legal advisors and the courts agree that the TVA is an executive agency. All of them have asserted that the TVA is a part of the executive branch of the Government. According to the Acting Attorney General in 1938—Robert Jackson, later an Associate Justice of the Supreme Court:

The Tennessee Valley Authority being an executive agency, performing executive functions, and therefore in the executive branch of the Government, the power of removal ought to be in the President (39 Op. A.G. 145 (1938)).

Here the Acting Attorney General was justifying President Franklin D. Roosevelt's removal of the then Chairman of the TVA Board, Arthur Morgan, in a manner other than that specified in the law. The removal power of the President as thus exercised was upheld by the Circuit Court of Appeals and by the U.S. Supreme Court. The Circuit Court of Appeals said concerning the executive nature of the TVA:

It requires little to demonstrate that the Tennessee Valley Authority exercises predominantly an executive or administrative function. * * * Many of its activities, prior to the setting up of the TVA, rested with the several divisions of the executive branch of the Government. * * * It is predominantly an administrative arm of the executive department (*Morgan* v. *Tennessee Valley Authority*, 115 Fed. 2d, Supreme Court, 312, U.S. 701).

President Roosevelt in justifying his removal of TVA Chairman Morgan stated that he did this pursuant to his "constitutional duty to take care that the laws be faithfully executed"—statement from the White House, March 23, 1938.

Not only did President Franklin D. Roosevelt exercise Executive power over the TVA by removing its Chairman for insubordination, but he also brought the agency under his budgetary control despite the contention of TVA that it was not subject to budget control. In 1935 he incorporated its budget in his annual budget for the whole Government that he submitted to Congress. In his message transmitting the budget for the fiscal year 1936, he said:

Annexed budgets are set up for the major self-supporting or self-contained units of the Government, namely, the Post Office Department, the Reconstruction Finance Corporation, the Tennessee Valley Authority, and the District of Columbia. The use of such budgets permits the receipts and expenditures of each of these units to be clearly and completely presented in gross figures and in balanced form, as has not hitherto been done. By following this method, the net figures for each unit, which may be either appropriation needs or surplus receipts, are calculated and then carried to the General Budget Summary. Thus the financial requirements of these units are definitely tied into the general budgetary plan. The annexed budgets are therefore not in any sense independent or multiple budgets, but simply integral parts of the Government's general budget.

Thus literally from its inception the TVA has been considered a real part of the executive branch of the Government, and as such it has been under the full control of the President.

H.R. 3460 AND THE PRESIDENT'S CONTROL OVER TVA THROUGH THE BUDGET PROCESS

Significant language in the TVA revenue bond bill H.R. 3460, would have the effect of removing TVA's power construction program from control and supervision by the President. This provision is in subsection 15d(a) which, among other things provides that:

The issuance and sale of bonds by the Corporation and the expenditure of bond proceeds for the purposes specified herein, * * * shall not be subject to the requirements or limitations of any other law.

This language would have the effect of making section 201 of the Budget and Accounting Act of June 10, 1921—31 U.S.C. 11—inapplicable to such expenditures of the TVA. This section of the 1921 act provides that the President shall prepare an annual budget for transmission to Congress containing the proposed expenditures of all Government agencies.

The provisions of sections 22, 23, 24, and 16 of title 31 of United States Code, dealing with the preparation of the President's budget, would not be applicable to TVA's plans to spend such funds. Section 22 provides that the heads of all departments and establishments shall prepare each year requests for regular, supplemental or deficiency appropriations. Section 23 provides that if such requests are not prepared by the agencies, the President shall have prepared such requests as are missing. Section 24 provides that such requests shall be prepared and submitted as the President may determine in accordance with the provisions of section 11 of this title mentioned above. Finally, section 16 provides, in part, that:

> The Bureau * * * shall have authority to * * * revise, reduce, or increase the requests for appropriations of the several departments or establishments.

This revision of agency requests is the very essence of an executive budget.

Thus this section of H.R. 3460 would make this great tool of management ineffective so far as concerns TVA's power program. The House committee that reported the Budget and Accounting Act of 1921 stressed the significant role of the President in the budget process, saying:

> The only way by which [effective management of the government can be obtained] is by placing definite responsibility upon some officer of the Government to receive the request for funds as originally formulated by bureau and departmental chiefs, and subjecting them to scrutiny revision and correlation. * * * In the National Government there can be no question but that the officer upon whom should be placed this responsibility is the President of the United States. He is the only officer who is superior to the heads of the departments and independent establishments. He is the only officer of the administrative branch who is interested in the Government as a whole rather than in one particular part. He is the only administrative officer who is elected by the people and thus can be held responsible for his actions. Furthermore, as head of the administration it is to him that Congress * * * should look for a clear and definite statement of the * * * expenditure needs of the Government" (67th Cong., H. Rept. 14, p. 5, 1921).

Other provisions of title 31 of the Code relative to budgets of wholly owned Government corporations—of which TVA is one—also would be inapplicable to TVA bond proceeds as a result of this bill. These are a part of the Government Corporation Control Act of 1945. Section 847 provides that wholly owned Government corporations including TVA "shall cause to be prepared annually a business-type budget" showing, among other things, the "sources and application of funds." Section 848 provides for the transmission of such corporate budget programs as revised, amended or modified by the President as a part of the President's annual budget. This basic provision obviously is another requirement of law from which TVA's bond financed expenditures would be exempt under this bill.

New language added to the bill by the Senate Committee on Public Works makes it clear beyond the slightest doubt that the budget for the entire power construction program of TVA would be completely outside of Presidential control. This language provides that the President with his budget estimates "shall transmit the power construction program of the corporation as presented to him and recommended by the corporation, together with any recommendation he may deem appropriate." Thus by virtue of the language of subsection 15d(a) the budget program of TVA would be outside of Presidential authority. Further, subsection 15d(b) would deprive the President of the authority to regulate the quarterly allocation of the proceeds of power revenues or of bonds.

These provisions of subsection 15d(a) and (b) would certainly have the effect of removing from the President all budgetary authority over TVA's power construction program, however financed. This would be highly undesirable because it would deprive the President of Executive control over an important aspect of an executive agency, a control that has been vested in him by the Constitution itself.

I feel quite certain that President Eisenhower, or any other President, would not want this language of subsection 15d(a) in this bill if he is zealously guarding his proper Executive authority. Although on a number of occasions he has asked for the enactment of revenue bond legislation, he repeatedly has stated than any such bill should make bonds "subject to the usual congressional and budget controls." On one occasion he pointed out:

> I have always insisted that there should be proper budgetary and congressional control.

THE PRESIDENT AS COMMANDER IN CHIEF AND TVA

Before I conclude I want to point out another facet of the President's Executive power that is related directly to his authority over TVA and the provisions of H.R. 3460. The Constitution in article II, section 2, provides that—

> The President shall be the Commander in Chief of the Army and Navy of the United States.

Now TVA always has sought to justify itself as a defense agency. The very preamble of the original act of 1933 creating the TVA provides that one of the principal purposes for establishing the agency was "to provide for the national defense." Section 1 of that act further stated that the TVA Corporation was created "in the interests of national defense" (16 USCA 831).

At present over 52 percent of the power produced by TVA is delivered to the AEC and the Department of Defense—thus it is used for defense purposes.

The role of TVA as a national defense agency is pointed out in the Senate report on H.R. 3460—86th Congress, Senate Report No. 426. This report at page 5 states that—

> That major factor in the power generation demands on the TVA system has been the growth of power loads for defense installations.

And on page 2 it says:

> About one-third of the power installation is reserved for installations of the Atomic Energy Commission, and approximately 52 percent of the energy is sold to Federal agencies including the Atomic Energy Commission.

With the significant defense role that has been assumed by TVA it is imperative the President as Commander in Chief should have full control over its power construction program. Congress, by removing TVA from Presidential control, would be limiting and restricting the President's power, not only as Chief Executive but also as Commander in Chief. Obviously, this would be highly undesirable.

CONCLUSION

The Comptroller General has objected to this provision in subsection 15d(a) that I have been discussing. When this provision was contained in an earlier version of this bill, he said in 1957:

> S. 1869 provides (pp. 3–4) that: "The issuance and sale of bonds by the Corporation and the expenditure of bond proceeds * * * shall not be subject to the requirements or limitations of any other law: * * *" This language would grant practically unlimited authority to TVA in the expansion of its power program. We do not believe that any Government agency should be granted such freedom from the normal controls exercised over governmental activities.

This language in subsection 15d(a) is highly undesirable because it would have the effect of conferring upon an executive agency, the TVA, the right to spend over a billion dollars on a power construction program while placing the execution of that program beyond the authority of the President. It would attempt to do this by denying him a most important tool of executive control, budgetary management. Even though the TVA is an executive agency and despite the fact that under the Constitution all executive authority is vested in the President, this bill would seek to restrict the President from exercising his executive authority over the TVA.

Please bear in mind no claim is being made that this provision would be unconstitutional; but my contention is that this language is most undesirable because it is contrary to public policy and to the spirit of our Constitution.

Although the President would continue to be responsible for TVA, this provision of this bill is designed to deny him authority over it commensurate with his responsibility. This is an attempt to encroach upon the powers of the President.

Because the provisions of H.R. 3460 would attempt to limit the President's authority over a part of the executive branch, I do not see how any President could approve this bill should Congress pass it.

Thus, the proponents and the majority leadership are, by pressing for this rule and thus preventing the bill from being considered and differences ironed out in conference, in my opinion defeating the alleged purpose of providing an adequate self-financing TVA program.

Mr. ALLEN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Speaker, it seems to me that the issue here is whether the House will have the opportunity to express itself upon the individual amendments of the Senate. As has been pointed out, there are 10 amendments that the Senate has made to this bill. Some are basic and important amendments, for example, the amendment which refers to the repayment of the cost of TVA, and which states that instead of $1,200 million, which is the investment of the U.S. taxpayer, being repaid that only $1 billion will be repaid. This is materially different from operation of other similar undertakings. This does not provide for the repayment of the $1,200 million. It is basically different from the fundamental principle that has been used for the repayment, for example, of reclamation projects where 100 percent is required to be repaid. In other words, for the first time it sets up a basic policy contrary to the principle used in many other projects which involves repayment; specifically, that we will require repayment of only a portion even though we recognize that the full amount is repayable. It is only a question of time before this principle will be extended to other fields.

These are some of the reasons why the bill should have gone to conference so we could have had a chance to express our views upon it. We would have been willing to relinquish our position on nine of the amendments, in order to have a vote on a single amendment, that is, amendment No. 2, which deals with the prerogatives of the President.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. ALLEN. Mr. Speaker, I yield the remainder of my time to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, H.R. 3460 as passed by the Senate should be vetoed because:

First. It would reduce to almost nonexistence the present meager congressional control of TVA.

Second. It would prevent the President from exercising budgetary control over the TVA power program. This would be an unwarranted curtailment of the constitutional powers of the executive branch of the Government.

Third. It contains loopholes that would permit almost unlimited expansion of the TVA power system—largely through failure to provide control over existing power contracts or revisions thereof.

Fourth. It would free TVA from the provisions of existing laws applicable to other Federal agencies or corporations.

Fifth. There is no need at this time for the additional funding that would be provided. TVA presently has a considerable surplus of generating capacity over peak load and 2,200,000 kilowatts of additional capacity under construction. Available power revenue would permit construction of an additional 600,000 kilowatts upward annually. The contention that without this bill TVA would have a paralyzing shortage of power is without foundation in fact.

Sixth. Would not provide effective and desirable control of proposed bond issues by the Treasury Department. Meager control indicated could be eliminated by loopholes in bill as passed.

Seventh. Would subordinate taxpayers present investment in TVA to that of the bondholders.

Eighth. It would eliminate desirable provisions of existing laws that need strengthening and replace with much weaker substitutes.

Ninth. It would establish undesirable precedents that would be a forerunner for other agencies and areas of the country.

H.R. 3460 AS PASSED BY HOUSE

H.R. 3460 as it passed the House also contained many of these same bad features. As it would be impossible to eliminate all the bad features of either bill in conference, any conference bill would warrant a veto.

The record shows that TVA has overestimated its future load requirements. It now has a considerable reserve of power-generating capacity. It now has available over $100 million annually from power revenues that can and are being used to contract new generating and related power facilities. With these funds it can construct upward of 600,000 kilowatts of system power generation and related transmission facilities.

Federal loads on the TVA system have now leveled off. Non-Federal load growth has, over the past 4 years, averaged about 550,000 kilowatts with the last year's growth amounting to 431,000 kilowatts.

It is fully evident from the record that there is no urgent need to provide TVA with increased funding for power facilities now or in the near future.

CLAIMED URGENCY FOR H.R. 3460 NOT VALID

H.R. 3460 has been rushed through both Houses of Congress on the basis that TVA would have a deficit in power supply of 600,000 kilowatts in the winter of 1961–62 and 1 million kilowatts in the winter of 1962–63 if they were not given the authority to issue bonds. TVA recently testified that the total peak capability of their power system would be 12,375,000 by December 31, 1962, or 3 million kilowatts above the TVA system load—excluding Memphis—in fiscal year 1959. Under such conditions there can be no urgency to fund additional generating capacity.

AVAILABILITY OF TVA POWER REVENUE FOR CONSTRUCTING ADDITIONAL GENERATING PLANTS

TVA testified that it would have in fiscal year 1960 a total of $103 million from net power revenues and power revenues for the depreciation account. Figures are given by TVA that indicate an annual increase of around $5 million from these sources.

TVA reported that the cost per kilowatt of system capability, including related transmission and other needed facilities has, for the past few years, averaged around $168 per peak capability. On this basis, these net power revenues and depreciation account funds would permit the construction annually of over 600,000 kilowatts of additional system capacity in fiscal year 1960. The annual increase in these funds would provide for an additional 30,000 increase over the prior years. In 3 or 4 years the annual funds available from TVA power revenues would provide for the construction of about 700,000 kilowatts of new generating capacity.

COMPOSITION OF TVA PEAK LOAD

Three million two hundred and fifty-four thousand kilowatts of the fiscal year 1959 TVA peak load was for Federal agencies. The Federal load on the TVA system has now stabilized at around this level. Exclusive of the Memphis load the non-Federal portion of the TVA peak load in fiscal year 1959 amounts to 6,121,000 kilowatts. TVA has certain contracts that provide for curtailment on the peak if necessary. Subtracting the interruptible load of 400,000 kilowatts would give a figure of 5,721,000 kilowatts of firm non-Federal peak load in fiscal year 1959. Of this 5,721,000 kilowatts firm non-Federal peak load on the TVA system in fiscal year 1959, 1,680,000 kilowatts represents house heating requirements.

INCREASE IN TVA PEAK LOADS

The average increase in non-Federal peak load on the TVA system for the past 4 years has been 550,000 kilowatts with the increase for the last year—1959 over 1958—being 431,000 kilowatts or the lowest annual increase in 4 years. In contrast TVA estimates an increase of 950,000 kilowatts in fiscal year 1960, 850,000 kilowatts in fiscal year 1961, 850,000 kilowatts in fiscal year 1962, and 950,000 kilowatts in fiscal year 1963.

NO IMPENDING SHORTAGE OF TVA POWER

On the basis of surplus system capacity now on hand, the record of power revenues available, and the cost per kilowatt of adding new capacity to the TVA system, it is clear that TVA will be able to provide for the normal increase in the requirements of its existing area for a number of years in the future.

INCREASED FUNDING WOULD ENCOURAGE TVA EXPANSION

As noted, TVA will have over $100 million of power revenues available annually with which it can construct new generating capacity and other power system facilities. Increased funding at this time would only provide for a greater surplus of TVA power. This in turn might increase the pressure to expand the TVA service area or the promotion of additional industrial loads in the existing TVA area to the detriment of other areas of the country.

H.R. 3460 A BAD BILL, SHOULD BE VETOED

The TVA bond bill H.R. 3460 has numerous bad features that justify a veto. There is no possibility of eliminating all the bad features in conference between the House and Senate.

Even if the bill had no bad features, there is no urgent need to pass any bill to provide increased funding for the TVA power system at this time or for a number of years in the future. The only need for additional funding at this time would be to permit unlimited expansion in the area to be served. Such action is unthinkable.

ANALYSIS OF H.R. 3460 AS PASSED BY THE SENATE JULY 9, 1959—AN ACT TO AMEND THE TENNESSEE VALLEY AUTHORITY ACT OF 1933, AS AMENDED (TVA REVENUE BOND BILL)

This bill passed the Senate on July 9, 1959, with amendments.

REPEAL OF PROVISIONS OF GOVERNMENT CORPORATIONS APPROPRIATIONS BILL, 1948

Section 1 of the bill would repeal three paragraphs of the Government corporations appropriation bill, 1948. The first two of these paragraphs relate to the requirement for repayment to the Treasury of the United States, in not more than 40 years, of the appropriated investment in the TVA power system. The last paragraph provided that TVA power revenues could not be used to construct new power-producing projects unless and until approved by an act of Congress.

These provisions of existing law should be strengthened rather than eliminated. Other sections of the bill are purported to replace these present provisions of law. These amendments are even less stringent than existing provisions of law and contain several loopholes that would permit the TVA to evade the purported congressional limitation or control.

REVENUE BOND AUTHORIZATION

The bill provides for a new section 15d, consisting of eight subsections, lettered (a) through (h).

Section 15d(a) would authorize the Corporation to "issue and sell bonds, notes, and other evidences of indebtedness—hereinafter collectively referred to as 'bonds'—in an amount not exceeding $750 million outstanding at any one time to assist in financing its power program and to refund such bonds."

It is to be noted that TVA would not be limited to issuing a total of $750 million in bonds, but as bonds are retired, could issue new ones to maintain a total of $750 million outstanding. In addition, TVA proponents in Congress have said that additional authorization will be requested of Congress if the expanding needs of TVA so require.

USE OF BOND PROCEEDS

The next part of section 15d(a), lines 6–15, page 2, provides that:

> The Corporation may, in performing functions authorized by this Act, use the proceeds of such bonds for the construction, acquisition, enlargement, improvement, or replacement of any plant or other facility used or to be used for the generation or transmission of electric power (including the portion of any multiple-purpose structure used or to be used for power generation); as may be required in connection with the lease, lease-purchase, or any contract for the power output of any such plant or other facility; and for other purposes incidental thereto.

This language would permit TVA to enter into contracts for lease, lease-purchase, or the purchase of the power output of additional generating plants. There is no limitation on the location, size, or total cost of such plants. Conceivably this provision alone could permit almost unlimited expansion of the power-generating facilities available to TVA for the expansion of its power empire.

Under this provision TVA could enter into a contract with Memphis for the lease, lease-purchase, or purchase of the entire power output from the generating plant being constructed by Memphis and thus negate the original intent of Memphis to provide for its own power supply. Nor does there appear to be any restriction on the use of power revenues for such lease, lease-purchase, or contracts for the power output of any generating plant now owned by others or which might be constructed by others, at any location desired, inside or outside the present area served by TVA.

LEASE, LEASE-PURCHASE, AND POWER OUTPUT CONTRACTS

Under this provision of section 15d(a) TVA could enter into a lease or lease-purchase agreement with REA generation and transmission cooperatives who could borrow Federal money at 2 percent to construct plants of unlimited size. The TVA commitment would in effect guarantee the loans and in the end TVA could acquire new generating plants without ever coming near Congress for approval. The same practical effect could result from contracts to purchase the output of generating plants now owned or to be constructed by others. Transmission lines and other electric facilities could also be obtained in like fashion by lease or lease-purchase. The potentials for TVA expansion are practically unlimited.

PROVISIONS FOR TVA TERRITORIAL EXPANSION

In section 15d(a), the Senate bill eliminated the territorial limitation as provided in the House bill and substituted territorial expansion provisions that would completely defeat the intent of the House bill on this point. The Senate amendment carries with it the potential of unlimited expansion of the area wherein TVA power could be transmitted and distributed. There is an apparent restriction in the Senate bill relative to the TVA making of new contracts for the sale of power, but contracts with distributors and purchasers of TVA power that were in force as of July 1, 1957, are not covered. It would be possible by contracting with an existing distributor or customer of TVA, for any existing or potential distributor or user of electric power, however remote, to obtain TVA power and sell such power in any area it might desire. The potentials under this loophole are almost limitless.

SPECIFIC EXPANSION PROVIDED

In addition to the unrestricted expansion of the TVA service area that could be achieved through TVA contracts that existed with any State, county, municipality, corporation, partnership or individual as of July 1, 1957, the Senate amendment specifically provides for certain expansions of the TVA service area. TVA would be permitted to expand up to 5 miles outside the area served by TVA and its distributors as of July 1, 1957 within a total of 500 square miles in any one State now receiving TVA power, with an aggregate of 2,000 square miles of additional area for all such States. TVA is also to be permitted to serve several specific municipalities not now being served.

USE OF ALL TVA POWER REVENUES TO PAY PRINCIPAL AND INTERSET ON TVA REVENUE BONDS

A portion of section 15d(a)—page 4 of the bill—provides that the net power revenues of TVA, including those from existing TVA power facilities are to be used to pay the interest and principal on the bonds to be issued by TVA. The existing requirements of section 26 of the TVA Act, which provides that revenues not needed for the operation of the TVA system be paid into the Treasury, would be set aside. Revenues normally set aside for depreciation reserve or amortization could also be used to pay the interest and principal of the bonds.

This proposed use of the revenue from Federal projects for payment of interest and principal of non-Federal guaranteed bonds raises a question as to the legal validity of such action.

SUBORDINATION OF TAXPAYERS INVESTMENT

Section 15d(e) provides that, after required payment of bond interest and principal are met, TVA shall make payments into the Treasury as a return on the appropriated investment in TVA power facilities, plus specified annual repayment on such investment until a total of $1 billion is repaid. These provisions subordinate the taxpayers' interest in the TVA power facilities, now approaching $1,700 million. Certainly, such subordination is not in the interest of the taxpayers of the Nation, nor in keeping with the TVA past promises to repay the funds provided.

The taxpayers of the Nation have been forced to contribute between $1 and $2 billion to create TVA and its gigantic power system. They have been told year after year that this money would all be returned to them. It is not fair or honest to now say to these taxpayers, "TVA is going to issue some of its own bonds and in order to make them more attractive to purchasers TVA is going to pledge the revenues from the plants constructed with your money, and will repay you when and if there is any revenue left." To treat the taxpayers' security and repayment in this manner is not in keeping with the American principle of fair play.

ELIMINATION OF PRESIDENTIAL CONTROL

In the next to the last paragraph of section 15d(a) it is provided that with the budget estimates transmitted by the President to Congress "the President shall transmit the power construction program of the Corporation as presented to him and recommended by the Corporation, together with any recommendation he may deem appropriate."

In effect, the President, as head of the executive branch of the Government, would have no control or say over the program of a major segment of the executive branch of Government, but would be merely the delivery boy for transmitting whatever program the majority of the TVA three-man board

might decide upon. The President would only be permitted to comment on such progress. It does not appear that such a provision is in keeping with the constitutional provisions of law and the rights of the executive branch of the Government.

LACK OF CONGRESSIONAL CONTROL OF CONSTRUCTION PROGRAM

In the last paragraph of section 15d (a) it is provided:

Neither bonds proceeds nor power revenues received by the Corporation shall be used to initiate the construction of new power-producing projects (except for replacement purposes and except the first such project begun after the effective date of this section) until the construction program of the Corporation shall have been before Congress in session for 90 calendar days. In the absence of any modifying action by a concurrent resolution of the Congress within the 90 days, such projects will be deemed to have congressional approval.

Ostensibly this section provides for congressional control of the TVA power construction program. In actuality it is almost meaningless. No control is provided for the first project to be started after the effective date of the section. The initial plant could be a 2- to 3-million-kilowatt project costing $500 million. No control is provided for any addition to existing powerplants or over any additions to a new project after the initial plant is constructed. Millions of kilowatts could be easily added in this manner without prior approval. No control is provided over transmission facilities. No control is provided over the construction of plants to be leased or lease-purchased. No control is provided over contracts for the purchase of the power output of power-generating plants of others.

UNREALISTIC APPROVAL PERIOD

As the bill is written no specific authorization is required for a TVA power expansion program. For new power projects—except the first project begun after the effective date of this section—a waiting period of 90 days is provided. In actual practice the requirement for modifying action by concurrent resolution of both Houses of Congress within 90 calendar days while Congress is in session could easily be negated by a deliberate holdup in the legislative committees of the House and Senate. There is no assurance that both Houses of Congress would have a chance to vote on the required concurrent resolution or could reach an agreement on such a resolution within the 90-day period. It is unrealistic to believe it could be done. Also TVA could set up a program for a series of relatively small new generating plants and thereafter expand such plants without limit or necessity to present such an expansion program prior to its initiation. The fact that they recently asked for bids on some 6 million kilowatts of new steam electric generating units, without prior advising the President or the Congress, is evidence of probable future action by TVA when they would, under this bill, have even less control than provided by existing law. The record of TVA past performances shows a real need for more congressional control, not less.

TREASURY APPROVAL OF BOND ISSUE

In section 15d(c) the Senate amendment provides that TVA shall advise the Secretary of any proposed issuance of bonds. Only the time of issuance and the maximum interest rate are subject to the approval of the Secretary. Treasury is to have no voice in approving amount, maturities, redemption, and so forth and so on. If the Secretary does not give his approval within 7 working days after being advised of the proposed sale, the Secretary is directed to purchase interim obligations in the amount of the proposed issue. These interim obligations are not to exceed $150 million outstanding at any one time and shall mature on or before 1 year from date of issue. Interest is to be equal to the average rate of outstanding marketable obligations of the United States with maturities from date of issue of 1 year or less as of the close of the month preceding the issuance of the obligations of the Corporation. It is also provided that—lines 5–12, page 10:

If agreement is not reached within 8 months concerning the issuance of any bonds which the Secretary has failed to approve, the Corporation may nevertheless proceed to sell such bonds on any date thereafter without approval by the Secretary in amount sufficient to retire the interim obligations issued to the Treasury and such interim obligations shall be retired from the proceeds of such bonds.

As noted previously the Secretary must approve the bond issue within 7 days or purchase interim obligations. In the original Senate amendment this was set at 3 days.

No reason was given in the Senate report for the insertion of such a short period of approval. Reason indicates that a realistic analysis of whether the timing or interest rate is desirable might well take more than the 7 days provided. Many other conditions could or might exist that would prevent approval within this short period.

If approval is not granted within 7 days, then the Secretary of the Treasury is required to purchase interim obligations of TVA. This may well be the purpose of the provision, that is, to permit TVA to make the conditions such that approval would be denied and TVA then could obtain funds directly from the Treasury. These interim obligations of TVA are limited to 1-year maturity, and at an interest rate equal to the average rate on U.S. marketable obligations having a maturity from date of issue of 1 year or less.

TVA would be limited to having $150 million of such interim obligations outstanding at one time. If Treasury approval was not obtained within 8 months after requested, TVA would be free to issue the bonds without such approval.

Under these provisions of the proposed bill TVA could obtain in 1 year up to $225 million from the Treasury, with an interest rate—based on existing ratios—of around 1½ to 1¾ percent under the long-term interest rate on outstanding U.S. securities.

All in all, this provision of the bill is a very bad one. In practice, it could easily result in practically eliminating any control by the Treasury and give TVA a considerable interest rate advantage at the expense of the taxpayer.

REMOVING TVA FROM CONTROL OF EXISTING LAWS

In section 15d(a), page 6 of the bill, it is provided that in connection with its power expenditures TVA "shall not be subjected to the requirements or limitation of any other law." With this provision in the act, TVA is freed of practically any congressional control. With TVA's past record of interpretation of the law, it can easily interpret this to mean that it does not have to comply with most of the requirements that govern other governmental agencies.

It is unthinkable to give TVA such freedom from the laws that other Government departments are required to comply with.

Mr. THORNBERRY. Mr. Speaker, I yield the balance of the time remaining on this side to the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Speaker, Congress does not create corporations to undertake routine or traditional activities of Government. When it created TVA, it drafted a statute tailormade to permit the agency to discharge its obligations under the statute. One of the special features was section 26 under which TVA was authorized to use its revenues "in the conduct of its business."

TVA's activities are many. Some of them, such as navigation and flood control, are wholly supported by appropriations. Each year a request for the appropriation of funds for TVA is included in the President's budget. These appropriations are handled like all appropriations. The requests of the agency are screened through the Bureau of the Budget and it is the Bureau's estimates which are transmitted by the President for action by the Congress.

At the same time, however, TVA has always presented for transmittal to the Congress the expenditures planned to be undertaken by the use of proceeds. The right to use such proceeds is, however, not dependent upon their inclusion in the President's budget, nor is action by the Appropriations Committee required. In fact, if the Appropriations Committee endeavors to modify that portion of TVA's presentation which involves the use of corporate funds, such modification is subject to a point of order. The right of TVA and of other corporations to use their revenues rests not on the appropriation process but on the basic statute. The fact that plans to use such funds are presented to the Congress at the same time and in the same document as budget estimates does not change the situation. This merely provides a convenient and automatic way to advise the Congress of the plans of various corporations. It has one further value. It gives in one document a total picture of each corporation's program and financial situation.

The fact that this right to use revenues rests on the basic statute—and the bond amendment now before the House is an amendment to TVA's basic statute—has always been recognized. Section 104 of the Government Corporation

Control Act contains the following provision:

The provisions of this section shall not be construed as preventing wholly owned Government corporations from carrying out and financing their activities as authorized by existing law, nor shall any provisions of this section be construed as affecting in any way the provisions of section 26 of the Tennessee Valley Authority Act, as amended.

If it is recognized that the use of revenues and the proceeds of revenue bonds has nothing whatsoever to do with the appropriation of funds from the Treasury, it will be clear that passage of this bill does not in any way dilute or diminish the authority of the President. In the future as in the past when TVA's request for appropriated funds is before the Congress it is the request of the President in his budget estimates upon which the Congress acts. This is not the case with respect to corporate funds—current revenues or bond proceeds—which are being expended under the authority of the basic statute. The President in this case is transmitting TVA's plans together with his comments at the same time he transmits his budget document. There are other statutes which require the President to transmit recommendations. No one questions these because they do not have the confusing element of presentation at the time of presentation of budget estimates, and they do not involve controversial issues. They do however require the President to transmit plans submitted to him, and there has been no suggestion that the dignity of the Presidential office is thereby impaired.

I would like to submit some examples of how the President transmits to Congress plans of this type, following the same pattern as established by Senate amendment No. 2.

Section (8)(c) of the National Science Foundation Act of 1950 provides in part:

The Foundation shall render an annual report to the President for submission on or before the 15th day of January of each year to the Congress, summarizing the activities of the Foundation and making such recommendations as it may deem appropriate (42 U.S.C. 1862(c)).

The Government Employees' Incentive Awards Act, signed by President Eisenhower on September 1, 1954, contains a provision that:

The departmental awards program set forth in this chapter shall be carried out under such regulations and instructions as may be issued by the U.S. Civil Service Commission which shall annually report the results of the program, with related recommendations, to the President for transmittal to the Congress (5 U.S.C. (Supp. V) sec. 2121).

The act setting up the Corregidor Bataan Memorial Commission, signed by President Eisenhower on August 5, 1953, contains the following provisions:

Such Commission shall not later than one year after its appointment, report to the President of the United States the extent and results of its activities and its resolutions relative to such an erection of a replica of the Statue of Liberty on Corregidor Island, and the President shall transmit such report to the Congress of the United States (67 Stat. 366).

A later amendment to this act, approved August 9, 1955, contained the following additional provision on this point:

Thereafter the Commission shall annually submit to the President a report of the progress of the work of the Commission and a statement of its financial transactions during the preceding year, and the President shall transmit such report to the Congress of the United States (69 Stat. 590).

The 1953 act and the 1955 amendment referred to are codified in 36 U.S.C. (Supp. V) 426 (h).

There are of course a number of statutes providing that the President shall transmit specified information and recommendations for preparation of which he himself is responsible. An example is section 3(a) of the Employment Act of 1946, which provides that:

The President shall transmit to the Congress at the beginning of each regular session (commencing with the year 1947) an economic report (hereinafter called the Economic Report) setting forth (1) the levels of employment, production, and purchasing power obtaining in the United States and such levels needed to carry out the policy declared in section 1021 of this title; (2) current and foreseeable trends in the levels of employment, production, and purchasing power; (3) a review of the economic program of the Federal Government in the United States or any considerable portion thereof during the preceding year and of their effect upon employment, production, and purchasing power; and (4) a program for carrying out the policy declared in section 1021 of this title (relating to maintenance of employment opportunities), together with such recommendations for legislation as he may deem necessary or desirable (15 U.S.C. 1022(a)).

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. We are coming to the end of a long and vigorous effort in support of the Tennessee Valley Authority, an institution which has contributed materially to the economic development of the Tennessee Valley and the Nation as a whole. We have been fortunate to have had the splendid leadership of the gentleman from Tennessee [Mr. DAVIS] and that of the gentleman from Alabama [Mr. JONES]. On behalf of the people from my section of the country may I say that we feel you have done a splendid job. Not only does our gratitude go out to these two fine gentlemen, but it also extends to all Democratic members of the Committee on Public Works, and especially to my valued colleague from Mississippi [Mr. SMITH], for your untiring efforts in bringing this legislation to the point of final passage. Each and every one of you has worked earnestly and vigorously. You have devoted yourself to this worthwhile cause and have brought us a bill which, in my judgment and irrespective of what has been said of it on the Republican side, is in keeping with the recommendations of the President. It is my opinion that when this bill goes to the White House—and it will surely soon be on its way—that the President will sign it. I certainly hope so. And when he does sign and finally make it the law of the land, it will stand as a lasting memorial to services of the gentleman from Tennessee [Mr. DAVIS], the gentleman from Alabama [Mr. JONES], and your distinguished Democratic colleagues on the Public Works Committee. I have nothing but praise and gratitude for your efforts.

Mr. JONES of Alabama. I am extremely grateful for the generosity of the gentleman from Mississippi. Of course, I cannot let this occasion pass without praising his own fine efforts in the progress of this legislation. I would also be remiss if I did not remind the Members of the House of the laudable efforts made by all the Democratic members of the House Public Works Committee and by my colleagues who have supported this bill on the floor. We are extremely grateful for your untiring efforts and steadfast contributions to the final passage of this very essential piece of legislation.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on ordering the previous question.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 243, nays 167, not voting 24, as follows:

[Roll No. 115]

YEAS—243

Abernethy	Dollinger	Kilday
Addonizio	Donohue	King, Calif.
Albert	Dorn, S.C.	King, Utah
Alexander	Dowdy	Kirwan
Alford	Downing	Kitchin
Anderson, Mont.	Doyle	Kluczynski
	Durham	Kowalski
Andrews	Edmondson	Landrum
Anfuso	Elliott	Lane
Ashmore	Everett	Lankford
Aspinall	Evins	Lennon
Baker	Farbstein	Levering
Baring	Fascell	Libonati
Barr	Feighan	Loser
Barrett	Fisher	McCormack
Bass, Tenn.	Flynn	McDowell
Beckworth	Flynt	McFall
Bennett, Fla.	Forand	McGinley
Blatnik	Fountain	McGovern
Blitch	Frazier	McMillan
Boggs	Friedel	McSween
Boland	Gallagher	Machrowicz
Bolling	Garmatz	Mack, Ill.
Bonner	Gathings	Magnuson
Boykin	George	Mahon
Boyle	Granahan	Marshall
Brademas	Grant	Matthews
Breeding	Gray	Metcalf
Brewster	Green, Oreg.	Meyer
Brock	Hagen	Miller, Clem
Brooks, La.	Hall	Miller, George P.
Brooks, Tex.	Hardy	
Brown, Ga.	Hargis	Mills
Brown, Mo.	Harmon	Mitchell
Buckley	Harris	Moeller
Burdick	Hays	Montoya
Burke, Ky.	Healey	Moorhead
Burke, Mass.	Hébert	Morris, N. Mex.
Burleson	Hemphill	Morris, Okla.
Byrne, Pa.	Hogan	Morrison
Cannon	Holifield	Moss
Carnahan	Holland	Moulder
Carter	Holtzman	Multer
Chelf	Huddleston	Murphy
Coad	Hull	Murray
Coffin	Irwin	Natcher
Cohelan	Jarman	Nix
Colmer	Jennings	Norrell
Cook	Johnson, Calif.	O'Brien, Ill.
Cooley	Johnson, Md.	O'Hara, Ill.
Cunningham	Johnson, Wis.	O'Hara, Mich.
Daniels	Jones, Ala.	O'Konski
Davis, Ga.	Jones, Mo.	O'Neill
Davis, Tenn.	Karsten	Oliver
Dawson	Karth	Passman
Delaney	Kasem	Patman
Denton	Kastenmeier	Perkins
Diggs	Kelly	Pfost
Dingell	Keogh	Philbin

Pilcher	Roosevelt	Thompson, La.
Poage	Rostenkowski	Thompson, N.J.
Porter	Roush	Thompson, Tex.
Powell	Rutherford	Thornberry
Preston	Santangelo	Toll
Price	Saund	Trimble
Prokop	Selden	Udall
Pucinski	Shelley	Ullman
Quigley	Sheppard	Vanik
Rains	Shipley	Vinson
Randall	Sikes	Wampler
Reece, Tenn.	Sisk	Whitener
Reuss	Slack	Whitten
Rhodes, Pa.	Smith, Iowa	Wier
Riley	Smith, Miss.	Williams
Rivers, Alaska	Smith, Va.	Willis
Rivers, S.C.	Spence	Winstead
Roberts	Stratton	Wolf
Rodino	Stubblefield	Wright
Rogers, Colo.	Sullivan	Yates
Rogers, Mass.	Teague, Tex.	Young
Rogers, Tex.	Teller	Zablocki
Rooney	Thomas	Zelenko

NAYS—167

Abbitt	Fallon	Mason
Adair	Fenton	May
Alger	Fino	Meader
Allen	Flood	Merrow
Andersen, Minn.	Fogarty	Michel
	Foley	Milliken
Arends	Ford	Monagan
Avery	Frelinghuysen	Moore
Ayres	Fulton	Morgan
Bailey	Gary	Mumma
Baldwin	Gavin	Nelsen
Barry	Giaimo	Norblad
Bass, N.H.	Glenn	Osmers
Bates	Goodell	Ostertag
Baumhart	Griffin	Pelly
Becker	Gross	Pillion
Belcher	Gubser	Pirnie
Bennett, Mich.	Haley	Poff
Bentley	Halleck	Quie
Berry	Halpern	Ray
Betts	Harrison	Rees, Kans.
Bolton	Hechler	Rhodes, Ariz.
Bosch	Henderson	Riehlman
Bow	Herlong	Robison
Bray	Hess	Rogers, Fla.
Broomfield	Hiestand	St. George
Broyhill	Hoeven	Saylor
Budge	Hoffman, Ill.	Schenck
Bush	Hoffman, Mich.	Scherer
Byrnes, Wis.	Holt	Schwengel
Cahill	Horan	Scott
Casey	Hosmer	Short
Cederberg	Jackson	Siler
Chamberlain	Jensen	Simpson, Ill.
Chenoweth	Johansen	Smith, Calif.
Chiperfield	Jonas	Smith, Kans.
Church	Judd	Springer
Clark	Kearns	Taber
Collier	Kee	Teague, Calif.
Conte	Keith	Thomson, Wyo.
Corbett	Kilgore	Tollefson
Cramer	Knox	Tuck
Curtin	Lafore	Utt
Curtis, Mass.	Laird	Van Pelt
Curtis, Mo.	Langen	Van Zandt
Daddario	Latta	Wainwright
Dague	Lesinski	Wallhauser
Dent	Lindsay	Weaver
Derounian	Lipscomb	Weis
Derwinski	McCulloch	Westland
Devine	McDonough	Wharton
Dixon	McIntire	Widnall
Dooley	Macdonald	Wilson
Dorn, N.Y.	Mack, Wash.	Withrow
Dulski	Mailliard	Younger
Dwyer	Martin	

NOT VOTING—24

Ashley	Green, Pa.	O'Brien, N.Y.
Auchincloss	Griffiths	Rabaut
Barden	Ikard	Simpson, Pa.
Bowles	Johnson, Colo.	Staggers
Brown, Ohio	Kilburn	Steed
Canfield	Madden	Taylor
Celler	Miller, N.Y.	Walter
Forrester	Minshall	Watts

So the previous question was ordered.

The Clerk announced the following pairs:

Mr. Johnson of Colorado for, with Mr. Walter against.

Mr. Bowles for, with Mr. Minshall against.

Mr. Staggers for, with Mr. Auchincloss against.

Mr. Celler for, with Mr. Miller of New York against.

Mr. Steed for, with Mr. Brown of Ohio against.

Mr. Forrester for, with Mr. Simpson of Pennsylvania against.

Mr. Rabaut for, with Mr. Taylor against.

Mr. Green of Pennsylvania for, with Mr. Kilburn against.

Mr. O'Brien of New York for, with Mr. Canfield against.

Mr. Madden for, with Mr. Ashley against.

Messrs. HARGIS, PHILBIN, and DONOHUE changed their vote from "nay" to "yea."

Mr. FORD changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time to inquire what the program may be for the rest of the day and for next week, if the majority leader can tell us at this time.

Mr. McCORMACK. Mr. Speaker, the business for the remainder of the week, I hope, will be disposed of today; in fact, I think it is reasonable to expect it will be, in which event I will ask unanimous consent that we go over until Monday.

The conference report on the independent offices appropriation bill is about to be called up; after that will be a bill relating to the Franklin D. Roosevelt Memorial.

Monday of next week is District Day, but I understand there is no District business to be considered.

On Monday the following bills will be called up for consideration, and we will dispose of as many of them as can be disposed of:

H.R. 8186, Armed Forces, amendments to Reserve Officer Personnel Act.

H.R. 8189, Armed Forces, promotion of Air Force officers.

H.R. 7244, holding company control of Federal Savings and Loan Insurance Corporation.

H.R. 7072, U.S. participation in Inter-American Development Bank.

If the Mutual Security Authorization Act is signed by the President, and it is in order, that bill will come up for consideration on Tuesday and consideration will continue until that bill is disposed of.

If any of the bills I have mentioned for Monday are not disposed of on that day, and the mutual security appropriation bill is considered on Tuesday, then the bills not disposed of on Monday will have to follow the mutual security appropriation bill.

With the disposition of those matters, and if there is time left next week, the bill H.R. 3216, relating to habeas corpus, will be called up. That has been on the program for 2 or 3 weeks, but because of the wishes of members of the committee it has not been brought up and its consideration has been postponed at their request.

There is the usual reservation that any further program will be announced later and conference reports may be brought up at any time.

Mr. HALLECK. I might just say to the gentleman that I express the hope that the MSA authorization bill could be quickly approved in order that we might proceed with the appropriation bill. I express that hope not only because we should expedite the action of the Congress, but in my opinion might well make it possible for us to adjourn sine die before the summer is gone.

Mr. McCORMACK. I agree with the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. GROSS. Then, it is definitely understood that the mutual security bill, the foreign giveaway bill, will not come up until the authorization bill is signed at the White House?

Mr. McCORMACK. I might state to the gentleman that the mutual security appropriation bill will not come up until the authorization bill is signed.

Mr. GROSS. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I would like to ask the majority leader, Has there been a request to go over until Monday?

Mr. McCORMACK. No; not yet.

Mr. HOFFMAN of Michigan. When is it going to be made? I would like to be here.

Mr. McCORMACK. Well, I will ask it now. Will the gentleman yield for that purpose?

Mr. HALLECK. I yield.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. I object. I hope maybe the labor bill will come up.

Mr. McCORMACK. If the gentleman is not on the floor, will he object to my making unanimous consent request later on?

Mr. HOFFMAN of Michigan. Yes.

Mr. McCORMACK. I like always to keep my word.

Mr. HOFFMAN of Michigan. I know, you do. And, if you say you are not going to make it again today——

Mr. McCORMACK. Oh, I did not say I would not.

Mr. HOFFMAN of Michigan. Well, I will have to stay here, then, I suppose.

INDEPENDENT OFFICES APPROPRIATION BILL, 1960

Mr. THOMAS submitted the following conference report and statement on the bill (H.R. 7040) making appropriations for sundry independent executive

bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 709)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered, 15, 21, 37, and 50.

That the House recede from its disagreement to the amendments of the Senate numbered 9 and 48, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert, "$4,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$1,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$58,500,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$250"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$19,120,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$249,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$5,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: "not to exceed $13,500,000 for expenses of travel;"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$301,700,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: "(at a total cost of construction of not to exceed $50,000 per housing unit in Alaska);"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "purchase of one aircraft;"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$135,200,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$48,725,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,550,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the seme with an amendment as follows: In lieu of the sum proposed by said amendment insert "$7,218,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,840,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$151,000,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$21,450,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,230,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: ", but total obligations of funds available for carrying out the provisions of the Strategic and Critical Materials Stock Piling Act during the current fiscal year shall not exceed $50,000,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert ": *Provided further*, That unobligated balances of funds in excess of $50,000,000 as of July 1, 1959, together with any receipts from sales or otherwise, during the fiscal year 1960, are hereby rescinded and shall be promptly deposited into the Treasury"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,750,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$400"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$3,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,052,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,830,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the number stricken out and inserted by said amendment insert "thirty-five"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$19,650,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "$1,529,650"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,054,550"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$152,773,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,850,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,100,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree

to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$61,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$29,278,400"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$1,136,600"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$29,349,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,344,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$31,659,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$525,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 25, 29, and 39.

ALBERT THOMAS,
SIDNEY R. YATES,
CLARENCE CANNON,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

WARREN G. MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
SPESSARD L. HOLLAND,
GORDON ALLOTT,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I

Executive Office of the President

Office of Civil and Defense Mobilization

Amendment No. 1: Reported in disagreement.

Amendment No. 2: Appropriates $4,000,000 for civil defense research and development instead of $3,500,000 as proposed by the House and $4,500,000 as proposed by the Senate.

Independent offices

Civil Aeronautics Board

Amendment No. 3: Inserts Senate language for the purchase of newspapers and periodicals and authorizes $1,000 instead of $1,600 as proposed by the Senate.

Amendment No. 4: Appropriates $58,500,000 for payments to air carriers instead of $57,000,000 as proposed by the House and $60,000,000 as proposed by the Senate.

Civil Service Commission

Amendments Nos. 5 and 6: Authorize $250 for the purchase of newspapers and periodicals instead of $100 as proposed by the House and $400 as proposed by the Senate; and appropriate $19,120,000 for salaries and expenses instead of $18,800,000 as proposed by the House and $19,440,000 as proposed by the Senate.

Amendment No. 7: Authorizes $249,000 for administrative expenses from the Employees' Life Insurance Fund instead of $240,000 as proposed by the House and $258,000 as proposed by the Senate.

Federal Aviation Agency

Amendment No. 8: Inserts Senate language for the purchase of newspapers and periodicals and authorizes $5,000 instead of $10,000 as proposed by the Senate.

Amendment No. 9: Authorizes $4,500 for the purchase of a passenger motor vehicle as proposed by the Senate instead of $3,500 as proposed by the House.

Amendment No. 10: Restores House language for expenses of travel and authorizes $13,500,000 instead of $12,950,000 as proposed by the House.

Amendment No. 11: Appropriates $301,700,000 for operating expenses instead of $283,200,000 as proposed by the House and $320,200,000 as proposed by the Senate. The funds provided are not to be used for establishing any positions which must be "annualized" in 1961.

Amendment No. 12: Restores House language relating to the cost of housing units in Alaska and authorizes $50,000 per unit instead of $40,000 as proposed by the House.

Amendment No. 13: Inserts Senate language for the purchase of aircraft and authorizes the purchase of one instead of three as proposed by the Senate.

Amendment No. 14: Appropriates $135,200,000 for the establishment of new air navigation facilities instead of $131,200,000 as proposed by the House and $139,700,000 as proposed by the Senate.

Amendments Nos. 15 and 16: Delete language proposed by the Senate relating to the purchase of three small aircraft; and appropriate $48,725,000 for research and development instead of $47,100,000 as proposed by the House and $50,350,000 as proposed by the Senate.

Federal Communications Commission

Amendment No. 17: Appropriates $10,550,000 for salaries and expenses instead of $10,400,000 as proposed by the House and $10,700,000 as proposed by the Senate.

Federal Power Commission

Amendment No. 18: Appropriates $7,218,000 for salaries and expenses instead of $7,062,000 as proposed by the House and $7,374,000 as proposed by the Senate.

Federal Trade Commission

Amendment No. 19: Appropriates $6,840,000 for salaries and expenses instead of $6,745,000 as proposed by the House and $6,935,000 as proposed by the Senate.

General Services Administration

Amendment No. 20: Appropriates $151,000,000 for operating expenses of the Public Buildings Service instead of $148,150,000 as proposed by the House and $153,150,000 as proposed by the Senate.

Amendment No. 21: Appropriates $3,770,000 for operating expenses of the Federal Supply Service as proposed by the House instead of $3,970,000 as proposed by the Senate.

Amendment No. 22: Appropriates $21,450,000 for expenses of supply distribution instead of $21,150,000 as proposed by the House and $21,550,000 as proposed by the Senate.

Amendment No. 23: Authorizes $3,230,000 for operating expenses for the strategic and critical materials stockpiling program instead of $3,150,000 as proposed by the House and $3,310,000 as proposed by the Senate.

Amendment No. 24: Restores House language and provides the total obligations of funds for the stockpiling program shall not exceed $50,000,000 instead of $33,000,000 as proposed by the House.

Amendment No. 25: Reported in disagreement.

Amendment No. 26: Restores House language and provides for the rescission of funds in the materials stockpiling program in excess of $50,000,000 instead of $33,000,000 as proposed by the House, and deletes Senate language rescinding $50,000,000.

Amendments Nos. 27 and 28: Authorize $12,750,000 for administrative operations instead of $12,500,000 as proposed by the House and $13,000,000 as proposed by the Senate; and authorize $400 for newspapers and periodicals instead of $100 as proposed by the House and $900 as proposed by the Senate.

Amendment No. 29: Reported in disagreement.

Housing and Home Finance Agency

Amendments Nos. 30 and 31: Insert Senate language for the purchase of newspapers and periodicals and authorize $3,000 instead of $6,000 as proposed by the Senate; and appropriate $9,052,000 for salaries and expenses of the Office of the Administrator instead of $8,702,000 as proposed by the House and $9,402,000 as proposed by the Senate.

Amendment No. 32: Appropriates $12,830,000 for administrative expenses of the Public Housing Administration instead of $12,660,000 as proposed by the House and $13,000,000 as proposed by the Senate.

Interstate Commerce Commission

Amendments Nos. 33, 34, 35, and 36: Provide for the purchase of 35 passenger motor vehicles instead of 30 as proposed by the House and 40 as proposed by the Senate; appropriate $19,650,000 for salaries and expenses instead of $19,400,000 as proposed by the House and $19,900,000 as proposed by the Senate; provide $1,529,650 for expenses of railroad safety activities instead of $1,526,100 as proposed by the House and $1,533,200 as proposed by the Senate; and provide $1,054,550 for expenses of locomotive inspection activities instead of $1,051,400 as proposed by the House and $1,057,700 as proposed by the Senate.

Amendment No. 37: Deletes language proposed by the Senate relating to the salary of the Secretary of the Commission.

National Science Foundation

Amendment No. 38: Appropriates $152,773,000 for salaries and expenses instead of $143,273,000 as proposed by the House and $160,300,000 as proposed by the Senate. The amount allowed includes funds for studies concerning weather modification, a feasibility study for a National Institute for Atmospheric Research, and dissemination of scientific information as proposed by the Senate. Funds are not included for a Southern Hemisphere astrograph or university nuclear research equipment.

Amendment No. 39: Reported in disagreement.

Renegotiation Board

Amendment No. 40: Appropriates $2,850,000 for salaries and expenses instead of $2,700,000 as proposed by the House and $3,000,000 as proposed by the Senate.

Securities and Exchange Commission

Amendment No. 41: Appropriates $8,100,000 for salaries and expenses instead of $7,800,000 as proposed by the House and $8,275,000 as proposed by the Senate.

Selective Service System

Amendment No. 42: Authorizes $61,000 for the National Selective Service Appeal Board instead of $50,000 as proposed by the House and $72,000 as proposed by the Senate.

Amendment No. 43: Appropriates $29,278,400 for salaries and expenses instead of $29,000,000 as proposed by the House and $29,556,800 as proposed by the Senate.

Veterans' Administration

Amendment No. 44: Inserts Senate language for expenses of travel and authorizes $1,136,600 instead of $1,200,000 as proposed by the Senate.

Amendments Nos. 45 and 46: Appropriate $29,349,000 for medical administration and miscellaneous operating expenses instead of $27,349,000 as proposed by the House and $31,349,000 as proposed by the Senate; and authorize $17,344,000 for medical research instead of $15,344,000 as proposed by the House and $19,344,000 as proposed by the Senate.

Amendment No. 47: Appropriates $31,659,000 for construction of hospital and domiciliary facilities instead of $30,159,000 as proposed by the House and $33,159,000 as proposed by the Senate.

INDEPENDENT OFFICES—GENERAL PROVISIONS

Amendment No. 48; Inserts language proposed by the Senate excepting from limitation travel performed in connection with the investigation of aircraft accidents by the Civil Aeronautics Board.

TITLE II—CORPORATIONS

Housing and Home Finance Agency

Amendment No. 49: Authorizes $525,000 for administrative expenses related to public facility loans instead of $500,000 as proposed by the House and $550,000 as proposed by the Senate.

Amendment No. 50: Authorizes $653,000 for administrative expenses of the Office of the Administrator for liquidating programs as proposed by the House instead of $755,000 as proposed by the Senate.

ALBERT THOMAS,
SIDNEY R. YATES,
CLARENCE CANNON,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. Mr. Speaker, I am very much concerned with an item in this bill relative to a Veterans' Administration hospital at Martinez, Calif. The Senate has written a sentence in its report which I would like to read:

The committee is convinced that there is urgent need for the new veterans' hospital to be located at Martinez, Calif. It is understood that plans are proceeding for this hospital, and it is hoped that it will be finished under the highest priority.

Mr. Speaker, this hospital has been a matter of controversy. The Veterans' Committee of this House has taken a long look at it. They do not like the location, which is on the periphery of the area to be served.

I believe that veterans hospitals should be built in locations where they best serve the veterans, and for no other reason. There is no great group of medical specialists in this vicinity. The University of California now has its Graduate Medical School at Berkeley, Calif., and it is very anxious to have this hospital located where it would be convenient to the school so that its staff specialists are available to care for the hospitalized exservicemen.

I would like to know whether the committee subscribes to the statement made to which I have referred.

Mr. THOMAS. May I say to our distinguished colleague from California, No. 1,—and mark this well—there is nothing in this bill making any appropriation for any new hospitals. No. 2, the language the gentleman read was written in the report of the other body and, of course, the House cannot control what the other body writes in its report. As far as the committee of the House is concerned, may I say to my friend that in this instance the committee is relying upon the House Veterans' Affairs Committee regarding the location in this particular instance because they have been actively working on this problem. Does that answer the gentleman's question?

Mr. GEORGE P. MILLER. It does. May I say that I should like to associate my colleague from Alameda County, Calif. [Mr. COHELAN], in the remarks that I made.

Mr. THOMAS. We are delighted to have our friend [Mr. COHELAN] with us.

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Speaker, I wish to add to the remarks of my distinguished senior colleague from Alameda County in California, Mr. GEORGE P. MILLER, that there are at least three major points to be noted in the needed restudy of the Martinez site.

First, there are sites available near the Berkeley campus of the University of California where, in the words of Dr. Hardin B. Jones, professor of medical physics and physiology, "both institutions might combine resources and provide a great medical service to veterans and simultaneously provide a clinical resource to the great laboratories of medical science at our university." Dr. Jones adds:

This would maximize the real usefulness of the hospital to veterans wholly aside from political considerations of the hospital site and eliminate the disservice to the veterans that a rural location of this hospital would entail.

Donald H. McLaughlin, chairman of the board of regents of the University of California, has expressed the university's interest in working with the Veterans' Administration to create such a joint use facility.

Second, there are sites available within the general Alameda County area now containing no less than nine major hospitals, an area in which vital auxiliary facilities already exist in considerable number and an area from which adequate personnel and staff can be obtained. This point has been raised by the Alameda-Contra Costa Medical Association which is among organizations urging a restudy of possible sites, despite the fact that it represents both Alameda County and Contra Costa County where the suggested Martinez site is located.

Third, there are sites available in Alameda County where a majority of the patients and their families now reside. This point has been made by the Alameda County Board of Supervisors in its resolutions urging restudy of possible sites for this facility.

These three points provide the basis for a restudy of site location. Following such a restudy, a final determination of site for the new hospital can be made on the basis of objective findings. Civil defense directives which originally resulted in consideration of a Martinez site away from metropolitan centers are no longer in effect, so these considerations now warrant a full and complete review.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I am delighted to yield to the able and distinguished chairman of the Committee on Interstate and Foreign Commerce.

Mr. HARRIS. You will recall that when the appropriation for the Federal Aviation Agency was considered by the House I raised some questions about the sufficiency of the funds to operate the airways. Can the gentleman advise us, since we have not had the opportunity to see the conference report, what the final result is with reference to personnel to operate the new or increased facilities for which appropriations were made some 2 years ago, the money having been spent, the facilities installed, and which will be coming into operation during this fiscal year?

Mr. THOMAS. I should be delighted to answer the question, in cooperation with my able and distinguished friend who, with his committee, know as much about this problem, if not more, than anybody else in the House.

Mr. HARRIS. I appreciate the high compliments the gentleman is paying me, but I am interested in results too.

Mr. THOMAS. In 1956 the predecessor agency had 23,763 employees, a nice little army. Then in 1959 we raised that

to 30,383, an increase of about 30 percent. For this year they came in and wanted another 5,000, which would make a total of 35,252. At the time of the hearing on the House bill, which was in March or April, they had about 3,000 unfilled jobs. We can argue about unfilled jobs; we all know the answers. An agency of this size can never keep all of its jobs filled, particularly with a turnover in the Federal service of something like 16 percent.

What we did in the House was to increase that figure about 500 above the vacancies. Then the bill went to the other body and they raised the amount to about the budget figure. We compromised that figure by splitting it half in two. So, any way you look at it, they are going to have between 2,500 and 3,000 more employees this year than they did last year. And this year they had 7,000 more than they had the year before that.

Mr. HARRIS. What is actually needed is 2,790 above last year. Of course, we could deal in total numbers, as the gentleman has explained, but it does not give the correct picture, as I see it; because, when this agency was reorganized, and the new agency, the Federal Aviation Agency, was established by this Congress, we took over certain personnel of the military for this purpose.

Mr. THOMAS. We did what?

Mr. HARRIS. Took over personnel of the military for operation of the airways facilities.

Mr. THOMAS. Not on the civilian payroll.

Mr. HARRIS. Yes; and will the gentleman permit me to continue. This new agency, the Federal Aviation Agency, was established by the Congress in 1958.

Mr. THOMAS. That is right.

Mr. HARRIS. Prior to that time the Civil Aeronautics Administration had its own operation with a set number of personnel, something like 16,000 to 18,000.

Mr. THOMAS. It was 23,000.

Mr. HARRIS. When we reorganized and took over the military phase of it, too, in the operation of the airways, we merged the operation of the civil and the military and it was then, which the record shows, estimated that both military and commercial civilian operations would require something like 40,000 employees to do the job.

Mr. THOMAS. I am not sure that the word "merged" is exactly correct.

Mr. HARRIS. That is precisely what happened.

Mr. THOMAS. We are working in conjunction with the military, sometimes side by side with them, using some of their facilities and they use some of ours. They use our personnel and we use theirs.

Mr. HARRIS. The gentleman is simply in error about that. Under the reorganization and the reestablishment of this program this is precisely the point I am raising here. For example, the long-range program which started with some tragic accidents, as the gentleman knows, and to which this Congress gave a great deal of attention, became a 3-year program which was proposed by the Executive and the Congress approved. That is now coming into operation. Now this year from the $73 million which this Congress appropriated over 2 years ago there are to be 17 long-range radar facilities, 19 terminal radar facilities, some 28 traffic control tower operations and 166 VOC put into operation. And this is the national program to operate civilian, commercial, and military planes. Can the gentleman tell the House whether or not there are sufficient funds in this conference report to operate these facilities for which we have already paid?

Mr. THOMAS. I think there are sufficient funds and if anything there might be $3, $4, or $5 million more than they need.

Mr. HARRIS. I would question that on the basis of what I understand is in this conference report—and I have not had a chance to examine it.

Mr. THOMAS. Certainly there is no disposition on the part of this committee to endanger the lives of any people who are going to use air travel. All we are trying to do is to get them to use what they have wisely.

Mr. HARRIS. I commend the gentleman for his objectives in that regard. I want to compliment him for it. But I seriously question whether you are going to use $73 million worth of facilities that have already been bought and some installed by a lack of appropriations to operate them in the interest of aviation safety for the American people. It is something that concerns me considerably.

Mr. THOMAS. I am sure that the gentleman will not be disappointed in the operation. I think they will do a good job with this personnel. You have to assemble these various scientific implements. They go to the warehouse. I think if you will read the hearings carefully you will find they admit that from the time they receive these implements in the warehouse they may stay there for 6 months before they are sent to the field for installation. That is a period of 6 months and it is their figure and not my figure.

Mr. HARRIS. I appreciate the assurance that the gentleman has given us in that connection, but I respectively disagree with him as to the results and hope he is right in his conclusion.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. BOW. With reference to this question of whether they can do a good job with this money that was appropriated some time ago to buy these instruments and as to the 6 months that have gone by and whether or not the installations are now in being, I would like to know this, whether there is enough money in this bill.

Mr. THOMAS. I do not think there is any doubt about it, I say to my friend, the gentleman from Ohio.

Mr. BOW. May I ask the gentleman this question. Is there enough money in this bill now to man all the installations that have heretofore been provided for by the Congress?

Mr. THOMAS. Yes; and there will be a surplus, in my judgment. Certainly if there is not they can come back for a deficiency appropriation.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, will the gentleman yield to me for the purpose of making a unanimous-consent request?

Mr. THOMAS. I yield.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent, the gentleman from Michigan [Mr. HOFFMAN] having withdrawn his objection, that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PRESTON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to my distinguished friend, the gentleman from Georgia, who is chairman of the Subcommittee for Commerce of the Committee on Appropriations.

Mr. PRESTON. I dislike very much to take exception or to take issue with the gentleman from Texas as to his statement that there are ample funds provided in this bill.

Mr. THOMAS. Reasonable men can reasonably disagree, and my friend from Georgia is a most reasonable man.

Mr. PRESTON. I assure the gentleman that my own subcommittee handled this appropriation in 1958 when we appropriated funds to buy this equipment and they are now installed. They are very essential devices for safety. In the judgment of Mr. Pyle, the Deputy Administrator, we are short $17 million of having enough money in this conference report to man the facilities that we have bought and installed.

Mr. THOMAS. I have seen these estimates made before and may I say to my friend we have been buying these items for a long time.

This is a continuing program. The lead time is 12, 16, or 18 months. Whenever they buy some equipment it is shipped to a central warehouse and sometimes it lies in the warehouse for 6 months before it is shipped out to be installed. That is their testimony, not mine, it lies there for 6 months before it is sent to the field for installation.

The gentleman from Georgia knows we are not going to do anything to jeopardize anybody's life, and when it gets to the place that they need more money we know what they are going to do. That does not mean that this is an invitation for them to come back here on the first day of January, but the gentleman knows what will happen.

Mr. PRESTON. What the gentleman says reminds me of the old fisherman who said to the catfish: "Do not worry; we are not going to hurt you very much; we are only going to skin you."

Mr. THOMAS. Nobody is going to get skinned. We all do a little flying and none of us want to get skinned.

Mr. PRESTON. But we are getting skinned in this conference report.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. HARRIS. Do I understand the gentleman to say that if any of these installations are necessary to the airways of the country they should go ahead and if they find they do not have sufficient money on an annual basis——

Mr. THOMAS. No; we did not say that.

Mr. HARRIS. Does the committee, then, intend for the agency to go ahead with those new installations that are necessary to the operation of the airways?

Mr. THOMAS. We are not telling them how to run their business or what installations to put in. They know a little bit more about that than we do.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. THOMSON of Wyoming. I wonder if the gentleman can tell me what the total appropriations are under the terms of this conference report?

Mr. THOMAS. Yes; I am delighted to get to that. I wanted to yield to my distinguished friend from Arkansas [Mr. HARRIS] to get this straightened out before we went into the figures.

The bill as passed by the House called for $6,457,657,800; and, in round figures, considering a rescission we made on stockpiling it was about $240 million less than the budget.

The bill went over to the other body and the other body raised the House figure in some varying forms through some 50 amendments, but in round figures by $102 million.

The House conferees met with the conferees of the other body and when we got through we saved $57,196,400 of the $102 million increase. Does that answer my friend's question?

Mr. THOMSON of Wyoming. Yes; but I would just like to congratulate the conferees on the result of their effort. I would like to ask the gentleman if he does not agree with me that firm insistence on the part of the House is necessary if we are to hold expenditures down and that if the Appropriations Committee and the appropriations conferees would in all instances insist as the gentleman and his conferees insisted, that we could save six or seven hundred million dollars further?

Mr. THOMAS. I will say that my friend, the gentleman from Wyoming, has made a most valuable addition to the Appropriations Committee. We are delighted to have him with us, for he is a hard worker and has been very helpful.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman state to the House how much more this conference report requires than the bill when it passed the House?

Mr. THOMAS. I thought I did answer that. The Senate raised it $102 million and we took off of that $102 million $57 million. It results in a net increase of about $48 million over the amount the bill carried when it left the House.

Mr. GROSS. A $48 million increase?

Mr. THOMAS. Yes; the other body raised us $102 million and we reduced that to $44 million.

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. OSTERTAG. In answer to the question just raised by the gentleman from Iowa, according to the figures I have at hand the conference report presents a total figure of $44,494,400 over the original House figure.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman mentioned my name in connection with the bill carrying some $5 billion or $6 billion. I wanted to make it very clear that the only item I was questioning here was what was absolutely necessary to operate the airways of this country in a safe condition.

We have run out of airspace; we ran out of airspace a long time ago and we have had tragedies in the air because of it, and certainly I think there is probably something in this matter of appropriations. I am just as much interested in saving money as anyone.

Mr. THOMAS. There is no question about that.

Mr. HARRIS. I also submit that he wants to be fair in that regard. I think there are many places where money can be saved and applied where roads are involved. I think we could save many millions of dollars we are sending to many places around the world, and many things. We do not have to place the roads at stake.

Mr. THOMAS. I did not intend to imply anything but the very highest motives and principles to my able and distinguished friend from Arkansas.

Mr. HARRIS. I thank the gentleman.

Mr. THOMAS. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Speaker, I do not like to take the time of the House on conference reports, and I did not object to the unanimous-consent request this morning although I think it is proper for the House to have printed reports in full detail. Otherwise we sometimes get confused.

I want to ask the chairman of the committee a question in regard to amendment No. 1. When we passed the bill on the floor of the House there was an item for $25 million, requested by the Bureau of the Budget, for civil defense. As I understand, at the present time this amendment is in disagreement between the conferees of the House and Senate. What is the amount involved—$12½ million?

Mr. THOMAS. Mr. Speaker, may I say to my distinguished friend from North Carolina that, of course, he has really written the authorization bill, so I say this in great humility and with great respect for him, because he knows as much about the subject as any man in the House.

It will be recalled that this item is a matching item. The Budget sent up an estimate for $13 million on a matching basis of 50–50 for supplies and material. There was a great deal of argument in this body and in the other body as to whether or not the tremendous amount of money we have been spending for 10 years for stockpiling on a matching basis has been properly used or if it has been gainfully used. Anyway, they came up with a new program this year to put in the State capitals and in the city halls a total of 6,000 to 6,500 men to be paid partly by the Federal Government and partly by the local community.

May I respectfully say that the House turned this down, the other body reinserted it, and the only item in disagreement in this entire bill of 50 items is this item.

Mr. DURHAM. May I say to the gentleman, for whom I have great respect, that I disagree with him in the operation of this type of civil defense. The gentleman from Arkansas talked about the loss of life because of the lack of safety instruments for aviation. We have just gone through lengthy hearings on what we face if and when an attack should happen. This item is primarily for the benefit of our local communities throughout the whole of the United States in order to learn and to determine what can be done if and when we have an attack by atomic weapons on this country. That is the whole story.

I do not see how this country can afford not to participate in some kind of local instruction service to the people in local communities. I do not know how else you could do it.

We brought this bill out in 1951. We adopted the act at that time, and so far it has not been implemented at all by any funds to carry out the intent of that act. Each year we have asked for additional funds or for some funds to start this program. I we do not want to have any civil defense at all, I think the best way to do would be to get rid of it and say to the local communities: "Take you own responsibility." As a Member of this body I am not willing to do that. We have a responsibility because we are the heads of the U.S. Government. Radiation could destroy every man in the whole world, as far as that is concerned, if it is once laid down, and I say that on the basis of knowledge as to what exists.

In arriving at some kind of a solution it strikes me that we should instruct these people with this type of procedure, try to let the local policemen and other officials in local communities have some kind of instructional service. We set up the personnel who have the qualifications to do this, and how you can do it without giving some kind of help to the local communities I do not know. This is not to plan a political organization. But whatever it is or may become it is disseminating valuable information to every community for survival if we are faced with the modern weapons.

Mr. THOMAS. We have paid the transportation and tuition and let local

people pick out their students, so to speak, to go to school. But it is my understanding that the school program from the local point of view did not go over too well.

Mr. DURHAM. Well, I do not think that was the fault of the Congress at all.

Mr. THOMAS. No; it was not. That is the point I was making. But, we put up the money.

Mr. DURHAM. I think we have a responsibility here to try to put into the hands of the local communities throughout the country some kind of instructional service to tell them about the dangers. We print volumes and volumes and volumes of radiation hearings in the Joint Committee on Atomic Energy, but nobody takes the time to read them. They do not realize the hazards that exist today.

Mr. THOMAS. May I say to my beloved friend, I do not know of any man who is more genuine and sincere on matters affecting legislation and makes less noise about it. Still waters run deep. The gentleman from North Carolina [Mr. DURHAM] knows as much about the subject matter as any Member in this House.

Mr. DURHAM. I appreciate those compliments, but as much as I appreciate compliments, what I desire and want is the $12 million or more for the purpose of instructing our people factually in the means of survival.

Mr. THOMAS. But, I do not know what they are going to do with this money, and they have no more of a program than a goose has an instep. Are they just going to put the people on the payroll and send them to school?

Mr. DURHAM. No. That was never the intent of it. They come here and participate in the program and learn something. Everybody does.

Mr. THOMAS. I hope we can learn a lesson in another year or two, when it comes to making progress in this field, and if the gentleman will be patient, we will come to some solution of it.

Mr. DURHAM. We have to have some kind of knowledge back in the local communities. Suppose you had an atomic weapon drop in Houston tomorrow. Who is going to tell the people down there what to do?

Mr. THOMAS. The people of Houston or Durham or Chicago or New York are going to save themselves on their own ingenuity, and there is no bureau in Washington that is going to save them.

Mr. DURHAM. But we have to make some kind of a beginning.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from California.

Mr. HOLIFIELD. I want to associate myself with the remarks of the gentleman from North Carolina who has been a member of the Joint Committee on Atomic Energy since its inception, as have I, and who has studied this problem and participated in the hearings which have taken place in regard to the hazards of nuclear war. Now, I do not think there is a Member of this House who has been more critical of the Federal civil defense program than the gentleman from California now speaking. And, I certainly have been critical, because the program did not face up to the realities of the nuclear hazard which we are told exists, and we are spending $40 billion a year on the basis that it does exist. And, I can say to this House—and I do not want to be a prophet of doom—that notwithstanding the $40 billion that is being spent annually, the defensive military forces of the United States cannot protect the people from the hazards of a nuclear attack. This has got to be done through some type of civil defense program, a better program than we have ever had presented to the Congress. It grieves me to see a continuous denial of funds on these small steps, which are all the steps we can take at this time. I admit that they are not enough, but I would say with great earnestness that I feel that this is a problem which the House should consider under its own obligations to the people of the United States. And, if there is not a program forthcoming from the Federal civil defense officials, the Office of Defense Mobilization, this House should take up legislation to bring forth an effective program, and I hope at that time that the gentleman from Texas would look upon it with the degree of concern that some of the rest of us who have studied the program so long look upon it.

Mr. THOMAS. We have been wrestling with this problem every year. I do not think we have missed a year since April 1950, when it started.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Minnesota.

Mr. JUDD. I should like to associate myself with the views of the gentleman from North Carolina and the gentleman from California. Our people have not yet waked up to the fact that the United States today cannot be defended against atomic attack. No country today can be defended from attack. I believe we would be able to pull through an attack and survive and destroy the attacker; but we cannot entirely prevent his getting through our defenses. Our people have not been told this harsh truth as emphatically as it needs to be made clear to them. They have not realized, they have not quite taken it in, that an enemy can break through and deliver utterly devastating blows to the United States of America. Our people will not take civil defense seriously until they do realize that all our billions for defense cannot protect them against attack. Just yesterday we voted $3.5 billion to help other countries strengthen their capacity to defend themselves—and I urged approval of that. And then to choke on a small increase in appropriation for civil defense to prepare our people for atomic attack and how to protect themselves in the event of it, I just think is not good judgment. This involves our own survival.

Mr. DURHAM. We held hearings in the Joint Committee on Atomic Energy on simulated attacks of 150 weapons, I believe, laid down on strategic spots in the United States. We did it in our own country for that purpose. And, it is a most amazing thing to see what could happen with only that number. Now, that was only a small number involved, not what may exist in our own country but probably in the hands of those people who do not like us. I hope the gentleman, when he goes back to conference, will take this item seriously and put in this sum of money so we may tell and instruct the local people in our local communities how to survive in case of an atomic war.

Mr. KARTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KARTH. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from North Carolina [Mr. DURHAM].

It is a most unfortunate situation when a great and generous nation such as ours must stumble over $12 million for civil defense, but during the same year spend $40 billion for a shooting defense.

In addition, Mr. Speaker, I joined with many others just this week in voting $3.5 billion in mutual security aids. These funds will be used by our friends and allies for their own protection as well as ours. I do not make this point in objection, but rather to speak up for the defense of our own people.

We are justly proud of the outstanding civil defense program in Minnesota under the able leadership of Col. Hubert Schon.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Minnesota.

Mr. WIER. I want to get a little history of what happened in the conference committee regarding the vote on the cut here.

As I understand it, the Senate added to the House figure and then by a vote of 3 to 2 that figure was cut. Does the gentleman understand what I said?

Mr. THOMAS. I must confess I do not; I am sorry. Would the gentleman be good enough to repeat it?

Mr. WIER. I understand that when the House bill went over to the Senate, the Senate added some substantial amount to the item for civil defense.

Mr. THOMAS. That is correct. The item left here with a figure of $10 million and they came back with $25 million, so there was a difference of $15 million.

Mr. WIER. I understand that there was a vote in which the sum was cut, which the Senate had added, by a vote of 3 to 2. That was the information that I got. Is that correct?

Mr. THOMAS. I do not mind telling what went on. The conferees for the other body, on their part, were adamant. May I say that the House conferees were, likewise, a little hardheaded; but I do not recognize the figure of 3 to 2.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. TABER. There was no disagreement on the part of the House conferees.

Mr. THOMAS. That is my understanding, nor was there any disagreement on the part of the conferees for the other body.

Mr. WIER. On the sum that is now in the report?

Mr. THOMAS. Yes, sir.

Mr. WIER. That has been agreed on by both the House and the Senate?

Mr. THOMAS. No; the House conferees agreed, but the conferees for the other body disagreed with the House position. There was no division of opinion on the House side and there was very little division of opinion in the other body.

Mr. WIER. That is what I wanted to get clear. I was led to believe that somewhere along the line there was a booby trap in this.

Mr. THOMAS. No; none whatsoever.

Mr. WIER. I want to associate myself with the need, because in Minnesota we do have an excellent 87-county live organization on civil defense. Without any ammunition, they are helpless.

Mr. THOMAS. I do not know about that, but I can say that Minnesota has a fine Member of Congress by the name of Mr. WIER.

Mr. WIER. I thank the gentleman.

Mr. THOMAS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 3, line 5, strike out "$10,000,000" and insert "$25,000,000".

Mr. THOMAS. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 1.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: On page 17, line 9, insert: "Any funds received as proceeds from sale or other disposition of materials on account of the rotation of stocks under the Strategic and Critical Materials Stock Piling Act shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation except that, to the extent materials sold under section 3(d) of said Act to prevent deterioration are excess to stockpile needs, the proceeds of sale may be covered into the Treasury as miscellaneous receipts and thereupon the replacement requirements of said section 3(d) shall not be applicable: *Provided further,* That".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "to the extent materials sold under section 3(d) of said Act to prevent deterioration are excess to stockpile needs, the replacement provisions of said section 3(d) shall not be mandatory: *Provided further,* That".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 29: On page 20, line 11, strike out "a building in Portland, Oregon" and insert in lieu thereof: "buildings and sites thereof by purchase, condemnation, or otherwise:".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 29, and concur therein with an amendment, as follows: After the word "otherwise" insert ", including prepayment of purchase contracts".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: On page 25 after the word "expended" insert ", of which $1,890,000 shall be transferred to the Bureau of Public Roads, Department of Commerce, for an additional amount to complete the construction of a secondary road to the Optical Astronomy Observatory on Kitt Peak in Arizona:".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

RECORD NONSTOP FLIGHT FROM NEW YORK TO MOSCOW

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I take this time to make what I think is a most important announcement to the House. I read a press report from Moscow:

PRESS PLANE

Moscow.—America's biggest commercial jetliner today streaked nonstop from New York to Moscow in the record time of 8 hours and 45 minutes.

The flight of the intercontinental version of the Boeing 707 knocked 63 minutes off the flying time of the Russian TU–114 prop-jet that set the previous New York-Moscow record when Soviet First Deputy Premier Frol Kozlov returned to Russia earlier this month.

The new record was set by a Pan American World Airways jetliner, under charter to the U.S. State Department carrying 96 persons, most of them American newsmen assigned to cover Vice President NIXON's 11-day tour of Russia.

The recordbreaking flight began last night at 10:35 p.m., eastern daylight time, when the Boeing 707 took off from Idlewild International Airport in New York.

The Pan American jetliner arrived over Moscow at 7:20, eastern daylight time, circled for 7 minutes before getting landing clearance, and 2 minutes later, at 7:29 a.m., eastern daylight time, was on the ground.

The newsmen left New York about 90 minutes after NIXON left Friendship, Md., aboard an Air Force UC–137 jet transport—the smaller and slower version of the Boeing 707. They beat NIXON into Moscow.

The press plane flew nonstop from New York. The Nixon plane refueled at Reykjavik, Iceland.

FRANKLIN DELANO ROOSEVELT MEMORIAL

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 318), providing for the consideration of House Joint Resolution 115, a joint resolution to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 115) to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and now yield myself such time as I may require.

Mr. Speaker, the pending resolution, House Resolution 318, provides for the consideration of House Joint Resolution 115 to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt.

The committee is to be congratulated; they have worked tirelessly for the last 2 years. Sites have been examined and formative plans for the memorial to our late great President, Franklin Delano Roosevelt, have been made. The committee has finally come up with a site and a program which I believe the Congress should adopt at this time.

Mr. Speaker, I now yield to my colleague, the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BOW] and ask unanimous consent that he may proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOW. Mr. Speaker, there has been considerable concern expressed recently in the press and by mail that Members have been receiving relative to the condition of the roads program and particularly the trust fund. This has come about since our Commerce Department appropriation bill for 1960. I think the record should be made straight so that Members can reply to that mail and so that we understand just what has happened. Unfortunately one of the divisions of the executive department of Government has indicated it is because of language in this year's appropriation bill that the program in States like Virginia, Ohio, and other States are now going to have to shut down as money that has been allocated to those various States is not being paid.

The fact of the matter is, and I think it should be made clear, that when this budget was presented to us in January there was an estimated appropriation of $2,840 million which would be necessary to take care of the requirements of 1960. This appropriation was authorized from the trust fund.

Those expenditure requirements actually totaled $3,002 million, and the difference would be met from estimated unexpended trust fund balances brought over from 1959 of $162 million.

The income of the trust fund last year fell below the January estimate, so there is a greater deficit in the trust fund than was anticipated when the budget was submitted to your committee for consideration.

Today the deficit is $500 million.

I would like to tell you the reason for this. The budget appropriation language, following the form of the previous year, reads as follows:

> For carrying out the provisions of title 23, United States Code, which are attributable to Federal-aid highways, to remain available until expended, not more than $2,840,000,000, to be derived from the highway trust fund.

So you see that if the money is not in the trust fund there is no money available to the States under the allocation.

Your Committee on Appropriations, Subcommittee on Commerce, recognized this fact. We knew there would be a deficit; nevertheless, we made the appropriation from the trust fund and carried that same language because under the authorizing legislation in the 1956 act there is authority for appropriations to be made from the general fund, and that can be done if needed. However, another committee of the House is now considering legislation to implement the trust fund. There has been a request made by the President for increase in taxes to replenish the trust fund. No action has yet been taken on his request.

If no action is taken, the Appropriations Committee may be called upon to proceed under section 209(d) which provides for repayable advances from the general fund to the highway trust fund. It states:

> There are hereby authorized to be appropriated to the trust fund, as repayable advances, such additional sums as may be required to make the expenditures referred to in subsection (f).

Now, subsection (f) says in pertinent part:

> Amounts in the trust fund shall be available, as provided by appropriation Acts, for making expenditures after June 30, 1956, and before July 1, 1972, to meet those obligations of the United States heretofore or hereafter incurred under the Federal-Aid Road Act which are attributable to Federal-aid highways.

Now, as I understand this, the repayable advances provision does not operate automatically, but rather requires separate and distinct appropriation action by the Congress. In other words, if the general fund is to be temporarily used to meet current expenditure requirements for obligations already apportioned, that would require appropriation action in addition to the provision to which I have referred which was carried in the Commerce Department Appropriation Act for 1960.

The language in the act this year is no different than that which has been carried in the past; the only difference is in the state of the highway trust fund. There being a deficit this year, it becomes the responsibility of the Congress to find some way to replace that fund.

Mr. ALLEN. Mr. Speaker, I have no further requests for time on this side and yield back the balance of my time.

Mr. O'NEILL. Mr. Speaker, I yield to the distinguished son of our late beloved President, the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD following the legislative business of the day.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to include a letter from the National Park Service and a statement therein referred to in connection with my remarks on the pending resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent to extend at this point in the RECORD remarks prepared by the gentleman from Indiana [Mr. MADDEN].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MADDEN. Mr. Speaker, House Resolution 318 provides for the consideration of House Joint Resolution 115, which would reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt. The House Administration Committee which reported this Joint Resolution concurs with the Franklin Delano Roosevelt Memorial Commission in the designation of a site for this memorial at that portion of West Potomac Park which lies between Independence Avenue and the inlet bridge as a more suitable and proper location for the erection of the same.

It has now been almost 15 years since the passing of this great President and leader who guided our country successfully through the darkest economic depression in our Nation's history. He was also our President and in fact the world leader during the time that two potential world dictators and tyrants, Hitler and Mussolini, led millions to believe that the world should be enslaved under their tyranny. It was through his dynamic leadership as a statesman that our country was restored to prosperity in the 1930's and it was through his wartime leadership that these two dictators and the warmongers in Japan were defeated and eliminated as a world threat to global liberty.

Older Members of this Congress vividly remember the dark days of March 4, 1932, when Franklin Delano Roosevelt assumed the leadership of this Nation. Fourteen million men and women were unemployed and the vast majority of our industries and business were either closed or operating on part time. Bankruptcies were rampant not only in the cities but also on the farms of our Nation. Banks by the hundreds were closing and billions of life savings were lost. Millions of Americans were destitute through lack of jobs and money to provide food, clothing, and shelter for their families.

Millions of Americans were thrilled when the new President stated that "the only thing we have to fear is fear itself." He summoned Congress for a special session on March 9, 1933, and that inaugurated the so-called hundred days in which more progressive legislation for the benefit of the common people in America was enacted than at any time by any legislative or parliamentary body in world history. This legislation included, agriculture adjustment legislation, railway reorganization, securities and exchange legislation, Civilian Conservation Corps, Home Owners Loan Corporation, Tennessee Valley Authority, Federal Deposit Insurance Fund and Bank Guarantee legislation, and other bills which started the recovery of our economy.

As the Roosevelt New Deal proceeded to legislate for all the people in America, social security, retirement and pension legislation, minimum wage, Federal Emergency Relief Act, PWA, Federal farm loans, and other legislation was enacted which built the foundation for the great prosperity of the Roosevelt and Truman eras. The above accomplishments under this dynamic leader in themselves would justify the erection of a permanent monument to this man who saved the Nation when it was at its lowest economic ebb in our history.

Future generations will also classify Franklin Delano Roosevelt as the leader who, through his foresight and statesmanship, could foresee the future development of the greatest scientific invention of all time. It was his decision that authorized the Manhattan project that led to our Nation being the pioneer of

the atomic age. This decision, preceded by several years the explosion of the atom bomb in Japan which terminated World War II and saved the lives of millions of Americans and our allied soldiers. Probably the greatest accomplishment of this decision was the fact that the new menace of communism under Stalin and his Soviet conspirators was halted in its march to communizing all Europe because of their fear of the atomic bomb. Had it not been Franklin Delano Roosevelt's decision back in the dark days of 1944 to authorize the expenditure of approximately $2 billion for the Manhattan project, future history may record that after World War II the manpower of the Soviet tyrants and their satellites would have enslaved all Europe under the charge of Communist tyranny. Had this happened, Asia, Africa, and possibly South America would be under the heel of Communist tyranny at this very hour. Had this occurred, our Nation would be an island in the sea of world communism, and the destruction of our freedom would be but a matter of time. I firmly believe that in future generations, history will attribute this saviour of mankind from communistic domination to the foresight and dynamic leadership of Franklin Delano Roosevelt back in the dark days of 1944 when he singlehandedly and in a daring gesture of leadership, authorized the Manhattan project.

These two great accomplishments of President Franklin Delano Roosevelt stand out as monuments to his place in history as one of the greatest statesmen and world leaders of recorded time.

Pages could be written regarding other outstanding accomplishments in his constant battle for rise and progress of the common man, but I will not take the time to review these programs and legislative enactments during the limited time allotted under the rule.

I hope the Congress approves this monument to Franklin Delano Roosevelt by a unanimous vote.

Mr. O'NEILL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. BURLESON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H.J. Res. 115) to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H.J. Res. 115) with Mr. BLATNIK in the chair.

The Clerk read the title of the resolution.

By unanimous consent the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Texas [Mr. BURLESON] will be recognized for 30 minutes and the gentleman from Ohio [Mr. SCHENCK] for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. BURLESON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, Members would perhaps like to be reminded of the history of this legislation, and it is as follows:

On August 11, 1955, a Commission on the Franklin Delano Roosevelt Memorial was appointed. Four members were appointed by the President of the United States. Four members of the other body were appointed by the President of the Senate; and the Speaker of the House appointed four members. The four members of the Commission on the House side are: the majority leader, the distinguished gentleman from Massachusetts [Mr. MCCORMACK] and the gentleman from New York [Mr. KEOGH] who is secretary of the Commission. On the minority side, the gentleman from Ohio [Mr. SCHENCK] and the gentlewoman from New York [Mrs. ST GEORGE].

The purpose of this bill is to consider and formulate plans for the design, construction, and location of a memorial to Franklin D. Roosevelt.

The Committee on House Administration recently authorized an expenditure to carry out the purposes of the Commission. It also provided that the Commission may hold hearings, organize contests, enter into contracts and so forth. The bill also provides that assistance may be accepted from the Commission on Fine Arts, National Capital Planning Commission, and National Capitol Regional Planning Council, who, upon request, shall render assistance and advice.

The location of this monument is on that part of West Potomac Park between Independence Avenue and the inlet bridge, which is approximately 27 acres, bounded by the Tidal Basin on the northerly side, the Potomac on the southerly side, the Lincoln Memorial on the westerly side, and the Jefferson Memorial on the easterly side.

There is the sum of $150,000 involved in this authorization, the purpose of which is to pay prizes to architects and designers for the memorial.

There is a precedent for this procedure. This procedure was followed in the case of the Lincoln Memorial, Washington Monument, the Tomb of the Unknown Soldier, and even the Capitol Building itself. Back in those days when things were cheaper, the sum of $50,000 was appropriated for each in the case of the Lincoln Memorial and the Tomb of the Unknown Soldier. The Franklin Delano Roosevelt Memorial will be built by private funds, as was the Lincoln Memorial and the Tomb of the Unknown Soldier.

The breakdown of this authorization is as follows:

Six prizes of $10,000 each. The first prize will be $50,000, the second prize $20,000, and the third prize $5,000. The total is $135,000.

Then there is a fee for a professional adviser of $15,000, expenses of travel, and $50 per day for the jury, plus office rent, clerical help and other matters, such as advertising, printing, travel, and so forth.

I might add that in case the architect's fee is in excess of $200,000, the $50,000 first prize will be deducted from his fee. If less than $200,000, 25 percent of the gross fee shall be deducted.

I shall be glad to answer any questions. Probably no record is more complete of praise and commendation of this great man. There is no need for me to say anything about the merits of erecting a memorial to a great leader of this country. Whether we always agreed with him or not, he was a great leader.

I cannot pass the temptation of quoting from Henry Wadsworth Longfellow's "A Psalm of Life," the following:

> Lives of great men all remind us
> We can make our lives sublime,
> And, departing, leave behind us
> Footprints on the sands of time.

Certainly this great man left his footprints on the sands of time, and it is entirely appropriate to erect this memorial to him.

Mr. SCHENCK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it has been my privilege to be a member of the Franklin Delano Roosevelt Memorial Commission since its inception. This Commission has met frequently, it has spent a good many hours and it has sought the advice and the professional assistance of some of the leading folks of Washington who are connected with the Capital Planning Commission, the Fine Arts Commission, and so on.

It is the feeling of our Memorial Commission that a fitting memorial should be erected in memory of our former President, and also that this memorial should harmonize with the other structures in the area of the proposed memorial.

It is therefore felt that the best way to do this is to secure, through competition, designs made by some of the leading architects in the country who will come up with a design that will not only be meritorious and pleasing but will be appropriate to honor the memory of our former President, Franklin D. Roosevelt. So, when this resolution was presented to the Committee on House Administration, of which I am privileged to be a member, I was happy to join with my colleagues in urging the adoption of the resolution in the committee and the presentation here on the floor.

Mr. BURLESON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KEOGH].

Mr. KEOGH. Mr. Chairman, I shall detain the Committee but briefly. I take this moment, however, to pay what I think are just and deserved compliments to the members of the Commission, and to the distinguished Chairman of the Commission, an unselfish and dedicated public servant, the Honorable Francis Biddle. Mr. Chairman, I would also be remiss if I were not to express on behalf of the members of the Commission our

deep debt of gratitude to the distinguished gentleman from Texas [Mr. BURLESON] as chairman of the Committee on House Administration, for his courteous and careful and complete consideration of the pending resolution.

We are here today because the Commission is fortunate to have among its members the very distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], whose constant advice has been a source of inspiration to all of us. We are grateful to him.

Mr. Chairman, I am going to insert in the RECORD a statement which I have received from the National Park Service which indicates the present memorials that have been erected in the District of Columbia and which were the subject of competition similar to that which is proposed under the pending resolution.

The statement is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., July 22, 1959.

Hon. EUGENE J. KEOGH,
House of Representatives,
Washington, D.C.

DEAR MR. KEOGH: We are pleased to furnish herewith a statement prepared by the National Park Service a few years ago entitled "Selection of Architects for the Principal Memorials." We believe it will substantially meet the requirements you had in mind when you asked Associate Superintendent T. Sutton Jett of National Capital Parks to supply information on this subject.

We had hoped that the Commission on Fine Arts and the Public Buildings Service of Government Services Administration would have more complete lists of buildings and memorials for which the architects and/or sculptors were selected by competition. We are informed, however, that no such lists have been prepared.

We are furnishing herein additional information on the U.S. Capitol Building and the White House, which are not included in the attachment, with the thought that it might be both interesting and useful to you.

The Capitol Building: Five designs were submitted, and the award made to Dr. William Thornton. Other designs were submitted by Stephen H. Hallet, James Hoban, George Hadfield, and Benjamin H. Latrobe.

The White House: Thirteen individuals entered the competition for the design of the Presidential Residence, including James Hoban, Stephen H. Hallet, and an anonymous submission by Thomas Jefferson. The award was made to James Hoban.

Sincerely yours,

E. T. SCOYEN,
Acting Director.

SELECTION OF ARCHITECTS FOR THE PRINCIPAL MEMORIALS

INTRODUCTION

Beginning with the erection of the Washington Monument, the historical precedent of selecting an architect for a memorial by means of a competition of designs was established. Study of historical records and the reports of the Fine Art Commission reveals that the selection of architects and sculptors for memorials erected by public funds has usually been the result of competition. Notable exceptions to this were the Arlington Memorial Bridge and Thomas Jefferson Memorial. However, the selection of the architects and sculptors for memorials erected by private organizations and societies has in the majority of cases been the result of a direct commission. A representative sampling of 18 important memorials reveals the following information. The details surrounding the selection of the artists for certain of the more important memorials and statues are also given:

	Selection of sculptor or architect by competition	Selection of sculptor or architect by direct commission
MEMORIALS ERECTED COMPLETELY OR IN PART BY PUBLIC FUNDS		
Sherman Statue	1	
Washington Monument	1	
Grant Memorial	1	
Lincoln Memorial	1	
Jefferson Memorial		1
Statue of Jefferson	1	
Tomb of Unknown Soldier	1	
Christopher Columbus Memorial		1
Arlington Memorial Bridge		1
Ericson Memorial	1	
Total	7	3
MEMORIALS ERECTED BY PRIVATE FUNDS		
Gompers Statue	1	
Navy-Marine Memorial		1
Marine Corps War Memorial		1
District of Columbia World War Memorial		1
George G. Meade Memorial		1
Second Division Memorial	1	
Ward Statue	1	
Taft Memorial		1
Total	3	5

1. The Washington Monument: The construction of the Washington National Monument was at first undertaken by the Washington National Monument Society, organized in 1833. However, in 1876, with the monument still uncompleted, President Grant approved an act which provided that the Federal Government should complete the monument. Shortly after its organization, the Washington National Monument Society publicly invited American artists to submit designs, and no limitations were placed upon their form. A great number of designs were submitted, and from these, that of the well-known architect Robert Mills was chosen. Before completion, however, Mills' original design was considerably modified.

2. The Sherman Memorial: Erection of a memorial to General Sherman was approved by act of Congress, July 5, 1892. By this same act the Sherman Statue Commission was created. Maj. Gen. Grenville M. Dodge, president of the Society of the Army of Tennessee, was also named Chairman of the Statue Commission. On March 22, 1895, it was announced that "such artists as desire to compete for the erection of the said statue and pedestal" should submit models. Upon consultation with the National Sculpture Society, the Commission outlined the rules which would govern the competition. These rules were as follows:

"RULES OF COMPETITION

"An accurate and elaborate model of the design, scale 1 inch to 1 foot, both pedestal and equestrian statue, to be delivered free of expense to G. M. Dodge, President of the Society of the Army of the Tennessee, care of the Secretary of War, Washington, D.C., on or before January 1, 1896.

"The artists of the next four designs, if deemed satisfactory but not accepted, after the accepted one, to be paid $1,000 each.

"The successful competitor to enter into contract with the United States and give bonds in the sum of $25,000 for the performance of the work. A full description, dimensions, character of materials, and other necessary information to accompany each model. Full name to be given and no secrecy maintained; models to be in plaster, no drawings accepted; only artists and sculptors residing in the United States or Americans residing abroad allowed to compete. A committee of the National Sculpture Society to pass on the artistic character of the models and experts in bronze castings to decide as to the quality of materials. The right to reject any and all designs reserved by the commission. Public exhibition of models to be had two weeks before final decisions, the full-sized statue to be modeled and all stone and bronze work to be done in the United States."

Some 20 sculptors of national reputation submitted 23 competitive models. The public exhibition of the models, held 2 weeks before the final selection, attracted widespread interest. From this exhibition P. W. Bartlett, Carl Rohl-Smith, Charles Henry Niehaus, and J. Massey Rhind were chosen as the four sculptors to compete in the final judgment. At a meeting of the commission on May 27, 1896, it was resolved to accept the model of Carl Rohl-Smith, of Chicago.

3. The Grant Memorial: The memorial to Gen. Ulysses S. Grant was authorized by Congress in 1901. The legislation was enacted at the instance of the Army of the Tennessee. The Grant Memorial Commission invited the submission of designs, and in March 1902, 27 models were submitted by 23 sculptors. The award was made to Henry Merwin Shrady, sculptor, and Edward Pearce Casey, architect, of New York, and a contract was entered into with them on August 10, 1903.

4. The Lincoln Memorial: This memorial was authorized by Congress in February 1911, and provision was made for the creation of a Lincoln Memorial Commission. Upon invitation of the Commission, Henry Bacon and John Russell Pope, architects of New York City, prepared designs for the structure. The Commission selected Henry Bacon to prepare a final design, and Congress approved this on January 29, 1913.

5. The Samuel Gompers Memorial: This memorial, a gift of the American Federation of Labor, was erected on public grounds without cost to the U.S. Government by authority of act of Congress approved March 5, 1928. The American Federation of Labor first sent out a general invitation for designs for the memorial. The first sketches were disapproved by the Commission of Fine Arts, which advised the federation "that the only way of securing the service of a sculptor of high excellence was through a limited competition." Accordingly, sculptors of experience were invited to send photographs of their executed work. With these photographs as a basis, the Commission selected three sculptors for the final competition. From these three, each of whom could be relied upon to produce a satisfactory memorial, the American Federation of Labor chose Robert Aitken. The memorial was dedicated on October 7, 1933.

6. The Thomas Jefferson Memorial: Erection of the Thomas Jefferson Memorial was authorized by Act of Congress in 1934 (Pub. Res. No. 49, 73d Cong.). The Thomas Jefferson Memorial Commission, created by this act, was responsible for the planning and supervision of this work. According to the report to the Senate and the House of Representatives concerning the Thomas Jefferson Memorial by the Commission of Fine Arts, Washington, D.C., 1939, a competition of designs was not held in connection with the memorial building. The Thomas Jefferson Memorial Commission selected John Russell Pope as architect.

However, a competition was held with respect to the Statue of Thomas Jefferson The commission first invited those who wished to be considered as sculptor for the Jefferson Statue to submit photographs and records of past work. A jury of prominent men were selected to judge the applications and subsequently 101 sets of photographs were submitted by the applicants. From this number, six sculptors: Rudolph Evans, Raoul Josset, Lee Lawrie, Maurice Sterne,

Sidney Waugh, and A. A. Weinman were chosen to compete in the second stage of competition.

Later Messrs Lawrie, Evans, and Weinman were asked to prepare revised models for the statue. These were reviewed by the commission on February 21, 1941. The model of Rudolph Evans was subsequently selected by the commission for the Thomas Jefferson Statue.

A similar competition was also held for the sculptural group of the pediment, with the design of Adolph A. Weinman being chosen.

It was felt that a copy of the legislative act creating one of the memorial commissions might be of interest in connection with this background report. The following act of Congress, approved February 9, 1911, created the Lincoln Memorial Commission:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William H. Taft, Shelby M. Cullon, Joseph G. Cannon, George Peabody Wetmore, Samuel Walter McCall, Hernando D. Money, and Champ Clark, are hereby created a Commission to be known as the Lincoln Memorial Commission to procure and determine upon a location, plan, and design for a monument or memorial in the city of Washington, District of Columbia, to the memory of Abraham Lincoln, subject to the approval of Congress.

"SEC. 2. That in the discharge of its duties hereunder said commission is authorized to employ the services of such artists, sculptors, architects, and others as it shall determine to be necessary, and to avail itself of the services or advice of the Commission of Fine Arts, created by the act approved May 17, 1910.

"SEC. 3. That the construction of the monument or memorial herein and hereby authorized shall be upon such site as shall be determined by the Commission herein created and approved by Congress, and said construction shall be entered upon as speedily as practicable after the plan and design therefor is determined upon and approved by Congress, and shall be prosecuted to completion, under the direction of said Commission, and the supervision of the Secretary of War, under a contract or contracts hereby authorized to be entered into by said Secretary in a total sum not exceeding $2 million.

"SEC. 4. That vacancies occurring in the membership of the Commission shall be filled by appointment by the President of the United States.

"SEC. 5. That to defray the necessary expenses of the Commission herein created and the cost of procuring plans or designs for a memorial or monument, as herein provided, there is hereby appropriated the sum of $50,000, to be immediately available.

"SEC. 6. That said Commission shall annually submit to Congress an estimate of the amount of money necessary to be expended each year to carry on the work herein authorized.

"SEC 7. That all acts or parts of acts inconsistent herewith are hereby repealed."

7. Arlington Memorial Bridge: An act of Congress approved March 2, 1899 (Public Law 188), provided for securing designs for a memorial bridge at Washington. It was further stipulated that the office of the Chief of Engineers was charged with the performance of this work. By January 31, 1900, four separate designs had been delivered by Messrs. L. L. Buck, William R. Hutton, George S. Morrison, and William H. Burr. The Board of Engineers designated the design of Mr. Burr as the first in the order of merit and recommended its adoption subject to certain modifications. The estimated cost of Burr's original design was $3,680,672. The Board's additional recommendations would have brought the cost to $4,860,000 (House Doc. No. 578, 56th Cong., 1st sess.). These plans were submitted to Congress by the Secretary of War April 9, 1900, but no authorization for the initiation of the work was ever granted.

The above plans had been made before the study had been made for the development of Potomac Park and the extension of the Mall by the McMillan Commission of 1901. This Commission recommended that the proposed Memorial Bridge should begin at the site of the planned Lincoln Memorial.

The Public Buildings Act approved on March 4, 1913, provided for the creation of a commission to investigate and report on a suitable design for a memorial bridge over the Potomac. The officer in charge of Public Buildings and Grounds was named executive and disbursing officer of this commission on December 13, 1915. It was not until 8 years later that the original 1913 authorization of $25,000 was made available for procuring the necessary designs.

The broad outlines of the design were first defined at a meeting of the commission held June 29, 1922. Resulting from the decisions of this meeting, Mr. John L. Nagle was appointed designer engineer for the project on July 24, 1922, and the technical work of the design was begun immediately. Borings and surveys were started in 1923 and construction began in January 1926—after authorization of the act of Congress approved February 24, 1924 (43 Stat. 974), which directed the Arlington Memorial Bridge Commission to proceed with the work. The appropriation was not to exceed $14,750,000 for this work.

Originally the office of Public Buildings and Grounds had been authorized to conduct a competition to secure architectural designs; however, "loss of time incurred by the change of the change of the bridge site" and increased expenditures made this method impractical. The Commission of Fine Arts was asked to recommend names for consideration, which it did. Those names submitted were McKim, Mead, and White, of New York, Charles A. Platt, of New York, and Paul Crat, of Philadelphia.

The executive officer then requested the authority to enter into negotiations with the architectural firms; and after receipt of this authority in a letter from the President, dated March 5, 1923, to employ McKim, Mead, and White, of New York City, at once began negotiations with this firm. (Report of the Arlington Memorial Bridge Commission, 68th Cong., 1st sess., Senate Doc. No. 95, p. 36.) As a result of these negotiations, the executive officer on April 4, 1923, in behalf of the Arlington Memorial Bridge Commission, entered into a contract with McKim, Mead, and White. Thus, the records, as given in the official report of the Arlington Memorial Bridge Commission, indicate that the selection of the architect was the result of a direct commission by the executive officer. It is true that the Fine Arts Commission offered the names of three firms for consideration, but this is not interpreted as a competition.

8. Christopher Columbus: Act of Congress, March 4, 1907, appropriated $100,000 for the Christopher Columbus Memorial and the District of Columbia Commissioners donated $456 toward the construction of the foundation. Lorado Taft, of Chicago, was the sculptor and D. H. Burnham and Co., architects. There is no indication of a competition.

9. George G. Meade: The George G. Meade Memorial was erected by the State of Pennsylvania at cost of $85,000 without expense to the United States and dedicated on October 19, 1927. Act of Congress approved January 21, 1915 (38 Stat. 1222) authorized its erection on public grounds. Charles A. Grafly was the sculptor, and Edward P. and Grant M. Simon were the architects. The sculptor of the Meade Memorial received a direct commission for the work (Annual Report of Fine Arts Commission, June 30, 1914–July 1, 1915, p. 59).

10. District of Columbia World War Memorial: Act approved June 7, 1924 (43 Stat. 666) authorized the erection of the District of Columbia World War Memorial. It was erected by the District of Columbia Memorial Commission at a cost of $169,022 without expense to the United States. Frederick H. Brooke was chosen as the architect. The site and design were approved by the Joint Committee on the Library and the Commission of Fine Arts. There is no evidence of a competitive selection of the architect for this memorial.

11. Tomb of Unknown Soldier (Report of the Fine Arts Commission, Jan. 1, 1926–June 30, 1929, p. 131): Preliminary design was made by Thomas Hastings, the designer of the Arlington National Amphitheater. A competition was later held in 1926, and the design of Mr. Thomas Hudson Jones was approved by the Arlington Amphitheater Commission, the American Battle Monuments Commission, the Fine Arts Commission, and the Secretary of War. The competition consisted of 75 competitors with 5 entering the final stage, resulting in the final selection of Jones.

12. Ericsson Memorial: The Ericsson Memorial was dedicated on May 29, 1926; $35,000 was appropriated for memorial by act of Congress, June 12, 1917; $25,000 received by private subscription. The design of Mr. James Fraser was selected as the result of a competition (Report of Fine Arts Commission, July 1, 1921–Dec. 31, 1925, p. 85).

13. Navy-Marine Memorial: The Navy-Marine Memorial was completed on October 18, 1934, at a cost of $355,630. It was erected by the Navy-Marine Memorial Association as a national memorial to Americans lost at sea. Act of Congress, approved February 16, 1924 (43 Stat. 14) authorized its erection on public grounds without expense to the United States. Ernest Begrri del Platta was the sculptor, and Corbett, Harrison, and MacMurray were the architects. The sculptor, Ernest Begrri del Platta, submitted several designs before he was commissioned for the work. The Fine Arts Commission report, 1921–25, page 100, gives no indication that a competition was held for the selection of the sculptor.

14. Second Division Memorial: Dedicated on July 18, 1936. This memorial was erected by the Second Division Association in memory to their dead of World War I. Sculptor James Fraser was selected by competition. (Report of Fine Arts Commission, July 1, 1929–43, p. 111).

15. Gen. Artemas Ward Statue: Dedicated on November 3, 1938. The statue was presented to the people of the United States by the President and Fellows of Harvard University. Leonard Crunelle was selected as sculptor by competition after attempts at a direct selection of a sculptor failed (Report of Fine Arts Commission).

16. Marine Corps War Memorial: Act of Congress, approved July 1, 1947, (Public Law 157, 80th Cong., 1st sess.) authorized and directed the Secretary of the Interior to grant authority to the Marine Corps League, Inc., to erect a memorial on public grounds in honor of men of the U.S. Marine Corps who died for this country. The sculptor of this memorial was given a direct commission for the work by the Marine Corps League, Inc., and his design was approved by the Commission of Fine Arts. Mr. Felix W. de Weldon was the sculptor. The memorial was officially dedicated by President Dwight D. Eisenhower on November 10, 1954.

17. Taft Memorial (Carillon): To be erected by Robert A. Taft Memorial Foundation. Mr. Douglas Orr was selected as the architect and his selection was the result of a direct commission. Approved by House of Representatives, July 25, 1955. Approved by

Senate July 22, 1955. Memorial is now in the planning stage.

Mr. KEOGH. It is interesting, I think, for us to read briefly from the report of the Commission on the renovation of the Executive Mansion, that the Presidential residence, the original structure, was designed by James Hoban, who won the assignment in open competition with architects of the day, including Thomas Jefferson, whose plans were submitted anonymously. The fact of Jefferson's entry did not become known until after his death. In addition to designing the structure, Hoban also supervised its construction.

So, beginning with the Presidential residence and beginning with the Capitol in which we are now assembled, we have had competitions that have brought forth the best efforts of the distinguished and competent architects of the day.

Mr. Chairman, if I have omitted paying my debt of gratitude and expression of appreciation to anybody who has had any hand in bringing this resolution to the floor today, I will do it now.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. KEOGH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I might say to the gentleman from New York [Mr. KEOGH], that he has been a bulwark of strength on the Commission in connection with the performance of the Commission's duties, and he has made marked contributions toward the action and the resolution of the Commission which has brought about this bill today. To me it is most pleasing to see the unanimity of the Commission and the unanimity of the Committee on Rules. It just shows what the spirit is and what the spirit of America represents.

Mr. KEOGH. Mr. Chairman, with respect to his remarks about me, our distinguished majority leader has perhaps been a little more generous than he usually is and somewhat unmindful of the facts of the situation. But, I am grateful for those remarks.

Mr. SCHENCK. Mr. Chairman, I yield such time as she may require to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, it has been my great honor and also my very great pleasure to serve on this Commission. I think that the work of the Commission has been well done. We have worked diligently and harmoniously together. I hope, as a result of this, that a truly great, and I believe it will be a truly great, memorial will be erected in Washington to the memory of the late President Franklin Delano Roosevelt.

Many of the Members know, but some Members of the House may not know, that this memorial is going to be between the Lincoln Memorial and the Jefferson Memorial, which is extremely appropriate. It will be on ground which is now occupied by some temporary buildings which will, of course, be removed.

I understand that there will also be a very fine and also a very appropriate rose garden on this site, and in this rose garden will be the memorial.

This resolution, of course, calls for the spending of a little money for a competition so that the finest artists and architects will compete and this memorial will be truly a great work of art, something that we can all contemplate not only with pleasure but also that it will be a fitting memorial to a man who was, apart from any politics, a great person, a great President, and who probably will remain the only man in our history to have been elected by the people of the United States four times to the Presidency.

Mr. BURLESON. Mr. Chairman, I have no further requests for time.

Mr. SCHENCK. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, as with most other bills, I must ask a few questions to find out what is going to happen. Did I understand the chairman of the committee to say a few moments ago that this $150,000 will be all of the expenditure on the part of the Federal Government?

Mr. BURLESON. All the Federal funds that are involved, $150,000.

Mr. GROSS. And some 27 acres of land is involved?

Mr. BURLESON. That is correct.

Mr. GROSS. And that will be dedicated exclusively to these monument grounds; is that correct?

Mr. BURLESON. That is correct.

Mr. GROSS. I believe the gentlewoman from New York [Mrs. ST. GEORGE] said there are now temporary buildings on that ground.

Mr. BURLESON. On some part of the 27 acres there are a few temporary buildings; that is correct.

Mr. GROSS. And there will have to be demolition of those buildings. Does the gentleman have an estimate of the cost of that?

Mr. BURLESON. These buildings are to be removed, regardless whether this memorial is ever constructed or not.

Mr. GROSS. Are the buildings presently occupied?

Mr. BURLESON. Some of them are occupied and some of them are not; I do not know what the percentage is.

Mr. GROSS. Does the gentleman know what it is proposed to do with the people presently occupying those buildings? Is this going to require the construction of another office building to house them? What agency presently occupies those buildings?

Mr. BURLESON. The Central Intelligence Agency has a part of them, those fronting, I believe, on Independence Avenue. A few of them have been occupied by the female personnel of the Navy.

Mr. GROSS. Those are the buildings on the left-hand side of Independence Avenue as you travel west, is that correct?

Mr. BURLESON. Toward the river, that is correct.

Mr. GROSS. Running up to the Tidal Basin?

Mr. BURLESON. That is correct.

Mr. GROSS. Those buildings are practically 100 percent occupied now, are they not?

Mr. BURLESON. If the gentleman is talking of the entire string of buildings all the way up Independence Avenue—I may be incorrect about this and I will stand corrected—I do not think it includes all of that area. It does not go that far.

Mr. GROSS. It would have to include the bulk of the buildings, if we are talking about the same area.

Mr. BURLESON. There is a great area back from the river, west from the Jefferson Memorial, in what is called the inlet bridge; they would not necessarily have to have all of that area on Independence Avenue.

Mr. GROSS. An attempt was made the other day to bring the so-called stadium bill up and, in that connection, I discovered recently that it will be necessary to demolish buildings on that land, move Federal employees out, find other space for them; and that means a considerable increase in the cost of the proposed stadium. I am wondering how much hidden cost there is in this proposition?

Mr. BURLESON. There is no way of knowing on a long-range proposition what may be done, but there is no great activity in this area because they have moved out a great many people. I think the WAVES are, or were, in one end of this, occupying five or six of the buildings, and with regard to the CIA offices the gentleman knows that a new building is in process of construction and it is expected that all of that activity will go out to Virginia and the CIA will be vacating these premises regardless of what is done in this instance.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. KEOGH. Does the gentleman from Iowa know where the carillon is which was presented by the Netherlands Government to the United States?

Mr. GROSS. Yes.

Mr. KEOGH. The carillon is pretty close to the beginning of this tract. We were informed by a representative of the National Park Service that another location, a permanent location, for that carillon has already been selected and they are in process of making arrangements to move it. With reference to the CIA building, as the gentleman from Iowa well knows, construction of that building is well on its way and it is expected that that new building will be occupied by the CIA late in 1961. Of course, then, there will be no need for further maintaining these rather dilapidated looking temporary structures.

Mr. GROSS. Then I have the assurance today that beyond the $150,000 authorization contained in this resolution there will be no further burden upon the taxpayers of the country in connection with this memorial?

Mr. BURLESON. I can only reply to the gentleman that $150,000 is involved in this bill. Of course, I do not know, nor does anyone else know—half of the Members of the House of Representatives may introduce a bill to appropriate money for the construction of the memorial. As I understand it, the plan by the Commissioners at the present time is

to do this by private subscription. But I do not know what may happen and it is entirely possible we may be back here asking for Federal funds. But I would not make any such commitment to the gentleman because I just do not know.

Mr. GROSS. Does the gentleman from New York, who is a member of the Commission, care to comment on that?

Mr. KEOGH. I would be delighted to do so. Without assuming to probe into the mental operations of other members of the Commission, I think it is fair to say that the rationale of holding a competition or competitions for the proposed memorial and to award a suitable prize or prizes in connection therewith is for the purpose of enabling us to present a specific and acceptable plan for the memorial. Under the resolution creating the Commission, the Commission is authorized to solicit and to accept subscriptions from the public. It is, I know, the intention of the present members of the Commission to utilize every possibility we have to enlist and arouse financial support from the many, many millions of those who knew the great and distinguished late President and those who will yet come to know of him by reason of the place that Franklin Delano Roosevelt will occupy in history.

Mr. GROSS. May I ask the gentleman this question:

Is 27 acres not too much land for this purpose? I am sure the gentleman knows the value of an acre of land in the District of Columbia, and that Government-held tracts of this size are becoming very scarce.

Mr. KEOGH. It might very well be said by some that it is. But in this regard we are really following the suggestion and the advice not only of the Capital Planning Commission and the Fine Arts Commission but also of the Park Service. I am sure the gentleman will know, knowing as he does so well the location of this site, that there will be need for parking space and other necessary facilities and appurtenances connected with a memorial of this kind.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. McCORMACK. In amplification of what the gentleman from New York [Mr. KEOGH] has said, I would point out that the Commission intends to try to raise as much money as possible from private sources. I, too, am of that school of thought. The other members of the Commission know my views and I have expressed those views to them on a number of occasions. With reference to the 27 acres, that question can be taken care of in the future. If the entire 27 acres are not needed, of course they will not be used. The gentleman from Iowa knows that, of course.

Mr. GROSS. I would earnestly hope that the site would be restricted to much less than 27 acres in the original plans.

Mr. McCORMACK. I think the gentleman from Iowa can rely on the members of the Commission and realize that if the 27 acres are not necessary when the final conclusion and decisions are made then that area of land will not be used.

Mr. GROSS. I thank the gentleman.

Mr. SCHENCK. Mr. Chairman, may I say to the Committee that the comments made by the majority leader are extremely to the point and are absolutely true. It is the consensus of all members of the Commission that it will be highly desirable to finance the total cost of the memorial through public subscription. It is felt there is great encouragement that this can be done because there have been a number of statements made by folks who would like to have a share in the building of this memorial and would like to contribute to it.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have been told over and over and over again that some very objectionable small Government buildings are going to be removed anyway, just as soon as possible. Certainly that is an area that well adapts itself to a beautiful memorial to a much beloved President—Franklin Delano Roosevelt.

During his lifetime I heard him speak so often, with great affection, of his son James—"my son Jimmie," as he called him. What a happy circumstance it is that he is on the floor when this bill is being considered and passed, for his son James devoted years and years of his life to make things easier for a very fine and a very kind father, and a great and wonderful President.

Mr. SCHENCK. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I merely requested time that I might propound a question of the gentleman from Ohio. As the gentleman knows, the gentleman from Kansas was not a Member of the House when the memorial to Robert Taft was authorized some years ago. Could the gentleman tell us today whether any Federal funds went into the Taft Memorial now located near the Capitol Building?

Mr. SCHENCK. I might say to my colleague from Kansas that while I was not a member of the Taft Memorial Commission, it is my understanding that the only contribution the Congress made to the Taft Memorial was the site on which the memorial is built. The rest of the financing was entirely by public contributions by friends of the late Senator Taft.

Mr. AVERY. I can conclude, then, that by authorizing this 27 acres of ground—and like my colleague from Iowa that seems to me a lot of ground for a memorial, especially when compared with the small size of the site of the Lincoln Memorial—but if it is necessary, that is all right—that we are to assume that there would be no further cost to the Government, that this memorial, like the Taft Memorial will be financed by private funds.

Mr. SCHENCK. The gentleman is correct. This acreage will give an opportunity for proper landscaping and a proper setting for a very appropriate memorial.

Mr. Chairman, I yield back the balance of my time.

Mr. SIKES. Mr. Chairman, I am pleased indeed that I shall have the privilege of voting for this resolution to set aside a site for a proper memorial to commemorate the life and work of Franklin D. Roosevelt. I consider this action one of the important contributions of the current session of Congress, for the man we honor was not just another public figure, not just another statesman, not just another President. In honoring the memory of Franklin D. Roosevelt we honor one of the greatest of these; a man who certainly will rank in history as one of America's outstanding figures.

I was privileged to serve under President Roosevelt in peace and in war. I knew him for the great humanitarian that he was, and for the dynamic leadership which he provided in this Nation's dark hours. He was the rallying point behind which an awakened and aroused Nation could stand and fight and be inspired to victory, whether the enemy be economic depression at home or tyranny abroad. He could well provide the inspiration which this Nation needed, for first he had found it necessary to seek an inner source of strength and build for himself the courage and determination to overcome obstacles which few men have surmounted. That strength and courage and determination he shared in great measure with the Nation and in so doing graced his efforts with such rare good humor that his leadership was indeed a magnificent thing to behold.

I shall look forward with great expectation to the completion of this memorial. I trust that it shall be a great and inspiring sight, for otherwise it cannot do justice to the man whom it honors. In all the ages there are not many who are of the caliber of Franklin D. Roosevelt.

Mr. BURLESON. Mr. Chairman, there being no further requests for time, I ask that the resolution be read.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in furtherance of the joint resolution approved August 11, 1955 (69 Stat. 694), providing for the establishment of a Commission to formulate plans for a memorial to Franklin Delano Roosevelt, and of the interim report of the said Commission made to the President and to Congress, on January 2, 1959, recommending a site for the memorial and a competition for the design thereof, there is hereby reserved that portion of West Potomac Park, in the District of Columbia, which lies between Independence Avenue and the inlet bridge, being twenty-seven acres more or less to be used as a site for the proposed Franklin Delano Roosevelt Memorial.

SEC. 2. The Commission is authorized to hold a competition or competitions for the proposed memorial, and to award a suitable prize or prizes in connection therewith, but may refuse to employ any successful competitor if it deems that his design should not be used. The competition for the proposed memorial shall be carried out so as to insure that it will be harmonious as to location, design, and land use with the Washington Monument, the Jefferson Memorial,

and the Lincoln Memorial. In holding the competition the Commission shall avail itself of the assistance and advice of the Commission of Fine Arts, of the National Planning Commission, and of the National Park Service, and such Commissions and Service shall, upon request, render such assistance and advice.

SEC. 3. The Commission shall report the result of the competition, together with its recommendations, to the President and Congress at the earliest practicable date.

SEC. 4. There is authorized to be appropriated not more than $200,000 to be expended by the Franklin Delano Roosevelt Memorial Commission in organizing the competitions for plans for the design of the memorial, as authorized by subsection (c) of section 2 of the joint resolution, approved August 11, 1955.

With the following committee amendments:

Page 2, line 15, after the word "National" insert the word "Capital."

Page 2, line 23, strike out "$200,000" and insert in lieu thereof "$150,000."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLATNIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H.J. Res. 115) to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition, pursuant to House Resolution 318, he reported the resolution back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LANE. Mr. Chairman, we do not have to wait for the verdict of history. One hundred years from now, when scholars sift all the objective evidence of the stirring events that occurred during the emergency years from 1932 to 1945, they will merely confirm what we now know to be true; that Franklin Delano Roosevelt was a national and a world leader of enduring fame.

Being human, he made mistakes, even as you and I, but they were the passing errors made by a pioneering leader who was not afraid to dare and do as he faced up to the unknown and inspired the American people to rise from the bleak pessimism of economic catastrophe, to victory in affirmation of their freedom. No other President faced this double threat, one following closely upon the other.

Our Nation emerged from these inner and outer challenges to its very existence, stronger in substance and purer in spirit, thanks to the indomitable courage and resourcefulness of one man: Franklin D. Roosevelt.

The reckless greed of the twenties had plunged the Nation into a paralyzing depression that spread fear throughout the land, as the confident young Governor of New York began his campaign for the Presidency. His smile, his encouraging tone of voice, his proposals for dynamic action, radiated his complete faith in the ability of a free people to lift themselves from the morass of economic stalemate and to develop new instrumentalities for progress.

Here was a leader in the best American tradition, directing us toward the new horizons waiting for discovery, and saying: "Come. Let us go forward. There is nothing we cannot accomplish if we blend our individual creativeness with group cooperation."

It seemed as if the spirit of history itself had ordained these testing periods for this democracy-in-a-republic, to determine if we were merely coasting on the accomplishments of the past, or if we could live up to the values and the responsibilities of freedom in order to cope with the new challenges of our times.

Franklin Roosevelt understood the real danger, and the people responded to his call for trail-breaking action. The fault was within ourselves. Could we learn to make freedom work in all fields, and for other peoples as well as for ourselves?

With the rare foresight, and courage, and the willingness to try new ways and means, that characterizes genuine leadership, F.D.R. brought us through the struggling years from massive unemployment and the depths of economic despair to the summit of economic and military victory. Without him, where might our Nation be today? Locked in the sterile status quo of entrenched privilege that forever exploits the people, or a captive nation that declined because it had neither the spirit nor the intelligence to work and fight for the expansion of freedom?

We remember the minority that opposed the economic and social reforms of President Roosevelt and those who cravenly rationalized that we can do business with Hitler.

But Roosevelt knew that freedom is life itself. It cannot breathe and grow if it is gripped by the dead hand of yesterday, held tight by the rigor mortis of defunct procedures and policies.

Without vision, a nation perisheth.

Roosevelt had that vision in abundance, and the practical genius of experimenting so that we could make freedom realize in fact, more and more of its great and inexhaustible potentialities.

Fourteen years after his death in the service of our country, and in the service of freedom for humanity, we are honored by this opportunity to build a beautiful memorial that will perpetuate his gallant spirit, his achievements, and his confidence in mankind.

Thanks to Franklin Delano Roosevelt, we face the future unafraid.

TVA REVENUE BOND BILL

Mr. FENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Speaker, both the House and the Senate have now passed unsatisfactory versions of H.R. 3460, the TVA revenue bond bill.

I was not in favor of this bill when it was in the House and the Senate amendments do not cause me to change my opinion of this legislation. This is a poor bill. This is a bad bill. It raises serious and controversial questions of governmental policy which should have been carefully examined and resolved before Congressional action was taken on the bill.

What particularly upsets me is that this measure has gained much of its momentum on the grounds that there is an urgent need for it to prevent a paralyzing power shortage in the TVA region by 1962. During the hearings before the Public Works Subcommittee of the House Appropriations Committee, I asked the TVA officials a number of detailed questions regarding their power system capability and load growth. Some of the answers were not fully responsive; however, an analysis of the figures given as well as those previously reported to the Congress or to other Federal agencies shows that TVA's power need has not been clearly stated. I see no critical power shortage looming in the valley, and, furthermore, it seems clear to me that the Authority has the financial ability to meet its power needs for a good many years. Certainly there is ample time for us to give this problem the careful examination it deserves.

Some of our colleagues both here and in the other Chamber have warned about a severe power shortage that is coming in the TVA area if we do not pass this bill. But as I have analyzed the figures, by December 1961 TVA will have 1,775,000 kilowatts of capacity in excess of its probable firm peak load in fiscal year 1962. This excess capacity would be available for reserve or load growth needs. And this, according to my calculations, is ample to meet the area's needs. I should say also that my examination of the Authority's power situation indicates to me that they have consistently overstated their power needs, and underestimated their capability, and demonstrated repeatedly that they have the money to finance their needed power expansion. Now this does not indicate to me that TVA is headed for the dire consequences outlined by some of its officials and friends.

These facts are important when we consider the serious deficiencies in the bill.

H.R. 3460 would provide this Federal agency with a large source of capital with which to expand its power system and with freedom from congressional and legislative approval of its expansion plans. Thus, it can add as much capacity as it wishes whether this is needed or not.

During debate in the Senate before passage of the bill, Senator RANDOLPH pointed out that during a period when TVA had an excess of power after 1938 it expanded from 20,000 to 80,000 square miles. In the course of that growth some 30 electric power companies were wholly or in part taken over by TVA.

Is this Congress, therefore, to be a party to a bill which will supply the TVA with the financial means and freedom of action to build up excess power capacity so that it can then go on another excursion for markets to take up this excess capacity? These markets, let us remember, can be gained only at the expense of private taxpaying industry. In addition, surplus TVA power would encourage wide scale promotion of industrial development in the TVA area to the detriment or at the expense of other areas of the country.

H.R. 3460 does not provide for adequate budgetary and appropriations control. Budgetary control over an agency is one of the most important devices that is available to the President to insure that the agencies faithfully execute the laws. Similarly, appropriations control is a powerful implement in the hands of Congress to insure executive responsibility to the lawmaking branch. By freeing TVA from Presidential and other controls under the Budget and Accounting Act or under the Government Corporation Control Act, Congress would establish a highly undesirable precedent for Federal agencies. Thus, with power revenues of over $100 million annually and revenue bond authority for $750 million TVA would have sufficient funds for power system expansion for at least 10 years or more. Under H.R. 3460 TVA would not have to obtain Presidential approval of its power program expansion but would merely submit it to the President for transmittal to the Congress. This is a wholly inadequate and irresponsible procedure, not in keeping with the budget requirements of other executive agencies. Under the procedures contained in this bill, TVA could spend this money without any further congressional approval.

This bill also grants to TVA the right to issue revenue bonds without satisfactory control by the Treasury of the United States. Thus, Treasury, although responsible for the financial administration of the Government and for the management of the public debt would have no real authority over the financial operations of this Federal agency. At most this bill merely permits the Treasury to delay a TVA bond issue for up to 8 months.

The financing of any agency of the Federal Government through revenue bonds is inappropriate. It means that certain revenues of the Government are being earmarked and sidetracked and not placed in the Treasury of the United States. It means the establishment of separate budgets for agencies so financed. This results in a form of double bookkeeping and double budgeting and there can be no firm assurance, in spite of statement to the contrary, that these revenue bonds would not be obligations of the Federal Government should TVA default on them.

The net effect of this type of financing of a Federal agency, together with the other privileges proposed in this legislation, is to establish in actuality a fourth arm of the Government.

As to geographic limitation, by making exceptions for certain cities and by permitting additional expansion of TVA's borders, this bill opens the door for new areas to demand and to be given TVA power.

These points illustrate some of the serious weaknesses in the bill. Recent disclosures before the Appropriations Committee—and it is on the basis of these and other facts that I have analyzed TVA's power operations—show that the true facts about all phases of the TVA power situation and its future prospects are not yet in possession of the Congress.

It would seem essential for the Congress to have before it complete, accurate and noncontroversial factual information on TVA and the full implications involved in any changes that might be made in the existing act. Included in this information should be a realistic and sound long-range forecast of future power requirements, additional facilities needed and a thorough appraisal of TVA's financial resources to provide the necessary capital.

With this information at hand, the Congress could then, with confidence, direct the future course for TVA to follow, both to protect the taxpayers of the country and to insure and adequate supply of electric power for the people of the TVA area.

In the meantime, there is no need for a TVA revenue bond bill.

Mr. Speaker, under unanimous consent, I include at this point in the RECORD the detailed analysis I have made of TVA's power situation. This analysis, I state again, is based entirely on the figures TVA officials have supplied at hearings:

STATEMENT IN REGARD TO PROPOSED TVA REVENUE BOND LEGISLATION

Legislation to amend the TVA act is once again before the Congress. This statement reviews the situation in the light of recent information obtained from the Authority during the recent hearings before congressional committees.

THE URGENCY OF THE NEED FOR REVENUE BONDS

An urgent need for capital funds in large amount is being advanced as the principal reason for the enactment of the TVA legislation now before the Congress.

It is pertinent to examine the validity of this claim because if the facts are otherwise, there is no adequate reason for the immediate enactment of the proposed changes in the TVA act.

The evidence presented by TVA before the congressional committees raises a question as to the soundness of its estimates of future peak demands of the area it supplies with electric power and energy.

In the following notes, the term "hearing" refers to the testimony given from time to time before the Subcommittee on Appropriations of the House of Representatives.

POWER NEEDS HAVE BEEN OVERESTIMATED

TVA has consistently overestimated its power needs. The following examples are all taken from the House Appropriations Committee hearings for the fiscal year shown. The page numbers refer to the printed record for the particular hearing.

Appropriations Committee hearings for fiscal year	Page reference	Peak demand in thousands of kilowatts			
		Period	TVA forecast	Actual	Overestimate
1954	12	1954–55	8,050	[1] 6,952	1,098
		1955–56	8,900	[1] 8,298	602
		1956–57	9,600	[1] 9,239	361
1955	2366	1956	9,200	[2] 8,574	626
		1957	9,500	[2] 9,339	161
1956	34	1956–57	9,000	[1] 9,239	[3] 239
		1957–58	9,800	[1] 9,418	382
		1958–59	10,600	[1] 9,702	898
1957	172	1957	9,650	[2] 9,339	311
		1958	9,800–10,000	[1] 9,418	382–582
1958	319	1958	[4] 10,000	[4] 9,127	[4] 873
		1959	[4] 10,650	[4] 9,375	[4] 1,275
1959	190	1959	[4] 10,450	[4] 9,375	[4] 1,075

[1] From p. 909 of fiscal year 1960 Appropriations Committee hearings.
[2] As reported by TVA to Federal Power Commission.
[3] Underestimate.
[4] Excludes Memphis load.

TVA today is still overestimating its prospective load. As recently as April 22, 1959, the following information was furnished by the Authority:

	Kilowatts
P. 907 of the 1960 hearing says that the anticipated maximum demand during the winter of 1961–62 will be	12,000,000
Maximum demand, 1959, exclusive of Memphis (p. 913 of 1960 hearing)	9,375,000
Forecast 3-year load growth	2,625,000
Average annual growth in peak demand	875,000

The Atomic Energy Commission load of TVA has declined (p. 804 of 1960 hearing). Therefore any load growth to be experienced must come from the non-Federal end of the business. Page 910 of the 1960 hearings indicate that the increase of non-Federal load of TVA exclusive of Memphis has averaged 492,000 kilowatts for the last 5 years.

From the above data, it seems evident that the 12 million kilowatts demand estimated by TVA for the 1961–62 period is about 1 million kilowatts too high. The use of the lower estimate would give an average annual growth for the 3-year period to 1961–62 of 542,000 kilowatts.

SYSTEM CAPABILITY HAS BEEN UNDERESTIMATED

TVA has consistently underestimated the capability of its system. Until the 1960 hearings TVA has used installed capacity before the committee, and has, except in the 1956 hearing, ignored the fact that about 400,000 kilowatts of load is interruptible when the hydrocapacity is below normal. The figure of 400,000 kilowatts was admitted under cross-examination (see p. 322 of the 1956 hearing).

In the hearing before the Public Works Committee of the House on H.R. 3460 and H.R. 3461 on March 10 and 11, 1959 (p. 55), the following statement was made:

"Mr. WESSENAUER. As a matter of fact, if you want to look at the situation in 1961, in the winter of 1961–62, we project a load of about 12 million kilowatts. The capacity of our system will be—that is, how much load we should safely carry with the capacity we have—the capacity of our system will be 11,400,000. So we will have a shortage of about 600,000 kilowatts.

"Now, a year later——

Mr. SCHWENGEL. That is in 1961?

Mr. WESSENAUER. 1961–62. In 1962–63 the load will be up another 950,000 kilowatts, but the capacity will only be up about 550,000 kilowatts, so we will have a deficiency in that year of about 1 million kilowatts."

The above statement was repeated in substance in the opening statement of TVA before the Appropriations Committee on April 22, 1959 (see p. 803). However, under cross-examination different figures were furnished by TVA (see table) which says that the capability of the TVA system on December 31, 1961, would be 12,375,000 kilowatts before deducting for reserves.

COMBINED EFFECT OF OVERESTIMATING AND UNDERESTIMATING

The combined effect of overestimating load and underestimating capability is illustrated by the following table:

	1961–62, kilowatts	
	Claimed by TVA	Revised TVA figures
Safe capacity	11,400,000	12,375,000
Peak demand	12,000,000	11,000,000
Interruptible	----------	400,000
Prime requirement	12,000,000	10,600,000
Deficit	600,000	----------
Margin for reserves and load growth	----------	1,775,000

In addition to the 1,775,000 kilowatts of margin available for reserves and load growth, a substantial amount of capability will be available from the Memphis generating station by reason of surplus capacity and the fact that the peak demand of the TVA system does not coincide with that of Memphis standing alone.

TVA's peak demand is caused by house heating. Page 911 of the 1960 hearings gives the maximum demand of this service as 1,680,000 kilowatts. This peak demand is of relatively short duration. Thus it is possible for TVA to schedule maintenance shutdowns of large extent during the spring, summer, and fall. Therefore the need of reserves is less proportionally on the TVA system than on other utilities that do not have this special house-heating situation.

OTHER CITIES COULD FOLLOW THE LEAD OF MEMPHIS

The above forecasts of the peak demand of the TVA system could be materially reduced if other large cities in the area followed the lead of Memphis and constructed steam-electric capacity of their own. Memphis is advertising low-cost power from its new generating station, and the other municipalities may find it advisable to go into the power business for themselves.

AVAILABILITY OF CAPITAL FUNDS

Under cross-examination, the TVA witness admitted (p. 915) the following:

"The current construction program will require all of the $103,700,000 of funds estimated to be available in 1960 and approximately $93 million and $73 million, respectively, in the 2 succeeding years. By that time the construction now underway will be substantially completed. The funds available are expected to exceed the cash requirements of the present construction program by some $15 million in 1961 and $40 million in 1962."

In addition, on the same page the statement is made that the funds available in 1959, 1960, and 1961 fiscal years, plus the cash on hand at the end of fiscal year 1958 will total $346,800,000, and that the construction requirements will total $310 million.

Pages 913 and 914 of the 1960 hearing indicate that the repayments required by law have been made to such an extent that no additional repayments will be required before 1978.

As the cash generated by the business will increase as the volume of business increases, it seems evident that generating capacity and related facilities totaling about 550,000 kilowatts a year can be financed out of corporate funds. Should these funds prove to be insufficient additional money could be provided through—

(a) Small appropriations by the Congress.

(b) Increases in rates charged for power and energy. The rates charges by TVA for industrial service supplied directly by the corporation averaged only 4.21 mills per kilowatt-hour in fiscal year 1958. A mill increase on this service would have brought in an additional $8,362,000 in that year.

The resale customer in 1958 fiscal year made a profit of $28,306,030 on the power purchased from TVA. Thus TVA could increase its charges by that amount, without any increase in rates to consumers served by the resale contractors.

(c) Construction of powerplants by municipalities in the area, thus releasing TVA funds for other purposes.

CONSTRUCTION PROGRAM FINANCED BY AVAILABLE CASH

Examination of the record for the past 5 years and estimates for the fiscal years 1959 and 1960 shows TVA's ability to finance its power construction program. Not only has TVA been able to carry out the construction of power facilities in very substantial amounts but it has been able to make sizable repayments of the power investment at the same time. TVA has been able to meet both these requirements, moreover, with congressional appropriations only in fiscal years 1954 and 1955, since which time TVA has carried on without the need for appropriated funds. Cash generation from TVA's power business, annual depreciation charges and net power revenues, has risen rapidly and doubled over this relatively short period.

The following table gives the picture as shown for this period by the budget of the United States and TVA's annual reports:

[In millions]

Fiscal year	Power construction program	Repayment of power investment	Appropriations for power purposes	Cash generation
1954	$168.9	$20	$189	$51.1
1955	117.2	50	120	77.6
1956	45.5	59	----------	92.0
1957	73.8	30	----------	99.4
1958	110.5	10	----------	98.8
1959	[1] 125.7	----------	----------	97.6
1960	[1] 105.6	----------	----------	103.7

[1] Estimated.

It seems evident from the facts brought out by the cross-examination in the 1960 hearing, that TVA is not in urgent need of additional capital in the immediate future. On a long-term basis it seems probable that enough cash can be generated by the business itself, possibly aided by some very modest increases in rates or by modest appropriations by the Congress to take care of future power needs, provided TVA does not expand its operations beyond its present service area.

The available testimony did not develop any valid reason for substituting revenue bonds for the standard appropriation method of furnishing capital for the undertaking.

The appropriation route has proven to be adequate in the past. When funds were really needed, Congress has never failed to furnish them. The enterprise has grown so big that it can generate all or nearly all of its capital requirements. Future appropriations, if needed at all, will be relatively small, but will have an important advantage in that they would insure the continuation of the present control over TVA by the Congress.

CONTROL BY THE CONGRESS IS ESSENTIAL

The proposed legislation would remove much of the control the Congress now has over TVA. The testimony shows clearly that this control should be strengthened—not done away with. Existing agencies, such as the Bureau of the Budget and the Treasury Department, should have more authority over TVA than they now possess. Likewise Congress, through its appropriate committees, should continue to exercise necessary supervision and control over TVA's use of funds. In this respect the proposed legislation is seriously deficient. TVA has admitted the fact that under the proposed bill it would not need express authority from the Appropriations Committee to use revenues or bond proceeds for construction purposes (p. 905 of this committee hearing):

"Mr. MCCARTHY. I have said, sir, that we do not need express authority from the Appropriation Committee to use revenues, and under this bill we would not need it to use bond proceeds."

Congress should not avoid its obligation to the people of this country to direct and control the various segments of our Government. This is especially true in respect to agencies which have invested great sums of the taxpayers' money in business undertakings. The proposed TVA legislation would retain for the Authority all of the privileges of being part of Government, without the restraints and controls which are essential to protect the interests of the people of this Nation.

NEW APPRAISAL OF THE TVA SITUATION NEEDED

The record shows that haste is not required in the case of the proposed TVA legislation. On the contrary, abundant time remains for a careful appraisal by the Congress of the TVA situation, its long-range prospects both in respect to load and power requirements and the proper course which should be followed to meet some of the serious questions that have been raised regarding its operations and its future. For example:

1. About 29 percent of the tax revenues of the Federal Government are secured by corporate income taxes. This means, of course, that these taxes must be included in the price charged for goods and services supplied by taxpaying industry and business.

One of the reasons for the present unbearable burden of taxation on the average citizen is the growing tendency to excuse large segments of industry and business from paying Federal income taxes.

Is it wise or just to continue this practice of tax avoidance in respect to Federal power undertakings, especially TVA?

2. Should TVA be allowed to expand its service area in any respect, and thus convert taxpaying property into tax exempt, and in so doing increase the tax burden of the Nation's taxpaying citizens?

3. Practically all of the Federal business undertakings, especially in the power field, are required to turn over all, or nearly all, of their revenues to the Treasury. TVA is an exception to this rule. Is it wise or just to allow such a special privilege to remain in effect?

4. Should not the Congress have control over the spending of TVA's power revenues, as it does in all other instances in respect to Federal power projects?

5. TVA duplicates the work of some of the other agencies of the Federal Government. Is it good practice to let this continue?

6. TVA is free from the control of the Federal Power Commission and other regulatory agencies of the Federal Government. Is it wise and in the public interest to let this special privilege continue?

7. To free TVA from congressional control and to permit it to finance itself by means of revenue bonds would be certain to establish a precedent for all other areas and agencies to receive a similar privilege.

Would it be in the public interest for this to happen?

The recent disclosures before the Appropriations Committee show that the true facts about all phases of the TVA situation and its future prospects are not yet in possession of the committee.

It would seem essential for the Congress to have before it complete, accurate, and noncontroversial factual information on TVA and the full implications involved in any changes that might be made in the existing act. Included in this information should be a long-range forecast of future power requirements, additional facilities needed, and a sound appraisal of TVA's financial resources to provide the necessary capital.

With this information at hand, the Congress could then, with confidence, direct the future course for TVA to follow, both to protect the taxpayers of the country and to insure an adequate supply of electric power for the people of the TVA area.

SUMMARY OF STATEMENT

1. TVA overestimates its power needs

TVA, before the House Appropriations Committee, estimates a 1961–62 peak of 12 million kilowatts. In 1959, its peak was 9,375,000 kilowatts. Thus, TVA claims an average yearly growth of 875,000 kilowatts.

But in cross-examination before this committee, TVA admitted:

(a) The Federal load has stabilized—continues below the high reached in 1957.

(b) The non-Federal load for the 5 years 1954–59 has averaged only 492,000 kilowatts yearly.

Thus, TVA's 1961–62 forecast of peak demand to be overestimated by over 1 million kilowatts.

2. TVA underestimates its load-carrying ability

TVA uses name-plate rating to show its load-carrying ability rather than the larger and more realistic capability (the actual load-carrying ability of the machines).

Before the House Public Works Committee, TVA gave its capacity in 1961–62 as 11,400,000 kilowatts.

Before the House Appropriations Committee, TVA admitted to a capability at December 31, 1961, of 12,375,000 kilowatts (before reserves).

Not to be overlooked is the fact that 400,000 kilowatts of TVA's large industrial load can be interrupted at peak load periods.

3. TVA claims a power shortage—by overestimating power needs and underestimating load-carrying ability

TVA claims its 1961–62 situation to be:

	Kilowatts
Load-carrying capacity	11,400,000
Peak demand	12,000,000
Shortage	600,000

TVA amplifies this "shortage" claim to 1 million kilowatts in 1962–63 by its forecast of a growth in peak of 950,000 kilowatts against a capacity increase of 550,000 kilowatts.

TVA's figures revised to take account of overestimate of peak demand, interruptible power, and capability show for 1961–62:

	Kilowatts
Capability	12,375,000
Peak demand	11,000,000
Less interruptible	400,000
Net peak demand	10,600,000
Margin—for reserves and future load growth beyond 1961–62	1,775,000

4. Funds are available to carry out construction program

No additional repayments of the power investment are needed until 1978.

Cash generation in fiscal 1960 will be $103.7 million. This will later be greater as depreciation charges grow and business volume becomes larger.

Generating capacity and related facilities of 550,000 kilowatts (greater than the average growth of 492,000 kilowatts for the past 5 years) can thus be financed out of cash generation alone.

TVA admits to available funds sufficient to exceed the cash requirements of its present construction program by $55 million through fiscal 1962.

5. The record shows TVA's ability to carry a heavy construction program

TVA has carried out a heavy power construction program, made repayments of the power investment and with only nominal congressional appropriations.

The record:

[In millions]

Fiscal year	Power construction program	Repayment of power investment	Appropriations for power purposes	Cash generation
1954	$168.9	$20	$189	$51.1
1955	117.2	50	120	77.6
1956	45.5	59	----------	92.0
1957	73.8	30	----------	99.4
1958	110.5	10	----------	98.8
1959	[1] 125.7	----------	----------	97.6
1960	[1] 105.6	----------	----------	103.7

[1] Estimated.

AMENDING INTERNAL REVENUE CODE TO PROVIDE THAT DONATIONS TO UNITED NATIONS CHILDREN'S FUND MAY BE DEDUCTIBLE

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I have today introduced a bill to amend the Internal Revenue Code to provide that donations to UNICEF, the United Nations Children's Fund, shall be deductible as charitable contributions. This bill, I understand is also being introduced here by the distinguished gentleman from Texas [Mr. IKARD], and in the other body it is also receiving bipartisan sponsorship from Senators JACOB K. JAVITS and PAUL H. DOUGLAS.

As you know, UNICEF is an official organ of the United Nations. Its function is to create and implement programs designed to aid children in distressed and underdeveloped countries. It was created by the UN in 1946. Its Director General is an American, Maurice Pate.

From the first, UNICEF enjoyed income tax exemption under the Internal Revenue Code. On July 10, 1947, the Treasury Department ruled that contributions, gifts, and bequests would be deductible to the donor or to his estate. After passage of the 1954 Internal Revenue Code, the Department confirmed the validity of this prior ruling to UNICEF. However, after reconsideration earlier this year, the Treasury Department concluded that UNICEF's exemption was that of international organization under section 892 of the Code. Consequently, contributions were no longer deductible under sections 170, 2055, 2106, and 2522 of the Code. This bill would amend those sections to permit the deduction of such contributions.

To be sure, private contributions from the United States represent a very small proportion of its annual income—about 5 or 6 percent of its $23 million total receipts during 1958. Nonetheless, these contributions have a significance beyond their actual dollar amount in representing the interest of American individuals in the great humanitarian works of the United Nations. For whatever degree of support we may give to the U.N. in its political endeavors—and I for one support it—we must surely agree that truly significant work is being done by the great administrative organizations operating under the aegis of the U.N.

And UNICEF, which has returned all contributions exceeding $10 since the recent adverse ruling, advises that receipts from private contributions in the United States have fallen off one-third in the first 6 months of this year.

The work of UNICEF in disseminating information on childbirth and child care, in teaching midwifery, in providing cures for leprosy, yaws, tuberculosis, and malaria, has been one of the great achievements of the U.N. It has operated smoothly, effectively, and without controversy. UNICEF has spent about $270 million in its charitable work since its inception, and has stimulated more than $400 million in additional local contributions by governments to UNICEF-supported projects within their territories.

The recent Brookings Institution study of the U.N.'s work in the promotion of general welfare emphasizes the value of UNICEF:

UNICEF helped demonstrate the permanent value of [child welfare] services and, by making its aid conditional, afforded govern-

ments an incentive for allocating resources to programs benfiting needy children (at p. 204).

UNICEF has been acclaimed as perhaps the most successful of the United Nations undertakings. It has merited that acclaim. The bill I have introduced today will restore the conditions necessary to expanding the interest of Americans in the vital work of the Children's Fund. I hope this bill will speedily find its way into law.

BUY AMERICAN ACT

Mr. BETTS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, small business in the congressional district which I represent has been complaining about competition from foreign firms. One company lost a bid for truck parts to the Japanese. Another is competing with an Austrian firm. It was the low domestic bidder on mechanical equipment for use at Bull Shoals Dam and Reservoir. The Austrian firm bid $54,000 less than the American company. Even if it secures the contract, it means endless redtape and lengthy deliberations to determine if the domestic company should be selected.

These American companies maintain that it promotes prosperity and assures a higher rate of employment to keep this business at home, all of which is in the interest of national security. In a recent Time magazine article the Office of Civil and Defense Mobilization is quoted as saying that national security can be carried too far. However, it can also be said that national security is helped by a brisk domestic economy which might not remain so brisk if imports of manufactured products keep increasing.

I have introduced a bill which would require the Government to award bids on contracts for public works to the lowest domestic bidder if such bidder in the preceding year had a net income of less than $1 million. This is intended, primarily, for the benefit of small business. I assume that none of the large American corporations will object to this bill. They have consistently supported reciprocal trade and thereby expressly indicated their approval of foreign competition. I feel that small business definitely needs this help.

A copy of the bill follows:

A BILL TO AMEND TITLE III OF THE ACT OF MARCH 3, 1933, COMMONLY REFERRED TO AS THE BUY AMERICAN ACT, TO PROVIDE THAT, UNDER CERTAIN CIRCUMSTANCES, ONLY ARTICLES, MATERIALS, AND SUPPLIES MINED, PRODUCED, OR MANUFACTURED IN THE UNITED STATES SHALL BE ACQUIRED FOR PUBLIC USE WITHIN THE UNITED STATES

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Act of March 3, 1933, commonly referred to as the "Buy American Act," is amended—

(1) by redesignating sections 4 and 5 as sections 5 and 6, respectively; and

(2) by inserting, immediately after section 3, the following new section:

"SEC. 4. Notwithstanding any other provision of law, no bid or offer to furnish, for public use within the United States, articles, materials, or supplies not mined, produced, or manufactured in the United States shall be accepted by the head of the department or independent establishment concerned, if the lowest bid or offer to furnish, for such use, articles, materials, or supplies mined, produced, or manufactured in the United States is received from any person whose taxable income under the Internal Revenue Code of 1954 did not exceed $1,000,000 for the last taxable year of such person which ended before the date on which such bid or offer is received by the head of the department or independent establishment concerned."

HOME RULE FOR HOUSE NEEDED TO PASS SELF-GOVERNMENT MEASURE FOR DISTRICT OF COLUMBIA

Mr. REUSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, the last four Senate-passed measures to provide local self-government for Washington, D.C., died here in the House. They never got to the floor for a vote.

The Senate has again passed a home-rule measure this year.

The House District of Columbia Committee has had nearly 7 months so far in this Congress to do something on home rule legislation. It has done nothing. Now that the discharge petition strategy is out in the open, the District Committee has announced it will hold hearings on home rule.

But even if hearings are held, and if the testimony is overwhelmingly for home rule as it will surely be, there is no assurance that the District Committee will report a bill. If it should, there is no assurance that the Rules Committee would let the bill reach the House for a vote.

Relying on the discharge process, it seems to me, is the only way the House can give itself a little home rule of its own—the only way we can be sure that we may debate and vote on this bill after more than 10 years of waiting.

Far from being an irregular or backdoor method, Mr. Speaker, the discharge petition is a perfectly respectable way to conduct business. It is the machinery adopted without dissent by the full membership of this body when it convened in January to allow the House to work its will when normal procedures fail.

On those rare occasions, like the present one, when the legislative committee, having had ample time, fails to follow normal legislative process, Congress has wisely provided this means to bring legislation to the floor where it can be debated, amended, passed, or defeated.

Mr. Speaker, it is not only the residents of the District of Columbia who are pleading for self-government. The vast majority of citizens everywhere who love our democratic processes strongly support extension of home rule to our Capital City.

I am very proud that strong expressions of support for home rule have already been received from two of Wisconsin's leading citizens, the Honorable Gaylord Nelson, Governor of Wisconsin, and the Honorable Frank P. Zeidler, mayor of Milwaukee.

Governor Nelson offered the following resolution of his support:

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

GAYLORD NELSON.

Mayor Zeidler indicated his hope that Congress would extend home rule to the District in the following letter to the Common Council of the City of Milwaukee:

OFFICE OF THE MAYOR,
Milwaukee, July 1, 1959.

To the Honorable the Common Council.

LADY AND GENTLEMEN: The Congress of the United States is currently considering various bills to grant local self-government to the residents of the District of Columbia who are presently without home rule.

The members of the Board of Commissioners of the District of Columbia, who are now responsible for its government, have solicited the support of sister cities in securing this type of legislation.

Congressman HENRY S. REUSS, of Milwaukee, is sponsoring a bill in the form approved by the administration designed to provide a territorial type of government for the District. I believe that this proposal would grant considerable home rule to the people of the District while retaining a sound veto power in the Federal Government which has such a substantial interest in the city.

Therefore, I am submitting the attached proposed resolution in support of Mr. REUSS' bill for your consideration.

Respectfully yours,

FRANK P. ZEIDLER.

Furthermore, Mr. Speaker, I expect that there will be a great many more such letters and resolutions from people throughout the country who agree with me that the total denial of a voting voice in their own city government to the more than 800,000 citizens of Washington, D.C., is a tragic disgrace in our democratic system.

In the entire United States, only the citizens of the National Capital are deprived by law of the right of political expression in determining how their own city is run and how their own taxes are spent.

The issue is not that the present District government headed by three Presidentially appointed Commissioners has been bad, but that the concept of a municipal government in the United States that is not based on a vote of

its people is wholly foreign to our democratic institutions and traditions.

Furthermore, Mr. Speaker, the existing District government has few powers of its own and must continually run to the Congress for permission to carry out even the most routine municipal functions.

Under the present system, the 534 Members of the House and Senate act as a city council or board of aldermen for a municipality which really is no different from my own city of Milwaukee, or any other large city, in terms of services rendered and problems encountered.

The people of Wisconsin's State capital, Madison, would not stand for the absurdity of having their right to elect a city council abolished, having the Governor appoint city commissioners, and having the State legislature tell them what they can and cannot do. Yet that is comparable to the Washington situation.

Just this year the Congress has had to decide the following grave matters for the District of Columbia:

First. Whether a birth certificate should cost 50 cents or 75 cents.

Second. Whether the District Commissioners may include pictures in their annual report.

Third. Whether 10-inch rockfish may legally be sold inside the Washington city limits.

Literally thousands of congressional man-hours are now spent dealing with such municipal problems, which in every other city in the country are decided by local elected officers. If Congress were to relieve itself of this city council function, not only would the District benefit from more responsive and representative government, but it is also just possible that Congress might devote more time and deeper study to truly national legislation and to our international responsibilities.

Having just admitted the good citizens of Alaska and Hawaii to the full rights of statehood, it would be inexcusable for Congress not to grant a measure of self-government to the citizens of the District of Columbia.

THE STEEL STRIKE

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, by all indications the current steel strike is one of the strangest phenomena of recent times.

While thousands of people are suffering the impact of the steel strike by layoffs in transportation, construction, and industrial production, the steel producers involved are enjoying a flourish in rising stock prices which seem to flout the possibility of any disruption of a profitable situation for the steel producers.

Whether the strike will be of any advantage to the striking workmen cannot now be determined. What appears certain, however, is that the strike is certainly benefiting the large steel producers who prepared for the strike by excess production and who now can sell off the accumulated steel inventories without having the burden of production payrolls. With workers on strike and not producing steel, the accumulated inventories become more valuable, and the overhead is less, since there are no production payrolls to be met and no bothersome social security, unemployment compensation or workmen's compensation premiums to be paid. One company, the Colorado Fuel & Iron Co., this week reported earnings 800 percent higher than were reported in the comparable period last year. Current business predictions indicate a 100-percent increase in profits of the Republic Steel Corp. over last year. Most steel companies are facing profit increases of 100 to 300 percent.

There is nothing wrong with profits if they bear a responsible relationship to the cost of production, distribution and sales as well as the investment of the stockholders and the degree of risk. However, there is evil in the extortion of unnecessarily high prices from the consuming public. There is a level at which arbitrarily high prices border on treason.

From all indications the great benefits of improved and more efficient production, which have resulted in higher profits, have not been passed on to the public. It must be remembered that these modern, laborsaving facilities of high production were, for the greater part, developed through the use of quick tax amortization writeoffs, which diverted earlier profits from the public treasury. The public therefore has a vital stake in this dispute.

If these glowing profits and skyrocketing steel stock values do not prove a case for lower prices, they certainly prove a case for higher wages for the steel workers. The leaders of our steel industry cannot shift from their grave responsibilities to abate inflation. They hold the ultimate fate of our economy in their hands.

SOVIET VISITORS IN THE UNITED STATES

Mr. LIPSCOMB. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, the recent tours of our country by Soviet visitors Deputy Premier Frol R. Kozlov and Soviet Plane Designer Andrei Tupolev, and their entourages should be a matter of great concern to all of us for they could vitally affect the security of the United States. I believe that the policies of the State Department, the Department of Defense, and other agencies and persons involved in this matter, are in need of reevaluation.

I certainly would agree that in the true American fashion we must be cordial and courteous to all visitors, including those from the Union of Soviet Socialist Republics, and that we should cooperate in every reasonable effort to improve relationship between our countries in the interest of insuring peace for the world.

In my view, however, it is rank foolishness under present circumstances to escort high Soviet officials and their entourages of scientists and Communist intelligence men around to atomic research facilities, to nuclear power plants, to shipyards, to aircraft factories producing military planes and missiles and and to other strategic areas around the country ordinarily closed to Soviet visitors. This, I believe, goes far beyond the bounds of courteousness.

For brief review, these are some of the places recent Soviet visitors were taken and things they were shown while in the United States. Premier Kozlov and his party were shown through the Lawrence Radiation Laboratory at the University of California. Among the other places they toured are the heavy industrial areas and factories in the Midwest; the Camden, N.J., shipyard where the nuclear ship *Savannah* is being constructed; and to the Shippingport, Pa., nuclear powerplant. I understand they were shown these things at the express request of the Soviets themselves.

Soviet plane designer Tupolev, considered the foremost plane designer in the Soviet Union, and party were flown from Washington, in a new Military Air Transport military version of the 707 jet, to visit various plane manufacturing plants in southern California including the Convair, Lockheed, and Douglas plants. Among the items they saw were Convair's F–106 fighter-interceptor production line, and the Thor intermediate-range ballistic missile production line. It is reported that the tour included only certain unclassified sections of the missile plant, but in my opinion it is ridiculous to allow Soviet visitors into any section of the plant. Certainly, similar privileges have not been granted to Americans in Soviet plants.

Are we to assume for a minute that the Soviet representatives were not taking in every possible thing they could for use in building up their own economic and military potential? We know far too much about dedicated Communists and their method of operation to think they were doing anything else.

An indication of what the Russians were using the tour for was demonstrated very well during Premier Kozlov's tour of heavy industrial areas in the Midwest. I would like to quote from an Associated Press account appearing in the July 9, Los Angeles Times and Los Angeles Examiner describing the field day Soviet cameramen enjoyed photographing strategic Chicago industrial areas and blighted residential areas. This account, or parts thereof, appeared in various other newspapers across the country during Kozlov's visit:

> Soviet cameramen with First Deputy Premier Kozlov had a field day today photographing strategic Chicago industrial areas and one solitary, squalid little slum.
>
> Two newsreel and one still photographer rode in a convertible with its top down. From this vantage point their lenses had a full sweep.

On the long ride from Chicago's Midway Airport to the Inland Steel Co. in East Chicago, Ind., the three kept their cameras idle all through a heavily populated suburban area of neat, middle-class homes.

But they were extremely busy in the areas of powerplants, bridges, railroad yards, intersecting highways, lake shipping centers, and transmission towers.

This is the sort of film usually collected by military intelligence but with much greater difficulty. State Department security people on the trip did not interfere.

When the motorcade pulled into the area of the Inland Steel Co., the two newsreel cameramen turned their cameras on a small, rundown slum and a group of half-dressed Negro children. The photographers churned away, smiling and enthusiastic.

The newsreel cameramen with Kozlov are B. A. Sokolov and G. A. Shakhov. Both have official status as representatives of the Soviet State Committee on Radio and Television. But they are assumed to be experts, probably attached to Soviet intelligence whose work would be used both for military files and Communist propaganda inside the Soviet Union.

The sort of pictures they took could not be made by visitors to the Soviet Union. One American official has said the men have taken miles of film which has no conceivable connection with Kozlov's tour.

Another article, by David Sentner, capable chief of the Hearst Newspapers, Washington Bureau, quotes a top steel official as saying:

This must be a special tour arranged for Soviet industrial espionage.

Mr. Speaker, under permission to extend my remarks, I include the entire article by Mr. Sentner, taken from the July 9 Los Angeles Herald and Express, at this point in the RECORD.

CHICAGO, July 9.—The State Department today suffered another headache in connection with the tour of Soviet First Deputy Premier Kozlov—namely, industrial espionage.

The matter involved the bald and naked pastime of the Soviet press photographers accompanying the deputy premier taking pictures of everything of military and industrial intelligence value.

Both the State Department security detail and the Department's diplomatic escort officer have asked for guidance on what to do. However, the impending opposite number visit to the Soviet Union by Vice President NIXON has stymied any decision.

STARTED EARLY

The practice of the intelligence agents of the Soviet Union, in their double role of news correspondents, aides, and officials, using omnipresent cameras on everything that might be useful in case of war, started at the beginning of the Kozlov nationwide tour.

Taking advantage of diplomatic courtesy in photographing precious potential targets for Soviet bombers reached its zenith during the passage of the Kozlov motorcade today from Chicago to adjacent steel plants.

With a member of the State Department security detail actually driving an open car containing crack photographers from the Soviet Government, every railroad center, shipping port, strategic highway crossing and bridge plus war materiel factory, were filmed.

Such favorite shots for any man's newspaper as pretty girls in bathing suits or cheering groups were ignored by the Soviet photographers.

The worst types of hovels and slums along the line, however, were filmed for obvious propaganda use against the United States.

The newsreel men trained their cameras hungrily on the slum and a few poorly dressed Negro children nearby. They had few such opportunities on the other legs of their cross-country tour.

EASY ESPIONAGE

Inside steel plants, similar to the previous technique used in the tour of automotive factories, the Soviet photographers had a spy's field day in photographing at close range our intricate automation machinery and instruments.

One top steel official remarked:

"This must be a special tour arranged for Soviet industrial espionage."

One State Department official on the tour suggested that American photographers should be permitted to have the same wide latitude in shooting industrial and military sites as the Soviet cameramen have been granted.

Still another account of the Kozlov Chicago tour is contained in the July 11 Christian Science Monitor. In a bylined article, a Christian Science Monitor staff correspondent, Robert C. Nelson, discussed the role of the Soviet news correspondents during Kozlov's tour. He said:

Prime subject of this intensive Soviet coverage was, of course, the First Deputy Premier. But it was obvious during the steelmill trip that bridges, powerlines, panoramic motion-picture shots of the heavy industry complex, representing not only scenic, but, quite possibly, strategic subjects, rated high priority in the assignments of the men from the Soviet media.

If from the Soviet's actions one is not convinced that their prime objective was to gather intelligence for propaganda and military purposes, let us look at a few of the members of the parties accompanying the Soviet officials.

Mr. Tupolev, according to reports, was accompanied by his first deputy, Alexander Archangelski, and his assistant, Sergei Yeger; Maj. Mikhail Kostiuk, Soviet air attaché in Washington; and various other Soviet officials.

Premier Kozlov's party of 20, according to the official list, included such personages as S. M. Yeger, aircraft engineer; M. A. Kuzmin, aircraft engineer; V. S. Kalinin, atomic scientist; I. G. Bolshakov, Deputy Minister of Foreign Trade, U.S.S.R.; and various other officials, assistants, secretaries, interpreters, and press officers.

Also among Premier Kozlov's party was a Mr. Vladimir Burdin, who in the official list of the U.S.S.R. party is carried under the innocuous-sounding title "assistant to Mr. Kozlov."

I would like to bring to the attention of the House an article which appeared in the July 13 Washington Star concerning Mr. Burdin which describes him as one of the top Red intelligence experts. The news article says of Mr. Burdin that one of his "principal missions was to conduct a continuous intelligence-gathering operation as the Kozlov party toured the industrial heart of the Nation."

Mr. Speaker, under permission to extend my remarks, I include the entire Washington Star article at this point in the RECORD:

TOP RED INTELLIGENCE EXPERT KEYMAN IN KOZLOV PARTY

Among the anonymous companions of Soviet Deputy Premier Frol R. Kozlov as he wound up his tour of the Nation in New York today was one of the Soviet Union's leading intelligence experts on the United States, Col. Vladimir P. Burdin.

The State Department lists him 10th in the Kozlov party, as Mr. V. P. Burdin, assistant to Mr. Kozlov.

He is the same V. P. Burdin who toured the country with First Deputy Premier Anastas I. Mikoyan earlier this year. He then was listed as an official in the American section of the Soviet Ministry of Foreign Affairs.

Newsmen knew him as the personal bodyguard of both Mikoyan and Kozlov. He carries a gun. He interprets in a pinch.

He also is the spokesman for the Soviet security officers who are the equivalent of the Secret Service officers who guard President Eisenhower. State Department security officers look to Colonel Burdin—they call him "Val"—for advance information on the plans of the Soviet celebrities they are assigned to protect.

But these are only the front parts of Colonel Burdin's job.

One of his principal missions was to conduct a continuous intelligence-gathering operation as the Kozlov party toured the industrial heart of the Nation.

Uncovering influential Americans whose attitudes toward world affairs fit Soviet foreign policies—and who will work with the Kremlin on occasion—was rated one of his major goals.

Colonel Burdin worked closely with State Department security officers in setting the itinerary for Mr. Mikoyan and Mr. Kozlov.

American authorities know of Colonel Burdin's true identity. The information in this article did not come from official sources, but its authenticity has been verified.

The Star's informant knows, for instance, that young Valerian (known as Vladimir) Burdin joined the Soviet intelligence service in the early 1940's when he was in his midtwenties. He then worked for the first directorate of the Ministry of State Security, and was assigned to the section which dealt with North and South America.

He was associated with known Soviet spies like Gen. Vasili Zubilin, whose true name was Zarubin, a principal in the operation which took U.S. atomic secrets to the Soviet Union.

For a time, just after World War II, Colonel Burdin served in the Soviet Embassy in Washington as a low-ranking secretary. Despite his youth, he already was engaged in high-level intelligence work.

When Soviet military and civilian intelligence operations were reorganized in 1948, Colonel Burdin was made one of the leading officers on the American desk.

This article makes one wonder what lies behind the other innocuous-sounding titles of the Soviet visitors.

It is interesting to note from the Star article that after World War II Colonel Burdin served in the Soviet Embassy in Washington. Presumably if Colonel Burdin were attached to the Soviet Embassy in Washington at this time he would have been prohibited from visiting many of the areas he did visit, for they are out of bounds to Soviet visitors. In fact, the same goes for Mikhail Kostiuk, the Soviet air attaché in Washington at the present time, and the other Soviet Embassy personnel.

The treatment given the Soviet visitors stands in stark contrast to the treatment accorded U.S. visitors in the U.S.S.R. I know from personal experience that any picture taking of bridges, railroads, industrial areas, and so forth, is strictly forbidden. Needless to say, one cannot even get near to important military facilities.

I would like to set forth here the Soviet regulations on photography applying to foreign citizens. The following is a translation of a Soviet note of February 11, 1954, to foreign governments on this matter:

The protocol section of the Ministry of Foreign Affairs of the U.S.S.R. presents its compliments to the embassies and missions and, in connection with the question of a number of embassies and missions regarding the regulations for photography on the territory of the U.S.S.R., has the honor to state that according to existing regulations foreign citizens:

1. Are permitted on the whole territory of the U.S.S.R., except points and localities which foreigners are forbidden to visit, to take photographs and also to sketch architectural monuments; buildings of cultural, educational (kulturno-prosvetitelnyh) and medical institutions; educational institutions (uchebnykh zavedeni); theaters; museums; parks of culture and rest; stadiums; streets and squares; living quarters (zhilykh domov); and also scenes and landscapes in the background of which there are none of the objects listed below in points (a), (b), (c), (d), and (e).

At industrial enterprises engaged in the manufacture of civilian products, state farms, collective farms and MTS's, railroad stations, airdromes, river ports, governmental institutions, educational institutions, and social organizations photographs and sketches may, in individual cases, be made with the permission of the administration of these institutions and organizations.

2. The taking of photographs and sketching are forbidden:

(a) In the 25 kilometer frontier zone, except for the places and localities which foreigners are not prohibited from visiting, where they are permitted to photograph the objects listed in point 1;

(b) Of all type of military technology and armaments, all military objects and institutions, and storage places of combustibles;

(c) Of seaports, large hydroelectric installations (sluices, dams, pumping stations), railroad junctions, tunnels, railroad and highway bridges;

(d) Of industrial establishments, scientific research institutions, design officers (konstruktorskikh byuro), laboratories, electric power stations, radio beacons, radio stations, telephone and telegraph stations;

(e) From airplanes on flight over territory of the U.S.S.R. and also surface panoramic photographs and sketches of industrial cities.

Judging from newspaper accounts, during the months of negotiations the Soviets have been anything but cooperative in providing answers to our questions concerning requests made by the United States in regard to the itinerary and plans of Vice President NIXON in Russia. Their stalling on this matter is not surprising.

As another example of the complete vacuum we seem to have to operate in, in dealing with the Soviets, a few days ago word came out of the U.S.S.R. that a large Soviet consumer exhibition would be opened in competition with the U.S. exhibition. That fair opened on July 22 as thousands of consumer goods went on sale and vast crowds were treated to plays, circuses, movies, and concerts. Another big Soviet fair, the Economic Achievements Exhibition, opened a month ago and will be cpen all summer.

The fact that there would be competing exhibitions was evidently not known to us, even to the U.S. officials in charge of the fair, as recently as April 29, 1959. The following is quoted from the U.S. Information Agency 1960 Appropriations hearings, on April 29, 1959:

Mr. LIPSCOMB. Are you aware, or have you any idea whether or not there will be some competing exhibition or show going on at the same time in Moscow that will be detrimental to our exhibition in Moscow?

Mr. MCCLELLAN [general manager, Moscow Exhibition]. Our major problem in terms of attendance will be how to handle the crowd. That is the view of the Soviets and of our Ambassador and of the others there. There will not be another exhibition that we know of, certainly not in Sokolniki Park. There will be the annual fair of agriculture, industry, and economy which runs about 6 months every year. That will be in operation.

Concerning the competing fairs, an anonymous American official was quoted in the newspapers several days ago as saying:

We know there will be some serious distractions but we expect 4 million people at our exhibition.

Another anonymous U.S. official is quoted in today's newspaper accounts as saying, concerning the rival Soviet consumer fair:

It will keep our own visitors down to a manageable volume.

I wonder what that official really thought about this display of Soviet rudeness.

We know by experience how the Soviets actually do business, as opposed to what they say. Their methods have been well demonstrated. Let us deal with them in a realistic way.

In closing, Mr. Speaker, I renew my request, stated at the outset, that our policies in this regard be reevaluated. Our dealing with the Soviets should be on a basis that will assure us equal treatment.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I know there are some Members of the House who have not heard yet that the committee in the other body, the Committee on Finance, will hold hearings on the so-called veterans' pension bill that passed the House a short time ago. I understand the hearings will be next Tuesday and Wednesday.

I hope that the objectionable features of the bill as it passed the House will be removed and that it will become a more equitable bill for the persons affected.

The wife's income should not be taken into consideration in evaluating the veteran's income. That is very unjust.

The bill was very unsatisfactory in many respects and there is the danger of social security taking over the Veterans' Administration activities. The veteran should be treated as a special class as he is. It is tragic to see benefits taken away from him.

The bill that passed the House had some good points, such as the parity for widows of veterans of different wars which is only a matter of justice, the increase in pensions for certain veterans, but a great injustice was done to veterans going on the rolls after 1960. The increase in income limitations was good but there are other provisions that would nullify the good effects of them.

GOVERNOR LONG OF LOUISIANA

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, we keep hearing reports of the dubious and unorthodox conduct of Governor Long of Louisiana. While I have no factual information on Governor Long's physical or mental condition, I feel that the press has neglected to emphasize what the Federal Government should be learning from this pathetic situation.

Although President Eisenhower himself took the lead a couple of years ago in urging legislation to clarify the law with respect to Presidential disability, Congress has continued to ignore the problem. From all I can determine, the issue is dormant. I think it should be revived and a solution hammered out.

Irrespective of Governor Long's competence or incompetence, his case dramatizes the utter confusion where there are no guidelines to determine whether a head of a government is physically capable of performing his duties. It is for this reason Congress should give the problem its early attention as the President has recommended.

A GREAT WHITE FLEET IN THE SERVICE OF PEACE

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 30 minutes.

GENERAL LEAVE TO EXTEND REMARKS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on the subject I am about to discuss, the Great White Fleet.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, more than 50 years ago a bold and imaginative President named Theodore Roosevelt sent a great fleet around the world in the cause of peace.

The Great White Fleet of Teddy Roosevelt, headed by 16 powerful battleships and supported by auxiliary vessels, made its historic voyage in the face of much opposition and many obstacles.

In Washington, there were critics who opposed any movement of American naval forces from our east coast, because of fears in the Atlantic.

There were some who called a voyage into the Pacific dangerous saber rattling in view of already tense relations with Japan, which was feeling its Far Eastern muscle after an impressive naval victory over imperial Russia.

There was also budgetary opposition, and the strong opposition of some "naval experts" who said the United States Navy was not equipped or ready for a voyage around the world.

No battle fleet of any nation had ever done it before.

Theodore Roosevelt, who loved a challenge and believed in the Navy, sent the Great White Fleet to try.

They sailed from Hampton Roads, Va., on December 9, 1907, under the command of Rear Adm. Robley D. Evans.

The fleet was divided into four divisions, with the first division headed by Admiral Evans' flagship, the *U.S.S. Connecticut.* Rear Adms. William H. Emery, C. M. Thomas, and C. S. Sperry commanded the other divisions.

Not until the fleet was actually under way and President Roosevelt had returned from Hampton Roads to the White House was it announced that the great ships would not only cross the Pacific, but would return home by way of the Suez Canal.

Of course the fleet went south down the Atlantic coast of South America, through the dangerous Straits of Magellan, and up the Pacific coast of South America to Callao, Peru.

There was a training stop of 30 days at Magdalena Bay, on the coast of Mexico, and then the fleet continued to San Francisco, where Admiral Evans turned over the post of fleet commander to Admiral Sperry.

From the Golden Gate the course was westward, to Honolulu, to New Zealand and Australia, the Philippines, China, and Japan.

One of the greatest receptions given the fleet was at Yokohama, where three special piers, beautifully lighted and decorated, were built for the American fleet's boat landings.

Admiral Sperry reported to President Roosevelt that more than 1,000 English-speaking Japanese college students were on hand to act as voluntary guides for the Americans, and refreshment centers in Tokyo refused to accept payment from American sailors and officers.

The warm Japanese reception, which our diplomats had watched with apprehension, "even surpassed my expectations," President Roosevelt wrote in his autobiography.

From its successful stops in the Far East the fleet continued westward, reaching Suez on January 3, 1909.

MISSION OF MERCY

In the Mediterranean, the American fleet paused to perform one of history's most dramatic missions of mercy.

The terrible earthquakes of late 1908, at Messina and Reggio, had devastated Sicily and southern Italy, leaving the almost incredible toll of 96,000 dead and more than 1 million homeless.

News of the disaster reached the fleet as it steamed through the Suez Canal, and the President ordered all possible assistance at once.

In immediate response to the emergency, Admiral Sperry's own flagship *Connecticut* led relief units of the White Fleet to Messina, supported by the tender *Yankton* and the supply ship *Culgoa.*

The fleet units met the Red Cross chartered vessel *Bayern* at Messina, where a burning and shattered city lay in helpless ruins, under martial law. To meet the emergency needs for food ashore, the U.S.S. *Celtic,* a supply ship, with 1,500,000 rations for the fleet, was also ordered to the disaster area by President Roosevelt, and unloaded its cargo at Messina.

The *Culgoa* continued to Reggio, unloading stores of food, clothing, oil stoves, tent canvas, and other emergency supplies, then continued to Catania to assist in relief measures for thousands of evacuees from the earthquake area.

The battleship *Illinois* later joined the units at the disaster area, providing supplies and more than 200 pairs of shoes to meet emergency needs ashore. Four hundred sailors from the *Illinois* participated in excavation work at Messina.

The work of the White Fleet and its men in the Messina and Reggio disasters was a demonstration of compassion and humanity on the part of America which won the admiration of the world, and our fleet sailed on to Gibraltar with the cheers of both Italians and Sicilians ringing in the air.

At Gibraltar, the fleet broke out "homeward bound" pennants and continued west.

On February 22, 1909, the anniversary of George Washington's birth, the Great Fleet steamed into Hampton Roads once again, to be personally reviewed by the President—the first battle fleet in history to circumnavigate the globe.

In his address at the review, President Roosevelt saluted the men and officers of the fleet as "the best of all possible ambassadors and heralds of peace."

> Wherever you have landed you have borne yourselves so as to make us at home proud of being your countrymen—
>
> The President said:
>
> You have shown that the best type of fighting man of the sea knows how to appear to the utmost possible advantage when his business is to behave himself on shore, and to make a good impression in a foreign land. We are proud of all the ships and all the men in the whole fleet, and we welcome you home to the country whose good repute among nations has been raised by what you have done.

There was no doubt in Roosevelt's mind as to the solid achievements of the world voyage.

Not only had the American people and the people of the world been solidly impressed by the capabilities of the fleet, but "nobody after this will forget that the American coast is on the Pacific as well as on the Atlantic."

In addition to these results, however, were the larger effects upon the world community.

Speaking later of the broader significance of the voyage, Roosevelt said:

> In my own judgment the most important service that I rendered to peace was the voyage of the battle fleet around the world.

OUR NEED TODAY

Today, in the world struggle with the forces of communism, there is need once again for the boldness, the imagination, and the initiative which Theodore Roosevelt exemplified more than 50 years ago.

In this desperate world battle we are spending more than $3 billion a year on a multitude of projects and programs designed to strengthen the free world and its will and ability to resist Communist aggression.

In cost, and in men employed upon it, our effort today to advance American interests around the world is one that dwarfs the cruise of the Roosevelt Fleet.

Our foreign aid expenditures, in a single Asian country each year, far exceed what the Navy spent to send 16 battleships around the world in a cruise that lasted 14 months. Our total foreign aid bill, measured in tens of billions of dollars, renders insignificant the relief efforts of our fleet at the Messina and Reggio earthquakes.

The Roosevelt White Fleet was manned by 12,000 men. We have many more men than that aboard our vessels on regular duty in the Mediterranean today, and many, many times that number on foreign duty, all over the world.

I wonder, however, if our results today, on a man-for-man and dollar-for-dollar basis, even approach the substantial results of Teddy Roosevelt's world cruise?

Many fine things undoubtedly have been accomplished in America's mutual aid program.

Literally millions of people in remote parts of the world have been saved from starvation and strengthened in their fight against famine and disease—and also against communism.

In the Marshall plan, and President Truman's Berlin airlift, we succeeded in capturing the imagination of the world while blocking Communist aims with bold action.

There was similar appeal in President Eisenhower's "atoms for peace proposal.

Today, however, the bloom has passed from each of these roses, and America's foreign policy is sadly in need of an imaginative "shot in the arm" from somewhere.

From too many observers abroad there come complaints that our aid dollars are often dumped into expensive projects that benefit powerful interests but "do not reach the people."

Other observers report that American dollars often have the effect of bolstering undemocratic and unpopular governments and thereby "lose friends for America."

In some cases, we hear that credit for American gifts and aid has not gone to our country, but has been appropriated by others—and even by Communists in some instances.

At home, there is undoubtedly growing discontent in many sections of our country with parts of our foreign aid program as it is being administered overseas.

In the mining areas of America, and in sections where textiles are a major industry, many Americans are blaming foreign aid subsidies for the strongly

competitive position of foreign mines and textiles.

They are also charging that the people of these competing foreign countries have had little direct benefit from the American subsidies involved—that wages of the foreign miners and textile workers have remained miserably low while big interests have profited heavily from the subsidies.

Mining and textiles are only two of a number of American industries which have felt the heavy impact of rising foreign imports in recent years, and have turned upon our foreign policy as a major reason for their troubles.

In my own State, this point of view has many supporters, and there is rising public dissatisfaction with foreign policy administration which does not deal with the distress of our own impacted industries.

This is the backdrop, Mr. Speaker, against which I have carefully considered the proposal of a 38-year-old naval officer from Oklahoma, Comdr. Frank A. Manson, U.S. Navy, for the establishment of a modern-day Great White Fleet as an arm of American foreign policy.

The Manson proposal, which is the subject of this week's feature article in Life magazine, calls upon the President to restore to active service and equip naval vessels now in mothballs, using them as a fleet in the service of humanity for the distribution of surplus foods, medicine and other supplies at disaster and distress points all over the world.

Concurrent resolutions to urge this action by the President have been introduced in this body on Tuesday by 22 Members of the House, including the entire Democratic House delegation from Oklahoma. I understand as of today 43 Members of this House have introduced similar resolutions, and I include the list of those Members at this point.

LIST OF MEMBERS SPONSORING HOUSE CONCURRENT RESOLUTIONS ON GREAT WHITE FLEET IN HOUSE OF REPRESENTATIVES, AS OF JULY 23, 1959

On July 21, 1959:
- H. Con. Res. 316, by Mr. ALBERT.
- H. Con. Res. 317, by Mr. ASPINALL.
- H. Con. Res. 318, by Mr. BATES.
- H. Con. Res. 319, by Mr. BOYLE.
- H. Con. Res. 320, by Mr. BROWN of Missouri.
- H. Con. Res. 321, by Mr. BURKE of Kentucky.
- H. Con. Res. 322, by Mr. COAD.
- H. Con. Res. 323, by Mr. EDMONDSON.
- H. Con. Res. 324, by Mr. JARMAN.
- H. Con. Res. 325, by Mr. LINDSAY.
- H. Con. Res. 326, by Mr. MCFALL.
- H. Con. Res. 327, by Mr. MORRIS of Oklahoma.
- H. Con. Res. 328, by Mr. MOSS.
- H. Con. Res. 329, by Mr. NATCHER.
- H. Con. Res. 330, by Mr. O'BRIEN of New York.
- H. Con. Res. 331, by Mr. REUSS.
- H. Con. Res. 332, by Mr. ROGERS of Colorado.
- H. Con. Res. 333, by Mr. SANTANGELO.
- H. Con. Res. 334, by Mr. SAYLOR.
- H. Con. Res. 335, by Mr. SISK.
- H. Con. Res. 336, by Mr. STEED.
- H. Con. Res. 337, by Mr. SAUND (changed to "American Friendship Fleet").

On July 22, 1959:
- H. Con. Res. 343, by Mr. BENNETT of Florida.
- H. Con. Res. 344, by Mr. CARNAHAN.
- H. Con. Res. 345, by Mr. JOHNSON of California.
- H. Con. Res. 346, by Mr. SIKES.
- H. Con. Res. 347, by Mr. STUBBLEFIELD.

On July 23, 1959:
- H. Con. Res. 348, by Mr. ADDONIZIO.
- H. Con. Res. 349, by Mr. ALEXANDER.
- H. Con. Res. 350, by Mr. BOLAND.
- H. Con. Res. 351, by Mr. BRADEMAS.
- H. Con. Res. 352, by Mr. BREEDING.
- H. Con. Res. 353, by Mr. CLARK.
- H. Con. Res. 354, by Mr. FASCELL.
- H. Con. Res. 355, by Mr. KITCHIN.
- H. Con. Res. 356, by Mr. LANKFORD.
- H. Con. Res. 357, by Mr. MCGOVERN.
- H. Con. Res. 358, by Mr. O'HARA of Illinois.
- H. Con. Res. 359, by Mr. OLIVER.
- H. Con. Res. 360, by Mr. RODINO.
- H. Con. Res. 361, by Mr. WOLF.
- H. Con. Res. 362, by Mr. POWELL.
- H. Con. Res. 363, by Mrs. ROGERS of Massachusetts.

Similar resolutions have been filed in the other body by the distinguished Senator from Minnesota [Mr. HUMPHREY] and by the distinguished Senator from Vermont [Mr. AIKEN] and they have been joined by other Senators.

In each of these resolutions, the President is requested to seek the cooperation and financial assistance of private organizations in support of the newly established mercy fleet, which should include vessels equipped for medical aid, for electrical power supply ashore, and for transportation of food, clothing, and supplies and equipment.

The resolutions specifically provide that "provision should be made for the utilization of surplus food commodities of the United States for the relief of hunger through this program."

For the first time since "war colors" were substituted in 1909, the fleet units would be painted white, and "suitably identified to proclaim to the world their peaceful and beneficent purpose."

The cost of a Great White Fleet, Mr. Speaker, would be comparatively small in terms of our present mutual security program.

Naval experts have advised Senator HUMPHREY that a task group of four or five vessels could be operated for a year at between $5 million and $7.5 million, assuming costs of nonnaval personnel, supplies and equipment were assumed by private organizations.

The Life magazine estimate of cost, figured for 18 months and covering all aspects of the White Fleet operation, is from $20 to $30 million—probably less than one-half of 1 percent of our present annual mutual security bill.

A very large portion of this cost, in my personal opinion, would be met by private individuals and organizations, who are eager for the opportunity to take a personal hand in the world battle to improve man's lot and block the spread of Communist slavery.

If there is a question in your mind about the eagerness of people to meet this issue head on, on a people-to-people basis, then I will cite for you two current pieces of evidence.

The first is provided in last Monday's issue of the New York Times, in the editorial page essay entitled "Aspirin for Dr. Schweitzer."

It tells the simple, heart-warming story of a young boy, the son of an Air Force sergeant stationed in Italy, who wanted to send a bottle of aspirin to Dr. Schweitzer's famous jungle hospital in Africa.

The youngster asked the Allied Air Forces commander in southern Europe if "one of your planes" could drop the bottle at the hospital, and an Italian radio station heard about the request and publicized it.

The result: a flood of interest and offers to help, and when the several planes that were enlisted for the mission flew to Dr. Schweitzer's hospital, they carried a cargo of 4½ tons of medical supplies, valued at $400,000.

With the medicine traveled the 13-year-old boy who was eager to help in the world's fight against disease and human suffering.

A second piece of evidence is provided by the People-to-People Foundation's experience with an ambitious plan to demothball a former Navy hospital ship, the U.S.S. *Consolation*, and to staff and equip her for medical teaching and training in southeast Asia. This is the Project Hope mentioned in the Life article.

Annual expense of this operation is estimated at $3,500,000, and all funds are being raised by private subscription.

This is a large sum of money, but offers to help have flooded the foundation's office and the sailing date has been set for January 1960.

The American people are ready, willing, and even eager to help the people of other countries who need help, and there is no doubt in my mind about their response to the Great White Fleet proposal.

In his Great White Fleet, I believe that Frank Manson has a plan that combines two basic pioneering ideas often missing in our foreign aid program. These ideas are giving direct help to a neighbor in distress and using the tools at hand to do the job.

By using our mothballed fleet to carry surplus food and American technical help to disaster and distress areas of the world, we can place at least a part of our mutual aid program upon a direct, people-to-people basis, and assure maximum benefit to our own country's interest in the process.

The idea makes a great deal more sense to me than some parts of our foreign aid program as it is now being administered.

Here is a national endeavor, built around units of our mothballed fleet and our $9-billion food surplus, in which every American who wishes to do so can participate.

It also provides a means to channel America's great medical resources into parts of the world sorely in need of medical help.

The extent of that need, even in these times, is almost unbelievable.

In the enlightened year of 1958, medical records show that 15,000 people died in East Pakistan in a smallpox epidemic, 804 died in a 2-month cholera outbreak in Calcutta, and cholera also killed 912 in a 30-day epidemic in Thailand.

Everyone of these deaths was preventable through innoculation. So are the hundreds of thousands of starvation deaths, in the poverty-stricken

areas of Asia, if the surplus foods of America are put to work for peace.

In the name of divine providence, Mr. Speaker, how can we justify further delays in the use of our abundant food surpluses, to relieve the hunger of children all over the world?

At our docks stand the idle ships, ready to move this abundance to the starving people of the East.

In our warehouses is the food—food on which we are paying hundreds of millions of dollars for storage each year—and food which is sorely needed by our neighbors.

The experience of Project Hope and Dr. Schweitzer's aspirin surely proves that the American people are ready, willing, and generously eager to help put a new White Fleet to sea.

Let us launch this fleet, Mr. Speaker, and put it to work in the service of man.

Let it be a fleet of gleaming white vessels—a symbol known all over the world for peace and helpfulness, and let it proudly fly the American flag as it steams across the seven seas on its missions of mercy.

In this modern atomic age, we have no swords to beat into plowshares, and the dangers are too great to relax our efforts at preparedness.

We can, however, use our idle tools at hand in the service of suffering humanity.

We can make our flag, and our fleet, not only the symbols of the world's greatest naval power, but also the symbols of a generous and helpful neighbor in time of distress and disaster.

Let the Great White Fleet sail once again, Mr. Speaker, and advance not only our country's interests, but also a cause that is dear to the hearts of all people—the cause of peace.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am glad to yield to my friend, the gentleman from Massasetts who was one of the first in the Congress to see the great possibilities of this idea and to introduce a resolution for it.

Mr. BATES. Mr. Speaker, I wish to join in the remarks of my colleague, the gentleman from Oklahoma [Mr. EDMONDSON] on this occasion as I did when we introduced identical resolutions for the purpose of establishing the Great White Fleet.

Some weeks ago, Commander Manson called at my office with a manuscript he had written on this subject. The contents intrigued me because they revolved around a very imaginative and stimulating concept. While the idea is not a new one, it has never been developed to its full potential and shows great promise in a field where so much can be, and needs to be done.

I need not advise the House that economic aid to foreign countries in recent years has met with quite a bit less than universal support throughout our Nation and is hardly understood overseas. It is not my purpose today to outline the reasons that give cause to this reaction for they are manifold and varied. Whether these objections rise through misunderstanding, administration or in comparison to domestic programs here at home, it is evident that this supplementary program will be one that can be understood and appreciated. Constituted as it is, on a people-to-people basis, instead of a government-to-government relationship, it will reflect the heart of America and can be developed to whatever degree the people desire.

In 1955, Chief Petty Officer Murray Chase, of Haverhill, Mass., who was stationed aboard the U.S.S. *Aucilla*, in Barcelona, Spain, also had an idea. The Christmas season was approaching but that was not particularly important to the children of that famous city. Chief Chase, and the officers and crew introduced the name of Santa to that area, raised $1,500 from his shipmates and gave a Christmas party that brought headlines in the Barcelona newspapers and cheer in the hearts of the local children. In successive years, the occasion grew to greater proportions. The opportunity to help and the great need to receive, combined to start the construction of a new school. As Chief Chase retired from the Navy a few weeks ago, he said he was "going to try to raise about $10,000 to finish the project." It is little wonder that Chief Petty Officer Murray Chase is, as reported in Noticias de Actualidad, "muy popular entre los chiquillos de un barrio de Barcelona." That is really a people-to-people program that can be hardly matched.

An understanding of that program, together with Project Hope, convinced me that another road to needy people overseas could and should be opened—by the American people themselves.

As a result of the splendid article this week in Life magazine, I have already received a heart-warming response with various suggestions and offers of assistance. A great deal of thought and effort must go into its policies and programs. Properly conducted, I believe this "bold proposal for peace" will win the wholehearted support of the American people and the gratitude of people less fortunate than we.

Mr. CARNAHAN. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Missouri.

Mr. CARNAHAN. Mr. Speaker, I would like to commend the gentleman from Oklahoma [Mr. EDMONDSON] on his eloquent and appealing presentation of the need for establishing a Great White Fleet. I also commend the gentleman from Massachusetts [Mr. BATES] for his contribution to this worthy idea.

Formation of a modern Great White Fleet of unarmed mercy ships as proposed by Comdr. Frank Manson of the U.S. Navy is, in my opinion, a sound proposal and one that I enthusiastically endorse. I want to commend Commander Manson for such an outstanding contribution in the interest of humanity and world peace, and also I commend Life magazine for its splendid presentation of the idea in its July 27, 1959, issue.

In our search for peace we must not leave a stone unturned, and the Great White Fleet is an excellent opportunity for advancement in our practical application of the Golden Rule and would be one of the greatest stimuli we could put forth to relieve human suffering and proclaim to the world our peaceful intents.

Along with a number of my fellow colleagues who introduced like resolutions, I introduced House Concurrent Resolution 344, declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy. It is my sincere hope that President Eisenhower will establish from our mothballed Navy a fleet of mercy ships to carry American surplus foods, medical aid, and supplies in the interest of aiding humanity the world over to meet disaster. There is no question but that it will be a busy fleet, and one that will no doubt grow beyond the suggested six ships to start with—the hospital ship, complete with operating rooms, X-ray facilities, and medical wards; a carrier supplied with helicopters for rescue work; a small destroyer escort to provide coastal communities with emergency power; a cargo vessel loaded with stores of food and clothing; a transport converted into a floating technical school to help improve the local standard of living; and a supply vessel to replenish the fleet. The suggestion to add a seventh ship with an exhibit of U.S. culture and industry when the fleet has become established is also, I feel, a good one. The Great White Fleet will be recognized internationally as a symbol of peace, and will be one of our best ambassadors of good will to create a better understanding among the peoples of the world.

Mr. EDMONDSON. I thank the gentleman.

Mr. JARMAN. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Oklahoma.

Mr. JARMAN. Mr. Speaker, I am happy to join my colleague from Oklahoma in strong support of the proposal for a new Great White Fleet. This is a bold peace plan for the United States, with tremendous possibilities. This imaginative idea could harness America's productive good will and energies to help insure peace and combat the spread of communism.

Mr. Speaker, I take pride in the fact that an outstanding Oklahoman, Comdr. Frank Manson, thought up the idea of a new White Fleet. I also take pride in the fact that the distinguished gentleman from Oklahoma [Mr. EDMONDSON], in association with the gentleman from Massachusetts [Mr. BATES], and others in the Congress who have been so active. The gentleman from Oklahoma [Mr. EDMONDSON] has led the way toward a congressional endorsement of this project.

I congratulate the gentleman on his fine work.

I would add, Mr. Speaker, that I have followed his leadership by also introducing in the House a resolution urging the President to take the necessary steps to put the Great White Fleet in operation.

Mr. EDMONDSON. I thank my colleague from Oklahoma.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to my colleague from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning a representative of Life magazine called my office asking if I would be on the floor to hear the gentleman from Oklahoma [Mr. EDMONDSON] describe his wonderful project for 30 minutes and that he spearheaded the Great White Fleet project. They asked me to introduce a companion bill to his, which I am, of course, delighted to do and I shall file the bill today.

I congratulate the gentleman from Oklahoma for his eloquence and the wonderful picture he has painted of the practical and idealistic value of a Great White Fleet—the peace and mercy fleet. The gentleman from Oklahoma is always forceful and plausible. I also congratulate my colleague from Massachusetts [Mr. BATES] for his fine statement just made. He was effective also.

We all know that the servicemen are devoted to children. In every country where they go they make friends through their kindness, and they leave money and supplies wherever their ships go, for the children and the needy. I have always found that the way to the parents' hearts is through the children.

The medical supplies that will be donated will take life and health to the poor of the countries visited and that will be bound to make friendly feelings for the United States. I know what this will mean to our men in the White Fleet, and I know what it will mean to the people of foreign countries to see those white ships of peace and good will steaming into their ports. They will act as supercarriers of good will and kindness and practical help.

Again I congratulate the gentleman. Please let me know if there is anything in the world I can do to help in this.

It is splendid that the powerful Life magazine takes such an interest in the Great White Fleet. Their aid will be invaluable.

As to the cost of this project, I believe it will mean fewer dollars in foreign aid as it will take the place of it and it will have ready more ships available for war if needed.

Mr. EDMONDSON. I thank the gentlewoman from Massachusetts very much.

Mr. MORRIS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Oklahoma.

Mr. MORRIS of Oklahoma. Mr. Speaker, I wish to express my deep and sincere appreciation to my colleague the distinguished gentleman from Oklahoma [Mr. EDMONDSON]; also to the distinguished gentleman from Massachusetts [Mr. BATES] for having taken the initiative in this great movement; and I call it that because I believe it is going to terminate in something really worthwhile. I think it is a great movement in fact.

I am happy to join in this effort and follow the leadership of these distinguished gentlemen and others. I also introduced a resolution along this same line relative to the Great White Fleet yesterday.

I do believe that this is not a visionary thing at all; I believe definitely it is not some fantasy. I believe it has real validity, and I can see in it a program that will be of great benefit to the entire world, including our own great Nation if it becomes a reality.

May I conclude with just this thought: It seems such a tragedy to me that we in this great Nation have such an abundance of food, such a great surplus of food, and yet in certain areas of the world there are people starving. The fact is that we are not getting our food to these people as we should. I do hope that this movement, and I call it that advisedly, will result in our moving some of these surpluses, that we have, to areas where there are earthquakes, where there are floods, where there is famine, and so forth.

It will do two things: It will help primarily those starving people, those people in need; and we in this country with such an abundance of wheat, such a surplus we hardly know what to do with, it will help us eventually from an economic standpoint. So it will help first the starving people which is a tremendous thing in itself, and indirectly it will help our farmers in this country and all of our people. I am happy to join my colleagues in an effort to write into law this great idea.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from North Carolina.

Mr. ALEXANDER. Mr. Speaker, I would like to join those who have extended commendation to the gentleman from Oklahoma [Mr. EDMONDSON] and the gentleman from Massachusetts [Mr. BATES]. This is a dramatic idea. I think it is an idea that the common people, the average man, will feel they have a part in.

As you know, our foreign aid program is a government-to-government proposition. I have felt many times that in the administration of this program we have had many weaknesses and glaring defects, but I feel that this is a program that will go from the heart of our people to the heart of needy people throughout the world. I think it will spread much good will throughout the world and do more good than some other things that have cost many times what this will cost.

Another thing I like about this particular idea is the fact it will take from us the things that we have in abundance to be given to people who need them so badly. Also it will give the opportunity to show how we feel toward needy people everywhere. The idea that we people can give and can have a part in this program is one that is good rather than one we as representatives of the people, taxing the people, could give. I think it is an excellent idea. I have great hope that this dramatic suggestion of a White Fleet will catch on and will shine as a great star in leading toward world peace.

Mr. EDMONDSON. I thank the gentleman for his effective and common sense observation about this proposal.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Kansas.

Mr. AVERY. Mr. Speaker, of course, the objectives of the proposal made by the gentleman from Oklahoma and the gentleman from Massachusetts [Mr. BATES] are highly desirable and commendable. The proposal even comes well recommended to the House by the very nature of the sponsors themselves. However, I think we ought to look down the road a little way on this. It is very easy to agree at the outset with the objectives of this, but when we start to develop the mechanics of it, frankly I have some reservations.

In the first place, the resolution itself is silent as to what the eventual cost might be to the Federal Government. I listened to the gentleman attentively, or intended to, and the only reference he made to cost was a reference in the article in Life magazine.

Mr. EDMONDSON. I made reference also to the estimate given by people who have studied this; for instance, Senator HUMPHREY, who said it would cost from $5 million to $7½ million a year.

Mr. AVERY. From $5 million to $7½ million a year. That is for a perpetual operation and $20 million to $30 million for readiness of operation of the fleet for 18 months.

Mr. EDMONDSON. I think that the $20 million to $30 million figure was the estimate of Life magazine, which included within it 18 months' operation and all costs from private sources and everything else. I think that the Humphrey estimate was assuming that personnel, medical supplies, and things of that nature would not be at governmental cost.

Mr. AVERY. That is the point I wanted to bring out. That is, how far the Federal Government's responsibility is going to exist, taking into account the rather intensive effort that the Government will also make in this same direction. The gentleman referred to the mutual security program. I would like to narrow that down to the ICA program, because aside from the mercy or the benevolent aspects of medical help, the ICA program would pretty much complement the program as was described in Life magazine.

In the ICA program, under Public Law 480, funds under title 2 were authorized just this week under the mutual security program, which included about a billion and a half dollars for economic development in these countries, and I assume it would be about the same countries this program would be directed to.

In the field of health we make a rather substantial contribution there already through the world health organizations under the auspices of the United Nations. The United States contributes almost $5 million to that.

Now, would the gentleman agree with me that if there is an expense to the Federal Government in the operation of this Great White Fleet program probably that expense should be extracted from appropriations or for programs that are presently authorized in the operation in this same direction?

Mr. EDMONDSON. I would agree with the gentleman, to this extent: I

believe that the President with this resolution behind him would have the authority necessary to draw from either mutual security funds or from armed services appropriation funds. Incidentally, this is being reviewed by the Committee on Armed Services, and they might add some language which would be more specific on that point. It would be our hope that the very great bulk if not all of the cost of this proposal, aside from the cost of the surplus food and commodities, might be borne by private subscription. Incidentally, Project Hope is a very fine prototype for what we are talking about, a wonderfully far-seeing venture into this field, one that should have the support of all people. This project demonstrates how the people of the country would rally behind this kind of movement if given a vehicle for their help.

Mr. AVERY. That, of course, would be the ultimate objective to work to. But the gentleman will agree with me, we should not set up another Federal program to compete with programs we already have charged up to the taxpayers?

Mr. EDMONDSON. I certainly do not see that it is any competitive program at all.

Mr. AVERY. Well, I would just like to make one further reference to the story in Life magazine. The first page that fell to my attention in Life magazine was a picture of a camel pulling a walking plow demonstrating the virtues of deep plowing in north Africa. I suggest that if we are going to teach the people of north Africa a better way to plow, the most desirable way would be to have some kind of mechanical operation instead of using a camel.

Mr. EDMONDSON. I yield to the gentleman as an expert on plows here. I have no desire to contend on that point with him.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I immediately am responding to the eloquent presentation made by the gentleman from Oklahoma [Mr. EDMONDSON], by dropping in the hopper the Great White Fleet resolution as a sponsor.

I am doing this with an especial thrill because the idea of establishing a Great White Fleet for Peace came from Teddy Roosevelt. I am the last man in this Chamber who served in Cuba with Teddy Roosevelt years and years ago in the siege of Santiago in Cuba, and it is most heartening to me to know that in this modern age the dynamic, virile patriotic leadership of Teddy Roosevelt is being implemented. I commend the gentleman from Oklahoma for the tremendous presentation he has made here, and I join with him in his advocacy of a Great White Fleet for Peace, sailing in a very real sense into the hearts of people as did the Great White Fleet for Peace that Teddy Roosevelt sent more than half a century ago on a mission so rich in the making of friendship.

Now, in regard to the cost. If you want to reach into the hearts of people, you do not count the cost of a bit of medicine that you are giving to a sick child or a sick woman or a sick man. You do not stop to figure the cost of a loaf of bread before you give it to a starving human being. The quality of mercy is not determined by fiscal mathematics. The cost, as the gentleman from Oklahoma has so well said, will be relatively little; that is, the funds will come in large part, I take it, from the special fund that we have given the President and for other programs in our mutual security bill. Certainly it is much saner to put our surplus agricultural products in the ships of the Great White Fleet, to carry them to the lands where there is need, than to continue paying out a million dollars a day for storage.

Mr. EDMONDSON. I thank my good friend from Illinois, knowing of his big heart and his strong championship of the ideals of Teddy Roosevelt, and it gives me a real thrill to see him join with us.

Mr. BOYKIN. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Alabama.

Mr. BOYKIN. Mr. Speaker, I congratulate the gentleman from Oklahoma [Mr. EDMONDSON]. It is a great thought. I have talked to him about it on a number of occasions, and I have received letters from him. I also read this great thought in Life magazine. You just improved on it. You always improve on everything. I have had the joy and the pleasure of serving with you on the Veterans' Committee, and I think you are one of the greatest Members that ever served there. This is a fine program, and this will give life to a lot of people. What you have done is a good job, and I congratulate you from the bottom of my heart.

The SPEAKER pro tempore (Mr. MORRIS of Oklahoma). The time of the gentleman from Oklahoma has expired.

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BURKE of Kentucky. Mr. Speaker, the gentleman from Oklahoma has described in simple, straightforward language an idea of vast significance.

No one who has read "The Ugly American," or who has had occasion to study the reports of the various committees of the Congress, can keep from having some feeling that in our national effort to help economically other parts of the world, we have failed in many cases to convey the really American spirit of neighborliness. This may result from a sort of national self-consciousness, because neighborliness is brotherly love and we are a little timid sometimes about admitting that we are motivated by such a basically good motive.

The Great White Fleet is as American as Teddy Roosevelt; the need for it is as real as the hunger of starving people; the possibility of implementing the idea is as near as the mothballed fleet. I am proud to have been permitted to introduce on yesterday one of 22 identical resolutions urging the creation of the new Great White Fleet.

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, certainly this proposal is deserving of full examination by the Federal Government. I compliment the distinguished gentleman from Oklahoma [Mr. EDMONDSON] and the distinguished gentleman from Massachusetts [Mr. BATES] on their initiative in taking a leadership position in espousing this project. It will serve as a highly desirable impetus to insure that a full consideration of the merits of the proposal is given. In my judgment this is a useful and sensible way to use the tools already in our possession toward the promotion of peace. We have a Navy and a good Navy. Let us show it off in the best possible light and give tangible evidence to the world of our peaceful intentions.

I cannot help thinking that if the Soviet Union should initiate a similar project of its own and put it into execution, we here in this country would question ourselves as to why we had not shown at least equal imagination and initiative. At a very small cost, using the tools we already have on hand, a wealth of good will could be obtained for the United States through this project. Let us not dismiss it lightly.

Mr. DADDARIO. Mr. Speaker, I found this proposal for a Great White Fleet to carry out mercy missions a most dramatic proposal. Certainly its provisions for the relief of suffering, the provision of medical aid to places where it is needed, show vision and imagination.

The question of the provision of food supplies must be weighed against the experience that this Nation has acquired in recent decades in this area. It should be studied together with several suggestions made during this session so that it does not prove harmful.

As a whole, the Great White Fleet, capturing the imagination of the world, could be a wonderful and humanitarian project. It might well have a counterpart in a Great White Airlift that, in the spirit of Air Force efforts in recent years including the airlift to Mecca, could spearhead our mercy efforts.

Mr. McGOVERN. Mr. Speaker, to accentuate the positive in our approach to foreign policy is the traditional American way of doing things. The most dramatic proposal that has been broached in recent years is the demonstration of our physical, economic, and cultural resources in alleviating the human suffering of peoples abroad by the use of a Great White Fleet alerted and poised to rush to points of distress and disaster throughout the world and to assist the developing nations.

Our American foreign policy must become geared to the strengths of our Nation; not only our physical resources and the unsurpassed productivity of our

economy but to the traditional American symbols of good will, friendship, and brotherly love for peoples everywhere. In our relentless struggle against the forces of communism all facets of our national energy must be brought into the fight in a dramatic move showing the real spirit of the American people to our friends and neighbors abroad. The strength of the Great White Fleet proposal is in these areas.

At all times we must maintain our shield of military strength but at best this is a negative gesture and must be reinforced by the positive actions of a great free people who understand the dynamic forces moving in the world today and are equal to the challenge of meeting them.

Coming from a rural area I am acutely aware of the surpluses of food and fiber we possess in a world of hungry people. This is our great blessing if we have the imagination to use it as a force for good in meeting the challenge that has been flung out to us by international communism. President Truman's point 4 program and the Marshall plan were steps in the right direction. Public Law 480 is a move forward in the active use of our food and fiber abundance, in programs of economic and technical assistance, and in the relief of human suffering. A further important advance can be made in the adoption of the food-for-peace legislation that I have joined in sponsoring. All of these are positive measures which coupled with the White Fleet proposal will dramatically highlight American efforts abroad in behalf of other peoples in the have-not areas of the world and will prove a resounding answer to Communist propaganda distortions of American policy and intentions. This is a use of our strength to help meet the weaknesses of our neighbors not because we feel it to be a smart propaganda move but because this is the kind of people we are.

This symbol of American friendship and understanding of other peoples problems is also a use of the services of the Federal Government in cooperation with private voluntary organizations in a manner that makes use of the strengths of both. The Federal Government would cooperate by providing ships, planes, and other vehicles from the mothball fleet, furnishing surplus food and supplies from Government-owned stocks, and providing logistics support through the many facilities of the Government scattered throughout the world. Operation of the fleet services could be undertaken by voluntary groups. The cost would prove negligible in comparison to the amount of good that would be accomplished.

Mr. Speaker, I am happy and proud to join with my colleagues in sponsoring this legislation that has as its foundation humanitarian motivation and is in accord with the high moral principles for which our Republic has always stood. This is our opportunity to channel the great hope that our people share with other peoples throughout the world for a peace based upon brotherhood. This is a challenge that the American people will wholeheartedly rise to meet.

Under unanimous consent, I include the concurrent resolution calling upon the President to establish the Great White Fleet which I am introducing with a number of my colleagues and to be printed at this point in the RECORD:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(a) The President at the earliest practicable time should take such action as may be required to provide for the establishment of a White Fleet designed and equipped to render prompt emergency aid and assistance to peoples of the coastal regions of other nations upon the occurrence of famine, epidemic disease, earthquake, flood, hurricane, or other disaster; and to further serve as a vehicle for the carrying out of technical assistance and training on a continuing basis in the developing nations of the world;

(b) Such fleet should be established through the restoration to active service and the equipment of suitable vessels of the United States Navy now mothballed in storage but could be operated by appropriate nonprofit private philanthropic organizations of the United States devoted to the rendition of emergency aid and assistance to relieve human suffering;

(c) The vessels of such fleet should be suitably identified to proclaim to the world their peaceful and beneficent purpose, and should be divided into task groups, each of which should include a hospital ship for the rendition of medical aid, a vessel suitably equipped to generate electrical energy required to meet emergency needs, and one or more cargo vessels suitable for use in the transportation of clothing, medical supplies, and other necessary supplies and equipment;

(d) Fuel and operational supplies, and port, repair, and navigational facilities, of the United States Navy throughout the world should be made available to such fleet in support of its operational activities;

(e) Provision should be made for the utilization of surplus food commodities of the United States for the relief of hunger, and for the furnishing by the United States of medical and other supplies required for the rendition of other necessary aid and assistance, through the use of that fleet; and

(f) The cooperation of private charitable organizations of the United States should be utilized for the furnishing of clothing and other relief supplies for donation to meet the emergency needs of inhabitants of regions to which task groups of the fleet would be directed to provide assistance.

Mr. WOLF. Mr. Speaker, I was happy to join the Congressman from Oklahoma [Mr. EDMONDSON] in his resolution on the excellent idea of the White Fleet. His leadership in this will, I am sure, lead to the successful conclusion of an excellent proposal.

While the actual advantage through medical help and through the feeding of the hungry in disaster areas is perhaps small, this program will certainly once more demonstrate the peaceful intentions which we have toward the less fortunate people of the world.

I am glad that the idea is built around direct contributions from people rather than around Government aid because then this even more truly becomes a manifestation of intent by the people of the United States. I wish the Congressman from Oklahoma every success, and again I congratulate him on his usual brilliant leadership.

OUR MONETARY SYSTEM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. BYRNES] is recognized for 60 minutes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I apologize for taking the time of the House at this late hour, but the matter I propose to discuss is of such importance, I think, that even at this late hour it should be brought to the attention of the Members here and the Members who might read the RECORD tomorrow.

Mr. Speaker, I am no expert in monetary affairs. In fact, I wish that some of the Members of Congress who are not experts would stop posing as such in some of the remarks that have been made on the floor of the House in recent months with respect to monetary affairs.

In the management of our huge public debt, however, one does not have to be an expert to know that if it is to be managed efficiently and managed economically and managed in the best interests of all of our people, we must give to the Secretary of the Treasury and the President the tools with which to work. He does not have those tools today.

On June 8 the President of the United States sent a message to the Congress. I would remind the membership of that message and I would quote from it in part. The President in his message to us said:

> Successful management of the debt of the Federal Government is one of the most important foundation stones of the sound financial structure of our Nation.
>
> The public debt must be managed so as to safeguard the public credit. It must be managed in a way that is consistent with economic growth and stability. It must also be managed as economically as possible in terms of interest costs. The achievement of these goals is complicated today by several factors, despite the fact that U.S. Government securities are the safest investment in the world.

Further he said:

> Greater flexibility of debt management action is required, however, under present-day conditions if a reasonable schedule of maturities is to be maintained and the safeguards against inflation strengthened.

Again the President said:

> The Treasury always tries to borrow as economically as it can, consistent with its other debt management objectives. But in our democracy no man can be compelled to lend to the Government on terms he would not voluntarily accept. Therefore, when the Government borrows, it can do so successfully only at realistic rates of interest that are determined by the supply and demand for securities, as reflected in the prices and yields of outstanding issues established competitively in the Government securities market.

The President at that time asked for legislation to remove the statutory interest ceiling of 3.26 percent on savings bonds. He asked also for the removal of the 4¼ percent interest rate ceiling on issues of intermediate and long-term Treasury bonds. And he said:

The present ceiling seriously restricts Treasury debt management and is inconsistent with the flexibility which the Secretary of the Treasury has on rates paid on shorter term borrowings.

In addition to that message, Mr. Speaker, on June 29, there was released by the President the Interim Report of the Cabinet Committee on Price Stability for Economic Growth. I would call your attention to a very important finding of that Cabinet committee, and mark these words:

Without firm control of the quantity of money and credit all other measures to check inflation will be futile. Sound monetary policy requires that the Government avoid making its bonds, other than those of comparatively small denomination designed for family savings the equivalent of money. Government bonds are the equivalent of money if they can always be changed into actual money at virtually face value not only when they are due and payable but any time before. This is the case if the Treasury is forced to issue only very short term bonds or if the Federal Reserve System stands ready to buy at a pegged price all Government bonds offered to us in advance of the date when they are due to be paid by the Treasury. There is only an imperceptible difference between the Government's issue of bonds that are the equivalent to money and the Government's just cranking up the printing presses and rolling out greenbacks.

The Government will be forced to continue issuing large additional amounts of short-term bonds that are the near equivalent of money until Congress allows the Treasury sufficient flexibility to achieve a balance in our debt structure by inducing people of their own free will to invest their savings in long-term Government bonds.

Thus to avoid inflation it is essential that the present limitation on the interest rate on long-term Government bonds be removed as the administration has already recommended.

The issue is whether we want price stability or whether we want in a concealed way to do the equivalent of printing money, something the American public would not stand for if done openly.

Thus spoke, in part, the Cabinet Committee on Price Stability for Economic Growth. That, Mr. Speaker, was on June 29.

Following the message of the President requesting the lifting of the interest ceiling on long-term Government bonds the Committee on Ways and Means held hearings. Those hearings commenced on June 10. We then went into executive session for days on end getting all of the best advice we could from those officials charged with the responsibility of managing the debt. I do not think there could be a question in any reasonable person's mind that the ceiling existing today is unrealistic and that the Federal Government cannot finance any part of the debt in obligations beyond 5 years' duration as long as the present ceiling of 4¼ percent exists. I do not think any reasonable person would question but what if those charged with the responsibility for managing our public debt are to do so in the best interests of our country and in the most economical fashion that this ceiling has to be removed. But in spite of that fact the majority party members on the Committee on Ways and Means have procrastinated and they have delayed, and it would now appear they have decided to do nothing. We met just a couple of weeks ago and got to the point where the committee voted to request the chairman to introduce a clean bill so that the committee could then meet to report out legislation. But since that time no meeting has been held and no bill has been introduced. There is a bill that has been introduced, however, carrying out the Administration's program. I am speaking of a bill in accordance with the action taken by the majority of the members of the Committee on Ways and Means, acting in executive session.

Last evening the 10 minority members of the committee, because of the importance of this matter, addressed a letter to the Speaker of the House requesting that he use his good influence to get this matter to the floor of the House and get action so as to untie the hands of the Secretary of the Treasury and the President and enable them to properly manage this huge national debt of ours.

Mr. Speaker, I ask permission to insert at this point the letter addressed by the 10 minority members of the Committee on Ways and Means to the Speaker of the House of Representatives, together with the release made to the press today.

The SPEAKER pro tempore (Mr. MORRIS of Oklahoma). Without objection, it is so ordered.

There was no objection.

(The matter referred to is as follows:)

The Honorable RICHARD M. SIMPSON, Republican, of Pennsylvania, ranking Republican member of the House Committee on Ways and Means, today announced that the 10 Republican members of the House Committee on Ways and Means have acted unanimously to urge the House Democratic leadership to permit consideration of the administration's request for legislation to facilitate the most economical and efficient management of the public debt.

It will be recalled that on June 8, 1959, the President transmitted to the Congress a request for legislation removing the statutory ceilings on rates of interest on Government securities. The Republican members of the committee in their concern over the gravity of the fiscal problems confronting the United States joined in addressing a letter to the Speaker of the House urging that he bring the prestige and persuasion of his office to ending the existing stalemate that has caused this legislation to be bottled up in committee for more than 6 weeks.

The administration proposal has received the overwhelming support of financial writers and monetary experts. These writers and experts have pointed out the danger inherent in not acting promptly to deal forthrightly with the present situation. They have also referred to the serious trouble that could result from preventing the Federal Government from marketing bonds with maturities in excess of 5 years. Under existing law the statutory interest rate ceiling does not apply to bills, notes, or certificates having a maturity of 5 years or less. To limit the Federal Government to the short-term money market would force the Government to compete for credit and savings in the same market that small business and consumers resort to for financing business expansion and consumer articles such as automobiles and household appliances. Failure to act favorably on this legislation would add substantially to the credit problems of the small businessman and the American public.

The text of the letter to the Speaker follows:

JULY 22, 1959.

The Honorable SAM RAYBURN,
The Speaker, House of Representatives.

DEAR MR. SPEAKER: The President of the United States sent a communication to the Congress on June 8, 1959, outlining a legislative program to assist in the successful management of the debt of the Federal Government. Included in the program set forth by the President were proposals for removing the present 3.26 percent interest rate ceiling on savings bonds and for the removal of the present 4¼ percent interest rate ceiling on new issues of Treasury bonds.

In his communication the President stated: "The public debt must be managed so as to safeguard the public credit. It must be managed in a way that is consistent with economic growth and stability. It must also be managed as economically as possible in terms of interest costs. * * * The enactment of this program is essential to sound conduct of the Government's financial affairs."

Since the transmission of this communication on June 8 the Committee on Ways and Means had held 3 days of public hearings and has met in executive session many times. Through the able and constructive participation by the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System in the work of the Committee we have obtained answers to the policy questions raised in regard to this proposal. The Committee on Ways and Means has focused its attention to the exhaustive consideration of all aspects of this legislative request.

We are confident you are mindful that the United States is now confronted with a serious fiscal situation. This situation has the gravest import in its domestic and international implications with respect to confidence in the soundness of the dollar. The delay that has occurred to date in bringing this legislation before the House has created market uncertainties which have contributed to increasing the cost of the public debt.

We are addressing this letter to you with a copy to Chairman MILLS in view of press statements attributed to you to the effect that the legislation will not receive House consideration in the absence of administration concurrence in the amendments tentatively approved by the majority members of the committee. We are confident that the Committee on Ways and Means would complete its action on this legislation if you would indicate your willingness to have the matter presented to the House. It is essential that the House be allowed to work its will by the action of the entire House membership.

The 10 Republican members of the Committee on Ways and Means pledge their wholehearted support to the administration proposed legislation on this subject. We firmly believe that at least 140 Republicans in the House would vote in favor of the administration's request. Our party's membership in the House of Representatives is willing to accept the responsibility for removing the statutory ceilings on interest rates for Government securities to facilitate the economical management of the public debt. If no House action is taken on this legislation, the Democratic majority in the House must accept the responsibility for the consequences of failure to act. The soundness of our Nation's currency and the integrity of our Nation's credit are at stake.

One of the objectives to be accomplished by the enactment of the legislation urged by

the administration is to make it clear that the U.S. Government fully intends to manage its monetary affairs in a sound and responsible manner. It is essential if we are to avoid catastrophic aftermaths that we retain the confidence at home and abroad in the fiscal strength of the United States.

During its deliberations on the legislation the majority members of the Committee on Ways and Means have tentatively approved two amendments to the bill which in our judgment could impair that confidence and interfere with efficient debt management. One of these amendments would limit for an effective period of 2 years the authority to exceed the interest rate ceilings. This amendment could be construed to indicate an expectation that there will be a contraction in America's economic expansion by that time. Such an interpretation would not be conducive to the building of public confidence. We cannot agree that such a contraction in economic growth is inevitable in the next 2 years.

The second amendment to which we object would express the sense of Congress that the Federal Reserve System should return to the discredited wartime practice of supporting the price of Government bonds. As evidenced by comments on the floor of the House by members of your own party, there is confusion as to whether this amendment would be mandatory or permissive on the Federal Reserve System. Regardless of its intent in this respect, its inflationary implications would tend to destroy the public confidence we seek to maintain.

These amendments would be injurious to proper debt management and would tend to deprive the Federal Reserve System of the discretionary flexibility in monetary affairs that the Congress has historically recognized the need for it to have. We are categorically opposed to any amendments that would serve to destroy the very public confidence that we are seeking to protect by this legislation.

The administration's request is already in legislative form and is pending in the House of Representatives as set forth in a bill, H.R. 8304, introduced by the ranking Republican member of our committee. While we are opposed to any amendments that have been considered to date to the administration's request, we are firm in the conviction that legislation dealing with this subject should and must be considered in the House of Representatives.

Accordingly, we respectfully request your support of our endeavors to have prompt House consideration of legislation dealing forthrightly with this important fiscal problem.

Sincerely yours,

RICHARD M. SIMPSON, NOAH M. MASON, JOHN W. BYRNES, HOWARD H. BAKER, THOMAS B. CURTIS, VICTOR A. KNOX, JAMES B. UTT, JACKSON E. BETTS, BRUCE ALGER, ALBERT H. BOSCH.

Mr. BYRNES of Wisconsin. Mr. Speaker, this should not be a political issue. The fate of our Nation is involved in this question. Involved here is the credit of the United States of America, the value of its money. Failure to face up to this problem realistically and responsibly can bring about consequences so serious I would not care to enumerate them at this time. But, I repeat, the fate of the Nation is involved in how well we maintain the credit of the United States and the value of its money. Tied up in that is how we manage the national debt of over $285 billion.

Let me tell the Members of the House this: the minority members of the Ways and Means Committee not out of political consideration, but out of the recognition of the realities of the case and the absolute necessity to act, stand ready to unanimously support the request made by the President. We have assured the majority leadership of the committee that we are unanimous—all 10—ready to vote for lifting this ceiling.

The Republican policy committee of this House, of which I have the honor to be chairman, not out of political consideration, but out of a recognition of the realities and the absolute necessity to act, passed a resolution on June 30 of this year. Let me quote from that resolution:

Whereas the management of the Federal debt must be conducted in a manner consistent with safeguarding the public credit, sound economic growth and stability, and at the lowest possible cost to the taxpayers; and

Whereas a well-balanced debt structure calls for continued offerings of intermediate and long-term securities when conditions permit; and

Whereas the present interest ceiling on Government obligations of over 5 years results in forcing the financing of the debt in highly inflationary and costly short-term obligations with no interest ceiling; and

Whereas the ceiling on savings bonds interest prevents the payment of higher and more realistic interest to the 40 million holders of these bonds designed primarily for the small saver and will destroy the entire savings bond program: Therefore be it

Resolved, That the Republican policy committee urges immediate action to implement the request of the President that the interest ceiling on intermediate and long-term Government obligations be removed.

I repeat, Mr. Speaker, that resolution was not dictated out of political consideration; it was simply a recognition of the dangers that we face if we fail to act.

Mr. Speaker, I am convinced that our Republican membership on this side of the aisle would almost unanimously support the recommendation of the President and the recommendation of the Treasury in this respect. It is not my desire here and now to make this a political issue, but I would point out that if this is to be a political issue, we on this side of the aisle, the President, and the Secretary of the Treasury, are willing to take responsibility for the consequences of giving the Treasury the authority requested.

But if the Democratic majority ties the bill up in committee and fails to act, it must accept responsibility for the consequences that will flow from such failure to give the Treasury the tools it needs. They must assume responsibility for the consequences which will face the country if they fail to act. And I repeat the consequences can be disastrous.

Not as a Republican, but as an American citizen, I take the floor today and express my deep concern over this matter. I take the floor as an American citizen who is deeply concerned with the future welfare of our country and our people. I just hope and trust that the majority which has control of this Congress will not take the risks involved in the failure to act; and I also pray here today that if they fail to act the consequences to our country that could follow from such failure will not come to pass.

Mr. Speaker, I am convinced there are many Members on the other side of the aisle who want to do the responsible thing. I say to you, Mr. Speaker, the bill should at least be reported to the floor of the House so that a majority of the Members can work their will. It is not right that the fiscal integrity of this Government should rest with the decision of just a handful of people in the majority party who are members of the Committee on Ways and Means. The matter is of such importance, it does not make any difference what the individual viewpoint may be, it should come to the floor of the House and be voted on in a straightforward manner rather than be tied up in committee.

There are some who seem to think that this is just a problem of the Secretary of the Treasury or a problem of the President, or that to grant the request of the President to remove the ceiling is sort of doing the President a favor. But let me assure you that this is everybody's problem. There is nothing that is going to cause a greater inflation or force us into it at an earlier date than the matter of making the Treasury seek all of its refinancing in the short-term market, an inflationary market, mind you, instead of having the capacity to seek some of the funds in the medium and longer term market. Let me remind you that the U.S. Treasury has to borrow from somebody to the extent of somewhere between $75 billion and $100 billion during the next 12 months. That is an awful lot of money. Yet under present circumstances you tie their hands and say, We will only let the Treasury seek loans from those people who will loan for a period of only a year or 2 years or 3 years, the very type of inflationary process that is spoken of by the Cabinet Committee on Price Stability for Economic Growth.

Let me remind you also you are forcing the Treasury to go into the market that most of our constituents have to go into also. Where does the person go who is buying an automobile and needs to borrow some to do it? He borrows in the short-term market. Where does the housewife or the householder go that needs to buy a refrigerator or a gas stove? She goes to the short-term market. All of these loans of under 5 years are made in what is called the short-term market. Where do people go who want to borrow $500 or $600 for 6 months or a year, where do they get it? In what we call the short-term market. That is where you are also forcing the Federal Government to go in order to refinance $75 billion in the next year.

What is the effect? It cannot help but force up the price that is paid for money in that market, it cannot help but increase interest to our people who must seek their funds in that market. There is just so much money available for short-term loans and it is these little people who are going to be hurt.

I would call your attention, Mr. Speaker, to an article that appeared in the Washington Post of a couple of days ago by financial writer Harold B. Dorsey. I inserted it in the RECORD of July 21. In this article he points out the effect the failure of the Congress to act will

have upon the little business of this country. I trust that all Members of Congress will take the time to analyze this question, follow it through, and see who is going to be hurt if Congress does not lift the interest ceiling on Government obligations.

I quote one conclusion of Mr. Dorsey. He says:

> Everybody would be better off—except the lenders—if some of these funds were obtained in the long-term credit market where the interest rates are currently lower.

Let me say a word about the savings bond program. This is a program that the Congress set up to spread the holding of the debt among our people generally; to encourage thrift and saving of our smaller investors, of the people that do not get into the big money markets to invest money, and do not have that kind of money to invest; the people who will save by a deduction from their salary. We have asked those people to lend the U.S. Government money by buying savings bonds, and yet by the failure of Congress to act in this instance we are denying the Treasury the right to pay these people the amount of interest that they are entitled to under present day economic conditions. As the result of the failure of Congress to act in this matter savings bond sales are falling off and redemptions of savings bonds are on the increase. People are cashing them in at a greater rate than ever before. We hear much talk about concern for the little fellow; seeing that he gets a proper break. Yet, failure to take action here prevents the President and the Secretary of the Treasury from doing justice to these people who will hold U.S. savings bonds.

Mr. Speaker, there is much that can be said on this subject. I think there has been all too much effort made to confuse the issue and bring in all kinds of extraneous problems. What this Congress must do is face up to the facts. We must face up to the fact that the U.S. Government must borrow in order for the Government to carry on its business. We must face up to fact, No. 2, that in order to borrow that money it must find lenders; and, No. 3, it must pay to those lenders by way of interest the current price for the use of their money or they will not lend to us. It does not keep interest down to just have a statutory ceiling of 4¼ percent in long-term borrowings. All that says is to foreclose the U.S. Treasury from borrowing from people willing to loan on a long-term basis. It means the Government is forced to seek its money in the most inflationary way that it would be possible to conceive; seek it all in the short-term market. Be we Republicans or be we Democrats or whatever we may be, if we have at heart the best interests of the United States, we will act just as promptly as possible to give the Secretary of the Treasury and the President of the United States the tools with which to manage this huge debt. And in so doing we will not encumber it with all kinds of extraneous matter. We will face up to the issue, and we will face up to our responsibility. I would hope, Mr. Speaker, that we might look for action by this House and action by the Senate on this matter at a very, very early date.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Mr. Speaker, I first want to commend the gentleman for taking the floor at this time to call to the attention of the House and, I hope, to the attention of the Nation, the seriousness of this problem. I want to join in the remarks he has made. I have a special order afterward, at which time I am going to try to say some things that will further point up this serious issue.

I want to commend the gentleman, also, for presenting it as best we can as a nonpartisan issue, because, believe me—and I think all Americans agree to this—fiscal responsibility is not a party issue. And yet, if those who seek to follow a certain course are to act fiscally irresponsible, I do believe that it can become and of necessity should become a political issue, although I hope not a party political issue.

I know the gentleman from Wisconsin, who has been wrestling with this problem for many months, knows that there are many people in the Democratic Party who feel exactly as he has expressed himself on this subject. My observation is that it seems that the great Democratic Party is undergoing a conflict within its own organization between those who do feel that this course that the gentleman from Wisconsin has outlined is the course of fiscal responsibility, and are trying to win over those who would take another course. It has overtones of what the newspapers and the periodicals have been pointing up as the Butler faction versus the Lyndon Johnson faction, if that is what it is; I am not sure that that is a descriptive term, but there are certainly members of the Democratic Party who have been taking the floor of the House in past months, talking about this administration being a high-interest-rate administration, and proposing various theories and advocating a course of action which, in my judgment, are completely unsupported from the standpoint of what we know about economics and what is sound fiscal management. And it is that group that the responsible leadership of the Democratic Party in the House, at any rate, is trying to win over.

But the point is this: time is running out. This delay has already created great damage to the fiscal picture of the United States and its integrity. And the further we delay, the more damage will result.

I think the gentleman will agree that a majority of the 25 members of the Ways and means Committee, not on a party basis, but the majority on a basis of conviction, would vote out the Treasury plan; but, of course, that would mean that the majority of the Democratic members on the Ways and Means Committee would be voting against it. As any good political party, responsible political party would seek to do, of course, they want to have the majority of their members supporting any measure that comes out. I commend the Democratic leadership for that. I suspect that is the problem that faces the Democratic leadership right now, that they do not want to bring a measure out to the floor that will be passed over the objections of the majority of the Democratic Members. But if I interpret the remarks of the gentleman from Wisconsin correctly, he is pointing out that the time now has come when even that proper, and I would say noble, aspiration of the leaders of the Democratic Party, to try to hold together their party, to make it one of fiscal responsibility, that time has now run out and no longer can a party consideration of that nature stand in the way of the necessity for moving ahead in this legislation.

So, with those remarks, I want again to commend the gentleman from Wisconsin for taking the time to call this matter to the attention of the public. I wish some Members from the majority party would comment, if they would care to, but the floor is always available to them, and I hope that they will take the floor in the next day to express their point of view in regard to the remarks that the gentleman from Wisconsin has made and those that I have made, as well as the remarks that I shall make at a later point.

I thank the gentleman.

Mr. BYRNES of Wisconsin. I thank the gentleman from Missouri.

There is one point to which I would like to call the attention of the membership and that is that the Republican members on the Committee on Ways and Means and other Members of the House on our side have, I think, used every effort to be restrained and to avoid controversy over this particular request of the President. We have done so for two reasons.

First we have avoided or we have tried to avoid anything that would create a condition of uncertainty in the money markets both here and abroad which could have a net result of destroying confidence in our currency and in our credit and in the manner in which we are going to handle our money problems. We have particularly avoided public discussions in order to avoid any results that might be detrimental to our fiscal management. We have also avoided it because we recognized that there were certain problems which existed on the majority side of the aisle. We did not want to do anything which would jeopardize efforts on the part of some Members of the majority party to get those problems under control. The fact of the matter is, Mr. Speaker, I had a special order several weeks ago and it was my intention at that time to discuss the urgency of the problem. I did not do so in the hope that by a further delay this matter could be adjusted. I am forced to take the floor today, Mr. Speaker, only because the hour is late and every day we wait is costing the U.S. taxpayers dollars by way of increased interest and every day we wait is shaking the confidence of people in the ability and the willingness of the Congress to face up to the serious financial problems which confront us.

Mr. UTT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. UTT. I appreciate the gentleman's yielding to me. I, too, want to compliment my colleague, the gentleman from Wisconsin, for bringing this matter to the floor of the House and to the attention of the general public, because I, too, am deeply concerned over the delay we have encountered in giving the tools to the Treasury and to the President for handling the debt management of this country. I would like also to make one or two additional observations following those of my distinguished colleague, the gentleman from Wisconsin. The gentleman discussed the fact that most of the consumers are in the short-term market. The gentleman mentioned automobiles and he mentioned household financing and so forth. But he did not include the charge account. Every one of us has a charge account at one or a dozen places. Those are financed in the short-term market not by us as individuals, but by the commercial house from which we buy, which has to get its money in the short-term market. Every farmer in America who buys a tractor or who buys a piece of farm equipment goes into the short-term market in order to finance that tractor or other farm equipment. His rate of interest is being forced up. The very fact that the Government of the United States has to pay 4.72 percent interest on a 1-year loan makes a man whose credit is not as good as the credit of the Federal Government pay from 7 percent to 14 percent in the short-term market. In discussing the matter with my own bank in California the other day they told me they had gone to 7 percent and 8 percent in their first-grade short-term money to commercial houses borrowing less than $10,000. I want further to add, with reference to the sale of long-term bonds at a discount, the Treasury has that authority now. In order to sell a 30-year bond at the statutory limit of 4.25 percent, they have to discount that on the date of issuance by 10 points. What would happen around the world with the U.S. Government's issuing its bonds at a 10-percent discount? It would shake the credit and faith of the world in our currency.

It might cause a drain of gold from the United States, the billions of dollars worth of gold that foreign countries now hold here because they have faith in the credit of the United States. Those gold reserves could be withdrawn overnight.

Again I speak about the serious effects to the holders of the E- and H-bonds, savings of little people who hold some $58 billion worth of savings bonds. They are wondering whether or not they should cash those bonds which pay them only 3.26 percent interest and go over across the street to the building and loan association that is now paying 4.5 percent on deposits at the present time. If you were an employer of a thousand or ten thousand people, what would you tell them about the savings bond withholding program? Could you actually tell your employees to join the savings bond withholding program that pays 3.26 percent when they could go across the street and get 4.5 percent from the savings and loan association? The effect of failure to raise the interest rate might be such that the Government would have to go out and buy up 1, 2, 10, or even 20 billions worth of these bonds.

So I think it is highly proper and fitting that the gentleman has brought this to the attention of the House and the attention of the country and the people who not only pay the taxes but also pay the interest on the bonds and on the things they purchase day by day and month by month.

I want to associate myself with the gentleman's remarks. He has presented the problem in its finest phase, and I deeply appreciate the time he has taken and the effort he has made in bringing this to our attention.

Mr. BYRNES of Wisconsin. I appreciate the comments of the gentleman from California, and particularly his expansion on the question, Who is really going to have to pay the bill if we fail to act in this matter? He has pointed out that everybody, the farmer, the merchant, the little person, the person having a charge account is going to feel the adverse effects if this Congress fails to act. He is going to pay higher interest when he has to borrow but he is also going to have to pay through the nose for everything he buys as a result of the inflation that is sure to follow our failure to act.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for a consent request?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Our colleague, the gentleman from Pennsylvania [Mr. SIMPSON], ranking Republican member of the Ways and Means Committee, wanted to be here, but business commitments prevented his presence. He is most anxious that he be given consent, and I now on his behalf ask consent, that he may extend his remarks following those of the gentleman from Wisconsin.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BYRNES of Wisconsin. I will conclude, Mr. Speaker—I appreciate your patience. Let me conclude by pointing out again that it is my hope that this will not become a political issue. But, again I reiterate, we on this side of the aisle are willing to take the responsibility for any consequences that flow from giving this very proper authority to the Secretary of the Treasury in accordance with the President's request.

But remember there is another side to this coin. If this Congress fails to act, if the request of the President is not granted, then the full responsibility for the consequences flowing from that failure must rest with and must be accepted by the majority party.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, in beginning my remarks, I would commend my able committee colleague, the gentleman from Wisconsin [Mr. BYRNES] for his excellent remarks this afternoon on this urgent subject. I would also commend my committee colleagues, the gentleman from Missouri [Mr. CURTIS] and the gentleman from California [Mr. UTT] for their contributions.

Mr. Speaker, on June 8, 1959, the President of the United States transmitted a message to the Congress requesting legislation to facilitate economical and efficient public debt management. That communication set forth legislative recommendations on three major points: First, he requested that the permanent public debt limit be increased by $5 billion to a level of $288 billion and a $7 billion temporary limit so that the debt ceiling would be $295 billion during the fiscal year 1960; second, he requested that the present 3.26 percent interest rate ceiling on savings bonds be repealed; and third, he requested that the present 4¼ percent interest rate ceiling on new issues of Treasury bonds be repealed.

Mr. Speaker, because the temporary debt ceiling then existing of $288 billion was scheduled to terminate effective June 30, 1959, the Congress acted with appropriate speed in passing legislation accomplishing the first of the legislative objectives I have previously enumerated. But I submit that the other two legislative objectives are just as urgent and we today find after more than 6 weeks of stalemate that this legislation remains bottled up in committee. It will be my purpose today to call the attention of the House membership to the need for this legislation and the efforts the Republican members of the Committee on Ways and Means have made to obtain congressional action on the proposals for removing the interest rate ceilings on Government securities.

Mr. Speaker, at the close of fiscal year 1959 the public debt stood at $284.4 billion. I will not comment on who is responsible for this debt. Suffice it to say that the Congress controls the public purse strings with respect to income and outgo; in only 2 of the last 29 years has the Republican Party been in control of both the executive and legislative branches of our Federal Government. During that period we have had a succession of record high tax increases that have been exceeded by a succession of record high spending increases. Deficit financing has become our Government way of life. In the last three decades the Federal Government has operated in the red 80 percent of the time; in per capita terms the Federal debt has increased from $139 to more than $1,600. The growth in the national debt has brought us to the point that aside from spending for national security, the largest single item in the Federal budget is the $8 billion cost of paying the current interest charges on the national debt. The magnitude of the public debt is unfortunately an accomplished fact. We cannot ignore its existence; instead, we must immediately address ourselves to the need for bringing about its very substantial reduction and in the interim period make sure that we manage the debt in the most economical manner possible and in a way that will preserve the integrity of our national credit and the soundness of our national monetary structure.

It is to the management of that debt, the preservation of our credit, and the soundness of the dollar that we address ourselves today. The Treasury Department in managing the fiscal affairs of our Nation is confronted with a need to finance seasonal deficits during the first half of a fiscal year and also refinancing securities that mature in any fiscal year. During the current fiscal year it will be necessary that approximately $80 billion in maturing securities be refinanced.

To take care of seasonal deficits, of budgetary deficits, and of refinancing operations with the greatest economy it is essential that the Treasury Department have maximum flexibility to operate in a manner that will be at least inflationary. It is to this objective of economical debt management with minimum inflationary impact that the administration's recommendations were directed.

Following the receipt by the Congress of the request for legislation from the administration, the Committee on Ways and Means held 3 days of public hearings and met frequently in executive session in giving thorough consideration to these recommendations but more than 6 weeks have elapsed without legislation being presented to the House for its consideration. Finally, on July 20, 1959, I introduced H.R. 8304 which is cited as "the Public Debt Management Act of 1959" and which sets forth in bill form the legislative recommendations of the administration. In the meantime the Committee on Ways and Means has taken tentative action on another legislative proposal that provides three significant departures from the administration request but further proceedings with respect to that tentative action have been abated with the consequence that the House has not had opportunity to work its will on this legislation.

The three amendments tentatively approved by the committee might be described as follows: First, the statutory ceilings would not be repealed but instead the President would be authorized if he found the national interest so required to disregard the statutory ceilings with respect to the issuance of savings bonds and Government bonds having a maturity in excess of 5 years; second, this restricted authority to exceed the interest rate ceiling would be granted only for a period of 2 years; and, third, the sense of Congress would be expressed to the effect that the Federal Reserve System should undertake to peg the price of Government bonds by departing from its present "bills only" policy and buying Government securities of longer maturities. Mr. Speaker, I will comment on each of these amendments.

The first amendment requiring a finding by the President that the national interest required exceeding the retained statutory ceiling is not in itself particularly objectionable nor in fact is it particularly significant. It is inconceivable that any President regardless of his political affiliation would seek to authorize the issue of bonds at any rate not required by the national interest. It is also inconceivable that any Secretary of the Treasury regardless of political affiliation would pay more for the borrowing of money than the market required. For these reasons this first amendment is, as I said, neither particularly objectionable nor particularly significant.

The second amendment I referred to providing a 2-year limitation on this grant of authority is objectionable. It would impose on the next new President within a few months after his taking office a decision with respect to debt management that he may not then be in a position to make. The amendment would appear to presuppose that within 2 years there will be a downturn in the level of economic activity in this Nation. The minority members of the Committee on Ways and Means have refused to subscribe to the view that economic contraction is inevitable. Because we are dealing with the confidence of the American people and of the peoples of the free world, if this amendment foretelling recession is approved by the Congress, we will not have succeeded in maintaining that confidence. This amendment should not be included in any legislation approved by the House.

The third amendment is even more undesirable and unwise. It is directed to the pegging of the market for Government bonds by the Federal Reserve System. It contains in it all the implications of printing-press money and a managed economy across the board. It is conducive to unbridled inflation and would serve to undermine confidence in our Nation's credit and in the soundness of our dollar. It would have the effect of increasing the cost of Government rather than decreasing it. There is serious question as to whether the amendment is intended to be permissive or mandatory. I submit that a genuine question of germaneness exists, and I submit further that the Committee on Ways and Means has trespassed upon the legislative jurisdiction of another great committee of this body in including this amendment even tentatively in legislation. We are dealing with the public confidence and because of that this amendment should not be adopted.

Mr. Speaker, because the alternatives to forthright legislative action in this area are not acceptable, failure on the part of the Congress to act will have the effect of limiting the Federal Government to the short-term money market. The Federal Government will be compelled to compete with the small businessman and with the American family for borrowed capital. The small businessman who wants to finance a new machine and the head of family who wants to buy a new car will find the cost of money for these worthy purposes greatly increased by the presence of the Federal Government in the short-term money market. There is another aspect of failure to act that we all must consider. It is a matter of keeping faith with the people who buy savings bonds. These patriotic citizens have invested their savings in the security and future of America. It is essential that they should be given a fair return on their investment and unless the ceiling on savings bond issue rates is adjusted, the Treasury Department will be powerless to pay them an appropriate and fair return.

Mr. Speaker, the Republican members of the Committee on Ways and Means and I am confident the Republican membership in the House stand ready to support the administration's request for legislation. I urge that the House Democratic leadership permit this legislation to come to the floor of the House so that we may deal forthrightly with this important national issue. If there is a failure to act, the responsibility for the consequences which I fear will be grave indeed must be attributed to the Democratic Party. On July 22, 1959, the Republican members of the Committee on Ways and Means joined in addressing a letter to the distinguished Speaker of the House of Representatives urging his support of our efforts to have this legislation cleared for House consideration. It is appropriate that this letter be called to the attention of the House membership at this time as has been done by my able and distinguished committee colleague from Wisconsin [Mr. BYRNES] who has worked so effectively to further this legislation request of the administration.

In closing, Mr. Speaker, I will include as a part of my remarks a statement I issued a week ago calling on the Democrat House leadership to clear this legislation for floor consideration:

The Honorable RICHARD M. SIMPSON (Republican, Pennsylvania) ranking Republican member of the Committee on Ways and Means, today charged that the failure of the House Democrat leadership to clear for House consideration President Eisenhower's legislative recommendations concerning Government interest rates is a political act that threatens our national credit and impairs the ability of our Federal Government to fulfill its obligations to our citizens.

Congressman SIMPSON characterized the Democrat failure to act as "another example of the Democrat leadership's inability to provide responsible legislative guidance." He said, "The Democrat Party is seeking bigger and better ways of spending more and more of the taxpayer's dollars while turning its back on measures that would bar inflation and preserve the purchasing power of our citizens' income and savings." Mr. SIMPSON asserted that the Democrat delay has already added to the cost of debt management as evidenced by the rising yields on weekly issues of Treasury bills during the prolonged period that the Committee on Ways and Means has been working on this legislation on an "on-again off-again basis."

Mr. SIMPSON called on the Democrat leadership to stop straddling the political fence and deal forthrightly with this important problem without further delay. He asserted that the cleavage in the ranks of the Democrat majority had prompted the majority leadership to sit on the legislation while casting about for an escape hatch from reality.

Mr. SIMPSON pointed out that financial writers and experts are virtually unanimous in recognizing the need for the legislation as recommended by the President. Long-term financing of our huge public debt would trend to ease money problems of small business and other short term private borrowers and would be less inflationary than the methods of debt management that would follow from Democrat inaction.

Congressman SIMPSON said, "The administration has shown the way to fiscal responsibility. All that remains is for the Democrat

leadership to make the difficult political decision to be fiscally responsible and support the passage of this urgent legislation."

SEVENTH ANNIVERSARY OF THE COMMONWEALTH OF PUERTO RICO

The SPEAKER pro tempore. Under the previous order of the House, the Resident Commissioner from Puerto Rico [Mr. FERNÓS-ISERN] is recognized for 30 minutes.

Mr. FERNÓS-ISERN. Mr. Speaker, on Saturday, July 25, the people of Puerto Rico will be gathering and solemnly celebrating a most transcendent ephemerides. Sixty-one years before, Gen. Nelson A. Miles, commanding the U.S. Army, landed in Puerto Rico. Three days later the following proclamation was issued:

HEADQUARTERS OF THE ARMY,
Ponce, P.R., July 28, 1898.

To the Inhabitants of Puerto Rico:

In the prosecution of the war against the Kingdom of Spain by the people of the United States in the cause of liberty, justice, and humanity, its military forces have come to occupy the island of Puerto Rico. They come bearing the banner of freedom, inspired by a noble purpose to seek the enemies of our country and yours, and to destroy or capture all who are in armed resistance. They bring you the fostering arm of a Nation of free people, whose greatest power is in justice and humanity to all those living within its fold. Hence, the first effect of this occupation will be the immediate release from your former political relations, and it is hoped a cheerful acceptance of the Government of the United States. The chief object of the American military forces will be to overthrow the armed authority of Spain and to give to the people of your beautiful island the largest measure of liberty consistent with this military occupation. We have not come to make war upon the people of a country that for centuries has been oppressed, but, on the contrary, to bring you protection, not only to yourselves but to your property, to promote your prosperity, and to bestow upon you the immunities and blessings of the liberal institutions of our Government. It is not our purpose to interfere with any existing laws and customs that are wholesome and beneficial to your people so long as they conform to the rules of military administration, of order and justice. This is not a war of devastation, but one to give to all within the control of its military and naval forces the advantages and blessings of enlightened civilization.

NELSON A. MILES,
Major General, Commanding, U.S. Army.

Fifty-four years following that landing and that proclamation, on the 25th of July, 1952, another proclamation was made, this time by the Governor of Puerto Rico, the Chief Executive of the Commonwealth of Puerto Rico, elected by the Puerto Rican people, themselves.

On that date the Governor proclaimed the Constitution of the Commonwealth of Puerto Rico, the preamble of which reads:

We, the people of Puerto Rico, in order to organize ourselves politically on a fully democratic basis, to promote the general welfare, and to secure for ourselves and our posterity the complete enjoyment of human rights, placing our trust in Almighty God, do ordain and establish this Constitution for the commonwealth which, in the exercise of our natural rights, we now create within our union with the United States of America.

In so doing, we declare:

The democratic system is fundamental to the life of the Puerto Rican community.

We understand that the democratic system of Government is one in which the will of the people is the source of public power, the political order is subordinate to the rights of man, and the free participation of the citizen in collective decisions is assured.

We consider as determining factors in our life our citizenship of the United States of America and our aspiration continually enrich our democratic heritage in the individual and collective enjoyment of its rights and privileges; our loyalty to the principles of the Federal Constitution; the coexistence in Puerto Rico of the two great cultures of the American Hemisphere; our fervor for education; our faith in justice; our devotion to the courageous, industrious, and peaceful way of life; our fidelity to individual human values above and beyond social position, racial differences, and economic interests; and our hope for a better world based on these principles.

Mr. Speaker, observe how the language of the preamble of that Constitution corresponds with the language of General Miles' proclamation. The people of Puerto Rico organized themselves into a commonwealth in the exercise of their own natural rights, but they did not create it in isolation and separation; they created it within the union of the Puerto Rican people with the United States of America, symbolized by a common citizenship. They proclaimed this to be the will of the people, duly recognizing that the will of the people is the source of governmental power. They proclaimed the fact that their citizenship is a determining factor in their lives. The Puerto Rican people proclaimed their aspiration, continually to enrich their democratic heritage while enjoying the individual rights and privileges and performing the duties of that citizenship. They proclaimed the coexistence in Puerto Rico of the two great cultures of the American hemisphere. They proclaimed their devotion to human values and rights above and beyond social position, racial differences, and economic interests. They dedicated their hope for a better world, based on these principles.

There is a certain uniqueness in the historical development of the Puerto Rican people. Throughout their history there have been significant culminating events which appear as milestones on the roadway to a singular destiny.

When the New World was unveiled to the European peoples that they might create new life in a new land as a rebirth of Western civilization, the bare-knuckled warrior did not come alone; with him and under the emblem of the Cross came the man of God to spread the gospel of Christianity. The first European settlements in the New World did not take root in any part of the great land mass extending from the North Pole to Antarctica, from the Atlantic to the Pacific, but rather in the islands that arch as a rainbow, from Florida to the northern tip of Venezuela. In our imagination, we might picture these islands as the New World reception committee welcoming to its vastness the voyagers of the *Santa Maria*, the *Pinta*, and the *Niña*, and the multitudes that followed in history's greatest migration. Puerto Rico is one of these islands, placed in the center of the arch, the second island to be settled, the second oldest root of Christian civilization in the New World. It happens that the first overseer of a Christian flock in the New World, the first bishop—as we know, bishop means "pastor, overseer"—was installed in Puerto Rico.

The centuries rolled by. The small Puerto Rican community grew. Pirates, buccaneers, infested its waters, at times even swarmed its shores. The rumble of distant wars in Europe—religious wars, dynastic wars, wars for sheer power—echoed to the island at times and fleetingly disturbed its tranquillity. But Puerto Rico went on unperturbed, and continued to grow and develop. By the start of the 19th century, which was to bring great upheavals in Western civilization, Puerto Rico was a community of 100,000, ready to keep pace with the century.

Europe trembled under the heel of Napoleon. Entire countries disappeared and reappeared in rapid succession. Frontiers wavered in expansion and contraction. The Napoleonic invasion paralyzed the power center of the Spanish Kingdom. The Spanish Empire dissolved and dispersed in the midst of wars, destruction, hatred, and endless revolution. But peace maintained in the island of Puerto Rico. Its people continued to develop, making ready for the great turn in their history although their approaching moment had not yet arrived.

Meanwhile, in 1873, the first Spanish Republic was proclaimed. At the urgent and fervid petition of the Puerto Ricans, not alone with the consent of but at the urgent request of slaveowners themselves, the un-Christian institution of slavery was abolished in Puerto Rico amidst peace and rejoicing. Abolition Day is an observed holiday in Puerto Rico.

The century progressed. In the northern half of the New World, in the vast expanses of the North American continent, an infant, which was to grow into a great Nation, was born on July 4, 1776. The principles upon which it was conceived, the examples it set, could not go unnoticed in the small island of Puerto Rico. In the depths of the subconscious, the people of Puerto Rico intuitively harbored their great expectation, almost foretelling that a message would arrive from the north. The message came in 1898. General Miles delivered it, and the American troops were greeted by the people of Puerto Rico, not as conquerors, because they were not, but as liberators, which they were.

Such a transcendent change in the life of a people cannot occur without inevitable dislocations and readjustments. Possibilities had to be explored and formulas perfected with due regard to surrounding circumstances. A new life must develop according to new patterns, making for a new period of history to

be written. It took half a century for all these adjustments to take place.

A young lawyer, in the Bureau of Insular Affairs of the War Department, then in charge of Puerto Rican matters, wrote in 1914 the following, as quoted by Miguel Guerra Mondragón in the Law Review of the Puerto Rico Bar Association, volume 8, No. 3, page 232. The young lawyer was Felix Frankfurter, now Associate Justice of the U.S. Supreme Court:

History suggests a great diversity of relationships between a central government and a dependent territory. The present day shows a great variety in actual operation. One of the great demands upon inventive statesmanship is to help evolve new kinds of relationship so as to combine the advantages of local self-government with those of a confederated union.

Luckily, our Constitution has left this field of invention open. The decisions in the Insular cases mean this if they mean anything: That there is nothing in the Constitution to hamper the responsibility of Congress in working out, step by step, forms of government for our insular possessions, responsive to the just needs and capacities of their inhabitants, and ascertained by the best wisdom of Congress.

Theodore Roosevelt, Jr., in his book "Colonial Policies of the United States"—Doubleday Doran & Co., Inc., Garden City, 1937—wrote with reference to his experience as Governor of Puerto Rico in the early thirties:

It seemed to me that there were three ultimate goals toward which policy could be shaped: the first of these was statehood; the second, some kind of dominion status; and the third, absolute independence, such as is enjoyed by the Dominician Republic, Haiti, and Cuba.

All involved great difficulties. Statehood, I think, though I was able to find no statement to that effect, had been the unconscious aim of previous administrations, particularly those during the early days. I believe that those administrators unconsciously, in hammering at the Americanization program, were thinking of Puerto Rico as a territory that would eventually be taken into the Union as the Western States had been. Undoubtedly, this solution would have been best had conditions been different. There were, however, too many great obstacles in the way. The first of these was that in order to achieve results, an entire people had to be made over in their language and their methods of approach on life—an almost impossible task. It is one thing for a Spaniard to come to the United States to live and through his everyday contacts attune himself to our method of thought. It is another matter to try with a handful of officials to change an entire people in the land where they have been born. * * *

Next in point of difficulty on the road to statehood was the poverty of the island. Not only was Puerto Rico entirely unable to assume the burdens that all States carry with reference to sustaining the Federal Government, but in addition she needed desperately contributions from the Federal Government to sustain her. What's more, with the terrific population density, the small extent of fertile land and the limited natural resources, it was practically impossible to envisage any period in the future when she would be able to take up these Federal burdens. * * *

Next there came the question of independence. From the strictly material point of view, this would be the best solution as far as the United States is concerned. However, independence at this time would be tantamount to condemning to death some 500,000 or more Puerto Ricans for, with the ties once cut between the island and our country, the economic condition of the island would be so infinitely bad that tens of thousands would die of disease and starvation.

There remained the possibility of a dominion status and this is the goal toward which I directed my work. I felt that such a goal, if attainable, would be best both for the United States and for Puerto Rico.

Then in 1950, here in the House of Representatives of the United States, and in the Senate Chamber, a bill was passed. It became Public Law 600 of the 81st Congress. It was enacted in the nature of a compact between the United States and the people of Puerto Rico. The people of Puerto Rico were now free to create their own government. A Puerto Rican Federal Relations Act would determine the limits of their authority, the powers that the Commonwealth of Puerto Rico would thereafter exercise by itself. The Government of the United States would continue to have the responsibility, thus the authority, to conduct such functions of government as properly belong in a federal government within a union of a federal nature. Under those terms the Commonwealth of Puerto Rico came into being. It was a great example set by the United States for the whole world. The United States thus demonstrated that it always lives up to its promises and commitments. It was further proof of the sincerity of the United States in subscribing to Article 73 of the Charter of the United Nations, which reads in part:

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

(a) to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;

(b) to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement.

On February 4, 1956, speaking at the inauguration of a new Commonwealth Supreme Court Building in San Juan, Chief Justice Earl Warren said:

In the sense that our American system is not static, in the sense that it is not an end, but a means to an end—in the sense that it is an organism intended to grow and expand to meet varying conditions and times in a large country—in the sense that every governmental effort of ours is an experiment—so the new institutions of the Commonwealth of Puerto Rico represent an experiment—the newest experiment and perhaps the most notable of American governmental experiments in our lifetime.

Seven years have elapsed since the founding of the Commonwealth and we can now see how the profound truth, which underlies the principle of government by consent—government of the people, for the people, and by the people—has once again been proved to be eternally right; the experiment has been a successful experiment.

While in the rest of the world underdeveloped peoples have been struggling for their freedom and today continue desperately to struggle; while, unfortunately, some have fallen prey to un-Christian and strong-arm forms of government; while peoples crushed by poverty, in their endeavor to extricate themselves from their economic depths, have been misled and have paid the price of human liberty in exchange for the bread of enslavement; the small Caribbean island—separated by no great distance from unhappy lands where democracy is defiled, where unrest is permanent, where tragedy continually threatens or life and property are insecure—has made enormous strides forward and has become an example before the world of how freedom and democracy need not be sacrificed in order to have the necessaries of life.

This has happened in Puerto Rico, where natural resources are meager, but where the will is abundant and the spirit strong. This has happened, because men of vision, good will, honesty and sincerity, have brought it to pass.

Today Puerto Rico is the one bright spot in the Caribbean. Free peoples in free society, under a republican form of government; who follow the democratic way of life; who toil and sweat, but spill no blood and shed no tears, unless it be the tears of joy that at times moisten the eye on a day of thankful reflection, as the 25th of July, when they will commemorate the great achievement of 7 years ago.

There can be no turning back from this path of progress, albeit there is a great stretch yet to travel. The people of Puerto Rico are marching forward. As their strength develops, as they gain in experience, so will their responsibilities increase. They are most willing for them to increase. In fact, they are anxious to assume as many responsibilities as they can bear. The time may have come—I believe it already has—for reappraisal, for the natural readjustment called for and pointed to by the experience of 7 years. But let us remember that nothing has happened to justify considering purely doctrinaire changes, illusionary formulas unrelated to the needs of development and to the nature of the problems they have to face.

A few weeks ago the Legislature of Puerto Rico requested me, as the representative and spokesman for the people of Puerto Rico, to present to Congress certain proposals of modifications and readjustments to perfect what was done 7 years ago by the Congress and the people of Puerto Rico. In the Senate the same proposals, embodied in a bill introduced by Senator JAMES E. MURRAY of Montana, are also under consideration. Those proposals reflect the considered judgment of the representatives of the Commonwealth of Puerto Rico and they correspond to proposals made to the people of Puerto Rico during the 1956 elections and endorsed by them by an overwhelming vote. They

do not in any sense represent any radical change; they have been carefully thought, meticulously drafted. They are improvements amply justified. I am sure they will be given the most studied consideration by the Congress.

As in every free society, we have differences of opinion in Puerto Rico. As in any well-functioning democracy, we have political parties in Puerto Rico. We are not unanimous in every case and each subject. That cannot be expected. But in a republican form of government, in the democratic way of life, if it is to function properly, derights of minorities are properly procisions must be made on the basis of the will of the majority, provided that the tected and safeguarded.

It is in the name of an undisputable majority that I have introduced the bill in the House.

The people of Puerto Rico feel secure in their Commonwealth status. They cherish it. They find in it the opportunity to live in freedom and in the pursuit of happiness, in their noble and cherished association with the United States. The people of Puerto Rico know they can count always upon the good will of the Congress of the United States to help them continue in the progress and development which they started on the 25th of July 1898 within the framework of government and relationships created by common understanding and agreement, by voluntary compact.

Mr. Speaker, such is the ephemerides that will be celebrated next Saturday. From the Halls of the Congress I send greetings to the people of Puerto Rico and once more express my respect and gratitude to this august body which made possible the Commonwealth of Puerto Rico.

GENERAL LEAVE TO EXTEND

Mr. Speaker, I ask unanimous consent that all Members who so wish may be privileged to extend their remarks at this point in commemoration of the seventh anniversary of the Commonwealth of Puerto Rico.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

PUERTO RICO'S CONSTITUTION DAY, 1959

Mr. RODINO. Mr. Speaker, the Commonwealth of Puerto Rico celebrated its official birth on July 25, 1952. On that day our island neighbors and fellow citizens finally achieved self-government, under a constitution which they themselves had framed according to their own needs and desires.

Seven years have passed since that day, 7 years of planning and hard work, 7 years of hope and furious activity, 7 years of astounding progress. Not only have these loyal Americans succeeded, under the inspired leadership of Gov. Luis Muñoz Marín, in establishing a stable government, but they have also given to the world a rags-to-riches success story in terms of social and economic development that stands as an inspiration to other underdeveloped countries.

Statistics tell some of the fascinating story. Since 1940, Puerto Rican industrial production has tripled. The net real income of the population has more than doubled, to become the second highest in Latin America. The average annual income per person rose from $121 in 1940 to $443 in 1957. Since 1951 more than 600 new industrial enterprises have been set up in the Commonwealth as the result of a vigorously pursued development program known as "Operation Bootstrap."

Illiteracy has been reduced to less than 20 percent of the population and will probably disappear entirely in a few decades. Puerto Rico's public health picture has so improved that its crude death rate is actually lower today than it is in the continental United States.

No wonder that the governments of underdeveloped countries from all over the world are sending representatives to the island to study Puerto Rican methods and to bring precious knowledge back to their homelands.

I am proud and happy to offer my congratulations to these gallant people who have demonstrated once more that there are no challenges—social, economic, or political—that cannot be conquered by a democratic government and a vigorous people. May their progress never diminish.

Mr. O'HARA of Illinois. Mr. Speaker, I join with all my heart in observing the 7th anniversary of the Commonwealth of Puerto Rico and the 61st anniversary of the landing of General Miles' expedition. It was 61 years ago this July the soldiers of the United States landed on the soil of Puerto Rico to join with the patriots of Puerto Rico in breaking the bondage of that beautiful island to Spain.

On July 17 of that year of 1898 the Spanish forces at Santiago in Cuba had been granted an amnesty and the Cuban campaign was virtually ended. I, then 16, was a corporal in the American Army participating in the siege of Santiago in Cuba, and in mid-July, when that campaign had been ended, was under order to proceed to Puerto Rico. I looked forward with boyish eagerness and enthusiasm, as a veteran of the Cuban campaign, to participation in the campaign in Puerto Rico that would advance the cause of freedom for the people of that island as the campaign at Santiago had contributed to the freedom of the peoples of Cuba.

The orders, however, were rescinded and it was not my privilege to participate in the campaign in Puerto Rico. But to this day I have felt a very warm closeness to Puerto Rico and her people. Today many men and women who were born in Puerto Rico are constituents of mine in the city of Chicago in the State of Illinois, and they are making a tremendous contribution to the district that I have the honor to represent and to the city of Chicago.

I am very happy to join with the distinguished and beloved Resident Commissioner of Puerto Rico, the Honorable A. Fernós-Isern, in observing this happy anniversary occasion. I know of no one in the Congress who is held in higher esteem than the distinguished and learned Resident Commissioner from the Commonwealth of Puerto Rico. I know of no head of State who universally is so acclaimed for his virtues, his industry, his dedication and his accomplishments as the great Governor of the Commonwealth of Puerto Rico, the Honorable Luis Muñoz-Marín.

Today is the nearest approach in date to July 25 on which the House will be in session. That is why today we are pausing in our legislative work to observe the seventh anniversary of the establishment of the Commonwealth of Puerto Rico. To the Governor of the Commonwealth, to its Resident Commissioner, and to all the men, women, and children of the Commonwealth I send a message of felicitations, of congratulations, and of every good wish. In that message I am certain I am joined by all my constituents in the Second Congressional District of Illinois.

Every native of Puerto Rico is a citizen of the United States. He is a citizen in the full sense and as a citizen, native and resident in Puerto Rico, he enjoys the same rights and privileges and the same benefits, subject to the same responsibilities, as citizens, native and resident in any State on the mainland. He can slap me on the shoulder and say in all truth: "I am an American too," and I can slap him on the shoulder and say, "I too am an American."

It has never been the desire of the United States of America to force upon any land or any bit of real estate anywhere a government not wanted by the people. To all peoples we have given the right of self-determination. Statehood did not go to Alaska and to Hawaii until the peoples of Alaska and Hawaii had petitioned for statehood, and statehood did not become effective after passage of statehood laws until those laws had been ratified by popular vote of the peoples in those Territories about to become States.

Puerto Rico is our only Commonwealth. Under its status as a Commonwealth it has certain advantages and, as far as I can see, no disadvantages. But it was the status that the people of Puerto Rico wanted, for which they petitioned, and of which they approved by popular vote. That is the all-important thing. We in the Congress are very happy to know that as a Commonwealth things have gone well with Puerto Rico, her prosperity has increased, and the horizons of opportunity have ever broadened.

I think back again to July of 1898, when the soldiers of the United States under General Miles were landing in Puerto Rico, and I hourly was expecting to join them. I think back to the months that followed, when there was starvation and suffering in Puerto Rico and the United States sent money in an amount then regarded as very large to feed the starving and to relieve misery. I think back to all the years that have intervened, the years during which the United States became the first Nation of the free world, to all the things that Puerto Rico has meant to us on the mainland, and to all the things that we on the mainland have meant to Puerto Rico, and I know that never will come the day when the heart of Puerto Rico is not the heart of mainland United States or the heart of

mainland United States is not the heart of Puerto Rico.

Mr. BOYLE. Mr. Speaker, one of the big problems facing many of the large powers throughout the world has been the granting of independence and the right of self-government to their colonies, dominions, and territories.

We join with Puerto Rico in celebrating her seventh anniversary of Commonwealth status. The Puerto Rican people, through their elected leaders, asked Congress for authority to organize a commonwealth government, which was granted. Thus, one of the most satisfying and successful experiments in granting a large degree of autonomy and totality of self-government to a dependency has proved itself, and has demonstrated the system of keeping it integrated with the general economy and protection of a large power nation.

An agricultural community previously, with almost entire reliance on the sugar yields, Puerto Rico commenced in 1940 to think in terms of creating additional wealth to raise living standards. This could not be done in agricultural pursuits alone, since there is simply not enough land to support the people living on it. Hence, factories began to be built, and an agency of the government of Puerto Rico was created to foment industrial development.

Since that time, nearly 500 new industries have opened in Puerto Rico and workers' wages during this period have doubled and redoubled with the result that, economically, Puerto Rico's gains are a brilliant reflection of the advantages of commonwealth association with the United States as visualized through the keen eyes of Puerto Rican leadership.

Operation Bootstrap as Puerto Rico's growth project is called, has indeed been a great success in creating jobs for a willing and able people. The greatest problem has been the population increase which steadily absorbs some of the gains, but the degree of success which has been achieved, raises high hopes for the time when the Puerto Rican economy will be sustained by a sturdy backbone of industry.

Operation Boostrap was not aimed alone at the increase in the wealth of the island. It was aimed above all at an increase in the living standards and an equal share of opportunities for all Puerto Rican people, and here too, in its social objectives, the ambitious ideals have been realized to a truly remarkable degree.

Politically, the general laws of the United States apply to Puerto Rico, but as with the States, in matters of local concern. the Puerto Rican Legislative Assembly has full responsibility. Thus, no tariff applies between Puerto Rico and the United States, and goods entering from foreign countries are subject to the same duties as though they were entering continental United States.

There is nothing quite like this arrangement anywhere else. Although they maintain their autonomy in internal affairs, they share some American institutions such as the National Labor Relations Board, the Federal Civil Service Commission, the Social Security Administration, and the Immigration and Naturalization Service, and these can be considered as part of the process of common citizenship.

The Commonwealth of Puerto Rico is an asset to the United States in manpower, in its young industrial potential, in its position as a fortress defending the Panama Canal, and in many other ways. But the primary asset to the United States is that the Puerto Ricans are showing what can be accomplished in the happy sphere of a people who might under another power be suffering from colonialistic degradation and humiliation. It is this principle United States extends to its own people in Puerto Rico which illustrates beyond dispute the Nation's adherence to the principles of democratic freedom.

I am sure that all my colleagues join me in saluting the Puerto Rican people on this, their seventh anniversary, and ing them continued success under the Commonwealth and in association with the United States.

Mr. LIBONATI. Mr. Speaker, we congratulate Mr. Fernós-Isern, colleague and Resident Commissioner from Puerto Rico, upon the great progress effected by the Commonwealth of Puerto Rico in establishing its governmental functions in accordance with public law passed in 1950 by the 81st Congress. Saturday, July 25, is the seventh anniversary of this given right to enter that compact with the United States—an enjoyment of certain self-governing authority with those limits necessary for the functioning of a continuing responsibility of our Government.

The Puerto Ricans were overjoyed to be counted as Americans and have reflected their satisfaction by assuming every responsibility of citizenship.

Her economy has prospered and her people have raised their living standards in conformity with American tradition.

The people have entered occupational pursuits through the expansion of manufacturing and mercantile interests—so that agriculture is no longer the sole activity for employment.

The Puerto Rican Legislative Assembly functions similarly to those of our States operating in the same jurisdictional areas.

We may predict that the next State to be admitted might well be the Commonwealth of Puerto Rico.

I am proud to number among my close friends in Chicago a great number of our citizens of Puerto Rican ancestry. They are outstanding in their activity in all community matters. Their contribution to the economy through industry and other pursuits are stimulating to the common effort of every American to better his or her station in life.

Puerto Ricans would have had to make many more difficult sacrifices to realize their present status if it were not for the zealous activity and persistent efforts of our own Commissioner, Mr. FERNÓS-ISERN. He fought so valiantly for the passage of the public act establishing the Commonwealth.

We are happy to celebrate with our loyal fellow citizens of Puerto Rico this the seventh anniversary of their embracement as a Commonwealth and her acceptance as a governmental unit in the circle of the United States of America. May God preserve us to protect and guard over our cradle of American freedom—Puerto Rico.

Mr. SANTANGELO. Mr. Speaker, within a short 4 to 5 hours flying time from Miami, any one of us can be transplanted to one of the most beautiful islands of Antilles. The island I speak of is Puerto Rico.

Today I am happy to express the privilege I feel in commemorating Puerto Rican Constitution Day. On the 3d of July 1950, President Harry S. Truman signed into law a bill which authorized the people of Puerto Rico to draft their own constitution. A constitutional convention met during the following 2 years; a document was drafted that was met with enthusiasm from all quarters; and after minor changes, on July 25, 1952, the Governor of Puerto Rico proclaimed this constitution in force.

By this measure, Puerto Rico and the United States are bound together by a unique Commonwealth basis. Unique is a well-advised word. No two nations in the world have a relationship such as exists between our two governments. The Puerto Rican people—when speaking of themselves in correlation to the United States—refer to the island as an Associated Free State. This is a very apt description.

Under the present relationship, Puerto Rico has prospered, its industries have boomed, its standard of living has improved, and its vision has looked upward. In recent years I have had the privilege of visiting this beautiful island in traveling from San Juan into the mountains and around the shores to the southern part of this thriving community. The residents of the mountains and the countryside no longer live in isolation, but form an integral part of a community. A visual inspection of the children with their schoolbooks and the parents with their expectations of more prosperous days and a better standard of living reflects the achievements and accomplishments of a sturdy people under this unique form of government.

Puerto Rico is a showcase in which the relations of the United States and Puerto Rico are open to inspection for the world to see, especially in Latin America. This showcase reveals harmony, understanding, and cooperation. Puerto Ricans on the island féel a kinship to Puerto Ricans on the mainland, and together they take pride in being recognized as citizens of the United States and Americans all.

Within a very short period of time, Puerto Rico's growth and progress has been amazing. At a minimum, Puerto Rico has a per capita income of 353.6. This figure, next to Mexico, is the highest in all of Middle America. Moreover, the spirit of the Puerto Rican people, under the excellent and able leadership of Governoı Muñoz-Marín, has produced new and vital art and literature, along with a net national income of well over a billion dollars.

Examples of all types of progress abound: Life expectancy has almost

doubled since the thirties; illiteracy rates are half of what they were before World War II, well-planned housing projects are reducing slum areas by ever-increasing margins. Operation Boostrap, begun in 1948, has proved to be exactly that: a bootstrap of strength, durability and rising standards of living for all.

All this means that Puerto Rico is a living symbol of intelligent democracy at work. The people feel this in their hearts and see it in the tangible rewards of their island. It can be truly said that a rich port leads a visitor to a rich island.

In behalf of countless Americans of every race, creed and color, I wish to extend congratulations to the Government of the Commonwealth of Puerto Rico, and to our fellow citizens on that Caribbean isle. May your well-earned successes on all fronts long continue in the future.

Mr. MULTER. Mr. Speaker, July 25 is a date of deep significance both for us here in the United States and for our fellow citizens in Puerto Rico.

Just 64 years ago the landing of American forces on that island brought the Spanish control of Puerto Rico to an end. Exactly 54 years later, on July 25, 1952, Puerto Rico adopted the constitution by which it entered into the unique and happy status of a commonwealth in union with the United States of America. On this, the seventh anniversary of the founding of the Puerto Rican Commonwealth, it is indeed fitting that we should pause for a moment to pay tribute to our remarkable neighbors to the south with whom we have experienced such a harmonious and fruitful association.

Few people with so little prior experience at self-rule have managed to rise to the challenge of democracy as quickly. Enjoying the external protection and support of the United States and unhampered by internal interference, Puerto Rico has achieved a record of political, social, and economic progress for which all Americans can be quite justly proud.

In the area of political institutions, Puerto Rico has discovered, under the imaginative leadership of Gov. Luis Muños-Marín, the rich implications of democracy when it is applied to new and unusual situations. Puerto Rico's demonstrated ability at self-government is a striking proof that there is no problem too great for a government dedicated to democratic ideals backed by the enthusiastic support of its people.

Many examples may be cited of Puerto Rico's progress. One important indication of achievement is the 50-percent reduction in illiteracy resulting from a school enrollment comparable to that of the United States. Another example is the fight against poverty which has produced an amazing fourfold increase in per capita income since 1940. Due to improvements in health conditions, medical facilities, and a general rise in the standard of living, the life expectancy of the peoples of Puerto Rico has risen sharply. Operation Bootstrap has taken Puerto Rico a long way along the road of self-improvement. New industries are booming, and advances are being made in employment, housing, and agricultural production.

The key to this success can only be found in the Puerto Ricans themselves. Proud of their freedom, imbued with a deep sense of the dignity of the individual, full of the joy of life which finds expression in music and dancing, our Puerto Rican neighbors have made for themselves a way of life which charms and fascinates the visitor from the mainland. Travelers invariably return home full of enthusiasm for the hard-working, energetic, irrepressible people of that beautiful island.

Therefore, on this, the seventh anniversary of the founding of the Commonwealth, we send our greetings and our good wishes to our compatriots in the Caribbean. May the recent successes of Puerto Rico be merely the prelude to a greater, more prosperous future.

THE QUESTION OF FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Missouri [Mr. CURTIS], is recognized for 30 minutes.

Mr. CURTIS of Missouri. Mr. Speaker, I think my remarks could well be headed "The Question of Fiscal Responsibility." I think this matter is one of the most serious I have seen since I have been in the Congress. The United States today is not just a government caring for its own people; the United States is a world leader; the United States today is a world banker. How we handle our fiscal affairs is no longer just the concern of the American people; it is the concern of the entire world, and even the plea of those who used to use the old cry back in the thirties that it did not matter how big the Federal debt was because we owed it to ourselves—and I might say that for other reasons that was cockeyed economics—but even that plea today in the light of our world responsibilities is meaningless because a great deal of the Federal debt is owed to people abroad. We have a real problem in preserving fiscal integrity not only for the welfare of our own citizens but also for the welfare of the world. We recognize that the welfare of the United States today in this world that is now so small due to the improved means of communication, transportation and interchange in human affairs, is so interwoven with the affairs of others that what is to the world's benefit is to our benefit as well. This should not be a political issue. The gentleman from Wisconsin [Mr. BYRNES], has tried to point out that even at this late date those of us on the minority side of the aisle have been reluctant to make any public statements in regard to this issue because we did not want it to become a political issue. I plead now that it not be made a political issue at this time. The reason I take the floor at this time is really to urge that the inaction of the majority party leadership cease, because if it continues there is only one thing we can do, and that is go to the people of the country and present this as a political issue. I have no fear, I might state, as to the outcome of such a plea. The seriousness of the matter is such that unless some action is taken immediately the Republican Party will have to go to the people on the issue.

I feel that the majority of the majority party would support the Treasury's recommendation. I respect the judgment of the Speaker and the leaders of the Democratic Party who evidently feel they have not a majority vote on their side if they bring it up. On the other hand, I would call attention to the fact that this opposition group, in the Democratic Party is a relatively small group though a potent one. I could better name and define it as the Americans for Democratic Action and the followers of that organization, including the Chairman of the Democratic National Committee, Mr. Butler. It embraces the economic philosophy of Leon Keyserling. That is the economic philosophy that is opposed to this request of the Treasury. I am not sure of the reasons behind that particular economic philosophy. I cannot understand it; I disagree with it, and I think it can only result in disaster, as it has in the past when it has been employed. I hate to challenge their motive, but I bring it up at this time so that it may be contradicted if it is not their motive. It seems to me that this small group think they have a political issue by accusing the present administration of being the administration of high interest rates. I have heard that charge made on the floor of the House time and time again. I have undertaken in debate to point out to the gentlemen who have advanced such a theory the errors of that thesis. I have quoted to them indeed their own authorities. I have cited recent history. The policy pursued by the Federal Reserve before 1951 in buying up and supporting the Federal bond market, was abandoned and I asked them if that was not for the welfare of our people. Of course interest rates were low under that program. But if that was a good thing then, why under the administration of President Truman was it abandoned in 1951? The Federal Reserve, of course, abandoned it at that time. Was it because they were not interested in the little man? Was it because they were not trying to get money at the lowest interest rates? Was it because the Truman administration, Mr. Keyserling, and those people all of a sudden were in favor of high interest rates? No. It was because the economic damage from such a policy began to show its head in such a forceful fashion they had to abandon the idea.

Where did it show up? It showed up in inflation, it showed up in the devaluation of the Federal dollar. That is why it was abandoned in 1951, and that is why it is no good in 1959. The gentlemen who advance such theories, the gentleman from Texas [Mr. PATMAN], the gentleman from Wisconsin [Mr. REUSS], the gentleman from Colorado [Mr. JOHNSON], all of them fully know that those are the economic results of such a policy. You are not saving money on interest charges. You are

simply shifting the burden to people who can least afford it, those who are drawing pensions, those who are on fixed incomes, those who are the consumers of America, the little persons, they are the ones who are damaged by that process. I have challenged it on the floor when such a theory has been advanced. I have asked the advocates of it how it came about that the Federal Reserve Board principle of supporting the Government bond market was abandoned in 1951.

It all comes down to a very fundamental difference in economic and political philosophy between that group of some 60 Congressmen of the majority party and those of us on the minority side—and I include really a majority of those on the majority side, who have a different philosophy.

The philosophy of the Americans for Democratic Action, the philosophy of Leon Keyserling, is one that says: Go ahead, spend the money. You can spend yourself into prosperity. Go to deficit financing. These are the very people who have contributed to the creation of the size of the Federal debt as it exists today. They have voted for every single, conceivable kind of Federal expenditure. I have never yet seen them vote against one single thing that would spend money. Their philosophy seems to be having the Federal Government spend means more control in the hands of the Federal Government. And, it is the size of the Federal debt as much as anything else that creates this problem of debt management. We could manage the debt if it were smaller. So, the very people who are the ones who now are creating this situation of fiscal irresponsibility by not granting flexibility in debt management are the very ones who created the problem or helped to contribute to create the problem in the beginning, the size of the debt.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Some of those people have been contending that it was the Secretary of the Treasury or the Federal Reserve Board or the President or somebody like that who was forcing the interest rates up, and that is why we have this, what they call, exorbitant interest rate. I would call the gentleman's attention to the fact that the Secretary of the Treasury called our attention to the fact that long-term Government bond yields in Canada today average approximately 5 percent and that long-term yields in the United Kingdom are almost the same figure and have been as high as 5½ percent within the past 2 years. And, I quote the Secretary further, that in comparison between present interest rates in the United States and the rates on Government bonds in 1918 at the time the 4¼-percent rate was originally established, you should also recognize that the original 4¼-percent rate was, in large part, a tax-exempt rate whereas all Treasury bonds issued since February 1941 have been fully taxable, and income tax rates are substantially higher than in 1918.

Mr. CURTIS of Missouri. I thank the gentleman for those remarks and his observations, because that certainly is accurate.

The issue comes down to this, among others, that economically money is a commodity. And, this particular group of economists, or whoever they are, will not recognize the fact that money is a commodity. If they want to deny that that is an economic fact, let them be honest and actually say, "We do not think it is a commodity and that you actually do not have to consider what money brings in the marketplace." Those of us who believe in the private enterprise system, of course, know that money is a commodity, and when people save money it is their money to invest or not invest. The little person who puts his money into savings banks or into E bonds is thereby denying himself the right to some purchase that he might make, because he is either saving up for a rainy day or because he wants to better plan his own personal fiscal affairs. When our people have that money accumulated, of course, they are going to make it available, not bury it, so that it can be used just as the biblical injunction says. The man with the talent who invests it and uses it wisely is the good servant. So, the amount of money our people save is limited and there is competition for that money. Of course, the amount they can lend it for is going to go up as the demand for it goes up. Money is a commodity, and these people who take the opposite economic political philosophy actually are advocating a controlled economy. They are the ones who say the way to handle inflation is through price controls and various other Federal controls. They are the ones who say, "We will fix interest rates; it is not a commodity; the Government will step in and fix it." They are the ones who are willing to let the Federal Government spend money through deficit financing in the first place possibly so that they can justify the imposition of Federal controls.

I want to say here and now, and I will challenge them to deny that they are not fundamentally Socialists and that this is indeed their real economic political philosophy. And, I am using the dictionary terms when I use the word "Socialist." So I say to them, there are some honest people, many honest people, who believe in socialism. I do not. All I ask them to do is to be honest with the American people and tell them, "Yes, we advocate socialism and these are the reasons we advocate it."

This issue before us gets down to a fundamental question between those who believe in the private enterprise system and those who believe in a system of socialism or government planning, planned economy and government control of these economic things.

Actually, when we get right down to it, the Federal Treasury right now can finance this debt. But the sacrifices are great, and the economic damage caused by the manner in which the Treasury will have to finance it is such that we are pleading that it not be done. They can finance it under short-term issues up to 5 years. There is no limit on the interest rate paid there. Just recently the Government had to pay more than 4¼ percent on short terms. Congressional inaction in eliminating the interest ceiling on long-term bonds is going to force more of the Federal debt into the short-term market. Also it is going to force more people out of E- and G-bonds. I hope that that will cease, because we need it the other way around. We need more people investing in Government E-bonds, not less, for the fiscal welfare of our Nation.

One other thing: The Federal Government can sell long-term bonds at discount. It has the authority. And this group that I am speaking about, these 60-odd economic planners, whatever they call themselves with their philosophy, know right now that the Federal Government has the authority to sell these long-term bonds at discount. As a matter of fact, some of our bonds are selling in the 80s. And right now, if they are interested in who gets the benefit of that, let me say that the rich man who has to pay a high estate tax, 10 minutes before that person dies, can have bought in behalf of his heirs hundreds of thousands of dollars of Federal bonds at discount, say at 84 and turn them in for estate tax purposes at 100 cents on the dollar. That is a fact right now and they know it.

Who benefits by bonds being sold at discount? I ask these people who profess to be interested in the little man? I will tell you. The wealthy people, of course. Through the proper handling and selling, they can pay at the capital gains tax rate, 25 percent, instead of at the regular tax rates.

Some of these people have proposed that we have the E-bonds tax exempt in order to make them more attractive for the little man instead of increasing the interest. It sounds good, but how does it work out?

A person paying a 91-percent income tax, gets 91 cents for every dollar of interest on his E-bonds. He can buy $10,000 worth of bonds a year, and his family, if he has four children and a wife, can buy $60,000 each year, and get 91 cents out of each dollar by making E-bonds tax exempt. It helps the rich man the most and the poorest people the least.

If you increase interest rates on E-bonds it is just the reverse. The people in the low income tax bracket pay the lowest amount. The person who is rich, and is in the highest income tax bracket, pays the highest amount. And these people, believe me, presented this matter as if it were for the little man. That is how cockeyed some of these ideas are, just as cockeyed as this present idea is of not permitting the Federal Government to market its bonds at the best price it can obtain.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman.

Mr. BYRNES of Wisconsin. I think it should be pointed out in that connection that if the Congress fails to act on this request of the President, the Treasury, the President and nobody else can do anything about giving these savings bond holders a realistic interest rate. It is just tied down tighter than a drum.

Mr. CURTIS of Missouri. That is correct. That is part of this bill, because we have got a ceiling on the amount we can pay on E-bonds, just as there is on these other long-term bonds.

I want to drive home, if I possibly can, the falsity of this statement that is parrotted by this particular group on every issue that comes before the Congress that they are for the little man. I say that anybody who is not interested in the fiscal integrity of the United States, and who is not interested in combating inflation, is certainly not interested in the little man and those who fight for fiscal integrity and against inflation are the ones who are really for the little man.

I have stood in the well of the House and been abused when I tried to get our expenditures in line so that we would not have this big Federal debt to manage. People have said that I was against the widows and that I was against the orphans and the sick people and the veterans and all these various groups for whom ideas for spending money had been advanced. I feel for those people. I hope I understand the problems of people. But I just know that you do not solve their problems by opening up the Federal Treasury. We cannot lift ourselves by our economic bootstraps. Our economic advancement comes in essence from the work of our people and from their savings. And in order to preserve this private enterprise system that has produced the highest standard of living in any nation in history or any nation in the world today, we must preserve fiscal integrity. We must preserve our fiscal integrity. That is the reason we have taken the floor today to do what we can to call attention to the seriousness of this problem. This is not an issue to play petty party politics with. This is an issue that concerns the fate of our country and may indeed be the issue that will bring about a realinement of our political parties.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. BYRNES of Wisconsin. I want to say the gentleman from Missouri is one of the most able and conscientious members of the Committee on Ways and Means. I know the gentleman's deep sincerity and concern over this problem that the Nation, and in fact the world, faces unless we do what is right on this particular matter. I compliment him for the very fine and able statement he has made this afternoon.

Mr. CURTIS of Missouri. I thank the gentleman.

HATS OFF TO SMOKY BEAR AND THE U.S. FOREST SERVICE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. PORTER] is recognized for 30 minutes.

Mr. PORTER. Mr. Speaker, many of us have taken our children to the Washington Zoo for a look at Smokey Bear. He is a cute fellow and, with the help of the U.S. Forest Service, he is doing a wonderful job helping to protect our priceless forests from the scourge of fire.

Sometimes we Members of Congress think we get a lot of mail but we have to bow to Smokey.

Thanks to the Forest Service and its junior forest ranger program which it started in 1953, Smokey's mail averages more than 1,000 letters and post cards a day.

In the first week of June of this year, following Smokey's appearance on a nationally televised children's program, this "fire preventin' bear" received 75,000 pieces of mail.

MANY CHILDREN WRITE SMOKEY

The letters come mostly from children, but many adults write in to commend the program and to say that their children will no longer allow mom and dad to smoke in the car while traveling through forest areas. One man said his son would not even allow him to burn trash in the backyard.

There are now more than 3 million junior forest rangers.

Although the distinguished and able chief of the Forest Service, Dr. Richard E. McArdle, says, "We believe there is a direct correlation between Smokey's success and the dramatic forest fire reduction since the program started," it is clear that the Forest Service is fighting fire on many other fronts also.

The Forest Service is building better access roads to forest areas. It is improving firefighting equipment and developing better control methods—in cooperation with State, private and other Federal organizations.

As a result, the total acreage burned has been drastically reduced. The record shows that in 1941, the year before the cooperative forest fire prevention campaign, 210,000 forest fires burned 32 million acres. Today, even in the face of a 600-percent increase in forest use, the number of fires is under 100,000 and the acreage burned under 4 million.

How much of this reduction can be attributed solely to prevention efforts is anybody's guess—

Says Dr. McArdle—

but we think we can give Smokey's friendly forest fire warning messages a lot of credit.

The real credit must go to the U.S. Forest Service and its devoted leaders, like Dr. McArdle, and also to the American public, especially to the children, who do not want Smokey Bear driven from his beautiful forest by devastating fires and who are willing to do their part to see that these fires never get started.

MORE THAN MERE MONEY

Our forest resources are more than mere money, although we do appreciate their great financial worth. They are havens of serenity and relaxation for millions of Americans who deeply enjoy their greenery, their freshness, and their purity.

So, hats off to Smokey Bear for the friendly and popular symbol he has become. And hats off to the U.S. Forest Service for its ingenious promotion of Smokey Bear and for its other remarkably well executed efforts to save the Nation's forests for the profit and the pleasure of everyone.

Under unanimous consent, I include an editorial from the July 8, 1959, issue of the Coos Bay (Oreg.) World and an article from the Medford (Oreg.) Mail-Tribune for Sunday, July 5, relating to the training of smokejumpers near Cave Junction, Oreg.:

[From the Coos Bay (Oreg.) World, July 8, 1959]

SMOKEY NOW A "MONSTER"

Congressman CHARLIE PORTER, through here on a quick trip last weekend, told an amusing tale illustrating how a good thing can turn into a dragon.

He was hefting the 3-year-old son of one of his local friends and told the boy he must come to Washington to see "Smokey Bear" in the National Zoo. (Smokey Bear, as we all surely know, is the Forest Service's fire-prevention gimmick. Smokey's picture appears on tons of fire-prevention literature, admonishing us to be careful with fire.) It turned out the 3-year-old knew all about Smokey. What 3-year-old doesn't?

Well, there really is a Smokey Bear and he does live in the zoo at the Nation's Capital.

PORTER laughed and told of a recent conversation with the Chief of the Forest Service on the subject of Smokey Bear. It seems the Forest Service is deluged with letters to Smokey Bear, from both children and adults, asking for literature and the "Smokey Bear Book" which the enterprising agency gives to children to emphasize the need for caution in the woods. There's so many letters, in fact, that the operation has become a budgetary and personnel problem.

There are also individual headaches. Letters come in childish scrawls asking for the "Smokey Bear Book," without return addresses. Later letters, still without return addresses, ask why the book hasn't been sent. Irate fathers occasionally write in to complain that their children won't let them burn trash or leaves, because Smokey Bear says it's dangerous.

In short, the Forest Service has created a monster in Smokey Bear. The Service isn't, however, seriously complaining. The response has been what it wanted.

So here's to Smokey Bear, off there in the Washington National Zoo. He probably doesn't know it, but he's doing us all a lot of good.—F. W. A.

[From the Medford (Oreg.) Mail-Tribune, July 5, 1959]

SMOKEJUMPERS TRAIN AT PROJECT BASE NEAR CAVE JUNCTION—PHYSICAL TRAINING INCLUDED IN U.S. FOREST SERVICE PROGRAM

(By Ron Abell)

It's 5 in the morning and a steady blast of cold air rushes through the open door of the small airplane. At 1,000 feet you swallow hard and try to smile as you watch the horizon tilt drunkenly from side to side. Beneath you the forested hills spread and flatten until individual trees lose their identity and they melt into a rugged green corrugation. At 1,500 feet the plane levels off.

You're with a training crew of U.S. forest service smokejumpers.

You've got a parachute strapped on your back for safety and it's cramped inside the small twin-engine Beechcraft. Beside yourself there are four jumpers and a "spotter" inside the body of the plane. You can reach out and touch any one of them.

TELEPHONE USED

A pilot and copilot are in the cockpit, 6 feet away, but the noise of the motors necessitates the use of a telephone between them and the spotter.

Two of the jumpers are sitting on the floor at your feet and two are next to you on the short bench. At a motion from the spotter the nearest jumper slides over and kneels just inside the door. He puts a foot outside and waits, tense.

The plane passes over a flat meadow and the pilot cuts the motors. You're going 80 m.p.h. but it feels as if you've suddenly stopped. Only the cold rush of air gives you the feeling of motion.

"Go!"

The spotter slaps the jumper on the shoulder and the jumper steps out into space and disappears. It's that simple. His static line plays out, opening his chute, and the plane increases speed and starts to bank. In a moment you can see the red and white canopy drifting down to the landing meadow.

SECOND JUMPER

As you circle back, another jumper starts to move over to the door and far below you can see a parachute collapse as the first jumper lands safely on the ground. The warming rays of the morning sun wink off the wingtip of the plane and you begin to loosen up. You think it might be fun to jump.

Meanwhile, down on the ground, a small crowd has collected to watch the jumpers in action. This is the third day of jumping for the new men, who have to complete seven training jumps before they're allowed to go out on fires.

Two and a half weeks of intense training and conditioning have preceded their first jump and they handle themselves well. But they're having trouble hitting the mark this morning because it's windy.

The ground foreman is in contact with the plane by mobile radio and he decides to call the jumping off because of the wind. The men who have already jumped are collecting their gear and walking back through the field. There's a truck waiting to take them back to the base and you're invited to come along for breakfast. It's only 7 a.m. but you've been up for 3 hours and you accept the invitation.

Besides, you want to learn more about these smokejumpers. What sort of work do they do?

SELECT GROUP

The smokejumpers are a select group of young men. Of the thousands of firefighters who work in national forests during the summer, only 320 are smokejumpers. They are stationed at one of the five bases where they get their training.

Their job is fire suppression in areas that are relatively inaccessible from the ground. In minutes, a smokejumping crew can fly into an area that would take a ground crew hours to reach. They are hit-and-run specialists seldom called out on a big fire, they perform invaluable service in small isolated fires.

Almost all of the fires they are called to are caused by lightning strikes. The smokejumpers' value derives from the fact that they can fly in quickly and suppress the fire before it spreads. Often they are relieved by a ground crew after they've done the primary suppression.

Any one of the fires they're called to could spread into a major conflagration if it wasn't contained in time. The smokejumpers are crackerjack firefighters with a "plus" value, they're trained in getting to fires the fast and hard way, from the air.

It takes courage, conditioning, and training.

SOUTH OF CAVE JUNCTION

In Josephine County just south of Cave Junction, 63 miles from Medford, is the Siskiyou smokejumper base. With a complement of 30 men, it's the only such base in Oregon. Nestled in the Illinois Valley about 10 miles north of the California border, the Siskiyou base can send a crew of smokejumpers out in 15 minutes notice. In an average season 111 jumps will be made at 35 fires. Each man will make 10 jumps and there will be an average of 3 men sent to each fire.

After salaries and operating expenses are deducted they will save taxpayers an estimated $125,000 in timber saved through their efforts.

Project air officer at the Siskiyou base is 35-year-old Jim Allen. Jim was a combat paratrooper during World War II and has been with the Forest Service since 1946. He's the man with the facts and figures.

If you accepted your breakfast invitation and sat down for a talk with Jim you'd learn a lot about smokejumping.

FIRST FIRE JUMP IN 1940

You'd find out that the first fire jump was made in Montana in 1940, the summer after experimental work was begun in Washington. Now 20 years later, over 30,000 jumps have been made without a fatality incurred while while jumping.

The largest smokejumper base is at Missoula, Mont., with 150 men. A base at McCall, Idaho, has 80 men. The Okanogan base at Winthrop, Wash., has 36 men.

The Siskiyou base has 30 men and a base at Redding Calif., has 24 men. A base at Silver City, N. Mex., draws men from the other units during the short fire season there.

In addition to these U.S. Forest Service bases, the Bureau of Land Management maintains a 16-man base at Fairbanks, Alaska, and that accounts for all the smokejumpers in the United States.

Taking the Siskiyou base as representative you'd learn that its primary jump area includes the Siskiyou, Rogue River, Umpqua, Willamette, Deschutes, Mount Hood, and Siuslaw National Forests.

Siskiyou jumpers have gone as far as Sequoia National Park in California, however, and as far north as the Canadian line. They jump only in State and National forests.

What sort of men are the smokejumpers?

ATHLETIC EQUIPMENT

A tour of the grounds at Siskiyou would give you an idea. An outdoor athletic area contains punching bags, weights, chinning bars, a basketball court and a volleyball court.

Adjoining this area is the training area, complete with ropes, a tower, a trampoline, an obstacle course, and other training apparatus.

Physical fitness is of primary importance. The conditioning of the smokejumpers isn't just excellent; it's superb.

They have to be tough and limber to absorb the bumps and knocks of parachuting and then do the shoveling and chopping work of firefighting.

When their work is done they face a hike out of the area, to the nearest road, that might be anywhere from a half mile to 10 miles or more. On this hike they bring their equipment back with them. The longest backpack Jim can recall was 40 miles.

FIRE PACK

With a fire pack (dropped individually to each man), jumping suit, parachute, and spare chute, first-aid kit, protective hat, and canteen, the equipment weights a minimum of 70 pounds. It often goes over 100 pounds.

It's no wonder the new smokejumpers get 20 hours of physical conditioning during their training.

They also get over 50 hours of fire-suppression training, including 3 days of guard school. At guard school they work with firefighters from the entire Siskiyou Forest.

Their training calls for 10 hours of first aid.

They get 60 hours of jump training, including tower jumps, chute manipulation, tree climbing, and chute retrieving.

NEW MEN

Sixteen new men were accepted for training this season at Siskiyou—out of 160 applicants. Jim Allen and his foreman, Al Boucher, can afford to be selective. They pick the men who appear to be the cream of the crop.

And they guess consistently well; their drop-out rate only runs about 10 percent.

We prefer men who are first-year college men," Jim said. "About 60 to 70 percent of our new men will return the following year and we like to get them early so they can stay with us for a few seasons."

He explained that when the men finish college, permanent employment usually takes them away from smokejumping.

QUALIFICATIONS

Men accepted for smokejumper training must have had one season of fire suppression work. They must be between 18 and 28 years old, be in sound physical health (including eyesight and hearing), and meet height and weight requirements.

Training this year runs from June 15 to July 13. By the 13th the new men will be qualified jumpers, bringing the total number of ready jumpers to 30.

They live, sleep, and eat at the base. They can be airborne 15 minutes after they are notified of a fire.

Boucher says, "Our cooks are our proudest possessions. They work 7 days a week for the whole summer and we are really proud of the meals they give the men."

Flying the twin-engine Beechcraft this season is a new man with the Forest Service, Dick Foy of 2764 Orchard Home Drive, Medford. Dick and his wife, Peggie, live next to the base.

PAY OF $2 PER HOUR

The men themselves show an enthusiasm for the work that goes beyond the limits of the job. You know they like it when you hear that their average pay rate is $2 an hour. It's slightly higher for the experienced men, slightly lower for the new men.

Out of this is deducted $1 a meal and $5 a month for quarters. Overtime is paid at the regular rate. They'll never get rich at smokejumping. But they still get men from all over the country who are anxious to train at the base. This season they have men from as far away as Iowa, but Jim said this year is exceptional for having a high percentage of men from the west coast.

The most local smoke jumper is Norm Pawlowski of Jacksonville. His parents, Mr. and Mrs. A. F. Pawlowski, live at route 1, box 8. Norm is a student at Southern Oregon College.

Three of the men are from Grants Pass and the majority of the others are from Oregon and California.

SERIOUS WORKERS

The men are serious about their work, but not frightened. Allen explained that the best safety device is thorough training, and the men get plenty of that.

Jim said that smokejumper training differs from Army paratrooper training in that it's more intense, and because the men are trained to be "spot-jumpers." Guidelines on the parachutes enable them to control the direction of their descent, to a degree, and they become adept at landing where they want to rather than where the wind carries them.

Although the training jumps are made into a landing field, actual fire jumps are usually made into timber. The men carry, as part of their gear, a 100-foot letdown rope that they use to slide to the ground when their chute gets caught in a tree.

They say you'll never know what it feels like to jump until you do it yourself. All you can do is take the word of a smokejumper who looks around while he kneels by the open door of the plane, before he steps out into the void.

"It's a wonderful feeling," he says.

And it's a wonderful service that this group of finely tuned young men provide.

FREE ELECTIONS FOR THE CAPTIVE PEOPLES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, reports from Geneva on the state of negotiations by the Foreign Ministers of the Great Powers have so far offered little hope that immediate efforts to resolve the Berlin crisis will succeed. The idea has already been taking hold that the Russians do not in fact want a settlement of this issue, but rather are using this conference to exploit known divisions in the West on resolving the Berlin crisis. It is also a matter of serious conjecture whether Khrushchev really want a summit conference. President Eisenhower has already voiced his doubts as to Khrushchev's sincerity.

Be that as it may, relations among nations are often marked by uncertainties. We do not know what tomorrow will bring. We cannot always fathom the mysteries of Soviet tactics in diplomatic negotiations. Perhaps for some reason now unknown to us Soviet interests may require reaching some agreement at Geneva sufficient to warrant holding a summit conference. In such a case I believe we should be prepared for some tough, hard bargaining with the Russians.

During the Geneva talks the West did not clearly restate its views on the future of the captive peoples of Eastern Europe. This, I believe, can be explained by the fact that the conference has been concerned with the German problem, and certainly in expressing our views on the key questions of free elections as conditional for any genuine reunification of Germany we had reaffirmed a principle which has long been a vital part of American foreign policy not only toward Germany, but also for all Eastern Europe. Understandably, the general issue of Eastern Europe did not arise since the attention of the conference was focused almost entirely on the Berlin problem. Still, the people of Eastern Europe can take heart that American policy remains fixed upon the idea set forth in the Yalta and Potsdam agreements requiring free elections in the liberated countries of Europe.

At the moment it is difficult to determine whether there will be a summit conference. Thus far, the only condition for convening a conference at this level is assurances of some success at the present Geneva negotiations of the Foreign Ministers. I believe that this is an eminently wise condition. Still, I believe that another condition should be established, and that is, the explicit requirement that the Soviet Union fulfill its obligations under the wartime pacts and permit free elections in the captive states of Eastern Europe.

One of the most recent declarations of policy on this matter was incorporated in a letter of January 12, 1958, from President Eisenhower to former Soviet Premier Nikolai Bulganin. In this letter Mr. Eisenhower stipulated that Russia's failure to fulfill pledges undertaken during World War II had contributed to world tensions and should be discussed at any summit conference. I believe that the President should restate this principle at this time, for I submit, that what he said then remains today, as it was then, the prevailing consensus of Congress. For the information of Congress I wish to quote the pertinent passage from Mr. Eisenhower's letter:

> The second situation to which I refer is that of the countries of Eastern Europe. The heads of our two Governments, together with the Prime Minister of the United Kingdom, agreed in 1945 that the peoples of these countries should have the right to choose the form of government under which they would live, and that our three countries had a responsibility in this respect. The three of us agreed to foster the conditions under which these peoples would exercise their right of free choice.
>
> That agreement has not as yet been fulfilled.
>
> I know that your Government is reluctant to discuss these matters or to treat them as a matter of international concern. But the heads of governments did agree at Yalta in 1945 that these matters were of international concern and we specifically agreed that there would appropriately be international consultation with reference to them.
>
> This was another matter taken up at our meeting in Geneva in 1955. You then took the position that there were no grounds for discussing this question at our conference and that it would involve interference in the internal affairs of the Eastern European States.
>
> But have not subsequent developments shown that I was justified in my appeal to you for consideration of these matters? Surely the Hungarian developments and the virtually unanimous actions of the United Nations General Assembly in relation thereto show that conditions in Eastern Europe are regarded throughout the world as much more than a matter of purely domestic scope.
>
> I propose that we should now discuss this matter. There is an intrinsic need of this in the interest of peace and justice, which seems to me compelling.

This is a vigorous declaration of a vital American policy. It should be reaffirmed at this time, not so much as a general statement of foreign policy but rather as a condition for a summit meeting and as such should be placed on the agenda. Should we fail to do so, we would by default infer that this policy is no longer viable and that our obligations undertaken at Yalta and Potsdam have terminated. This would, in effect, mean writing off Eastern Europe and accepting Soviet conquest of the area as the status quo. It would mean giving Eastern Europeans no hope for the future. It would mean that we would give them no other alternative but to accept communism and throw their unqualified support behind their oppressors.

It is not the sense of the American people that this should ever come to pass.

It is certainly not the sense of this Congress.

Let us, therefore, support the following resolution asking the President to repeat his declaration of January 12, 1958, as a fixed condition for a summit conference and that should ever a summit conference be held, the fulfillment of the wartime pledge requiring free elections in Eastern Europe should be high on the agenda for discussion:

> Whereas the Union of Soviet Socialist Republics, at the Yalta Conference and thereafter, has repeatedly promised to hold free elections in the nations it holds in bondage; and
>
> Whereas the U.S.S.R. has flagrantly and continuously violated all such promises; and
>
> Whereas the U.S.S.R. has cynically attempted to explain away its utter disregard of its obligations by distorting and obfuscating the language in which they are couched; and
>
> Whereas the U.S.S.R. continues in a course of brutal repression and exploitation of the peoples under its domination, and particularly those of Eastern Europe; and
>
> Whereas it is of the utmost importance that the United States of America shall never assent to the abandonment of these peoples to hopeless tyranny: Therefore, be it
>
> *Resolved*, That it is the sense of the House of Representatives that in every meeting or conference of representatives of the United States with representatives of the Union of Soviet Socialist Republics, at every level, the representatives of the United States should insist that the subject of free elections for the peoples under Soviet bondage be placed upon the agenda of such meeting or conference.

LABOR-MANAGEMENT REFORM BILL REPORTED

Mr. ROOSEVELT. Mr. Speaker, the committee on Education and Labor reported today, by a vote of 16 to 14, a so-called labor-management reform bill.

As will quickly appear when the House and Committee of the Whole considers the bill, it is full of mistakes, inaccuracies and, in the opinion of at least a majority on the Democratic side, wholly indefensible provisions. It should be noted as of extreme significance that amongst the majority of 16 voting to report the bill, at least 2 Members—1 Democrat and 1 Republican—immediately announced that they thought so little of the bill that they would introduce a new bill on Monday for consideration of the Members of the House. Another Republican announced he was against the bill but voted to report it.

In other words, there is not a majority of the committee in favor of this bill. There is a majority who voted for a procedure to enable them to attempt to write what most of the majority of the Democratic Members will consider as anti-legitimate-union legislation on the floor of the House.

It should be noted also that the chairman of the committee thought so little of the bill that he has not given his name to it. Under these circumstances, one can only hope that the majority leadership of the House will help many Members who have voted and who want to vote for a true antiracketeering measure as they have demonstrated by the recorded votes within the committee itself, will get the necessary consideration and support to accomplish this purpose. It can be flatly stated that the bill, in its present form, is anti-legitimate union in many of its important provisions, even though containing some excellent provisions, and the warning has clearly been given that attempts will be made to make it even more anti-legitimate unions. The forces who want to

write an antiracketeering and union membership protection bill will need much help in the weeks directly ahead if the House is not going to be guilty of writing legislation directly adverse to the best interest of the vast majority of the working men and women of this country.

EXTENDED COVERAGE AND $1.25 MINIMUM WAGE SHOULD BE PROMPTLY ENACTED

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. TELLER] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. TELLER. Mr. Speaker, now that our Committee on Education and Labor has reported out the labor-management reform bill, we ought forthwith to act on increasing the national minimum hourly wage to $1.25 and extending the wage-hour law to the 9 million working people who are now denied coverage under the present law.

I shall press for immediate consideration of these objectives by our Committee on Education and Labor. The Congress has no moral right to adjourn without enacting these objectives into law.

By what right, indeed, does the Federal Government deny to millions of workers the beneficial coverage of the wage-hour law? These uncovered workers are subject to the same Federal income tax law as workers covered by the wage-hour law. And these workers, who are denied the benefits of the wage-hour law, are as much affected by the persistent cost-of-living increases as the workers covered.

The Senate Subcommittee on Labor on July 10, 1959, reported out beneficial amendments to the wage-hour law. These amendments increase the hourly rate for workers now covered to $1.15 on the effective date of the proposed law and $1.25 1 year later. Coverage is extended to retail and service employees and other categories of employees not now covered.

The Senate action is modest. Our bill ought to go further. The underlying facts compel immediate action to increase the hourly rate from $1 to $1.25 and to extend the act to uncovered employees.

Here are some of the facts relating to employees who, because of exemptions now contained in the wage-hour law, are not covered by its provisions.

Of the total of 7 million employees in retail trade, excluding executive, administrative, and professional employees and outside salesmen, 6.8 million are not covered or are exempt from the minimum wage and overtime provisions.

The Wage and Hour Division estimates that in 1957 the number of switchboard operators in telephone exchanges exempt under section 13(a)(11) of the present law was 47,000. The total number of employees in the telephone industry in October 1957 was 766,000, of whom about 265,000 are operators. Thus, about 18 percent of the switchboard operators in the industry are exempt.

According to estimates of average employment in 1957, there were 17,000 employees of small newspapers—those with less than 4,000 circulation—who were not covered by the Fair Labor Standards Act, or who were covered and exempt under section 13(a)(8) of the act. This estimate excluded executive, administrative, and professional personnel and outside salesmen.

As of 1957, 100,000 employees were exempt under the seamen's exemption—excluding executive, administrative, and professional employees. About 50,000 of these employees were employed in deep sea vessels. The remainder were employed on inland waterways and on harbor craft.

Mr. Speaker, no more than short hearings will be required by our Committee on Education and Labor to prepare a proper bill on the subject. A number of Members of the House of Representatives have proposed bills for the purpose of increasing the minimum wage to $1.25 an hour and to extent the coverage of the wage-hour law. Among them is my bill, H.R. 4409. Our committee has held hearings on this subject year after year, followed by inaction. It is my hope that the Congress will take prompt and effective action at the present session of the Congress before adjourning.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. GRIFFITHS (at the request of Mr. MCCORMACK), for today, on account of illness of her father.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GRIFFIN, for 30 minutes, on Monday, July 27.

Mr. FLOOD (at the request of Mr. BURKE of Kentucky), for 15 minutes, today, and to revise and extend his remarks and include a resolution.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BURLESON and to include a letter from Mr. DAVIS of Tennessee to the chairman of the National Democratic Committee.

Mr. MILLIKEN.

Mr. BASS of Tennessee and to include extraneous matter.

Mr. LINDSAY and to include extraneous matter.

Mr. VAN ZANDT.

Mr. EVINS.

Mr. DOLLINGER.

(At the request of Mr. CURTIN, and to include extraneous matter, the following:)

Mr. BENTLEY.

Mr. NELSEN.

Mr. HOSMER.

Mr. HOEVEN.

(At the request of Mr. BURKE of Kentucky, and to include extraneous matter, the following:)

Mr. HARGIS.

Mr. BOYKIN.

Mr. POWELL.

Mr. ANFUSO.

Mr. COOLEY.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 836. An act to amend the code of law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; and

H.R. 7500. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 7500. An act to amend the mutual Security Act of 1959.

ADJOURNMENT

Mr. BURKE of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p.m.), under its previous order, the House adjourned until Monday, July 27, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1234. A communication from the President of the United States transmitting a report on Economic Assistance: "Programs and Administration," submitted to him on July 13, 1959, by the President's Committee To Study the United States Military Assistance Program; to the Committee on Foreign Affairs.

1235. A letter from the President of the Board of Commissioners of the District of Columbia transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to authorize the District of Columbia government to establish an Office of Civil Defense, and for other purposes', approved August 11, 1950"; to the Committee on the District of Columbia.

1236. A letter from the Under Secretary of Agriculture, transmitting a report of all claims paid by this Department under the Tort Claims Act for the period July 1, 1958, to June 30, 1959, pursuant to the Federal Tort Claims Act as reenacted (28 U.S.C.

2671–2680); to the Committee on the Judiciary.

1237. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to the case of Jitsuo Kikunaga, A–3866665, involving suspension of deportation under the provisions of the Immigration and Nationality Act of 1952, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H.R. 7629. A bill to make permanent the authority of the Secretary of Agriculture to make loans under section 17 of the Bankhead-Jones Farm Tenant Act, as amended, and for other purposes; without amendment (Rept. No. 707). Referred to the Committee of the Whole House on the State of the Union.

Mr. POWELL: Committee on Interior and Insular Affairs. House Concurrent Resolution 177. Concurrent resolution declaring the sense of Congress on the depressed domestic mining and mineral industries affecting public and other lands; without amendment (Rept. No. 708). Referred to the House Calendar.

Mr. THOMAS: Committee of conference. H.R. 7040. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes (Rept. No. 709). Ordered to be printed.

Mr. WILLIAMS: Committee on Interstate and Foreign Commerce. H.R. 4329. A bill to prohibit the immediate demolition of certain dwellings being acquired in connection with the Chantilly airport site, Virginia, and for other purposes; with amendment (Rept. No. 710). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIAMS: Committee on Interstate and Foreign Commerce. H.R. 7112. A bill to amend section 1005(c) of the Federal Aviation Act of 1958 to authorize the use of certified mail for service of process, and for other purposes; without amendment (Rept. No. 711). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

Mrs. KEE:

H.R. 8341. A bill to limit the power of the States to impose income taxes on income derived exclusively from the conduct of interstate commerce and to bring about greater uniformity in State taxation of business income derived from interstate commerce; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H.R. 8342. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. ALBERT:

H.R. 8343. A bill relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain; to the Committee on Agriculture.

By Mr. ASPINALL:

H.R. 8344. A bill to provide that certain funds in the Treasury of the United States to the credit of the Confederated Bands of Ute Indians be transferred to the credit of the Ute Mountain Tribe of the Ute Mountain Reservation, Colo.; to the Committee on Interior and Insular Affairs.

By Mr. BETTS:

H.R. 8345. A bill to amend title III of the act of March 3, 1933, commonly referred to as the Buy American Act, to provide that, under certain circumstances, only articles, materials, and supplies mined, produced, or manufactured in the United States shall be acquired for public use within the United States; to the Committee on Public Works.

By Mr. BOGGS:

H.R. 8346. A bill to amend the Tariff Act of 1930 to extend to residents of the United States who are crew members on vessels, aircraft, and other conveyances arriving in the United States the same exemptions from duty on personal and household articles as are granted passengers arriving on such conveyances; to the Committee on Ways and Means.

By Mr. BOYKIN:

H.R. 8347. A bill to authorize the acquisition of land for a national wildlife refuge at Jackson lock and dam navigation project, Alabama; to the Committee on Public Works.

By Mr. DIGGS:

H.R. 8348. A bill to amend section 921 of the Foreign Service Act of 1946 to provide missionaries the privilege of making purchases outside the United States from commissaries operated under the authority of such act; to the Committee on Foreign Affairs.

H.R. 8349. A bill to amend title 10, United States Code, to provide missionaries the privilege of making purchases outside the United States from commissaries operated by the Armed Forces; to the Committee on Armed Services.

By Mr. FLYNN:

H.R. 8350. A bill to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, insure the protection of the public interest, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRANAHAN:

H.R. 8351. A bill to provide insurance against illness for retired Federal employees based on sick leave to their credit prior to separation; to the Committee on Post Office and Civil Service.

By Mr. HALPERN:

H.R. 8352. A bill to provide a health benefits program for Government employees; to the Committee on Post Office and Civil Service.

By Mr. HOLLAND:

H.R. 8353. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. KITCHIN:

H.R. 8354. A bill to implement the Constitution by amending title 4 of the United States Code; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 8355. A bill to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes; to the Committee on Ways and Means.

By Mr. McDOWELL:

H.R. 8356. A bill to amend the Internal Revenue Code of 1954 to provide funds for educational purposes by providing increased incentives for private giving through the allowance of a tax credit for charitable contributions to institutions of higher education; to the Committee on Ways and Means.

By Mr. McMILLAN:

H.R. 8357. A bill to exempt certain pension and other trusts from the laws of the District of Columbia relating to perpetuities, restraints on alienation, and accumulation of income; to the Committee on the District of Columbia.

By Mr. CLEM MILLER:

H.R. 8358. A bill to establish the Point Reyes National Seashore in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA:

H.R. 8359. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. ROBISON:

H.R. 8360. A bill to amend the Internal Revenue Code of 1954 to provide a personal exemption for children placed for adoption; to the Committee on Ways and Means.

By Mr. ABBITT:

H.R. 8361. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. ANDREWS:

H.R. 8362. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. BONNER:

H.R. 8363. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. BROWN of Georgia:

H.R. 8364. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. FORRESTER:

H.R. 8365. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. FOUNTAIN:

H.R. 8366. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. GRANT:

H.R. 8367. A bill to require that public hearings shall be held, with respect to any

and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. McMILLAN:

H.R. 8368. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. MATTHEWS:

H.R. 8369. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. PILCHER:

H.R. 8370. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. PRESTON:

H.R. 8371. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. SIKES:

H.R. 8372. A bill to require that public hearings shall be held, with respect to any and all changes, revisions, and modifications of U.S. standard grades for agricultural commodities, before any such changes, revisions, or modifications become effective; to the Committee on Agriculture.

By Mr. BARRY:

H.R. 8373. A bill to provide that surplus property of the United States may be donated to the States for the promotion of fish and wildlife management activities, and for other purposes; to the Committee on Government Operations.

By Mr. BROOKS of Louisiana:

H.R. 8374. A bill to amend Public Law 85–880, and for other purposes; to the Committee on Science and Astronautics.

By Mr. McFALL:

H.R. 8375. A bill to amend chapter 71 of title 38, United States Code, to permit judicial review of decisions of the Board of Veterans' Appeals in compensation and pension claims; to the Committee on Veterans' Affairs.

By Mr. SAYLOR:

H.R. 8376. A bill to provide for continuity and support of study, research, and development of programs for peaceful uses in science, commerce, and other activities related to Antarctica, which shall include, but shall not be limited to, gathering, evaluating, correlating, and dispersing of information and knowledge obtained from exploration, research, and other mediums relating to weather, communications, travel, and other areas of information; also to coordinate Antarctic activities among those agencies of the U.S. Government and private institutions interested in or concerned directly with the promotion, advancement, increase, and diffusion of knowledge of the Antarctic; and to direct and administer U.S. Antarctic programs in the national interest; to the Committee on Interior and Insular Affairs.

By Mr. DAWSON (by request):

H.R. 8377. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the utilization of excess property and to simplify the reimbursement procedure for transfers of such property; to the Committee on Government Operations.

By Mr. REES of Kansas:

H.R. 8378. A bill to provide for the striking of medals in commemoration of the 100th anniversary of statehood of the State of Kansas; to the Committee on Banking and Currency.

By Mr. CURTIS of Missouri:

H.J. Res. 474. Joint resolution approving certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois; to the Committee on the Judiciary.

By Mr. ADDONIZIO:

H. Con. Res. 348. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. ALEXANDER:

H. Con. Res. 349. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BOLAND:

H. Con. Res. 350. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BRADEMAS:

H. Con. Res. 351. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. BREEDING:

H. Con. Res. 352. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. CLARK:

H. Con. Res. 353. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. FASCELL:

H. Con. Res. 354. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. KITCHIN:

H. Con. Res. 355. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. LANKFORD:

H. Con. Res. 356. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. McGOVERN:

H. Con. Res. 357. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. O'HARA of Illinois:

H. Con. Res. 358. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. OLIVER:

H. Con. Res. 359. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. RODINO:

H. Con. Res. 360. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. WOLF:

H. Con. Res. 361. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. POWELL:

H. Con. Res. 362. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mrs. ROGERS of Massachusetts:

H. Con. Res. 363. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. FLOOD:

H. Res. 327. Resolution expressing the sense of the House of Representatives that the question of free elections for peoples in Soviet bondage should be placed on the agenda of every meeting or conference between representatives of the United States and the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. HARRIS:

H. Res. 328. Resolution amending House Resolution 56, 86th Congress, as amended; to the Committee on Rules.

By Mr. HOLLAND:

H. Res. 329. Resolution to authorize the Committee on Ways and Means to conduct an investigation and study of imports of articles manufactured by foreign subsidiaries and affiliates of domestic manufacturers; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DERWINSKI:

H.R. 8379. A bill for the relief of Miladin Kekovich; to the Committee on the Judiciary.

H.R. 8380. A bill for the relief of Tomislav Stijovich; to the Committee on the Judiciary.

By Mr. DORN of New York:

H.R. 8381. A bill for the relief of Donald W. Kraeger; to the Committee on the Judiciary.

By Mr. DURHAM:

H.R. 8382. A bill for the relief of Vijay Shrikhande; to the Committee on the Judiciary.

By Mr. KILDAY:

H.R. 8383. A bill for the relief of Maj. Jack E. Hudson; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H.R. 8384. A bill for the relief of Otto Small; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

246. Mr. BENTLEY presented a resolution adopted by the board of directors of the Milwaukee Association of Commerce on June 29, 1959, on the subject of foreign economic aid, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Wheat Referendum

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. HOEVEN. Mr. Speaker, today an editorial entitled "Wheat Inflation" appeared in the Washington Post and Times Herald. This editorial deserves the attention of every person in this great body. The editorial follows:

The country witnesses today another wheat referendum in which farmers will choose between disaster by route No. 1 and disaster by route No. 2. If they choose to continue the present program, which they are expected to do, the result is likely to be further excess production. The country already has nearly a 2-year supply of wheat on hand, and taxpayers have nearly $3.5 billion tied up in stored wheat.

If farmers should vote against continuation of the existing program, the national average support price would drop from $1.77 to $1.18 a bushel—a very drastic reduction. They would be relieved of penalties for planting in excess of their quotas but would still have to keep within quota limits to obtain the lowered price-support loans. The choice is thus a dismal one.

Three factors in the present law have contributed to its unfortunate consequences: It forbids the Secretary of Agriculture to cut the total acreage allotments below 55 million acres; it allows every farmer to grow up to 15 acres of wheat without penalty; and it will not let price supports be fixed at less than 75 percent of parity. The result has been to put a premium on overproduction at heavy cost to the taxpayers.

President Eisenhower again voiced hope at his news conference yesterday that Congress will pass legislation to relieve this most critical of the numerous farm problems. This hope must be shared by a vast majority of the wheat farmers and by an even larger percentage of the taxpayers who must pay the bill for the current folly.

Today is decision day for farmers growing wheat. Today there is being held the marketing quota referendum for the 1960 crop of wheat.

Many Members of this body probably are unaware that today is voting day for the wheat program. Probably few here realize that most wheat farmers are prohibited by existing law from expressing their opinions at the polls on what kind of a program they want.

Today 40 percent of the wheat farmers—the bigger ones—can vote in a referendum to decide whether there shall be wheat marketing quotas for the 1960 crop. But 60 percent of the farmers growing wheat—those who do not have allotments of more than 15 acres—are ineligible under existing law to vote. This is the only agricultural crop that discriminates against the small producer. This is made mandatory by the law. It discriminates against the small family farm. This is regrettable.

Under present legislation wheat farmers really do not have a very realistic choice to make in the referendum. They have only two alternatives: (a) The present program, which has proven so disastrous insofar as piling up surpluses and excessively high costs are concerned and the likelihood of a continued piling up of even greater surpluses, or (b) they can vote for no program since the law requires price supports at 50 percent of parity if there are no marketing quotas. Farmers still would have to comply with allotments. This, of course, is not a fair or realistic choice to place before the wheat farmers. Charles Shuman, president of the American Farm Bureau Federation calls it "an absurd farce that denies producers any realistic choice."

The wheat farmers should not be blamed for the situation they now find themselves in. They are not responsible for the outmoded and unrealistic laws that are on the books and which have to be administered. Their response to legislation is only what should be expected.

The farmer is not responsible for the inaction of the Congress to provide a workable wheat program. A better program should have been adopted before this—before the wheat referendum was held. We should give attention to obtaining a workable and acceptable program. There has been ample opportunity before this. The President months ago recommended alternative approaches to the wheat problem. Other approaches have been submitted this session, which, if adopted, would have given the wheat producer a sound, workable program to replace the very unsatisfactory one now operating. The Congress should not turn away from trying to get constructive legislation on wheat this session. The wheat farmer should not be let down by no remedial legislation. It is not too late for action.

New White Fleet Is Sound Idea

EXTENSION OF REMARKS
OF
HON. DENVER D. HARGIS
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. HARGIS. Mr. Speaker, I was very favorably impressed by Comdr. Frank Manson's proposal for a new White Fleet, as outlined in the July 27 issue of Life magazine, and I am happy to endorse and support such a potentially worthwhile venture. Life's graphic and dramatic presentation of the idea should capture the imagination of a great many readers, and thus assure widespread popular approval.

Certainly the relatively low expenditure required for preparing and operating such a fleet should be a sound investment, not only from the standpoint of invaluable services rendered to people in distress, but as a means of boosting American prestige abroad. The use of inactive Navy ships and stored surplus foods for this purpose would, in my opinion, be an extremely practical approach to the problem of assisting the needy peoples of the world. I am in full agreement with the quoted comment of my Oklahoma colleague, Congressman ED EDMONDSON, that this "makes a lot more sense than some parts of our foreign aid program."

I intend to do my full share in helping to make the new White Fleet a reality.

The Recent U.S.A.-U.S.S.R Dual Track and Field Meet at Philadelphia, Pa., Sponsored by the Philadelphia Inquirer Charities, Inc., in Cooperation With the Amateur Athletic Union of the United States Is a Splendid Example of the Unceasing Efforts Being Made To Promote International Good Will Through Athletic Events

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. VAN ZANDT. Mr. Speaker, the U.S.A.-U.S.S.R. track and field meet held at Philadelphia on July 18 and July 19, 1959, and sponsored by the Philadelphia Inquirer Charities, Inc., in cooperation with the Amateur Athletic Union of the United States is another fine example of the AAU's people-to-people program in action.

For more than 40 years the Amateur Athletic Union of the United States, which is the national governing body of 19 sports in the United States, in carrying out its people-to-people program has sent many thousands of track athletes, swimmers, boxers, wrestlers, weightlifters, basketball, and other teams to all parts of the world. At the same time the AAU has brought hundreds of foreign athletes to the United States for athletic contests such as the U.S.A.-U.S.S.R. track and field meet last week in Philadelphia.

It is of interest to state that in the program to encourage international relations and promote peace and good will among the nations of the world, the AAU in 1958 sent more than 300 athletes to over 30 different countries, several of which are behind the Iron Curtain.

At the recent U.S.A.-U.S.S.R. track meet in Philadelphia President Eisenhower in a message extending his warm greetings sounded the keynote of the international contest between United States and Russian athletes. The message which was printed in the official souvenir program is as follows:

Last summer I followed with interest the competition between the track and field

teams of the Union of Soviet Socialist Republics and of the United States at Lenin Stadium in Moscow. As these teams meet for their return match at Franklin Field in Philadelphia this July, it is a pleasure to send greetings to each contestant.

A common interest in the field of sports helps form a bond of understanding among athletes throughout the world. Meetings of this sort provide an opportunity for strengthening that bond through travel, observation and the hospitality of host nations. As this understanding among individual citizens is increased, we can hopefully assume that better international relations will also result.

I am delighted to add my best wishes for a fine meet and for the success of every effort to promote the ideals of good sportsmanship and good will.

Sincerely,

(Signed) DWIGHT D. EISENHOWER.

Following the recent U.S.A.-U.S.S.R. track meet, in Philadephia, Dmitri Postnikov, director of the Russian team expressed the Russians' sentiments when he said:

We believe this track meet and other cultural and sports exchanges between our two nations contribute to friendship and understanding. We hope such exchanges will continue.

Philadelphia, the host city for the international event, fully lived up to its traditional role as the "City of Brotherly Love" by sparing no pains in providing a hospitable and friendly atmosphere.

The Amateur Athletic Union and the Philadelphia Inquirer Charities, Inc., responsible for the 2-day track and field meet added to their laurels as a result of the successful and enjoyable programs which attracted thousands of athletic-minded enthusiasts from all over the Nation.

Mr. Speaker, it was my privilege to be in attendance at the two-nation competition in Philadelphia at which time some of the world's outstanding athletes gave convincing evidence of their ability and skill. The event was heralded as a warmup for the 1960 Olympic games to be held next summer in Italy and judging from the performance of individual stars at Philadelphia, interest in next year's Olympics is certain to increase as a result of the highly enjoyable Quaker City program.

Mr. Walter H. Annenberg, editor and publisher of the Philadelphia Inquirer, who plays an important role in the successful operation of the Philadelphia Inquirer Charities, Inc., deserves a large share of the credit for the fine contribution the 2-day program made in promoting international friendship through better understanding among the peoples of all nations and especially the United States and Russia. Mr. Annenberg, who for years has been a stanch supporter of all forms of athletics, has a special fondness for track and field meets with the result that he never misses an opportunity to witness such events regardless of time or distance.

From the vantage point he enjoys as editor and publisher and as the moving spirit in the Philadelphia Inquirer Charities, Inc., Mr. Annenberg saluted his home city of Philadelphia for its traditional hospitality in the following article titled "Thank You, Philadelphia," which appeared in the July 21, 1959, issue of the Philadelphia Inquirer:

THANK YOU, PHILADELPHIA

As host city for the United States-Russian track and field meet sponsored by the Amateur Athletic Union of the United States and the Philadelphia Inquirer Charities, Inc., Philadelphia has displayed again its traditional warm hospitality.

The thousands who crowded Franklin Field on Saturday and Sunday naturally had the Americans as their sentimental favorites, but they cheered individual performances on their merit. They were rewarded by close and thrilling contests; not even a heavy downpour of rain could keep most of them from staying on while a great athlete, the Russian team captain, Vasily Kuznetsov, sought valiantly against handicaps to break his own decathlon record.

Sports events like this can be most helpful in promoting better understanding between peoples, and out of better understanding can come improved international relations, and mutual trust in place of tensions.

The friendliness shown the visiting Russians in Philadelphia, the sportsmanship demonstrated by spectators as well as participants at the meet, will surely not be lost upon these young men and women. The dividends in good will can be very great.

To Philadelphia for its generous hospitality, I wish to extend my personal thanks. To all those who made our vsiitors' stay here pleasant and agreeable, including particularly officials of the AAU and the University of Pennsylvania; the management and staffs of the Warwick, Sheraton, and Barclay Hotels; and my associates in Triangle Publications, Inc.: "Thank you."

WALTER H. ANNENBERG,
Editor and Publisher, the Philadelphia Inquirer.

Mr. Speaker, the following interesting article, titled "U.S. Youth Pays Off," also appeared in the July 21, 1959, issue of the Philadelphia Inquirer and reveals the ages of the winners in the men's running and field events at the Philadelphia track meet. It discloses that American winners had an average age of 23.6 years while the Russian winners averaged 26.3 years. The article follows:

U.S. YOUTH PAYS OFF

Youth paid off for the American men's track and field team in its 127–108 victory over the Soviet Union at Franklin Field. America's 11 individual winners (including sprinter Ray Norton who scored a double) had an average age of 23.6. The Russian winners averaged 26.3.

The full list of men's winners in running and field events:

Event	Winner	Age	Performance
100	Ray Norton (United States)	21	0:10.3
200	Ray Norton (United States)	21	0:20.7
400	Ed Southern (United States)	21	0:46.2
800	Tom Murphy (United States)	24	1:48.5
1,500	Dyrol Burleson (United States)	19	3:49.4
3,000	S. Rzhishchin [1] (U.S.S.R.)	26	8:51.6
Steeplechase:			
5,000	A. Artynyuk (U.S.S.R.)	24	14:17.8
10,000	A. Desyatchikov (U.S.S.R.)	24	31:40.6
110 hurdles	Hayes Jones (United States)	20	0:13.6
400 hurdles	Josh Culbreath (United States)	26	0:50.5
Pole vault	Don Bragg (United States)	24	15–3¾
High jump	R. Shavlakidze (U.S.S.R.)	27	[2] 6–9
Broad jump	Greg Bell (United States)	28	26–7
Hop, step, jump	K. Tsygankov (U.S.S.R.)	28	52–4
Shot put	Parry O'Brien [1] (United States)	27	[3] 63–2½
Discus	Al Oerter (United States)	22	188–9
Javelin	Al Cantello (United States)	28	262–5
Hammer	Vasily Rudenko (U.S.S.R.)	28	219–0
Decathlon	Vasily Kuznetsov (U.S.S.R.)	27	8,350 points.

[1] Won last year in Moscow.
[2] Decided on number of misses.
[3] Broke world record.

Health and Hospitalization Program for Federal Employees

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. DOLLINGER. Mr. Speaker, the important subject of a health and hospitalization program for Federal employees is now under consideration by the House Committee on Post Office and Civil Service.

Under leave to extend my remarks, I am including in the CONGRESSIONAL RECORD, my statement to the committee on July 21, 1959.

Mr. Chairman and members of the Committee on Post Office an Civil Service, your committee is considering legislation relating to a health and hospitalization program for Federal employees. Among the bills before you is my H.R. 2326, to provide for Government contribution toward personal health service benefits for civilian officers and employees in the U.S. service and their dependents, to authorize payroll deductions for participants, and for other purposes.

I am pleased that your committee has scheduled action on this long-overdue program for assistance to our Federal employees. We know that employees in the Federal service have always been underpaid; their salaries have never equaled salaries paid by private employers for comparable work; the small pay raises granted Federal workers have never been commensurate with ever-rising living costs, and at this point, living expenses have reached a new high.

Our Federal workers, with families to support or other dependents for whom they must provide, find it barely possible to meet their financial obligations; high living costs plus high taxes prevent saving for the proverbial rainy day or the day when a Federal employee or his dependents suffer a serious illness. A critical illness requiring protracted hospitalization, surgery, costly

hospital facilities and medicines, nursing care, doctors' fees, not only wipes out any little savings a low- or middle-income employee may have accumulated through great personal sacrifices over a period of years but also throws him into debt for years to come. Such a burden becomes intolerable, such worry must lower the morale and efficiency of any human being. The cost of personal health service insurance is prohibitive to the millions of Federal employees in the low or middle salary brackets, when procured on an individual basis.

The well-being and efficiency of our Federal employees must be considered and preserved if we wish to keep our Government offices and other installations operating at the peak of accomplishment and effectuality. Large private employers have for many years helped their employees to obtain benefits which this legislation would now provide for Federal employees. To refuse to give this assistance to our Federal employees is to withhold reasonable and sound protection against the high costs of illness. Surely the Federal Government owes to its employees the same consideration which private industry, on the whole, has found it possible to extend to its workers. The legislation before you provides the needed and necessary protection at a cost which employees and the Government can afford.

I urge your committee to take favorable action so that our Federal employees may be accorded this sorely needed assistance.

High Time for Action

EXTENSION OF REMARKS
OF
HON. JOHN V. LINDSAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. LINDSAY. Mr. Speaker, I would like to call to the attention of the Members of this body, an editorial entitled "High Time for Action," reprinted from the Il Progresso, which appeared in the CONGRESSIONAL RECORD of July 20, 1959. Its thesis is that it is time to take notice of the increasing tendency on the part of some magazines and newspaper chains to link up a handful of irresponsible Americans, who happen to be of Italian descent and who have had bad criminal records, with all Americans of Italian lineage. Referring to the well-known Apalachin meeting, the editorial states that if the members of this group were meeting for some nefarious undertaking, "we not only do not condone them, but we denounce them and their ilk, for this tiny group of 60 furnished the pretext for bringing discredit and contempt on more than 12 million loyal, law-abiding, decent Americans of Italian origin who daily make their valuable contribution to the enrichment of our country in every field of human endeavor."

The editorial commends Senator KENNETH B. KEATING and Senator HUGH SCOTT, for directing letters to the Attorney General and the Secretary of the Treasury asking for a statement of policy designed to protect the civil rights of people mistakenly identified with criminal acts and for an instruction to Federal agents to beware of defamatory public statements about any group.

I was pleased to note the immediate response of the Attorney General to the effect that "to my knowledge there is no nationwide ring consisting of criminals of any particular national origin." The Attorney General stated also "Naturally it is the desire and the duty of the Department to protect the civil rights of any person mistakenly identified with any criminal acts."

Trinity Project: Representative Utt Spells Out Taxpayer's Interest

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. HOSMER. Mr. Speaker, on July 7 the Chico, Calif., Enterprise-Record carried an editorial comment based on views of our colleague, the gentleman from California [Mr. UTT], regarding the Trinity project which is pertinent to consideration of this vital issue and particularly relevant to U.S. taxpayers' pocketbooks..

The editorial follows:

WORTHWHILE READING ON TRINITY PROJECT

A week or so ago, Gov. Edmund G. Brown sent a statement to Washington urging the Senate Appropriations Committee to approve funds to get the Government started on Federal construction of the power facilities on the Trinity River project.

In his statement, Governor Brown assailed President Eisenhower's partnership plan, recommended by Secretary of Interior Fred Seaton, under which the Pacific Gas & Electric Co. would build the power facilities (at its own expense) and buy falling water from the Government to generate power. (Seaton's Department of Interior figures say partnership would save the Government more than $300 million.)

In his statement against partnership, Governor Brown stressed that California is now under way on its vast water resources development program. But he reminded that the State can't do the job by itself.

"This State must continue to seek assistance from the Federal Government such as it has appreciatively received in the past," Brown said. He went on to voice his opinion that, "The State will not receive this assistance to the maximum extent required if the Pacific Gas & Electric Co. constructs the power elements of Trinity."

Along with his statement to the Senate committee, Governor Brown also sent telegrams to Members of Congress urging them to work against the partnership plan.

Representative JAMES B. UTT, Republican, of Santa Ana, was one of the Congressmen receiving telegrams. As coauthor of a measure currently before Congress to approve the partnership plan, Representative UTT is in possession of volumes of testimony which in past sessions have established the partnership idea as proper.

A man who keeps the interest of the taxpayer always foremost in his mind, Representative UTT sent a return telegram to Governor Brown explaining some of the financial angles—and possible consequences—of the Trinity power controversy. UTT's telegram to Governor Brown is worthwhile reading for all citizen-taxpayers:

"DEAR GOVERNOR: Regarding your telegram, I am glad the legislature has approved the California water resources development program. You say California must rely upon and hope for continued and increased Federal participation, that the problem is rapidly becoming critical. This I realize.

"The San Luis project is important to the development of the State program and you are asking the Federal Government for millions of dollars. To implement this overall program will cost near $2 billion and requires not only cooperation of the Federal and State Governments but also financial assistance from private enterprise when it is ready, willing, and able to assist.

"Private development of the power facilities at Trinity (partnership) would save the Federal Government $300 million over the life of the contract—and yet you insist that the taxpayers install this facility and give the power away at one-half the cost of production to a few preferred customers.

"The effect of this would be to completely deplete the surplus in the Central Valley project. This surplus was supposed to be used for additional water conservation and to divert it is a violation of the public trust.

"The partnership development of the Trinity power resources would be a cash register which would pay the entire cost of the San Luis Reservoir, which is part of the overall Central Valley project.

"Unless the Trinity power facility is taken off the backs of the taxpayers and made to work in behalf of the taxpayers (through partnership) I intend to oppose the San Luis Reservoir project before the Rules Committee and on the floor of the House as being an unnecessary expense to the American taxpayers when the cost could well be paid from revenues and savings generated from private development of the power facilities of Trinity.

"JAMES B. UTT,
"Member of Congress."

In our mind, Representative UTT's telegram tersely sums up the issue. Federal construction (public power) at Trinity would be a money-losing venture for the taxpayer because the power would be sold to a few preference customers for less than the cost of production. This would frustrate existing Federal law which says that power from projects should help pay the costs of the projects—it is clear that selling power for less than it costs would produce no revenue.

Partnership, on the other hand, would save the Government the cost of constructing the power facilities—and then would provide a steady income over the years through the purchase of falling water. This income would, of course, help pay the costs of the Trinity project and others, such as the San Luis Reservoir.

Governor Brown and others who are pleading the cause of public power at Trinity should examine the issues more closely. Representative UTT's telegram should be must reading for all of them.

TVA Bond Bill Now on Third Base

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. EVINS. Mr. Speaker, as we once again take up the TVA self-financing

bill, it may be helpful to review the circumstances which have brought on the necessity for taking up this matter again, and accordingly I include in the CONGRESSIONAL RECORD my newsletter, Capitol Comments, for last week, which reviews the situation.

The newsletter follows:

TVA BOND BILL ON THIRD BASE

Following passage by the Senate of the TVA self-financing bill, this much-needed and battle-scarred measure has reached, in baseball parlance, third base in the legislative game. The bill, however, has again run into hurdles set up by the diehard opponents of the TVA. When consent was requested in the House this week to accept the Senate amendments to the bill, the minority leader of the House objected and blocked action on the bill. As a result it will be necessary to take the amended measure through the Rules Committee again and on the floor of the House for further debate and another vote. Friends of the TVA are confident that the House will again approve the measure; but there will be a delay in its enactment as a result of this last-ditch effort to block the bill.

Meanwhile, the minority leader of the Senate has reportedly urged the President to veto the TVA measure. Your Representative expresses the hope and the belief that the President will be fair and approve this legislation. There are many reasons why this bill should be approved in the public interest, among them:

First. The President himself first proposed this legislation to the Congress in his budget message on January 17, 1955. The President has repeated his request for self-financing legislation for TVA in his budget messages of 1956, 1957, and 1958, and again in January of this year—on five separate occasions.

Second. Committees of the Congress have worked for 4 years to write a reasonable and workable bill.

Third. Extensive hearings have been held—five sets of hearings—on this legislation in both Houses of the Congress.

Fourth. Both the House and the Senate have acted favorably on this bill and there has been 5 years of debate on this measure, both inside and out of the Congress.

Fifth. Both Houses have passed the bill by decisive majorities. Two years ago the Senate passed it by a vote of 61 to 20; this year the House passed it by a vote of 245 to 170, and the Senate by a vote of 73 to 17.

Sixth. The bill represents a reasonable compromise of many views. It is considered satisfactory in the main, not only to the TVA, but also to the private utility companies bordering on the TVA area.

Seventh. The Secretary of the Treasury has expressed his approval of desirable features of the financing phases of this bill—and indeed all approved the measure except a limited few who want TVA destroyed and dismembered.

Eighth. The bill puts a fence around TVA—a territorial limitation is prescribed—and not a kilowatt of power can be sold outside the area.

Ninth. The TVA will make a far greater return of payments into the Treasury than under the present law.

Tenth. TVA is a creature of Congress—will remain under the control of the Congress. The President can make recommendations for changes at any time and the Congress can enact changes at any time.

Eleventh. All three members of the Board—Chairman Vogel, former Congressman Hays, and former Deputy Director of the Budget Bureau Jones, have all been appointed by the President, and surely they can be depended upon to carry out the provision of this legislation in a responsible manner.

With the territorial limitations, with Treasury Department control, and congressional control, and Presidential control through the naming of the Board members, no further control should be desired.

When we are appropriating millions for the development of water resources throughout the country—and billions throughout the world—surely it is just and fair that the citizens of a great area would be given the privilege of voting bonds for self-financing, bonds that are taxable, and bonds that are not included, but outside, the national debt.

I express the hope again that the President will be objective and fair and not disapprove this needed and meritorious legislation. Such approval would permit the TVA to operate in a businesslike fashion, but without undue political and partisan influence and to a large degree eliminate the annual congressional fight over TVA's operations, and would be in line with statements and assurances of the President of his friendship and support for this great agency of the Government.

Chairman Paul Butler's Criticism of Congressional Leadership and Attacks on Southern Democrats Is Resented

EXTENSION OF REMARKS
OF
HON. OMAR BURLESON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. BURLESON. Mr. Speaker, a few days ago, on July 16, to be exact, our esteemed colleague from Tennessee, the Honorable CLIFFORD DAVIS, wrote a letter to the chairman of the Democratic National Committee, the Honorable Paul Butler, regarding the latter's attitude toward the Democrats in the Southern States, and particularly with reference to his recent attacks on the leaders of the Congress.

Mr. Speaker, the sentiments so ably expressed by Mr. DAVIS is shared by many of us who feel the injustices of Mr. Butler's actions. I personally wish to associate myself with Mr. DAVIS in serving notice on the Democratic chairman that his criticisms of the leadership in the Congress and his unjustified attacks on southern Democrats, is resented to the fullest extent.

Mr. Speaker, with the consent of my distinguished colleague, Mr. DAVIS, I include in my remarks his letter referred to:

JULY 16, 1959.

Hon. PAUL M. BUTLER,
Chairman, Democratic National Committee, Washington, D.C.

MY DEAR PAUL: I have been shocked at your continued attacks on those of us in the Democratic Party who live in the South. Over all of these years you know full well what southern Democrats have meant to the party.

You have gone a long way in reflecting on Speaker SAM RAYBURN and Senator LYNDON JOHNSON. You have never heard Speaker RAYBURN publicly criticize you, but on the contrary you know how he has been your friend in the past.

I work hard at this job and believe I am a sincere Democrat. You know that my wife, Carrie Davis, has given much time assisting Katie Louchhein.

In the last campaign I asked Carrie to remain in Washington, which she did. During all that time I was doing everything I could in my own State and in my part of the country.

With your repeated attacks on the South, I must state with all frankness that my wife will no longer be interested in spending her time, talent, and money helping you.

Very sincerely yours,

CLIFFORD DAVIS.

Balanced Budget, Mutual Security, Less Farm Control Win Top Support in Completed Second District Poll

EXTENSION OF REMARKS
OF
HON. ANCHER NELSEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. NELSEN. Mr. Speaker, over the last 3 months, I have mailed out a questionnaire to many of the residents of the Second Congressional District and the tabulated results show some very significant trends, which I now call to the attention of the Congress.

The Second District of Minnesota is one of the most prosperous in the State, and the citizens have a fine reputation of being sound, sensible and progressive. The 14 counties involved make it a big District. In 1950, our population was 321,397. By the census of 1960, it is expected to exceed 375,000 and to approach 400,000. Following the 1954 census of agriculture, the Second Congressional District emerged as among the 15 richest districts in the Nation in the value of farm products sold. Today, with the farm population decreasing nationwide, the Second District is showing one of the lowest percentages of decrease in farm population anywhere in the State of Minnesota.

The active interest that the residents of the Second District have taken in answering this poll shows that they follow very closely the decisions and the actions that we take here in the Congress of the United States.

I personally believe strongly in public opinion questionnaires. It helps the people back home and it helps those of us they have elected as representatives. The voters have an easy way to inform their Congressman of their thinking on some of the more important issues facing Congress. At the same time, it enables us to have the views of a wide cross section of the voters on the issues we discuss. Certainly, each Member of Congress has the vitally important obligation to inform himself of the many views of the people whom he strives to represent.

There are, however, several pitfalls in interpreting opinion questionnaires. First of all, since the replies are not taken from a scientifically selected sample, they cannot be touted as foolproof measures of opinion. Only general trends can be regarded as significant.

Secondly, it is not the sole duty of a Congressman to pile the "yes" answers on one side and the "no" answers on one side and vote for the biggest pile. The citizens always expect a Congressman to do more than find out which way the wind blows and vote accordingly.

The Second District questionnaire was mailed early in this session to all the rural boxholders in the district, and several months later to the townspeople who have boxes in their post office. As a result, a breakdown of opinions by rural people and townspeople has been possible. Many of the newspapers in the District also cooperated by printing the questionnaire for their readers. A total of approximately 50,000 questionnaires went out. Among rural residents we had exactly 1,200 replies; from townspeople there were 1,243 replies for a grand total of 2,443 responses.

Mr. Speaker, I feel that these replies are very noteworthy. The extremely high percentage of support given for example to the President's emphasis on a balanced budget is, I believe, highly significant.

On the question, "Do you agree with the President's pay-as-you-go emphasis on having a balanced budget," 82 percent of the respondents answered "yes," 6 percent said "no," and 12 percent "not certain."

I also call your attention to the questions on farm legislation, where the replies from rural boxholders only represent the point of view of the rural people themselves.

The questionnaire asks whether Federal farm policy should take the general direction of lower payments of farmers, with fewer controls. Of 1,200 replies from rural boxholders 66 percent answered "yes," 10 percent answered "no," and 24 percent were "not certain."

When the question was turned around to ask whether Federal farm policy should take the direction of higher payments with more controls, the answers were 17 percent "yes", 40 percent "no", and 43 percent "not certain."

With respect to education 68 percent of the voters thought the Government should consider it a local and State problem, 16 percent did not think so, and 16 percent were uncertain.

Asked specifically about Federal aid to school construction, 31 percent said they favored it, 42 percent opposed it, and 27 percent were uncertain.

There was less support for Federal aid to help pay teacher's salaries. 12 percent were for it, 59 percent opposed it, and 29 percent were uncertain.

The principle of mutual security won a solid endorsement. In answer to the question, "In general, do you favor continued U.S. assistance to other countries in the free world's struggle against Communist aggression and subversion," the results were, 70 percent "yes," 15 percent "no," and 15 percent "not certain." I must add, however, that there were many who wrote in comments on this question, expressing concern for the number of abuses of the program.

On small business, the opinion expressed by the townspeople deserves attention; 51 percent believe the Federal Government has not given sufficient attention to the problems of small businessmen; 18 percent think it has; and 31 percent are uncertain.

Regarding an increase in the gas tax to provide necessary funds for Federal highways, 36 percent favor it, while 50 percent are opposed, and 14 percent uncertain.

Regarding amendments to the present Federal minimum wage law, there was general opposition to raising the minimum from $1 to $1.25 per hour; 23 percent were for it, 60 percent were against it, and 17 percent uncertain. On extending coverage to more workers, 42 percent said "yes," 30 percent said "no," and 28 percent were "not certain."

The following tabulation shows the complete replies, by percentage, first for the full 2,443 returns, then for the rural people in the district, and finally for the townspeople:

The Second District questionnaire

Questions	Percent Yes	Percent No	Percent not certain
1. Do you agree with the President's pay-as-you-go emphasis on having a balanced budget?			
Total	82	6	12
Rural	82	7	11
Town	82	4	14
2. To provide necessary funds for Federal highways it is suggested that the Federal gas tax be increased from 3 to 4½ cents per gallon. Do you favor?			
Total	36	50	14
Rural	38	51	11
Town	35	48	17
3. With respect to education, should the Federal Government—			
(1) consider it a local and State problem?			
Total	68	16	16
Rural	72	15	13
Town	64	17	19
(2) aid school construction?			
Total	31	42	27
Rural	29	46	25
Town	32	38	30
(3) help pay teachers' salaries?			
Total	12	59	29
Rural	10	64	26
Town	14	54	32
4. Has the Federal Government given sufficient attention to the problems of the small businessman?			
Total	19	48	33
Rural	20	45	35
Town	18	51	31
5. Please check the general direction which you believe Federal farm policy should take:			
(1) lower payments with fewer controls?			
Total	69	8	23
Rural	66	10	24
Town	72	6	22
(2) higher payments with more controls?			
Total	13	39	48
Rural	17	40	43
Town	10	37	53
6. Do you favor amending the present Federal minimum wage law to—			
(1) raise the present $1 hourly rate to $1.25 per hour?			
Total	23	60	17
Rural	19	66	15
Town	27	53	20
(2) extend coverage to more workers?			
Total	42	30	28
Rural	37	36	27
Town	46	24	30
7. In general, do you favor continued U.S. assistance to other countries in the free world's struggle against Communist aggression and subversion?			
Total	70	15	15
Rural	71	15	14
Town	69	15	16

Sesquicentennial of Giles County, Tenn.

EXTENSION OF REMARKS
OF
HON. ROSS BASS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1959

Mr. BASS of Tennessee. Mr. Speaker, last week the fine people of Giles County, Tenn., whom I have the honor to represent in this body, celebrated the sesquicentennial aniversary of the establishment of the county by the Legislature of the State of Tennessee.

During the week-long observance of this anniversary, Giles County was visited by the Governor of Tennessee, the Honorable Buford Ellington; the two Senators from Tennessee, the Honorable Estes Kefauver and the Honorable Albert Gore; our colleague, the gentleman from Tennessee, Mr. Evins; and many other distinguished personages including former Governors Browning and McCord, many of whom also made addresses to the people of the county.

The remarks of our colleague, JOE L. EVINS made on Friday, July 17 were particularly apt and well received. Prior to 1954 Giles County was apportioned to the old Fifth District of Tennessee, represented at that time by our colleague [Mr. EVINS] and he spoke, therefore, from a personal and intimate knowledge of Giles County and its progressive residents. Under leave to extend my remarks in the RECORD, I include the address as follows:

REMARKS AT GILES COUNTY, TENN., SESQUICENTENNIAL CELEBRATION BY HON. JOE L. EVINS, MEMBER OF CONGRESS, JULY 17, 1959

Mr. Chairman, distinguished guests, friends of Pulaski and Giles County and ladies and gentlemen, I am certainly pleased and delighted to be present on this significant and historic occasion—the celebration of the 150th anniversary of the establishment of Giles County.

I have received several invitations from your celebration chairman, John R. Stephens, and other citizens of Pulaski and Giles County, to visit and to be in attendance at some part of your celebration. I have read with interest the many newspaper and magazine stories surrounding this great occasion and certainly have looked forward with great anticipation at being able to be with you.

I am pleased to be able to get away from Washington and return again to Tennessee and Giles County to be with friends—to meet old friends and new friends—and join with all in enjoying this feast of friendship and fellowship.

Occasions such as this, such as you of Giles County have been participating in throughout this week, are not only occasions for renewal of friendships; but the celebration holds forth even greater purposes and far-reaching effects—namely, that of renewing and refreshing in our minds the growth of many of our traditions and ideals.

The growth of our democracy.

The progress and well-being of our citizens.

The growth and progress of our agriculture, our commerce, and the development and sense of dedication and devotion of our people to preserving, promoting, and perpetuating the heritages of our past—the ideals and liberties of our citizens.

I want to commend the members of your centennial committee, your county and city officials—and all of your citizens—all whom have had a part in promoting and furthering this most worthwhile, historic and significant celebration.

Each year on July 4, we as a nation celebrate Independence Day as the birthday of our freedom and independence, and appropriately so, to recall to our minds and to instill into our youth the trials of our forefathers and the sacrifices they made that we might enjoy in prosperity, the blessings of freedom, independence and liberty of this the greatest Nation on earth.

Just 2 years ago this summer we, as a Nation, celebrated the 350th anniversary of the settlement of our first pioneers at Jamestown, Va. This was a great occasion in which the citizens of the immediate area locally, together with State and National officials and representatives of our allies, significantly marked the founding of the first permanent English settlement in America.

We as a nation have grown from 13 weak, insecure and loosely connected colonies on the eastern seaboard of this country and with less than a million people to a nation today of 50 States, strong and united, reaching across the width and breadth of this land to the ice and snow caps of Alaska to the balmy climate of Hawaii in the Pacific with 177 million people.

In this growth and in this progress, Pulaski and Giles County, to my mind, stand out as typical and representative of the heart and growth of America. The spirit of cooperation, of friendship and of helpfulness have been expressive of the character of the people of Giles County—from its early beginning—throughout the years and even until this very day.

I have never forgotten how warmly the people of Giles County received me in 1946 when I first ran for Congress—when Giles County was a part of Tennessee's great Fifth District. I came in your midst unknown and unacquainted and you people received me warmly and were exceedingly nice and gave generously of your friendship and support and we carried the county and won my initial campaign for elective office. I still feel indebted to you for the support you gave me in that first campaign—and for the warmth of your friendship over the years.

I not only remember with pleasure how kind you were to me, but I also remember that I met for the first time two men whom I have grown to respect and admire while visiting in your county some 10 years ago. Both of these men were also running for elective office at that time. One of these men was in his first statewide race—I believe I met him at Prospect—or maybe at Elkton. But anyway, he won that race and was elected to the railroad and public utilities commission. I have admired Andrew "Tip" Taylor through the years and have watched with interest his fine record of public service as commissioner and judge and soldier—since our first meeting.

The other young man was just out of the Army, and I think he was wearing his veteran's service button when I first met him up near Lynnville. He was a fine, clean-cut young man and ambitious—in fact so ambitious that he was making his first bid for elective office against one of the most beloved and respected citizens of Giles County, Gilbert Abernathy. The voters returned Gil Abernathy to the courthouse and his job as county court clerk. However, I liked this clean-cut young man and you people of Giles County seemed to like him; and when there was a vacancy in the office of postmaster here in Pulaski, I was happy to nominate and recommend Ross Bass for the position.

This young man not only served as an efficient postmaster, but was so energetic and ambitious that he went to the State legislature in Nashville and had this great county moved into another congressional district so he could run for Congress. And, of course, you know that in 1954 Ross Bass did run for Congress and was elected—and since then he has been one of my highly respected and esteemed colleagues in the Congress of the United States.

Ross, I sure hated to lose Giles County from the district I represent, but it is certainly good to have in Washington such a distinguished and capable colleague with whom I can confer and work together for Tennessee.

As a former Representative of this county, I share with you the glory and joy of this celebration. The history of Giles County glows with stories of rugged pioneers, courageous soldiers, energetic farmers, and hard-working friendly citizens. We are proud of this past because these people worked for the things they wanted; they were not easily discouraged and didn't hesitate to fight—whether it be with gun against the Indians or with plow and hoe against the forest and cane brakes. Yet the early settlers of this area did not work and fight only for the betterment of themselves, they helped their neighbors and were interested in the betterment of the community as a whole. James McCallum, who came here in 1809, and is apparently Giles County's first historian, has written how all the neighbors would assemble and help build houses for newcomers in the early Giles County community, and how if the new settlers happened to arrive late in the spring and were not likely to get enough ground cleared to raise enough corn, the neighbors would all work a few days chopping or making rails for them, as McCallum wrote. From the very beginning this county has been endowed with the spirit of helpfulness, cooperation, and friendship, on which our great democracy has been built.

This fine county was named after a man who shared these ideas of helping others for the betterment of the Nation as a whole. Senator William B. Giles was a freedom-loving Virginian who helped Tennessee in its fight for statehood. This distinguished gentleman had nothing to gain personally by his efforts except the joy of helping others and of contributing to the strengthening of the democratic tradition. He realized that a healthy and properly functioning democracy must grant self-government to peoples as soon as they are ready and able to govern themselves. He also knew that freedom-loving people must rise to help their neighbors and friends in securing and protecting this freedom and the privileges it holds.

Count Casimir Pulaski, the noble Polish general after whom this city is named, is one of our greatest examples of an individual willing to work—and to fight for the ideals he believed in wherever the call for liberty might be heard. This young aristocrat fought well for freedom in his native Poland and realizing that tyrants must be opposed whenever and wherever they raise their mighty hand to challenge liberty, he joined this Nation in its struggle for independence and freedom.

Had not such noble patriots as young Pulaski come to the aid of this Republic and the democratic principles upon which it was founded, we might never have known the complete and individual freedom we share today.

Each year in Congress a special day is set aside for debate and eulogy of the life and character of Count Casimir Pulaski, and on several occasions I have participated in these programs, advising our colleagues that in Tennessee we have a fine town named for this great patriot.

It has always seemed appropriate to me that the people of Giles County should have Pulaski as the name for its county seat. For the name Pulaski has increasingly grown to symbolize the spirit of strength, of character and purpose—for which this patriot gave his life. We all know the story—Hawthorne's story—of the Great Stone Face—the boy continued to look upon the image in the mountains in his midst—until he became to look like the great stone face himself.

Giles Countians have also looked upon the mountain, as it were, and have acquired the strength of character which distinguished Senator Giles, General Pulaski, and their pioneer ancestors. They are among our finest stock of Tennessee folks—rugged individuals and patriots to the core. Like Pulaski and Sam Davis of a later day, they fight for what they want and believe in as right.

Pulaski is a milestone in the TVA story for this was the first Tennessee municipality to utilize TVA power. I mention TVA as Giles Countians have not only been pioneers in this field but constant and present-day fighters to preserve and perpetuate TVA's principles.

The fight for TVA was not over when it was established. We in the Congress and those of you on the homefront have had to fight to preserve it again and again over the years. We have been recently successful in steering the self-financing bill through Congress during this session and we hope it will become law within the next few weeks. However, there are always those who are willing and waiting to sabotage this project. But with constant vigilance, and continued support from our friends, TVA will be of even greater benefit to our people and the Nation.

The actual preserving of TVA was a work of democracy in action in itself. When the enemies of the TVA began their devious planning to thwart and eventually destroy TVA, we found friends all over this great Nation. They were willing to fight for an agency they knew would benefit the people and in whose purposes they believe even though it offered no direct benefit to their particular area. As Senator Giles came to the aid of Tennessee in its struggle for statehood, and as Pulaski left his native country to fight for freedom in a strange and faraway land, these people came forth in defense of an idea and were vital in winning the victory.

But this has not been a one-way street. We who represent the TVA area have supported the principle of development of our natural resources in projects throughout the Nation—the St. Lawrence, Great Lakes Seaway, the upper Colorado, Columbia River basin, the Bonneville Power Administration, and other great resource development programs.

Here we have heard the call of an ideal in which we believe and have answered with firm support, helping other areas develop their resources and in return receiving their help on the TVA. In a great Nation such as ours we cannot take a regional or provincial or selfish attitude but must support those ideas which we know to be good and of benefit to our country throughout the country.

Today we are faced with an even broader problem—that of supporting our ideals of democracy and freedom on an international scale, and helping other people throughout the world to obtain and retain their freedom against the threat of Communist tyranny.

In this task, too, we need the same spirit of helpfulness and cooperation—of helping others as the people of Giles County have always exhibited.

We must help our friends and neighbors throughout the world defend themselves against the cancer of communism. We cannot be provincial. When a fire is spreading in a neighbor's house or field—we all must join in to put it out before the fire spreads to engulf us all.

I am confident that just as working together has built up this fine county and this fine city, so working with other nations for

the ideals in which we believe will in the end result in a triumph of democracy over the spread and onrush of communism and tyranny.

So we see, my friends, here in the history of Giles County we have an example of the way in which our democratic processes and ideals can work successfully to bring us a better life. We also have a wonderful example of how dedication to these ideals and the willingness to work together and with others will contribute to preserving and furthering our ideals and our way of life.

I am sure that continuing in this great tradition, Giles County and Pulaski will continue to move forward, will continue to grow and to build a progressive, forward-looking community—that expresses the best features of our way of life. Certainly, the best advice that we can give the coming generation of residents of Giles County and indeed the entire Nation is to continue in the same traditions that have made Giles County what it is today. That is the best road not only to a better community but also to a better nation and a better world.

I salute you all, my friends, of a great county, a grand citizenship; as you celebrate your 150th anniversary. I wish for you another 150 years of growth and progress—and more.

I congratulate you—all those who have helped to make Giles County the great county that it is—and commend your noble heritage as we salute those who will in the future, defend, promote, protect, and perpetuate your great heritage and the ideals of freedom, liberty, and demorcacy which your county represents and her citizens cherish.

TVA Self-Financing Legislation, H.R. 3460

EXTENSION OF REMARKS
OF

HON. WILLIAM H. MILLIKEN, JR.

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. MILLIKEN. Mr. Speaker, I am firmly opposed to the proposed so-called TVA self-financing legislation, H.R. 3460.

It is not $1.2 billion of taxpayers' money we are concerned with but $1.6 billion, less upward of $250 million which TVA has paid back.[1] The bill in question concerns itself with provision for payment of principle and interest on but $1 billion of this amount and interest payment on an additional $200 million. No provision is made for repayment of the $200 million of appropriated money supplied by the taxpayer. Nor is any provision made for interest to be paid on the balance of the $400 million derived from the use of money provided by the Congress and due the taxpayers, far less the repayment of the principal involved, $400 million in power revenues which was reinvested by TVA for purposes of increasing the power potential of TVA facilities.

On those moneys with which the bill does concern itself the existing legislated obligation of TVA to pay up within a 40-year period is canceled out by providing legislative authorization for an extension of the payment period to 54 years. In substance, it is proposed to partially allay the past criticism that TVA pays no interest on the taxpayers' money by requiring interest payments on part of the money advanced to TVA and apparently in return it is proposed to authorize the extension of the time period for payment of a reduced amount of principal repayment by 14 years.

The argument that more money would be required to be paid by TVA in the next year or so than TVA is now paying does not stack up against the current firm obligation of TVA to pay up a bigger principal in full within the shorter 40-year time period.

I do not believe Congress is safeguarding the best interests of the people when it deliberately sets about to abrogate its power to initiate annual appropriations for such a controversial and socialistic operation as that of the TVA. Although the bill provides the Congress may disapprove, I do not need to tell you that such disapproval is seldom exercised in other instances where back-door-type financing is permitted. Nor probably do I need tell you that this minor prerogative is a far cry from the direct control over TVA we have constitutionally exercised in the past through the accepted manner of carrying out the people's business by direct annual appropriations.

As you well know, many of us believe it is high time that less rather than more loopholes be provided for bypassing the Appropriations Committees of the Congress in funding the carrying out of operations and programs of the executive agencies. This bill will not only abrogate the exercise of our full powers but will legislatively enact a continuing back-door operation in the management of a public enterprise well heeled with some $1.3 billion of the taxpayers' money.

The language in the Senate bill does not effectively close the door to the further expansion of TVA. The Vinson amendment attempted to close the door to further expansion by stipulating that unless specifically authorized by the Congress, the present power facilities and those subsequently acquired by TVA shall not be used for the sale or delivery of power for use outside the service area of TVA as it existed on July 1, 1957, with the one exception that, when economically feasible, it is permissible for TVA to provide service for interconnection with other utility systems for exchange power arrangements which were in effect on July 1, 1957. This amendment has already been abridged in the Senate-approved draft of H.R. 3460 by permitting exceptions in a number of instances. This immediately raises the question, Why just these? Why not others? Believe me, if not now, the pressure will really be on for others in the future if we give the TVA $750 million bond-issuing authority.

Furthermore, the language in the Senate version of H.R. 3460 limits only the "making of contracts" by TVA and does not purport to place limitation or restriction whatever upon the resale or use of TVA power by its distributors. Consequently, insofar as transmission, distribution, and use of TVA power by its distributors and not by TVA itself are concerned, no limitation whatsoever is placed upon the transmission, distribution, resale, or use of TVA power outside of its existing service area. I believe the only effective way to keep TVA from unlimited expansion is to continue to require all appropriations to be made by the Congress.

It is probably safe to say that no Congress is going to be willing to give TVA $750 million or more in additional appropriated funds. A willingness on the part of Congress at this time to give TVA authority to issue up to $750 million in bonds in the face of our lack of enthusiasm for providing additional appropriated funds over a number of years is indicative of the extent to which the Congress would be abandoning its direct control over the scope and direction of the TVA power-producing and distribution system.

While I am willing to concede that there may be some justification for the Government to generate electric power as a byproduct of its flood-control projects in the Tennessee Valley, I am firmly opposed to the further encouragement and uncontrolled expansion of TVA's power-producing activities through steampower production facilities. It is for the expansion of these steampower facilities that we are being requested to authorize the issuance of up to $750 million in bonds and in so doing to relinquish our direct means of control over the activities of the TVA through the exercise of the annual appropriation process.

[1] TVA had paid into the U.S. Treasury, from power revenues, a total of $250,131,519.36 as of June 30, 1958.

Eleventh Annual Upper Missouri Basin Conference

EXTENSION OF REMARKS
OF

HON. JAMES E. MURRAY

OF MONTANA
IN THE SENATE OF THE UNITED STATES
Thursday, July 23, 1959

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a copy of a letter I have written to Mr. Harold Lorenz, president of the Chamber of Commerce of Sidney, Mont., on the occasion of the 11th Annual Upper Missouri Basin Conference on July 23, 1959. I also insert a copy of an address to the conference by Commissioner of Reclamation Floyd E. Dominy on that occasion.

These insertions reflect my views with respect to reclamation in Montana, and I call attention of the Senate to the urgency of continuing the reclamation program with such examples as the lower Yellowstone project before us.

There being no objection, the letter and address were ordered to be printed in the RECORD, as follows:

JULY 17, 1959.

MR. HAROLD LORENZ,
President, Chamber of Commerce,
Sidney, Mont.

DEAR MR. LORENZ: On the occasion of the 11th Annual Upper Missouri Basin Irrigators

Conference at Sidney on July 23, I extend my congratulations to the participants and especially to the water users of the lower Yellowstone project, as well as the good folks of Sidney who are so closely associated with this reclamation development.

You are indeed fortunate in having as your principal speaker the Commissioner of Reclamation, Floyd E. Dominy. No man in the active service of reclamation today is better qualified to handle this important job. I have so told Secretary Seaton of my views when he promoted Mr. Dominy.

I have read advance copies of the Commissioner's speech and I thoroughly agree with his recognition of the contribution the lower Yellowstone project had made to the economy of eastern Montana. The example it has set should be the forerunner of other reclamation developments.

Just now we are pressing for appropriations to start the East Bench unit in the Beaverhead Valley and the Yellowtail power and irrigation unit in the Big Horn. We are pressing for favorable action at this session of the Congress to provide funds to start these two units.

We do not propose to stop there. We will press for reclamation developments elsewhere when justified.

In our efforts we appreciate the fine cooperation from persons such as the water users of the lower Yellowstone project, who realize the great value of this important resource development.

Sincerely,

JAMES E. MURRAY,
U.S. Senator from Montana.

THE GOLDEN YEAR OF GOLDEN WATER

(Address by Commissioner of Reclamation Floyd E. Dominy before the project tour session of the 11th Annual Upper Missouri Basin Irrigators Conference at Sidney, Mont., Thursday, July 23, 1959)

The opportunity to join with you in celebrating the golden anniversary of the lower Yellowstone project is an honor which gives me great pleasure. We are here today to commemorate "the Golden Year of the Golden Water," a slogan very appropriately selected by the Sidney Chamber of Commerce.

The Yellowstone was once the thoroughfare of the explorers, the fur trappers, and the fur traders. It was on a summer day, like this, more than 150 years ago, that Captain Clark, of the Lewis and Clark expedition, visited this valley. He wrote in his journal on July 24, 1806, when a short distance upstream, "* * * for me to mention or give an estimate of the different species of wild animals on the river, particularly buffalo, elk, antelope, and wolves, would be incredible. I shall therefore be silent on the subject further."

But on July 31, as his men descended the Yellowstone—the area that is now the lower Yellowstone—the captain could not be silent as he watched the immense herds of buffalo. "I was obliged to let the buffalo cross over, notwithstanding an island of half a mile in width over which this gangue of buffalo had to pass," he wrote in his journal, "* * * the herd stretched as thickly as they could swim, from one side to the other, and the party was obliged to stop for an hour." Below their night's camp, "two other herds of buffalo, as numerous as the first, soon crossed the river."

The wilderness, with its incredible number of wild animals that Captain Clark observed in 1806 disappeared many, many years ago. The fur traders and fur trappers have become only pages of western history, and the hundreds of thousands of cattle that trailed northward from Texas to Wyoming and Montana, the era of the open range, are but a remembrance. Today we are recalling another later era in the history of the Yellowstone. From sagebrush to green irrigated fields is the accomplishment we are celebrating on the occasion of this golden anniversary.

There are many milestones associated with the growth of the 56,000-acre lower Yellowstone project. There is a story of its own in each and every individual farm within the project. There is an equally interesting story in the establishment and growth of the business communities serving the project area.

Irrigation, with its intensive development and use of the land, has been an important factor in creation of thriving urban centers built on the increased need for services for the rural areas.

All that we see today as we view this pleasant valley has taken place because of the availability of water. "Golden Water" is the story of reclamation throughout the West, and it is particularly true of the Yellowstone River Basin which has pioneered much irrigation development. There are 10 Bureau of Reclamation projects within the Yellowstone River Basin, with a total irrigable area of about 280,000 acres. Last year, the water users of the Shoshone project, in Wyoming, celebrated their 50th anniversary; the year before, the irrigators of the Huntley project, near Billings, commemorated their golden birthday, and today we are observing the Golden Year of the Golden Water for this project.

In celebrating this important observance we are, in part, commemorating the efforts of the thousands of men and women who developed the irrigated lands of the Yellowstone Basin. Your prosperity is not solely the result of the efforts of these dedicated people, but irrigation has perhaps been the most important single factor in the economic growth of the valley.

The lower Yellowstone project has provided one of the most fascinating chapters in the history of the Yellowstone Basin. I realize you are well acquainted with your project but, if I may, I would like to recall very briefly some highlights of its past.

The Reclamation Service, as the Bureau of Reclamation was then known, began its investigation of the lower Yellowstone Valley in 1903, only a year after passage of the original Reclamation Act of 1902. A board of consulting engineers examined the proposed project and submitted a report on April 23, 1904. This report served as basis for the authorization of the project by the Secretary of the Interior on May 10, 1904. An organization known as the Lower Yellowstone Water Users' Association was formed during the fall and winter of 1904 and 1905, and, on May 30, 1905, members of that organization entered into a contract with the Secretary of the Interior to repay the entire cost of constructing the project. Construction activities began in the summer of 1905 and first irrigation water was available April 30, 1909.

Expansion of the project was relatively slow for several decades. One of the reasons was a widespread reluctance to forsake the saddle and cowboy boots and take up work on foot, with long-handled irrigation shovel and a pair of rubber boots. Then, too, during the second decade of the new century there was a great opportunity to homestead larger acreages of dryland which seemed more attractive to the man seeking a farm of his own. At that time there was little knowledge of the advantages of irrigation farming, including greatly increased yields under irrigation and the insurance against occurring drought.

Many of the irrigators and dryland farmers were starting a new life in agriculture. They had been laborers, clerks, white-collar workers, and even professional men. But all had a single goal. They were seeking new opportunities in the West. They were ambitious and eager but they lacked farm know-how. The land was there and the water was available for the irrigation of that land, but there were no tractors, trucks, or automobiles, or the other equipment that has made modern mechanized farming considerably easier on the man's back and a woman's patience. There is still a lot of hard two-fisted work connected with farming today, but when the lower Yellowstone project was started it was all hard work, as I am sure you pioneers who are seated at the table with me can testify.

The 1,800 residents who live on the 322 farms of the 56,000-acre lower Yellowstone project, the 6,000 or 7,000 people who live in Sidney and Fairview, and their predecessors on the farms and in the cities have made this area the self-reliant and confident community that it is today. To these people go the honors for the success the project has enjoyed and is enjoying. And just what is this success? What are these positive accomplishments?

During half a century of operations, the project has produced crops having a cumulative value of $75,515,000, or about 21 times the net cost of constructing the project which was $3,585,928. And I might add, with great gratification, the project's success is also typified in another manner—the landowners of the project have repaid nearly 83 percent of the reimbursable irrigation allocation.

As all of you know, the cumulative gross value of crops grown on the project is but a portion of the full production that has occurred on the project. The lower Yellowstone project has become widely noted for its production of sugar beets and its large and expanding livestock feeding operations. The project and the concomitant sugar factory operation are a solid base for permanent success and prosperity of this thriving and progressive community.

The fattening of lambs and beef cattle, which contributes so greatly to the success of the project, is one of the principal occupations on the lower Yellowstone project. It is a remarkable story. Tens of thousands of feeder lambs and feeder cattle, grown on rangeland extending from western North Dakota to near the Continental Divide in Montana, and into northern Wyoming, are fattened on this project. The complementary use of irrigated land with dry-farmed land and ranged land, even as far as 300 miles away from the irrigated farms on the lower Yellowstone project, is one of the significant agricultural developments in the Missouri River basin.

A study made recently by the Bureau of Reclamation, entitled "A Half Century of Progress, Lower Yellowstone Project," provides some interesting information regarding the project, and particularly the facts concerning the livestock feeding activities of the project. The report shows that the total numbers of livestock fed for the market in the last 5 seasons were 41,000 cattle and 539,000 sheep.

In 1956, the American people ate 83 pounds of beef and 10 pounds of lamb and mutton per person. The lower Yellowstone project shipments of fat beef and lambs in 1956 therefore provided sufficient beef that year for 74,000 persons and enough lamb and mutton for more than 1 million Americans living in many States of the Union. The production of sugar beets on the lower Yellowstone project in 1957 was 160,830 tons on 11,198 acres, producing enough sugar that year for 523,000 persons, on the basis of 100 pounds per person.

The fattening of lambs and beef cattle surely has contributed to the success of the lower Yellowstone project. This operation provides a local market for the subar beet tops and most of the sugar beet pulp. The beet tops and dried and pelletized beet pulp are supplemented by alfalfa hay, grown mainly on the project, and by feed grains grown both on the project and on dryland farms within a wide radius of the project. The nutrient content of the crops, and necessarily the food product made from

them, is a direct function of soil fertility and is dependent on the annual restoration of vital plant nutrients in the soil. More than $60,000 worth of manure is hauled from feedlots to field annually to help maintain fertility and organic content of the soil, thus making for permanently successful agriculture.

While the expanding livestock feeding operation, with its allied activities, is such an interesting success story that it is difficult to stop, it would be well to emphasize other positive accomplishments of the lower Yellowstone project. For instance, the study made by the Bureau of Reclamation shows that:

The irrigated land of the lower Yellowstone project outproduces adjacent nonirrigated land by about six times.

Irrigated land values are 12 times the value of grazing land and 4 times the value of dry cropland.

The more intensive use of resources, and concentration of population, both brought about by irrigation, have improved community development through expanded hotel and motel facilities for the convenience of travelers, construction of a good hospital which serves ranchers and project farmers, and better schools.

Retail sales are four times as great in Richland County, Mont., in which two-thirds of the project is located, as in the nearby nonirrigated county, an area of equal size.

The lower Yellowstone project has increased local employment in business and professions twentyfold.

Personal income in the irrigated area is three times greater than in the nearby county of equal size. Residents of the irrigated area enjoy a higher level of living than in the comparison area and pay one-third less non-Federal taxes per capita, because of the much wider tax base provided by the agricultural economy.

The project is responsible for providing employment to many persons residing in other parts of the country in the manufacture, transportation, selling, and servicing of project-produced commodities and in those industries that produce goods and services to meet the needs of project residents, such as farm machinery, automotive equipment, furniture, clothing, to name only a few. Merchandise shipped into the area comes from 32 States.

Federal tax revenues from the project area since 1940 alone equaled nearly twice the Federal cost of project construction.

The story of this project has been repeated, of course, over and over elsewhere all through the West, and each project has a success story of its own made possible through the efforts of each and every water user.

Today, irrigators and prospective irrigators from Montana, North Dakota, South Dakota, and Wyoming are gathered here to take part in a project tour session of the 11th annual meeting of the Water Users' Irrigation Conference, an organization sponsored by region 6 of the Bureau of Reclamation.

The water users attending this conference represent about 2 million acres of irrigated land within the northern tier of the Missouri River Basin States. Within that area there are 17 projects constructed by the Bureau of Reclamation, serving nearly 500,000 acres, or about one-fourth of the total.

They are, in the main, managers and irrigation district officials who operate and maintain one of the largest and most important businesses in this area. Annually, they spend millions of dollars to operate and maintain the irrigation systems that deliver water to these many large and small projects, the most productive agricultural land in this region. The problems they discuss, the solutions they obtain as the results of their discussions, are the ends whereby full and needed production can be reached. I am sure this conference will be as useful and productive as the past 11 meetings have been.

It is appropriate that this conference is being held here during the golden anniversary of the lower Yellowstone project. This project has a particularly interesting history in the field of operation and maintenance. An operating agency known locally as the board of control, not only operates and maintains the two irrigation districts of the lower Yellowstone project but also the nearby adjacent Intake project and the Savage unit of the Missouri River Basin project.

During today's morning session, officials of the lower Yellowstone project explained to you the mechanics of their operating agency, and how such an organization is designed to serve you and your neighboring water users. The operating agency concept, whether you call it a board of control, the water users' round table, or any other name, is not some superagency dictating to the irrigation districts.

It is a servant of the districts, created by them and holding no power and no authority not granted by them. It has no hard and fast organizational structure but can be tailored to the individual needs of a given group or area. And in these days of rising costs and the attendant need for skillful, qualified personnel, it offers an opportunity for savings and improvement.

As water users, you have a full realization of the overwhelming importance of water in our lives and the necessity of taking positive steps to conserve it and use it wisely. Today's national demand for water—250 billion gallons a day—will be double that amount in 20 years. As you know, a possible remedy close to you is the urgent requirement for reducing water loss attributable to seepage, weeds and other growths, as well as any other water wastes that may take place. To the water user, the conservation of irrigation water and the production of needed food are inseparable subjects.

We can anticipate that the irrigated acreage in Montana, Wyoming, South Dakota, and North Dakota will increase in years to come. Completion of the mainstem storage system on the Missouri River and the continuing construction of storage reservoirs on the tributaries will insure the availability of water.

During recent years, hundreds of future potential water users of the proposed mammoth 1 million-acre Garrison diversion unit in North and South Dakota, have visited here and have become acquainted with the accomplishments of the lower Yellowstone project. There are, no doubt, many of you here today from these same areas, and we are glad to have you with us. Your observations of the lower Yellowstone project will be important in determining the value of irrigation in your communities. The Garrison diversion unit, with its prospect of intensive irrigation farming, feedlots, and service and processing industries, will provide opportunities far beyond the fondest hopes of the western homesteader of half a century ago.

Over and over again, reclamation projects have developed and prospered in all parts of the West and the miracle of opportunities, such as shown on the lower Yellowstone project, will happen again as the Garrison diversion unit and other potential irrigation projects throughout the Missouri River Basin are developed.

Golden water is the wand whose touch brings golden harvests. Golden water is the creator of homes, farms, and industries. The creation of future irrigation projects within the basin, similar to the accomplishments so definitely emphasized by the water users and other businessmen of the lower Yellowstone project, is a challenge that must be met.

Labor's Support of Our Position in Regard to the Berlin Crisis

EXTENSION OF REMARKS
OF
HON. ALVIN M. BENTLEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1959

Mr. BENTLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the attention of this body to the following text of a letter with enclosures which I recently received from Mr. Jay Lovestone, Department of International Affairs of the AFL–CIO. I know this strong reaffirmation of American labor's support of our position in regard to the Berlin crisis will be of interest to all Members of this body:

AMERICAN FEDERATION
OF LABOR AND CONGRESS OF
INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 17, 1959.

Hon. ALVIN M. BENTLEY,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BENTLEY: Thank you very much for your letter of July 14. I received it with much appreciation, especially the tearsheet of the CONGRESSIONAL RECORD which contained a reprint from the AFL–CIO Free Trade Union News.

Because of your interest in American labor, I am enclosing for your information a letter written on July 14 by Mr. George Meany, president of the American Federation of Labor and Congress of Industrial Organizations, to U.S. President Dwight D. Eisenhower, and President Eisenhower's reply to the same.

In his letter, Mr. Meany refutes the glaring distortion, concerning the position of American labor and its support of the American Government's policy in regard to the Berlin crisis, which Soviet Premier Khrushchev presented to Averell Harriman during the latter's recent trip to Russia.

I am sure that both letters will prove worthy of your attention.

With kind regards, I remain.

Sincerely yours,

JAY LOVESTONE,
Department of International Affairs.

AFL–CIO President George Meany today released the text of the following letter to President Eisenhower, dated July 14:

"DEAR MR. PRESIDENT: According to press reports, Soviet Premier Nikita Khrushchev has told Mr. Averell Harriman that, though the leaders of both parties supported your position in regard to the Berlin crisis, the American workers did not.

"In view of the reconvening of the Foreign Ministers' Conference at Geneva, I deem it necessary, Mr. President to write you regarding the above.

"Mr. Khrushchev's statement is a deliberate misrepresentation of the facts rather than a mere misconception concerning the United States. Khrushchev knows very well that several months ago, American labor publicly pledged its support of every effort by our country and its NATO allies to save the freedom of West Berlin. On February 20, 1959, the AFL–CIO Executive Council considered the Berlin crisis and unanimously adopted a statement declaring in part:

" 'The Executive Council welcomes the fact that the United States, Britain, France, the German Federal Republic, and the other NATO powers have rejected unequivocally the Soviet ultimatum that the Allied Forces get out of Berlin. * * * Neither the freedom

of West Berlin, nor the freedom of the 50 million people of West Germany, can be objects of international bargaining. In the interest of their own security and self-preservation, the democracies cannot accept any reunification of Germany which is not reunification in freedom, through U.N.-supervised free elections.'

"In line with this assessment, the AFL–CIO Executive Council presented a 6-point program and called for 'the strongest Western unity and preparedness for any eventuality * * *' to 'preserve world peace, save Berlin's freedom, and hasten the day when the German people will be united in freedom.'

"Arrogance rather than ignorance also explains the Soviet dictator's telling Mr. Harriman that the American working class had no voice in the political affairs of the United States. Only last November, the Soviet press recognized the important part played by American labor in the last U.S. congressional elections. Khrushchev knows that through its independent political activities American labor has become increasingly influential in the political life of our Nation—not only in regard to social and economic legislation but also in respect to foreign policy. Surely, Khrushchev has not forgotten that it was American labor which prompted the United Nations–ILO condemnation of forced labor behind the Iron Curtain. Nor has he yet forgotten the vital role played by American labor in the U.N. condemnation of the savage Soviet aggression against the Hungarian people.

"When Khrushchev speaks of the American working class he thinks of the Communist Party in the United States. Despite its enjoying all the privileges and rights of democracy, the Communist Party in the United States has been declining and is of no serious consequence in the American labor movement or political life of the Nation. When Khrushchev made the above false assertions, he undoubtedly had in mind the insignificant Communist organization in the United States and not the American working people.

"Furthermore, no American citizen or organization has authorized or requested Mr. Khrushchev to speak in behalf of labor or any other section of the American people. In fact, we are completely convinced that free elections in the U.S.S.R. would show that Mr. Khrushchev does not speak even for the workers of his own country.

"Mr. President, it is not so much ignorance or misconception of our democratic way of life and its free institutions which prompts the Kremlin to wage the cold war against us and to threaten humanity with an atomic conflagration. Khrushchev and his Communist regime fear and hate democracy, because they know and understand it is to be the obstacle to their drive for conquering the world and remolding it on the Soviet pattern.

"In this critical situation confronting our country and all mankind, I assure you, Mr. President, that American labor is solidly with you in seeking to rally our own and all other liberty-loving nations for joint all-out efforts to preserve the freedom of the people of West Berlin, to promote the reunification of Germany in freedom, and just and lasting world peace.

"Sincerely yours,

"GEORGE MEANY."

Following is the text of a letter received today by AFL–CIO President George Meany from President Eisenhower:

THE WHITE HOUSE,
Washington, July 15, 1959.

Mr. GEORGE MEANY,
President, American Federation of Labor and Congress of Industrial Organizations, Washington, D.C.

DEAR MR. MEANY: Thank you very much for your letter of yesterday. For a long time I have been keenly aware and appreciative of the firm stand taken by the AFL–CIO in support of the Government's refusal to abandon either the free people of West Berlin or our rights and responsibilities respecting that city.

Your present letter should convince everyone, including the Soviets, that in the United States labor is free, and because it is free, it is part of the decision-making process in our country. When free citizens form their conclusions and convictions on matters that affect America's international position, they cannot be divided on the basis of vocation, creed, or partisan politics. The efforts of any outsider to divide America are bound to fail when the basic beliefs and the vital interests of this Nation are at stake.

I am grateful for your letter, because even though I have had no doubt in my own heart or mind of AFL–CIO solidarity in this matter, I salute your entire membership for reaffirming this solidarity before the entire world.

With warm regard.

Sincerely,

DWIGHT EISENHOWER.

Liberia Celebrates 112th Anniversary of Independence

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. POWELL. Mr. Speaker, when I returned from the Bandung Conference I announced that I would address the U.S. Congress each time there was an anniversary of one of the 29 nations participating in the Asian-African Conference who are on friendly terms with the United States.

Today it is my pleasure to pay tribute to one of our stanchest friends on the continent of Africa—the Republic of Liberia which celebrates the 112th anniversary of its independence on Sunday, July 26. I wish to extend greetings to President William V. S. Tubman, to the Government and people of Liberia and to His Excellent George Arthur Padmore, Liberia's Ambassador to the United States.

Founded in 1822 by freed American slaves under auspices of the American Colonization Society, Liberia declared her independence as a free and sovereign state on July 26, 1847, thus becoming one of only two republics in the world governed by Negroes.

Since then she has quietly and thoroughly engaged in the great task of nation building, erecting what was until a few years ago the lone Republic in all Africa.

In many respects, as Ambassador Padmore has said often, Liberia is an extension of America onto African soil. Founded by Americans, her political, social, and economic systems follow closely those of the United States.

In war and peace she has been our unquestionable ally in Africa.

Over three-fourths of her exports are shipped to us. The United States, in turn, has aided materially in Liberia's economic development.

To repeat what I said in a previous salute to this valuable ally: "The Republic of Liberia—land of great contrasts between the primitive and the modern—may be the pivot on which will swing the future of Atlantic Africa."

Under the courageous, dynamic leadership of President Tubman, Liberia stands today as a monument to free world achievement.

Seeking investments, not alms, the country opened wide its doors to foreign investment with a liberal policy that has brought vast benefits to both investors and Liberia alike.

With its great store of natural resources being developed by some of the world's largest and most respected businesses, including our own Firestone Rubber Co.; B. F. Goodrich Rubber Co.; and Republic Steel, the country is afire with industrial activity.

New roads, harbors, airfields, communications lines, businesses, hospitals, and schools are rising throughout the land. National income has multiplied. Social legislation has been enacted protecting the weak. Its diplomatic missions stand majestically in the major countries of the world.

With industrialization underway, the country embarked upon a program of national unification—uniting in firm, amiable bonds the Republic's estimated 2½ million people, including 28 tribes with 23 different tribal dialects.

Of these programs, President Tubman has said:

> Because of the success of the unification and other development programs, Liberia has become a place where all Liberians and foreigners alike can live freely under the law without discrimination, fear or hindrance. While these programs have brought to our shores persons of all races and nationalities, I am happy to state that side by side we have worked to achieve satisfactory results. Over the years this nation has made progress in health and sanitation; transportation and communication; agriculture; education and other related fields. But there is yet need for greater, more extended and expanded development.
>
> We are not content with our accomplishments; for until the whole of Africa is linked by first-class roads, bridges and other means of transportation; until there are hospitals, clinics, schools and hotels fully equipped and staffed by trained personnel; until our communications system spans the entire continent and world making contacts easy and speedy; until cheap and modern power is made available to attract and encourage more large-scale industrial activities; until our agricultural products are sufficient not only for local consumption but also to reach the world markets and yield adequate returns; until the peoples of our continent are free and independent to enjoy their inherent rights in common with the peoples of other continents, we of this continent cannot be contented. Neither can we relax our efforts.
>
> This is therefore a great task which requires hard work and earnest strivings. It requires patience, tolerance and understanding, not rash and hasty actions. We must learn to work and live together with all races and people as brothers.

Liberia's program of domestic industrialization and unification referred to by President Tubman is now bearing fruits. So is her insistence on freedom and independence for the whole of Africa.

When Liberia was the lone African republic she consistently voted for and sponsored resolutions and measures in the United Nations condemning the oppression and subjugation of her fellow Africans under colonialism and imperialism. Liberia sponsored resolutions for the liberation of Libya, Morocco, Tunisia, the Sudan, and Ghana. She recently welcomed into the community of nations the Republic of Guinea and is ready to extend the same welcome to Nigeria, the Cameroons, Togoland, and Somalia.

Though, as Ambassador Padmore has put it, "Liberia's century-old vigil as the lone sentinel of African freedom is ended," not so her African leadership.

In free Africa, where the cry for independence has been replaced by the cry for unity, Liberia is playing a leading part in achieving this solidarity. The Liberian Government has proposed an immediate beginning of cooperation in all fields where cooperation is possible now. It feels that the precise political framework within which this cooperation can be strengthened and continued should be left for later discussion.

President Tubman has said that his aim is cooperation without controversy. He does not wish to see the aspiration of the masses for united action foundering in a sea of argument over sovereignty, leadership, frontiers, and constitutions.

A stanch advocate of African unity, President Tubman was the only chief of state to attend the conference of independent African states at Accra, Ghana.

Because of certain artificial barriers which have kept African nations apart, Mr. Tubman has said, economic, cultural, social, and political intercourse between Africans has been negligible.

As a start toward rectifying this forced estrangement, he has proposed the formation of the Associated States of Africa, an organization in which each nation will be free to retain its autonomous status and its peculiar identity, but in which all of them will be bound together by a single convention of friendship, commerce, and navigation, workable for the common good of all concerned.

In a signal tribute to President Tubman and his government, the Liberian people recently went to the polls and almost unanimously reelected him to an unprecedented fourth presidential term—an honor befitting so great a servant of his people.

While the Liberian people were in the midst of honoring their servants, they themselves were being honored in a Nigerian newspaper—as the silent servants of Africa.

On this, Liberia's 112th independence day celebration, I too salute President Tubman, his government, and people—for endurance as a nation under adverse circumstances, its lone star beaming a ray of hope to all Africans—for developing and offering to the free world indispensable raw materials that are rapidly becoming depleted in other parts of the world—and for aiding the continent of Africa to regain its inherent and inalienable right to freedom and independence.

I salute Ambassador Padmore for outstanding performances in representing so creditably the Republic of Liberia in our country.

May Liberia continue to enjoy God's blessings of progress and prosperity.

Address by Hon. Herbert C. Bonner at the Launching of the NS "Savannah"

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. BOYKIN. I ask unanimous consent to extend my remarks in the RECORD and include therein what I consider a wonderful speech made by our distinguished chairman, the Honorable HERBERT C. BONNER, Democrat, chairman of the House Committee on Merchant Marine and Fisheries, at the launching of the NS *Savannah* at New York Shipbuilding Co., Camden, N.J., July 21, 1959. I thought our great Chairman BONNER made one of the best speeches made on this famous day, where our First Lady, Mrs. Dwight D. Eisenhower, christened this unusual and fabulous ship that is not only the United States, but the entire world's first nuclear-powered merchant ship.

How I wish every Member of this House, who represent every human in America, could have been there and not only heard Congressman BONNER's speech, but so many other great talks by great men; and Mrs. Eisenhower was truly in all of her glory when she so graciously and beautifully christened this the greatest of ships just as it slid down the ways into the waters at Camden, N.J. The men and the women and the boys and the girls all were so thrilled and so happy. In all of my long years in attending similar occasions in many places all over this country and foreign countries, too, I do not believe we have ever had anything just like this.

The President of the United States message said this, and I quote:

> I am confident that the ship will be the forerunner of atomic merchant and passenger fleets which will one day unite the nations of the world in peaceful trade. (President Eisenhower, Oct. 15, 1956.)

Not only did this gracious, smiling, wonderful, friendly Mrs. Eisenhower do such a beautiful job, but she was assisted by another great lady, Mrs. Henry B. Sayler, of Savannah, Ga., as matron of honor. Then, too, we had a very unusual and fabulous fellow from way down in the Deep South, the one and only Louis E. Wolfson, chairman of the board of the New York Shipbuilding Corp., that built this ship, and in Mr. Louis E. Wolfson's and Mr. Edward L. Teale's messages they said, among many other inspiring words, to the great group that was gathered there, they quoted what President Eisenhower said about the *Savannah* when announcing plans for its construction, and I quote: "This ship will demonstrate to people everywhere the peacetime use of atomic energy, harnessed for the improvement of human living." And I think we could have had it for the happiness of all mankind.

The master of ceremonies was Mr. Harry W. Pierce, vice chairman of the board of the New York Shipbuilding Corp.

I thought that the Honorable Clarence G. Morse, Chairman of the Federal Maritime Board and Maritime Administrator, as well as Senator Clinton P. Anderson, of New Mexico, also made great speeches, and we certainly could not forget Miss Elaine Malbin, who inspired us by singing "God Bless America."

Again I want to say there were great speeches by our old friend, Congressman OREN HARRIS, of Arkansas, and many other famous people, but to me, Chairman HERBERT BONNER's speech was the best and I believe made the greatest impression on the multitude of people that attended this great event. I believe when you read this message you will agree with me, but I thought Congressman BONNER delivered it so well, and every one of us—and there were acres on acres of spectators—could hear distinctly every word that you will read in this speech, and we on the Merchant Marine and Fisheries Committee, as well as the entire Congress, I am sure, are very proud of Chairman BONNER and the great work he did there where we had people gathered from the four corners of this earth.

Again I will repeat, I only wish all of you could have been there and have witnessed the entire proceeding that was so inspiring and which I believe means much to peace and prosperity and will truly be a real help to all mankind.

REMARKS OF REPRESENTATIVE HERBERT C. BONNER, DEMOCRAT, OF NORTH CAROLINA, CHAIRMAN, HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES, AT THE LAUNCHING OF THE NS "SAVANNAH" AT NEW YORK SHIPBUILDING CO., CAMDEN, N.J., TUESDAY, JULY 21, 1959

Mr. Teale, our most gracious sponsor and First Lady, Mrs. Dwight D. Eisenhower, Mr. Secretary, Mr. Morse, Mr. McCone, and representatives of the governmental departments, my distinguished colleagues in the Congress of the United States, members of the Diplomatic Corps, friends of the American merchant marine, ladies and gentleman:

It is with the greatest pleasure and pride that I am privileged to be here today to take part in the launching of the NS *Savannah*, the world's first nuclear-powered merchant ship.

It is inspiring, indeed, to stand here—a little more than a year since the laying of the keel of this great ship—and witness the fulfillment of a dream made possible through the imagination, the skills, and the energy of Americans from all walks of life. It is incredible to contrast this magnificent work of the mind and hand of man with the single steel assembly that was laid in place on this shipway on Maritime Day, 1958, to mark our first step into the nuclear age on the seven seas.

The dynamic development of the idea of adapting peaceful use of the power of the atom to merchant shipping is equally incredible.

We have known that nuclear energy could be adapted to ship propulsion ever since the submarine *Nautilus* proved to be such a

tremendous success. But many were skeptical about moving ahead with a merchant ship prototype until years of experience with shore-based plants might indicate immediate efficiency and economy.

The first proposal to build an atomic-powered merchant ship gave no thought to the advancement of our merchant marine. It would have been a floating showcase of nuclear devices demonstrating peaceful uses of atomic energy in other fields.

As the idea grew, those of us responsible for the maintenance and development of an adequate American merchant marine under our national policy urged that we take the idea a step further and build a brand new vessel, especially designed in both hull and machinery, to secure the maximum advantage from this promising new source of power and from which we could learn how to build and operate efficient, working ships for the merchant marine of the future.

Thus, it was, that the authorizing legislation passed by the Congress and approved by the President in 1956 directed the construction of a practical merchant ship, powered by an advanced type of reactor, especially designed for the purpose. The President, the Congress, the Government departments, and the maritime and atomic energy industries, have every right to feel great pride and satisfaction in the part they have played in the construction of this new vessel. Already, lessons learned in the creation of the NS *Savannah* are showing the way to the design and production of fully competitive merchant ships many years earlier than ever thought possible.

Last year, standing in this same spot, I reviewed the unfortunate history of the old steamship *Savannah*, which more than 100 years ago was the first steamship to cross the Atlantic Ocean. I pointed out at that time how this country had ushered in the age of steam on the seas, and then, through failure to follow up what we had developed, and by continued adherence to sailing ships, we were soon left behind and for a half century fell to the status of a third-rate maritime power.

I repeat my admonition of a year ago—"Let us be sure that the lesson of the old *Savannah*—for which this new ship will be named—will be well remembered and studiously observed."

The record is clear that it is not premature to proceed with the next steps in the development of nuclear-powered vessels for peaceful purposes.

Our pioneering here is already being seriously studied by a number of other nations who are proceeding vigorously toward the development and construction of advance nuclear merchant vessels of their own. Under our open policy of sharing nuclear "know-how", these other countries are able to start with all the knowledge we have gained from our first ship.

Therefore, we in Congress realize that if we do not press forward now with a progressive program we will again be guilty of willful blindness of incalculable cost. We cannot afford to forfeit the promising progress that has been made to date.

I pledge that the Committee on Merchant Marine and Fisheries will do all within its powers to help retain our initiative in the field of nuclear energy on the oceans with its unbounded possibilities.

With this ship, and with those which I hope will follow soon, we are casting our bread upon the waters, and I am sure the return will be a thousandfold.

Godspeed to the *Savannah* when she receives the magic of life with the blow of the christening bottle, and the surge of the water beneath her hull.

Thank you.

The Barter Program Under Public Law 480

EXTENSION OF REMARKS
OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 23, 1959

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to insert the text of a statement I delivered this morning before the House Committee on Agriculture in connection with the barter program under Public Law 480. My statement is as follows:

STATEMENT OF REPRESENTATIVE VICTOR L. ANFUSO, OF NEW YORK, BEFORE HOUSE AGRICULTURE COMMITTEE, THURSDAY, JULY 23, 1959, ON PUBLIC LAW 480

Mr. Chairman and my former colleagues on this committee, while my anatomy may not be on one of those chairs you occupy, my heart is still in this room. It was not my idea to be taken off this committee, and I sincerely feel that we were making wonderful progress in bringing about better understanding between the producers of agricultural commodities and those who consume them. May I say also this morning that the farmer also needs the businessmen from the cities to help him dispose of his agricultural products by barter, as well as cash sales.

The President of the United States has often expressed himself in favor of barter and so has the Secretary of Agriculture and many in the department who administer the program. Congressional leaders of both parties have told the President and the Secretary of Agriculture that we should do more bartering.

Where then is the opposition which has been so effective as to make those rugged American pioneers, who braved all sorts of dangers to bring strategic materials to this country in furtherance of our national security and defense, look almost like criminals engaged in a nefarious occupation? It comes from those men in very high places in government who sincerely but nevertheless misguidedly, believe that it is wrong for this country to engage in honest-to-goodness competition with our allies; that whenever our competition interferes with the foreign trade of any of our allies, we alone should back down and let their products through even though what they are doing always hurts our taxpayers and many times helps our enemies.

When those who are opposed to barter say that barter transactions interfere with normal trade, what they really mean is that through barter we are disposing of more agricultural surpluses than our friendly competitors.

Foreign competitors naturally want us to relax our barter transactions so that they can do more business through direct sales or barter.

The question then should be asked these well-intentioned men: Is it right for our competitors to undersell us and make use of barter and wrong for us to do the very same thing?

Mr. Chairman, this barter program is a good one. If properly administered, not only will it dispose of surpluses equaling the value of the needed materials which we acquire, but we have had ample testimony before this committee from competent exporters of agricultural commodities to the effect that disposals through barter materially assist in their disposals for cash. And as you, yourself have very eloquently demonstrated, time and time again there has never been one single instance where a barter transaction prevented a cash sale for dollars. In other words, our total disposals have been increased by the barter program operating before the Department of Agriculture decided to curtail it.

The misguided apostles who oppose barter constantly give the argument that barter disturbs normal marketing. I have already told you what they really mean, but let me go further. In title I, which is a program of great magnitude, we carefully wrote restrictions about the disturbance of normal marketings. Title III, even at the level desired by the Congress, is only a fraction of our governmental disposal program. The Congress has felt that in this instance, the danger to normal marketings would never be as great as in the title I program. This stems from its small volume and the fact that at every step of the way, a barter transaction is precisely the same as a transaction for cash. Every step of the transaction is handled exactly the same way as a cash sale. The only difference, Mr. Chairman, is that in barter the sale of the commodity is tied into a sale of a material which has made it possible for our businessmen to sell agricultural commodities abroad on a more competitive basis than if they were merely selling for dollars.

Mr. Chairman, it has already been pointed out by you and others why the nations of the world with whom the United States competes in the export of cotton and wheat have been vociferous in their opposition to the barter program. It has also been made clear in these hearings and in those we had last year that certain American firms who have large holdings in Mexican cotton have been active in building up support within Government against the barter program. At least one of the large grain companies which, according to the public press, has rental contracts for the storage of our surplus grains totaling $13 million annually, has recently become very active in opposition to the barter program.

Mr. Chairman, I wish I knew, but I don't, why both the Departments of State and Agriculture should be listening to those few who are advancing their own selfish interest to the detriment of our national program.

Mr. Chairman, I cannot honestly find any logic or justification in the arguments advanced against barter. I know that the record shows that as the sales through barter increased, our total exports increased and so did our cash sales. I know that as the barter program decreased, so did our total exports and our cash sales until they have sunk to their present low levels. I know that the storage costs for our surplus agricultural commodities now cost approximately $2 million per day, and the Department estimates a considerable increase in the next few years. I know that the materials that we have been receiving in exchange for our surpluses are not only a valuable insurance against a national emergency, but more importantly, they are materials which we will urgently need in our future economy, and are, therefore, valuable national assets. I know that the value of the materials that we have taken in exchange for the deteriorating and expensive-to-store surplus commodities have increased significantly since their acquisition. I know that barter, and barter alone, has permitted us to acquire materials from many of the underprivileged nations of the world which they could not privately sell for dollars to the United States. And, Mr. Chairman, I know, as you so ably pointed out on the floor of the Congress, that since we have curtailed our barter sales the Soviet

bloc has moved into the vacuum and increased their exports to the very nations to which the Department of Agriculture and our State Department will not permit us to export through the barter program.

Knowing these things as I do, and recognizing that this committee also knows them and has always, on a nonpartisan basis, supported the type of barter program which all of us advocate, the question is what can we do about it?

There are pending before this committee many bills designed either to set the level of the barter sufficiently high as to force the removal of the restrictions presently on the movement of commodities or through other means to make it mandatory that the Secretary carry out the type of barter program which the Congress intends. Any of these bills, with a little rewriting, would serve the purpose.

I have read carefully the bill, H.R. 7983, recently introduced by the chairman of this committee and believe that the language in section 4 is perhaps the most competent language which has been prepared to require the Secretary to carry out the type of barter program that the Congress wants. It may be argued by some that the Congress should not mandate the Secretary to carry on such a program. However, experience shows that no other alternative is effective, and I sincerely believe it would remove criticism of both the Secretary and those who administer the program if the mandate were clear and unambiguous. Otherwise, Mr. Chairman, we might as well abandon the program.

Now, Mr. Chairman, the history of this program is still relatively new. In 1954, as farm surpluses began to pile up in our warehouses, Congress enacted Public Law 480 providing various methods for disposing of these surpluses abroad. One of these methods was barter for strategic and other materials, and services of value to the United States.

Such authority was not new. It had existed for many years in the Commodity Credit Corporation Charter Act (sec. 4(h)) and had been implemented in various other statutes. Relatively little use had been made of this authority, however, because there was no clear congressional policy for such a program.

Section 303 of Public Law 480 established such a policy by directing the Secretary of Agriculture "to use every practicable means" to arrange and make such barters or exchanges whenever he "has reason to believe" that "there may be opportunity to protect the funds and assets" of the CCC by barter or exchange of agricultural surpluses for "strategic materials entailing less risk of loss through deterioration or substantially less storage charges."

The clear intent of this legislation was to establish the congressional policy that barter did protect the funds and assets of the CCC and to establish barter as a priority method of disposing of agricultural surpluses, second only to cash sales for dollars.

For about 2½ years, until May 1957, the Department of Agriculture carried out a barter program as intended by Congress. During this period it exchanged more than $900 million of surplus agricultural commodities for an equivalent amount of foreign minerals and other materials of permanent value. These materials went into the strategic or supplemental stockpile, from which they can be released only by Presidential proclamation or joint resolution of Congress. Therefore, contrary to the fears expressed by the witnesses from the State Department, these materials cannot be a threat to the market, nor do they affect adversely any domestic minerals market or production and in fact support domestic prices by drawing surplus materials from world markets.

This is the best business we have ever done in disposing of surpluses. As shown in the extremely well-prepared staff study of your committee, during the years 1954–58 we exchanged $979.6 million in essentially worthless farm surpluses for barter materials. On March 27, 1959, these materials were worth $1,035.2 million or $55.6 million more than we paid for them. At the same time, we have been saving more than $100 million a year in storage costs. The Department of Agriculture estimates the annual cost of storing the farm surpluses we have exchanged by barter would be $109.1 million, while the annual storage cost of the materials we have received in exchange is only $4.4 million.

Why in May 1957, the Department of Agriculture suddenly brought this highly successful program to a halt is still a mystery. The announced reason was that it was interfering with cash sales. More recently it has become clear that this means the cash sales of other nations, not ours. In numerous appearances before the House Agriculture Committee, Department witnesses have never been able to submit any proof of significant interference with cash sales. On the contrary, the Department's records as shown in your committee staff study show that our total exports of agricultural commodities have been highest in the years when barter exports were the highest.

As I have previously stated, the real reason for the action was that small groups of employees in the Department of Agriculture and the Department of State who had always been opposed to the barter program had succeeded over the years in impressing their views on those at the policy level.

Committees of both the House and Senate have tried repeatedly to get the Department of Agriculture to reinstate the barter program but without success. From May 1957 until November 1958, after Congress had enacted a new and stronger barter policy provision, there was virtually no barter business done.

The device used by the Department of Agriculture to prevent barter transactions was to require a showing by the proposed contractor that the exports of surplus commodities involved in the transaction would be over and above all possible cash sales of these commodities. Obviously, it was impossible for private contractors to submit any satisfactory proof of such additionality. It is unfair to place the burden of proof upon them.

The insincerity and inconsistency of the Department's position on this matter was demonstrated by the fact that during the fiscal year 1958 the Secretary made agreements to sell surpluses for foreign currencies (under title I of Public Law 480) to at least 12 countries into which he refused to let surplus commodities move under barter transactions without proof of additionality, although he had the burden of proof under section 101(a) of the act to determine that sales under title I will be additional to usual marketings of the United States before approving any such sales.

Over the objections of the Department of Agriculture, the act extending Public Law 480 in 1958 (Public Law 85–931) embodied a revised barter policy section intended to reestablish the barter program at the level at which it was operating prior to May 1957 and undertaking to prohibit the Secretary from requiring a showing of additionality on the part of the proposed contractor before approving a barter transaction.

The policy of Congress that the Department of Agriculture should carry on an aggressive and substantial barter program is clearly set out in the 1958 amendment and is summarized by the House conferees, of which I had the honor to be a member, in the last paragraph of our report on the bill:

"As we have stated above, the substantive changes in the law, while significant, are not nearly as significant as the fundamental fact that the Congress has felt it necessary to enact legislation to require performance of a program which it has previously established by law. This bill is designed to reinstate a barter program of at least the magnitude followed prior to the restrictive regulations issued by the Secretary of Agriculture."

In spite of this clear intention of Congress, this program has continued to be hedged about by restrictions and obstacles which will prevent it from attaining more than one-third of the volume Congress had in mind.

The restrictions are in two general areas:

(1) Designation of most of the major trading areas of the world as markets into which surplus commodities may be exported by barter only with a showing of additionality, and

(2) Arbitrary and unnecessary limitation on the list of foreign materials which may be imported as part of a barter transaction. The Department of Agriculture itself admits that it is more difficult to make a barter transaction under the reinstated program than it was under the regulations in effect prior to the 1958 amendment of the law.

Since the announcement of the reinstated program in November 1958, the Department has received, as of June 30, 1959, some 559 formal written offers to enter into barter contracts for a total value of $854 million. However, it has rejected offers amounting to $493 million and has accepted only offers with a value of some $156 million.

Significantly, the volume of new offers has been drastically reduced so that new contracts will be in a greatly reduced volume. For instance, while during November through February the new offers averaged over 115 per month, since then they have averaged only 38 per month. This is basically because the materials offered were no longer eligible for barter because quotas established by the materials committee had been reached.

For 3 months the Department refused to accept any offers to barter cotton, although U.S. cotton exports are running 51 percent below last year and American cotton has virtually ceased to move on the world market because of our export pricing policies. Listen to this: It refused to approve the barter of soybeans into West Germany although that country is increasing its purchase of soybeans from Communist China. It refused to approve barter of feed grains into the Benelux countries although their purchases of feed grains from the Soviet bloc are increasing. It refused to approve a barter of cotton and tobacco to France, entering instead into a sale of these commodities for French currency, although the French were willing to pay for the commodities by valuable materials instead of with soft currency, which as times goes on will be reduced in value. It refused to approve a multilateral transaction involving movement of American cotton to Japan, although Japan was negotiating and has since entered into, its first barter deal with Russia for Soviet-controlled cotton.

While our Department of Agriculture is preventing surplus agricultural commodities from moving into European markets under the barter program, while our agricultural exports are at the lowest point since 1955, agricultural commodities from the Soviet bloc are moving into the West European market in steadily increasing quantities. Numerous new trade agreements with the Soviet bloc involving agricultural commodities have been signed by West European countries within the past year.

Under these trade agreements alone, more than an estimated 1.5 million metric tons of wheat, feed grains, tobacco, cotton, and rice will move during the calendar year 1959 from the Soviet bloc into countries where

the Department of Agriculture will not permit our surpluses to move under barter without a special and virtually impossible proof of additionality, and I might add that these are the so-called hard-currency countries.

The second major impediment to the barter program is the small list of materials which have been designated for importation under the program. The 1958 amendment broadened the base from which the President may designate materials to be received in barter so that it could include materials others than the approximately 70 on the official stockpiling list. The President assigned the responsibility for recommending such materials to an interdepartmental committee and this committee has done the exact opposite of what the Congress recommended. It has designated only a relatively few materials which can be received in barter, about 25, and, without specific authority from the President, has placed quantitative limits on even these few materials. The effect is that there are at present only a relative handful of materials—at best estimates about 12 in number—which are actually eligible for importation under the barter program.

It is reported that representatives of the Department of Agriculture on the Inter-Agency Materials Committee have tried strenuously to get additional materials on the barter list and to have quantitative limits removed from those now on the list but that their efforts have been thwarted consistently by representatives on the Committee from the Department of State and the Bureau of the Budget. In addition, it is reported that the Bureau of the Budget representatives have put pressure on the General Services Administration, which established the price paid for barter materials, to reduce the price levels they will approve, so as to further handicap the program.

I repeat that the President has expressed himself as favoring a substantial barter program—probably close to that carried on prior to May 1957—that the Secretary of Agriculture is not opposed to a substantial program and that the main impediments to this program are being erected by those below the policy level in the Departments involved. In most instances, those making policy can only accept the reports and recommendations of those working under them and if these reports indicate that a program is being carried out in accordance with the intent of Congress, although this is not the fact, this position will ordinarily be accepted by policymaking officials.

To me, Mr. Chairman, the collateral benefits arising from a barter program such as that carried on by the Department before May 1957 are even more important to the United States than is the primary benefit of disposal of essentially worthless surpluses for valuable minerals. Among these collateral benefits are the following:

Resistence to Soviet trade expansion: Many of the materials acquired under the barter program come from economically underdeveloped countries of Africa, Asia, the Near East, and South America. In many instances, these materials are the major export commodites of those countries. Under the barter program we were providing these countries with a profitable outlet for what they have to sell. We were establishing and cementing their trade relations with the United States. We were making it difficult for Russia to move into this same trade area. With the curtailment of the barter program, we have cut off this trade relationship with many of these countries and in so doing are aiding and abetting the efforts of the Soviet bloc to extend their sphere of economic influence. Don't take my word for this, look at your own committee staff study which shows the countries from which we were acquiring materials under the barter program.

Barter is an effective form of foreign aid: In the case of many of the countries listed in the staff study, the commodities obtained by the United States under the barter program are substantially the only products those countries have to sell to this country and in many instances they are extremely important to the economy of the country involved. Under the barter program we were not only obtaining full value for our agricultural surpluses but we were providing the most effective type of aid to the economies of the countries from which we were acquiring materials. Without $1 of cost to the taxpayers of the United States we were providing these countries with millions of dollars worth of purchasing power and providing it in the place where it does their economic development the most good, in the direct channels of trade and commerce.

Barter stabilized our own minerals industry: Under the barter program, the world price of lead and zinc was stabilized at a level satisfactory to virtually all concerned. Only after the Department of Agriculture discontinued the barter program and acquisitions of these metals under that program ceased, did the world price of lead and zinc drop to the point where assistance had to be provided for the domestic mining industry. The steps which have had to be taken to subsidize the domestic lead and zinc industry would probably not have been necessary had the barter program been continued. It is worth noting that now that there is again a barter program—even on a limited scale—the world price of these two minerals is improving.

Barter is good foreign relations: A large part of the unpleasantness which Vice President NIXON encountered in South America was the outgrowth of the curtailment of the barter program. Although the quantity of materials which had been obtained from South American countries was not large, it had been sufficient to provide an important prop to their economy, not only through direct sales but through stabilization of world minerals prices. In the opinion of competent observers, unrest and hardship related directly to termination of the barter program provided the environment which made possible organization of the demonstrations against the Vice President. It is probable that this situation is being repeated in other countries and other parts of the world.

Barter is good business: No other form of surplus disposal gives the United States as much in return for its surplus commodities as barter. Under barter, surpluses are exchanged at their full export value for strategic and other materials which (considering the effects of inflation) are actually worth more than dollars, and the exporter pays the ocean freight. Under title I sales, the selling price is frequently discounted by a favorable exchange rate, part of the CCC dollars go to pay the ocean freight, and the United States receives in return foreign currencies subject to serious depreciation. Even cash sales take dollars out of the importing countries, while barter transactions put dollars or their equivalent into the countries from which the materials are acquired, and the record is convincing that these dollars are immediately spent in the United States—thus giving us two full-rate commercial transactions for our surplus commodities.

In conclusion, Mr. Chairman, I hope that this committee and the Congress and, for that matter, the executive branch, will not judge the many values of this total program solely in the light of unproven and now shopworn statements that barter sales displace cash sales, or in the light of the objections from friendly foreign countries, who, while doing extremely well in exporting their own agricultural commodities, are most jealous of any exports from the United States. These are relatively minor considerations raised against a proven method of increasing our agricultural exports, reducing our surpluses, assisting friendly nations, and building our economic resources—a method which has strengthened the United States to wage economic war against the Soviet, and enabled us to better protect the very allies who are complaining.

Hon. Neal Smith, of Iowa, Proposes New Farm Stabilization Program

EXTENSION OF REMARKS
OF
HON. HAROLD D. COOLEY
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 23, 1959

Mr. COOLEY. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a very thoughtful statement by Hon. NEAL SMITH, of Iowa, embracing a proposal for a farm program intended to prevent bankruptcy prices in agriculture and to open to the farm families of America an opportunity to share equitably in the rewards of this Nation's free enterprise system.

Our colleague from Iowa is serving his first term in the House, but he already has firmly identified himself to this body by his devotion to the well-being of the farm families across this broad land who produce our food and fiber. He has introduced specific bills on agriculture and he has testified before the House Committee on Agriculture, which it is my honor and privilege to serve as chairman.

Although it has been impossible in this Congress thus far to develop sorely needed farm legislation which would meet with the President's approval, our colleague has been hard at work; and I am certain that his studies and activities will be of value to this House as we continue our efforts to deal effectively with the pressing problems now confronting our farmers.

The statement I am submitting for the RECORD was presented by Mr. SMITH to our Committee on Agriculture. I think it is of such a character as to provoke discussion, looking toward constructive action, on one of the most important problems of our times:

STATEMENT OF NEAL SMITH, MEMBER OF CONGRESS, FIFTH DISTRICT OF IOWA, TO HOUSE AGRICULTURE COMMITTEE

BASIC FACTS

Seventy percent of our new wealth comes from farm-produced crops and 30 percent is derived from mining, fishing, and other sources. All of our wealth results from the conversion or reconversion of this new wealth. Unless the standard of living in the United States is raised drastically, or until the population increases by about 35 percent, the new wealth we have the capacity to produce at the present time will furnish more raw products than would be converted at a reasonable profit for our use. Except in time of war, the American people have never been willing to use the Government to the extent necessary to assure distribution of

all the products that could be converted from the new wealth we are capable of producing.

Through supercorporate combinations, industry has the power to limit the production of their goods to the amount that can be converted and sold at a profit. Through the 40-hour week, overtime pay provisions, and the minimum wage, the work in these industries has been divided to a great extent. Factories where employees worked 60 hours per week during the war now are on a 40-hour week. In spite of the fact that industry is receiving a huge subsidy from the $40 billion per year defense spending, the steel industry, which converts a large portion of the new wealth derived from mining, is now operating at less than three-fourths of capacity. Many years ago, Andrew Carnegie and his associates pyramided the corporate steel structure and so organized the steel industry so that both prices and supplies can be administered, and again following World War II, the reduction in supply to balance the demand available at the administered price was promptly put into effect.

The farmers have no such structure to cut back production. They were asked to and did, during the emergency period, expand their production by using technology that had been known for 50 years but not used and by replacing horses and mules and small machinery with larger machinery. Since there are millions of farmers without any supercorporate structure, they have no way to reduce their production to the amount that can be sold in our economy at a reasonable profit. Farm operators have had no way to divide the production so that they can reduce their average 65-hour week back to a 40-hour or even a 50-hour week. If the farmer's workweek had been so reduced, millions of efficient farmers would not have been driven from the farm to replace city workers or join the ranks of the unemployed. Since unemployment in May of 1959 was 159 percent of the number unemployed 6 years earlier, it is obvious that jobs are not waiting for replaced farmers who average more than 50 years of age. Farmers will not be able to reduce their workweek unless (1) they can make enough profit per unit so an efficient farmer can make a living by working a normal workweek, and (2) there is a way to equitably divide the production so that a farmer working a normal workweek will have such a market for the units he produces.

THE OPEN MARKET

Expecting an open market alone to do this for agriculture is penalizing farmers drastically for increased efficiency by making them give away the abundance they produced and would be expecting too much of an open market. The principal purpose of an open market in the present agricultural situation is to efficiently distribute our abundance. When there is no big shortage or excess of supply of any commodity, the open market can establish a fair price and feed the supply efficiently to the consumers; but to expect the open market to gage supply and establish a fair price for basic agricultural commodities under present circumstances is expecting too much of the open market and giving it a bad reputation in this field that it does not deserve.

OUR ALTERNATIVES

In other words, we have a choice of either finding a way through Government for farmers to divide their production and gage it to the Nation's needs or the alternative will certainly be that a supercorporate structure will emerge wherein a relatively few non-Government nonelected officials determine the supply and price of our food. We are heading toward the latter alternative very fast. There are now 4 million less farmers than 6 years ago working approximately the same 60- to 65-hour week and for less money. Farm assets are now only 83 cents of each $1 compared to $1.87 for each $1 owed 15 years ago. Thus the farm financial situation has become ripe for an integration drive, and it is well under way.

If we conclude this trend with fewer farmers each working a 65-hour week instead of a full complement of farm producers each working a normal workweek, we will have failed to preserve the capacity to expand farm production with the flexibility needed for national security and to assure a sustained supply of food and fibre at a reasonable price. This is true because farmers working a 60-hour week cannot increase their work week very much, and skilled farmers who have moved to the city will not lose their seniority in a plant to return to farm work.

HUMANS WILL REPLACE THE HORSES AND MULES

In the past 20 years, there has been one principal increase and one principal decrease in the demand for feed grains. The decrease has occurred from the fact that millions of horses and mules have been fed to the dogs and replaced with tractors. The feed they ate must now find a new market that will pay for the gasoline for the tractors.

The increase in consumption has occurred as a result of an increase in population. This increase has been so great that it has absorbed the increased production. The total of food grains and feed now stored is approximately equal to the amount of the same that the horses and mules would have eaten if we had used them for draft purposes instead of feeding them to our dogs.

This would indicate that if population and productivity increases continue at a similar rate, the additional productivity will be absorbed by the increased population. However, almost all agricultural economists agree that the population will increase faster than productivity. The increase in population should be enough to absorb both increased productivity and the food that can be converted from the feed that horses and mules ate when they were used for draft purposes. After that time has arrived, we will have to find new land and farmers or face a food shortage. While we stand amid abundance, we can predict that during this century and during the lives of many of us, American citizens will either be rationed on meats and protein products or they will be so high in price that consumption per person will be reduced. In other words, the cereal diet of many countries will begin to replace our protein diet.

Under all these circumstances, it seems to me that our goal should be to preserve our extra productive capacity and the family farm structure and release it as it is needed to assure an abundance of food. This is especially in the interest of consumers.

The alternative is to have surplus and scarcity alternating just as high profits and bankruptcy would alternate. After each period of bankrupt prices, less farmers would survive until eventually the factory-type, collective farm would emerge as the average farm unit. This would destroy the middle income farm structure and substitute for it a structure such as exists in agriculture in so many other countries; namely, a few high-income persons and a lot of low-income workers. This also would leave agriculture in a position where administered prices could replace competitive prices, and for this the consumer would pay dearly. Violent fluctuations are also hard on consumers who are largely on fixed incomes. An example of this is potatoes which are now just twice as high as they were a year ago. The same thing will happen to protein products unless some program is devised to help give us the reasonable stable prices the President says are in the national interest.

HOW CAN WE ADJUST?

If we are to divide production equitably and provide stable prices, we must withdraw and increase either labor, capital, or land as needed or some combination of the three for those are the three ingredients that produce our food. If we were to withdraw capital, we would not preserve our extra capacity to produce and to expand production when needed. In order to withdraw labor, we must withdraw land.

It seems to me there are two basic ways to accomplish the withdrawal of land and be within the long-term goals for consumers and farmers. One is for the Government to set the production goals and lease the productive land not needed to meet those goals. This is the soil bank method. The other way is to set production goals and offer some insurance that if he withdraws some land, the productive land remaining will give an efficient family farmer a reasonable income if he works a reasonable work week.

The soil bank method would mean a continuing large appropriation of Federal money. The latter method would mean a small total cost to the taxpayer if set up properly. The latter method is embodied in H.R. 7710 and in some other bills before your committee.

STABLE SUPPLIES OF FEED GRAINS HELP PERISHABLES

It seems to me that proper division of the production of basic commodities can go a long way toward stabilizing the price of basic perishable items such as meats, poultry, and dairy products—we are now again seeing feed grain prices at only 65 percent of parity wreck the poultry and pork markets. Live hogs are already down to $15 per hundred which is a drop of 25 percent in 1 year and a bigger crop and lower prices are on the way. The consumer is not getting the benefit from the farmers' loss either. Loins are $56 per hundred wholesale while the live animal brings $15 per hundred.

FEED GRAINS

Lowering the support prices as the method of balancing production with consumption has again failed miserably, and the farmer is again paying the bill for the costly retrial of this method. It is also ridiculous to pretend we can advertise our way out of this predicament. On the other hand, the basic laws of supply and demand, when properly applied as in the case of tobacco, have worked. Experience has shown us that some improvements can be made, and so far as feed grains are concerned, I have attempted to insert the needed improvements into H.R. 7710. H.R. 7710 would briefly operate as follows:

1. Corn, oats, rye, grain sorghum, and barley would be tied together as feed grains instead of being under separate programs, and each grain would be given a comparative value according to nutrient value.

2. Production would be equitably divided among farm units and each farmer would be free to raise whichever feed grain or feed grains he pleases so long as the total feed grains raised does not exceed his total nutrient allotment as measured by comparative units.

3. Wheat raised without an allotment would be counted against the feed grain allotment for the farm. This would help avoid hurting the wheat program. Wheat farmers and others should also comply with a similar provision and quit hurting feed grain farmers.

4. Support nonrecourse loans would be limited to the normal production on the acreage allotment for the farm. Bushels raised in excess of normal yields would not be supported. This discourages heavy use of artificial productive formulae but permits some reward for high efficiency.

5. Since it is a voluntary program, an equalization payment is provided for feed grains fed by a producer so that livestock and poultry producers will not have to turn their grain over to the Government and buy replacement grain in order to receive some security of price for grain raised within an allotment. This would also encourage farmers who feed their grain to stay within the allotment.

6. Support loans and equalization payments on feed grains fed would be limited to those who stay within their allotment and observe cross-compliance.

7. Feed grains in Government ownership in excess of a 1½-billion-bushel reserve would only be sold at the rate of 1 bushel for each $2 spent for meat, dairy, and poultry products purchased by the Government and distributed to the needy, institutions, and the school lunch program. Thus, grain held would pay for more than one-half of the protein foods cost. We wouldn't think of raising pigs without a good protein supplement, but hundreds of thousands of our children are being raised without adequate proteins. The provision would assure the distribution of some of our feed grains that have been converted into proteins to the people who need more proteins.

8. It provides a referendum to let farmers decide whether they prefer this program. Feed grain farmers have never had an opportunity, like many other farmers, to vote for this type of a program.

I believe the application of H.R. 7710 would: (1) Assure an abundant supply of food for a longer time for more stable prices. It would avoid the low productivity and scarcity that follows periods of bankrupt prices for meat, poultry, and dairy products. If stable prices are a national goal as President Eisenhower has said, then this feed grains program is certainly in the public interest. (2) It would permit farmers to divide production so they can make a living on the farm instead of moving to town to replace city workers. (3) It would certainly cost the Government a lot less than the present program; and (4) it would provide for the conversion of feed grains now held in excess of needs into meat, dairy, and poultry products for people who need them. This program applies the law of supply and demand, and while it is set up for a 4-year period, it should need little changing when reviewed and extended.

WHEAT

In looking to a long-term program for agriculture, I believe we should recognize the shift in the importance of support prices under certain conditions. So long as production exceeds consumption, the support price is very important; but when a program is adopted to bring production below consumption, then the market price will be guided by the price at which the commodity in the Government warehouse goes onto the market.

To use an example we have currently considered, I would like to review the wheat situation. The compromise bill turned down by the House provided basically as follows:

1. A 20-percent reduction in acreage resulting in a 16-percent reduction in bushels down to a total production of 1 million bushels.

2. A payment in kind taking 125 million bushels from the Government bins and making a total market supply of 1,125 million bushels which is in excess of estimated consumption by 75 million bushels.

3. An increase in the support price from 75 percent to 80 percent. The provision in that bill for payment in kind would have resulted in an estimated unbalanced market, and, therefore, much grain would have gone through non-recourse loans to the Government. Under the circumstances, the support rate would have been the guide for the market price and would have been at about 80 percent of parity.

Let us suppose that the provisions of the bill were the same except (1) there was no payment in kind, and thus the market supply outside of Government stocks would be 50 million bushels less than consumption; and (2) nonrecourse loans were left at 75 percent of parity, but section 407 was amended to provide that no wheat can be sold from Government storage at less than 90 percent of parity instead of at support price plus 5 percent (or 79 percent).

Under those circumstances, the price in the marketplace would actually be guided by the price at which Government stocks were available, and therefore, the market price under the latter would be approximately 11 percent of parity more although the support price would be 15 percent of parity less. In the latter example, no new wheat would be going into Government bins, and the CCC would have a market for 50 million bushels of wheat it now has in storage and at a profit. In the latter case, wheat sold directly through regular channels would bring a great deal more than under the compromise bill. Thus the payment-in-kind feature in the bill actually took out of one pocket what it would have put into the other pocket for farmers who do not have storage for all their wheat and who sell to the market, and this is most farmers; and the cost to the Government through unbalancing the market would be far in excess of the value of the wheat it would distribute as payment in kind.

I believe a long-term program should (1) never let a payment-in-kind gimmick unbalance the market; and (2) amend section 407 so the prices received by the CCC for Government-held stocks are set according to a desired market price rather than the percentage of parity at which nonrecourse loans are made.

CONCLUSION

I would urge the committee to adopt long-term programs for basic commodities which would—

(1) Assure an abundant supply of food and fiber at reasonably stable prices by dividing the production of basics needed among farmers so that an efficient farmer can make a living on a 50-hour or less working week instead of moving to the city to replace a city worker;

(2) Depend less upon Government appropriations and more upon the market paying value for goods produced; and

(3) Provide a formula for converting stocks in Government storage into food and fiber for persons in need and for institutions.

I believe the basic provisions of the tobacco program as amended and improved in H.R. 7710 would provide the general formula for all of the basic commodities. At least there should be a referendum to vote on having that kind of a program as an alternative to unstable consumer prices and rugged individualism.

SENATE

FRIDAY, JULY 24, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of mercy and grace, amid the encircling gloom, grant us wisdom to follow the kindly light of Thy guidance patiently and obediently.

May we never lose sight of the gleam as it leads us on to the selfless ministries that will help to heal the sad world's open sores and burn away barriers to a world brotherhood of good will where mouths shall not cry for bread, where hands and feet shall not be shackled, where speech shall not be silenced, where eyes shall not be bandaged, nor minds darkened by distorting falsehoods hiding the light of truth.

In this forum of a free people—

We pledge our hopes, our faith, our lives
That freedom shall not die;
We pray Thy guidance, strength, and grace,
Almighty God on high.

Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 24, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 23, 1959, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 23, 1959, the President had approved and signed the following acts:

S. 660. An act to amend the District of Columbia Business Corporation Act; and

S. 726. An act to amend section 11 of the Clayton Act to provide for the more expeditious enforcement of cease and desist orders issued thereunder, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 115) to reserve a site in the District of Columbia for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 115) to reserve a site in the District of Columbia

for the erection of a memorial to Franklin Delano Roosevelt, to provide for a competition for the design of such memorial, and to provide additional funds for holding the competition, was read twice by its title and referred to the Committee on Rules and Administration.

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on the Judiciary of the Committee on the District of Columbia and the Subcommittee on the Post Office of the Committee on Post Office and Civil Service were authorized to meet during the session of the Senate today.

On request of Mr. DIRKSEN, and by unanimous consent, the Committee on the Judiciary was authorized to meet during the session of the Senate on Monday, July 27, 1959.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

PROTOCOL TO AMEND CONVENTION FOR UNIFICATION OF CERTAIN RULES RELATING TO INTERNATIONAL CARRIAGE BY AIR—REMOVAL OF INJUNCTION OF SECRECY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive H, 86th Congress, 1st session, a certified copy of a protocol dated at The Hague September 28, 1955, to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929, transmitted to the Senate today, and that the document, with the accompanying message, be referred to the Committee on Foreign Relations, and the President's message be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The letter from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the protocol, dated at The Hague September 28, 1955, to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929. The protocol was signed in behalf of the United States on June 28, 1956.

I transmit also, for the information of the Senate, the report of the Acting Secretary of State with respect to the protocol, together with the enclosures thereto.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 24, 1959.*

(Enclosures: (1) Report of the Acting Secretary of State; (2) certified copy of protocol dated at The Hague, September 28, 1955; (3) Air Coordinating Committee study of June 20, 1957, with amendments; (4) composite text.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the calendar will be stated.

THE AIR FORCE

The Chief Clerk read the nomination of Dudley C. Sharp, of Texas, to be Under Secretary of the Air Force.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army, under the provisions of title 10, United States Code, sections 3442 and 3447.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

THE REGULAR ARMY OF THE UNITED STATES

The Chief Clerk proceeded to read sundry nominations for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299, which had been favorably reported and placed on the Vice President's desk, for the information of Senators.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE HOUSING BILL VETO

Mr. JOHNSON of Texas. Mr. President, I think the hearings on the housing bill veto which were held yesterday have developed a rather extraordinary situation. Apparently two of the most important agencies of the Government were not consulted about its contents.

I have always understood that the Budget Bureau was the official voice of the administration. But the Budget Director says that, so far as he knows, the Budget Bureau was not consulted about the veto message.

The Housing and Home Finance Administrator, who certainly has a heavy responsibility in connection with housing legislation, appeared to be in a similar state. It is obvious from his reactions, I believe, that he is in agreement that the whole story was not presented in the veto message.

Mr. President, it might be interesting to ascertain just who wrote the message. But that might become the old game of "button, button, who's got the button?" and it probably is not worth playing.

However, Mr. President, I believe it is clear that the President was misinformed in regard to some of the provisions of the housing bill. The testimony on yesterday seemed to indicate that. Perhaps we should come to a decision based on that thought.

I hope that the Members of the Senate and any of the chief executives of the States or the cities, or others who have a vital interest in this bill, will communicate any recommendations they may have to the Committee on Banking and Currency, which now is holding the hearings.

RESOLUTION OF THE MINNESOTA JUNIOR CHAMBER OF COMMERCE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution recently adopted by the Minnesota Junior Chamber of Commerce in favor of naming one of the locks in the St. Lawrence Waterway system in honor of Representative JOHN A. BLATNIK, of Minnesota, be printed at this point in the RECORD.

It was my honor and privilege to introduce on behalf of myself and my colleague, the junior Senator from Minnesota [Mr. MCCARTHY], Senate bill 2340, to name the lock at Sault Ste. Marie, Mich., after this fine and highly respected Member of the Congress, JOHN A. BLATNIK. A companion bill to this effect has already passed the House of Representatives, H.R. 7808, and it is now before the Senate Committee on Public

Works. I am confident this committee will in the near future act favorably on it.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION COMMENDING CONGRESSMAN JOHN A. BLATNIK

Whereas the junior chamber of commerce believes that individuals should receive recognition for outstanding leadership, particularly when such leadership represents progress, provides the means for economic expansion, and in general affects the the economics and well-being of a vast area; and

Whereas Representative JOHN A. BLATNIK of Chisholm, provided continuous and diligent leadership in promoting Federal legislation in connection with the St. Lawrence Waterway; and

Whereas the St. Lawrence Waterway is expected to increase the trade, commerce, and industry of Minnesota and the surrounding States and the States encompassing the Great Lakes region; and

Whereas Congressman BLATNIK has worked for a number of years in an unselfish and nonpartisan basis to promote the St. Lawrence Waterway legislation; and

Whereas the naming of one of the locks in the St. Lawrence Waterway system in honor of Congressman BLATNIK would be proper and appropriate recognition for his outstanding work; Now, therefore, be it

Resolved, That the Minnesota Junior Chamber of Commerce go on record as favoring and encouraging the naming of one of the locks in the St. Lawrence Waterway system as the "John A. Blatnik lock"; be it further

Resolved, That copies of this resolution be sent to the President, the Honorable Dwight D. Eisenhower, the U.S. Senate, the U.S. House of Representatives, and Congressman BLATNIK, and that the proper officers are empowered to do all that which is necessary to carry out the intents and purposes of this resolution.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 252. A bill to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France (Rept. No. 576);

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France (Rept. No. 577);

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments (Rept. No. 578); and

S. Con. Res. 48. Concurrent resolution to promote peace through the reduction of armaments (Rept. No. 575).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1855. A bill to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska (Rept. No. 579).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2118. A bill to amend section 4488 of the Revised Statutes, as amended, to authorize the Secretary of the Department in which the Coast Guard is operating to prescribe regulations governing lifesaving equipment, firefighting equipment, muster lists, ground tackle, hawsers, and bilge systems aboard vessels, and for other purposes (Rept. No. 580).

By Mr. SALTONSTALL, from the Committee on Armed Services, without amendment:

H.R. 3322. An act to amend title 10, United States Code, and certain other laws to authorize the payment of transportation and travel allowances to escorts of dependents of members of the uniformed services under certain conditions, and for other purposes (Rept. No. 581).

By Mr. JACKSON, from the Committee on Armed Services, with amendments:

H.R. 7508. An act to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance (Rept. No. 582).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. Con. Res. 59. Concurrent resolution amending Senate Concurrent Resolution 2, continuing the existence of the Joint Committee on Washington Metropolitan Problems (Rept. No. 583); referred to the Committee on Rules and Administration.

ADDITIONAL EXPENDITURES BY COMMITTEE ON FOREIGN RELATIONS—REPORT OF A COMMITTEE

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original resolution (S. Res. 149), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Foreign Relations is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-sixth Congress, $10,000, in addition to the amount, and for the same purposes specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEUBERGER:

S. 2440. A bill to designate the Green Peter Dam and Reservoir on Middle Santiam River, Oreg., as the Douglas McKay Dam and Reservoir; to the Committee on Public Works.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. FREAR:

S. 2441. A bill to amend the Internal Revenue Code of 1954 so as to allow an additional income exemption for an individual who is a student at an educational institution above the secondary level; to the Committee on Finance.

By Mr. GRUENING (for himself and Mr. BARTLETT):

S. 2442. A bill to provide for the disposition of surplus personal property to the government of Alaska; to the Committee on Government Operations.

By Mr. MORSE:

S. 2443. A bill for the relief of Edgar Harold Bradley; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2444. A bill to exempt certain pension and other trusts established in the District of Columbia from the laws of the District of Columbia relating to perpetuities, restraints on alienation, and accumulation of income; to the Committee on the District of Columbia.

By Mr. BIBLE (by request):

S. 2445. A bill authorizing the conferring of the degree of master of arts in education on certain students who enrolled in the District of Columbia Teachers College prior to July 1, 1958, and who, prior to July 1, 1961, are certified by the president and faculty of such college as having met all requirements for the granting of such degree; and

S. 2446. A bill to amend the act entitled "An act to authorize the District of Columbia government to establish an Office of Civil Defense, and for other purposes," approved August 11, 1950; to the Committee on the District of Columbia.

RESOLUTIONS

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original resolution (S. Res. 149) authorizing additional expenditures by the Committee on Foreign Relations, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committee.")

Mr. HART submitted a resolution (S. Res. 150) establishing the Senate Select Committee on the Economic Impact of National Defense, which was referred to the Committee on Banking and Currency.

(See the above resolution printed in full when submitted by Mr. HART, which appears under a separate heading.)

NAME CHANGE OF GREEN PETER DAM PROJECT TO HONOR THE LATE DOUGLAS McKAY

Mr. NEUBERGER. Mr. President, I introduce a bill to change the name of Green Peter Dam on the Middle Santiam River, in Oregon, to the Douglas McKay Dam and Reservoir. I ask that the bill be referred to the appropriate committee.

Douglas McKay, ex-Governor of Oregon and former Secretary of the Interior, died in his home city of Salem, Oreg., on July 22, 1959. His funeral will take place in Salem on July 25.

I am proposing that the McKay name be honored by being attached to the dam project presently known as Green Peter, because this is one of the key units of the great Willamette Basin project. Douglas McKay was a pioneer advocate of this entire program, in the river valley where he was raised.

Mr. McKay was one of the 42 original members of the Willamette Basin Project Committee appointed by Oregon Gov. Charles H. Martin in 1935. At the first meeting of the committee, he was elected as chairman and served in that capacity until he became Governor of Oregon in 1948. During Douglas McKay's chairmanship the Willamette Basin Project Committee was instrumental in promoting and securing Federal authorization and construction of such projects as Cougar, Hills Creek, Detroit, and Green Peter Dams. Following his election as Governor, Mr. McKay gave his State's endorsement to the monumental 308 Review Report of the Corps of Engineers which proposed Federal construction of

a vast complex of dams in the Willamette and in the Columbia River basins.

Moreover, Mr. President, the interest of Douglas McKay in Willamette basin water resource development continued unabated long after his official connection with the committee was severed. I have been told by Mr. Ivan Oakes, the veteran executive secretary of the Willamette Basin Projects Committee, that Mr. McKay's interest in the work of this development group continued up to the time of his terminal illness.

I believe his record in support of multiple-purpose dams for the Willamette basin fully justifies the recognition provided in the bill which I have introduced. Also, there is nothing particularly historic or traditional in the project's present designation as Green Peter Dam, and this can easily be sacrificed to honor the name of Douglas McKay.

While Douglas McKay was Secretary of the Interior I did not agree with many of the resource-management policies adopted by the national administration and carried out by the Department of the Interior. I voiced my objections to these policies at the time they were put into effect and I sought to have them changed. Yet it would not be proper or fair to let these past differences stand in the way of recognizing the good works which Mr. McKay accomplished during his lifetime. This can be done by designating an important link in the chain of Willamette basin dams as the Douglas McKay Dam and Reservoir, and I hope that Congress will promptly approve the legislation I have proposed for this purpose.

The distinguished Representative from Oregon's Fourth District, Mr. PORTER, in whose district the Green Peter project is located, shares my belief that the dam and reservoir should bear the name of Douglas McKay. Mr. CHARLES O. PORTER has informed me of his plans to introduce a companion measure in the House of Representatives at the next session of that body, and he and I will work together to secure early passage of the proposal.

The PRESIDING OFFICER (Mr. Moss in the chair). The bill will be received and appropriately referred.

The bill (S. 2440) to designate the Green Peter Dam and Reservoir on Middle Santiam River, Oreg., as the Douglas McKay Dam and Reservoir, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Public Works.

SELECT COMMITTEE ON ECONOMIC IMPACT OF NATIONAL DEFENSE

Mr. HART. Mr. President, I submit, for appropriate reference, a resolution establishing a Senate Select Committee on the Economic Impact of National Defense. I ask unanimous consent that the resolution lie on the table for additional cosponsors for 1 week.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution will lie on the desk, as requested by the Senator from Michigan.

The resolution (S. Res. 150) was referred to the Committee on Banking and Currency, as follows:

Whereas a strong economy is essential to the continued welfare of the Nation, to its agricultural and industrial development and to the national security; and

Whereas Congress has recognized the need for controlling inflation and providing maximum production and employment; and

Whereas the spending of the Department of Defense is the largest single item in the national budget at the present time; and

Whereas the world situation indicates that this situation will continue into the foreseeable future; and

Whereas the impact of this spending has a direct relationship to the Nation's economic well-being; and

Whereas the termination, modification, or increase of the major defense undertakings frequently result in serious dislocation of the Nation's labor force; and

Whereas an international disarmament agreement would involve readjustments in our Nation's defense policies; and

Whereas maximum return for defense expenditures is essential to our continued prosperity; and

Whereas the Senate, in connection with provision of funds adequate for national defense and maintenance of a sound economy, desires to have recommendations relative to methods to achieve these essential goals: Now, therefore, be it

Resolved, That there shall be established a select committee of the Senate which shall make exhaustive studies of the extent to which defense procurement policies in the United States are related to the national economy, and the extent and character of defense procurement policies that can be expected to be required to provide for the national defense and maintain the Nation's economic strength, to the end that such studies and the recommendations based thereon may be available to the Senate in considering defense procurement policies for the future. The committee shall be designated "the Senate Select Committtee on the Economic Impact of National Defense."

SEC. 2. (a) The committee shall be composed of three members of the Committee on Armed Services, three members of the Senate who are members of the Committee on Banking and Currency, three members of the Committee on Labor and Public Welfare, three members of the Committee on Finance, and three members of the Select Committee on Small Business; all said members to be designated by the chairman of the respective committees, at least one member designated from each of the above committees being selected from the minority membership thereof. In addition, there shall be three Members of the Senate designated by the President of the Senate, at least one being from the minority membership thereof. The committee shall cease to exist at the close of business on January 31, 1961.

(b) Any vacancy in the membership of the committee shall not affect its powers, and any vacancy in the membership of the committee shall be filled in the same manner as provided for determining the original membership.

(c) Nine members of the committee shall constitute a quorum.

(d) The chairman shall be chosen by the members at the first meeting.

SEC. 3. The committee shall conduct a comprehensive study and investigation with respect to the following matters:

(a) The impact of defense procurement spending on the national economy from 1946 to the present time;

(b) The extent to which this spending is currently affecting our economy;

(c) Estimate of future trends in defense spending and their effect on the economy;

(d) Steps which could be taken consistent with the defense effort, to minimize the inflationary and deflationary effects of defense spending;

(e) The character of legislation that may encourage the adoption of new methods and improved processes of defense procurement which will result in the least depletion of our national strength; and

(f) Such other factors it may consider necessary to attain a full and complete understanding of the impact of defense spending and defense procurement policies upon our national economy, our foreign policy, and the national defense.

SEC. 4. (a) For the purposes of this resolution, the committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; and (7) employ and fix the compensation of such technical, clerical, and other assistants and consultants as it deems advisable, except that the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1949, as amended, for comparable duties.

(b) Upon request made by the members of the committee selected from the minority party, the committee shall appoint one assistant or consultant designated by such members. No assistant or consultant appointed by the committee may receive compensation at an anual gross rate which exceeds by more than $1,200 the annual gross rate of compensation of any individual so designated by the minority members of the committee.

(c) With the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, the committee may (1) utilize the services, information, and facilities of any such department or agency, and (2) employ on a reimbursable basis the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee thereof, the committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the chairman of the committee determines that such action is necessary and appropriate.

(d) Subpenas may be issued by the committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

SEC. 5. The expenses of the committee under this resolution, which shall not exceed $175,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. HART. Mr. President, I ask unanimous consent that a statement which I presented today before the Special Subcommittee on Procurement of the Armed Services Committee, on the general problem of defense procurement and its relation to the well-being of our economy, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HART BEFORE THE SPECIAL SUBCOMMITTEE ON PROCUREMENT OF THE SENATE ARMED SERVICES COMMITTEE

For the 7 months I have been privileged to serve in the Senate I have been devoting

considerable time to assembling information concerning the impact of the Federal Government's procurement activities on the State of Michigan. Conferences have been held with representatives of 14 agencies of the Government. An intensive survey of some 3,000 Michigan firms as to their attitudes and problems in seeking defense work from the Government or from prime contractors is underway. While the results of this study are not complete, there is submitted for the record a preliminary report, and a copy of the survey questionnaire and transmittal letter. (See app. I.) [Not printed in RECORD.]

I do not come before you as an expert on this vast and complex subject. Certainly the distinguished members of this subcommittee, and others in the Congress, have an understanding of the impact of procurement policies that is far more informed than mine.

My appearance before you today is to present facts with regard to the shifting patterns of defense procurement as they affect the State of Michigan; to share with you some of the more general questions that have arisen as my work on this subject has proceeded; and finally, to make what I hope will be a useful suggestion as to the action the Senate might take on this matter.

Michigan has no quarrel with either New York or California. My reading of the record so far before your committee indicates to me that the problem is vastly more complex than a booster's explanation of the merits of one's own State.

The impact of defense procurement on our national economy is very great. It is often more evident as we narrow our sights and focus on a single region of the Nation. As a nation, we are concerned with the overall burden of directing almost 60 percent of our national budget to the necessary work of keeping this nation and the free world strong and militarily alert.

For fiscal year 1960 our national budget will show that of a total of $77 billions, almost $46 billion will be directed to major national defense efforts. Of this amount some $40 to $41 billion will be for the military functions of the Department of Defense.

The Defense side of the budget, compared with the increase in our gross national product over the past 20 years (1939–58), presents a startling picture. Gross national product increased from $91 billion in 1939 to over $437 billion for 1958, an increase of 380 percent. In this same period, national defense expenditures for goods and services increased from $1.3 billion to $44.4 billion, which is an increase of 3,315 percent. The size of this increase comes more clearly into focus when we note that the Federal Government's purchase of goods and services other than national defense items, increased in the same period $3.9 billion to $7.3 billion, or only 87 percent.

The purpose of citing these figures is to make crystal clear that Federal defense procurement activities have become an important factor in the forces affecting the economic stability and growth of our national economy.

I need not suggest to the members of this committee that the present rate of defense procurement activity will move upward in the foreseeable future.

A defense program of this size is a burden on our economy. It directs funds, material, and manpower from other nondefense uses all of us would like to see accomplished. I am not developing the thesis that defense procurement undertakings of the Federal Government should become a tool for national economic planning, but I do believe Congress cannot ignore the fact that defense procurement activities do have a very real impact on the needs of our economy. Given the necessity for such a continuing high level of defense expenditures, we must develop policies and directives which will minimize and reduce this burden, and lessen the impact of major shifts and changes in procurement policy on national, regional, or local economic activity.

There is a pattern of gradual shifting of procurement awards away from firms doing work in Michigan to firms located in other parts of the Nation. No other large manufacturing State has experienced the sharp fluctuation in Government defense procurement which has characterized the Michigan situation during the past decade. The attached charts will show that total military procurement in Michigan averaged 6.4 percent of all military prime contracts awarded during the 6½-year period, July 1, 1950, to December 31, 1956. It jumped to 17.2 percent during the first half of 1952 (the Korean emergency period), representing the largest emergency responsibility placed upon any single State at that time. The most recent figures from the Defense Department indicate that procurement in Michigan has fallen to 3.2 percent of the total. This is the greatest drop for any industrial State except Illinois, which declined 56 percent to Michigan's 50 percent.

In addition, 4 of the 10 consistently largest areas of military procurement—California, Massachusetts, Missouri, and Texas—have shown substantial increases in defense procurement allotted to their industry during the same period. Three other States—Ohio, New Jersey, and New York—have shown less than half of Michigan's decline. The 10th State—Pennsylvania—has dropped 37 percent.

The 10 largest defense procurement areas are: California, Illinois, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, and Texas.

I submit for the record some tables showing these facts. (See app. II.) [Not printed in RECORD.]

There are observers who explain these trends by the shift in military equipment procurement, away from the type needed if we were doing a complete job of modernizing the equipment for the Army, to more procurement in the missile and electronic field. This shift is one factor. It has reduced the percentage of prime contract and subcontract work going into the manufacturing complex of Michigan. This is partly a result of changing demands for our weapons, and partly a result of policies to go slow in re-equipping our ground forces for airdrop and more transportable equipment. This would be the type of production for which many firms in Michigan are best qualified, but policy decisions have placed low priority on the procurement of this type of replacement equipment.

From an overall perspective, the impact of Federal defense procurement policies on the operation of the national economy was never more clearly evident than during the recent recession. The Wall Street Journal on January 7, 1958, commented on this under the headline, "Defense Outlays Rising Again After 7-Month Decline," as follows: "Defense spending after a 7-month decline caused by the Pentagon's presputnik economy drive, has begun to rise again. Latest figures at the Pentagon show that, after skidding to an annual rate of $36.8 billion in November (1957), military payments to troops, contractors and civilian employees jumped to a $40 billion annual rate in December." A month later, on the same subject, Assistant Secretary of Defense W. J. McNeil testified before the Joint Economic Committee. According to the February 6, 1958, edition of the Washington Post and Times Herald, the Assistant Secretary "testified that the stepped-up placement of defense orders this year will have an important psychological impact on business." He further stated, as reported by the Post, "that the order placement would result in a gradual increase in spending which would have at least a stabilizing effect in defense industries."

An analysis of the report issued by the Secretary of Defense on June 1 of this year, summarizing total military prime contract awards up to March of 1959, reveals another part of the relationship between military procurement and the national economy. For example, in the first half of 1957, military contract awards for supplies, services and construction were reduced almost $1½ billion under the comparable period in 1956—from $10 billion to $8.6 billion. They were trimmed almost an additional billion dollars during the next 6 months—down to $7.7 billion. This was the cycle of military procurement leading into the recent recession.

Continuing this description and relating it to the upswing, military contract awards made during the first half of 1958 increased by a substantial $5.4 billion to $13.1 billion. Awards made during the first half of 1959 are likely to be in about the same range.

I hope vigorous attention in the Defense Department can be given to an intensive review to insure that any procurement which may lend itself to labor surplus set-asides be so managed. My own inquiries as to why such set-aside practices are not carried out in the procurement of commercial trucks have indicated there may be many other such examples.

Between June 6, 1958, and May 29, 1959, the Defense Department purchased 25,865 commercial vehicles valued at $54,416,143. As an indication that purchases of this kind can be made in areas of both high and low employment, I have prepared a chart listing the location of truck production in the United States and showing that part of the output which occurred in areas of surplus labor. (See app. III.) [Not printed in RECORD.] I am also attaching copies of recent exchanges of letters from the Defense Department indicating that an effort is now being made to allocate these commercial vehicle awards in such a manner as to assist surplus labor areas. (See app. IV.) [Not printed in RECORD.]

This example points out that there is need for a directive, this time from the Congress, to supplement Defense Manpower Policy Order No. 4. A vigorous effort in this regard could do much to lessen the impact of shifting procurement policies and practices.

The increase in value of contracts going into labor surplus areas during the recent recession, when the Defense Department was urged to work on this, also provides evidence of the fact that meaningful results are possible if the effort is made.

For the 6-month period July 1957 through December 1957, there were 91 areas of substantial labor surplus in the Nation. Only three of these areas received defense contract awards as a result of preference valued at $927,260.

Now the interesting story. With considerable concern and interest in the recession problems being evidenced by the administration, we find for the second quarter of 1958, 118 areas of substantial labor surplus and 117 of these—all but 1—received awards as a result of labor surplus set-aside programs of the Department of Defense totaling $32,478,000.

The Nation's defense production capabilities and balance also are affected by procurement practices. I believe there remains the possibility that the United States and the free world may still be faced with the possibility of fighting limited or brush-fire-type wars. During this type of emergency situation, we will need the type of production capabilities we had during the Korean emergency. I call to the committee's attention

that one of the factors that has adversely affected the tool and die firms of Michigan has been the shift in defense procurement. This industry is highly important if we are again to tool up for speedy production as we did in Korea. At the height of the Korean crisis, Michigan was producing 17.2 percent of defense production, the highest of any State at that time. The committee, in its considerations of the regional aspects of procurement policy, must keep before it the dangers of lost skills and capabilities that can occur in so basic a segment of our industrial complex as the tool and die installations in an industrial city such as Detroit.

I believe that in this Nation there is essential need that the smaller business of our Nation not continue to receive a declining share of the business generated by Government procurement. On the basis of the survey I am conducting in Michigan, I presented preliminary findings to the Small Business Subcommittee of the Senate Banking and Currency Committee earlier this week. This data indicates that the small business set-aside programs as they relate to defense procurement are just not working. Partly this is a result of the trend toward more and more centralization in the procurement activities, with smaller businesses necessarily having to rely on negotiations with prime contractors for any business they may obtain. For example, for the fiscal year 1958, of a total of $21.8 billion defense contracts, $16.4 billion were let to 100 companies and their subsidiaries, or 74.2 percent of the total. A few additional comments from the preliminary returns of my questionnaire are, I fear, all too typical, and I submit them for the record. (See app. V.) [Not printed in RECORD.]

In conclusion, Mr. Chairman, I wish to commend you and your colleagues on the Armed Services Committee for probing into this most serious and fundamental question. I make no claims that this limited analysis is much more than suggestive of the profound and complex influence which military spending has on the national economy. I do believe, however, that because defense spending contains within it the capacity to produce both dislocation and prosperity, to bring about both labor surpluses and labor shortages, to foster both the growth and decline of all American enterprise, the policies that guide defense spending should be as much a matter of grave public concern on the internal economic level as on the international and military defense levels. It is or should be plain that the maintenance of a huge Military Establishment in a situation of total cold war requires a new and, one might even say, different kind of Federal management than is or has been true in situations of actual hostilities or of less constant tension.

With regard to the specific proposals before your committee, it seems to me Senator JAVITS' bill (S. 1875), if enacted into law, would provide needed direction to the Department of Defense to the benefit of all segments of our economy. In my opinion it is especially important that the labor surplus and small business programs be made to work.

In a small way, I have been attempting to study the effect of procurement policies. This study and a review of the hearings of your subcommittee has led me to a more general suggestion and it is with this that I conclude.

The Senate of the United States should consider the formation of a Select Committee on the Economic Impact of National Defense. I submit the resolution proposing such a select committee to your subcommittee for its consideration, and will introduce the resolution and let it lie on the table for cosponsors in the Senate today.

CIVIL RIGHTS ACT OF 1959—AMENDMENT

Mr. HART submitted an amendment, intended to be proposed by him, to the bill (S. 2391) to extend the Commission on Civil Rights, and to provide further means of securing and protecting the right to vote, which was referred to the Committee on the Judiciary and ordered to be printed.

PAYMENT IN LIEU OF TAXES TO LOCAL GOVERNMENTS—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the junior Senator from Alaska [Mr. GRUENING] may be added as an additional cosponsor of the bill (S. 910) to authorize the payment to local governments of sums in lieu of taxes and special assessments with respect to certain Federal real property, and for other purposes, introduced by me—for myself and others—on February 3, 1959. Inadvertently, the Senator's name was left off the bill at the time of its introduction. He had asked to be included as one of the original cosponsors when the bill was introduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be prnited in the RECORD, as follows:

By Mr. CHURCH:

Statement prepared by him relating to the annual observance in the State of Idaho of Pioneer Day.

By Mr. NEUBERGER:

Telegram dated July 23, 1959, to Gov. Mark O. Hatfield, of Oregon; and an article entitled "Brucellosis Freedom Battle Accomplished" published in the Salem Capital Press of July 10, 1959.

FAILURE OF THE WHEAT PROGRAMS

Mr. DIRKSEN. Mr. President, yesterday was a rather historic and, in many ways, a sad day, too; it was referendum day for the wheat farmers. It was a little sad, I think, because although approximately 40 percent of the wheat farmers could vote, about 60 percent of them could not vote because of the 15-acre limitation in existing law.

Probably another reason why it was a sad day was that there was no realistic choice to be indicated by the farmers who voted. They had their choice between either the present program, with its excessive costs and the likelihood that excessive stocks will continue to pile up, or no program, since the law requires support at 50 percent of parity, and farmers still have to comply with allotments.

Mr. President, the choice presented was not a very realistic one. It was what the head of the American Farm Bureau Federation, Mr. Charles Shuman, an eminent farmer and a distinguished citizen, referred to as "an absurd farce that denies producers any realistic choice."

I think it is even more regrettable that prior to the vote on yesterday, the Congress had not provided for a workable wheat program. Certainly precious time has been lost in connection with this matter.

Mr. President, the wheat program needs overhauling, because on all sides it is admitted that it has failed. Certainly it has failed as measured by the standards and the criteria which are stated as objectives in the 1938 Agricultural Adjustment Act. The legislative findings in that act contain the following conclusions:

> Abnormally excessive supplies overtax the facilities of interstate and foreign transportation, congest terminal markets and milling centers in the flow of wheat from producers to consumers, depress the price of wheat in interstate and foreign commerce, and otherwise disrupt the orderly marketing of such commodity in such commerce.
>
> The provisions of the part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, and provide for an adequate flow of wheat and its products in interstate and foreign commerce.

Those are the legislative findings in that act.

If what has been accomplished thus far is measured by those findings, I think we can only conclude that the wheat program has failed.

As of July 1 of this year, the estimated carryover of wheat was approximately 1.3 billion bushels. It is estimated that by July 1 of next year the carryover will be 1.4 billion bushels. That represents a gross investment, according to the Commodity Credit Corporation, of almost $3,500 million. It will be costing approximately $1,500,000 a day just for storage, interest, and transportation for that tremendously large wheat supply. The carryover is, incidentally, more than 2 years' domestic requirements.

Mr. President, this situation does not eventuate from any lack of diligence or activity on the part of the administration, because it has done a good many things to relieve the condition.

First of all, under Public Law 480, the administration programed the export movement of approximately 1,100 million bushels of wheat.

Then there is the subsidy program for wheat exports, which certainly is more liberal than that in the case of any other commodity. In the 1956–57 crop year, 546 million bushels of wheat were exported—the highest level in history. For the year 1957–58, the exports dropped to 400 million bushels. It is expected that for 1958–59, the exports will amount to 450 million bushels.

Incidentally, Mr. President, the current subsidy for wheat is approximately 60 cents a bushel.

The third item is that the administration, by means of a quality differential, has tried to discourage the production

of undesirable types of wheat. That differential amounts to 20 cents a bushel.

Then there was the authorization of the purchase of bins, in order to make space available where farmers could store wheat. There was also the provision of low-cost credit for farmers, in order to make it possible for them to build their own storage facilities. Thus, more wheat farmers were given an opportunity to use the loan.

The net realized cost of the wheat programs has been in excess of $4,500 million. The significant point is that the end is not in sight. It should be pointed out that although only 6 percent of farm cash receipts come from wheat, more than 25 percent of the costs of the whole farm program are for wheat.

Mr. SYMINGTON. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. DIRKSEN. If the Senator from Missouri will bear with me for 30 seconds, I shall conclude.

Mr. President, despite the tremendously large expenditures made by the Federal Government, and despite the many wheat disposal activities, the stocks of wheat continue to pile up.

So, Mr. President, from everything that can be adduced, it is obvious that the wheat program has failed.

There has been an opportunity, I think, to work out some kind of an acceptable and practical program. The President recommended two alternatives. Then there was another suggested program which was proposed by Representative BELCHER, of Oklahoma, in the House of Representatives. It would have provided for a referendum in which the farmers certainly would have had a more realistic choice.

The administration was willing to accept almost any one of those three solutions, but, instead, we had to content ourselves, it seems, with a kind of unrealistic stopgap program which completely disregarded the technological advances in the whole field of agriculture.

So it is time, I think, we brought forth a wheat bill. It ought to be done before we go home, before we ring down the curtain on this session, because here we have price-destroying surpluses and excessive Federal expenditures.

Mr. President, I venture this prediction: I was around here when revulsion occurred against the potato program and the egg program. I would not be a bit surprised if a similar revulsion probably has been kindled in the hearts of people, not only consumers, but producers, with respect to this mass of wheat, unless we find an acceptable solution and a workable program. It should be done before we go home.

I now yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I thank the minority leader, the able Senator from Illinois, for yielding to me. I shall make a statement on the wheat situation later on my own time. But now I ask the Senator from Illinois what he thinks about the fact that, after Secretary of Agriculture Benson agreed to submit to us an omnibus farm bill on the 16th of February, nevertheless, he has not submitted that bill yet. He assured the Senator from Louisiana, the distinguished chairman of the Committee on Agriculture and Forestry, the able junior Senator from Wisconsin, and myself that he would send to Congress an omnibus farm bill which would express his opinions as to just what should be done with respect to farm legislation. Mr. Benson has not yet done so. Why does he not come forward and submit the bill he promised, especially as he so consistently criticizes the Congress?

Mr. DIRKSEN. I think the reason is very simple. He appeared before the committee. Other representatives of the Department appeared before the committee from time to time. Within the compass of gentlemanly language, I think I would say he received some caustic going over in the committee. Yet in the testimony there were the essential outlines of what he had in mind. From them, the committee, as a part of the lawmaking branch of the Government, could have fashioned a bill, had it been so disposed.

Mr. SYMINGTON. I know the Senator respects my opinion, as I respect his. The Secretary gave a number of alternatives. He told us—indeed, promised us—that he would send us a proposal. He has not done so. That promise was made over 5 months ago.

Mr. DIRKSEN. The committee was free, on the suggestions given in his testimony, to fashion a bill, but the committee, for reasons best known to itself, saw fit not to do so.

Mr. SYMINGTON. That is not quite fair. More and more I come reluctantly to the conviction that the reason the Secretary has not sent us a bill, as he promised, is because he himself does not know what he should do about the farm problem.

Mr. DIRKSEN. I do not think that is correct.

Mr. SYMINGTON. I do.

Mr. DIRKSEN. I think the committee rebuffed the Secretary and took him over the coals.

Mr. SYMINGTON. The record will not show that.

Mr. DIRKSEN. I believe it will. I read some of the testimony, and it was reported in the press.

Mr. SYMINGTON. The Secretary of Agriculture told us he would send to Congress an overall, omnibus farm bill. Mr. Benson has yet to fulfill the pledge he made to us on the 16th of February last.

Mr. DIRKSEN. I will say to my distinguished friend from Missouri that if the words "caustic" and "highly critical" cannot be applied to that session, then I shall publicly apologize on the Senate floor to every member of the committee.

Mr. SYMINGTON. I do not want to get into a discussion of the meaning of words such as "caustic."

Mr. DIRKSEN. Sharp.

Mr. SYMINGTON. The Senator from Illinois brought up this subject. I thought, inasmuch as the Secretary of Agriculture had promised to submit an omnibus farm bill, and inasmuch as he had been criticizing consistently the Democratic majority in the Congress, he ought to come forward with that bill expressing his own recommendations that he promised over 5 months ago.

Mr. DIRKSEN. But is it not the responsibility of the legislative branch, on its own initiative, when there is such a pressing problem besetting the country today, to move forward with diligence and vigor and to provide a bill?

Mr. SYMINGTON. We have done that. It is unfortunate the wheat bill Congress advocated was vetoed by the President. In that connection, Mr. President, and I do not want to take the time of other Senators who came to the floor before me——

Mr. DIRKSEN. Mr. President, I yield the floor.

Mr. SYMINGTON. I ask unanimous consent that the statement I make later this morning on yesterday's wheat referendum be included in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHEAT REFERENDUM AGAIN SHOWS FARMERS WANT TO COOPERATE IN SOLVING FARM PROBLEM

Mr. SYMINGTON subsequently said: Mr. President, once again farmers have overwhelmingly expressed a willingness, in fact, a desire, to cooperate in adjusting their production in turn for some degree of protection against sharp price fluctuations.

Conversely, farmers have again repudiated the claims of the Secretary of Agriculture and others that farmers do not want a farm program, that they would prefer freedom from production adjustment measures, and the disastrously low prices that would result.

Yesterday, for the sixth straight time and the ninth time in recent years, almost 81 percent of the wheat farmers of the Nation voted to comply with marketing quotas in turn for price supports at 75 percent of parity.

The President, acting on the advice of the Secretary of Agriculture, through the use of the veto, has denied farmers the opportunity to cooperate in a program which would not only have brought an end to overproduction in wheat, but would have reduced the wheat inventory by many millions of bushels a year.

The President's veto was an unfortunate action for the taxpayer, because under the wheat program as passed by Congress, and supported by wheat farmers, the cost of this program would have been reduced by an estimated $260 million a year.

And, therefore, no fairminded person can blame the farmers or the Congress when the Government inventory of wheat is increased next season by some 200 million bushels.

As yesterday's referendum again proves, the farmers were willing to cooperate in adjusting production.

The Congress acted in passing a responsible bill. Only the veto prevented this sound program from becoming law.

After drawing up this statement I listened to the remarks of the able minority leader [Mr. DIRKSEN]. I again invite the attention of the Senate to the fact that last February 16 the Secretary of Agriculture promised the Senate Committee on Agriculture and Forestry to come forward with an omnibus farm bill which would express his views as to what the Congress should do. He has not yet fulfilled that promise. Inasmuch as he continues to travel around the country criticizing the Congress, it is time for him to carry out the promise he made; else we have the right to believe he does not know what he thinks should be done.

COMPETITIVE BIDS FOR GOVERNMENT CONTRACTS

Mr. GOLDWATER. Mr. President, notwithstanding the time limitation of 3 minutes during the morning hour, I ask unanimous consent that I may proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Arizona may proceed.

Mr. GOLDWATER. Mr. President, a matter recently was brought to my attention which, although it specifically affects my own State in a more general way, is of importance to every State and to every local, independent businessman who may bid for Government contracts.

I might say that I have more than a passing interest in business, with a background of merchandizing, and having served with the Select Committee on Small Business. The small businessman, in my estimation, is the real backbone of our Republic and has been the symbol of our Nation's progress and way of life since its beginning. The independent businessman forms the basis of our economy in every community, especially in the West, and merchants everywhere with courage, individuality, and foresight are recognized as civic leaders. They provide employment for people in all walks of life, from young people just learning the ropes of enterprise, through experienced executives and junior executives who form the core of any business, to semiretired and handicapped persons who have something of value to offer their community and are given this opportunity by small businessmen.

So I am sure my colleagues will agree that each independent firm which has proven qualifications and dependability in its own community and State should have the opportunity to seek new trade on a competitive but equal basis with a larger national firm.

I would like to cite a specific example in this case, without commenting on the merits or demerits of any one firm, but simply pointing out the restrictive nature of specifications which are written into a contract administered by the General Services Administration.

The specifications for the elevator contract for the Federal courthouse building in Phoenix, under section 2-22(b) demand that:

> The bidder must have installed the elevators in three separate buildings where the control and operation meet, and the loads and speed meet or exceed, that required by this specification, all of which have been in successful operation at least 2 years.

The specifications are described and the section states:

> A list of the three installations as required above shall be submitted upon request by the service after the bids are opened. The list should include the name of the building owner or manager, the location and the name of the building.

And I call the Senate's attention to the closing sentence of this section:

> Failure to meet the foregoing experience requirements, or to submit the list of installations required, will be reason for disqualification.

I can appreciate and applaud the desire of the GSA to protect the interests of the Government and to insure the proper use of the taxpayers' money. But this is operating in the opposite direction and even contrary to business practice. In this case—and I am certain there are hundreds of similar cases in which small- or medium-sized firms are involved in bids on Government contracts—the language of the specification ignores the local reputation of the firm, its financial soundness, and its ability to meet the technical requirements of a job.

The Select Committee on Small Business has had numerous complaints from small business concerns which have been disqualified as bidders on Government procurements. It appears to be a general practice of the General Services Administration to restrict small business concerns though clauses in their specifications.

In a contract for repairs on a post office at Grand Central Station in New York, the following was required:

> The bidder shall submit with his bid a list of not less than three projects satisfactorily performed by the bidder, with his own organization, within the past 5 years involving major alterations or construction work of a similar type and of a similar or greater scope as that included in these specifications.

Small contractors in New York protested that this was restrictive and would cause them to be unable to bid even though they had been doing similar work for GSA for the past 15 years.

It has been brought to the Small Business Committee's attention on numerous occasions that the Federal Government has a qualified products list and only those companies which have made the product are allowed to bid. In order to get on the list, it would mean considerable expense to produce a prototype not knowing whether the company would be allowed to have it passed or be allowed to produce it. This is an unreasonable cost to the small business concerns, and the committee has recommended that in such cases the first article approved be accepted in lieu of having their product tested in advance. This recommendation has not been accepted by the executive agencies.

For many years the only producer of lifeboats for the Government was a large concern, and the committee repeatedly insisted that the Department of Navy obtain a second source. After 5 years of insistence, it has finally been agreed that small business concerns should be allowed to bid on a lifeboat, and if this product is satisfactory the firm would be accepted as a qualified bidder.

There are two economic standards which are brushed aside by this type of restrictive, experience requirement.

First, it can eliminate the low bidder on a contract, costing the taxpayers money. It eliminates the low bidder and pushes the cost up, not because a firm is incapable of meeting the normal specifications of a job, but because this firm has no past experience in a specific type of installation. I might insert here that in the special case of my own State to which I draw attention, this firm has been in business since 1936 and its elevator installations have ranged the State, but it is impossible for this firm to meet the experience requirement of the contract simply because no building in the entire State has the specific—but not unusual—elevator requirements of the proposed Federal building.

To toss out a bid on this experience requirement, to me, is not even practical. To what lengths is it necessary for the GSA to go to guarantee satisfactory completion of a contract? If a business firm bids, and is the low bidder, and can show bondability and financial soundness, and has all the qualifications to handle the mechanics of a job, then how can anyone guarantee a satisfactory job by this or any other of the bidders? At this point it is up to the contractor to complete the job under the terms of the contract, or lose money satisfying the contract. At this point the responsibility no longer rests with the GSA, but with the contracting firm to do a satisfactory job.

The second economic standard which an experience requirement violates is competition. Eliminating the low bidder, or any bidder along the line, on the basis of this experience clause, opens the way to a noncompetitive selection of contractors.

Competitive bidding is the very core of Government contract letting. And any restriction on competition fosters the growth and the power of big busines, simply because it is big, and hobbles the independent businessman who is attempting to increase his productivity.

No independent enterprise can possibly grow and compete under terms such as these. And big business cannot help but grow bigger. It is not that we should restrict either in their efforts to prosper, for both big and little business, under the proper climate, benefit our Nation as they grow. But where the taxpayers' money is at stake, bidding should be done on an equal basis with the criteria of awarding bids being financial stability, adequate resources, and ability to meet contract requirements at the lowest price.

Mr. President, I would recommend that the General Services Administration review the impact of this restrictive experience requirement on the small businessman and eliminate it from their future contracts. It limits competition rather than encouraging it, and ignores many otherwise qualified contractors

who are technically and financially able to perform a contract.

Restrictions such as those imposed by GSA contracts, in my opinion, cannot benefit either the taxpayers or our lifeline of independent businessmen, or for that matter the Government itself, if they are allowed to continue.

In view of the effect of these restrictions on our free enterprise system I urge that the experience requirement of GSA contracts be carefully studied with a view toward striking this requirement from future specifications.

Mr. President, I ask unanimous consent that the regulation 2–22(b), containing the language in the contract, be printed in the RECORD at this point in my remarks.

There being no objection, the regulation was ordered to be printed in the RECORD, as follows:

2–22(b). The bidder must have installed the elevators in three separate buildings where the control and operation meet, and the loads and speeds meet or exceed, that required by this specification, all of which have been in successful operation at least 2 years. These three installations must each include a minimum of four elevators operating together in a bank or group from a riser or common risers of landing pushbuttons, and the elevator controllers, group supervisory control system, selector, machines M.G. sets, used must be the product of the same manufacturer or combination of manufacturers, which the bidder will use on this project if he is the successful bidder. A list of the three installations as required above shall be submitted upon request by the service after the bids are opened. The list should include the name of the building owner or manager, the location and the name of the building. Failure to meet the foregoing experience requirements, or to submit the list of installations required, will be reason for disqualification.

Mr. PROUTY subsequently said: Mr. President, I desire to associate myself with the views expressed a few minutes ago by the distinguished junior Senator from Arizona [Mr. GOLDWATER] in which he pointed out the difficulties being experienced by small business in obtaining General Services Administration contracts.

He is to be commended for bringing this matter to the attention of the Senate. More than 95 percent of the business in Vermont is classified as small business, and as the distinguished Senator has pointed out, experience restrictions in Government specifications are particularly harmful to small businessmen.

No one questions the right and the duty of the General Services Administration to protect the Government and see to it that the taxpayer gets his money's worth from contractors who produce under Government contracts. This is a commendable effort, but it should not be accomplished by restricting the contracts in such a manner as to disqualify and discourage new bidders.

The suggestion which the distinguished Senator has made to the General Services Administration should receive prompt attention. I thoroughly agree with the Senator's conclusions and recommendation and I assure him that I will do whatever I can to assist him in seeing to it that the General Services Administration reviews the impact of these restrictive specifications on small businessmen so that they may be eliminated in the future.

As a member of the Select Committee on Small Business, I will urge that the committee renew its efforts to eliminate these restrictive specifications. This is a field in which the Small Business Committee has been interested for some time, and I hope that the action of the Senator from Arizona in bringing this matter to the attention of the Senate will provide added support for the efforts of the committee to secure the removal of these restrictive provisions.

I thank the Senator for bringing this to the attention of the Senate and assure him of my support.

ADDRESS BY SENATOR GOLDWATER AT NATIONAL PRESS CLUB

Mr. GOLDWATER. Mr. President, I ask unanimous consent that an address I delivered yesterday at the National Press Club be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR GOLDWATER AT THE NATIONAL PRESS CLUB, WASHINGTON, D.C., JULY 23, 1959

In our 2½ years of McClellan rackets committee work we have listened to millions of words of testimony which fills more than 60 bound volumes, all of it dealing with corruption in the labor-management field.

Yet despite this flow of testimony the House Labor Committee has somehow managed to ignore the basic evil disclosed by the hearings and has put together a bill which, like the Senate passed labor bill, deals only with the symptoms of the disease. In casting my vote against the Senate labor bill, I was convinced that the bill was completely ineffective to cure some of the abuses revealed by the McClellan rackets committee.

The House Labor Committee version of this bill is even weaker. It does nothing to correct this evil condition of unjustified labor union power, and most of the House committee amendments actually compound the condition.

Among the more glaring defective amendments are those which:

Exempt more than 60 percent of the small labor union locals from financial reporting requirements. Among these small locals are the Johnny Dio type paper locals in which some of the worst abuses were revealed.

Nullify the power of the Secretary of Labor to investigate alleged violations.

Allow a union official who may be stealing union funds the use of additional union funds to defend himself in criminal proceedings.

Destroy one of the major safeguards established by the Senate bill against the abuse of the election process in unions by eliminating the requirement that rival candidates for union office be permitted to have a teller present at the counting of the ballots.

Destroy even the few inadequate protections provided in the Senate's version of the bill of rights. In the House committee version, the rights and privileges accorded union members need no longer be equal, and need be only such as are granted by the union constitution, bylaws, and other governing rules, with few exceptions.

These are but a few of the House committee bill amendments which serve only to further weaken and water down a Senate bill which was inadequate itself to deal with the unrestrained power of unions.

Now let us examine this point of power. What are the privileges to unions granted by the Federal Government which are granted to no other segment of our society? Let me list them:

1. Immunity under the antitrust laws.
2. Practically full immunity to injunctions in the Federal courts.
3. Immunity from taxation.
4. Power to compel employees to join unions as a condition of employment.
5. Right to represent all the employees as exclusive bargaining agent even if only a bare majority has selected the union as such agent.
6. Power to compel employers to bargain collectively.
7. Although not required to be incorporated, their members are free from the liability for the debts of the union, unlike the members of other unincorporated associations.
8. Unions are not liable for the acts of their individual members in contrast to other types of unincorporated associations.
9. Employers are prohibited from discriminating in hire and tenure of employment against employees because of their union membership or their union activities, including participation in picketing and strikes. Employers, however, are forbidden to engage in lockouts except in two unimportant types of situation.
10. Unions have the right, during collective bargaining, to compel the employer in some circumstances, to disclose his financial books and records, but there is no corresponding obligation on unions.
11. Unions, in some situations, have a legal right of access to the employer's property, the right to compel him to make his property available for use by the union, and the right to invade the privacy of employees who are not union members and sometimes even against their wishes.

As I have said on previous occasions, it is this power, and the abuse of this power legally vested in the union movement which is the basis of corruption exposed by the McClellan committee. It is not the men—not the Hoffas, Reuthers, or Meanys as individuals—but the power of the offices these men hold which is the core of the problem. If we direct our efforts at this power, then we will be dealing with the disease of labor corruption. If we do not apply ourselves in this direction, we are only dealing with the symptoms and are hoodwinking the public as well as ourselves.

Do union leaders themselves recognize this power? Of course they do, and they'll fight with every means possible to retain it. Let me quote a few statements of labor leaders which reveal their attitude toward this power, and which, incidentally also reveal their disregard for the general public.

On March 4, 1956, the St. Louis Post Dispatch printed this statement of James Hoffa: "The future of labor-management relations is big labor and big business, for there is no room for the small business or the small union. That is unfortunate, but true. We have reached the saturation point. Now we have to organize what don't belong to us to stay in business. We are in business to make money—not for profit. We are a nonprofit organization, but to expand, we are out for every quarter we can get."

George Meany is quoted in the New York Times on December 9, 1955, as follows: "We are banded together for the benefit and the welfare of the many, not of the few, and if there is fear about too much power, how can there be too much power if the power is for good and is used only for good. You just can't have too much power."

Here are the words of James B. Carey in 1956: "Every other nationwide strike from now on will be not just a one-union strike

but a strike of the entire American labor movement."

Here is an excerpt from the New York Times of August 8, 1957: "Mr. Hoffa announced, at a meeting of the union's constitution committee, that if he was elected he would fight for an all-embracing council of American transport unions—air, land, and sea—for joint action. 'You cannot have a one-city strike any more,' he said, 'or a strike in just one kind of transportation. You have to strike them all.'"

In 1956, the manager of a motor parts company testified that Bernard J. Marcus, organizing director for Teamsters Joint Council 53, told him: "You will get nothing. We will close you up first if you don't sign up. I control Philadelphia. The union controls the country."

It is a sad day when because of this unrestrained power, Congress is forced to negotiate in the Halls of the Senate with these union grandees to determine what the unions will accept in the way of labor reform measures. If Congress does not have the courage to stand up to this vengeful power and protect the rights of the honest union member and the American public, then who will? The extent to which unions carry their demands is shown in the following statement by James L. McDevitt, codirector of COPE, delivered at a meeting of local union officials in Hartford, Conn., in 1956:

"We are driving to see that every so-called labor leader speaks for what is best for the movement and not what is best for him. We are going to get the labor leaders who differ publicly with the position on candidates and issues already established by the labor movement. Such differing hurts the cause. These so-called labor leaders that differ with the movement will be uncovered. * * * We are warning you now, and we are warning all in the future: Do not differ with the movement with respect to issues or candidates. We will not stand for it."

I think by now it is quite clear that the mantle of unrestrained power which cloaks these union bosses is the matter to which the American public demands we address ourselves.

We are not interested in "getting" one man, or one union or in busting the union movement. We must, however, restrain this legalized power and restore the balance among the unions, business and the public. There was a time when the balance was tilted against unions and I believe that in the 1930's the Government acted justly in awarding to unions certain powers which would strengthen their position at the bargaining table. There is no denying there was a period when the union movement was the underdog and needed help. But this is no longer the case. And now it is the American public which needs the help. It is the American public which needs the attention of Congress to free them from the oppressive and abusive power wielded by corrupt labor bosses.

It is time we stopped considering a labor reform bill from the standpoint of the National Association of Manufacturers, or the unions and start considering it from the standpoint of the American public.

In the rackets hearings last week, I posed this situation to James Hoffa. This actually was a replay of testimony which he had given in 1957 at which time I asked him: "Because of those facts would you think it wise, too, that the Congress consider placing unions under antimonopoly or under antitrust laws the same as we place the large corporations of this country?" And Hoffa answered: "I certainly do not."

Last week I put the problem to him this way:

"I wanted to ask you if your union or your council or your combination, or whatever you want to call it, ever reaches a place where you can restrain trade in this country to the damage of the public, do you think that the Government should have the controls over the restraint the same as they have in corporations in business?"

Hoffa's reply was: "No, sir, I do not. Not now or in the future."

It is evident, I think that these unions do not intend to relinquish these powers, regardless of their effect on the consumer, their own union member, or the general public. And it is my opinion that it is the duty of Congress to recognize the destructiveness of this power to our Republic and to take the proper steps to place it in its proper perspective.

MAJOR WEAKNESSES IN THE AMENDMENTS MADE BY THE HOUSE LABOR COMMITTEE TO THE SENATE-PASSED LABOR BILL, S. 1555

On April 25, 1959, the Senate of the United States passed the Kennedy-Ervin labor bill, S. 1555 by a vote of 90 to 1. I cast the single adverse vote against the bill because I was convinced then, as I am right now, that the bill was completely ineffective to cure some of the most flagrant abuses revealed by the McClellan rackets committee. What is even more important, it failed utterly to reach the basic source from which these abuses flowed—excessive and unjustified labor union power.

Most of the amendments added to the Senate bill by the House Labor Committee not only do nothing to correct this evil condition, they actually compound it. Their total effect is to render the bill even more ineffectual than it was when it emerged from the Senate. Should these proposals become law in their present form, the American public, which has been emphatically demanding strong and effective labor reform legislation, will have been sold a pig in a poke. They will have secured a law which will be trumpeted by the labor leaders and their fanatical adherents as a genuine corrective measure. But behind a clever facade of professed reform, the new law will carefully and assiduously guarantee that nothing is done to stem the overbearing power of the labor bosses or even to compel them to pull in their horns somewhat in connection with most of the grosser and more obvious evil activities in which many of them are engaged.

The House Labor Committee made over a hundred amendments to the committee bill. A few of them, and I might add very few indeed, resulted in some minor improvements. A large number of others were primarily technical in nature but even these were generally in the direction of watering down the corrective aspects of the pending legislation. More than 25 of the added amendments, however, were designed to weaken major reform aspects of the bill, some of them being added to provisions which were already inadequate, thereby resulting in their almost complete nullification.

I do not have time to deal with all of these weakening amendments. I shall merely point out a few of the most glaringly defective.

1. Affirmatively exempts from the financial reporting requirements small labor unions comprising more than 60 percent of the locals in the United States. These would include practically all of the corrupt paper locals established by such criminals as Johnny Dio, among which the McClellan committee found some of the worst abuses of the many which it has revealed.

2. The power of the Secretary of Labor to investigate alleged violations of the bill is limited to cases where he can show probable cause, a limitation not imposed on him in connection with his investigations under the Fair Labor Standards Act or the Walsh-Healey Act, nor imposed on other administrative agencies having investigatory power such as Internal Revenue or the SEC. The probable result of this requirement is to diminish the Secretary's investigatory power almost to the point of complete futility.

3. Although continuing to prohibit payment by labor unions of the fines imposed on their officers for conviction for violating the act, as provided in the Senate bill, the payment by the union of the costs of the union official's defense in such criminal proceedings is not prohibited. Thus the dues of the union members can be used to finance the defense of the very individual who may have been cheating and exploiting them, or robbing them of their hard-earned money paid into the union treasury.

4. Destroys one of the major safeguards established by the Senate bill against abuse of the election process in unions by eliminating the requirement that rival candidates for union office be permitted to have a teller present at the counting of the ballots.

5. Under the Senate bill there is some doubt whether there is any provision which permits union members to invoke or enforce the procedures contained in their union's constitution or bylaws for the removal of union officers guilty of serious misconduct. Under the House amendments all doubts are removed—there is no such provision.

6. The House amendments, like the Senate bill, make it unlawful for an individual who has been convicted or imprisoned for having committed certain specified major crimes to hold union office or employment for a period of 5 years. But the House amendment permits a union official to continue to hold such office or employment even though he has refused to furnish conflict-of-interest information as required by the bill, on the grounds of self-incrimination under the fifth amendment. Moreover, the House proposals impose no penalty on a union or its officers for permitting individuals to hold union office or employment while unlawfully in violation of these provisions.

7. Weakens the fiduciary obligations imposed on union officials by the Senate bill to the point of complete futility by authorizing unions to grant unlimited power over union funds to union officials as long as they comply with their union constitutions and bylaws. There are no limitations on what these documents may authorize. The House amendments then provide union members a judicial remedy for breach of these nonexistent fiduciary obligations, in other words, they really provide no remedy at all. But at the same time they effectively preempt whatever remedies exist in this area, and there are some, under prevailing State law.

8. The weak and ineffective bill of rights for union members contained in title I of the Senate bill is replaced by a new title I which is quite accurately no longer designated a bill of rights because it nullifies even the few inadequate protections provided in the Senate bill. The rights and privileges accorded to union members need no longer be equal, and need be only such as are granted by the union constitution, bylaws or other governing rules, with a few exceptions. These few exceptions which profess to safeguard the union members' rights of freedom of speech and assembly, to protect him against arbitrary increase or imposition of fees, dues and assessments, to give him the right to sue the union or its officers without being punished therefor, and to be given due process when he is subjected to union disciplinary proceedings, are all qualified to the point of worthlessness by permitting the union to restrict these rights by means of its own rules and limitations in a manner far more extensive than permitted under the Senate bill.

Not only do these amendments permit a union member to be disciplined for what his union officials choose to call disloyalty to his union, he may also be punished for disloyalty to the labor movement as a whole. The only guarantee of due process which he is accorded in union disciplinary proceedings is a requirement that the union adhere to its

own constitution and bylaws in the conduct of such proceedings.

Like the Senate bill, if the union member sues or initiates any legal proceedings against his union, he is given no reimbursement for his court costs or attorney fees if he is successful. But what is designed to assure that no union member will have the temerity to proceed legally against his union or its officers, is the provision that no employer, not even a completely disinterested one, can help him, financially or otherwise, in his suit. Thus, even a bank loan secured by the union member to help finance his suit, would deprive him of the protection against disciplinary action by the union which the House amendments profess to guarantee him.

The final touch designed to assure the total worthlessness of the rights of union members which the House amendments profess to safeguard, is the elimination of the criminal penalties the Senate bill imposed on union officials and other persons who sought to interfere with union members in the exercise of even these inadequate rights. Without these criminal sanctions, machinery for enforcing these rights becomes under the House amendments, practically nonexistent.

9. Most of the amendments made by the Senate labor bill to the Taft-Hartley Act were concessions to the labor unions designed to make the reform provisions of the bill more acceptable to them. With one or two exceptions these Taft-Hartley amendments, popularly known as the sweeteners, were wholly irrelevant to the basic issue of internal labor union reform which even its most devoted supporters claimed to be the sole objective of their proposed legislation. Ironically, it was precisely those few amendments to Taft-Hartley most essential to an effective legislative program for labor reform which were either omitted or inadequately dealt with in the Senate bill. I refer to amendments designed to plug the loopholes in existing prohibitions against secondary boycotts, to limit substantially the practices of organizational and recognition picketing, usually referred to as blackmail picketing, and to eliminate the legal no man's land vacuum and its attendant problems which prevail under existing law.

As I have said, the Senate bill dealt little or not at all with these problems. The House amendments are equally worthless in these respects, and what is more, actually add a few spoonsful of sugar to the Taft-Hartley sweeteners in the Senate bill.

Thus, where the latter requires a 45-day interval before a prehearing representation election can be held by the NLRB, the House amendment cuts this down to 30 days thereby rendering the effects of the denial of due process which the prehearing election procedure imposes on litigants even more harmful than under the Senate bill.

Again, although the Senate bill permitted replaced economic strikers to vote in NLRB elections, but only under such conditions and during such periods as determined by the NLRB, the House amendment gives them the right to vote without any limitation whatsoever. As a result, if this proposal were to become law, the regular permanent employees in a particular establishment could be compelled by law to accept as their exclusive bargaining agent for an indefinite period, a labor union which only a tiny minority of them, or even none, wished to be represented by. I can think of no legislative provision more effectively designed to nullify the basic principle of both the Wagner and Taft-Hartley Acts—the right of employees to be represented by unions of their own choosing.

The House amendments would also result in further weakening the protection presently afforded, even if inadequately, under existing law, against secondary boycotts. Under these proposals secondary boycotts in the building and construction industry, some of which are now unlawful, would be legalized almost without exception, overruling important Supreme Court decisions in the process. And finally, the provisions in the Senate bill outlawing a special aspect of the secondary boycott, the notorious hot-cargo contracts as they are imposed in some parts of the trucking industry, would be watered down by the House amendments to a degree which it is impossible to determine because of the ambiguity of the language used in the amendments.

Thus, the use of the secondary boycott, the device which, as has been widely recognized, has been effectively utilized in aid of racketeering, corruption, and so forth, in the labor movement, has been strengthened by the House amendments, instead of weakened, as the American public demands.

TRIBUTE OF TIME MAGAZINE TO NATIONAL CANCER INSTITUTE AND ITS DIRECTOR, DR. JOHN R. HELLER

Mr. NEUBERGER. Mr. President, as one who has suffered from cancer myself, I have a profound and even emotional appreciation of the great discoveries in this field already made under the auspices of the National Cancer Institute, which is part of the marvelous National Institutes of Health in Bethesda, Md.

The July 27 issue of Time magazine has published a most informative and illuminating article in tribute to the National Cancer Institute in general and to its able director, Dr. John R. Heller, in particular. This article describes how great researchers in this realm of life and death—like Dr. Sarah E. Stewart, Dr. Sidney Farber, Dr. Peyton Rous, and many others—have been assisted in their life-giving efforts by the vast grants program of the National Cancer Institute.

The National Cancer Institute is much in the minds of Members of the Senate and House these days, because the conference committee is still meeting on funds for all the National Institutes of Health. It is the hope of those of us vitally concerned about medical research that the higher Senate figure, attained under the brilliant leadership of the senior Senator from Alabama [Mr. HILL], will more nearly prevail when the ultimate decision is reached.

I believe that many of my colleagues will come to appreciate more thoroughly than ever the attainments possible in medical research after they have read this Time cover article of July 27 about Dr. Heller and the National Cancer Institute. Therefore, Mr. President, I ask unanimous consent that the article from Time be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CORNERING THE KILLER

At 8 a.m., a stocky, short-legged man with a brush of steel-gray hair rises from a big breakfast at his Georgian-style house, shoehorns himself into a midget Triumph estate wagon, and drives a couple of miles to the rolling campus of the National Institutes of Health at Bethesda, Md. Parking his small car in the No. 1 reserved spot, Dr. John Roderick Heller, Jr., enters an unimpressive building labeled T-19.

Planned to house dogs used in research, the one-story structure is the temporary command post from which Dr. Heller leads the major part of the U.S. fight against one of mankind's oldest and deadliest enemies—cancer. T-19 is headquarters of the National Cancer Institute, and John R. Heller, 54, is the National Cancer Institute's Director.

Across Dr. Heller's desk, from his far-flung research fields, flow curious and varied intelligence items—students gathering puffball mushrooms, desert rats that have learned to smoke, a drug made from a chemical relative of DDT, a plastic iron lung for mice. To him, they all fit tiny corners of the vast jigsaw that must be filled in before cancer can be conquered. Meanwhile, his reports on the enemy's inroads are grim:

"Cancer will strike 450,000 Americans this year and kill 260,000, making it the biggest killer after diseases of the heart and arteries.

"Lung cancer is increasing faster than any other form of cancer, has a lower cure rate than most, will kill 35,000 Americans this year (85 percent of them men).

"After increasing alarmingly for a quarter-century, the death rate from leukemia in the North is leveling off, but is still rising rapidly in the South."

Anticancer forces have scored some gains, Dr. Heller notes: one cancer victim out of three is now saved, meaning cured or enabled to survive 5 years or more. Until recently, it was only one in four. But this advance could be upped by 50 percent merely by early detection and prompt treatment. About 75,000 cancer deaths every year are needless sacrifices to ignorance, apathy and fear.

To make sure that all cancer victims who can be successfully treated get help, and to find ways of saving the half who are now doomed, NCI, a branch of the U.S. Public Health Service, is mounting history's most intensive campaign against a human illness. Its budget is skyrocketing: from $14 million when Dr. Heller took over in 1948 to $75 million in the fiscal year just ended, to a probable $100 million in the fiscal year just begun. It musters the efforts of 675 direct employees and thousands of independent researchers through grants and contracts. NCI's budget embraces almost 80 percent of all U.S. outlays for cancer research. Next biggest backer: the American Cancer Society, with $9,250,000 a year.

NATURE OF THE BEAST

Research must find answers to three complex questions: (1) What is cancer and what are its causes? (2) How can it best be detected, treated, and cured? (3) How can it be prevented?

The experts are in close agreement on what cancer is. First, it is not one disease any more than infection is. Cancers ravage the entire plant and animal kingdoms. In man there are 200 to 300 kinds, though 90 percent of human cancers belong to 30 common types. So cancer is a collective term.

The experts are almost unanimous, too, in believing that wherever cancer appears, its essential nature is the same: a growth of cells that have rebelled against the body's rigid chemical control. Normally, hormones and enzymes work together in a delicate harmony of checks and balances to regulate cell growth. Once the cancerous process begins, it tends to snowball. The abnormal cells consume more than their share of cell foods, can flourish in a victim who is starving, or actually cause him to starve. Like juvenile delinquents, they grab what they want, and never grow up to assume the duties of normal, mature cells. They tend to reproduce early and die young.

How do the first abnormal cells get that way? The experts cannot agree. Columbia University's Dr. Samuel Graff expresses the current consensus: all cancerous cells are the result of mutation, and mutations can be set off by many known factors—inher-

ited defective genes, radiation by X or gamma rays, ultra-violet light, many chemicals, including some of the huge class of hydrocarbons, physical irritation of tissues, and certainly in some animal cancers by the invasion of a virus. There may be other, still unknown, factors causing mutation.

VILLAINOUS COMBINATION

Many people get cancer, but most do not. Are there no mutated cells in the systems of those who escape? Almost certainly there are, says Dr. George Moore, director of New York's Roswell Park Memorial Institute[1] in Buffalo, biggest of the few cancer research units operated by States. Dr. Moore has studied abnormal cells, which might well be precancerous, in the blood of apparently healthy people of all ages. His thesis: every bird, beast, and man produces some such cells at all times, but the body's defenses are usually strong enough to destroy them. That healthy people have a specific immunity against anybody else's cancer has been shown in dramatic tests by investigators from Manhattan's Sloan-Kettering Institute and Ohio State University on prisoner volunteers at Columbus' Ohio Penitentiary (Time, Feb. 5, 1957). Victims of advanced cancer have no immunity against their own or somebody else's cancer.

Why and how anticancer defenses break down is, in most cases, unknown. Many authorities accept the idea of some hereditary susceptibility. Sometimes there are easy, if superficial, explanations. The combination of a chemical carcinogen (cancer-causing factor) with physical irritation is plainly villainous. Cancer of the scrotum among London chimney sweeps was described by Percival Pott in 1775. The disease disappeared when the sweeps were taught to wash themselves clean of the carcinogenic soot. Lung cancer from inhaling chromate ore dusts and nickel-refining fumes can be prevented by the wearing of masks, coupled with adequate ventilation. Even the cancer-causing tobacco-tar fractions isolated by Sloan-Kettering's Ernest L. Wynder seem most potent when their powers are reinforced by irritation or by another chemical—perhaps from automotive or industrial exhausts.

THE HOTTEST THING

"Right now," says National Cancer Institute's Heller, "the hottest thing in cancer is research on viruses as possible causes." The Rockefeller Institute's Dr. Peyton Rous showed as long ago as 1911 (his findings were unpopular at the time) that one cancer (sarcoma) in chickens is caused and can be transmitted by a virus. Over the years, viruses were found to cause other tumors in birds and lower animals. But the gap between them and man seemed unbridgeable. Then the University of Minnesota's Dr. John J. Bittner showed that breast cancer in certain mice is transmitted by a factor, now accepted as a virus, in mouse mothers' milk. This led to the establishment of mouse dairies and the painstaking milking of tens of thousands of rodents. In 1951, Dr. Ludwik Gross of the Bronx Veterans Administration Hospital injected something (evidently a virus material) from leukemic mice into newborn mice, got a high incidence of leukemia and some odd tumors to which little attention was then paid.

Other researchers promptly tried to duplicate Gross's results. One was Dr. Sarah E. Stewart, a tall, vivacious microbiologist turned physician; and working in Baltimore for the National Institutes of Health. As so often happens in medical research, she did not get what she was looking for, but she got something better. Many of the mice she injected with Gross's leukemia virus got solid tumors, mainly in the parotid (salivary) glands. (Dr. Heller's theory: the Gross material had contained two viruses.) Dr. Stewart teamed with the NIH's Dr. Bernice E. Eddy to grow the solid-tumor virus in tissue cultures of monkey kidney cells (as polio virus is grown to make Salk vaccine).

VACCINATION

By now, the SE (for Stewart-Eddy) polyoma (multiple-tumor) virus has hurdled the species barrier and caused cancers not only in mice but in rats and in Syrian and Chinese hamsters. In rabbits, for some strange reason, it causes only benign tumors. so far, Drs. Stewart and Eddy have not been able to infect monkeys with their virus, but a determined effort to do so is under way at Roswell Park Institute. Patricia, a lone baby monkey harboring polyoma virus, has her own spotless nursery where she is cared for by Nurse Althea Higgins. Drs. Stewart and Eddy have gone a vital step farther, treated their virus with rabbit serum, and made a vaccine that protects a big majority of normally susceptible animals against the polyoma virus effects. At Sloan-Kettering Institute, Dr. Charlotte Friend has cultured a strain of mouse virus that causes leukemia in adult as well as newborn animals, and has perfected a protective vaccine. So in some animals, the circle of evidence is virtually complete; viruses are linked with leukemia and certain tumors, and immunity is offered through vaccination.

The problem: Applying these findings to man. At dozens of laboratories in the United States and elsewhere, material from human victims of both leukemia and solid tumors is being tested in animals. Some success is reported by Dr. Steven O. Schwartz of Chicago's Hektoen Institute, who has generated leukemia in mice with an extract from the brains of human leukemia victims. At the University of Texas' M. D. Anderson Hospital in Houston, Dr. Leon Dmochowski has taken electron-microscope photographs of what he is confident are virus particles from human leukemia. Other investigators want more proof, but this suggestive evidence helps to close the ring.

MIGHTY MOLECULE

The virus theory of cancer causation long seemed to be far out in leftfield, but growing knowledge tends to link it with other anticancer plays. Most fundamental of these involves nucleic acids, currently regarded as the secret of life itself (Time, July 14, 1958). Human cells, tiny as they are, normally contain 46 chromosomes, each containing in turn up to 1,000 molecules of nucleic acid. Each of these molecules, invisible even to the electron microscope under most conditions, is a huge chemical complex embracing tens of thousands of atoms. In mammalian cells the master molecule is one of the thousands of forms of deoxyribonucleic acid (DNA). The vital nucleus of many viruses, especially those causing disease in plants and animals (e.g., cowpox, which gives man immunity against smallpox), is also a form of DNA. Most viruses of human diseases have a nucleus of the slightly simpler ribonucleic acid (RNA). Whether polyoma virus has a heart of DNA or RNA is not yet known.

On how to weave these threads of evidence together there are almost as many theories as researchers. But they converge on this general line: DNA is the master molecule of life, with the power to reproduce itself and also to dictate how chromosomes and entire cells shall reproduce. So an abnormal DNA molecule might not only spawn more abnormal DNA, but also trigger the multiplication of abnormal cells that defy the body's usual chemical regulators—in a word, cancer. A DNA viral nucleus, entering a cell, may substitute part of itself for part of a normal DNA, thus scramble the signals for reproduction given by the master molecule.

To the layman, the most puzzling question remains: If any human cancers are caused by viruses, why have none been clearly identified? (The lowliest of benign tumors, the common wart, is definitely caused by a virus that can cause cancer in animals.) Dr. Eddy explains: "In human disease, it may be that the virus starts the cancerous process, but by the time we detect the tumor, there is so little virus left—or in an altered form—that we cannot detect it." Dr. Stewart sums up: "Perhaps we just haven't hit upon the right method." To find the right methods, National Cancer Institute is doubling its outlays for virus research, through grants to independent investigators, to about $4,500,000 in this fiscal year.

EARLY DETECTION

As for detection, treatment, and cure of cancer, Dr. Heller sees the most exciting new development in chemotherapy—treatment of the disease with drugs. But before the disease can be attacked, it must be detected, and all too often detection comes too late for treatment to do all that it might.

Probably no man has done more to save lives threatened by cancer than Greek-born Dr. George N. Papanicolaou, 76, of Cornell University Medical College, who devised a test for cancer of the uterus and cervix by smearing mucous secretion on a glass slide and examining the stained cells under a microscope. The "Pap smear" is now done routinely in hundreds of U.S. laboratories, for an estimated total of 3 million tests a year—most of them for healthy women wisely having regular examinations. Vast ingenuity has gone into extensions of the Pap test: aerosols to make a smoker cough up deep mucus to reveal lung cancer; swallowed balloons and brushes to catch cells from stomach cancer; special washings to reveal disease in the large bowel and rectum.

Attempts to devise a blood test for cancer (other than blood cancers such as leukemia) have been unrewarding, though Sloan-Kettering now has high hopes based on high levels of a substance called cytolipin H in cancer victims' blood. But even if such a test was reliable, it would not tell the cancer's location. Physicians still rely mainly on traditional diagnostic methods: physical examination, visual inspection of accessible sites with such aids as the proctoscope and bronchoscope, Pap smears, and X-rays.

KNIFE AND RAYS

Treatment also is usually traditional: with surgery or X-rays. For the most part, cancer specialists have to be content with 5- or 10-year survival for their patients, and rate this as a substantial cure.

Surgery by itself has made such strides that most authorities (including many surgeons) figure that it is nearing the end of the road. Thanks to advances in general surgical techniques and patient care, it is now possible to remove huge masses of tissue, including whole organs and limbs. Hence the grim jest: "They put the specimen to bed and sent the patient to the laboratory." For some cancers there is no doubt that "radical" (meaning drastic and extensive) surgery has prolonged useful life. (The University of Minnesota's famed Heart Surgeon C. Walton Lillehei's most productive years have followed removal of a lymphosarcoma and much related tissue in 1950.)

[1] Named for no greensward, but for Surgeon Roswell Park (1852–1914), who announced in 1897 that cancer was probably caused by infective particles, decided that in 2 years they could be pinpointed, and that a cure could be found if he had an appropriation of $10,000. He found the money but no cure.

Almost daily, ways are found to give bigger radiation doses more safely to hard-to-reach parts of the body. Examples: cobalt-60 "bombs," a new cesium-137 unit at M. D. Anderson Hospital, higher powered X-ray machines and linear-particle accelerators, ingeniously refined ways of implanting radioisotopes such as iridium 192 and yttrium 90 in tumors.

The one essentially new development in cancer treatment is chemotherapy's advance to the point where it gives relief from pain, and usually longer life, to 60 percent of patients with cancer of the lung, breast, ovary or prostate, as well as leukemia and Hodgkin's disease. From this has come a surge of confidence that increasingly potent drugs can be found that eventually will effect outright cures. So great is this confidence that the Cancer Chemotherapy National Service Center now gets the biggest single bite ($23 million) of NCI's budget, with $18 million going out in grants and contracts for development and screening of new drugs. In addition, almost $4 million goes for testing screened drugs in patients.

FROM POISON GASES

Chemotherapy, broadly defined, got its biggest boost in 1941, when Chicago's Dr. Charles B. Huggins reported that prostate-cancer victims did better and lived longer after castration. The important thing was not the surgery, but the chemistry—removal of the main source of male sex hormones. Similar but less marked benefits resulted from chemical castration by administration of a female hormone. In women, some recurrent breast cancers were retarded by female hormones and others by male hormones. But these treatments relied on natural body chemicals, not synthetic magic.

The transition came in World War II with nitrogen mustard—synthesized for use as a poison gas. Cancer researchers began testing it, found that it killed cells in rough proportion to their rate of reproduction. Though it killed the cancer cells faster than the normal, it was still highly poisonous, could be given (by intravenous injection) only in small doses. And eventually the cancer cells became resistant to it. History has sadly repeated itself with scores of chemicals of this class (technically alkylating agents) developed since. About 20 are credited with definite but limited usefulness.

More ingenious than simply poisoning the cancer cell was the idea that it might be fooled into accepting, instead of a normal food substance (metabolite), an analog (close chemical kin) to fill the metabolite's place but yield no nourishment. First to use antimetabolites this way was Dr. Sidney Farber of Boston Children's Hospital and the Children's Cancer Research Foundation. Knowing that leukemic cells are avid for the vitamin folic acid, he began in 1947 to treat child victims of acute leukemia with analogues of folic acid. Lederle Laboratories sent Dr. Farber two, aminopterin and amethopterin, which soon brought about improvement in most of the children. But after weeks or months, their disease became resistant.

In quick succession came the hormones ACTH and cortisone, which also produced brief remissions in acute leukemia (as in some other cancers of the blood and lymphatic system). Then came another antimetabolite, pioneered by Dr. Joseph H. Burchenal of Memorial Center: 6-mercaptopurine, which interferes with cell nutrition by supplying a counterfeit purine. Physicians treating acute leukemia now ring the changes on these, using one until it loses its effect, then switching to another, sometimes back to the first. No child victims of acute leukemia have yet been saved, but Dr. Farber can report a heartening gain. A dozen years ago, young leukemia patients lived an average of only 3 or 4 months, mostly in misery, after their disease was diagnosed. Now the average is at least a year; some live 2 or 3 years, and a few still longer. During their remissions the children appear healthy, spend most of their time at home playing happily.

MICE AND MEN

Inspired by these gains, researchers decided that no bottle on the chemists' shelves should be left unturned. Under the leadership of Director Cornelius P. Rhoads (Time cover, June 27, 1949) Sloan-Kettering had already begun down-the-line testing, and by now has gone through 20,000 compounds. But 100,000 more are available, and as many more can easily be synthesized or extracted from plants, fungi, and antibiotic "beers." This was a nationwide job for NCI. Along with a score of private institutes and university laboratories, the chemical and drug industries were enlisted: Brooklyn's Charles Pfizer & Co. is at work under a $1,200,000 contract; Indianapolis' Eli Lilly & Co. does its share at its own expense.

Some 40,000 compounds got preliminary testing last year, with about 1 in 1,000 showing enough promise to be worth more trials in man, and the rate is expected soon to hit 60,000 a year. First test for every compound involves at least 18 mice, and the consumption of mice is enormous—more than 2 million last year. All must be of pure, inbred strains. One of Rod Heller's worries is that the supply of these precious mice may not keep pace with the demand.

Perhaps the armies of mice and men could be better employed, because the screening tests now used are admittedly crude and unreliable. Not surprisingly, some chemicals that looked good in mice have failed in man, and a couple that missed in the mouse test show promise in man. But better screening methods are being sought, and some researchers believe that they have already found them.

EFFECTIVE DRUGS

Despite admitted drawbacks, chemotherapy has won a solid foothold. Dr. Charles Gordon Zubrod, 45, NCI's clinical director, responsible for all cancer patients treated in NIH's huge Clinical Center (Time, July 20, 1953), lists eight forms of the disease that can often be set back by drugs, sometimes for as long as 2 or 3 years. These are: acute leukemia in children, chronic lymphocytic and myeloid leukemia in adults. Hodgkin's disease, rhabdomyosarcoma (a rare muscle cancer), Wilms's tumor (in the kidney, present at birth), cancer of the adrenal glands, and choriocarcinoma (mainly in women, and arising from placental material). The list includes four major types of cancer—leukemia, lymphoma, sarcoma, and carcinoma. This offers some hope that drugs effective against all the many forms of cancer can be found.

Most gratifying and surprising was the discovery that amethopterin, after years of use in acute leukemia, was effective against choriocarcinoma. Dr. Min Chiu Li, now at Sloan-Kettering, and Dr. Roy Hertz, head of NCI's hormone research, pioneered in this, starting from the fact that the female reproductive tract's cells need unusually large amounts of folic acid. Also important was the fact that women with this cancer excrete abnormally large amounts of a hormone forbiddingly named chorionic gonadotropin, and the progress or arrest of the tumor can be gaged with high accuracy by measuring the quantity of the hormone in the urine. In four years, Dr. Hertz and colleagues have treated 45 women at the clinical center, and 10 of them now show no sign of cancer either at the original site in the uterus or in the areas to which it had spread. In more than 20 cases, the cancer was slowed for a while but then got out of control. Only one woman showed no benefit.

EXTENDED POWERS

The search for anticancer drugs is no U.S. monopoly. Several have been developed in Britain. From Japan has come an antibiotic, mitomycin C, with dazzling claims; U.S. researchers grant that it is potent in mice, have been baffled by failure to get good results in man. Soviet scientists are screening chemicals by the carload, and the Chinese Reds—with an eye on the propaganda value in underdoctored Asia—are sifting ancient herbal medicines.

In all, more than 100 drugs are being tested on human patients in 150 U.S. hospitals. Some are taken by mouth; others have to be injected in various ways. Some are used alone, others in conjunction with surgery or radiation. Most provocative is an ingenious technique of Drs. Oscar Creech and Edward T. Krementz, worked out at Tulane University. They isolate the bloodflow through a cancerous area with tourniquets, divert it through a heart-lung machine, lace it with some alkylating agent such as nitrogen mustard. The rest of the body is protected against blood-cell destruction caused by the drug, and a far higher dose can be given. Usually, this is an extremity, but with experience the technique is being modified, by its originators and other surgeons, to attack cancers in the shoulder and even the lung or pelvis. Boston's Dr. Farber has found that actinomycin D, a derivative of one of Dr. Selman Waksman's earliest antibiotics, has both anticancer activity of its own and the power to increase the effectiveness of X-rays. So now he uses both in a double-barreled blast against certain children's cancers.

PREVENTION

From all these varied approaches, Dr. Heller is confident, drug treatment will emerge as the equivalent of surgery and radiation, with its powers extended from palliation to actual cure of cancer.

Obviously, the ultimate goal is prevention. Here cancer offers its usual paradoxes. There is no faintest clue as to how most of the commonest forms can be prevented; yet in those cases where trigger mechanisms have been spotted, preventive measures have been more effective than against any other disease. Scrotum cancer of U.S. oil workers, from a wax-pressing process, has been wiped out (as was chimney sweeps' cancer) by keeping the dangerous chemical at a distance. So has bladder cancer in the dye industry. Circumcision and scrupulous cleanliness markedly reduce a man's risk of cancer of the penis, and possibly his wife's risk of cervical cancer.

Biggest question in prevention today is how the rise in lung cancer—virtually confined to heavy-smoking men—can be checked and reversed. Rod Heller, bureaucrat and son of a tobacco-growing State (although he has never smoked), has weighed all the conflicting evidence and arrived at a forthright conclusion: "Statistical evidence, supported by laboratory findings, has shown that excessive cigarette smoking can be a cause of lung cancer, and that the greater the consumption of cigarettes, the greater the risk." Practical Dr. Heller sees little prospect of changing U.S. smoking habits, pins his hopes for lung-cancer prevention on convicting a specific substance in tobacco tars as the guilty agent, then getting rid of it.

FIRSTHAND EXPERIENCE

The field of cancer is so vast, so full of unexplainable contradictions, so stubborn in resisting a decisive, exploitable breakthrough, that the army of investigators deployed in it suffer more frustration than most men on medicine's frontiers. The emotional anguish inseparable from cancer heightens their tension. The result is more than average jealousy and backbiting among cancer fighters. As chief coordinator in this setting, Rod Heller is a near ideal choice. Says

a leading independent cancer specialist: "He doesn't make people mad. He is a diplomat." Says Heller himself: "You could call me a reasonably relaxed person."

Born at what he calls a wide place in the road named Fair Play, S.C. (40 miles southwest of Greenville), Heller is the son and grandson of physicians, had a brother and an uncle with M.D.'s. Yet when he entered Clemson College at 16, Rod went into engineering. He switched to the family tradition in time to get his M.D. from Atlanta's Emory University in 1929. Joining up with the U.S. Public Health Service in 1931, he began hopscotching around on 2-year tours of anti-VD duty. In 1934 Dr. Heller married Susie May Ayres, daughter of a Tennessee banker. John Roderick III was born to the traveling Hellers in Harrisburg, Pa., second son Hanes in New Orleans, third son Winder (rhymes with finder) in Washington. At least one should keep the M.D. line going: Hanes, 19, is a premed student at Yale.

Though NCI was set up in 1937, it never really got rolling until after World War II. Meanwhile, Dr. Heller had become chief of the PHS's VD division, set up rapid-treatment centers around the country. Thanks to these and penicillin, says Heller, "I worked myself out of a job." In 1948 he got the top spot at NCI, but not until 1956 did cancer become a personal matter to him. Then a small growth (basal cell carcinoma) developed at the base of his left nostril. It was removed surgically, and Cancer Fighter Heller rates himself a cured cancer victim.

His relaxed style enables Heller to handle a hodgepodge of administrative duties, keep a balance between jealous scientific factions, attend countless cancer congresses (he was in Lima and Bogotá last month, is in Denver this week), and handle touchy appropriations questions with congressional committees. Dr. Heller is opposed to a crash program, often advocated by laymen with the Manhattan project in mind. There is, he says, not enough fundamental information available to base it on. But he insists: "With an accelerated and orderly effort to find the answers to cancer, we are going to get them. You can't use all the resources of this country—all the things that have conquered worlds—without something giving. If we could find just one cause of one cancer, and show how it operates, we would have our foot in the door of mankind's most terrible killer. I am confident that we will have some success in the next few years."

FLEET ADM. WILLIAM D. LEAHY

Mr. WILEY. Mr. President, yesterday, it was my privilege and pleasure to be the guest of Representative ALVIN O'KONSKI at a luncheon in the House Dining Room. What was the occasion for this lunch? There were approximately 40 citizens of the city of Ashland who came to Washington to attend the funeral of Fleet Adm. William D. Leahy. He was a citizen of Ashland and of my State. The fact that 40 of his townspeople came to the funeral indicates in some measure the respect and love the people of that community had for him.

In reading the Christian Science Monitor I noticed an editorial entitled, "Admiral, Ambassador, and Adviser." I personally knew Admiral Leahy and it was my intention yesterday to attend the funeral, but because of the situation on the Senate floor it was impossible for me to go. I ask that this editorial be printed in the RECORD following my remarks together with an editorial entitled "Adm. William D. Leahy," published in the Wisconsin State Journal of July 21, 1959.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor]

ADMIRAL, AMBASSADOR, AND ADVISER

Fleet Adm. William D. Leahy was a senior among seniors and, although not often in the direct glare of the limelight, his was a towering figure in the World War II era now passing.

Of the general officers given five-star rank near the end of that war Admiral Leahy ranked them all. He had been the only officer in naval history to have served as Chief of the Bureaus of Ordnance, Navigation, and Operations—the latter post being considered the top command in the Navy. And when President Roosevelt named him Chief of Staff to the Commander in Chief his responsibilities broadened beyond any one service. He then represented the White House on the Joint Chiefs of Staff, American and British, which directed the grand strategy of the war.

Admiral Leahy also filled a crucial post in crisis diplomacy. When France collapsed militarily in 1940 the admiral was sent as Ambassador to the Vichy Government of Marshal Henri Philippe Pétain whose respect he earned in his near-impossible assignment of keeping France on the side of the allies. And in his role as Chief of Staff he served as a senior adviser to Presidents Roosevelt and Truman at the great international conferences from 1943 through 1945.

As an officer Admiral Leahy approached the Navy ideal in professional competence. As a diplomat and counselor to Presidents his was the contribution of cool, balanced judgment at critical moments.

[From the Wisconsin State Journal, July 21, 1959]

ADM. WILLIAM D. LEAHY

History one day will place Adm. William D. Leahy on a pedestal of time's Titans where he unquestionably belongs.

The grand old fighter-diplomat is dead at 84. Only a small portion of his profound effect on the course of the world has yet been told.

He is generally credited, though, with having built the U.S. Navy to a point which, had it been any less, would have doomed this Nation after Pearl Harbor.

His was the vision behind Franklin D. Roosevelt's war direction. So quietly that he was hardly then mentioned, he prepared the way for the North African invasion. He remained as Chief of Staff—the key man—at the side of Presidents Roosevelt and Truman during and after World War II.

Though he was a native of Iowa, Wisconsin always claimed him, and with pride. He was a graduate of Ashland (Wis.) High School and a frequent visitor to Madison.

On these visits, the only man who didn't stand in awe of this giant figure was William Leahy. He was the farthest thing from the cartoonist's conception of the bombastic warmaker, a smiling, easygoing, comfortable man.

His memory deserves the grateful thanks of America and the rest of the free world, an appreciation that can be given only in the fullness of time as his story finally unfolds.

SALUTE TO PUERTO RICO ON ITS SEVENTH ANNIVERSARY AS A COMMONWEALTH

Mr. WILEY. Mr. President, tomorrow, the self-governing Commonwealth of Puerto Rico celebrates its seventh anniversary.

We recall that, on July 25, 1952, this splendid community of about 2,300,000 U.S. citizens became a Commonwealth within the U.S. democratic system by compact and mutual consent. The constitution adopted by the people of Puerto Rico, and ratified by the U.S. Congress, is in complete harmony with our own Federal institutions—in form, functions, objectives, and spirit.

Within a brief 7-year lifetime, the Commonwealth of Puerto Rico has made tremendous strides in providing a better life for its people.

An industrialization program—correctly labeled "Operation Bootstrap" by Gov. Luis Muñoz Marín—has created new factories, office buildings and houses, new dams and hydroelectric plants, schools and hospitals, roads, hotels and tourist facilities, and other marks of progress.

As a result, the citizens of Puerto Rico enjoy better standards of living, new opportunities in education, extension of life expectancy through public health programs, construction of safe water supply and sewage disposal systems, and similar projects, and a generally improved outlook for the future.

The month of July—marking our own national anniversary of independence—too, is particularly significant in Puerto Rican history. In addition to commemorating its anniversary as a Commonwealth on July 25, the Puero Ricans also have dedicated this whole year in centennial celebration for the birth, on July 17, 1859, of Luis Muñoz Rivera—often called by island patriots the "George Washington of Puerto Rico."

In paying tribute to this record of splendid progress, we might do well, I believe, to take a look at the problems that arise among ourselves and all our Latin American neighbors. First of all, just how significant is Latin America?

For comparison, the U.S. population today is about 177 million. The people of the 21 Republics of Latin America total more than 180 million; and this population is expected to rise to about 500 million by the year 2000—more than double that of the United States. Too, these nations are rich in natural resources, essential for progress and defense.

To assure the kind of close-knit cooperation and coordination that we, and the majority of our Latin American neighbors, feel is essential to progress and security, we must have constructive, forward-looking programs.

Overall, I believe the United States can, and should, continue—and as necessary expand—its cooperation with Latin American countries to help achieve the following objectives:

First. Wipe out poverty, disease, illiteracy;

Second. Develop industrialization and agriculture in less developed areas—through, for example, greater technical assistance to enable these nations to stand on their own feet economically;

Third. Correct the "taken for granted" attitude that has all too often marked our policy as it relates to Latin America;

Fourth. Provide economic assistance preferably in the forms of loans, rather

than grants and particularly to encourage private enterprise to invest and provide adequate protection of those investments;

Fifth. More effectively handle the economic problems arising from competition, tariffs, quotas, and other barriers to trade and exchange of goods—the lifeblood of the inter-American economy;

Sixth. Coordinate more closely to counter the Communist efforts at penetration of Latin America;

Seventh. Improve channels of communication and understanding between countries and people, so that we can better resolve mutual problems.

Today, the Organization of American States, for example, is making a constructive contribution toward dealing with these difficulties and ironing out these problems.

However, the United States today cannot afford to overlook the value of a solid front of anti-Communist states in the Western Hemisphere. Instead, we need to make every effort, not only to counter the Communist offensive, but also to strengthen the economic and political foundations upon which to build a better future for the American States.

The progress demonstrated by Puerto Rico—upon which we congratulate the Commonwealth on its seventh anniversary—represents, I sincerely hope, a movement forward toward a better life, not only for Puerto Rico but for all the people of the Americas.

Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

FAVORABLE POLITICAL CLIMATE IN INDONESIA

Mr. WILEY. Mr. President, I have prepared an article on the subject of "Favorable Political Climate in Indonesia." I ask unanimous consent to have it printed in the RECORD at this point, together with an article entitled "A Gamble on Guided Democracy," from the Reporter for July 23, 1959.

The particular article to which I refer tells the story of how, in Indonesia, American foreign policy has moved forward. It has benefited those people and that country. It is well that our missions abroad and the people at home keep in mind the facts outlined in the article.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

Quite often the question is raised as to whether our foreign military and economic aid programs actually accomplish what they set out to do. "Do we really help the cause of freedom?" "Do we help to answer the real local needs?" "Do we make friends for America?" These are some of the questions that we are asked. And it must be admitted that, despite the tremendous achievements of the Marshall plan and of our close cooperation with the NATO countries, we have also seen some of our programs produce very meager results.

The Washington papers recently carried rather discouraging news of the U.S. aid program in Vietnam. And despite many efforts on our part in other areas, local instability, disturbances, and anti-American campaigns could not be totally prevented.

But what we must remember is that, in carrying out a foreign policy, we must exercise some qualities that at times appear to be in short supply: patience and understanding of local needs and aspirations. It is therefore with great interest that I read a recent article in the Reporter magazine describing favorable current developments in Indonesia. I include at this point four paragraphs from this article by Haldore Hanson:

"American economic aid (to Indonesia) has totaled $400 million during the decade of full independence. In fiscal 1959 we gave $10.6 million in technical training, sold $40 million of agricultural surplus for local currency, and allotted about $12 million in various loans for capital projects. Our only aid that was of immediate help in fighting inflation was in the form of rice and other farm products, which were sold for local currency and thus helped absorb the extra money supply.

"Military aid from the United States to neutralist Indonesia began less than a year ago, after the State Department became worried about shipments of Communist arms. Until that time we refused to give or sell arms to Indonesia because they might be used against our Dutch allies. This spring we agreed to supply infantry equipment for 20 battalions and a number of planes at a cost of several tens of millions of dollars.

"The United States is enjoying a honeymoon here that would have been unimaginable a few years ago. Ambassador Howard Jones is doing an extraordinary job, and the Embassy staff is also one of the ablest missions in Asia. Certainly the 1,400 Indonesian officers trained in the United States since 1950 have been partly responsible for the change in climate.

"The Communists have also helped our standing. The Chinese Communist behavior in Tibet was not lost on any Asian country. And Sukarno has not forgotten that the Communist Party of Indonesia increased its vote from a fourth to a third in the Java local elections of 1957 at the expense of his own Nationalist Party. He was becoming a Communist prisoner and could use closer American relations."

What is the lesson to be learned from these developments in Indonesia? I should like to summarize the lesson in four simple points:

1. In dealing with our friends in some of the new and restless lands we must remember that national pride there is high and that they will resent any insinuation that their friendship can be bought. Therefore, American assistance and cooperation must be directed toward long-term friendship and understanding, and not always toward immediate gains.

2. One of the most effective ways of creating better understanding with other peoples is through educational and scientific exchange. The Indonesian officers trained in the United States since 1950 are a definite example in point. The Indonesian Army is a young institution and lacks the training and tradition provided by the British to the Indian and Pakistani Armies. But now, out of 20,000 Indonesian officers who command the local troops, 1,400 are American trained. It is these officers, who came here and saw American life, that are best qualified to translate and interpret it for local use.

3. Patience is a most necessary element in our dealing with new nations that have social, economic, and political background totally different from our own. We must not lose our patience merely because local developments are not always according to our own schemes and time tables. And we must remember that we cannot expect these people to erect exact replicas of our own institutions. We must realize that our own concepts of freedom, the worth of the individual and democratic processes must be translated to fit local needs.

4. As this article points out—often times it is the Communists that provide us with the best ammunition. For their infiltration, aggression, and deceit—although well-camouflaged, do finally become apparent; and at that time we must be ready to demonstrate the difference between our type of cooperation and theirs.

It is well that our missions abroad, and also the people at home, keep these facts in mind and conduct our affairs accordingly. It is only after we realize these facts that we can fully appreciate the complex and tremendous jobs before us; and it is only then that our efforts will meet with more success. Indonesia has provided an excellent lesson—let us not fail to learn it.

A GAMBLE ON GUIDED DEMOCRACY

(By Haldore Hanson)

DJAKARTA.—During my month's stay in Indonesia it became obvious that a shift of power was taking place that would affect the future of these 3,000 islands and 86 million people. An odd political partnership was emerging between 58-year-old President Sukarno and the 40-year-old Sumatran chief of staff, Abdul Haris Nasution. The older man is an opportunist who once seemed to welcome Communist support. The younger man was responsible for the liquidation of all Moscow-trained agents in the Battle of Madium, a decisive anti-Communist action in 1948. These two men are now launching a new version of guided democracy that could produce a marked shift in the cold war, favorable to the West.

Walking down Merdeka Square on the day of my arrival, I heard the sirens for the first time, and had barely looked over my shoulder when traffic pulled to the curb and an impressive motorcade moved past. First came eight motorcycle officers in white helmets, riding four abreast; then eight jeeps running two abreast, tops down, each vehicle carrying four steel-helmeted police with Sten guns across their laps; then a long black Chrysler with a solitary passenger, followed by two army staff cars of orderlies; and bringing up the rear, a jeepful of officers, also white-helmeted, flying a 10-foot flag for the Presidential bodyguard. This is the way President Sukarno drives about in his own capital.

By contrast to the President's love of crowd appeal, Nasution is almost unknown to the public, makes few speeches, rarely holds a press conference. He has no popular following. Sukarno and his second wife live elegantly in the palace, or rather in any one of five palaces he inherited as chief of state from the Dutch Governor. Nasution's residence is a modest bungalow in a Djakarta suburb where his wife does her own grocery shopping. The Nasutions are devout Moslems with no apparent wealth. Sukarno dislikes administration, and minding the store has never been one of his strong points. Nasution is a gifted organizer, a 70-hour-a-week worker.

EXPERIMENT IN GOVERNMENT

For Sukarno the new partnership may be expedient. Ever since the President advanced his "guided democracy" proposal in 1957, involving at that time a coalition government with fellow travelers, his position at the top of the unstable political structure in Indonesia has seemed to deteriorate. By the beginning of 1958 the Communists were considered strong enough to win that year's elections in Java, and the West seemed ready to write off both Sukarno and Java.

All this has changed in 1959. The rebellions in Sumatra and Celebes enabled General Nasution to strengthen his faction-torn army by transferring or eliminating unreliable officers, and he has put an effective military force into the field. Meanwhile President Sukarno, despite his injured pride,

emerged from the rebellions still far and away the strongest man in Indonesia, in effective control of the government.

It was against this background that Sukarno rewrote his plan for guided democracy, this time in partnership with the army. Appearing last April 22 in the historic hall at Bandung, scene of the Afro-Asian Conference, he asked the Constituent Assembly for three important charges: First, a shift from the British-type parliamentary cabinet to an American-type 5-year presidency; second, power for the President to nominate about half the members of future parliaments as representatives of labor, peasants, and other functional groups; third, emergency powers to control political parties.

The role that Nasution's army will play under this new version of guided democracy has never been described publicly, but several highly placed officials felt free to discuss it. The army will receive a block of seats in parliament, generally stated to be 35, and a number of ministerships in the new cabinet, possibly one-half to two-thirds. Thus, by a roundabout route, Indonesia will arrive at an army-directed government not so different from those of Burma and Pakistan. Local newspapermen in Djakarta have called this the army's creeping coup.

The scheme received a temporary setback in June when the Constituent Assembly rejected the proposals for guided democracy. But on July 5, the president dissolved the Constituent Assembly, abolished the parliament-oriented 1950 constitution, and reinstated the 1945 constitution under which his own powers are practically unlimited, thus preparing the way for his experiment in government.

The most immediate threat to this venture is not the opposition of political parties but the acute economic crisis that has tightened around the nation's windpipe.

One day a young economist in the Bank of Indonesia leaned against the canteen bar, a Coke in his hand, and spoke bitterly to me about hard times in Djakarta: "My family has never known such trouble. Rice in the bazaar costs more than during the revolution in 1948. The rice we eat from Communist China is full of weevils and makes my children nauseated. My cost of living is twice what it was in 1958 and three times higher than in 1956. All my friends in the civil service are spending at least twice their basic salaries. We have to take two jobs or put our wives to work. Unless this problem is solved, I don't see how the Government can rely upon the police and army for security, or on the civil service for economic controls."

The immediate cause of the trouble is printing-press money, issued by the Government to meet its obligations. But behind the paper money are deeper rooted problems—the costly rebellions of 1958; the loss of Dutch managers and technicians in the great exodus of 19 months ago; and the inability of the coalition Cabinet to make tough economic decisions.

By no means everyone in the country suffers from inflation. Four out of five people in Indonesia live in villages that are self-sufficient in food and relatively little affected by city prices. This rural economy somehow slows down the inflation in the cities. This is a dual economy, with one sector sick, the other enjoying reasonably good health. But the sick sector happens to include, as the young banker observed, the groups that are vital to the survival of government—the police, army, and civil service.

THE DUTCH EXODUS

The departure of the Dutch during the West Irian (Netherlands New Guinea) affair is one cause of the crisis. President Sukarno tried to rally the Indonesians behind him in 1957 by stepping up an old propaganda campaign against the Dutch for retaining West Irian under colonial rule. This campaign was intended as a diversion, but it got out of hand. Public opinion was whipped to such a fever that anti-Dutch street demonstrations broke out, forty-six thousand Dutch went home (leaving fewer than two thousand), and the Indonesian Army took over $1.5 billion worth of Dutch enterprises. Sukarno may have achieved his propaganda goal, but the country lost most of its experienced executives and technicians.

The greatest immediate setback from the Dutch exodus was the loss of the KPM, the Dutch shipping firm, which carried trade between the islands. When the KPM was nationalized by Indonesia in 1957, a British insurance firm recovered the 103 ships for the Dutch owners. So Indonesia was left with greatly weakened control over trade. Japanese, Russian, and American aid programs are all helping to replace the Dutch ships, but it will be 1962 or later before such a fleet can be reassembled. That means a five-year gap during which it will be difficult to suppress illegal trade.

There are other breakdowns in government controls that cannot be attributed to the Dutch, as a stroll down one of the main shopping streets of Djakarta will demonstrate. A black-market money salesman will approach the visitor even at the gate of Sukarno's Merdeka Palace, holding out a roll of thousand-rupiah notes with no fear of the palace guards. His rate has recently gone as high as 210 rupiahs to the dollar, against the official trading rate of thirty. Shop windows contain Scotch whisky, Dutch cigars, English biscuits, and Danish cheese, all banned from the import list, but these are smuggled goods.

The word "smuggled" is misleading, since the goods entered the country under the nose of a customs officer who received a gratuity. And this customs officer is one of those suffering from inflation. One automobile show window displays a 1959 Chevrolet Bel Air at an asking price of 12,000 U.S. dollars. It is illegal to import American automobiles for resale, but this dealer assures you he can get a license plate for the car.

Since much of the economic problem stems from a lack of integrity and discipline in government, it is a fair question whether army partnership in guided democracy offers some hope. There is already a considerable army record from which to judge.

ARMY OF ALL TRADES

The Indonesian Army is a young institution, dating from the Japanese occupation period. During 340 years of occupation the Dutch used mainly their own security forces and left behind no senior corps of local officers as the British did in India and Pakistan. Among the 20,000 officers who command the 200,000 troops, most of the senior officers are aged 30 to 35, and have had an education of senior high school or less. There are virtually no college graduates, such as distinguish the army leadership in Burma and Pakistan.

The core of disciplined officers around Nasution were trained in the United States. In 1951 the U.S. Army attaché at Djakarta began sending 10 Indonesians a year for training in our army academies, and the number steadily increased to 20, 50, and now 90 a year. Some 350 Indonesians had returned from this training by the time of the rebellions last year, and not surprisingly, American-trained officers were made responsible for the amphibious landing of 20,000 government troops on Sumatra, an operation highly praised by Western military observers.

As administrator of martial law since 1957, Nasution has had an opportunity to show his abilities. But the performance of his regional martial-law administrators has not been impressive. Attempts to enforce price control by raiding shops with armed troops proved worse than useless. The army's arrest of hundreds of rebel sympathizers, while necessary, was no better than a political police operation. Censorship of the press by army administrators has angered most newspapermen. The army has not distinguished itself so far in a drive against corruption or smuggling or black marketing, as the armies in Burma and Pakistan did. In fact, Nasution's martial-law administration is best described as a fire-brigade operation, except for his calculated oppression of Communists. He banned all mass meetings, even the regular meetings of Communist-dominated unions, and effectively eliminated Communist wall scribblings and posters, an important Communist technique.

On the other hand, in its administration of the Dutch properties—the hundreds of estates and factories, plus a few banks and trading companies—the army has shown more capacity than most Western observers had predicted. The more than 300 Dutch estates are each managed by three army officers, and their output still accounts for nearly 50 percent of the total agricultural exports. Army officers in groups of three have also been assigned to each of the banks, trading companies, and industrial plants. On the basis of their performance to date, there seems little doubt that selected Indonesian officers can do a better job of administration than the prevailing level of civil-service administration here. Nasution now has more than 4,000 army officers engaged in various civil jobs, and has established a school in the National Planning Bureau to give special training for officers assigned to economic enterprises. Apparently the army has no early intention of withdrawing from the economic field.

The substantial aid programs Indonesia is receiving from the Communist bloc and the United States have been little help in solving the immediate economic crisis. Most aid is earmarked for new development projects and Indonesia must provide the local currency. This arrangement actualy increases the amount of money in circulation, thereby aggravating the inflation.

The Soviet Union offered Indonesia a credit of $100 million in 1956 and during the last 2 years offered additional aid that would bring the total to about $500 million. Much of it is still unused. A Soviet road-building program in Borneo requires Moscow to furnish only road machinery, while Indonesia puts up three times as much for local labor. The Soviet loan of $12.5 million to build a new Djakarta stadium for the Asian games in 1962 must be matched by $12.5 million in rupiahs. A senior Foreign Office official remarked that Soviet textiles under the aid agreement were priced at 20 percent above the world market and that ships the Russians sold to the Indonesian merchant marine were antiquated lend-lease vessels not worth the price. A Czech tire factory erected under the aid program is standing idle for lack of essential equipment omitted from the original contract.

Communist military aid has included the 75 MIG jets that buzz the capital daily and the 40-man Czech training mission attached to the air force. The infantry arms which General Nasution used in the Sumatra affair were purchased in part from the Communists. ("Just get the hardware," Nasution is supposed to have instructed the negotiators. "We are not interested in the politics.")

THE AMERICAN HONEYMOON

American economic aid has totaled $400 million during the decade of full independence. In fiscal 1959 we gave $10.6 million in technical training, sold $40 million of agricultural surplus for local currency, and allotted about $12 million in various loans for capital projects. Our only aid that was of immediate help in fighting inflation was in the form of rice and other farm products,

which were sold for local currency and thus helped absorb the extra money supply.

Military aid from the United States to neutralist Indonesia began less than a year ago, after the State Department became worried about shipments of Communist arms. Until that time we refused to give or sell arms to Indonesia because they might be used against our Dutch allies. This spring we agreed to supply infantry equipment for 20 battalions and a number of planes at a cost of several tens of millions of dollars.

The United States is enjoying a honeymoon here that would have been unimaginable a few years ago. Ambassador Howard Jones is doing an extraordinary job, and the embassy staff is also one of the ablest missions in Asia. Certainly the 1,400 Indonesian officers trained in the United States since 1950 have been partly responsible for the change in climate.

The Communists have also helped our standing. The Chinese Communist behavior in Tibet was not lost on any Asian country. And Sukarno has not forgotten that the Communist Party of Indonesia increased its vote from a fourth to a third in the Java local elections of 1957 at the expense of his own Nationalist Party. He was becoming a Communist prisoner and could use closer American relations.

The Communist Party of Indonesia, incidentally, with only 1.5 million members, still controls 80 percent of the labor unions and has a strong chain of peasant organizations on Java. Its executive secretary, Aidit, has made three trips to Moscow in the last 6 months. It will not be possible for a guided democracy, even with the help of Nasution's army, to disband so formidable an organization by edict.

Many Americans gag at the concept of an army in civil government, but our political theories are based upon a Western society in which the norm is government by competent civil executives, democratically controlled. Some Asian governments have concluded, after a decade of independence, that they do not have this alternative, that free elections have brought them nothing better than fragmented authority and government paralysis.

One of the most respected Indonesian editors, a man educated in England, declared to me: "I would rather live under a government which is half police state and half elected than in the confusion we have endured, and I hope nobody is in a hurry to go back to party rule. It isn't that guided democracy offers any panacea. The army knows little about economics and less about a social program. But we need to get some firm anchors under us. This is why I want to give Sukarno's authoritarian government a try. It's a gamble, of course. But what else is there for us to do?"

PRESBYTERIAN CHURCH CONDEMNS RIGHT-TO-WORK LAWS

Mr. NEUBERGER. Mr. President, I should like to call attention to the recent action by the 171st general assembly of the United Presbyterian Church in the United States in condemning so-called right-to-work laws and upholding the democratic processes of collective bargaining between management and labor as the path to industrial peace.

I believe this eminent church, which speaks for nearly 4 million Presbyterians in our Nation, has taken a position on this issue which represents the best interests and welfare of the great majority of our citizens.

This is the latest in a series of pronouncements by church groups against the so-called right-to-work laws that have included the Catholic Church, the Episcopal Church, the Methodist Church, the National Council of Churches, the Congregational Church, and the Jewish faith. All have condemned these anti-collective bargaining laws as being against the welfare of a majority of our people.

I ask unanimous consent to have printed in the RECORD the portion of the text of the United Presbyterian Church report, as adopted, which deals with the right of management and labor to agree to a union shop through the democratic processes of collective bargaining.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT OF THE STANDING COMMITTEE ON SOCIAL EDUCATION AND ACTION TO THE 171ST GENERAL ASSEMBLY OF THE UNITED PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA DEALING WITH COLLECTIVE BARGAINING

The 171st general assembly expresses its confidence in collective bargaining as the most responsible and democratic way of resolving issues in labor-management relations; believes that union membership as a basis of continued employment should be neither required by law nor forbidden by law; urges that the question of a union shop or other maintenance-of-membership arrangements should be settled by collective bargaining which meets the basic requirements for responsible and democratic negotiation; condemns unequivocally violence and threats of violence in labor disputes; urges Federal legislation to insure the honest use of union funds and to guarantee the right of appeal, and the right of secret ballot; calls upon individual Presbyterian union members to take a responsible part in the activities of their unions; and calls upon the department of social education and action to continue its study of present issues in industrial relations (such as the effects of automation, the reclassification of jobs and the need for retaining workers, the problems of women in industry, the influence of economic power groups, the present role of Government in the economy, the new power and problems of organized labor, and the cultural implications of new technology) and to bring appropriate recommendations to the 172d general assembly.

Respectfully submitted.

HAROLD L. BOWMAN,
Chairman.

MEMBERS OF THE STANDING COMMITTEE ON SOCIAL EDUCATION AND ACTION, REV. HAROLD L. BOWMAN, CHAIRMAN, CHICAGO PRESBYTERY

Ministers and Presbytery

Charles E. Carlston, Ph. D., Northeast Iowa.
James V. Coleman, Chaplain, U.S. Army, Los Angeles.
Howard B. Day, Jr., Baltimore.
Raymond E. Little, Newton.
Salvatore Migliore, Pittsburgh.
Richard E. Moore, Cincinnati.
John C. Purdy, Milwaukee.
Eldon L. Seamons, Arkansas Valley.
Robert Lloyd Shirer, Westchester.
John R. Waser, Nebraska City.
Ralph H. Weeks, Yukon.

Elders and occupation

Mrs. George M. Creasy, Jr., New York, homemaker.
N. Victor Fetzner, Saginaw, grocer.
David A. Funk, Wooster, attorney.
J. Fletcher Goss, Peoria, plant supervisor.
Mrs. William J. Nichol, Donegal, homemaker.
Wilbur Nolte, Rio Grande, accountant.
Charlie F. Scarbrough, Knoxville, city health officer.
Gene Shumate, Kendall, radio station owner.
Charles A. Smith, Huntington, tool engineer.
A. T. Van Dyk, Red River, superintendent of parks.
William Verbridge, Geneva-Lyons, recreation instructor.

IMPACT OF THE STEEL STRIKE ON STEELWORKERS

Mr. JOHNSON of Texas. Mr. President, the New York Times of this morning contains a very informative roundup of the impact thus far of the steel strike on the steelworkers.

At the present time, paychecks for work done before the strike started are still going out to many of the half million workers. At best, this could delay hard times for only a couple of weeks.

It is only a matter of time until the workers are faced with the prospects of living off relief checks and on pickup jobs in communities where such jobs will not readily be available.

This will be a great tragedy. It will represent a loss to the workers themselves which will spread ultimately to other sectors of the economy.

Mr. President, I hope—and I believe every American hopes—that action can be taken to bring about genuine collective bargaining so that an honest and just settlement can be reached before this tragedy strikes.

I ask unanimous consent that the article by Mr. Peter Kihss be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAYCHECKS AND SAVINGS HELP DELAY THE IMPACT OF STRIKE ON MOST STEEL WORKERS—NO RUSH IS LIKELY FOR RELIEF SOON—MANY STATES BAR JOBLESS AID—MERCHANTS EXTEND CREDIT TO UNIONISTS

(By Peter Kihss)

Paychecks for work done before the steel strike started are still going out to many of the 500,000 workers.

With savings put away against the threat of a prolonged tieup, the checks have helped delay the impact for strikers and their communities. But spending is being cut down with the end of payrolls normally approximating $50 million a week.

As the strike goes into its 10th day today, a survey by correspondents of the New York Times indicated that the steelworkers generally were at least 2 weeks or more away from any rush for relief rolls or other emergency welfare aid.

There was one burst of bitterness reported from Morrisville, Pa. Fifty-two hundred United States Steel Corp. strikers there failed yesterday to get their scheduled checks for 2 weeks' pay. The management asserted that only clerks now on strike could make up the payroll. The union said supervisors could have done it.

A spokesman for the striking United Steelworkers of America said here that the industry generally had a 2-week time lag in issuing paychecks. Some workers might still get checks as late as mid-August, he said. Most will receive their last checks in the first week of August, and many did so this week.

The union has no formal system of paying strike benefits to all striking members, either at the international or local union level. However, the spokesman here said that locals

did have emergency welfare committees to help individual hardship cases.

The union spokesman said George Meany, president of the American Federation of Labor and Congress of Industrial Organizations, and Walter P. Reuther, president of the United Automobile Workers and head of the federation's Industrial Union Department, had pledged the financial and moral support of their organizations to the strikers. Thus far, no specific sum has been mentioned.

In addition, the spokesman said that "throughout the strike cities, merchants, and businesmen are extending to anyone involved in the dispute unlimited credit."

In many cases, he said, purchases are being offered without downpayments, and payments may be deferred until 2 months after work has resumed.

AID MAY BE LIMITED

Public aid is likely to be extremely limited. Most States refuse unemployment insurance benefits to strikers, although New York State, which has 30,000 affected in the Buffalo area alone, will pay benefits after 7 weeks.

Relief applications face many restrictions. Only 5 of the 82,000 strikers in the Pittsburgh area filed such petitions in the first week of the strike. The Allegheny County Board of Assistance there estimated the peak bids would come in the sixth week of the strike, with perhaps 3,200 strikes eventually getting on relief rolls.

In the Cleveland area of Ohio, Cuyahoga County expected relief demands to aggravate an already difficult financial situation. Relief payments had already been cut to present recipients by 10 percent in recent weeks, and all single persons capable of working have been dropped from the rolls.

In Maryland, strikers are ineligible for public relief under State law. There and elsewhere, they may share in Federal surplus food distribution.

Whether strikers could draw scheduled vacation pay varied in different areas.

The reports showed no break in union solidarity. Strikers were seeking temporary employment. They were doing household chores, fishing, or just loafing.

Following are the reports by Times correspondents on the impact of the steel strike.

FIRST RELIEF CHECK

PITTSBURGH, July 23.—The first public relief check to a striking steelworker was written here Wednesday by George P. Mills, executive director of the Allegheny County Board of Assistance.

It went to a blast furnace laborer and his wife and three children who were already hungry and destitute. Along with 82,000 other strikers in Allegheny County, this worker received his last 2-week pay check only the week before. But his take-home pay was only $2.85. The rest was withheld as part payment of a department store debt incurred during the recession last year.

This case was unusual. Most steelworkers will not feel the pinch for 2 or 3 more weeks.

At the end of the first week of the strike Mr. Mills had received only five applications from steelworkers. The big rush for relief will not come until early August, Mr. Mills believed with applications reaching a peak during the sixth week of the strike.

Like almost everyone in Pittsburgh, Mr. Mills expects a long strike. He forecasts that 7,300 strikers in this country will try to meet the rigid qualifications for public relief demanded by the Commonwealth of Pennsylvania. Perhaps 3,200 of them will get on the relief rolls, he said. They will represent about 11,500 persons.

Apart from the public assistance program, about the only relief available to strikers will come in the form of surplus food distribution and help from private welfare agencies, notably the Salvation Army. The latter paid out about $25,000 in food vouchers in Allegheny County during the 1956 strike.

So far, the strike has had slight impact on retail business. Hardware store report heavy sales of paint, garden implements and do-it-yourself tools, indicating that the strikers are busy with household painting and repairs and are expanding their backyard vegetable patches.

FISHING IN PROSPECT

BETHLEHEM, PA., July 23.—When the weather clears, the trout and bass in well stocked nearby Pocono Mountain lakes and streams will become innocent victims of the steel strike.

Many of the 15,000 idle employees of the Bethlehem Steel Co. have made ready their fishing gear. When the waters clear and the fish start biting, they will be prepared.

Fishing will be a favorite pastime, with loafing a close second, the strikers agree. Many are engaged in do-it-yourself projects from home improvements to car overhauling. Some have taken odd jobs and a few have found temporary employment in other industries.

At the headquarters of the union's three Bethlehem locals, a $530,000 structure built and paid for in 1953, and at the picket lines, the men are taking the strike in stride.

"We've gone through strikes before," John Wadolny observed. He is chairman of the strike committee and president of local 2599, which has a membership in excess of 7,000. He said the Bethlehem workers and their wives too, "are 100 percent behind the national leadership and are determined to win."

The steel company announced it had mailed 15,500 pay checks yesterday and today. Union officials believe these checks would carry their members through the next week or two before they would have to resort to reserve funds.

Those who worked Sunday, Monday, or Tuesday before the strike began will receive additional checks for 1, 2, or 3 days pay on August 5.

Bethlehem Steel also postponed all vacations for members of the United Steelworkers of America. Arrangements for vacations missed during the strike will be made after the dispute is settled, a company spokesman said.

Bethlehem banks and loan companies reported the strike had not caused a flurry of applications for new loans or extension of old ones yet. In fact, they expect none before the end of the month at the earliest.

NO PAY AT FAIRLESS

MORRISVILLE, PA., July 23.—For the strikers at the Fairless Works of the United States Steel Corp. the mailman had no backpay checks today.

The "payless payday" served to embitter the unionists at the giant $500 million plant on the banks of the Delaware River.

The United Steelworkers of America blamed management, contending the companies had had sufficient supervisory personnel inside the gates to make up the 2-week payroll.

A management spokesman contended that the payroll was entirely too complicated for anyone except the regular payroll clerks to handle. The clerks are on strike, too, being members of one of four steelworkers' locals at the plant.

This dispute added fuel to the bitterness that has prevailed among the 5,200 strikers at the Fairless Works and at the corporation's National Tube Division, also within the gates of the plant.

In addition to the usual things, such as "do-it-yourself" projects, fishing, picketing, and overnight holiday trips to nearby resorts, some of the strikers, a union official said, "are off on trips back to where they came from." The official, Russell Thompson, president of local 4889, which has a membership of 4,200, said some of them had found temporary jobs in their hometowns.

"There have been no hardship cases as a direct result of the strike as yet," he reported. "We have no strike fund and neither does the international, but we'll find a way to take care of our own."

Many of the small food stores and other merchants are extending credit to the strikers. One chain operator—Bargain City, U.S.A.—has provided the union with credit applications and, a union spokesman said, "no payments will be due until 30 days after the strike ends."

The 146,000 striking steelworkers in Pennsylvania are not eligible for unemployment compensation, but they can draw public assistance benefits if they have no funds and otherwise qualify.

C. M. Young, vice president of the Morrisville bank, said:

"Loans will be held in abeyance until the strikers get back to work. There will be no late charges on past due loans.

"Those who can't meet mortgage payments will be permitted to pay the interest and catch up later on the principal."

WAGE LOSS IS HIGH

BUFFALO, July 23.—Idle steelworkers in the Buffalo area are losing about $2,325,000 a week in wages.

Nearly 25,000 steelworkers and 5,000 employees in related industries have been made idle by the steel walkout.

Many of the strikers are still saddled with debts incurred during lengthy layoffs in 1958. For them and their families, the prospect of a long strike poses major financial problems.

With part-time work at a premium because of the high rate of unemployment in the Buffalo district, strikers without cash reserves will be forced to apply for welfare.

During the 1956 steel strike the Erie County Welfare Department caseload increased by about 1,000. But the rise in caseloads during the current strike is expected to be considerably greater. Welfare officials cited lower cash reserves among steelworkers because of layoffs in the steel industry last year.

However, strikers will have to meet rigid requirements to qualify for cash assistance from the welfare department.

State unemployment benefits will not be available to strikers until the start of the ninth week of the walkout. State law fixes a 7-week penalty period on strikers before they can apply for unemployment benefits, which amount to $45 a week. In addition, there is a 1-week, normal waiting period before the first unemployment check is dispersed.

The 19,000 workers at Bethlehem's Lackawanna plant still have 2 or 3 days' wages to collect. The back wages, which amount to nearly $1 million, were to be paid tomorrow. But the company announced today they would not be paid.

"Since payroll clerks are on strike, checks for work done prior to the strike last week could not be drafted and will not be available this Friday," the company said in a brief statement.

There was no indication by the company when the back wages would be paid.

LONG STRIKE FEARED

CLEVELAND, July 23.—Steelworkers in the Cleveland-Lorain area are tightening their belts, slashing expenditures, seeking extension of overdue bills and digging in for a long strike.

About 26,500 of the 28,000 employed by area steel mills when the strike started at midnight July 15 have received pay checks averaging slightly under $200 in the last

week. An estimated total of 20,000 will receive checks ranging from $100 to $150 in the next week for work up to July 15, according to steel plant officials.

After that steelworkers' income will stop completely except in case of those who had vacations scheduled after July 15.

Approximately 30 percent of the strikers, idle for several months during the 1958 recession, have not caught up with debts incurred in that period. They concede they will be in serious financial trouble if the strikes lasts more than a month.

A survey of stores revealed that few strikers had asked for extended credit. Banks reported that the idle steelworkers had not as yet defaulted on mortgage or loan payments.

Asked what policy they expected to follow in the event strikers defaulted on payments, bank officials said:

"We will defer that decision until the steelworkers tell us they are unable to make payment."

Officials of several banks declared it was probable that their institutions would agree to waive for a temporary period, provided interest payment were made.

Few strikers can expect any help from their union, which will not provide assistance except in cases of extreme emergency.

Ohio rules prohibit the payment of unemployment compensation to employees in a strike.

Cuyahoga County officials are worried over what the strike will do to the financially faltering relief program. They expect to feel the strike's impact in 2 weeks.

Welfare Director John J. Schaffer has conferred with union representatives to set up procedures for strikers who will need help.

In recent weeks the welfare department has been forced to reduce relief payments by 10 percent and drop from the rolls all single persons capable of working. The same rules will be applied to steel strikers, Mr. Schaffer said.

Under the procedure set up needy strikers will report to their union hall for a screening interview. Those who qualify will be referred to county welfare.

Windfall in Ohio

YOUNGSTOWN, July 23.—A $15 million windfall resulting from the payment of retroactive supplemental unemployment benefits will help Ohio's steelworkers survive the strike.

The funds were held in escrow during a 3-year fight by the steelworkers' union against a Republican State administration's insistence that the benefits were part of wages and should be deducted from unemployment compensation.

The fight was won in March when the new Democratic regime led by Gov. Michael V. Di Salle, authorized simultaneous payment of supplemental unemployment benefits and State unemployment compensation.

The retroactive benefits now being paid to more than half of the 40,000 idle steelworkers in the Youngstown district run from $200 to $1,200.

A. E. Adams, Jr., an official of the Union National Bank, said a surprising number of benefit checks had been deposited in savings accounts.

Isidore L. Feuer, welfare director of Mahoning County (Youngstown), said there had been no early rush of strikers to apply for relief. He expected an increase of 1,800 to 2,000 families on relief by the end of August.

Meanwhile, the municipal golf course swarms with strikers playing 18 holes. There has been a big increase in fishing, and the sale of worms and other bait is on the upturn.

Busy at Chores

DETROIT, July 23.—This is a bad summer for weeds in the back yards of Ecorse, Trenton, Wyandotte, and River Rouge, Mich.

Throughout these downriver communities, a 10-mile stretch of factory towns lining the Detroit River just below here, some 15,000 striking steel workers with time on their hands are busy at household chores.

They are cleaning out the basements of their frame homes, puttering in the garden, fussing over the family car. Paint stores report a modest boom in sales. Many strikers are getting ready for a vacation, or trips to Wisconsin or Pennsylvania to visit relatives.

Steelworkers here got their last full pay check in the mail Tuesday. After deductions, the checks ran from about $130 to $200 for 2 weeks of work. There will be another small check on August 4, $30 to $50 for the last 2 days before the strike began.

After that there will be no more money coming in until 2 weeks after its all over.

This week at least, the strikers and their wives did not seem to be troubled about finances.

"It's too soon for that," said William J. Daley, a rigger with 28 years of experience at Great Lakes Steel Corp. "Nobody I talked to seems very worried. They all seem to have laid something aside."

William Fink, a head hooker at Great Lakes Steel, has $750 in the bank.

"I knew this was coming," said Mr. Fink, who has a wife and two sons to support. "I've been putting money aside since February. I figure we can last on that for about 3 months."

Strikers who are steady customers at family-owned neighborhood grocery stores say they expected little trouble getting credit if they need it. Supermarkets, however, have no credit policy.

Officials at the First Federal Savings & Loan Association, largest in the Detroit area, say they doubted if many strikers would default on house payments.

"We can always work it out with these fellows," said C. W. Moffatt, vice president in charge of mortgage service. "We're used to strikes."

Strikers in Michigan can look for little assistance outside their own resources. They are ineligible for State unemployment compensation. Local unions say they have no emergency funds to tide their members over.

Strikers are eligible for welfare assistance the same as any other needy person, but only after they have exhausted almost all other resources.

Belts Tightened

CHICAGO, July 23.—Belt tightening in preparation for a long ordeal was the general reaction among the 90,000 idle workers in the Chicago area's vast steel industry today.

A few continued to profess glee over the opportunity to go fishing or engage in other recreational pursuits. But far more frequent were somber reflections on their stringent economic experiences in other walkouts and their expectation that this one would be no different.

Most of those reached today grimly remembered the unpaid bills, cupboards skimped of food, time payments that could not be met and other hardships during the 1956 strike. Even so, the general attitude now is resignation, and an air of "what can we do?"

There is no hardship yet, and there will not be any if the strike ends soon. But the strikers know they are on their own, that they can expect virtually no help from other sources except in cases of the most dire need.

Asked what he considered the strikers' prospects in the next 2 months, if their idleness continued that long, Joseph Germano, district director of the United Steelworkers, said:

"Bad."

He continued:

"It's a lot of baloney that our workers have savings and good bank accounts to carry them through. The only thing they can do is tighten their belts and live like they did in depression days. But they're willing to do it."

The three main sources of monetary aid to the unemployed have closed the gates on such help to the steel strikers. Spokesmen for the union reiterated it was not the union's policy to pay weekly strike benefits to its members. And steel company officials said strikers were not eligible for company-paid supplementary unemployment benefits.

State directors of unemployment in Illinois and Indiana have said the steelworkers were not eligible for State unemployment benefits while on strike.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand adjourned until noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE WHITE FLEET OF MERCY SHIPS

Mr. SYMINGTON. Mr. President, it is an honor to join in cosponsoring Senate Concurrent Resolution 66, introduced Tuesday by the distinguished senior Senator from Minnesota [Mr. HUMPHREY] calling on the President to take steps to establish a White Fleet of mercy ships to give emergency assistance in times of disaster and to render continuing technical assistance to the developing nations of the world.

This resolution, along with the Health for Peace Act which has already been passed by the Senate, could be one of the most meaningful acts of this session.

It will provide the world with a practical and understandable demonstration of the spirit and the humanity which is the way of life of free men everywhere.

The White Fleet will help thousands of people in Asia, Africa, and South America. It will also help this country, for it will prove, I am sure, to be one of the wisest investments in the cold war that we could make. We will receive ample return in creating a better and more accurate image of America—above all, a human image, in terms that all can understand.

We often hear that one of our failings among the peoples of the world has been our inability to communicate. We often try to sell our way of life by pointing out how many bathrooms, how many telephones or how many miles of paved road we have. To a person who has never seen a tub or a telephone and will never own an automobile, this of course is meaningless. And, even worse, it sometimes sounds like bragging.

But to a person in need of a proper diet or a few inoculations to ward off an epidemic, or to a mother whose child may go blind for lack of simple medication, the White Fleet could have deep meaning.

We all know of examples of the effectiveness of medical missionaries. A fine one has been the work of a young Missourian, Dr. Thomas Dooley, who has done wonderful work with thousands of unfortunate people in southeast Asia. He first served there as a naval doctor and then returned as a civilian, with a sort of White Fleet of his own to bring the benefits of American medical science to those who need it most.

The distinguished Senator from Minnesota ably outlined what the White Fleet would cost and what its practical effect would be in the areas which it visited.

But we should not overlook its value to this country as well. The White Fleet will be a dramatic and effective step toward demonstrating to the world the real meaning of democracy. The image of America in the eyes of the underdeveloped areas will be that of a doctor or a relief worker or a nurse. Wherever the caricatured pictures of Uncle Sam brandishing an atom bomb have been circulated, the arrival of the white ships of mercy will give a lie to the false propaganda of our enemies.

I strongly urge prompt Senate consideration of this important resolution.

REPUBLICAN PARTNERSHIP PROPOSAL ON TRINITY RIVER PROJECT BAD BUSINESS DEAL FOR UNCLE SAM

Mr. ENGLE. Mr. President, recent issues of the CONGRESSIONAL RECORD have been filled with insertions by my Republican friends in the House of Representatives on the so-called partnership proposal of this administration on the Trinity River project in California. These are a rehash of the old and hackneyed arguments which have been made in behalf of the proposal since it was first suggested in 1954. The fact of the matter is that the so-called partnership proposal would be a bad deal for the Federal Government. The Federal Government can use all the power that will come from the Trinity River project. The question is whether or not we should sell these powerhouses to the Pacific Gas & Electric Co., a private utility, and then turn around and buy the power back from the P. G. & E. at a fat profit to that company, to use the power to operate the Central Valley project pumps and supply power to Federal installations in California. The obvious answer is that putting a middleman in this picture makes no sense at all.

I made a statement today before the House Committee on Interior and Insular Affairs, in which I discuss this matter more fully. I ask unanimous consent that this statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR CLAIR ENGLE, OF CALIFORNIA, BEFORE IRRIGATION AND RECLAMATION SUBCOMMITTEE OF HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ON H.R. 5499 AND H.R. 5521, TRINITY RIVER PROJECT, JULY 24, 1959

Mr. Chairman, I am sure that my position on this issue is rather well known to you and the committee members. The purpose of my statement today is to reaffirm my conviction that the Trinity partnership scheme is unwise and not basically changed by the recapture proviso added to the present bills, and to urge that you reject H.R. 5499 and H.R. 5521. If you do promptly reject these bills, it will be the signal to the Appropriations Committee conferees to approve the $2,415,000 for Federal construction of Trinity power which the Senate voted earlier this month, and we will thereby dispose of this old partnership fogy once and for all.

I don't think the Trinity River project is essentially a question of public versus private power. Since the Federal Government itself will be the principal customer for Trinity power, it is a question of whether a middleman's profit should be taken out between Federal production and Federal consumption of this commodity. Your committee has to decide whether it is good Government business to build Trinity Dam and the other water control features for public use, sell off the power privileges to a third party, and then buy the electric energy back at double the selling price for use by defense plants and for irrigation pumping on the Federal Central Valley project.

Let me list for you the Federal agencies that now rely on Central Valley project power, many of them in need of more power whenever it may become available. First of all there is, of course, the Bureau of Reclamation itself which requires a fair share of the Central Valley project output to supply the Tracy pumping plant, second largest in the world, as well as the Contra Costa pumping plants, and which will require Trinity power to operate the San Luis pumping plants for the new irrigation unit that this committee this year has approved as an addition to the Central Valley project. Then there are numerous defense plants and military bases, including the following:

Ames Laboratory of the National Advisory Committee for Aeronautics.
Mare Island Naval Shipyard.
Port Chicago Naval Magazine.
Stockton Naval Supply Annex.
Moffett Field Naval Air Station.
Sharpe General Depot at Tracy.
Sharpe General Depot at Lathrop.
Camp Stoneman.
Benicia Arsenal.
Mather Air Force Base.
Camp Beale Air Force Base.
Castle Air Force Base.
Travis Air Force Base.
Parks Air Force Base.

All of these installations are getting Central Valley project power under contracts executed from 1951 to 1955. No more Federal contracts have been executed since then simply because no more Central Valley project power is available, and won't be until and unless Trinity is built as a Federal power development. In the meantime, the Government's own requirements are growing in California, as you well know.

For example, the President has requested authority for the Atomic Energy Commission to build a $105 million linear electron accelerator, planned to be operated on the campus of Stanford University in conjunction with the Stanford division of research. Its initial size would be 10 billion electron-volts; its ultimate size might be 45 billion electron-volts. To operate just the smaller size accelerator will require approximately 60,000 kilowatts of firm electric power. Here is another prospective official preference customer for Central Valley project power. Almost certainly the power will come from Trinity. Will the Atomic Energy Commission be able to buy it directly from the Bureau of Reclamation? Or will it have to buy it from the Pacific Gas and Electric Co., at a premium price, as a result of partnership? These questions illustrate precisely the issue now before your committee.

The proponents of partnership allege that it is a good deal for the people, because the Pacific Gas & Electric will take over the responsibility of building and operating the Trinity power facilities and pay the Government a handsome fee for the privilege. They argue that this is wonderful because Trinity isn't really a very good power project, and, in fact, they say, if built by the Government it will be a financial burden on the Central Valley project.

Why is it, Mr. Chairman, that Trinity power is such a questionable deal for the Government but such a good deal for the Pacific Gas & Electric? Why is it that the Pacific Gas & Electric is so willing to take over this costly development and remove the burden from the backs of the taxpayers? The answer to each of these questions is simply that Trinity power, although obviously more expensive at today's prices than Shasta power developed at 1938 prices, still is a good profitable project for whoever builds and operates it. It would be an especially fine prize for the Pacific Gas & Electric if this private corporation can get the Government to build and pay for the dams and tunnels at a cost of over $200 million, and leave to the Pacific Gas & Electric the responsibility of building the moneymaking power facilities at a capital cost of about $60 million.

Mr. Chairman, I don't blame the Pacific Gas & Electric for coveting this arrangement. I can well understand why they want to make this power investment themselves instead of having the Government do it. And I have due concern and interest in the prosperity of the Pacific Gas & Electric stockholders, many of whom are my good California constituents. But I have an even greater concern for the welfare of the Federal taxpayers of California and all other States, who, even under partnership, would be putting up most of the money for this project, and who should not be deprived, through partnership, of the long-term benefits of the Federal investment that will accrue to the Central Valley project and the Federal agencies that operate on Central Valley project power.

THE YOUTH CONSERVATION CORPS—WHAT IT CAN DO FOR CONSERVATION

Mr. NEUBERGER. Mr. President, shortly I hope that the Senate will be taking up Senate bill 812 to create a Youth Conservation Corps. This bill draws upon the experience of the Civilian Conservation Corps.

I am disappointed that the Secretaries of Agriculture and Interior, our two basic conservation Departments, are opposed to this bill—as in fact is the Eisenhower administration.

The Department of Agriculture says we do not need the corps now. The Department of Interior says that the acceleration of existing conservation programs is neither necessary nor desirable.

These are disturbing views, especially when measured against the known conservation needs of our Nation. It becomes increasingly difficult to understand the rationale of an administration which simply declares that we cannot make the sacrifices necessary to pass on to the future a resource on which we have repaired the ravages of the past.

I devoutly believe we can do this. The bill the Labor and Public Welfare Committee has reported permits the recreation of the CCC program on a gradually increasing, soundly conceived basis.

Today I wish to outline for the Senate a few of the accomplishments of the old

CCC program and to define what I believe are the signal conservation contributions that the Youth Conservation Corps can make.

During its history the CCC boys made this record:

First. Planted 2 billion trees.

Second. Did rodent and predator control work on 40 million acres.

Third. Treated 21 million acres for tree and plant diseases and insect pest control.

Fourth. Pruned, thinned, and otherwise improved 4 million forested acres.

Fifth. Spent 6 million man-days on fire-prevention work.

Sixth. Spent 6 million man-days putting out forest and range fires.

Seventh. Constructed 6 million erosion check dams.

Eighth. Developed 24,000 new water holes for livestock on the range.

Ninth. Constructed 82,000 miles of livestock range fence.

Tenth. Put 85,000 miles of telephone lines through the forest.

Eleventh. Aided in constructing 122,000 miles of minor protection roads and trails plus 38,000 small bridges.

Twelfth. Constructed numerous public forest campgrounds with rustic picnic tables, fireplaces, sanitary facilities, water and swimming facilities.

This is a record of real accomplishment, but it only did part of the conservation job. In addition, the paucity of appropriations during the war years permitted many of these sound investments to deteriorate due to lack of maintenance. In the case of others time and use has taken its toll.

The accomplishments of the past are typical of the work that still needs to be done. This list of jobs gives an idea of the range and real conservation needs. I do not desire to have this listing be interpreted as a priority list.

First. Plant 4 billion trees.

Second. Thin young forest stands to improve growth.

Third. Clean up old logging slash.

Fourth. Remove logging debris from clogged streams.

Fifth. Construct small erosion check dams in the headwaters of streams.

Sixth. Check sheet erosion and stabilize forest road cuts.

Seventh. Engage in fire prevention work.

Eighth. Serve on firefighting crews.

Ninth. Help control white pine blister rust and other forest and insect pests and diseases.

Tenth. Revegetate and restore overgrazed range land.

Eleventh. Construct range fences.

Twelfth. Construct stub watering facilities.

Thirteenth. Improve wildlife habitat.

Fourteenth. Construct forest trails.

Fifteenth. Construct telephone lines.

Sixteenth. Construct waterholes in forest areas to provide firefighting water supplies.

Seventeenth. Assist in land surveys and boundary marking on public lands.

Eighteenth. Develop recreational facilities for outdoor recreation: (a) Picnic areas, (b) tables, (c) fireplaces, (d) drinking water, (e) sanitary facilities, (f) swimming and boating opportunities, (g) simple shelters, (h) parking and trailer facilities.

I submit that each and every one of these jobs is a conservation job which needs to be done. I ask any who wish to speak in opposition to this bill to define any one of these conservation jobs that is unnecessary. If anyone can successfully do so I, for one, will join with him in seeking a floor amendment to vote on whether this work is of the "leaf raking" type. I point out that each and every job is one now being done in various but sometimes extremely limited amounts on our forests, parks and public lands. If the work is not essential perhaps we will want to consider eliminating it from the regular programs of our conservation agencies.

Mr. President, I have studied the hearings on the Youth Conservation Corps. Except for administration opposition, the testimony is virtually unanimously in favor of it.

What, then, leads the administration to oppose this legislation? At a charitable best, I can only conclude that their position reflects a difference over the quantity of conservation work which should be done on publicly owned lands.

The bill provides that the number of enrollees shall not exceed 50,000 in the first year, 100,000 in the second year, and 150,000 in the third year.

Certainly, then, it cannot be argued that there is a floor on the number of enrollees and that 50,000 is a first year minimum. It is the maximum. The administration can start out with 10,000 boys if it wants, or even 1,000 boys. It can invite the States to submit estimates of the number of boys it can productively use on State lands and thereby provide the benefits to 50,000 boys at the cost of putting 25,000 on Federal land.

This bill not only permits conservation work to go forward but as its title suggests—youth conservation to be promoted. The bill is flexible as to the level of enrollment thus the cost can be tailored to the most exacting budgetary criteria.

As an initial cosponsor of this bill I commend the Labor and Welfare Committee and in particular the Senator from Alabama [Mr. HILL], and the Senator from West Virginia [Mr. RANDOLPH] for the constructive and, if I may say, with all the meaning of this word—the conservative job they have done. With this bill they have given the administration an opportunity to reflect on better ways to meet problems we face as a Nation. I hope when the bill is before us—and when the bill reaches the President—those who now are in opposition will reflect and consider what the Congress has done to improve on a good idea.

STANDARDS OF CONDUCT FOR GOVERNMENT AGENCY PROCEEDINGS

The PRESIDING OFFICER. The junior Senator from Colorado.

Mr. CARROLL. I ask unanimous consent, notwithstanding the 3 minute rule, that I may proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator may proceed.

Mr. CARROLL. Mr. President, yesterday the distinguished Senator from Illinois [Mr. DIRKSEN] appeared on the floor and issued a statement about a matter which is before the Judiciary Subcommittee on Administrative Practice and Procedure of which I am chairman. On page 12882 of the RECORD this statement was made by the distinguished Senator from Illinois:

> Mr. President, that is the first implication of this issue. The reason for my talking about it today is to forestall this kind of legislation.

Ours is a new subcommittee just formed.

The junior Senator from Colorado introduced a bill at request of the American Bar Association, which was referred to the new subcommittee. This bill is S. 2374. It would establish standards of conduct for agency hearing proceedings.

As I stated in my opening remarks at the very beginning of the hearing, while my name was attached to the bill, I was not bound by the terms of the bill, and the bill was only introduced so that witnesses could be called.

Distinguished lawyers from the American Bar Association testified on the bill.

But when I find that a member of the subcommittee appears before this body and says, "The reason for my talking about it today is to forestall this kind of legislation," let me repeat that the new subcommittee is just getting under way, and the very purpose of calling the witnesses is to find out whether the bill is a desirable proposal.

What is the purport of the bill? The bill provides a criminal penalty for any person including persons in the executive branch of the Government or the legislative branch of the Government who goes through the back door, so to speak, in quasi-judicial proceedings, otherwise known as adversary proceedings.

The purpose of this proposed legislation is to meet a situation which has developed within the past 2 or 3 years. Through the press, through TV, radio, and various publications, the American people now know that something is wrong in the field of administrative law in Washington, D.C.

I want to be fair. The criticism of influence does not extend to all departments, agencies, and commissions. In these agencies there are many fine, dedicated public servants. Nevertheless a cloud hovers over the field of administrative law in Washington, D.C. Mr. President, when it is suggested that this kind of legislation be forestalled, let me say that the courts have already acted in this field.

I see the distinguished junior Senator from Illinois on the floor and I should like to have his attention because this has to do with his remarks of yesterday.

An issue I would like to settle today is what is an adversary proceeding. I noticed yesterday in the RECORD the distinguished senior Senator from Washington [Mr. MAGNUSON] appeared to have joined in with the remarks of the junior

Senator from Illinois, but when I called the Senator from Washington this morning on the telephone he said he did not understand that the issue was one of adversary proceedings. Here is the chairman of one of the most powerful committees in Congress who says that never in all of his experience has he ever tried to influence a decision in an adversary proceeding.

I think that some of the Representatives and Members of the Senate were misled yesterday because they did not really understand what the issue was. I do not think a Member of the Senate or a Member of the House can justify a position whereby they can arrogate to themselves the power by a back door process to influence an agency decision. I do not believe for one minute that that is done. I think what they do mean is that in representing their constituency they have a perfect right to ask for status reports and expediting of constituency cases in some of the agencies, and that is true and it makes no difference whether it be the Veterans' Bureau, the Department of Agriculture, or the Interstate Commerce Commission. There are some 102 agencies of Government exercising rulemaking and adjudicatory functions.

Does the bill suggest that a Member of Congress may not properly represent his constituency? Of course he can do so; but when it becomes an adversary proceeding, I think we ought to understand now what the law is because it has been changed recently by a circuit court of appeals decision.

In an adversary proceeding, before a Government agency, which is the same as a proceeding in a Federal court, no Member of Congress has a right to telephone an agency member to try to influence his decision. If he did so in the case of a Federal judge, the court might cite him for contempt. If he were a lawyer the court could refer the matter to the grievance committee. But above all things the judge himself—and this is basic in our Anglo-Saxon history—does not permit himself to be influenced while he is sitting in judgment on a case.

What have the courts done here recently? The Members of Congress and the members of the executive branch as well as private citizens must know that quasi-judicial adversary proceedings are the same in basic judicial concept as a proceeding in court. That means that there cannot be any influence. There can be no back door approaches. It means that no one can pick up the telephone and call a member of a commission about a case, at this stage of the proceeding.

But one can always appear on the record publicly, which is, you might say, approaching through the front door.

This is very important, but it is not generally understood.

In the Sangamon Valley Television case there had been some private ex parte communications, and because of this the court threw the case back to the Commission and ordered it reopened for further hearings. Does the Senate know what will happen if this decision stands?

In cases where illegal ex parte communications have been made, the decisions will be vitiated and set aside.

So it seems to me that every Member of Congress should know that if he interferes privately on behalf of a constituent in an adversary or quasi-judicial proceeding his action may jeopardize the very rights of the constituent before the agency because if such interference is ever brought to light, the constituent's case may be thrown out.

This is a very important matter which is now being considered. In my opinion, this doctrine will be extended by the courts.

One of the real problems in this whole issue as raised by the American Bar Association, is not the doctrine itself but rather whether or not there should be a criminal penalty for ex parte, private communications.

I observe the Senator from Montana [Mr. MANSFIELD] in the Chamber. I read his remarks in the RECORD yesterday. I do not want the Democratic leadership or Democratic Members of the Senate to agree with the statements made yesterday unless they clearly understand the basic legal issue involved. I want to restate it very clearly.

No Member of Congress, no member of the executive branch, no private person or association of persons, under recent court decisions, has a right to privately talk to any agency commissioner or to any trial examiner or decisional personnel to attempt to influence a decision in an adversary proceeding. If he does so, it will invalidate that decision and the courts have so held.

The American Bar Association proposed the bill to our committee. They seek to apply a criminal penalty to such attempts to influence adversary proceedings. I do not know whether that is a good idea or not. But I do know that it is a good idea to prevent the executive branch and the legislative branch and private groups from exerting influence in what are called adversary proceedings. In principle, such activities are not conducive to a fair and impartial hearing. There is only one way in which adversary proceedings should be determined, and that is upon the record. The function of the court is to hear the testimony, receive the evidence, get the facts, and to render decisions upon the record alone; not upon political influence, whether it comes from the executive branch, the legislative branch, or from any other source.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CARROLL. I yield.

Mr. MANSFIELD. The Senator from Colorado has referred to the colloquy in which the Senator from Washington [Mr. MAGNUSON], the Senator from Georgia [Mr. TALMADGE], and I engaged with the minority leader, the Senator from Illinois [Mr. DIRKSEN], yesterday. At that time I stated that if a mandate were placed in a bill which in effect sought to prevent me or any other Member of Congress from appearing before an executive agency, I would be opposed to it. I stated that, in my opinion, it was not only my duty, but also my responsibility, to represent the people of my State to the best of my capacity to do so, because in all too many instances when they write to us they are, in effect, writing to a court of last resort.

I do not refer to the regular courts of the Nation, in which I do not believe any Member of Congress would want to interfere in any way, either by the front door or the back door. But, so far as the quasi-judicial agencies of the Government are concerned—and some of them have court rules, I understand—I think it is a part of my responsibility in behalf of my constituents to appear before such agencies, to call them up, and to do what I can to see to it that my constituents get a fair deal; that their requests are given legitimate consideration. In no way do I state or imply that any pressure of any kind is resorted to.

I say again that, so far as the regular courts are concerned, we should not interfere in any way, either through the front door or the back door; and, so far as the quasi-judicial agencies of the Government are concerned, certainly we should not try to carry our cases to them through the back door. As a matter of fact, I am willing to have every instance in which I have contacted a Federal agency, under both Democratic and Republican administrations, in my 17 years as a Member of Congress, made a part of the public record, because everything which has been done, so far as I am concerned—and I am certain that this will apply to all other Members of the House and Senate—has been aboveboard and has been in behalf of our constituents whom we are supposed to represent to the best of our ability.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. CARROLL. Mr. President, I ask unanimous consent that I may proceed for another 5 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Colorado may proceed for 10 minutes, because this is an important subject.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Colorado is recognized for an additional 10 minutes.

Mr. CARROLL. Mr. President, this is a very important issue. I appreciate what the Senator from Montana said. I know that in his wholly forthright attitude on all issues, he would move only on the record. But when we talk about private, ex parte communications, they are not made on the record. That is why I think there was a misapprehension yesterday. I cast no aspersions on the distinguished Senator from Illinois, because I felt that sometimes he did not understand the issues which were being presented by the able lawyers of the American Bar Association.

I want to clear up one thing. I should like the Senator from Montana to listen to me very closely, because we are dealing now with a new field of law. The Senator from Montana seeks to make a distinction between the Federal courts and quasi-judicial bodies in adversary proceedings. But I say to the Senator

from Montana that there is no distinction in law. I should like to read from the statement of Acting Assistant Attorney General Robert A. Bicks when he appeared before the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary last Tuesday, July 21:

> The fact that the Federal agency proceedings may involve the public interest rather than private rights alone makes such disqualification all the more imperative.

Mr. Bicks was talking about private, ex parte proceedings. He quoted from the case of Federal Trade Commission against Ruberoid Co., as follows:

> The rise of administrative bodies probably has been the most significant legal trend of the last century and perhaps more values today are affected by their decisions than by those of all the courts.

I say to the Senator from Montana that ours is a new subcommittee. We are conducting an investigation into a new and different field. It is estimated that today more than 100 agencies are conducting adversary proceedings. More than half of all the cases in the District of Columbia Court of Appeals which involve the Federal Government arise from decisions made by quasi-judicial agencies.

The last quotation, on the Ruberoid case, was from a decision of the Supreme Court of the United States and shows the importance of such cases and how the courts now look upon them.

I read from the case of *Morgan* v. *United States,* 304 U.S. 1, 22:

> All the more reason, therefore, that such agencies, as the courts have done, "must accredit themselves by acting in accordance with the cherished judicial tradition embodying the basic concepts of fair play."

Mr. Bicks said:

> Any applicant that seeks "favored treatment" through ex parte pleas to Commissioners must be unmistakably told that "the doors of the [agency] are closed" to him.

Mr. Bicks was quoting from the case of *Root Refining Company* v. *Universal Oil Products Company,* 169 Fed. 2d 514.

That was what happened in the Sangamon case. One of the agencies—it is not important which one—had a rule-making case. Private persons were coming to the agency building and going from door to door, talking to the Commissioners, taking them out to lunch, or perhaps meeting them at cocktail parties. The court indicated that such activities had invalidated the decision of the Commission. Soon the courts may do more than invalidate them. They may completely bar the parties involved from ever again making application before the Commission.

Therefore, when a client comes to one of us to represent him in an adversary proceeding, we had better say to him, "You had better put your case on the record." If he puts it on the record, he had better be certain why he puts it on the record. Remember, his Member of Congress is not his lawyer, and therefore has no standing in court. I am talking about adversary proceedings, in which there are vested rights. In some cases, those rights run into the millions of dollars. In many cases they run into hundreds of millions of dollars.

Therefore, how can we say of a Federal court that its judicial process is any different than an adversary proceeding in a quasi-judicial agency? Both are based on due process.

What is due process? It consists of notice, hearing, evidence, decision, according to the Anglo-Saxon common law, upon which our own American tradition is built.

How can there be a fair and impartial hearing if the Senator from Illinois enters by one door and the junior Senator from Colorado—I will put myself into the case—enters through the other door? The question then becomes, how many Senators can be loaded on this side of a case, and how many can be loaded on the other side? That is not conducive to due process. That is not the way to determine decisions in adversary proceedings.

The court has spoken. We are not dealing in a vacuum.

The American Bar Association has proposed a piece of legislation. Our committee has not yet accepted it; I do not know whether it is sound or unsound. It seeks to impose a criminal penalty upon any person who uses a private, ex parte communication to influence the decision of a commissioner in an adversary proceeding. Why? Because he sits in judgment. I must say that the Federal statutes in regard to attempts to influence a judge are most severe.

But in this instance the field of administrative law is involved. That is why the proposed bills are before our subcommittee. They have been worked on carefully for months by the American Bar Association and others.

My able friend, the Senator from Illinois, has been a Member of the Senate for a long time; but I do not think he really meant what he seemed to say.

For instance, suppose a proceeding before the Federal Power Commission had been hanging fire for 3 or 4 years, and suppose it affected the public in my part of the country. Would not I have a right to write a letter to the Commission and ask, "Why are you holding up the case?" Such a letter would be on the record.

I think that is what the Senator from Montana meant when he said it would be on the record, and would "come through the front door," and therefore would not be an ex parte communication, but would be a public communication.

Mr. MANSFIELD. Mr. President, will the Senator from Colorado yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator from Colorado yield to the Senator from Montana?

Mr. CARROLL. I yield.

Mr. MANSFIELD. I do not recall having appeared before the Federal Communications Commission in behalf of any radio or television case affecting the State of Montana. But I do recall appearing before the Civil Aeronautics Board, last September, in an attempt to get the Montana local service case overruled. The examiner had made a finding which indicated that in his opinion he did not think the huge area known as the Hi-Line, in northern Montana, should be entitled to feeder service, for which Frontier Airlines was the applicant at that time.

I asked the Board if it would hear me in rebuttal to that initial finding. The Board graciously consented to do so. People came back to Washington from Montana; and all of us went before the Board; we appeared before the Board members. They heard us. The result was that they overruled the decision of the examiner; and, at long last, after 15 years of trying, northern Montana is going to get feeder service to take care of the transportation needs in that part of the State. That was done in an open and aboveboard manner.

I understand that that agency is a quasi-judicial one. Those who appear before it have to stand up and present their testimony. That is what I mean when I say that because of the importance of representing the people of my State in connection with a matter which is of interest to them, I would be opposed to any mandate which would prevent me from doing so—either for Frontier Airlines, let us say, or for an individual.

Insofar as the regular courts are concerned, I do not think any Member of Congress has a right under any circumstances to interfere, to plead, or to do anything which would tend to influence the judgment of a regular court.

But in the case of these quasi-judicial agencies, I think we have a responsibility. If the Senator from Colorado will permit me to do so, I should like to repeat what I said in this Chamber yesterday. My statement then was very short, as follows:

> I feel no compunction whatever about calling an agency downtown on behalf of a constituent of mine who has a legitimate request or complaint. I do not exert any pressure. I have been treated very favorably and fairly by those who administer the agencies and this applies to both Democratic and Republican administrations.
>
> I would be remiss in my duty if I did not try to do for my constituents everything I possibly could to comply with their legitimate requests. I certainly think this is a part of the job of being a Senator. I would be opposed to having any inhibition placed upon us in the carrying out of our functions in this respect, because in all too many instances we are in effect a court of last resort, and our constituents have no one else to whom to turn.

I think that statement sums up my position.

Mr. CARROLL. Mr. President, this matter is very important, and Members of Congress must understand it. Some of us are not talking about the same thing. These regulatory agencies have both a legislative function and a judicial function.

I do not mean to say that the Senator from Montana could not properly make his presentation in behalf of the Frontier Airlines. I did the same thing. The court decision which has been rendered does not mean that we cannot do that; neither does it mean that we cannot make a presentation in regard to the relief of abuses. The decision relates only to what are called adversary pro-

ceedings. In this instance, I am talking about case law, because the courts have spoken. If a constituent prevailed upon a Senator to privately intercede in an adversary proceeding, the Senator by so interceding would be doing that constituent a disservice because, under the court decision which has been handed down, if a license were involved, the existing license would be invalidated if it were found that the Senator had made such a contact. In fact, not only would such an appearance result in invalidation of an existing license, but it might forever bar the applicant from all future application for such a license.

Mr. JAVITS. Mr. President, I rise to point out that the Senate is still proceeding in the morning hour, subject to the 3-minute limitation.

I am very fond of the Senator from Colorado; but if he wishes to continue, I hope before he does, he will yield briefly to me.

Mr. CARROLL. I appreciate the situation, Mr. President. But yesterday the Senator from Illinois, the minority leader, took the same opportunity. I wish to state this matter for the RECORD, because it is of vital importance. Therefore, I ask unanimous consent that I may proceed for another 5 minutes. If I have not completed at the end of that time, I shall yield then to the Senator from New York.

Mr. JAVITS. I thank the Senator from Colorado.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CARROLL. Mr. President, this matter is a very technical one. So I ask all Senators please, to keep an open mind about it. When I read the remarks made yesterday by the Senator from Illinois and the stated purpose of them I could not believe that he was attempting to pull the rug out from under the committee before it got started.

The purpose of the hearing is to take evidence. The American Bar Association has been engaging in careful research on this matter for months, and they have testified this week.

Yesterday, we heard from the Attorney General. He has given us a very comprehensive brief.

We are not talking about little issues in connection with which Senators must, from time to time, go to the Veterans' Bureau or the Department of Agriculture. Certainly Senators are entitled to represent their constituencies.

However, in this case I am talking about adversary proceedings, which in law are identical with court hearings. I do not really believe that the Senator from Montana understands the difference between the two.

Mr. MANSFIELD. Certainly I am not a lawyer.

Mr. CARROLL. They are identical in law, in principle, because they involve litigated property rights. Therefore, there can be no private, ex parte communication in either instance.

The situation is different when rulemaking or other matters, which are brought to the attention of a Member of Congress, in connection with his representation of his constituency, are concerned. In such a case, a Senator can make an appearance—as we did in the Frontier case—and can make an argument. Some persons may not like it; but at least Members of Congress can do that. In such a case, all the cards are on the table, and we proceed through the front door, so to speak.

I know that the Senator from Montana would agree with me if he understood the issues.

Mr. MANSFIELD. Mr. President, I am not a lawyer; but I have great respect for the Senator from Colorado, who is a lawyer and is a man of great reputation.

I am glad he is making it clear that the duties and responsibilities which Members of Congress have assumed during all their years of service in either this or the other body are legitimate, provided Senators or Members of the House go through the front door and lay everything on the table for everyone to see.

Mr. CARROLL. That is correct. When I explained the situation this morning to the distinguished Senator from Washington [Mr. MAGNUSON] who is chairman of a powerful committee, he said, "Of course, I agree with you." But that was not the impression he left yesterday. I do not want members of my party or any Members of Congress led down a blind alley, and have the impression left that they are always doing something undercover for constituents, when there has been no such charge made against Members of Congress. We know of only one or two cases which have arisen and they have been in the executive branch. Why put the onus on the Congress, which has no such burden to carry?

Mr. MANSFIELD. That is what I was getting at, because legislation was proposed in the Legislative Oversight Committee of the other body that we be forbidden to discuss matters pertaining to our constituents with quasi-judicial agencies.

Mr. CARROLL. I can say the proposal places the same restrictions on us as are placed on any other citizens with respect to adversary proceedings. Yesterday I asked one witness to explain the number of different adversary proceedings, and that I wanted to know more about the subject. We have just begun hearings, and I do not want a committee which has been newly created torpedoed before it hears the evidence. Members of Congress are very jealous of their prerogatives of power. I do not want them to come before the committee and say, "You are trying to cut down our power and say we cannot go to an agency." The bill we are considering will only cut down the power of those who move through the back door, where they should not be in the first place.

The reason I speak today is to make an appeal that we not prejudge legislation of this type until we have had adequate hearings and committee action. This is why I have undertaken to explain it this morning.

Mr. President, these are the only comments I wanted to make today. I thank the Senator from Montana. We do not know whether we are going to come forth with a bill. There is a similar proposal in the House of Representatives in the bill (H.R. 6774) introduced by Congressman HARRIS. Representative HARRIS is an able legislator. He is not about to take legitimate powers away from Members of Congress. But we have a critical situation. People have lost confidence in the agencies and think something underhanded is going on. We have the legislative responsibility of restoring public confidence in the administration of Government agencies.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARROLL. I yield to the Senator from Tennessee.

Mr. GORE. I have found the address of the able junior Senator from Colorado exceedingly challenging. It should be challenging, in my view, to the entire Senate. It is not a small matter with which he has dealt. It is not a matter which can be dismissed with ridicule or sarcasm. It is a question which tests justice in our system in a very large number of instances, and in a growing number of instances.

I express my appreciation to the able junior Senator from Colorado not only for his efforts today, but for his determination to explore this important, though relatively new, field.

Mr. CARROLL. I thank the Senator from Tennessee. I have only this one observation to make to my friend from Montana. Under the bill, which we have only begun to explore, it has been called to my attention that the minute a Member of Congress has his letter or communication in the public file, he would be relieved of the obligation under the proposed act.

So it would reach only a few cases, and I know of no Member of Congress it would reach, and only a few in the executive branch. We know of only a few Commissioners who have been so involved. But we are going to stamp out this trouble one way or another. The courts have spoken out against it. I merely want my colleagues to withhold judgment until we make a full study of the question. We may not report a bill. The problem may be solved in another way.

Mr. MANSFIELD. Mr. President, I understand the bill was introduced by request, and certainly the hearings will continue; but I think we ought to guard our responsibilities and maintain our sense of responsibility in looking after the best interests of the people who sent us to Congress to represent them. I agree with the Senator that inquiries should be made always through the front door, and the facts should always be on the table for all to see.

Mr. CARROLL. We do that as we protect our constituents' interests, within the framework of what we call law and order and constitutional procedures. I think everyone will agree with that statement. I thank the Senator from Montana again for his interest.

Mr. AIKEN. Mr. President, I want to associate myself with the position taken by the Senator from Montana. I think it is the duty of every one of us to do all we can to help our people back home

when they have immigration cases, or when they have inadequate air service, as is true now in my area, or when proposals are made to weaken television service to our people, or when there is a question of granting certain wavelengths to State police, for example, or a business firm that must have it in a hurry.

So long as I am in Congress, I am going to do all I can to help our people back home straighten out matters which they are unable to do by themselves. I frequently call agencies of the Government. I do not care if they record what I say, because I never say anything I am not willing to make public. I do not tell them what decision to make. I merely ask that the agency may bring a certain case from the bottom of the pack to the top and go to work on it.

Our people may be excused if they regard this so-called ethical drive which seems to be underway as an effort to force people back home to hire lawyers. I get a lot of inquiries from local attorneys. I suppose some of them charge their clients for what I do for them, and more of them do not. But when it comes to the question of forcing everybody back home who has a matter in Washington to hire a Washington law firm or any other law firm to communicate with agencies of Government for them or be shown around, and to pay out a lot of money for this representation, I shall fight such a proposal to the best of my ability. I stand with the Senator from Montana. I am not going to be a party to any proposal of this kind. If any Senator acts illegally, he should be treated accordingly, but if he looks after the interests of his State and his people in a legal and ethical manner, he is merely doing his duty.

We want to be careful that in undertaking to correct one possible injustice we do not commit a vastly greater one.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. AIKEN. Yes; but I have only 3 minutes.

Mr. CARROLL. I agree with what the Senator from Vermont has said, but we are not talking about the sort of cases the Senator from Vermont is talking about. We are talking about what are called under law adversary proceedings. Does the Senator think he would have a right to go into a Federal court and talk about a proceeding pending there?

Mr. AIKEN. I do not want to go into a Federal court and discuss a proceeding there. I would not even go into an agency of Government and suggest to it the decision it ought to make.

Mr. CARROLL. Of course, the Senator would not.

Mr. AIKEN. But the impression given to people at home is that it is wrong for them to try to get anything accomplished in Washington through their Senators or Representatives. They are being led to believe that they must hire lawyers to do it for them, and many of them cannot afford to pay the $2,000, $3,000, or $5,000 retainer fees charged by some lawyers or Washington representatives who can be found within 10 miles of the Capitol. Whatever is intended, I want this drive to be clarified so it will be represented to the public for what it is. I did not say I suspected it was a drive to get people to hire lawyers. I said it might be interpreted by some as being such a drive.

U.S. AGREEMENTS TO EXCHANGE NUCLEAR INFORMATION AND MATERIALS WITH CERTAIN ALLIES

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for 6 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, on Sunday, July 26, the second series of agreements involving the exchange of nuclear information and materials with five of our Western allies will go into effect pursuant to the Atomic Energy Exchange Act of 1958. Similar agreements with Great Britain and France became effective on July 19, and another with Greece will become effective on August 11, 1959.

During the past few weeks both Houses of Congress could have invalidated any one or all of these transactions by passage of a concurrent resolution. Thousands of my constituents from New York have written to me, and many have come to see me, to express serious disquiet at the possibility that these agreements through the dispersal of nuclear weapons components among our allies will hamper us in attaining some vital U.S. foreign policy objectives. It is stated, for instance, that the Geneva negotiations for inspection and control of the testing of atomic weapons and future negotiations against surprise attack or for nuclear disarmament generally may be prejudiced. Also, they expressed concern that our position on reunification of Germany be free elections and the securing of our occupation rights in Berlin may be compromised.

Many people have especially emphasized the dangers of the agreement with the German Federal Republic of West Germany. But the effective security of West Germany is the key to the security of free Europe and of NATO. We certainly must be alert to any regression of free institutions in the German Federal Republic, but at the same time we must recognize the role of the German Federal Republic in the integration of its people into Europe, of which so vital a part is their participation in the NATO alliance. We have all known for a long time that the more the Germans are integrated with other Europeans the less danger there will be of a recurrence of German militarism.

Mr. President, carrying out my duty as a Member of the Senate carefully to examine each one of these nuclear agreements—a responsibility specifically outlined in the Atomic Energy Act—I have come to the conclusion that these agreements are aimed at strengthening substantially our military defense posture and that of our allies, and they are not incompatible with U.S. foreign policy efforts to gain international agreements on the cessation of nuclear weapons tests and the control of nuclear armaments and on surprise attack. However, the intense discussion and the grave concern that these nuclear exchanges have precipitated among laymen and among the most distinguished members of our scientific community is readily understandable, and I sympathize with the grave concern expressed by many over exchanging any kind of nuclear weapons information, even though limited in scope, with the Federal Republic of Germany, although this compact is meant to better integrate West Germany's defense effort with that of the NATO countries. Although I see no such danger at present, I do believe that each one of us must follow with the most scrupulous attention developments under these agreements for such developments may lead us into dangerous and prejudicial positions if they extend along the lines some fear. I pledge myself to act as such a vigilant sentinel.

My distinguished colleague, the Senator from Minnesota [Mr. HUMPHREY], who has analyzed this subject very carefully, takes pretty much the same position I do. The Senator from Minnesota has raised several important issues involving the ultimate impact of such agreements, in a recent speech on the Senate floor. Now, virtually on the eve of the day when the second series goes into effect, I think we should review the nature of the exchanges themselves.

In the case of the compacts with the Governments of West Germany, the Netherlands, Turkey, and Greece, they provide for the exchange of certain classified information and equipment necessary to improve the state of training and operational readiness of the armed forces of those nations.

The proposed agreements do not involve the transfer of atomic weapons, nonnuclear parts of atomic weapons or nuclear material, nor the communication of information that will permit a nation to improve its atomic weapon design, development, or fabrication capability. They also do not involve the communication or exchange of classified information concerning research, development, or design of military reactors.

The proposed agreements provide that the United States will exchange with each country classified information necessary to the development of defense plans; the training of personnel in the employment of and defense against atomic weapons and other military applications of atomic energy; the evaluation of the capabilities of potential enemies in the employment of atomic weapons and other military applications of atomic energy; and the development of delivery systems capable to carry atomic weapons. In addition the proposed agreements provide that the United States will transfer to each country nonnuclear parts of atomic weapons not integral to the weapon itself.

In the case of Canada, the agreement is the same, but what is added is the exchange of classified information relative to research, development, and design of military reactors to the extent and by such means as may be agreed.

The United States will retain effective and full control of nuclear materials, according to the report of the Joint Committee on Atomic Energy.

The agreement with France was restricted to the transfer of fuel for a land-based prototype of a nuclear submarine.

Under the agreement with Great Britain, nonnuclear parts of atomic weapons integral to the weapon itself will be made available to this ally, but no complete nuclear weapons will be exchanged. It is well known that Britain has one of the world's most advanced atomic and nuclear energy research programs, and has made marked progress in the development of such weapons. Thus, the Joint Committee concluded and the Congress concurred that these agreements would not, insofar as we can now predict, expand the membership in the nuclear club. But that opinion does not negate the necessity of following closely the development of any independent nuclear weapons capability in these recipient countries, particularly, because of its increased prowess, West Germany.

The effect of these NATO agreements with the progress of the disarmament conference at Geneva must also be carefully gaged. In 1957, in the face of the overwhelming numerical superiority of the Soviet military establishment, estimated by the NATO countries then to consist of 22 divisions in the Russian Zone of Germany plus 60 additional divisions in western Russia, and the European captive nations under Communist domination, it was considered essential to increase the firepower of the much smaller NATO forces if they were to function effectively as a deterrent force. Premier Khrushchev's constant saber-rattling during the negotiations in Geneva on the fate of West Berlin and all of Germany have convinced many observers that Soviet troops in the satellite nations already possess considerable nuclear striking power.

However, as the Senator from Minnesota [Mr. HUMPHREY] pointed out, in retaliation for our nuclear exchange agreements, the Soviets may step up the rate of nuclear weapons stockpiling in these satellite nations bordering our NATO allies, and yet, at the same time, our action, as he pointed out, may make them more anxious to achieve a disarmament agreement which would help relax world tensions. The Soviet's military reaction to our move must be carefully evaluated by our Western defense experts and by us, but it does not relieve us of our duty of providing, by the most effective means, for the defense of the free world.

Until effective control of nuclear weapons testing and disarmament agreements can be agreed to, the United States must continue to strive for a balanced military posture which will include both conventional and nuclear arms protection for our NATO allies, particularly those bordering the Iron Curtain. At the present time, the great majority of us are opposed to giving to countries which do not already possess it—a capability to fight nuclear war by parceling our nuclear weapons to their armed forces. But that does not mean it is not within the realm of possibility that we may be subjected to heavy pressure, should the negotiations in Geneva on West Berlin and Germany break down completely and the Soviets stick to their ultimatum of withdrawal by the United States, the United Kingdom, and France from Berlin; hence the tightening up of NATO defense capabilities requires that, subject to proper precautions, the NATO countries on the Soviet border should not be left incapable of replying to the atomic weapon.

Mr. President, I do not believe what we are doing now will in any way embarrass us in seeking effective control of nuclear weapons testing and effective disarmament in terms of nuclear weapons with proper inspection and control.

I point out that if the Soviet Union wants to use this as a reason for intransigence, or wants to use this as an excuse for increasing its own nuclear armaments with respect to the areas bordering the NATO countries, it can do so. Mr. Khrushchev has demonstrated that by using, the other day, the resolution we passed confirming our solidarity with regard to the captive nations of Europe to embarrass Vice President NIXON. The answer is that if Khrushchev did not use that excuse he would find something else to use. We cannot stop him from doing so. We must examine our own posture. We are not embarrassing ourselves, but are only doing what is needed.

It is for these reasons that I believe the responsibility of every Member of Congress concerning these current nuclear agreements does not end with the date on which they become effective, but actually that responsibility will be heightened in the weeks and months ahead as we follow developments under them.

Finally, Mr. President, toward that end I join in endorsing the proposal of the Senator from Minnesota [Mr. HUMPHREY] that we provide that the Senate Foreign Relations Committee should be consulted regarding all future agreements reported by the Joint Atomic Energy Committee so that every effort will have been made to measure adequately the implication of such pacts on the immediate and long-term foreign policy objectives of the United States for peace, and we may all be better equipped for our role as atomic sentinels.

UTAH HIGHWAY PROGRAM CRIPPLED BY CONGRESSIONAL INACTION ON ROAD FINANCING

Mr. BENNETT. Mr. President, a national crisis of the first dimension is now squarely in the lap of Congress. The great 41,000-mile interstate highway program launched with such great pride in 1954 and expanded in 1956 and 1958 is about to collapse because of the procrastination of Congress.

Last year Congress practically forced highway money upon the States and ordered them to accelerate their road-building programs as an antirecession measure. The 1958 act handed the States an added $400 million for the ABC road system and then loaned $115 million to the States so they would have enough money to match the expanded Federal contribution. Congress added an extra $200 million to the Interstate Highway program for fiscal year 1959, an extra $300 million for each of fiscal years 1960 and 1961. The 1958 act suspended the pay-as-you-go amendment for fiscal years 1959 and 1960. These steps have all contributed to the complete exhaustion of the Highway Trust Fund.

This critical situation has not arisen overnight. On the contrary, it has been known for months that Congress must act. The President has repeatedly called upon Congress to take action. Congress has not done so. The President proposes but Congress is not disposed. Evidently it was thought some painless solution would spring full-blown, like Minerva, from the brow of Zeus if Congress procrastinated long enough. No such supernatural event has occurred, so immediate action is imperative.

The crisis in Utah is similar to that confronting all of the States. The State director of highways, Elmo R. Morgan, has told me categorically that unless there is some assurance within the next 2 weeks that funds will be available, the State must begin shutting down $20 million worth of construction projects. Delay can only bring increased costs to the State and to private contractors. The State has had to stop all right-of-way procurement. As of September 30, 1959, Utah will have obligations in the form of construction contracts and for operation and maintenance amounting to some $24 million. To liquidate this obligation, the State will have available only $4 million.

I ask unanimous consent that a letter and memorandum from the Utah State Road Commission, documenting the highway crisis, be printed in the RECORD at the conclusion of my remarks, together with a memorandum showing the financial position of the State as of September 30, 1959, and a list of highway projects which will have to be stopped unless Congress acts. The project list does not include contracts awarded or in process of award since July 1, 1959. These contracts amount to another $6 to $7 million.

Further delay will deal a fearful blow to our economy. Contractors and their employees by the thousands will be taken off their jobs at a time, too, when the weather is the best for road construction. Orders from suppliers will be sharply curtailed. Road commissions will have to fire skilled engineers and other technicians, which will mean the interstate program setbacks will be multiplied. Contractors have obligated themselves, purchased heavy equipment, with the expectation that Congress would honor its commitments.

Congress must immediately face its responsibility and furnish the revenue to continue the highway program as it has obligated itself to do. Deficit financing is intolerable at this time when the prosperity of the Nation is at the highest level in our history. Let us be at least as eager to pay our present bills as we are to authorize future spending programs.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

STATE ROAD COMMISSION OF UTAH,
Salt Lake City, Utah, July 22, 1959.

Senator WALLACE F. BENNETT,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BENNETT: Since our previous letters to you on the subject of the effect on Utah's roadbuilding program if Federal funding were suspended, additional complications have arisen. Our commission was informed by Federal highway officials at the Western Association of State Highway Officials Convention in Billings, Mont., June 21–26, that the trust fund would be depleted next spring, perhaps as early as February of 1960. They indicated that from that point on the Bureau of Public Roads would be unable to honor our vouchers even though the work had been programed previously and work was under way.

Rather than place ourselves in an untenable financial dilemma, the commission met and decided that no more Federal aid participating work would be advertised. However, those projects which were advertised prior to the decision and those projects that had progressed through bid opening would proceed as scheduled. It was felt, and careful study of our total financial picture indicated, that those obligations could be met by the commission within the February deadline. Some small State projects requiring no Federal moneys were exempt from these new restrictions.

This announcement met with considerable consternation on the part of the contractors. However, the commission could not see its way clear to any other course of action that was consistent with its imposed legal restrictions and financial responsibilities.

The recent exchange of letters by Mr. A. E. Johnson, executive secretary of American Association of State Highway Officials and Mr. B. D. Tallamy, Federal Highway Administrator, copies of which are enclosed, indicate that the Federal financial picture is even worse than related at the Billings convention about a month ago. Mr. Tallamy states that the depletion of funds and the holding up of our vouchers will begin this fall. A subsequent phone conversation with Mr. Armstrong has led us to believe that October 15 will probably be the termination date for reimbursement of our vouchers. In actual practice this will mean that any expenditure by the contractor after September 1–15 will not be reimbursed. The required procedure requires that the contractor make actual payment for materials and labor and submit vouchers to the road commission in the form of pay estimates and, after checking, receive payment for the amounts shown. The road commission then (and not before) may submit vouchers to the Bureau of Public Roads, supported by evidence that actual payment has been made to the contractor, and in time receive reimbursement. These procedures require at least 30 days and in some cases as much as 60 days. Thus, the dilemma becomes even more critical. Unless there is some assurance within the next 2 weeks that reimbursement can be made after October 15, 1959, we must begin shutting down some $20 million worth of construction projects throughout the State. All of this will be at added cost to the contractor and the State. And all at the time of the year when ideal construction weather prevails.

Since the commission action imposing the first restrictions, already referred to, and the receipt of Mr. Tallamy's letter dated July 13, 1959, we have opened bids of $6,800,000 worth of construction. Only a year or so ago we were working under pressure to get funds obligated that were authorized by Congress to help turn the recession then of concern throughout the country. We met this challenge and achieved the goal. Now we are faced with shutting down about five times as much work as was started during that emergency period. There can be no question about the resulting economic effects. There can be little wonder that many feel we don't know where we are headed in the highway program. We have felt it necessary in the light of this development to inform the contractors of the above projects that they may proceed with the full understanding that it may be necessary for the road commission to order a halt in their construction at any time. We have also found it necessary to practically discontinue all right-of-way procurement in order to obligate as little of the available funding as possible.

The attached sheet, "Estimated financial position as of September 30, 1959," indicates a financial position that is most untenable. As of September 30 we will have obligations in the form of construction contracts and our own personnel for operations and maintenance amounting to some $24 million. To liquidate this obligation we will have only $4 million of our own State money. Thus, if we have no indication of what Congress intends to do within the next 10 days or 2 weeks we must of necessity close down virtually all construction of roads in the State. The attached list shows the projects that will be affected.

Several of the contractors have expressed confidence that Congress is well aware of the position in which all these matters place our road building program and feel sure that some remedial legislation will be enacted. On the basis of this faith, they have suggested to us that we go ahead with normal planning, designing, advertising, and awarding of contracts. Our responsibility to the citizens of the State, however, precludes the possibility of adopting this suggestion since any small chance of failure on the part of Congress to act favorably would essentially bring us to a bankrupt situation, completely unable to meet our contractual obligations. The Bureau of Public Roads is not party to any of these contracts for construction, and the obligations to pay them rest solely with the State road commission. To be sure, the Bureau of Public Roads officials are sympathetic, but they, of course, are bound by the acts of Congress. Sympathy does little to pay off contractual obligations.

However, as a demonstration of our faith in both the validity of the highway program and congressional responsibility toward it, our planning and design departments are continuing on schedule in the preparation of plans to be ready for advertising the minute funds are available.

As already pointed out, the aspect of all this jockeying back and forth on funding that concerns the road commission immediately is that it all comes during the time of year when the weather is most advantageous for construction and we would normally be accelerating rather than halting the awarding of contracts. It cannot help but be a breeder of bad publicity and poor public relations for all agencies associated with the highway program.

There is one other item we must bring to your attention. Mr. Johnson refers to it in his letter as the "contract authority reimbursement assurance" provision. The language in the 1960 Road Appropriation Act as interpreted by Mr. Tallamy would mean that approval of our contracts by the Bureau of Public Roads would not necessarily mean that money was set aside to meet our vouchers as has been the case since the beginning of our joint functions many years ago. This would obligate the road commission for all of its available moneys with nothing available for quite some time to handle maintenance and budgeted functions of the commission. We feel very strongly that a reappraisal must be made of this facet of the legislation. There is no apparent reason discernible to us why the previous method of handling this matter cannot be continued to the mutual benefit of the Bureau of Public Roads, the road commission, and thus to the public in general.

The very fine job you are doing in our behalf is very much appreciated.

Sincerely yours,

ELMO R. MORGAN,
Director of Highways.

EFFECT UPON THE STATE ROAD COMMISSION OF UTAH AND THE FEDERAL AID INTERSTATE PROGRAM IF INTERFUNDING IS SUSPENDED FOR FISCAL YEAR 1959–60

The planning and programing department of the State Road Commission has indicated that anticipated Federal funds available for construction and engineering on interstate projects from July 1959 to June 1960 are $24,500,000.

If these funds are suspended to any degree, the calculations of the total effect on our operations would be based on the following considerations:

(a) One man can design $400,000 on Interstate projects in 1 year—60 percent for roadway design, 40 percent for structural design.

(b) the construction department anticipates the use of 150± men on survey crews for proposed and planned Interstate construction.

Based on the foregoing assumptions a 25 percent reduction in funding would result in an approximate layoff in the three departments (highway design, structural design, highway construction) of 52 men. A 50 percent reduction in funds would mean a layoff of 106 men. A 100 percent reduction of funds would mean a layoff of 211 men.

In addition to the primary effect on these three departments the Commission would also suffer a secondary reduction in operating personnel over the total Commission of a number difficult to estimate (total employment as of March 1, is 1428).

As indicated by the attached sheets of A Tentative Financial Guide for Completion of the Interstate System in Utah, these portions of 1–15 that will serve to put in operation the sections of highway already under construction; i.e., 14th North to 1st South in Salt Lake and 16th North to 16th South in Orem, will be directly affected. This will leave an investment of $7,815,000 the first project, and $4,500,000 second project, sitting idle and unusable until the resumption of funding permits the construction of the connecting links to 24th South in Salt Lake and the connecting links to Provo and Lahl in Utah County.

Other considerations involve the fact that nearly all contractors engaged in road building operations have anticipated this volume of construction and have correspondingly increased their staffs and have made equipment purchases of prime earth movers, gravel crushers, and paving machines; all of which would cause a tremendous financial burden if funding were reduced, temporarily suspended, or discontinued.

List of projects that will be affected by funding suspension—Project description and balance of contractual obligations as of June 30, 1959

INTERSTATE

South Ash Creek Wash-Iron County	$215,446
Iron-Wash County line	-------
Delle-Knolls	99,971
Rattle Snake Pass	331,561
Blue Creek Summit	375,685
	25,241
Anderson Junction-Pintura	650,007
Castle Rock-Wasatch	2,084,109
Pintura North to Ash Creek	137,884

List of projects that will be affected by funding suspension—Project description and balance of contractual obligations as of June 30, 1959—Continued

Cove Fort south to Beaver	$1,845,685
5th north to 13th south, Salt Lake City	10,131 39,168
Snowville Southeast-Tremonton	817,289
Morgan-Devils Slide	528,272
North Across Ash Creek	435,094
North limits Salt Lake urban area	412,404
1st south-14th north, Salt Lake City	1,205,321 18,185
16th south-northwest 16th north, Orem	898,476
400 north and Pages Lane	305,611
Floy-Crescent junction	657,385
Subtotal	11,092,898

PRIMARY

East of Henefer to west of junction State Route 158	$78,898
Keetley to junction U.S. 40 and 189	233,659
Modena Bypass	35,009
4th north and Main, Logan	88,734
Wilbert Wash Bridge	16,639
Greendale North-Flaming Gorge	310,383
13 miles North Monticello-North	116,435
Big Spring Wash-Icelander Wash	35,946
South Carbon-Emery County line north to Price	432,300
Subtotal	1,348,003

SECONDARY

Lehi East to U.S. 91	$15,212
LaSal-Northeast Utah-Colorado line	189,408
Manila west and north to Utah Wyoming line	19,803
West of Nephi-Jericho	97,903
East American Fork to junction West State Route 146, State Route 80 north to Alpine	18,821
Neola-White Rocks Rd	41,865
Moab-Castleton	99,315
Northwest of Beaver-Millard County line	71,506
Blue Creek north-Idaho line	19,822
Ogden River Bridge and approaches	43,478
Utah-Colorado line west to La Sal	114,060
Scofield-Clear Creek	92,875
Hyrum-Blacksmith Fork Canyon	197,765
Hanksville west	122,494
Middleton northeast-Harrisburg Junction	205,423
Montezuma-Aneth Oil Fields	97,701
Bear River Bridge-West Smithfield	149,259
Woodruff southwest 6 miles	188,348
9th East-48th south to 78 south	53,385
Montezuma Creek Bridge	65,044
Salina south-Gooseberry Creek Valley	170,254
Approximately 5 miles west of Henrieville, east	188,484
Subtotal	2,262,225

URBAN

13th south to Simpson Avenue on 7th east SLC	$214,039
Subtotal	214,039

D PROJECT

Manti-Ephraim	29,908
Nye's Corner to 31st Street-Ogden	6,835
Fort Duchesne to Junction State Route 209	378,100
Cat Canyon-Sunnyside junction	142,590 9,677

List of projects that will be affected by funding suspension—Project description and balance of contractual obligations as of June 30, 1959—Continued

4th South Main to 9th East, Salt Lake City	$22,683
Crescent junction-Valley City-Moab	62,929
Levan-Fayette NR County line	194,355
N.T. to 9th North Redwood Road	
21st south to N.I. Redwood Road	
35 south to 21st South Redwood Road	75,061
Orem Bench-9th north 18th south	61,013
7th east-Draper-78th south	53,899
Sunnyside junction to Emery County line	
Carbon-Emery County line southeast	45,028
Blanding-Devil's Canyon-Monticello	17,461
Subtotal	1,099,539

MISCELLANEOUS

Utah-Colorado line west to La Sal	$31,648
Three Lakes-Northwest	43,698
Subtotal	75,346
Grand total	16,092,050

ESTIMATED FINANCIAL POSITION AS OF SEPTEMBER 30, 1959

(Office memorandum, State Road Commission of Utah)

To: Elmo R. Morgan, director of highways.
From: Dean R. Steed, chief accountant.
JULY 21, 1959.

Funds available Sept. 30, 1959, if we continue as planned at present:	
Cash balance as of July 1, 1959	$378,253
Revenue from Bureau of Public Roads July 1, 1959, to Sept. 30, 1959	19,856,360
Additional revenue (other than Federal)	140,000
Estimated gas money July through September	4,851,874
Total revenue	25,226,487
Estimated expenditures, July 1, 1959, to September 30, 1959:	
Federal construction	17,445,255
State construction	1,414,091
Budget	2,232,950
Noncontract items	238,972
Total expenditures	21,331,268
Cash position, Sept. 30, 1959	3,895,219
Obligations as of Sept. 30, 1959:	
Interstate	10,281,831
Primary	4,418,921
Secondary	1,805,059
Urban	26,682
D projects	122,263
State construction	628,062
Subtotal construction	17,282,818
Budget, Oct. 1, 1959, to June 30, 1960	6,698,850
Grand total	23,981,668

VETO OF OMNIBUS HOUSING BILL

Mr. McCARTHY. Mr. President, on July 7, President Eisenhower vetoed the omnibus housing bill passed by the Senate and the House of Representatives. In commenting on the presidential veto, the Minneapolis Morning Tribune of July 9, 1959, pointed out the need of our Nation's metropolitan areas for help in their battle against slums and blight. The editorial comments particularly on the Minneapolis slum clearance and urban renewal programs which have been affected by the presidential veto.

For a time I was concerned about the administration's policy of "no new starts"; but I am more and more concerned about the policy of "more new stops."

I ask unanimous consent that the Tribune editorial be printed in the RECORD at this part as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

THE HOUSING BILL VETO

The vetoproof housing bill which Congress sent to the President has been vetoed, and now three courses remain. Congress can try to override the veto. It can enact a minimum bill which Mr. Eisenhower would be certain to approve. Or it can throw in the sponge and pass no bill at all.

Overriding seems unlikely, since neither House came very close to the required two-third majority when the now-vetoed bill was passed. In more than 6 years, the President has never had a veto overridden. The prospect that this long record will be shattered on the housing issue is not good.

It is hard to believe that Congress would adjourn without passing some sort of housing bill, considering the urgent need for legislation. So compromise may be the best way out of the present impasse.

If this is to be the answer, we do not think Mr. Eisenhower should try to drive too hard a bargain with Congress. The bill he vetoed as excessive and inflationary already had been cut back considerably as a concession to the White House. Perhaps it is now the President's turn to budge a little.

We believe it would be particularly regrettable if there was a drastic reduction of the $900 million which Congress voted for slum clearance and urban renewal during the next 2 years. Mr. Eisenhower had recommended $1,350,000,000 for this purpose over a 6-year period. We think the former figure comes closer to meeting the needs of the Nation's metropolitan areas as they wage their desperate war against slums and blight.

It seems quite probable, too, that the President has underestimated the needs of these areas for low rent public housing. Mr. Eisenhower objected to the authorization of new public housing units while 100,000 previously authorized units remain unconstructed. But cities need to plan well in advance for such facilities and it may not take long to exhaust the present backlog.

In Minneapolis, we have been allocated 1,000 units by the Federal Government, but the money has not yet been made available. Failure of Congress to pass a housing bill now might seriously jeopardize our public housing program, one which will become increasingly important as the freeways and other projects displace thousands of our citizens. The Gateway Center development would not be affected, but other plans for renewing the city's blighted areas might receive a setback if Congress does not act.

Democrats in both House and Senate are already attacking Mr. Eisenhower's veto, and more than a few Republicans are unhappy about it. No doubt it will have political repercussions in the 1960 campaign. But if the veto cannot be overridden, Congress must strive for the best possible substitute bill, putting politics aside.

The plight of our slum and blight infested cities is too serious to be neglected. One way or another, some means must be found for meeting their minimum needs, if nothing more.

THE FEDERAL RESERVE BOARD AND THE CONGRESS

Mr. PROXMIRE. Mr. President, article 1, section 8, subparagraph 5 of the Constitution of the United States gives the Congress the power to coin money, regulate the value thereof.

The reported attitude of the Federal Reserve Board seems to be that Congress has forever surrendered that power to the Federal Reserve Board; that the Board, and not the Congress, has the power to regulate the value of money; and that somehow the Constitution has been amended to give the Board such power.

The Federal Reserve Board is reliably reported to be deeply incensed that the Ways and Means Committee is considering a sense-of-Congress resolution that would suggest that when in the Fed's good judgment it is feasible to expand the supply of money, it should do so by buying Government securities.

Mr. President, in a statement issued yesterday the Speaker of the House of Representatives, Mr. RAYBURN, said in part:

I have been forced to the conclusion that the Federal Reserve authorities have reached a point in their thinking where they consider themselves immune to any direction or suggestion by the Congress, let alone a simple expression of the sense of Congress. It appears that the fault of the suggested committee bill was not that the language itself was wrong, but that the Congress dared even to speak to the Federal Reserve, a creature of Congress.

Mr. President, I think the Speaker is absolutely correct. The arrogance of the Federal Reserve Board in this situation is fantastic.

By its very nature as a creature of Congress authorized to carry out a power that the Constitution assigns entirely to the Congress, the Federal Reserve Board is the responsibility of Congress and is wholly and completely independent of the President of the United States. It must be and it should be.

If it insists that the Congress must not pass even a mild sense-of-Congress resolution of the kind that has been proposed—it is clear that the Federal Reserve Board now considers itself independent of the Congress too, and therefore, is taking unto itself absolute, irresponsible power.

This is insufferable. In this democracy no Federal agency should be for an instant above the elected officials of the Republic. When they claim to be it is time that the Congress makes it explicitly and emphatically clear to them that they are not. This is why I enthusiastically applaud the forthright statement of the Speaker of the House.

Mr. President, there is no question that monetary policy is a complex, perplexing, difficult problem. The outstanding economic experts are sharply divided on the issue. What is more even the most expert and competent of the monetary specialists are groping unsurely in a field in which there is a vast gap between policy theory and established, demonstrable practices that have proven themselves. As I expect to show at some length at a later date the influence of monetary policy on inflation for example is at about the same stage as astronomy before Copernicus determined that the earth revolved around the sun instead of vice versa. Under these circumstances the practical, hardheaded judgments of Congress are likely to be a useful guide for practical action, particularly when expressed in a modest sense-of-Congress resolution—as a general policy directive for the Federal Reserve Board.

PROPOSED COAL RESEARCH AND DEVELOPMENT COMMISSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to speak for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from West Virginia is recognized for 10 minutes.

Mr. BYRD of West Virginia. Mr. President, the Senate may, later today, consider House bill 6596, a bill to create a Coal Research and Development Commission. I am very grateful to the leadership for scheduling this measure for possible action today.

The research program which the bill is designed to establish would include the application of science and engineering to the production, transportation, and utilization of coal. The American coal industry, in cooperation with the United Mine Workers of America, has performed magnificently in mechanizing its operations. Further progress, which can come about only through the Government's willingness to participate in this program, is vitally necessary from the standpoint of conservation, safety, and supply.

While wasteful methods of extracting coal from the earth have largely disappeared, the Nation can nevertheless not afford to fail to exhaust every effort toward further development of mining methods that would enable us to mine the maximum tonnage from every valuable vein of coal. This theory should apply to surface mining as well as deep mining. Collaterally, safer mining operations must be a target of an intense research program. My own feeling is that one phase of research that needs to be intensified as soon as possible is in the field of geology. I am convinced that many mine accidents could be prevented if more were known about the vicissitudes of nature which have been a deterrent to safe mining operations since men first went below the surface of the earth to produce the fuel that has provided a predominant amount of America's energy supply.

Moving coal from mine to market constitutes the Nation's foremost hauling job. Whatever can be accomplished in this regard will react to the benefit of both the coal and the transportation industries. I call attention to the fact that testimony in favor of a coal research program has come from representatives of railroads whose revenue relies heavily upon coal freight traffic. My colleagues are no doubt familiar with the coal pipeline that went into operation in eastern Ohio last year. It is moving more than a million tons of coal at the rate of 4 miles an hour from the producing fields near Cadiz to an electric generating station on Lake Erie some 110 miles to the north. Many observers are confident that even more efficient coal transportation can be conducted by rail if sufficient technical talent is made available to the study of the problem. In any case, America needs to find out all it can about getting fuel from rich bituminous and anthracite regions to the energy-hungry industrial centers.

Thousands upon thousands of new uses for coal have been developed by our steel and chemical industries over the years. Plastics, medicines, fertilizers, cosmetics, and a variety of other items are produced from the tars and gases captured in metallurgical ovens. There are scientists who believe that coal will ultimately become an important source of food supply.

These are the possibilities that must be determined through an effective research program. Most important to those of us who live in coal mining areas is the potential market that we are confident will be developed through the bill which the House has already approved and which also has been endorsed by the Senate Committee on Interior and Insular Affairs. Whether a commercial synthetic fuels industry should make its appearance within the next few years is a matter that could well be decided through the operations of an independent research commission. The feasibility of producing gasoline and oils synthetically from coal has already been established. The price disparity between this production and the output of our great petroleum refineries has been reduced considerably in recent years. Because an adequate coal supply could make the difference between victory and defeat in another world conflict in which the United States would be deprived of its imported crudes and products, we must remain alert to the possibility that liquid fuels by synthesis could be required on a moment's notice. When commercial synthetic plants are placed in operation, employment opportunities will increase in West Virginia and other coal-producing States from the Rocky Mountains to the Appalachians.

Other projects which must be investigated include the development of a coal-burning piston engine as has been proposed from time to time and which has recently achieved at least a modicum of prominence through experiments in Roanoke, Va. A number of tests have been conducted with diesel engines, but only through an intensified research program will the potential of the project be revealed. Needless to say, the coal industry stands to regain a very important market if this fuel is recalled for the chore of providing the power for railroad locomotives.

Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia.

NEED FOR AREA REDEVELOPMENT BILL

Mr. BYRD of West Virginia. Mr. President, the Charleston Gazette, Charleston, W. Va., recently printed an editorial which I regard to be an eloquent summation of the continuing need for passage of the area redevelopment bill, S. 722.

The editorial points out that, although much of America's economy is enjoying a healthy upsurge, there are many grievous pockets of unemployment which continue to exist in regions where the economic structure has been upset by rapid technological changes or other factors.

The editorial makes a telling point when it states:

So let's face the truth. If a business upsurge already 14 months old still leaves us with so many soft spots, there is little chance that anything short of help from the outside will erase their problems.

Mr. President, in order to underscore the fact that, despite the current business upturn, America still is in serious need of the Area Redevelopment Act, I ask unanimous consent that the editorial may be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOP ECONOMIC POLICY IGNORES HUNGER PANGS

Following a custom of long standing the Eisenhower administration has lately been making political capital at the expense of some of our more unfortunate citizens. In the most gleeful and "I told you so" tones, it has been pounding home the theme that business is in a boom the likes of which this Nation has never seen.

It's not our intention here to find fault with what Mr. Eisenhower and his minions have been saying about the more obvious facets of the economy. We are in a period of generalized prosperity. What's more, rarely has confidence in the boom's lasting power been so high among so many experts. But bright though the prospects are, there is a gray side that deserves more attention than it's been getting.

We're speaking of the fact that in spite of high and rising prosperity almost 11 percent of the Nation's employable workers are still without jobs in 179 areas spread across 29 States. West Virginia is one of those States.

Summed up, here's what we find when we look beneath the froth of the administration's pronouncements:

The boom has hardly touched the pockets of joblessness in cities hit by major industrial upheavals or migrations.

A full one-third of the Nation's unemployed are concentrated in such chronically depressed cities as Pittsburgh, Detroit, and Atlantic City.

Many of these cities were depressed even before the 1957–58 slump hit full stride, and it has made an already bad situation worse.

The hardest hit are not fly-by-night towns, dying because of the stupidity, greed, or laziness of their own people. They're communities with proud histories, above-average schools, good cultural and recreational facilities, an established place in the American scheme.

For the most part, they were caught in the backwash of progress itself, and try though they have to improve their lot, technological changes, switches from old to new production techniques, development of new operational methods, new processes, and the like have kept them depressed in spite of prosperity elsewhere.

So let's face the truth. If a business upsurge already 14 months old still leaves us with so many soft spots, there is little chance that anything short of help from the outside will erase their problems.

Let's face this truth also. So many of the jobless in these labor surplus areas are either too old or too short on cash to learn new skills, and their local governments are so sapped by depression that they're not financially able to render the necessary assistance.

What we need under such bleak and oppressing circumstances is a program of technical assistance, financed, in part, at least by the Federal Government, which will again make these people employable and the areas or cities where they live healthy contributors to the Nation's economy.

The Senate has already passed an area redevelopment bill aimed at this objective. It is now awaiting action in the House. But even if it passes there, which it probably will, Mr. Eisenhower is on record as opposing it, as he was a year ago, when today's starving millions were just beginning to feel the pangs of prolonged hunger.

And why does he oppose area redevelopment? It's an old Republican story. Mr. Eisenhower wants more than anything else to keep his big business friends happy.

The status quo rather than hunger is the issue with the Republicans. Let the hungry grow hungrier; the budget must be balanced at all costs.

JIM TATUM

Mr. THURMOND. Mr. President, the untimely death of Jim Tatum, football coach of the University of North Carolina, has shocked the Nation. He was a small-town South Carolina boy who reached the pinnacle in his profession of coaching. South Carolinians everywhere were proud of him. His career, now ended prematurely, should be an inspiration to all Americans.

Jim Tatum was a man among men. He planned it that way, as evidenced by his suggested creed, written by Dean Alfange:

I do not choose to be a common man,
It is my right to be uncommon if I can.
I seek opportunity, not security.
I do not wish to be a kept citizen, humbled and dulled by having the State look after me.
I want to take the calculated risk; to dream and to build, to fail and succeed.
I refuse to barter incentive for a dole,
I prefer the challenge of life to the guaranteed existence;
The thrill of fulfillment to the State
Calm of utopia, I will not trade freedom for beneficence, nor my dignity for a handout.
I will never cower before my master, nor bend to any threat.
It is my heritage to stand erect, proud, and unfraid—
To think and act for myself.
Enjoy the benefit of my creation,
To face the world boldly and say this I have done.
All this is what it means to be an American.

Jim Tatum will be missed by his fellow man, but his life will be enshrined in the hearts of those in the sports world, and of a host of admirers and friends throughout the United States. He was my true friend, and I feel a great personal loss in his passing.

The PRESIDING OFFICER. Is there further morning business?

RECOMMITTAL OF S. 819 RELATING TO AFFIDAVITS OF LOYALTY AND ALLEGIANCE

Mr. MORSE. Mr. President, I am much disappointed that the Senate yesterday voted to recommit to the Committee on Labor and Public Welfare, of which I have the honor to be a member, Senate bill 819, proposing to amend the National Defense Education Act.

But the bill has been recommitted. I now wish to say to the chairman of the committee, and to the chairman of the subcommittee who reported the bill, that in my judgment the committee owes it to the country to proceed without delay to early consideration of this subject matter, and to bring the bill back to the floor of the Senate at a very early date.

I make this statement because I am convinced that the action taken by the Senate yesterday will be greatly misunderstood by the academic world of this country. I think we did a great injury yesterday to American educational processes.

As one who taught in various American universities for 21 years, Mr. President, I say, and I say it respectfully, that yesterday the Senate demonstrated that it does not understand the educational processes of America.

It was a great surprise to me that there was apparently no understanding by opponents of the Kennedy bill that when university administrators and faculties assume the responsibilities entrusted to them under such legislation as the National Defense Education Act, they can be counted on to carry out the objectives and purposes of that act. They do not need the Congress of the United States to be administering the details of the operation of a college or university.

But, beyond that, I think it a shocking thing that anyone should try to make educators, students, and college administrators a part of the national police network. It is the job of the Justice Department and the FBI to seek out and catch Communists; personally, I think they do a good job of it, because that is their business.

It is not a business that should be imposed upon an institution of higher learning.

And the requirement of these oaths cannot be expected to leave any effect upon the Communist conspiracy in America.

It is a requirement that does nothing to stop, hinder, or forestall Communist conspirators. It is nothing more than a statement of suspicion and distrust of the academic world.

I think it is very sad that the Senate yesterday said, in effect, "We are going to single out college people and stigmatize them with suspicion that they are disloyal to the United States unless they take these oaths prior to getting an educational loan."

The report of our committee hearings, which was on the desk of every Senator yesterday, was replete with evidence of the negative reaction of great universities and colleges and educators in this country protesting the kind of stigma the so-called Mundt amendment of a

year ago placed upon the academic world of America.

I also want to comment upon the practice, as represented in these loyalty oaths, of conditioning benefits upon the political beliefs or activities of the applicant. If there is anything wrong with those activities, we should deal with them directly.

Mr. President, it will be recalled that when the struggle was on in 1954 in this body in connection with union members who also were active in Communist, or Communist-front groups, I, along with the Senator from Massachusetts [Mr. KENNEDY], became a cosponsor of the Humphrey proposal to outlaw the Communist Party and make it a criminal offense for anyone knowingly and intentionally to belong to the Communist Party or its successor. That law is on the books.

As a liberal, I have been the object of a great deal of criticism for the position I took in 1954 in support of the Humphrey proposal outlawing the Communist Party, which became the Communist Control Act of 1954. I knew then we were right. I know now we are right. The sad feature, however, is that apparently the Senate is not fully aware that the law is on the books, not to mention the Smith Act, the Internal Activities Control Act, and the Internal Security Act of 1950.

It is through legislation dealing directly with conspiracy that we should approach this Communist problem, rather than through the kind of action that was attempted yesterday on the floor of the Senate, and which was the cause, in my judgment, of this matter being recommitted to the committee.

Then, as now, I believe that the Communist Party, being a conspiracy against the United States, should itself be illegal and membership in it a crime. I continue to believe that is a much sounder way of dealing with the problem of subversion than to try to prevent persons active in such a group from participating in other activities, particularly when the restriction takes the form of impugning everyone else until they swear otherwise.

I hope that the leadership of this body appreciate the fact that this issue was not pigeonholed yesterday by sending it back to the Committee on Labor and Public Welfare. The issue is a live one, and I predict today that academic people across this country will express over and over again, and rightly so, their resentment at what I consider the unjustifiable discrimination that was exhibited against them yesterday by the Senate.

It was a sad day for academic freedom yesterday in the Senate. I hope that before we adjourn the Committee on Labor and Public Welfare will bring back a bill based on the same principles discussed before the Senate yesterday, and that we can clear the academic world of America of the kind of unfair discrimination that was heaped upon it when the Mundt amendment was adopted last year.

I wish to make it clear that I shall continue to favor repeal of both the oaths in the National Defense Education Act, just as I did in the committee deliberations on the Kennedy bill.

Antisubversion laws should not be drafted by an education committee, nor do I believe they have a proper place in a law which seeks to improve the education system and expand the education opportunities of our young people.

If there is need for further laws to cope with Communists, let us consider them in the context of the whole Communist movement. College administration should be permitted to run their schools without interference from Congress, and without being asked to become law enforcement agents at the same time.

Mr. BARTLETT. Mr. President, has morning business been concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. BARTLETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE AMERICAN EXHIBITION IN MOSCOW

Mr. HUMPHREY. Mr. President, today the Vice President of the United States, Mr. RICHARD M. NIXON, officially opened the American National Exhibition in Moscow. I should like to take this occasion to comment on this precedent-shattering exhibition as well as its counterpart in the New York Coliseum which has been in progress for over 3 weeks. Only a few years ago such a prospect would have seemed fantastic.

This exchange of exhibits between the two chief adversaries in the cold war offers both opportunity and temptation, but I am convinced that the opportunities outweigh the risks. If we take the Soviet exhibition at face value or if we imagine that the increased tempo of cultural exchange will melt away the profound political problems that divide us, we will be in for a rude shock. If, on the other hand, we look upon this exchange as an opportunity to move one step toward mutual understanding and as an opportunity for us to raise in the minds of Soviet citizens some disquieting questions, then we can profit by the experience and the cause of international peace and security will be served.

I am pleased that I had a modest role in establishing this exchange of fairs. Senators may recall that in 1956 I coauthored the International Cultural Exchange and Trade Fair Participation Act, popularly known as the Humphrey-Thompson Act, providing for U.S. participation in the World's Fair at Brussels and the present American exhibition at Moscow. Earlier in the present session of Congress, I introduced a bill which would authorize the participation of governments and citizens of other countries in cultural activities in the United States.

In spite of some highly publicized problems which we encountered in setting up our exhibition in Moscow, the final result is a clear window through which Soviet citizens can view an undistorted image of the United States. The 3 million to 4 million Soviet citizens who are expected to visit the exhibit will gain a greater understandng of our people, our material achievements, and our cultural interests.

Mr. President, there is great interest in this exhibition among the Soviet citizenry. Reports which I have received from Americans who have visited the Soviet Union in recent months indicate that the word has spread throughout the entire Soviet Empire about the American exhibition in Moscow.

The Soviet Government has done very little to publicize the fair. As all of us are well aware, there is no such thing as advertising in the Soviet journals which would permit the American Government to bring to the attention of the Soviet people this particular exhibition. Nevertheless, the word has spread. Like some so-called well kept secrets, the best way to get the information around is to make it a secret. Then everybody will know about the exhibit and will spend their time finding out about it.

We have attempted to show the Russians an honest cross-section of American life in this first major exhibit from the United States in the Soviet Union.

The exhibit includes displays on our achievements in science, education, labor, agriculture, economic productivity, health, social science, painting and sculpture.

Many persons have praised the honesty and realism of our display in Moscow. I join in their tribute. But why should we not be honest? We have absolutely nothing to hide from the Russians, and in contrast to them, very little indeed for which to be ashamed.

For 6 full weeks a "corner of America" will be on view in the capital city of the Soviet Union.

Mr. President, I submit that this is, indeed, a history-making opportunity for us. It is an event of great historic importance. It may well signify a change in the cold war. It is one of the great openings in the Iron Curtain. It will give the people of the Soviet Union their first real opportunity to see America at work and at play; America seriously endeavoring to bring about a better world—a world filled with peace and opportunity.

For the first time the Russians will have access to an uncensored and representative slice of life and culture in America. There is abundant evidence that they are hungry for such an opportunity. Their curiosity about things American is excelled only by their efforts to prove the superiority of things Russian.

I saw that with my own eyes when I visited Moscow, Mr. President. I talked to hundreds of students in the elementary and secondary schools, and to young people in universities, as well as to adults who were visiting Moscow from the provinces, and to those who reside in the So-

viet capital. Everywhere I went, and everyone with whom I was privileged to visit had an intense interest in life in America. The widespread interest in the Soviet Union in things American was very evident. In fact, in no other country that I visited in the course of my travels was there greater interest in what is happening in the United States.

AMERICAN ART AT MOSCOW

In passing, Mr. President, I should like to say a word about the American art on exhibit at the Moscow Fair. It will be recalled that several weeks ago certain persons questioned the art selected for the fair, on the ground that the political views of some of the artists were unacceptable. The President himself made an implied criticism of the art selection made by a distinguished committee of American art experts. I said then, and I repeat today, that this type of petty political interference with the artistic judgments of highly respected specialists makes us appear ridiculous before the world.

At that time Representative FRANK THOMPSON, Jr., of New Jersey, and I joined in urging the President to support our proposal to establish a Federal Arts Council. Such a council would enable our Government to deal with a dignity that would merit respect with both domestic and international artistic activities. I am glad to say that the Federal Arts Council bill was reported favorably and unanimously by a subcommittee of the House Education and Labor Committee, but as yet we have not heard from the administration, and no action has yet been taken in the Senate.

THE SOVIET EXHIBIT IN NEW YORK

The Soviet exhibit in New York is a less-than-forthright effort to picture Soviet life and accomplishments. As such, it detracts, I believe, from the values of genuine international cultural exchange. Mr. Max Frankel, of the New York Times, after visiting the exhibit, said that "a visitor can see far more here in 2 hours than this correspondent saw in 2 years in the Soviet Union." In a very real sense, that is true.

However, I should like to add that the Soviet exhibit is, indeed, a very exciting and attractive one; but it emphasizes more of the future in the Soviet Union, rather than the present. That is characteristic of the exhibitions or fairs in Moscow. Those who have visited them note that most of the machinery that is displayed there, for instance, is of a prototype variety to be produced in the future. At the fairs and exhibits in Russia there is much emphasis on the future, and such exhibits constitute strong incentives to the citizens of Russia.

The American exhibit in Russia includes a $13,000, six-room house which is easily within reach of the family of the average worker in the United States. In contrast, the Soviets show us a model apartment of the future, which they attempt to pass off as currently available. They show little interest in portraying how the average worker lives today.

The Soviets have not put price tags on their consumer exhibits, as we have on ours in Moscow. This is understandable, because such price tags would reveal how few Soviet citizens can afford some of the goods displayed.

However, I would add that the Soviets are making a determined effort to improve their distribution of consumer goods, to reduce the prices, and to make larger quantities available.

For example, let us consider the Soviet-made automobiles displayed at the Coliseum exhibit. The large, Packard-like Ziz on exhibit is produced exclusively for the government and party elite in Russia. The small Moskivich, identified as an "economy" car would cost a Russian worker at least a year of wages and many years of waiting.

Not all of the thousands of American visitors to the Soviet exhibit will recognize the futuristic character of what they see. They will not be fully aware that they are exposed to a less than representative or honest slice of Soviet society, although I am convinced that our public press will not let the Russian exhibit be taken at face value.

However, I do not wish these remarks to be regarded as an indication of a lack of appreciation of the quality of the Soviet exhibit, because it is an excellent one. Neither do I want these remarks to be regarded as an indication of a lack of appreciation of the importance of these cultural exchanges, because I believe they have real value. I only ask that we take an attitude of objectivity in regard to what is displayed, and consider the availability of the goods to the citizens of the respective countries.

THE UNITED STATES SHOULD PARTICIPATE IN MORE FAIRS

The values of intercultural exhibitions outweigh the disvalues and I am gratified that our Government was able to arrange this significant exchange with the Soviet Union. I may say that it took considerable time to do so. For almost 2½ years, prior to the agreement on this exhibition, I urged and encouraged such an exchange between ourselves and the U.S.S.R. It may be recalled that there were private negotiations by a private firm in New York with the Soviet Chamber of Commerce in Moscow. For a time it appeared that the private negotiations would be successful; but at that point the U.S. Government stepped in and made arrangements with the Soviet Union for the exchange of exhibits. These negotiations are all a matter of record before the Senate Foreign Relations Committee.

In fact, Mr. President, I believe we should do far more than we are now doing in this form of cultural exchange.

At the present time, over 160 international fairs are held regularly each year. These include both trade and cultural exhibits. Many more occur on an ad hoc basis. During the past 4 years the U.S. Government has sponsored exhibits in only 65 of these events. This is an average of only 16 a year. During 1959, our Government planned to sponsor exhibits in only 15 international trade fairs. This is less than 10 percent.

For the wealthiest, most productive, most technologically advanced country in the world, this is hardly an admirable record. As one of the foremost democratic nations and as leader of the free world, the United States is neglecting a promising opportunity. We have not taken full advantage of international trade fairs and cultural exhibits to project a true image of America to people in foreign countries. Not only are we failing to put our best foot forward; we are failing to put either foot forward.

THE TWO PURPOSES OF INTERNATIONAL FAIRS

Ever since we inaugurated our present participation in international fairs, in 1954, our Government has had two chief purposes in mind. The first purpose is economic or commercial. And the second purpose is political and cultural. These purposes are, of course, interrelated.

Trade fairs are natural opportunities for American business to expand its oversea market by making its products known. Incidentally, our business leaders can pick up valuable information about the products of other countries. One need only think of the postwar impact of European cars, sewing machines, and typewriters on the quality and style of American-built products.

The response of American business and industrial leaders to the Moscow fair and other exhibits has been extraordinary. Our people are eager to exhibit abroad. There are many things our Government can do to facilitate trade, by encouraging private business to participate in commercial fairs.

The second goal of international fairs is the broader political purpose of presenting a full and fair picture of the United States to peoples abroad, whose image of our character and purposes may be less than adequate. The commercial exhibits tell the story of our great economic productivity and our material success, but this alone gives a distorted picture of American life. This picture of our material success must be rounded out by exhibits which portray our cultural achievements, our political institutions, our democratic ideals, our humanitarian impulses, and, indeed, our problems and how we go about tackling them.

It is primarily in serving this larger political purpose that we have been deficient. We have not participated in a sufficient number of international fairs. We have not spent enough money on the fairs in which we have participated. And we have not spent with sufficient care and imagination the money we have had.

The peoples of the Communist world and of the politically uncommitted areas of Asia and the Middle East do not have a full and fair picture of the material and moral aspects of American life. Their view of how we live and what we believe has been warped by both innocent ignorance and dishonest distortion. To many people, ideals of the Declaration of Independence and the Bill of Rights seem to be in conflict with present realities; and they become confused. They seem to know little of the changing status of the American Negro, the increasing appreciation of the arts throughout the length and breadth of the land, and the great humanitarian

work, at home and abroad, of a multitude of religious, charitable, and endowed institutions.

OPPORTUNITIES OF CULTURAL EXCHANGE

It goes without saying that it is vitally important for our allies, the uncommitted nations, and hostile nations to have a clear image of our character and our purposes. The presentation of such an image to the world is a big job. It is the task of many agencies in our Government, from the ICA to the USIA. It is the task of all overseas Americans, thousands of whom are connected with business, humanitarian, educational, or religious enterprises.

Important in the whole picture is the role of international exhibitions and fairs.

Intercultural exchange, including fairs, is not a magic key to world peace. It is not a substitute for military defense, diplomacy, or foreign economic policies. But, when properly used, intercultural exchange can be a valuable element in our international strategy. It can play an important role in our comprehensive response to the total challenge we face.

As I see it, there are three main values arising from intercultural exchange. First, it helps to present a clearer picture of who we are and what we believe, and in so doing it makes a serious miscalculation on the part of a hostile nation less likely. In this nuclear age such a miscalculation could mean catastrophe.

Second, cultural exchange helps to increase mutual understanding among peoples which may help to lower the voltage in a highly charged international atmosphere. Understanding does not always lower tension or ease hostility. A genuine understanding of what Hitler was up to 2 decades ago increased tension and hostility toward Nazi Germany on the part of the Western democracies. But where there is a will to conciliate differences, certainly exchange of students, educators and ideas will reinforce that will.

Third, cultural exchange presents an opportunity for the United States and other democratic countries to plant fresh ideas in the minds of other people. The sowing of an honest doubt about what the Communists have drummed into their people from childhood will not solve the Berlin crisis or end the cold war. But the seed may take root and bear fruit many years later when the political climate is more favorable. The honest doubt of today may help to make a Pasternak tomorrow.

In recent years some Americans, including some of our political leaders, have become timid about our great heritage. They seem to have forgotten that we believe in and live by certain great ideas which are still only dreams to the masses of mankind. I refer to our ideals of individual liberty, equality under the law, and the right of a people to choose freely its political leaders. These are good ideas. These are contagious ideas. These are ideas with a universal appeal.

The Moscow fair will surely, if quietly, release ideas and doubts which can and may alter the Soviet system.

For these three reasons, Mr. President, I support cultural exchange with other countries and especially with countries that appear to be hostile to us.

But I support cultural exchange with my eyes open and without illusion. We must realize the limitations of exchange programs. Expecting the impossible from any program or any instrument of foreign policy is like buying a one-way ticket to disillusionment.

Cultural understanding alone will not dissipate the profound political differences which divide the United States from the Soviet Union. Person-to-person understanding between Russians and Americans has little immediate impact upon a Soviet Government unresponsive either to the will of its own people or to opinion in the world—but does have long-range, long-term possibilities.

Our Moscow Fair will not convince the leaders in the Kremlin to fulfill their promises of free elections in Germany or the Eastern states or let up on the screws on Berlin. The cold war is not the result of inadvertent misunderstanding between the peoples of Russia and America. The cold war was launched and is sustained by the aggressive ambitions of Soviet communism and its leaders.

Most Americans understand what I am saying. There is little danger that they expect the Bolshoi Ballet in New York or Van Cliburn in Moscow to bridge the yawning political and moral gulf between the U.S.A. and the U.S.S.R.

Yet a minimal level of mutual trust and understanding is a necessary foundation for diplomatic negotiation and bargaining. Person-to-person exchanges help to create such understanding and trust. Exchange helps to throw into clearer perspective the real issues that divide us. A clearer understanding of the problems we confront is a basic prerequisite to grappling with them effectively.

The Moscow Fair is an investment in the future. Like all investments, it involves risks. But the risks of exhibiting a "corner of America" in the heart of the Communist empire are far outweighed by the risks of not availing ourselves of this unique opportunity.

In conclusion, Mr. President, I ask unanimous consent that there be inserted at the end of my remarks an article entitled "The American National Exhibition in Moscow," written by Norman K. Winston, who is President Eisenhower's coordinator for the American exhibition in Moscow. This article appeared in the June 1959 Jet Age Airlanes.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AMERICAN NATIONAL EXHIBITION IN MOSCOW

(By Norman K. Winston)

One mile and a half from the heart of downtown Moscow, beautiful Sokolniki Park is the setting for an amazing event. On July 25, Vice President NIXON will open a 6-week American National Exhibition to the Russian people who eagerly await a glimpse of the wonders and curiosities of our American way of life.

This is not a trade fair. Nothing will be sold. It will emphasize all aspects of American life, and is part of the Lacy-Zaroubin cultural exchange agreement between Russia and the United States. It is an exhibition with a freshness and originality that many Americans would clamor to see.

When Mikoyan, the Soviet's No. 2 man, visited our country last winter he was fascinated by our vending machines which dispense cigarettes, coffee, candy and other foods, and the fact that they were accessible to working people on the job. Plastic dishes caught his attention as substitutes for the heavy clay dishes used by the Russian housewife; so did our lightweight furniture which would be practical in the small rooms of Russia's overcrowded apartments.

The Russian people will see these things for themselves at the Moscow exhibition. They'll see our packaged foods, stacked on shelves where the customer helps himself, collects them in a shopping cart, checks out. These are strange ways to the people of Russia who carry their purchases in paper sacks or newspapers.

They will see American refrigerators, dishwashers, and garbage disposals, brooms, wheelbarrows, fire extinguishers, and the latest do-it-yourself tools. Also automobiles, tractors farm equipment, and the newest in building materials.

They will see American motion pictures, color TV, travelogues, and much more.

The main information and educational center is located in the great geodesic dome building, its aluminum roof tinted a gleaming gold. In it is a section of the famous Palomar Observatory Sky Survey, above the space section where maps, models of high altitude research aircraft, and fantasies of a future world will leave many wondering.

Education, science, and research, art, travel, recreation, and country life—these are the display categories of the exhibition.

There will be a special exhibit devoted to architecture. Perhaps the most meaningful of all the exhibits will be the magnificent collection of 503 photographs assembled in 1955 by Edward Steichen for the Museum of Modern Art and known as "the Family of Man."

Its theme is the oneness of mankind throughout the world. Copies of the photographic collection have been circulated in 28 countries by the U.S. Information Service and have been seen by nearly 4 million people. Its acclaim in those nations has been overwhelming, signifying a deeply felt faith that "if men can only understand each other, they will neither idolize or hate." Steichen will attend the national exhibition in person. In the same spirit of oneness exemplified by "The Family of Man," Carl Sandburg will be present to read his powerful poem, "The People, Yes."

Back in March of this year, Russian laborers with pneumatic drills were cutting deep into the still-frozen ground in Sokolniki Park to lay the foundation of the major buildings. Hundreds of tons of steel, aluminum and construction equipment were carried across the Atlantic by ship to Helsinki, Finland, and then transported by rail to Moscow.

Sokolniki Park, once the hunting ground of the Russian Tzars, devoted to falconry, is a thickly wooded 1,500 acre recreational area. It is a 15-minute ride from the Kremlin by subway, bus, and trolley.

Three to four million people are expected to attend the exhibition. Not all will be Russians. All visitors are welcome. The first step for an American who wishes to go is to obtain a visa application for prepaid days from a Soviet appointed travel agency in this country. Thirty dollars a day is the established price for de luxe travel. It covers food, board, all expenses, and a car with chauffeur for 3 hours. Group tours are scaled to $20 a day, and $10 a day. Cameras may be taken, and the round trip cost by plane from New York is only $750.

Hotel accommodations and the food are generally good. The coffee is not. Moscow's summer climate is about like ours in New England and the Central States.

Weather, because it emphasizes the variety of climates natural to this country, is the theme for the fashion show at the exhibition in which glamorous American models will appear on the runway three times daily for 6 weeks. Just what the American girl wears, where and when, will be demonstrated by contrasts such as shorts on the girl in Florida while her sister in snow-covered Vermont wears galoshes. And the apparel display will include men's, women's, and children's everyday and work clothes as well, modeled by American families.

To ease the language barrier our Government selected 75 young men and women from over 600 applicants to serve as guides. Each speaks fluent Russian, has a knowledge of Soviet affairs, and knows the United States and its Government.

American supervisors will be in charge of youngsters in the children's playground, an area which promises to be a revelation with its modern climbing apparatus, circular slide, magic carpet. Stereophonic high-fidelity music has been piped to it from the glass-steel-aluminum main exhibition hall.

In music, the arts, and literature, there will be the New York Philharmonic Symphony under Leonard Bernstein, paintings and sculpture selected by a jury of distinguished art experts, a library of some 7,000 American books, magazines, and newspapers from all the States.

The American National Exhibition has been made possible by the cooperation of the United States and Soviet Governments and the participation of more than 500 private business companies. Its counterpart is the Soviet exchange-show opening June 30 at the Coliseum in New York.

If the good will behind the scenes in setting up these two shows is an index this experiment in exchange exhibitions may prove one of the most worthwhile events in history in furthering good will and understanding among nations.

Mr. HUMPHREY. Mr. President, we are all deeply indebted to Mr. Norman K. Winston for his fine work and service in the field of cultural exchange. It has been my privilege to have known Mr. Winston for several years. I recall last year his excellent work in the UNESCO meeting in Paris as one of our representatives.

I also wish to pay my respects to Mr. Harold McClellan, who is administrator of the trade fair and cultural exhibition program. He has done a fine job in developing the Moscow exhibition.

We owe much to the many business firms and industrial establishments, as well as the private groups, that have cooperated so wholeheartedly.

We are indeed indebted to the homebuilding industry and to those in the fields of arts and sciences for their contributions. The U.S. Information Agency likewise has proven itself to be a very competent and sensitive agency in this particular exhibition.

Then too, a word of praise is due the workers who put up the buildings and facilities. Actually, as we know, the buildings and facilities were in the main constructed by the Soviet workers in the Soviet Union. They did a good job, and the Government of the Soviet Union went out of its way to see to it that the exhibition facilities were made available on schedule and in the exact proportions, dimensions, and designs that our Government and its officials had laid down.

Mr. President, I also ask unanimous consent that there be inserted in the RECORD an article which I wrote which appeared in the July 1959 Film Media entitled "Foreign Policy and the Business-Sponsored Film." This brief article elaborates my views as expressed in the address I have just made on creating an honest picture or image of America abroad.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOREIGN POLICY AND THE BUSINESS-SPONSORED FILM

(By Senator HUBERT H. HUMPHREY, member, Senate Committee on Foreign Relations)

Unquestionably, the impact of photography, and especially motion picture photography, on an audience of non-Americans can be very great. If the printed word carries conviction, how much more so can a recognizably authentic and sincere motion picture that transcends language barriers.

Regrettably, foreign audiences have been frequently exposed to a type of theatrical film which tended not to reflect American society, but to distort it. There is really no way of telling how distorted the image of America has become because of films which in no sense reflected the heart or even the appearance of the America we know.

I do not believe that we should approach decisions in American foreign policy by asking only "what do the other people want to know about us?"

Rather, would it not be better to begin with the premise that we are what we are, and the truth—all the truth—is what we should tell other peoples. Reality is very persuasive. It is extremely difficult to refute, and a patently sincere and truthful statement in word or in picture has an effect far greater, I am convinced, than a consciously distorted propaganda statement—no matter how well-intentioned it may be.

What I am saying is that I do not really feel we need to sell our country in the same way that we sell a commercial product. In fact, I think it can be a self-defeating effort. It is not a precise analogy to say that we can sell the democratic way of life and a free society, as we can sell cigarettes, soap, or automobiles.

I would prefer to see America presented, as Lincoln asked his photographer to present him, "with warts and all."

And is it not true that the most dramatic story one can tell is the triumph over obstacles, the surmounting of difficulties, the conquering of evil? America in ferment—this is the real story we can tell.

To tell this story most accurately and effectively, we must turn to film—to film which truly documents, truly reflects our life and society. Of course, one cannot escape the point of view of the creator of the film, the perspective from which he views life and society; and indeed no effective creative work can be developed without the imprint of the creative mind. But the film must at the least sincerely try to portray reality, if it is to have any usefulness at all in the effort to present American life and culture to other peoples.

The truth of the matter is that people want to know everything about America—not just how many automobiles we can produce or how many telephones or televisions we have or how many schools or hospitals or highway miles we have built. We are more than a collection of production figures. Perhaps what the peoples who know least about America and democratic society need to know is what America can teach them to help them lift themselves from their age-old stagnation, poverty, illiteracy, disease, and hunger—and most important, to accomplish this without subordinating the human spirit. I think they need to see that America has been built by people who are not so very different from themselves, that a functioning productive free society can be built by men and women who are not giants or gods or supermen or geniuses, but just men and women working together, free of artificial barriers, caste systems, and dictatorial parties.

America is not just skyscrapers and automobiles and jet aircraft, as the too-frequently-seen version of America-on-film would allow us to be portrayed. People in the developing countries in the world need to know that there is an America struggling yet to overcome its difficulties and handicaps, striving to improve itself, working to conquer not only poverty but also tyranny.

THE TRUTH CAN'T HURT US

This is the kind of America that we are, and when this is truthfully said and truthfully presented, no amount of propaganda can thereafter seriously distort the image in the minds of the non-Americans who have seen it. Rather, it is when we exaggerate and distort our own society's picture, when we present a one-sided, glossed-over version of America, that we open ourselves up to the pinpricks of the opposition. Exaggeration and hyperbole invite ridicule and humiliation.

We must not pretend to be more, nor should we be content to be presented as less, than we are.

I frankly feel there is far more that the U.S. Government should be doing in forthright documentary film production to carry out this idea.

But I also believe there is a real and vital role to be played by the business-sponsored film. In fact, such film is playing a role, willy-nilly, in foreign policy, simply because it is being shown overseas in increasing numbers and quantities. It is like our tourist traffic abroad—whether we applaud it or deplore it, the American tourist carries abroad with him an image of America that cannot be erased. If he is a good and sensible American, the cause of American foreign policy is advanced. If he is not, of course we suffer another small defeat. Similarly, the American business film goes out as an unofficial "ambassador" from our country.

I would earnestly hope that all such business-sponsored films would be the product of a very great effort to be serious and truthful. The primary job of such films, of course, is to sell a product. But there is much that goes into a film which has peripheral effects. The attitudes of the people in the film, the kind of environment portrayed in the film—these are inescapably impact-producing factors.

I should like to suggest several areas into which I feel business-sponsored films might wish to venture, beyond the point of simply producing selling films. More people, I dare say, know the sponsor of "Louisiana Story" than the sponsor of any single business-sponsored film. Of course, it was a work of genius and it was very expensive. But it was very good for Standard Oil, and it was a wonderful story of one part of America that every human being could understand.

Not every firm can afford to produce a "Louisiana Story," nor can every firm find a Robert Flaherty. But there are many firms who could afford it; many more could afford a less expensive documentary. And there are many men and women in the film business in America who can produce good, sincere, artistic, and even gifted films.

Some of the gaps which seem to exist in the coverage of American life might well be filled in part by the intelligent design and production of business-sponsored films.

One such gap is in the role of business, and particularly smaller business, in the noneconomic life of a community—the intimate day-by-day participation of businessmen in community planning, in charitable works, in the provision of facilities for voluntary organizations. This is a very real area of productive activity which, if understood overseas, could do much to destroy the stereotype of the "money obsessed" American businessman. Another area which could more adequately be dealt with, I think, would be the picturization of the various types of occupation in America—everything from the work of a hod carrier on a construction project to the more esoteric occupations such as glass-blowing and electronics manufacturing. Such films could not only portray the detail of the work, but also some of the character of the American worker and his family.

Broader areas which might be dealt with in film are in the problems which are being overcome in America — slum clearance through urban redevelopment and rural modernization; the succeeding effort to break down racial discrimination in employment; the struggle with transportation bottlenecks; the countrywide efforts to develop greater voter consciousness, to "get out the vote"; the manyfold struggle against juvenile delinquency; the effort to prepare for the future economic and recreational needs of our expanding population through conservation measures and the development of our national and State parks and forests.

These are just a few areas in which business films could help to portray an America struggling with its own problems—an America whose constructive efforts to aid the rest of the world can then be seen in their true perspective—not the condescending aid of a super-society, but the open-hearted and courageous assistance from a nation that with its own many difficulties, refuses to turn its back on a world in even greater distress.

Mr. HUMPHREY. Mr. President, a large number of Americans will be visiting the exhibit in Moscow. It gives us an opportunity, such as we have never had before, to learn more about the Soviet Union and to let the people of the Soviet Union see Americans as we are.

I hope our fellow Americans will speak to the Soviet citizens honestly and kindly, but at the same time with a sense of pride as to our institutions and the things for which we stand. There is some longtime benefit here, if we but capitalize on it; and not longtime benefits only for us, but for all mankind. The peace of the world today depends on the ability and the capacity of the United States to guide a course which, on the one hand, is not appeasement but which, on the other hand, is not belligerent or arrogant. We need statesmanship which is based upon the most careful application of skillful diplomacy. Yes, diplomacy in depth, in terms of people-to-people, person-to-person type of contact and the cultural exchanges which we see so well exhibited in the fairs in the Coliseum exhibition in New York, and the other exhibition at Moscow.

BURNS CREEK PROJECT, IDAHO

The PRESIDING OFFICER (Mr. HART in the chair). The hour of 2 o'clock has arrived; and the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 281) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

THE CALENDAR

Mr. BARTLETT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection, starting with Order No. 471, House bill 1219.

The PRESIDING OFFICER (Mr. Moss in the chair). Is there objection to the unanimous-consent request? The Chair hears none, and the clerk will proceed to call the calendar, beginning with Order No. 471.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954

The bill (H.R. 1219) to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers) was considered, ordered to a third reading, read the third time, and passed.

ESTATE TAX DEDUCTION FOR CHARITABLE TRANSFERS SUBJECT TO FOREIGN DEATH TAXES

The Senate proceeded to consider the bill (H.R. 137) to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes, which had been reported from the Committee on Finance, with an amendment, on page 5, line 12, after the word "dying", to strike out "after the date of the enactment of this act" and insert "on or after July 1, 1955."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PRINTING OF ADDITIONAL COPIES OF JOINT COMMITTEE PRINT ENTITLED "FEDERAL TAX POLICY FOR ECONOMIC GROWTH AND STABILITY"

The concurrent resolution (S. Con. Res. 46) authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability" was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability".

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON AUTOMATION AND TECHNOLOGICAL CHANGES

The concurrent resolution (S. Con. Res. 47) authorizing the printing of additional copies of the hearings on automation and technological changes was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on automation and technological change held by that committee during the Eighty-fourth Congress.

BILLS PASSED OVER

The bill (S. 1845) to amend title 35 of the United States Code relating to patents was announced as next in order.

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 4538) authorizing El Paso County, Texas, to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex., was announced as next in order.

Mr. BARTLETT. I ask that the bill be passed over. It will be called up by motion later.

The PRESIDING OFFICER. The bill will be passed over.

ALLOTMENT OF FUNDS UNDER THE FEDERAL AIRPORT ACT FOR THE STATE OF ALASKA

The Senate proceeded to consider the bill (S. 2208) to provide equal treatment for the State of Alaska as for other States of the Union with respect to the allotment of funds under the Federal Airport Act, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, to strike out all after the enacting clause and insert:

That paragraph (2) of section 6(b) of the Federal Airport Act (69 Stat. 442, 49 U.S.C. 1105) is amended to read as follows:

"(2) Such discretionary fund shall be available for such approved projects in the several States, Alaska, and Hawaii as the Administrator may deem most appropriate for carrying out the national airport plan, regardless of the location of such projects. The Administrator shall give consideration, in determining the projects for which such fund is to be so used, to the existing airport facilities in the several States, Alaska, and Hawaii, and to the need for or lack of development of airport facilities in the several States, Alaska, and Hawaii."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BARTLETT. Mr. President, passage of S. 2208 by the Senate is a step in the direction of treating Alaska on the same basis with the other States in respect to the Federal airport program. S. 2208 provides that Alaska will be eligible to receive money for airport improvement from the discretionary fund distributed by the Administrator of the Federal Aviation Agency.

S. 1, the 2-year extension of the Federal Airport Act which was signed into law on June 29, 1959, had the unfortunate effect of continuing to treat the State of Alaska as a Territory. When the President signed S. 1, he noted this defect and called for its prompt correction.

Because of the controversy surrounding the Airport Act extension, my colleague [Mr. GRUENING] and I did not attempt to amend that legislation after the conference report reached the Senate floor. Instead, we later introduced amendatory legislation which was designed to allow Alaska to share in the funds apportioned to the States on the basis of land area and population.

Subsequent calculations made it apparent, however, that the $63 million a year program would have to be increased by approximately $11 million in order for Alaska to be included without reducing the apportionment to any other States. The administration announced its opposition to any additional expenditure for the airport program.

The Senators from Alaska and the FAA Administrators then agreed that making Alaska eligible to receive money to meet its urgent needs from the discretionary fund would be the best temporary solution.

Mr. President, if S. 2208 is passed by the other body and becomes law, I hope that the FAA will do all that it can to insure that adequate sums of money from the discretionary fund are made available to Alaska. If this is done, the State can undertake the runway extensions urgently needed to bring the Anchorage and Fairbanks international airports up to date with the jet age.

It should be pointed out that Alaska will be required to match any discretionary funds granted to it on the same basis as other public land States—37½ percent State money, 62½ percent Federal money. However, Alaska will continue to match its flat $1,350,000 annual grant on the same basis it did as a Territory—25 percent State money to 75 percent Federal money.

Finally, Mr. President, I wish to emphasize that this is nothing more than a temporary arrangement to give Alaska some measure of equity. When a comprehensive revision of the Federal Airport Act is undertaken in the future, Alaska must be treated on the same basis as the other States.

Mr. GRUENING. Mr. President, the bill which is now under consideration is one which will, in some measure, provide more equitable treatment for the two new States of the Union with respect to the allocation of Federal funds for the improvement of airports. There can be no question as to the need for this legislation.

As the Federal Airport Act is now written, Alaska is denied any chance of receiving Federal airport aid funds which are available to the Federal Aviation Administrator for discretionary allocation to the States for priority projects for which funds are not allocated under other procedures provided by the act. As the Members of the Senate are aware, the discretionary fund which the Administrator may allocate represents 25 percent of the funds authorized for airport grants under the Federal Airport Act.

The State of Alaska had special reasons for disappointment that the recent extension of the Airport Act did not provide for a greater measure of Federal assistance to the States. It was abundantly clear that to avoid a Presidential veto, the bill had to be passed in a drastically reduced form as compared with the excellent bill passed earlier in this session by the Senate. Hence the decision merely to extend the existing act for 2 years. As enacted, Public Law 72 merely extends, for Alaska, the same provisions relating to airport assistance which applied during our Territorial status. The effect of this is to provide, for our State, the amount of $1,350,000 per annum for the next 2 years.

In view of the fact that Alaska uses air transportation to a greater extent than does any other State, it is exceptionally difficult to explain the circumstance that it does not share in airport improvement funds allocated by the Federal Government on the same basis as the other States.

The funds to which our State is entitled under Public Law 72 are far less than those we would have received under any of the other proposals for extension of the Federal Airport Act which were considered at this session of Congress prior to passage of the present law.

These funds are less than the amount which the administration anticipated that Alaska would receive when it recommended transitional grants for the new State which were included in the Alaska Omnibus Act, which was enacted just prior to passage of the Airport Act.

The funds to which Alaska is now entitled are far less than the amounts which are immediately needed to make necessary improvements for the airports at Anchorage and Fairbanks and to improve the safety of other airports which will be transferred to the State under provisions of the Omnibus Act.

It would seem that simple justice requires that Alaska, and Hawaii, too, at least be authorized to share in the discretionary fund of the Federal Aviation Administrator. I believe that the importance of Alaska's airports is such that its priority for funds will certainly be recognized by the Administrator in making allocations from the discretionary fund. In any case, I feel Alaska should be given every chance to share in this fund.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act."

HOSPITAL AND MEDICAL CARE FOR VETERANS RESIDING ABROAD

The bill (S. 1694) to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 624(b) of title 38, United States Code, is amended to read as follows:

"(b) The Administrator may furnish necessary hospital care and medical services to any otherwise eligible veteran for any service-connected disability if the veteran (1) is a citizen of the United States temporarily sojourning or residing abroad, or (2) is in the Republic of the Philippines."

CLARIFICATION OF MEANING OF THE TERM "CHANGE OF PROGRAM OF EDUCATION OR TRAINING"

The bill (S. 906) to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1622 of title 38 of the United States Code is amended by adding at the end of such section the following new subsection:

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second."

CONVEYANCE OF LANDS IN THE STATE OF IOWA

The bill (S. 1453) to authorize the Secretary of Agriculture to sell and convey lands in the State of Iowa to the city of Keosauqua, was announced as next in order.

Mr. MORSE. Mr. President, S. 1453 authorizes the Secretary of Agriculture to sell and convey approximately an acre of land to the city of Keosauqua, Iowa, at its fair market value.

The city of Keosauqua desires the tract to enlarge its sewage plant and city park. The Secretary of Agriculture states that the land in question is excess to the needs of the Department.

Mr. President, I have no objection, because the bill conforms to the Morse formula.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to sell and convey to the city of Keosauqua, Iowa, by quitclaim deed, at the fair market value as determined by him, and subject to all outstanding rights, all the right, title and interest of the United States in and to that certain tract of land containing ninety-nine and fifty-seven one-hundredths acres, more or less, located in Van Buren County, Iowa, in and adjacent to the city of Keosauqua, conveyed to the United States by the Grand

Lodge of the Ancient Order of United Workmen of North Dakota by deed dated December 10, 1936, and recorded in Van Buren County in book 78 on page 303.

EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954—BILL PASSED OVER

The bill (S. 1748) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, was announced as next in order.

Mr. BARTLETT. Mr. President, I ask that the bill go over, since it is not properly calendar business.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN LANDS TO THE BETHEL BAPTIST CHURCH OF HENDERSON, TENN.

The Senate proceeded to consider the bill (S. 669) to authorize the Secretary of Agriculture to convey certain lands to the Bethel Baptist Church of Henderson, Tenn., which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 1, line 3, after the roman numerals "III", to insert "and title IV", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of title III and title IV of the Bankhead-Jones Farm Tenant Act, the Secretary of Agriculture is authorized and directed to convey to the Bethel Baptist Church, Henderson, Tennessee, by quitclaim deed all right, title, and interest of the United States in and to any parcel of land, not to exceed six-tenths of an acre, which may hereafter be conveyed, without consideration, to the United States by the State of Tennessee from lands located in the Chickasaw State Park, Tennessee, and which were previously conveyed by the United States to the State of Tennessee under the provisions of title III of the Bankhead-Jones Farm Tenant Act.

(b) The conveyance herein authorized to be made by the Secretary shall be conditional upon payment to the United States for the land conveyed of an amount equal to the fair market value of such land as determined by the Secretary; and such conveyance shall be made without reversionary rights in the United States.

SEC. 2. In the event the State of Tennessee fails, within one year after the date of enactment of this Act, to convey a parcel of land to the United States for reconveyance to the Bethel Baptist Church as provided in the first section of this Act, the authority granted by this Act shall terminate and be of no further force or effect.

Mr. MORSE. Mr. President, S. 669 authorizes the Secretary of Agriculture to sell approximately an acre of land to the Bethel Baptist Church in Henderson, Tenn., at the fair market value.

The small tract of land is a part of the former Chickasaw Forest land utilization project conveyed to the State of Tennessee by the Federal Government for public park purposes. The conveyance contained a provision that the land was to be used for public purposes or revert to the United States.

The Baptist Church has expressed an interest in acquiring the parcel in question for a church pastorium. The State indicates a willingness to make the parcel available to the church by declaring the parcel surplus to its needs. It will reconvey to the United States if the Federal Government will agree to convey the property to the church at the fair market value.

In view of the fact that fair market value would be paid for the land, the bill does not violate the Morse formula.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PREVENTION OF WATERFOWL DEPREDATIONS

The bill (S. 2133) to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of July 3, 1956 (70 Stat. 492), entitled "An Act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes," is amended by repealing and deleting therefrom section 5.

Mr. MANSFIELD subsequently said: Mr. President, the Senate, during the call of the calendar today, passed Senate bill 2133, amending an act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes.

It appears that a companion House bill, H.R. 7631, is in the Committee on Agriculture and Forestry, which reported the Senate bill. The bills are identical. In order to expedite the enactment of the legislation, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the consideration of H.R. 7631, and that the Senate immediately proceed to consider the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana that the Committee on Agriculture and Forestry be discharged from the consideration of H.R. 7631? The Chair hears none, and it is so ordered.

The clerk will state the House bill by title.

The LEGISLATIVE CLERK. A bill (H.R. 7631) to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which H.R. 7631 was passed be reconsidered.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote by which Senate bill 2133 was passed be reconsidered, and that the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, the vote by which the Senate bill 2133 was passed is reconsidered; and the Senate bill is indefinitely postponed.

CONVEYANCE OF CERTAIN INTERESTS IN LANDS COVERED BY PUBLIC LAW 237, 84TH CONGRESS

The Senate proceeded to consider the bill (S. 1110) to amend the act of August 4, 1955 (Public Law 237, 84th Congress), to provide for conveyance of certain interests in the lands covered by such act which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 1, line 9, after the word "Congress", to strike out "60" and insert "69"; on page 2, after line 2, to strike out:

SEC. 3. (a) Upon application made within the ten-year period which begins on the date of enactment of the Act, and, subject to subsection (c) of this section, all the undivided mineral interests of the United States in the lands which were conveyed by the two deeds described in the first section of this Act shall be conveyed to the Clemson Agricultural College of South Carolina by the Secretary of the Interior upon the payment of an amount equal to the fair market value of such interests, as determined by appraisal or otherwise.

(b) Upon application made within the ten-year period which begins on the date of enactment of this Act, and, subject to subsection (c) of this section, all the undivided mineral interests of the United States in any parcel or tract of land among the lands conveyed by the two deeds described in the first section of this Act may be conveyed to the Clemson Agricultural College of South Carolina by the Secretary of the Interior upon the payment of an amount equal to the fair market value of such interests, as determined by appraisal or otherwise.

And, in lieu thereof, to insert:

SEC. 3. (a) Upon application and subject to subsection (b) of this section, all the undivided mineral interests of the United States in any parcel or tract of land released pursuant to this Act from the said conditions as to such lands may be conveyed to the Clemson Agricultural College of South Carolina by the Secretary of the Interior upon the payment of an amount equal to the fair market value of such interests, as determined by appraisal or otherwise.

And, on page 3, at the beginning of line 6, to strike out "(c)" and insert "(b)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to direct the Secretary of Agriculture to release on behalf of the United States conditions in two deeds con-

veying certain submarginal lands to Clemson Agricultural College of South Carolina so as to permit such college, subject to certain conditions, to sell, lease, or otherwise dispose of such lands", approved August 4, 1955 (Public Law 237, Eighty-fourth Congress; 69 Stat. 496), is amended by adding at the end thereof the following:

"SEC. 3. (a) Upon application and subject to subsection (b) of this section, all the undivided mineral interests of the United States in any parcel or tract of land released pursuant to this Act from the said conditions as to such lands may be conveyed to the Clemson Agricultural College of South Carolina by the Secretary of the Interior upon the payment of an amount equal to the fair market value of such interests, as determined by appraisal or otherwise.

"(b) This section shall not apply to the mineral interests of the United States in the seven thousand three hundred eighty and one-half acres of land taken by eminent domain in Civil Action 2446 in the United States District Court for the Western District of South Carolina."

Mr. MORSE. Mr. President, S. 1110 authorizes the conveyance of reserved mineral interests in certain land in South Carolina to Clemson College at the fair market value.

The lands upon which the mineral rights were reserved were conveyed by the Federal Government to Clemson College in 1954 without consideration, with a public use requirement provision and a minerals right reservation. In 1955 Congress authorized the Secretary of Agriculture to release from the public use requirements 36.62 acres of the land previously conveyed.

S. 1110 provides for the sale of the mineral interests to the college on the 36.62 acreage at the fair market value. According to the committee report, Clemson College desires to acquire the reserved mineral interests so that it can convey these interests should it desire to exchange or sell a portion of the property. Any profits from the sale of the land would be used for the development and improvement of the remaining land or for the acquisition of more suitable property.

In view of the fact that fair market value would be paid for the mineral rights, the bill does not violate the Morse formula.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL CROP INSURANCE ACT

The bill (H.R. 306) to amend the Federal Crop Insurance Act was considered, ordered to a third reading, read the third time, and passed.

Mr. JORDAN. Mr. President, the bill just passed (H.R. 306), repeals the existing provision of law which prohibits Federal crop insurance being provided in a county unless 200 farms or one-third of the farms normally producing the commodity apply for such insurance. The provision which is repealed has prevented expansion or continuance of the program where it would have been to the best interest of farmers and the Corporation and is uneconomical, on occasion preventing expansion or continuation of the program in a county after considerable funds have been expended by the Corporation. The Department of Agriculture favors enactment of the bill.

BILLS PASSED OVER

The bill (S. 1282) relating to acreage allotments for durum wheat, was announced as next in order.

Mr. KEATING. Mr. President, may I ask that either the author of the bill or the chairman of the committee give us an explanation of the bill?

Mr. BARTLETT. Mr. President, I ask that Calendar No. 524, S. 1282, be passed over, by request.

The PRESIDING OFFICER. Upon request of the Senator from Alaska, the bill will be passed over.

The bill (S. 2014) to clarify and amend the Capper-Volstead Act—42 Stat. 388, 7 U.S.C. 291–292—and for other purposes, was announced as next in order.

Mr. KEATING. Over, Mr. President.

Mr. BARTLETT. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

INSTRUCTION AT U.S. MILITARY ACADEMY OF TWO CITIZENS OF THE KINGDOM OF THAILAND

The resolution (S.J. Res. 24) authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to permit, within one year after the date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Thailand, to receive instruction at the United States Military Academy at West Point, New York; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Army such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Military Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Army by reason of their graduation from the United States Military Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 4346(d) and section 4348 of title 10 of the United States Code.

INSTRUCTION AT U.S. NAVAL ACADEMY OF TWO CITIZENS OF THE KINGDOM OF BELGIUM

The joint resolution (S.J. Res. 106) authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to permit, within one year after date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Belgium, to receive instruction at the United States Naval Academy at Annapolis, Maryland; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Navy such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Naval Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the United States Naval Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 6959 of title 10 of the United States Code.

ACQUISITION AND TRANSFER OF CERTAIN REAL PROPERTY IN COUNTY OF SOLANO, CALIF.

The Senate proceeded to consider the bill (H.R. 697) to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes, which had been reported from the Committee on Armed Services, with an amendment on page 6, line 4, after "130+", to strike out "8.26" and insert "78.26".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CONVEYANCE OF CERTAIN LAND TO THE CITY OF WARNER ROBINS, GA.

The Senate proceeded to consider the bill (H.R. 5927) to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base.

Mr. MORSE. Mr. President, H.R. 5927 authorizes the Secretary of the Air Force to convey to the city of Warner Robins, Ga., at fair market value, approximately 29 acres of land comprising a part of Robins Air Force Base, including the improvements thereon.

The land and improvements have been declared surplus to the needs of the Air Force and the enactment of the measure will not involve any expenditure of Federal funds.

The Department of Defense and the Bureau of the Budget state that they have no objection to the passage of the bill.

Inasmuch as the fair market value is to be paid, no violation of the Morse formula is involved.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MAINTENANCE OF A CERTAIN DEFENSE HOUSING FACILITY BY THE COAST GUARD AT YORKTOWN, VA.

The Senate proceeded to consider the bill (S. 2153) to authorize the Coast Guard to accept, operate, and maintain a certain defense housing facility at Yorktown, Va., and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 10, after "SEC. 2.", to strike out "Rents" and insert "Until June 30, 1960, rents"; on page 2, line 1, after the word "and", to strike out "maintaining the facility. The excess of amounts collected and not utilized in operating and maintaining the facility" and insert "maintaining the facility, after which date they", and in line 5, after the word "receipts", to strike out "The appropriation 'Operating expenses, Coast Guard'" and insert "Coast Guard appropriations"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Coast Guard is authorized to accept from the Department of the Navy, without reimbursement, the forty-two unit defense housing facility at Yorktown, Virginia, and to operate and maintain such facility on a rental basis for occupancy by Coast Guard personnel and their dependents pursuant to the provisions of the Act of July 2, 1945 (59 Stat. 316; 37 U.S.C. 111a).

SEC. 2. Until June 30, 1960, rents collected may be utilized in operating and maintaining the facility, after which date they shall be deposited in the Treasury to the credit of miscellaneous receipts. Coast Guard appropriations shall be available for the cost of operating and maintaining the housing facility.

SEC. 3. The administration of the housing facility by the Coast Guard shall, except as provided in section 2, be in conformity with the administration of similar housing projects by the other Armed Forces.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF MORTGAGES FOR GOVERNMENT BONDS—RESOLUTION PASSED OVER

The resolution (S. Res. 130) to express the sense of the Senate in an exchange of mortgages held by FNMA for Government bonds was announced as next in order.

Mr. KEATING. Over, Mr. President.

The PRESIDING OFFICER. The resolution will be passed over.

PUBLIC HEALTH SERVICE COMMISSIONED CORPS PERSONNEL ACT OF 1959

The Senate proceeded to consider the bill (S. 2220) to strengthen the Commissioned Corps of the Public Health Service through revision and extension of some of the provisions relating to retirement, appointment of personnel, and other related personnel matters, and for other purposes, which had been reported from the Committee on Labor and Public Welfare, with amendments, on page 2, line 4, after the word "has", to insert "had"; on page 5, line 23, after the word "active", to strike out "commissioned"; on page 6, line 21, after the word "services", to strike out the comma and "other than the Coast and Geodetic Survey"; in line 22, after the word "Health", to strike out "service" and insert "Service"; on page 7, line 8, after the word "services", to strike out the comma and "other than the Coast and Geodetic Survey"; on page 9, at the beginning of line 13, to strike out "corps" and insert "Corps"; in line 16, after the word "Regular", to strike out "corps" and insert "Corps"; and in line 21, after the word "Reserve", to strike out "corps" and insert "Corps", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Health Service Commissioned Corps Personnel Act of 1959."

LIMITATION ON APPOINTMENT AND CALL TO ACTIVE DOUTY OF OLDER COMMISSIONED OFFICERS

SEC. 2. Section 207(a) of the Public Health Service Act (42 U.S.C. 209(a)) is amended by adding at the end thereof the following new paragraph:

"(3) No individual who has attained the age of forty-four shall be appointed to the Regular Corps, or called to active duty in the Reserve Corps for a period in excess of one year, unless (A) he has a number of years of active service (as defined in section 211 (d) equal to the number of years by which his age exceeds forty-four, or (B) the Surgeon General determines that he possesses exceptional qualifications, not readily available elsewhere in the Commissioned Corps of the Public Health Service, for the performance of special duties with the Service, or (C) in the case of an officer of the Reserve Corps, the Commissioned Corps of the Service has been declared by the President to be a military service."

ADDITIONAL ORIGINAL APPOINTMENTS ABOVE SENIOR ASSISTANT

SEC. 3. Section 207(b) of the Public Health Service Act (42 U.S.C. 209(b)) is amended by inserting "(1)" after "(b)" and by striking out the last sentence and inserting in lieu thereof the following new paragraphs:

"(2) In addition to the number of original appointments to the Regular Corps authorized by paragraph (1) to be made to grades above that of senior assistant, original appointments authorized to be made to the Regular Corps in any year may be made to grades above that of senior assistant, but not above that of director, in the case of any individual who—

"(A) (i) was on active duty in the Reserve Corps on July 1, 1959, (ii) was on such active duty continuously for not less than one year immediately prior to such date, and (iii) applies for appointment to the Regular Corps prior to July 1, 1961; or

"(B) does not come within clause (A) (i) and (ii) but was on active duty in the Reserve Corps continuously for not less than one year immediately prior to his appointment to the Regular Corps and has not served on active duty continuously for a period, occurring after June 30, 1959, of more than three and one-half years prior to applying for such appointment.

"(3) No person shall be appointed pursuant to this subsection unless he meets standards established in accordance with regulations of the President."

RETIREMENT OF COMMISSIONED OFFICERS OF THE REGULAR AND RESERVE CORPS

SEC. 4. Section 211 of the Public Health Service Act (42 U.S.C. 212) is amended to read as follows:

"SEC. 211. (a) (1) A commissioned officer of the Service shall be retired on the first day of the month following the month in which he attains the age of sixty-four years.

"(2) A commissioned officer of the Service may be retired by the Secretary, and shall be retired if he applies for retirement, on the first day of any month after completion of thirty years of active service.

"(3) Any commissioned officer of the Service who has had less than thirty years of active service may be retired by the Secretary, with or without application by the officer, on the first day of any month after completion of twenty or more years of active service of which not less than ten are years of active commissioned service in any of the uniformed services.

"(4) A commissioned officer retired pursuant to paragraph (1), (2), or (3) who was (in the case of an officer in the Reserve Corps) on active duty with the Service on the day preceding such retirement shall be entitled to receive retired pay at the rate of 2½ per centum of the basic pay of the highest grade held by him as such officer and in which, in the case of a temporary promotion to such grade, he has performed active duty for not less than six months, (A) for each year of active service, or (B) if it results in higher retired pay, for each of the following years:

"(i) his years of active service (determined without regard to subsection (d)) as a member of a uniformed service; plus

"(ii) in the case of a medical or dental officer, four years and, in the case of a medical officer, who has completed one year of medical internship or the equivalent thereof, one additional year, the four years and the one year to be reduced by the period of active service performed during such officer's attendance at medical school or dental school or during his medical internship;

except that (C) in the case of any officer whose retired pay, so computed, is less than 50 per centum of such basic pay, who retires pursuant to paragraph (1) of this subsection, who has not less than twelve whole years of active service (computed without the application of subsection (e)), and who does not use, for purposes of a retirement annuity under the Civil Service Retirement Act, any service which is also creditable in computing his retired pay from the Service, it shall, instead, be 50 per centum of such pay, and (D) the retired pay of an officer shall in no case be more than 75 per centum of such basic pay.

"(5) With the approval of the President, a commissioned officer whose service as Surgeon General, Deputy Surgeon General, or Assistant Surgeon General has totaled four years or more and who has had not less than twenty-five years of active service in the Service may retire voluntarily at any time; and his retired pay shall be at the rate of 75 per centum of the basic pay of the highest grade held by him as such officer.

"(b) For purposes of subsection (a), the basic pay of the highest grade to which a commissioned officer has received a temporary promotion means the basic pay to which he would be entitled if serving on active duty in such grade on the date of his retirement.

"(c) A commissioned officer, retired for reasons other than for failure of promotion to the senior grade, may (1) if an officer of the Regular Corps or an officer of the Reserve Corps entitled to retired pay under

subsection (a), be involuntarily recalled to active duty during such times as the Commissioned Corps constitutes a branch of the land or naval forces of the United States, and (2) if an officer of either the Regular or Reserve Corps, be recalled to active duty at any time with his consent.

"(d) The term 'active service', as used in subsection (a), includes:

"(1) all active service in any of the uniformed services;

"(2) active service with the Public Health Service, other than as a commissioned officer, which the Surgeon General determines is comparable to service performed by commissioned officers of the Service, except that, if there are more than five years of such service only the last five years thereof may be included; and

"(3) all active service (other than service included under the preceding provisions of this subsection) which is creditable for retirement purposes under laws governing the retirement of members of any of the uniformed services.

"(e) For the purpose of determining the number of years by which a percentage of the basic pay of an officer is to be multiplied in computing the amount of his retired pay pursuant to section 210(g)(3) or paragraph (4) of subsection (a) of this section, a part of a year of active service of six months or more shall be counted as a whole year and a part of a year of active service which is less than six months shall be disregarded.

"(f) For purposes of retirement or separation for physical disability under chapter 61 of title 10, United States Code, a commissioner officer of the Service shall be credited, in addition to the service described in section 1208(a)(2) of that title, with active service with the Public Health Service, other than as a commissioned officer, which the Surgeon General determines is comparable to service performed by commissioned officers of the Service, except that, if there are more than five years of such service, only the last five years thereof may be so credited. For such purposes, such section 1208(a)(2) shall be applicable to officers of the Regular or Reserve Corps of the Service."

MISCELLANEOUS AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

SEC. 5. (a) Section 2 of the Public Health Service Act (42 U.S.C. 201) is amended by striking out "and" at the end of subsection (n), striking out the period at the end of subsection (o) and inserting in lieu thereof "; and", and adding after such subsection (o) the following new subsection:

"(p) The term 'uniformed service' means the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service, or Coast and Geodetic Survey."

(b) Section 208(b) of such Act (42 U.S.C. 210(b)) is amended to read as follows:

"(b) In accordance with regulations of the President, commissioned officers on active duty may make allotments from their pay. Such officers, and retired officers entitled to retired pay pursuant to section 210(g)(3), section 211, or section 221(a), shall be permitted to purchase supplies from the Army, Navy, Air Force, and Marine Corps at the same price as is charged officers thereof."

(c) Section 210(g)(3) of such Act (42 U.S.C. 211(g)(3)) is amended by striking out "of his active duty pay at the time of retirement for each complete year" and inserting in lieu thereof "of the basic pay of the permanent grade held by him at the time of retirement for each year".

(d) Section 326(a) of such Act (42 U.S.C. 253(a)) is amended by striking out ", including those on shore duty and those on detached duty, whether on active duty or retired" in subparagraphs (1) and (2) and inserting in lieu thereof "on active duty, including those on shore duty and those on detached duty", by striking out "or when retired for disability" in subparagraph (1), and by striking out subparagraph (3) and inserting in lieu thereof:

"(3) commissioned officers of the Regular or Reserve Corps of the Public Health Service on active duty;".

COVERAGE UNDER CIVIL SERVICE RETIREMENT ACT

SEC. 6. (a) Except as provided in subsection (b), service as a commissioned officer in the Regular Corps of the Public Health Service prior to July 1, 1959, shall be considered, for purposes of credit under the Civil Service Retirement Act, other than section 3(f) thereof, as civilian service performed by an employee (as defined in such Act), and commissioned officers of the Reserve Corps of the Public Health Service, subject to the Civil Service Retirement Act of June 30, 1959, shall be considered as voluntarily separated on that date, with respect to service as such officers, from civilian positions subject to such Act.

(b) If a commissioned officer of the Regular or Reserve Corps of the Public Health Service is retired after June 30, 1959, and becomes entitled to retired pay from the Public Health Service, all service in the Regular or Reserve Corps of the Public Health Service prior to July 1, 1959, together with any other service which is performed at any time with the Public Health Service, other than as a commissioned officer, and which is credited to the officer for purposes of such retirement, shall be considered as military service for purposes of section 3(b) of the Civil Service Retirement Act; except that, in the case of any such officer who is retired pursuant to subsection (a) of section 211 of the Public Health Service Act, any such service which was performed prior to July 1, 1959, which was subject to the Civil Service Retirement Act, and with respect to which he has not, prior to his retirement, received a refund of deductions under the Civil Service Retirement Act, shall not be considered as military service for purposes of such section 3(b), but only if he waives his right to have such service included for purposes of computing the amount of his retired pay from the Service.

(c) Section 1(r) of the Civil Service Retirement Act is amended by inserting after "Coast Guard of the United States," the phrase "or, after June 30, 1959, in the Regular Corps or Reserve Corps of the Public Health Service,".

ELECTION OF BENEFITS UNDER THE SOCIAL SECURITY ACT AND THE CIVIL SERVICE RETIREMENT ACT

SEC. 7. Section 215 of the Social Security Act (42 U.S.C. 415) is amended by adding at the end thereof the following new subsection:

"(h)(1) Notwithstanding the provisions of the Civil Service Retirement Act, remuneration paid for service to which the provisions of section 210(m)(1) of this Act are applicable and which is performed by an individual as a commissioned officer of the Reserve Corps of the Public Health Service prior to July 1, 1959, shall not be included in computing entitlement to or the amount of any monthly benefit under this title, on the basis of his wages and self-employment income, for any month after June 1959 and prior to the first month with respect to which the Civil Service Commission certifies to the Secretary that, by reason of a waiver filed as provided in paragraph (2), no further annuity will be paid to him, his wife, and his children, or, if he has died, to his widow and children, under the Civil Service Retirement Act on the basis of such service.

"(2) In the case of a monthly benefit for a month prior to that in which the individual, on whose wages and self-employment income such benefit is based, dies, the waiver must be filed by such individual; and such waiver shall be irrevocable and shall constitute a waiver on behalf of himself, his wife, and his children. If such individual did not file such a waiver before he died, then in the case of a benefit for the month in which he died or any month thereafter, such waiver must be filed by his widow, if any, and by or on behalf of all his children, if any; and such waivers shall be irrevocable. Such a waiver by a child shall be filed by his legal guardian or guardians, or, in the absence thereof, by the person (or persons) who has the child in his care."

EFFECTIVE DATES

SEC. 8. (a) The amendments made by sections 2 and 5(b) shall become effective July 1, 1959.

(b) The amendment made by section 4 shall become effective on the date of enactment of this Act in the case of commissioned officers of the Regular Corps of the Public Health Service, and on July 1, 1959, in the case of commissioned officers of the Reserve Corps of the Public Health Service.

(c) An officer in the Regular Corps on active duty on the date of enactment of this Act may be retired and have his retired pay computed under section 211 of the Public Health Service Act, as amended by this Act, or, if he so elects, under such section as in effect prior to the date of enactment of this Act.

(d) The limitation under subsection (f) of section 211 of the Public Health Service Act, as amended by this Act, on the amount of active service with the Public Health Service, other than as a commissioned officer, which may be counted for purposes of retirement or separation for physical disability, shall not apply in the case of any officer of the Reserve Corps of the Public Health Service on active duty on June 30, 1959.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

YOUTH CONSERVATION ACT OF 1959—BILL PASSED OVER

The bill (S. 812) to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas, was announced as next in order.

Mr. KEATING. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

REMOVAL OF ACREAGE LIMITATIONS IN RECREATION ACT OF 1926

The bill (S. 1436) to amend section 1 of the act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 1 of the Act of June 14, 1926, as amended by the Act of June 4, 1954 (68 Stat. 173, 174; 43 U.S.C. 869), is further amended to read as follows:

"(b) No more than six hundred and forty acres may be conveyed to any one grantee, other than a State, in any one calendar year: *Provided,* That no more than six hundred and forty acres may be conveyed to a State in any one calendar year for the benefit of

any one State program or of the program in any one State agency: *Provided further,* That there shall be no limitation as to the acreage which may be conveyed to a State or to a State park agency for public park purposes."

EXTENSION OF TIME IN WHICH BOSTON NATIONAL HISTORIC SITES COMMISSION SHALL COMPLETE ITS WORK

The bill (H.R. 4524) extending the time in which the Boston National Historic Sites Commission shall complete its work was considered, ordered to a third reading, read the third time, and passed.

USE OF GREAT LAKES VESSELS ON THE OCEANS—BILL PASSED OVER

The bill (H.R. 4002) to authorize the use of Great Lakes vessels on the oceans, was announced as next in order.

Mr. KEATING. Over, by request, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

WONG GAR WAH

The bill (S. 1038) for the relief of Wong Gar Wah was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Wong Gar Wah shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ISABEL M. MENZ

The bill (S. 1392) for the relief of Isabel M. Menz was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Isabel M. Menz, of Saint Paul, Minnesota, the sum of $717.95. The payment of such sum shall be in full satisfaction of all her claims against the United States for payment of certain money orders payable to Clifford J. Menz (deceased), which were issued during the period from March 15, 1916, through November 22, 1937, but which due to the illness of the said Clifford J. Menz, were not presented for payment within the period in which they could have been received by the Post Office Department: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary nowithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MRS. PAULA DEML

The bill (S. 1627) for the relief of Mrs. Paula Deml was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Paula Deml shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JOSEF JAN LOUKOTKA

The bill (S. 1945) for the relief of Josef Jan Loukotka was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Josef Jan Loukotka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JULIA MYDLAK

The Senate proceeded to consider the bill (S. 464) for the relief of Julia Mydlak, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 11, after the word "available", to insert a colon and *"Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.", so as to make the bill read.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Julia Mydlak shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RACHEL BORENSTEIN

The Senate proceeded to consider the bill (S. 1049) for the relief of Rachel Borenstein, which had been reported from the Committee in the Judicary with an amendment in line 7, after the word "Act", to insert a colon and *"Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (4) of the Immigration and Nationality Act, Rachel Borenstein may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAGE A. WILSON

The Senate proceeded to consider the bill (S. 36) for the relief of Page A. Wilson, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "of", where it appears the second time, to strike out "$3,128.03" and insert "$1,718.80"; in the same line, after the word "representing", to insert "the balance as of May 1, 1959,", and on page 2, line 6, after the name "Wilson", to strike out "the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act" and insert "any sum or amounts received or withheld from him after May 1, 1959, on account of the overpayments referred to in the first section of this Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Page A. Wilson, Major, U.S. Air Force, is hereby relieved of all liability for repayment to the United States of the sum of $1,718.80, representing the balance as of May 1, 1959, of overpayments of longevity pay paid to him as the result of his claiming membership in the Enlisted Reserve Corps of the Army for the period November 17, 1930, to September 8, 1933, which period was disallowed by the Air Force after the said Page A. Wilson had been paid on the basis of such period of over fourteen years, the said Page A. Wilson having believed such period had been verified a short time after it had been originally claimed by him.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise ap-

propriated, to the said Page A. Wilson, any sum or amounts received or withheld from him after May 1, 1959, on account of the overpayments referred to in the first section of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF TIME FOR FILING CLAIMS UNDER THE WAR CLAIMS ACT OF 1948

The Senate proceeded to consider the bill (S. 1650) to extend the period for filing claims under the War Claims Act of 1948, which had been reported from the Committee on the Judiciary, with an amendment, at the beginning of line 6, to strike out "subsequent to August 31, 1955, and" and insert "by Edmund A. Hannay, of Clarksdale, Mississippi,", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any time limitation contained in section 15 of the War Claims Act of 1948 (62 Stat. 1240), as amended, any claim for benefits under such section filed by Edmund A. Hannay, of Clarksdale, Mississippi, within one year after the date of the enactment of this Act shall be considered in accordance with the provisions of the War Claims Act of 1948.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Edmund A. Hannay."

JOSEPH B. KANE, JR.

The bill (H.R. 1631) for the relief of Joseph B. Kane, Jr., was considered, ordered to a third reading, read the third time, and passed.

DORMAN WILLIAM WHITTOM

The bill (H.R. 2846) for the relief of Dorman William Whittom was considered, ordered to a third reading, read the third time, and passed.

ALBERT J. HICKS

The bill (H.R. 3117) for the relief of Albert J. Hicks was considered, ordered to a third reading, read the third time, and passed.

WILLIAM S. SCOTT

The bill (H.R. 3249) for the relief of William S. Scott was considered, ordered to a third reading, read the third time, and passed.

SUITS AGAINST MILLER ACT PAYMENT BONDS

The bill (H.R. 4060) to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run was considered, ordered to a third reading, read the third time, and passed.

MAINTENANCE AND TRAVEL EXPENSES OF JUDGES

The Senate proceeded to consider the the bill (H.R. 2909) relating to the maintenance and travel expenses of judges, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the first paragraph of section 456 of title 28, United States Code, is amended to read as follows:

"Each Justice or judge of the United States and each retired Justice or judge recalled or designated and assigned to active duty, while attending court or transacting official business at a place other than his official station, shall, upon his certificate, be paid by the Director of the Administrative Office of the United States Courts all necessary traveling expenses, and also a per diem allowance in lieu of actual expenses of subsistence (as defined in the Travel Expense Act of 1949, as amended, 63 Stat. 166; 5 U.S.C. 835) at the per diem rate provided for by the Travel Expense Act of 1949, as amended, or, in accordance with regulations prescribed by the Director of the Administrative Office of the United States Courts with the approval of the Judicial Conference of the United States, reimbursement for his actual expenses of subsistence not in excess of the maximum amount fixed by the Travel Expense Act of 1949, as amended."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ABRAHAM FYE

The Senate proceeded to consider the bill (H.R. 6714) for the relief of Abraham Fye, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That subsection (d) of section 16 of the War Claims Act of 1948 and section 105 of the War Claims Act amendments of 1954 are each hereby waived in favor of Abraham Fye, of Brooklyn, New York, and his claim for benefits under section 16 of the War Claims Act of 1948 is hereby authorized and directed to be acted upon under the remaining provisions of the War Claims Act of 1948, if he files claim for such benefits with the Foreign Claims Settlement Commission within the six-month period which begins on the date of enactment of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ROBERT N. ANTHONY

The Senate proceeded to consider the bill (H.R. 6717) for the relief of Robert N. Anthony, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Kathrene LeTang, of Baltimore, Maryland, the sum of $3,500. Such sum represents the amount of a judgment for which Specialist Fifth Class Robert N. Anthony, RA13407928, United States Army, was held liable to the said Mrs. Kathrene LeTang on January 30, 1959, in a civil action in the Circuit Court of Baltimore County, Maryland. This civil action was the result of an accident which occurred on the Baltimore-Washington Parkway, approximately eight miles south of Baltimore, Maryland, on January 9, 1956, and which involved a United States Army ambulance being driven by the said Robert N. Anthony, acting within the scope of his military duties in the interest of the Government. Such sum shall be paid only on the condition that the said Mrs. Kathrene LeTang shall execute and file a satisfaction of judgment in full in said court and cause: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered to Mrs. Kathrene LeTang in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An Act for the relief of Mrs. Kathrene LeTang."

FILLING OF REFEREE VACANCIES

The Senate proceeded to consider the bill (H.R. 4340) to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "filled", to strike out "on the existing basis" and insert "without any changes in the salary or arrangements"; in line 9, after the word "the", to strike out "existing", and on page 2, line 4, after the word "amended", to insert "by striking the word 'senior' and inserting in the place thereof the word 'chief' and".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H.J. Res. 354) for the relief of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 3, line 4, after the name "Wong", to insert "Sirijo Tanfara and Zee Yung Wong", and in line 11, after the word "by", to strike out "one" and insert "three."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

COMPENSATION FOR PERSONS INJURED BY EXPLOSION OF MUNITIONS TRUCK IN NORTH CAROLINA

The bill (H.R. 2594) for the relief of certain claimant against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N.C., on March 7, 1942, was considered, ordered to a third reading, read the third time, and passed.

SALLIE B. DICKENS

The bill (H.R. 6955) for the relief of Sallie B. Dickens was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 6596) to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes, was announced as next in order.

Mr. KEATING. Mr. President, over, by request.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

The bill (H.R. 3088) to amend sections 353 and 354 of the Immigration and Nationality Act was considered, ordered to a third reading, read the third time, and passed.

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of the bill just passed.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to amend certain provisions of the Immigration and Nationality Act which specify the exemptions from its provisions relating to the loss of U.S. citizenship by naturalized citizens.

STATEMENT

Under existing law an automatic loss of U.S. citizenship occurs in the case of a naturalized citizen who establishes residence abroad—

(1) For 3 years in a foreign state of which he was formerly a national or in which the place of his birth is situated; or

(2) For 5 years in any other foreign state or states.

There are several exemptions from this general rule, such as residence abroad for the purpose of maintaining certain specified types of employment or for the purpose of pursuing a full course of study or for other reasons specified in sections 353 and 354 of the Act.

One of the exemptions from both the 3- and 5-year rule applies to the spouse or child of an American citizen who is accompanying such citizen for the purpose of remaining with him while he has his residence abroad for reasons specified in the law. Section 1 of the bill will add to the exempted class the parent of a U.S. citizen residing abroad for such specified reasons.

Among persons exempted from the automatic loss of citizenship pursuant to the 5-year rule are veterans of the Spanish-American War, World War I, and World War II (and their spouses, children, and dependent parents). The American Legion has for several years advocated the inclusion among the exempted class of the honorably discharged veterans who served during the Korean conflict. A resolution petitioning Congress to provide for such change in the law was passed by the national convention of the American Legion in 1957 and readopted by the national executive committee of the American Legion on April 29, 1959. Section 2 of this bill is designed to achieve this purpose.

Naturalized citizens of the United States, regardless of their age, who have had continuous residence in the United States for 25 years subsequent to their naturalization, are exempted from loss of citizenship under the 5-year rule. No such exemption is provided if residence is established in the country of their birth or former nationality under the 3-year rule, unless they have attained 60 years of age when such foreign residence is established.

The steadily increasing activities of American citizens abroad justify the reduction of the 25-year residence requirement to 15 in the case of naturalized citizens subject to the 5-year rule.

Similarly, naturalized U.S. citizens who entered the United States in their early youth, prior to their sixth birthday, and thus spent their formative years in this country, should have all of their residence in the United States, prior to attaining 21 years of age, counted within that residential requirement which would exempt them from loss of U.S. citizenship. Section 3 of this bill provides for such an amendment, but limits its applicability to naturalized citizens who do not reside in the country of their birth or former nationality.

Mr. KEATING. Mr. President, I feel that these are worthy steps in the further liberalization of our immigration laws.

JOINT RESOLUTION AND BILL PASSED OVER

The resolution (S.J. Res. 39) to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives, was announced as next in order.

Mr. KEATING. Over, Mr. President, as not properly calendar business.

The PRESIDING OFFICER. On request, the resolution will be passed over.

The bill (S. 2424) to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, was announced as next in order.

Mr. BARTLETT. Mr. President, I ask that the bill go over, because it is not properly calendar business.

The PRESIDING OFFICER. On request, the bill will be passed over.

INSURANCE BENEFITS AND DISABILITY PAYMENTS TO SEAMEN

The bill (S. 2334) to transfer from the Department of Commerce to the Department of Labor certain functions in respect to insurance benefits and disability payments to seamen for World War II service-connected injuries, death, or disability, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce shall certify to the Secretary of Labor amounts payable under crew life and injury and second seamen's war risk insurance policies issued under authority of subtitle "Insurance" of title II of the Merchant Marine Act, 1936, as amended, extended, and supplemented (Act of June 29, 1940, section 222 (54 Stat. 689); Act of March 6, 1942 (56 Stat. 140); Act of April 11, 1942 (56 Stat. 214); Act of March 24, 1943, section 2 (57 Stat. 45); Act of September 30, 1944 (58 Stat. 758); Act of August 8, 1946 (60 Stat. 937)). Payments of such amounts so certified shall be made by the Secretary of Labor from the Employees' Compensation Fund established under the Federal Employees' Compensation Act of September 7, 1916, as amended (5 U.S.C. 751, 785).

SEC. 2. The powers, duties, and functions of the Secretary of Commerce in respect of permanent total or partial disability benefits (allowable upon exhaustion of insurance benefits referred to in section 1 hereof) under section 2(c) of the Act of March 24, 1943 (Public Law 17, Seventy-eighth Congress; 57 Stat. 45), as amended by the Act of September 30, 1944 (Public Law 449, Seventy-eighth Congress; 58 Stat. 758), are hereby transferred to the Secretary of Labor. Payments of such benefits, including costs and payments on account of medical care authorized by the Secretary of Labor, shall be made by him from the Employees' Compensation Fund as established under the Federal Employees' Compensation Act of September 7, 1916, as amended (5 U.S.C. 751, 785). The Secretary of Commerce shall furnish to the Secretary of Labor such information, data, and reports and certifications in respect of cases within the purview of this section as the Secretary of Labor may request. Nothing in this section shall be construed to authorize any appeal to, or review or redetermination by, the Secretary of Labor from any order, finding, determination, or adjudication in respect of eligibility for benefits made by the Secretary of Commerce in force on the effective date of this Act, except upon a showing to the satisfaction of the Secretary of Labor of a change in the nature and extent of the disability for which benefits were approved for payment in accordance with the provisions of such Act.

SEC. 3. The Secretary of Labor is authorized to make such rules and regulations as he may deem necessary or appropriate to carry out the provisions of this Act and the functions vested in him by this Act.

SEC. 4. This Act shall become effective as of July 1, 1959.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the call of the calendar be terminated with Calendar No. 561, Senate bill 2334, because reports are not available for the bills which follow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska? The Chair hears none;

and, without objection, the call of the calendar will be terminated at this time.

BURNS CREEK PROJECT, IDAHO

The Senate resumed the consideration of the bill (S. 281) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

Mr. CHURCH. Mr. President, a little more than 2 years ago, when I took this floor on behalf of a bill to authorize the construction of Hells Canyon Dam, I expressed my sorrow that this worthy project had so bitterly divided the people of Idaho. "Would that my cause were not torn by controversy at home," I said, "so that I might feel strengthened in the knowledge that my advocacy enjoyed the undivided support and general approbation of my beloved State."

Today no such concern attends my effort. I speak for a project which enjoys the general approbation of my State. I am glad that this is so.

My distinguished senior colleague [Mr. DWORSHAK] and I sponsor the bill now before the Senate, S. 281, which would authorize the Burns Creek Dam and reregulating project. We were cosponsors of a similar bill which passed the Senate in the 85th Congress, but died in the other body.

This bill has been recommended by the administration, through the Department of the Interior and the Department of Agriculture, and it is approved by the Bureau of the Budget.

It is noteworthy that the Burns Creek Dam should draw support from such diverse sources. What manner of project is it to be so favored?

I. IRRIGATION AND RECLAMATION

The answer is that this is a genuine multipurpose project, notwithstanding the fact that, on its face, it would seem to be a power project.

In order to understand this properly, the physical characteristics of the upper Snake River area in Idaho must be described, and the history of reclamation in Idaho, reviewed. For the convenient reference of the Senate, I have had a map of the irrigated southern section of my State prepared and set up, and I will try also to speak the matter clearly for the RECORD.

The Burns Creek Dam is proposed at a stage of water resource development which has been reached after more than half a century of continuous growth and improvement in the facilities to control and use the water of the Snake River.

Irrigation development in Idaho's Upper Snake River Valley began about 1879, when the water was supplied to hay lands by simple diversions from the river. Irrigation development then progressed, and, by 1900, more than 300,000 acres of land were under irrigation. This rapid expansion continued during the first years of the present century. Most of the land irrigated from surface waters above Milner Dam, situated near the midline of southern Idaho, were under cultivation before 1920. The most significant change since then, as will be hereafter pointed out, has been the rapid recent expansion of areas irrigated by pumping, from underground water.

Until 1900, the Carey Act was the congressional vehicle for much of the irrigation development. It authorized homestead grants as an aid to reclamation. But these were purely individual and local cooperative irrigation projects.

The Carey of the Carey Act was Senator Joseph M. Carey, of Wyoming, one of the great names in Western reclamation. He and such other Senators after him as Francis G. Newlands, of Nevada, and Henry Clay Hansbrough, of North Dakota, had the wisdom to champion a program for reclamation that has made a mockery of Daniel Webster's contemptuous description of the West. It was Webster who said:

> What do we want with this vast worthless area—this region of savages and wild beasts, of deserts, of shifting sands and whirlwinds of dust, of cactus and prairie dogs? To what use could we ever hope to put these great deserts and these endless mountain ranges, impenetrable and covered to their base with eternal snow? What can we ever hope to do with the western coast, a coast of 3,000 miles, rockbound, cheerless, and uninviting, and not a harbor in it?

Mr. President, what we in Idaho have always wanted out of our section of "this region of savages and wild beasts" is only a livelihood so that we may be lucky enough to stay there.

Irrigated agriculture is the economic foundation of the Upper Snake River Basin. Cereals, forage crops, and cash row crops—potatoes, beans, and sugar beets—and various livestock enterprises characterize the economy. Ninety percent of the famed Idaho potatoes come from this area.

In 1950, 143,000 people lived there, with practically all of this population associated with the irrigated plain.

But the Carey Act and the Desert Land Entry Act and local efforts under them did not furnish an adequate answer to the challenge of the arid West. Large storage dams were needed.

Acrimony and constitutional arguments marked a decade of struggle for the Reclamation Act of 1902. This landmark legislation added to the law the concept that the Federal Government properly could provide for storage. In the words of Francis G. Newlands, then the Representative of Wyoming:

> It becomes necessary * * * in order to bring larger areas of land within cultivation, to resort to this system of storage, of establishing artificial reservoirs * * * and of constructing canals and ditches at great expense, covering large areas of land by a comprehensive plan.
>
> * * * * *
>
> The limit of reclamation and settlement has been reached unless the Federal Government, acting, as it can, without regard to State lines, makes a scientific study of each river and its tributaries and so stores the water as to prevent the torrential flow in the spring and to increase the scanty flow in the summer.

President Theodore Roosevelt, when he asked the Congress for the Reclamation Act of 1902, said:

> The reclamation and settlement of the arid lands will enrich every portion of our country * * *. The increased demand for manufactured articles will stimulate industrial production * * *. Indeed, the products of irrigation will be consumed chiefly in upbuilding local centers of mining and other industries, which would otherwise not come into existence.

By the time the Reclamation Act of 1902 was passed, as we have seen, the initial development of the greater part of the Upper Snake River Basin in Idaho, irrigated by gravity flow, had been completed. These lands did not have the benefit of storage. Consequently, in this area, the primary function of the Reclamation Act of 1902 has been to provide storage for supplemental water for 90 percent of the irrigated lands, rather than to open new lands.

The first big project under this act was the Minidoka. The first storage at Lake Walcott, behind Milner Dam, was completed in 1909. By 1927, eight other storage reservoirs had been added in the Upper Snake River Basin.

It was in 1927 that the huge, 1,700,000 acre-feet project at American Falls was completed. The gratification of the waterusers was boundless. Enough storage had been provided at American Falls, it was said, to assure adequate water for Minidoka project lands for all time to come.

But nature makes puny the works of man, and her inexorable ways are sometimes ironic. Only 3 years later, in 1930, a 5-year drought started which caused a crop loss which, in today's dollars, would pay more than half the cost of the Burns Creek Dam.

Palisades Reservoir was the answer to this further demonstration of the need for storage. Completed in 1957, Palisades increased the supply of stored water on the main stem of the Snake by 1,400,000 acre-feet, providing supplemental water for 650,000 acres of the land already irrigated, while furnishing a primary water supply to only 48,000 acres of new land.

Since Palisades stored supplemental water for land irrigated under water rights long established, it was necessary to allocate the water equitably. The various irrigation districts and individual users sought more water than Palisades could store, so the water users agreed to the inclusion in their Palisades contracts of a standard provision to guarantee that subsequently constructed storage should be treated as though it had identical priority with that in Palisades. Thus, even before Palisades had been completed, the need for added storage was recognized. I ask unanimous consent to have printed in the RECORD at this point in my remarks one such subscription provision, extracted from a typical contract.

There being no objection, the provision was ordered to be printed in the RECORD, as follows:

> If the United States, under the Federal reclamation laws, hereafter constructs storage facilities on the Snake River or its tributaries above Milner Dam in addition to those now constructed or authorized to be constructed to provide water for irrigation purposes, the district hereby agrees that, notwithstanding the establishment of a storage right for such additional facilities with a priority subsequent to that assigned to Palisades Dam and Reservoir, the United States may hereafter contract with water

users organizations which then have storage rights in Palisades Reservoir, to operate not to exceed 300,000 acre-feet of such capacity for the storage of water for irrigation for the benefit of such organizations as though that capacity had a storage right of identical priority with that held for Palisades Dam and Reservoir.[1]

Mr. CHURCH. Mr. President, the Burns Creek Dam which this bill would authorize would impound a 234,000 acre-foot reservoir. Of this, 100,000 acre-feet would be long-term irrigation storage. This storage, as we have seen, would be accorded equal priority rights to that contained in Palisades Reservoir.

This long-term holdover storage would provide insurance water to be used only during periods of extreme drought, and would be paid for by the water users on the same terms as Palisades storage.

Because Burns Creek insurance water might be needed only two or three times in a 50-year period, it does not follow that the dam confers only "a minor irrigation benefit." The water users of Idaho understand the fallacy of this argument. They know that insurance water is not unlike fire insurance on a building—the policy is justified even though a fire is a rare occurrence.

The waterusers know the ways of the river. They know that they will collect on the "Burns Creek policy." It is only a question of time. When they collect, they know that the margin of water supplied by Burns Creek Dam may well represent the difference between a crop, and no crop. This is why they urgently recommend the project.

The latest action of the irrigators was last month, when the managing group of the water users, the Committee of Nine, met on this bill. I ask unanimous consent to have printed in the RECORD at this point in my remarks the minutes of their meeting of June 6, 1959, and a letter I recently received from J. H. Silbaugh, one of the members and president of the North Side Canal Co.

There being no objection, the minutes and the letter were ordered to be printed in the RECORD, as follows:

MINUTES OF MEETING OF COMMITTEE OF NINE OF SNAKE RIVER WATER USERS, IDAHO FALLS, IDAHO, JUNE 6, 1959

Committee members present: Leonard Graham, chairman; J. H. Silbaugh, Al Peters, Leo Murdock, David W. Dick, Cy Young, Frank Redfield, C. N. Scoresby, Willis Walker. Advisory member Merle Tillery; former chairman N. V. Sharp, Lynn Crandall, Harold Nelson, Glenn Simmons, Henry Eagle, and several other water users.

Lynn Crandall discussed the proposed Burns Creek bill as amended. He stated that the amendment worked out by Senators O'MAHONEY and CHURCH provided that the installation of the power-generating facilities be scheduled by the Secretary on the basis of providing for the additional power requirements of preference customers rather than all facilities being installed at once.

The meeting called today is for the purpose of obtaining an expression of opinion of the water users on the amended bill. Mr. Crandall pointed out some of the benefits that Burns Creek will provide to all water users on Snake River. Burns Creek is the last site on Snake River in Idaho above Milner Dam where any irrigation storage can be made available.

Mr. Nelson stated that the amendment to bill would in no way affect the provision that the power revenues from Palisades-Burns Creek would assume one-third of the annual costs of winter water savings at Minidoka now paid by water users. Demand for Government power is increasing faster than can be taken care of by addition of Burns Creek. He stated that the effect of the proposed amendment for delayed installation of all the power units would not extend the power payout period more than 1 year.

The following resolution was presented:

"Whereas the Snake River water users at their two last annual meetings have unanimously approved the Burns Creek project, and

"Whereas at a recent meeting of the Senate subcommittee on irrigation and reclamation of the Senate Interior Committee certain amendments were added to the original bill S. 281: Now, therefore, be it

"Resolved by the Committee of Nine, representing the Snake River water users, That we approve the bill as amended and request the members of Idaho's congressional delegation to give the amended bill their full support."

Moved by Silbaugh, second by Walker, that the resolution be adopted. Carried unanimously.

There was further discussion regarding opposition of power companies to Burns Creek and the 150-day shutoff of canals for winter water savings.

Meeting adjourned at 2:30 p.m.

C. N. SCORESBY,
Secretary.

NORTH SIDE CANAL CO., LTD.,
Jerome, Idaho, July 13, 1959.

The Honorable FRANK CHURCH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: As president of the North Side Canal Co., I would like you to know how much we appreciate the efforts that you have been putting in on the Burns Creek project bill.

As you have already noticed from the resolution passed by the committee of nine (which are the directors of district No. 36), they also appreciate your efforts in getting this bill and its amendments approved.

Yours very truly,

J. H. SILBAUGH,
President.

Mr. CHURCH. Mr. President, the Post-Register, a conservative newspaper in Idaho Falls, Idaho, emphasized the reclamation aspects of the Burns Creek Dam in an editorial which appeared in its edition of April 26, 1959. I ask unanimous consent to have the editorial printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BURNS CREEK, WHY NOT?

Objections by the Utah Power & Light Co. and the Idaho Power Co. to the proposed Burns Creek Dam on the Snake River do not take into account two pivotal points—the value of the supplemental irrigation water and the value of upstream storage.

The utilities principally contend that the Burns Creek Dam is essentially a power structure which is not only unnecessary but unnecessarily expensive.

While it is true that Burns Creek's 100,000 acre-feet of irrigation storage is not a large block of supplemental water, it could very well become the difference between crop failure and crop harvest in a lean water year. And that is the whole purpose of this irrigation storage at Burns Creek. At the tail end of the irrigation season, it could be this extra water that makes the crop.

It should also be pointed out that economically desirable multipurpose damsites in the upstream stretches of watersheds are receding. Every effort should be made to capitalize on these where there feasibility can be demonstrated, even if the feasibility is slightly less than the previous project. Hydroelectric power at such a project is still cheaper than that from conventional fuels. The Palisades Dam cost some $67 million. Burns Creek is expected to be at least $20 million cheaper—but will double the power capabilities when the two dams are operated together. Should such a power dividend be dismissed? Burns Creek can be considered an integral part of the Palisades Dam program.

Reclamation in this day and age has to go forward with the aid of power. Repayment costs on irrigation storage is still a big factor with the east Idaho water user who is naturally disposed kindly to the lift he gains at Burns Creek.

Moreover, the principle of upstream storage, storing the water at upper reaches where runoff can be effectively collected, should still be in the forefront of reclamation planning. Only two major upstream sites appear left on the upper Snake River—at Burns Creek and at the narrows site in Wyoming. In the reaching out of both the farm and the industrial economy of southern Idaho, power needs are bound to be taxed. The city of Idaho Falls, for one, will be needing considerably more power in the years ahead if its dynamic growth continues as expected.

Whether Burns Creek is a legitimate battleground for the public versus private power issue is questionable. Our information indicates that it will not remove present customers from the objecting utilities. It is more than likely that rural electric co-ops and other preference customers not now in the service orb of the utilities, will absorb the additional firm power marketable from Burns Creek.

The principle, of course, is still valid that Government should not provide power or services if private utilities can perform this service and meet the development needs. But the unusual Burns Creek dividend in power and irrigation, it appears to us, is one which can logically be placed outside this premise.

The power companies did not object to the Palisades Dam project. Burns Creek appeals to us as a cogent extension of Palisades.

Mr. CHURCH. Mr. President, at the convention of the Idaho State AFL–CIO, held in Lewiston, Idaho, this year, the labor union organizations of the State adopted a resolution endorsing the Burns Creek Dam, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas labor in Idaho has in the past been favorable toward any project which would mean the development of the State of Idaho; and

Whereas upon the completion of Palisades Dam in eastern Idaho, it was found that the water users of the upper Snake River Valley had over subscribed the storage capacity of Palisades Reservoir; and

Whereas with the normal developments in eastern Idaho, there is evidence of a need for additional electrical power: Now, therefore, be it

Resolved, That this convention go on record as favoring the building of the Burns Creek Dam as eastern Idaho already is in need of the additional 100,000 acre-feet of

[1] Extracted from a typical contract to be made with a company or district diverting from Snake River above American Falls Dam. Form A.

water storage this dam will provide and by completion date will need the additional power this dam will make available; and be it further

Resolved, That a copy of this be sent our Senators and Representatives in Congress and also that we inform the United Mine Workers of our action and the reason for same.

Mr. CHURCH. Graphic proof that the water users do not consider the irrigation benefit either minimal or unimportant is found in their response to a circular letter asking them to indicate their needs for additional space in the proposed Burns Creek Reservoir.

This inquiry was made by Lynn Crandall, who, in 40 years—from 1919 until last year when he retired—had been elected and relected as watermaster for the distribution of natural flow of the Snake River. He served during this period as district engineer of the U.S. Geological Survey and also as special deputy to the Idaho Commissioner of Reclamation with similar duties. He supervised the allocations of Palisades space.

For the proposed Burns Creek Dam, applications were received representing 141 percent of the available space, a total of 141,740 acre-feet. Fifty-three canal companies, irrigation districts, and individuals in this way indicated that they want and need the irrigation benefit of this project.

I ask unanimous consent that this list of applicants be printed in the RECORD, at this point in my remarks.

There being no objection, the list of applicants was ordered to be printed in the RECORD, as follows:

BURNS CREEK RESERVOIR

IDAHO FALLS, IDAHO,
November 24, 1958.

A circular letter was sent October 8, 1958, to holders of Palisades Reservoir space asking that those who desire additional space in the proposed Burns Creek Reservoir file their applications for same. Replies have been received to date from 53 canal companies, irrigation districts, and individuals, making application for a total of 141,740 acre-feet in the Burns Creek Reservoir. Inasmuch as there is only 100,000 acre-feet of available space it will be necessary for the Bureau of Reclamation to appoint an allocation committee to allot the available space in accordance with the greatest needs of the applicants.

The following applications have been received:

	Acre-feet
C. Warren Blakely, Route 2, Rigby	250
Marion Blakely, Ririe	800
Jay, Keith & Garth B. Bramwell, Star Route, Roberts	1,700
Butler Island Canal Co., Rigby	1,200
Melvin Danielson, Route 4, Idaho Falls	100
Danskin Ditch Co., Moreland	1,000
Dilts Irrigation Co., Ltd., Lorenzo	200
Enterprise Canal Co., Ltd., Rigby	20,000
Farmers Friend Irrigation Co., Idaho Falls	8,500
Harry Fell, Route 2, Rigby	300
Lee L. Frodsham, Route 2, Burley	900
Chester W. Geisler, Lorenzo	100
D. V. Hagenbarth, Island Park	320
Howard Hatfield, Box 625, Palisades	200
A. O. Hogan, Star Route, Ririe	300
Idaho Irrigation District, Idaho Falls	21,200
Island Irrigation Co., Lorenzo	2,500
Thomas W. Jackson, Route 1, Roberts	200
J. W. Jones, Route 2, Rigby	100
Vance C. Koon, Thornton	780
Labelle Irrigation Co., Rigby	800
Liberty Park Irrigation Co., Rexburg	1,000
Ralph O. Lounsbury, Route 2, Rigby	300
Lowder Slough Irrigation Co	1,000
Lee Marshall & Sons, Route 5, Idaho Falls	100
W. A. Miller, Box 154, Rigby	200
Milner Low Lift Irrigation District, Murtaugh	15,500
B. D. Murdock, Roberts	120
North Side Canal Co., Ltd., Jerome	16,600
Parks & Lewisville Irrigation Co., Rigby	6,000
Parsons Ditch Co., Blackfoot	300
Progressive Irrigation District, Idaho Falls	10,000
Reid Canal Co., Thornton	1,000
D. F. Richards, Idaho Falls	1,000
Rigby Canal & Irrigating Co., Inc., Rigby	1,700
Frederick J. Roth, Lorenzo	200
Richard Roth, Route 1, Thornton	100
Rudy Irrigation Canal Co., Rigby	800
H. Allen Sellers, Route 2, Rigby	500
Shattuck Irrigation Co., Idaho Falls	1,100
Ervin B. Smith, Thornton	200
Snake River Valley Irrigation District, Shelley	9,700
Francis Stoltenberg, Swan Valley	200
Sunnydell Irrigation District, Thornton	5,000
Texas Slough Irrigating Canal Co., Rexburg	1,000
H. W. Tomchak, Roberts	20
Utah-Idaho Sugar Co., Idaho Falls	4,000
Watson Slough Ditch & Irrigation Co., Blackfoot	650
Avery A. Weeks, Swan Valley	400
Ivan R. Weeks, Swan Valley	200
Virgil Rutledge, Lorenzo (White Ditch)	200
Lloyd Wilkins, Star Route, Ririe	100
Woodville Canal Co., Idaho Falls	1,100
Total	141,740

LYNN CRANDALL,
Watermaster.

Mr. CHURCH. So it is evident, Mr. President, that the Burns Creek Dam will serve the interests of multiple-purpose development of the upper Snake River. Its contribution directly to irrigation, in furnishing insurance water—long-term holdover storage—is not only in line with the historic pattern of reclamation development in the area, but also meets a real and felt need of the irrigators themselves.

II. POWER

But notwithstandng the important irrigation benefit it confers, the fact remains that power revenues will pay for 98 percent of the cost of the Burns Creek Dam.

Can we conclude from this fact, as has been charged, that this is purely a commercial power project in disguise; that it is being built only to add another block of Federal power to compete with the private utility companies in the area?

Indeed we cannot. The evidence is otherwise.

In this regard, Mr. President, we must remember that in Idaho, from the beginning, there has always been a close connection between power generated at Government dams and reclamation. The report covering the first Federal reclamation project in Idaho, the Minidoka project, not only provided for storage for gravity-flow irrigation, but also recognized that the electric power that could be generated, by reason of the existence of the storage reservoir, had an equally direct connection with irrigation.

It is possible—

The report affirmed—

to generate over 10,000 horsepower, which can be used to pump and supply water to about 53,000 acres above the gravity canals.

Application of the storage reservoir to the generation of electricity to pump water onto land lying higher than that which can be served by gravity, has been an integral part of reclamation development in Idaho ever since that time.

When the Palisades Dam was reauthorized in 1950, the dual concept of insurance water, plus the use of the reservoir to provide low-cost pumping power for irrigation, was again recognized. In the planning for Palisades, $9 million of the anticipated $76 million cost was allocated to irrigation pumping power, and of the actual cost, which was only $63 million, $8,223,000 was allocated to this purpose.

The electric power generated at Government dams in southern Idaho has furthered irrigation in several ways. In some cases, it has been used to lift water to the higher lands forming part of the reclamation project being developed; in other cases, it has been sold to electrical cooperatives, preference customers serving the pumping needs of farmers who irrigate from their own wells. Much of the power to be generated at Burns Creek would be utilized by irrigators for pumping.

In conjunction with its general reclamation program, the Bureau of Reclamation now operates five hydroelectric plants in southern Idaho, with a total installed capacity of 163,900 kilowatts. I ask unanimous consent that a list of these powerplants, their respective capabilities, and the gross revenues realized from them in 1957, be inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Plant	River	Rating (kilowatt)	Maximum capability (kilowatt)	Minimum capability (kilowatt)	Initial operation
Minidoka project: Minidoka	Snake	13,400	15,000	15,000	May 1909.
Boise project:					
Diversion Dam	Boise	1,500	2,000	2,000	May 1912.
Black Canyon	Payette	8,000	10,000	10,000	December 1925.
Anderson Ranch	Boise	27,000	34,500	16,500	December 1950.
Palisades project: Palisades	Snake	114,000	[1] 114,000	58,000	February 1957.
Total		163,900	175,500	101,500	

[1] Maximum capability not yet established by tests and experience.

NOTE.—The calendar year 1957 sales from these powerplants amounted to $2,066,421 for 651,061,832 kilowatt-hours. The overall average revenue was 3.16 mills per kilowatt-hour.

Mr. CHURCH. Mr. President, once the Federal Government began to build large storage dams, it soon became obvious that single-purpose dams were extravagant and wasteful. The multiple-purpose dam, designed to most efficiently utilize the water resource at the site, for maximum irrigation, flood control, power, navigation, recreation, and wildlife benefits, was demanded. The multiple-purpose dam meant that more power could often be generated at the project site than was necessary for the immediate needs of the project. This excess power could be marketed, and revenues realized from its sale could repay the Government, with interest, for an allocated portion of the project cost. Thus the irrigators would not have to bear the whole cost of a project, but it could be apportioned among the various interests benefiting from it. This is still another—and a most important—way that public power serves the ends of reclamation.

Congress has long ago established the policy which governs the marketing of public power. The excess power developed by the Government plants in southern Idaho is sold in accordance with the Reclamation Act of 1939, which reads in part as follows:

> Preference shall be given to municipalities and other public corporations or agencies; and also to cooperatives and other nonprofit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936.

It was the REA program, of course, that brought electricity to the countryside, to the farmer, to the mountaineer, to the people that the private utility companies were not willing to reach out and serve. The rural electrical cooperatives in southern Idaho were made possible by REA loans, through which their distribution facilities were constructed, and by their preference right to obtain firm power at modest rates from the Government dams.

These co-ops themselves have become an instrument for reclamation. The hydraulic pattern of electrical generation at irrigation dams in Idaho makes blocs of seasonal firm power for irrigation available at cheap rates, so the co-ops have been able to secure and supply power for pumping water onto arid land beyond the boundaries of Federal projects. Here is still another way that power is directly related to reclamation in Idaho.

The marketing of Federal power is confined to wholesale customers. There are 20 preference customers presently purchasing power from the Bureau of Reclamation in southern Idaho. I ask unanimous consent to have printed at this point a list of the customers having contracts with the Bureau, showing the contract rate of delivery and the demand of each.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Commercial power contracts

	Contract rate of delivery, kilowatts		Highest recent maximum demand, kilowatts			
	Winter	Summer	Winter		Summer	
Boise project: Prairie Power Co-op	250	250	October 1956	292	August 1957	372
Palisades project:						
City of Idaho Falls	18,000	16,000	January 1958	17,073	May 1957	12,933
Fall River REA	1,900	3,100	December 1952	1,052	September 1957	2,747
Lost River REA	3,500	4,100	March 1957	2,581	June 1957	2,305
Lower Valley REA	2,600	2,300	January 1958	2,592	August 1957	2,700
Subtotal	26,000	25,500				
Minidoka project:						
Albion	460	310	January 1958	352	May 1956	272
Burley	7,600	5,900	November 1957	5,600	do	4,400
Declo	240	170	January 1956	216	September 1957	202
Heyburn	640	440	January 1958	620	do	400
Minidoka	250	200	do	130	do	98
Rupert	5,400	4,000	January 1957	4,000	do	3,100
East End Mutual Electric Co	570	440	February 1956	452	do	356
Farmers Electric Co	320	240	February 1957	219	do	210
Raft River Rural Electric Co	1,050	7,000	October 1956	3,086	July 1957	9,100
Riverside Electric Co	440	390	February 1958	356	September 1957	328
Rural Electric Co	1,800	1,800	February 1957	1,422	September 1956	1,422
South Side Electric Co	800	1,900	January 1958	676	do	1,376
Unity Light & Power Co	2,320	1,990	do	1,908	September 1957	1,684
Walcott Electric	150	130	February 1957	108	do	89
Paul Electric Co	1,550	1,150	November 1957	1,376	do	1,024
Subtotal	23,590	26,060				
Total	49,840	51,810				

Mr. CHURCH. Mr. President, exclusive of the municipalities, preference customers serve 18,000 customers in southern Idaho from power secured from the Federal Government. Under contracts which they made when they obtained their loans from REA, those cooperatives are bound to carry a full utility responsibility in the areas they serve. Consequently they have been subject to the same growth factors which affect the use of electricity nationwide.

But in addition to the steadily rising loads from new deep freezers, television, electric dryers, air conditioners, and the myriad of conveniences available to all America, these customers of the Government have had, so to speak, to make up for lost time. Their rate of growth has been double the national average.

Consequently, in southern Idaho, since about 1953, there has been a recurrent crisis in the power supply of the preference customers. Palisades Dam went on the line barely in time to meet their burgeoning demand.

Naturally there are some who would like to see the cooperatives starved out. REA cooperatives in Idaho have not the resources to install generating facilities of their own, and if Burns Creek Dam, which would double the firm power capability of Palisades, can be defeated, they will eventually be thrown upon the mercy of the private power companies, with predictable results.

The benefits of the preference clause do not result in a monopoly in the federally generated power for the preference customers. The principles of wise management of the power resource prevent the Bureau of Reclamation from contracting to such customers any power beyond the amounts which the river's fluctuations will permit it to deliver dependably. The preference customers get all of the firm power of the Federal dams, but the firm power is by no means all that the dams generate.

The two biggest customers of the Government at Palisades happen not to be cooperatives or other preference customers, but the Utah Power & Light Co. and the Idaho Power Co., the two private utilities which operate in southern Idaho. Seasonal and dump energy from Palisades totaling a third of a billion kilowatt-hours, out of a total of a little more than half a billion, was sold to these private utilities in 1958.

Mr. President, I ask unanimous consent to have the schedules printed in the RECORD.

There being no objection, the schedules were ordered to be printed in the RECORD, as follows:

Palisades power sales, year 1958

Customer	Energy (kilowatt-hour)	Revenue
Idaho Power Co	193,541,000	$522,244
Utah Power & Light Co	144,129,000	325,744
City of Idaho Falls	66,587,000	338,046
Fall River REA	8,002,000	40,985
Lost River REA	11,640,000	53,660
Lower Valley REA (Wyoming-Idaho)	7,300,000	44,782
Michaud project pumping	4,859,000	14,982
Minidoka North Side pumping	72,454,000	226,504
Milner low lift pumping	2,891,000	8,672
Minidoka power system	17,307,000	84,175
Total	528,710,000	1,689,794

The above figures do not include miscellaneous uses at Palisades Dam of 1,618,000 kilowatt-hours and $8,057. Included in the 1958 sales to the Idaho Power Co. and Utah Power & Light Co. are 103,749,000 kilowatt-hours and $311,247 reserved for future loads and sales to preference customers of the United States but not required for such loads in 1958.

Mr. CHURCH. Mr. President, the need for the Burns Creek Dam cannot be questioned. Already the preference customers in southern Idaho consume all of the firm power produced for sale by the Bureau of Reclamation at its existing dams.

It takes several years from the time a project is authorized until it is on the line, and needs must be forecast. In southern Idaho, the load growth of the preference customers has consistently outstripped forecasts.

In 1955, the sum of the contract rates of delivery of power to preference customers had grown beyond the Bureau's ability to supply the power, and the Bureau arranged temporarily to secure power from the Idaho Power Co. to make up the shortage, until Palisades could be completed.

Although Palisades ameliorated this situation, as long ago as April 1957 the Assistant Secretary of the Interior, Fred G. Aandahl, wrote to me that:

It is anticipated that by 1963 all dependable seasonal power other than 14,000 kilowatts will be needed by irrigation loads for pumping, thus limiting the seasonal firm power available to the Minidoka project to 14,000 kilowatts.

In his letter, he further said:

Obviously, the Bureau cannot do more until additional Federal powerplants are constructed in this area. The potential Burns Creek development which has been forwarded by this Department to the Congress would develop needed power.

As examples of the growing demand for power of the separate customers, I ask unanimous consent, Mr. President, to have printed at this point in the RECORD, two letters I received earlier this year, one from the mayor of Burley, Idaho, the other from the manager of the Fall River Rural Electric Cooperative.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITY OF BURLEY,
Burley, Idaho, February 27, 1959.

Hon. FRANK CHURCH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: Recently I read in the newspaper where you and Senator DWORSHAK had jointly introduced another bill to authorize Burns Creek.

This is good news since the shortage of power is still with us, and the demand for electric energy is increasing steadily. The city of Burley alone used 1,000 more kilowatts last year than was used the previous year.

There is still no opposition to Burns Creek in Idaho that I am aware of. Therefore, it is hoped you will again be successful in obtaining favorable action by the Senate.

The good work you are doing is very much appreciated by all of us, and if there is anything that can be done to help out from this end, please do not hesitate to call upon us.

Respectfully yours,

J. L. SALMON, *Mayor.*

FALL RIVER RURAL
ELECTRIC COOPERATIVE, INC.,
Ashton, Idaho, April 11, 1959.

Senator FRANK CHURCH,
U.S. Senator, Washington, D.C.

DEAR SENATOR CHURCH: I have been reading in the newspapers about the opposition the Burns Creek project has run into with the Utah Power & Light Co. and UMC. I also note that Idaho Power Co. is joining in the opposition. In reading your remarks in the newspaper, I cannot add much to your knowledge regarding the Burns Creek project. However, I feel I should write to let you know the power problem of the Fall River Rural Electric Cooperative, Inc.

We have contracted for a peak of 3,100 kilowatts of power from the Palisades project this year; based on the average increase per year over the past 10 years, our peak requirement will reach 3,465 kilowatts. We have applications from prospective members for an additional 450 kilowatts. According to the Utah Power & Light Co. assertions that there is ample power in the area, they evidently expect us to buy from them. They bled us for 18 years. They would like to do it again.

Prior to Palisades power the Utah Power Co. could not keep the voltage high enough during our peak load to keep our members satisfied. We contacted the plant superintendent, who advised that they were doing all they could to help the voltage situation. It wasn't corrected until Palisades came on the line.

We cannot promote the use of power until we have power to sell.

I also want to point out that this cooperative, to the best of my knowledge, has the highest rate of any power supplier in the State of Idaho. The only way we can cut our rates down in comparison to other companies is by the use of power. It cannot be done if we are priced out of the market.

I wish to thank you for the time and effort spent in support of the Burns Creek project. I am sure if this drive is continued we are bound to win.

Yours very truly,

E. W. ROBERTS,
Manager.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. GOLDWATER. I wanted the Senator to develop a little further his argument for more power; that is why I did not interrupt him earlier.

As I understand, the title of the bill reads:

To authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

I read that from the bill, so I know the Senator will agree with me that it is correct.

My question of the Senator from Idaho is: Is there a power shortage in this general area of Idaho?

Mr. CHURCH. The testimony before the committee, in my opinion, clearly demonstrated that there is presently a severe power shortage for the preference customers served by the Bureau of Reclamation dams in southern Idaho, and that this shortage will grow to the point of serious crisis for all the cooperatives if the Burns Creek Dam is not constructed.

Mr. GOLDWATER. Am I not correct in stating that the Utah Power & Light Co. has plans to build in this general area a steamplant to generate 300,000 kilowatts?

Mr. CHURCH. The Senator is correct. The Utah Power & Light Co. not only has plans for but is committed to the construction of a thermal plant of that capacity at Kemmerer, Wyo.

Mr. GOLDWATER. Then I ask the Senator from Idaho why the Federal Government should spend the money of the taxpayers to provide an additional 90,000 kilowatts, when private firms are willing to spend much more money to build a 300,000-kilowatt-capacity plant? I should like to have that question answered. I think all Senators would be interested in the answer. Why should the Federal Government spend the money of the taxpayers for something private firms not only are able and willing to provide, but are going to provide?

Mr. CHURCH. In the first place, I would say to the Senator from Arizona that the customers who would be served by the Burns Creek Dam are not presently customers of the Utah Power & Light Co.

In the second place, the testimony presented before the committee made clear that the plans of the Utah Power & Light Co. were not dependent in any way upon construction of the Burns Creek Dam. So it is evident that the private company, in planning for its own market expansion, sees the need for the thermal plant at Kemmerer, Wyo., even though Burns Creek were built. It is my belief that the Burns Creek Dam is quite unrelated to plans for market expansion by the Utah Power & Light Co. The bill specifically provides that the generators cannot be installed at the Burns Creek Dam in any way which could possibly constitute a threat to the market of the Utah Power & Light Co.

Therefore, I regard the two propositions as quite separate from one another; and evidently the Utah Power & Light Co. thinks its own market demands will expand sufficiently to justify its investment in the thermal plant at Kemmerer, Wyo., quite unrelated to whether or not the Burns Creek Dam is built.

Mr. GOLDWATER. That brings us to a very interesting point. I think all Senators should be fully aware of it. The point is that in this instance it is proposed to depart in a rather dangerous way from the accepted use of reclamation law, for by means of this bill it is proposed that there be constructed a project which will have about 1½ percent of its cost chargeable to reclamation, and all the rest of its cost chargeable to power.

Where—with the exception of the Tennessee Valley Authority—can the Senator from Idaho find for me any statement of responsibility on the part of the Federal Government that, once having built a power project, it is proper to continue to expand it as the needs of its customers grow?

In fact, I would refer the junior Senator from Idaho to my minority views on the Burns Creek project. In those views, I quote Mr. Aandahl. I believe he speaks for the Department of the Interior; and it is my recollection that what he stated has historically been the attitude of the Department, during both administrations. Mr. Aandahl stated:

Mr. AANDAHL. I think it is incumbent on the Federal Government to encourage a maximum of local responsibility in meeting the growing power needs of the Nation. Because of that fact, we have tried to emphasize in all of our Federal power marketing during the period that I have been in my present position that the responsibility for total needs rests with local entities. We will be just as helpful as we can with the Federal power that is available from these multipurpose projects, and we know that power is of great economic advantage to the local people, and particularly to the preference customers. We do feel that it would be very unwise for us, as the marketing agent for all Federal power except that which is in

the Tennessee Valley, to try to establish a total utility responsibility for any group of customers. We would be committing the Congress to expenditures of immeasurable amounts of money if we were to establish a policy of that kind. I think we would be derelict in our duty if we did (hearings on Federal power marketing problems, p. 261).

In view of that, I should like to ask my friend, the Senator from Idaho, just what authority he thinks the Federal Government has for continuing to supply power to preference customers, as the preference customer list grows?

Mr. CHURCH. I reply by saying I believe it is a misconception to characterize the Burns Creek Dam as purely a power project. I say that because the reregulating function of the Burns Creek Dam, and its hydraulic, electrical, and fiscal integration with the Palisades project are such that it can be fully understood and justified only in connection with the Palisades development. If the Senator from Arizona has reviewed the Palisades bill, he will know that the Palisades Dam and Reservoir have very large flood control and reclamation benefits, as well as power benefits, and unquestionably they constitute a multiple-purpose development under the terms of the reclamation law.

The reason why the administration, the Department of the Interior, and the Bureau of the Budget have placed their stamps of approval upon the Burns Creek Dam is that, as a reregulating reservoir integrated with the Palisades project, the Burns Creek Dam will make it possible for the public to obtain the most for its money from the Palisades project; and taken together, the two constitute a multiple-purpose development in every sense of the word.

The fact of the matter is that without the Burns Creek Dam, it is not possible to utilize the full potential of the generators already in place at Palisades, or the full potential of the great reservoir there, because that reservoir cannot be used for peaking purposes without fluctuating the flow of the river below the dam to such an extent as to interfere with the irrigation. The Burns Creek Dam will provide the reregulation that will make it possible for the full value of the public investment at Palisades to be realized; and, therefore, the Burns Creek Dam must be considered as a satellite project which is integrally a part of its parent project, the Palisades Reservoir. When the Burns Creek Dam is considered in its true light, I think it meets all the tests of the reclamation law for multiple-purpose development.

Mr. GOLDWATER. Mr. President, the Senator from Idaho still has not answered my question, which is this: What authority or what responsibility has the Federal Government, after it once has provided power for preference customers, to continue to supply that market as it grows? I should like to have that question answered first. I know that authority can be provided by passing a law to that effect; but that is not the customary procedure.

So I should like to have the Senator's answer to that question.

Mr. CHURCH. My answer is that the Federal Government can with complete propriety construct projects which are multiple-purpose in nature, within the meaning of the reclamation laws; and the Burns Creek Dam is certainly such a project. If, in doing so, additional power to be supplied to the preference customers can be realized, that is neither contrary to good public policy nor contrary to the law.

Mr. GOLDWATER. Mr. President, I may say to the Senate that in this case it is not proposed to build a reclamation dam. This project calls for the construction of a power dam. Of the total cost of the project, $47,872,000 would be allocated to power; and only $849,000—or approximately 1.75 percent—would be allocated to reclamation. That constitutes a very unusual switch. I wish to call particular attention to this fact. I will go along with the Senator from Idaho in regard to a regulating dam; but a regulating dam would cost only approximately $7 million or $8 million, and would have no power facilities.

I might say, too, that if we are going to get the full benefit of Burns Creek, before we are through we will have to install a regulating dam on the stream. But if the effort is made to justify the project by the argument that we need regulation of the river for Palisades, then let us consider a $7 million or $8 million project, which will fall entirely within the purview of the Reclamation Act and the westerner's conception of reclamation.

I still cannot understand why the Federal Government should build a dam costing in excess of $48 million whose major purpose is to supply power. If the Senator from Idaho can satisfy the Senator from Arizona as to why he thinks it is necessary for the Federal Government to supply an expanding market, perhaps I will change my mind, but, frankly, I doubt it.

Mr. CHURCH. I am doubtful, too, that anything I might say on the floor concerning the project would have the effect of changing the position the Senator from Arizona has taken. However, I would merely repeat briefly that this project, if it is to be properly conceived, has to be considered as a part of the Palisades project, and when so considered, it is a multiple-purpose project within the meaning of the reclamation laws. It gives an added value to the public investment in the Palisades project by making it possible to utilize the full potential of that project; and, integrated as a part of that project it is perfecting in accord with the pattern of traditional reclamation development in southern Idaho.

I see nothing distinctive about it. I see nothing alien to the pattern which is already familiar and has obtained in southern Idaho for 50 years. Therefore, I cannot agree with the Senator from Arizona, and I think he gets only a distorted image when he takes a satellite reregulating project, which is a part of a larger multiple-purpose development, and insists on seeing it as if the larger multiple-purpose project were not there. I think it cannot be so regarded.

Mr. GOLDWATER. I think the Senator used a good word when he said "distorted," because coming from a reclamation State, as I do, I have a great and deep regard for reclamation, and I do not want to see anything happen that might destroy its future.

Now, we are talking about building a dam for power purposes—period. Take the period out, and agree that there is some regulating value in the dam. If the Senator wants to argue about regulation, I will go along with him and vote with him on a bill to build a regulating dam for $7 million or $8 million; but I do not think it is proper to sell this project under the guise of a reclamation project by saying it completes a multipurpose project downstream.

If we extend that argument to its ultimate conclusion, the result may be to run the private power industry out of business.

It would be easy to justify the construction of a Federal power dam on any stream in the West by saying, "Well, we have more preference customers now, so we have to serve them." That is the big objection to the Tennessee Valley Authority. It will be the objection to many valley developments, because they will involve the Federal Government more and more in the business of power development.

Mr. President, I shall develop this argument a little later, but I want Senators to know these things. Power from Burns Creek would have to sell, if it stood alone, at 5.27 mills per kilowatt-hour. It is being suggested that it be sold at the same rate at which power at the Palisades Dam is sold, which is on an average of 3.67 mills. Actually, what we are going to do is to drag out the payoff period of Palisades by hanging on its back a losing project. Power from a project cannot be sold below cost with the exception that such a project will stand on its own, so it is hooked to Palisades Dam power, which is sold at a lower price, and the payback period of Palisades is dragged out.

I wish I could agree with the Senator from Idaho, because I have a great regard for him, and I have a great affection for the State of Idaho; but I do not want to see public power increased in this country, particularly where next door private industry is spending millions of dollars to provide 300,000 kilowatt-hours of electricity.

If the people in the vicinity of the Palisades Dam and in that general area need more power, I suggest that they can buy additional power from private sources, and the difference in cost would not be great.

Mr. DIRKSEN. Mr. President will the Senator from Idaho yield?

Mr. CHURCH. Before I do so, let me say to the Senator from Arizona that later in my address I shall touch on the very points the Senator from Arizona has raised. Therefore, in the interest of saving time, and in order to answer these points in an orderly fashion, I would prefer to continue with the argument I was developing at the time the Senator from Arizona raised the question.

Mr. GOLDWATER. I thank the Senator. I think the distinguished minority leader had some questions he wanted to propound.

Mr. CHURCH. I yield to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, mainly for the RECORD, I wonder if I can get brief answers to some very simple questions. The first question is this: Is it a fact that 98 percent of the estimated cost of this project goes to power purposes?

Mr. CHURCH. It is a fact that under the bill 98 percent of the cost of the project will be repaid from power revenues.

Mr. DIRKSEN. I do not think that answer is quite responsive to my question.

Mr. CHURCH. The bill provides that 98 percent of the total cost of the project, over the statutory repayment period, shall be allocated to power, and will be repaid from power revenues.

Mr. DIRKSEN. Then I would be correct in stating that a very fractional percentage would go to reclamation purposes, something less than $900,000 for reclamation purposes, and in the neighborhood of nearly $48 million would be allocated to power purposes?

Mr. CHURCH. That is correct.

Mr. DIRKSEN. There has been some discussion to the effect that the project is necessary as a satellite for reregulation of water levels. I assume that is because of the fluctuation of the water levels in the Palisades project. Is that correct?

Mr. CHURCH. The dam does have a very definite and very important reregulatory function.

Mr. DIRKSEN. Is it true that Mr. Bennett testified before the committee that a reregulating dam could be built for $6 million?

Mr. GOLDWATER. For $7 million or $8 million.

Mr. DIRKSEN. I thought the testimony was it would be about $6 million.

Mr. CHURCH. There was some testimony as to a different kind of dam which could be built. If my recollection serves me correctly, there was some testimony that it could be built at a cost of $9 million or thereabouts. That is my best recollection of the figure.

Mr. DIRKSEN. Is it true that no new land will come into cultivation as a result of this project?

Mr. CHURCH. It is true that this project is not designed to reclaim new lands, and thus will not contribute in any way to the very serious surplus crop problem that plagues the country.

Mr. DIRKSEN. Is it further true that the project would provide about 100,000 acre-feet of what in the irrigation country is referred to as secondary water?

I am afraid I am not so familiar with secondary water, as distinguished from primary storage.

Mr. CHURCH. Earlier in my remarks this afternoon, I will say to the distinguished minority leader, I explained the function of the 100,000 acre-feet of supplementary storage this dam would provide. It is insurance water. It has already been 141 percent oversubscribed by the irrigators themselves.

Mr. DIRKSEN. What is the total storage in the upper Snake River area? My understanding is that it is about 4 million acre-feet. Is that correct?

Mr. CHURCH. The storage at Palisades, above Burns Creek Dam, is 1.4 million acre-feet.

Mr. DIRKSEN. Of course, there are other projects which provide for additional storage.

Mr. CHURCH. There are smaller and older projects in the area, yes.

Mr. DIRKSEN. Would it aggregate about 4 million acre-feet?

Mr. CHURCH. I think the total storage in the Upper Snake River Basin is about 4 million acre-feet.

Mr. DIRKSEN. Would the Senator call that primary water as distinguished from secondary water, which we are now discussing?

Mr. CHURCH. A great deal of it is supplementary water. This has been the pattern of the development in southern Idaho.

As I explained before the distinguished Senator came into the Chamber, the principal function of the Reclamation Act of 1902 in the Upper Snake River Basin has not been to provide new water for new land but has been to provide storage water and supplemental water for lands which were irrigated prior to the time the Reclamation Act was passed by the Congress.

Mr. DIRKSEN. Would it be a fair inference that 100,000 acre-feet of secondary water is a rather insignificant amount compared to the storage in that area at the present time?

Mr. CHURCH. It depends, I will say to the Senator, entirely upon the approach one takes to the question. The irrigators who are actually dependent upon the storage water in southeastern Idaho have evidenced a great interest in this additional 100,000 acre-feet, because they remember very vividly years of water shortage, resulting in devastating crop failures when the water gave out. They know from their experience with the river that the 100,000 acre-feet of supplemental storage could be the difference in drought years, between a crop and no crop at all. When a crop failure occurs the losses are immense. Therefore, the irrigators feel this project is not only important, but that they have a need for it. They have already oversubscribed the additional storage.

Mr. DIRKSEN. How long ago was it that the condition to which the Senator referred developed?

Mr. CHURCH. The last serious drought?

Mr. DIRKSEN. I understood that was about 30 years ago.

Mr. CHURCH. The last serious drought period was in the middle 1930's.

Mr. DIRKSEN. That was about 25 years ago.

Mr. CHURCH. It was about 25 years ago when the last very serious drought occurred. This year has been a low-water year. There is some concern that another drought cycle may be coming in southern Idaho.

Mr. DIRKSEN. The distinguished Senator from Arizona [Mr. GOLDWATER] shows me a memorandum from the United Mine Workers in that area which indicates that only two or three times in a 50-year period would such secondary water be used.

Mr. CHURCH. It may be that the water will not be needed except at rare intervals when drought conditions obtain. As the Senator well knows, insurance water, like a fire insurance policy, is well justified even though a fire rarely occurs. A life raft is rarely used when one travels on a passenger liner, but when one's life is at stake, at a time of disaster, it is most important to have the life raft aboard.

In the last drought period in eastern Idaho the crop losses, measured in today's dollars, amounted to more than half the estimated construction cost of the Burns Creek Dam itself.

Mr. DIRKSEN. Is it not true that the Palisades project has been built since that time?

Mr. CHURCH. The Palisades project has been built since that time.

Mr. DIRKSEN. I have one other question. When we refer to reregulation as a result of variations in streamflow, if the same water goes through Palisades and Burns Creek, what would be done about reregulation below the Burns Creek Dam? Would that be another problem for some future time?

Mr. CHURCH. I will say to the distinguished minority leader that I know of no plan, and I have heard of no proposal on the part of the Bureau of Reclamation, which would indicate the belief that there is any need for further reregulation below Burns Creek. It happens to be true that the Palisades project is a very large project. It involves a large public investment, and we would like to utilize the generators to the full potential, so that the public can get its money's worth. To do this a reregulating dam of the Burns Creek type is needed. Indeed, when the Palisades bill was originally before the Congress, the need for a reregulating project was then contemplated. Some proposed at that time to make it a part of the original Palisades bill.

Mr. DIRKSEN. If the distinguished Senator will permit, I have finished my questions, but I should like to make one observation to materialize my own conclusions.

It occurs to me it is a fair assumption that this is a dam almost completely for power; that the irrigation aspects are secondary, as indicated by the fact that the bill provides for only 100,000 acre-feet of secondary water; and that no real need has been demonstrated for this, so far as I can observe.

Notwithstanding the fact that I recognize the project does have clearance by the Bureau of the Budget and also by the Department of Interior, I would be very reluctant to give a vote of approval to this project under the circumstances as I see them. Certainly I do not pretend to be an expert in this field, and I am glad to see that those who live in these areas are giving this proposal abundant attention.

I thank the Senator from Idaho.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. CHURCH. I am happy to yield to my distinguished colleague from Idaho.

Mr. DWORSHAK. The senior Senator from Illinois mentioned the fact that there is some question about the feasibility of the dam. I had intended to invite attention to the fact that both the Department of the Interior and the Bureau of the Budget have given approval. In the past few years, not only with regard to one project but also with regard to dozens and scores of projects, there have been projects initiated in almost every State of the Union without approval of the Bureau of the Budget.

In this case, when my esteemed distinguished minority leader, from the State of Illinois, takes a position in disagreement with the Bureau of the Budget, I am a little bit disturbed, because I have usually tried to follow his leadership in supporting the Bureau of the Budget.

Mr. DIRKSEN. Will my friend yield for an observation?

Mr. CHURCH. I am happy to yield.

Mr. DIRKSEN. The fact of the matter is that the minority leader queried the Department of the Interior nearly 3 or 4 weeks ago about this matter, because it came to his attention that no clear need had been established for the project.

I wanted to make sure on my own responsibility, quite aside from the testimony, whether the project did have the approval of the Department of the Interior. I learned from the Department that the project did have approval.

But that does not keep the minority leader from exercising his own judgment on the facts and determining for himself whether he believes there should be an authorization for a project and a commitment of the credit of the Government, and its money, for something the need of which he has some clear and present doubt.

Mr. DWORSHAK and Mr. GOLDWATER addressed the Chair.

Mr. CHURCH. I yield to my colleague.

Mr. GOLDWATER. Mr. President, will the Senator yield to me for an observation?

Mr. DWORSHAK. I do not have the floor.

Mr. GOLDWATER. Will the Senator permit me to make an observation?

Mr. CHURCH. I yield.

Mr. GOLDWATER. I think it is important that we keep this matter in proper perspective. I shall not argue the feasibility or the nonfeasibility of the project. This project will pay itself out. It will do so because Palisades can extend itself much longer than is necessary in order to carry what we will call this "weak sister." But this is a power project. It is not a reclamation project.

I have voted for reclamation projects all over the West, and I shall continue to do so; but this is a power project, and we must keep that fact in mind. If we wish to discuss the reclamation aspects of the project, we must talk about the amount of money which is not even included in the cost of the project for reregulating purposes. So I want the picture to be correct, that it is a power project—98.25 percent for power and the rest, 1.75 percent, for reclamation.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. ANDERSON. I am happy to have the Senator from Arizona raise the question of a power dam. It gives me an opportunity to assure him that when Parker Dam—a power dam—was constructed, there was not this objection to it. It was used to complete and round out a system. I am sure the Senator from Arizona would be the first to admit that Parker Dam is an important dam, and serves a very important purpose.

Mr. GOLDWATER. If I recall correctly, the Arizona National Guard went over with machineguns to prevent Parker Dam from being built. We never have wanted it. It takes water from the Colorado and feeds it into the hungry mouths of California people. The Senator says that we are for Parker Dam. We are, for fishing purposes, but that is about all.

Mr. ANDERSON. I have seen plenty of current from Parker Dam happily utilized by the people of Arizona. They may have sent some National Guard troopers in for a while, but they have accepted the situation very happily, and the system works very well. It was approved by the Senate of the United States.

The reason I wish to interject here is that I am happy to see unity in the sponsorship of this bill. The bill came first to the Subcommittee on Irrigation and Reclamation in two different versions, one by the senior Senator from Idaho [Mr. DWORSHAK] and the other by the junior Senator from Idaho [Mr. CHURCH]. There was a substantial difference between them in phraseology, but there was not much difference between them in purpose.

I commend the two Senators from Idaho for resolving their difficulties and coming before us with a bill sponsored by the senior Senator from Idaho, joined by the junior Senator from Idaho. They succeeded not only in composing their differences, but in bringing together all the users of water in the area.

There was a slight difference of opinion over an amendment a short time ago. coming before us with a bill sponsored that they canvass the situation. I again commend both the senior Senator from Idaho and the junior Senator from Idaho for solving the problem, so that the State is pleased with the outcome. I believe that the project will be a good one.

Mr. GOLDWATER. To keep the record straight, I made the statement that this dam is a power dam. The Senator from New Mexico referred to Parker Dam. Its primary purpose was to store water for the metropolitan water district, and to some extent regulate the lower Colorado River, though it was not needed for that purpose. Power was developed, we might say, as a secondary function of the dam. I do not believe we can compare Parker Dam with the proposed dam.

I am trying to use my memory to see if I can recall a single instance of a purely power project being built under the guise of a reclamation project. The Senator from New Mexico has intimate knowledge of this subject. Perhaps he can refresh my memory, for which I shall be deeply grateful.

Power has always been a secondary purpose of reclamation. It is true that the great project on which I live, the Salt River Valley project, has been paid off largely through the sale of electricity; but long before it was thought of as a power dam, it was thought of in terms of storage for water. If this project could be justified as a reclamation project, I would be most happy to go along with it; but when we find that more than 98 percent of the money is to be used to develop power, this little Western boy must leave one of his pet subjects, namely, reclamation. I think we are misusing the term "reclamation" and trying to hide behind it, public power.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. DWORSHAK. The Senator has studied all the aspects of the proposal. I am sure he can tell us whether, ever since the Palisades Dam was constructed, the office of the Bureau of Reclamation at Boise, Idaho, considered that the Burns Creek Dam should have been originally a very vital part of the Palisades development. The Bureau has concentrated its efforts for the past 5 years to have the Burns Creek project authorized, because it would bring greater stability and feasibility to the Palisades Dam. Is that correct?

Mr. CHURCH. I will say to my colleague that I think it is a fair statement that from the beginning the Bureau of Reclamation has conceived of the Palisades and Burns Creek Dams as two parts of one development. In doing so, they not only stayed fully within the purview of the reclamation law, but they have taken what logically is the position which must be taken, once all the facts are assembled.

Mr. ANDERSON. Mr. President, may I interrupt at this point?

Mr. CHURCH. I yield to the Senator from New Mexico.

Mr. ANDERSON. I suggest to the Senator from Arizona that my memory may be wrong, but I think he will find that the Hungry Horse Dam in Montana is almost entirely a power project. In the complex in the Northwest, several dams were constructed almost entirely for power, so this is not a new concept at all. When a power dam is constructed, it may not irrigate new ground, but it helps to regulate the stream for the benefit of the people who desire to use water for irrigation, and, at the same time, by the contribution of power, it helps to pay its way.

Let me say to my friend from Arizona, who has been one of the fine friends of reclamation, that I am sure he will find many dams other than Hungry Horse so constructed.

Mr. GOLDWATER. In this case only 7 percent of the water to be stored is to

be used for regulating purposes. If the Senators from Idaho wish to amend the bill so as to provide for a regulation dam to cost between $6 million and $8 million, the junior Senator from Arizona will join in support of the bill. But I cannot, in consonance with my lifelong devotion to reclamation, allow a bill to go through this body wearing the clean robes of reclamation, under which is hidden the rather black body of public power.

I do not see any reason why the taxpayers of Arizona, New Jersey or Georgia should pay money for a power dam in Idaho which has no other function except the production of power, with the exception of 7 percent, which will be used for regulating purposes. So small is this regulating function of the entire project that I cannot find one penny allocated to that purpose.

I repeat, let us keep the picture in the proper perspective. This is not a reclamation project, by any stretch of the imagination. It is purely and simply public power.

Mr. CHURCH. When I have had an opportunity to complete my statement concerning the project, I think it will be demonstrated to be a project which meets all the requirements of the reclamation law, and is a multiple-purpose project in every sense of the term.

Mr. President, the greatest demand for power in southern Idaho is in the summer, to serve the irrigation pumping load. Downstream, in Washington and Oregon, the greatest demand is in the winter. Upstream, the water is stored to be emptied into the canals and through the power generators in the summer; downstream, the opposite pattern prevails. The hope that this matching pattern might be better utilized caused me, early in 1958, to request the chairman of the Interior Committee to call a hearing on Columbia basin power problems, where all the relevant data were brought forward by the Bonneville Power Administration, the Bureau of Reclamation, and by the preference customers of southern Idaho who knew that they had to find additional power to meet their growing needs, before Burns Creek could be built.

The Bureau of Reclamation told the committee that it was possible to get a considerable block of additional firm power without the addition of any new facilities, by integrating with downstream plants, and that it would begin and pursue vigorouly negotiations with Idaho Power Co. toward this end.

It is gratifying to me that as of this time, the form of a contract has been agreed upon which has the effect of firming up an additional 30,000 kilowatts of output from the Bureau's plants in Idaho, which will be made available to the Bureau's preference customers.

This contract was near enough to execution, when the hearings on this bill were held, for this additional block of power to be taken into account in projecting the power supply-demand curve for southern Idaho.

At these hearings an annual growth rate of 8 percent was forecast. Based on this assumption, and taking into account the integration contract with Idaho Power Co., demand would catch up with supply in 1964. Burns Creek, if ready by then, would be fully utilized by 1966.

After the hearings, the regional director went back to Boise, instructed by the committee to recheck the load-growth projections. He has reported subsequently that they were too conservative. On July 10 of this year, in a memorandum, he reported that the Bureau's preference customers have now furnished load estimates which indicate that the Bureau's firm power supply will be inadequate for their requirements beginning with the summer of 1963. In his words, "It is now more than ever apparent that Burns Creek power will be required for preference-customer loads as soon as it can be constructed."

Mr. President, the upper Snake River basin is an area I am proud to represent. Its thriving economy is a healthy bastion of independent, private enterprise in this country. There the family farm still predominates.

In the cities, like Idaho Falls and Burley, beautiful parks and well-lit streets hide the fact that this was once bleak desert. The independent businessman is the typical member of the chambers of commerce and service clubs—not the local representatives of absentee businesses.

This thriving area is a monument to the wisdom of past Congresses. Think what an effort it must have been when the West was a week away from Washington, for a small band of western visionaries in Congress to pursuade their colleagues, accustomed only to common law concepts of riparian rights, of the propriety of the western doctrine of appropriation of water to beneficial use, and the principle that the Government ought to provide storage in order to fully utilize the precious water of the arid West.

The idea that electric power could contribute to irrigation by pumping water was a giant stride forward in the history of reclamation.

The assistance of loans and the right to purchase Federal power in the rural electrification program has done as much for the well-being of rural families as any policy ever adopted by Congress.

This is no time to turn the clock back. The Burns Creek Dam, which would be authorized with the passage of the pending bill, is not a radical innovation. It is the next step forward in a self-supporting program which has brought the area to its present levels of productivity, and will carry it to new heights. It is in the best tradition of multiple-purpose development which has permitted the West to bloom and prosper.

III. BURNS CREEK: A LOGICAL EXTENSION OF PALISADES

Physically, Burns Creek Dam would be located 30 miles downstream from Palisades Dam. The Bureau of Reclamation in 1957 recommended that a dam, powerplant, and reservoir should be built at this downstream site to provide the means for more fully utilizing the capabilities of the power generators at Palisades, by permitting an unrestricted peaking operation there, leaving to Burns Creek the function of reregulating the storage for irrigation.

In other words, Palisades is the parent, and Burns Creek is the satellite. Because the irrigators have the right to a steady flow, it has not been possible to operate Palisades generators to the full extent of their potential.

If the water released at Palisades can be checked at Burns Creek to meet the irrigation water commitments, the resulting improvement enables the combination of Palisades with the smaller plant at Burns Creek to turn out twice as much total energy, and more than 2½ times as much critically important firm power as Palisades now provides alone.

I ask unanimous consent to insert in the RECORD at this point in my remarks a table showing the average amount and classification of energy expected to be available for the two plants, as compared to Palisades alone.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—*Sales and revenues, Burns Creek (90,000 kilowatts) and Palisades (114,000 kilowatts)*

Class of energy	Sales (million kilowatt-hours per year)	Annual revenue
Firm	466.2	$2,152,900
Federal project use	130.9	392,700
Seasonal nonfirm	136.8	410,400
Dump	287.1	574,200
Total	1,021.0	3,530,200

TABLE 4.—*Sales and revenues, Palisades (114,000 kilowatts)*

Class of energy	Sales (million kilowatt-hours per year)	Annual revenue
Firm	168.0	$782,300
Federal project use	130.9	392,700
Seasonal nonfirm	95.0	285,000
Dump	184.0	368,000
Total	577.9	1,828,000

Mr. CHURCH. Burns Creek Dam is a part of Palisades electrically and hydraulically by virtue of the physical characteristics of the river, as I have described them. It is a part of the Palisades project financially as a matter of common sense, and prudent governmental policy.

Here is what the committee reported:

DESCRIPTION OF BURNS CREEK DAM, RESERVOIR, AND POWERPLANT, PALISADES PROJECT, IDAHO

The Burns Creek development would be located on the Snake River in Bonneville County, Idaho, about 30 miles downstream from the Palisades Dam of the Bureau of Reclamation. It would be integrated electrically, hydraulically, and financially with the existing Palisades project.

The prime purpose is reregulation of releases from the Palisades Reservoir to prevent undesirable fluctuations in river stages and thus would result in more efficient use of the Palisades project. At site power production, holdover storage for irrigation, recreation,

and the preservation and propagation of fish and wildlife are other purposes of the Burns Creek development.

The proposed plan is to construct a 176-foot high-rolled earth-filled dam to form a 234,000 acre-foot reservoir. In addition to use of reservoir capacity to reregulate Palisades releases and maintain power head for the proposed 90,000-kilowatt powerplant, 100,000 acre-feet of capacity will be available for long-term holdover irrigation storage purposes.

The most effective use of both the Palisades and Burns Creek developments would be obtained through their combined operation. Without downstream regulation, for instance, the operation of Palisades powerplant would be limited by restrictions on streamflow fluctuations below Palisades Dam. The integrated or combined operations would permit the prime power output from the Palisades powerplant alone to be more than doubled.

Mr. President, notwithstanding the fact that this project enjoys general approval in my State, from the water users, the REA co-ops, municipalities, and the public, as a sound extension of the Palisades project, the Idaho Power Co. has announced against it, and the Utah Power & Light Co. appeared before the committee to actively oppose it.

What are their arguments, and what are the answers to them?

IV. POWER COMPANY OPPOSITION—A. IRRIGATION A MINOR BENEFIT

The power company's spokesman listed as a first objection that "irrigation benefits are very minor."

There are two answers to this objection:

First, as we have seen, the history of the development of irrigation shows conclusively that the concept of holdover storage—insurance water—is the most important irrigation concept in southern Idaho, governing all Federal development since 1920. If this had not been the test, we would have had no storage after American Falls. The fact that you may rarely collect on your insurance policy is no excuse for not having one, and the waterusers of Idaho thoroughly understand this, even though the utility company apparently does not.

The second answer has also been explained in detail—much of the power production of the project will be used for irrigation pumping.

The average seasonal cost to the Idaho farmer purchasing power generated at Federal hydroelectric plants, to irrigate one acre by pumping is $4.60, as compared to $10.40 per acre at the Utah Power & Light Co.'s rates. As the committee has concluded, much of this land could not be economically served with irrigation pumping at the private utility rate.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Idaho yield to me?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Texas?

Mr. CHURCH. I yield.

Mr. JOHNSON of Texas. I ask unanimous consent that there may be 1 hour of debate on the bill, to be equally divided between the proponents of the bill and the opponents of the bill, as designated by the minority leader.

Mr. GOLDWATER. Mr. President, reserving the right to object, I should like to get some idea of the time situation.

Mr. JOHNSON of Texas. There would be a half hour for the junior Senator from Idaho [Mr. CHURCH] and the senior Senator from Idaho [Mr. DWORSHAK]; and a half hour for the Senator from Arizona [Mr. GOLDWATER] and the Senator from Utah [Mr. BENNETT].

Mr. GOLDWATER. The Senator from Pennsylvania [Mr. SCOTT] wishes to speak. The Senator from Utah [Mr. BENNETT] wishes to speak on this question. I have a speech which will be very short, if I can stick to it. I do not know if the time proposed will be sufficient.

Mr. JOHNSON of Texas. Let us make it 1 hour and 10 minutes, to be equally divided. That will take care of the needs expressed by all of the Senators.

Mr. GOLDWATER. Beginning when?

Mr. JOHNSON of Texas. Now.

Mr. GOLDWATER. May I ask the junior Senator from Idaho how much more time he expects to take?

Mr. JOHNSON of Texas. He would have 15 minutes under this proposed allotment. There would be an hour and 10 minutes, to be equally divided.

Mr. GOLDWATER. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and the agreement is entered.

Mr. JOHNSON of Texas. There will be an hour and 10 minutes, half of the time to be allotted to the junior Senator from Idaho [Mr. CHURCH] and the senior Senator from Idaho [Mr. DWORSHAK].

Mr. BENNETT. Is that an hour and 10 minutes to be divided equally?

Mr. JOHNSON of Texas. An hour and 10 minutes.

Mr. BENNETT. An hour and 10 minutes, equally divided between the opponents and the proponents.

Mr. JOHNSON of Texas. If it is agreeable, inasmuch as the junior Senator from Idaho has the floor, we ought to add 30 minutes for the proponents and 40 minutes for the opponents. Is that agreeable?

Mr. CHURCH. That is agreeable.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered. The junior Senator from Idaho has the floor. Thirty minutes is allotted to the proponents, and 40 minutes to the opponents.

How much time does the Senator allot himself?

Mr. CHURCH. I allot myself 10 minutes.

The PRESIDING OFFICER. The Senator may proceed.

B. FEASIBILITY

Mr. CHURCH. Mr. President, the second major objection urged is that this is not a feasible project.

Determination of feasibility, under the provisions of section 9(a) of the Reclamation Act of 1939, which imposed statutory standards, is the responsibility of the Bureau of Reclamation. In addition to satisfying their own lawyers, the Bureau's administrators must secure the concurrence of the Bureau of the Budget, under the Budget Circular A-47.

The committee thoroughly reviewed all the arguments adduced by the power company and concluded that the Bureau of Reclamation had acted in accordance with the law and applicable regulations in making the requisite determination of economic feasibility.

Neither the committee nor the Senate is in a position to get into the complexities of payout data, allocations, and the like. What the committee did do was require the company's spokesmen and the Bureau officials to take their differing computations into the conference room and come out with agreement, if possible, on the mathematics. On the basis that the interest-bearing debts were repaid first, the Bureau and the company wound up in close agreement on lengths of the various repayment periods.

The Congress gave the Bureau the duty of determining feasibility under specific criteria. The Bureau has certified that the project is feasible within these standards.

Nevertheless, it may be worthwhile to point out the fallacy of the company's argument that Burns Creek should not be considered as an integral part of Palisades.

The reasons why Burns Creek was investigated, designed, and proposed on the basis of hydraulic, electrical, and financial integration with Palisades have already been discussed. If a manufacturer should decide that adding a smaller unit to his main plant would more than double his production, it is doubtful that he would waste his time on the academic question of what his unit cost of production at the second plant would be if the first plant did not exist. We have seen that Palisades is already there, and that Burns Creek and Palisades together will more than double the output of Palisades alone. It is less than businesslike to ask the Government to be so unrealistic as to ignore the existence of Palisades, the parent structure, in calculating costs and benefits of Burns Creek, the reregulating plant.

No business would do it that way. The Utah Power & Light Co. would not calculate the economic desirability of a new steam unit as if the hydro plant with which it was to be integrally operated were not there.

The same thing is true as to the rate structure. Burns Creek power is to be marketed at the Palisades rates. The Bureau of Reclamation cannot be in the position of charging its customers different rates, the determination to be based upon the plant that originates the energy. The Utah Power & Light Co. could not be expected to distinguish between its customers based on whether the energy they consumed came from its hydro plant at Grace, Idaho, where its cost of generation is 1.33 mills per kilowatt-hour, or its steamplant Hale No. 2, where the cost is 4.24 mills, or its diesel plant at Vernal, where its cost is 14.18 mills.

C. NEED FOR REREGULATION

Much the same comments must be made with reference to the objection that the suggested need for reregulation has not been proven, or that it could be provided in any event at an estimated cost of less than $9 million.

The long-term hold-over storage, the power features of Burns Creek in conjunction with Palisades, and all the other benefits have been calculated by the responsible engineers to produce optimum development of the site. This accords with the statutory standards established by Congress for this type of works.

D. THERE IS NO POWER SHORTAGE IN THE AREA

At the hearings, Mr. President, spokesmen for the Utah Power & Light Co. contended there was no power shortage in southern Idaho, and that the Burns Creek Dam threatened somehow to intrude upon the market served by the private utility.

I have already fully documented the incontrovertible facts of the imminent shortage of power facing the very preference customers now purchasing the available firm power output of Palisades and the other Bureau dams. It is not necessary to repeat these facts here. However, neither the committee nor the Bureau of Reclamation has any intention to permit the Burns Creek Dam to intrude upon the market of the Utah Power & Light Co. That it will not do so is borne out by the letter I received from the Department of Interior, dated June 12, 1959, which takes all factors, including the contemplated integration contract with the Idaho Power Co., into account. I ask unanimous consent to have the text of the letter printed at this point in the RECORD:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., June 12, 1959.

Hon. FRANK CHURCH,
U.S. Senate, Washington, D.C.

DEAR SENATOR CHURCH: We have made a new repayment study of the proposed Burns Creek development on the basis of deferring the installation of generators to meet anticipated load growth of preference customers. This would be in accord with the last sentence of section 1 of Committee Print No. 2 of June 1, 1959, on S. 281. We are pleased to provide you herein a summary of the results of this study.

The estimated load growth of Bureau of Reclamation commercial loads in south Idaho was discussed during the recent Senate hearings, and the load growth curve is printed on page 98 of the hearings on S. 281, March 16 and May 11, 1959. That curve shows that presently available Federal power is fully utilized and that additional loads up to 1965 were to be met by integration with the Idaho Power Co. After that date Burns Creek was to come on the line to meet future load growth.

The proposed contract with the Idaho Power Co. to obtain 30,000 kilowatts of power is agreeable to both the power company and the Department of the Interior. At the request of Senator MURRAY, execution of the contract has been held in abeyance. Execution of this contract will not affect the feasibility of Burns Creek.

Assuming the contract is executed, and based upon the proposed amendment, the first Burns Creek generator would be installed by the end of fiscal year 1965. To meet further load growth, it is contemplated that the remaining two of the three 30,000-kilowatt Burns Creek generators would be installed by the end of fiscal year 1969.

On the basis of the deferred installation of the generators, the repayment study of the Palisades-Burns Creek combination shows that the repayment period for total costs would be extended 4 years, to fiscal year 2019, from that shown in the study based on all generators being installed in 1 year. There is enclosed a tabulation comparing repayments under the two different procedures.

As shown in the tabulation, the commercial power allocation, under deferred generator installation, would be repaid with interest in the 52d and 44th year, respectively, of the Palisades and Burns Creek repayment periods. Total costs including irrigation assistance would be repaid in the 50th year after the last two Burns Creek generators are installed. We concluded that Burns Creek would be a feasible development on either basis of generator installation.

The question of use of natural gas for irrigation pumping in southern Idaho has been raised. We have looked into this and are enclosing for your information a "Statement on Use and Effect on Burns Creek Generation of Natural Gas for Operation of Irrigation Pumps in Southern Idaho." This statement concludes that pumping by gas, when all costs are considered, generally would be more expensive; therefore, it is not probable that gas would be competitive to electric power from Burns Creek, and no appreciable effect on use of Burns Creek generation is anticipated.

Sincerely yours,

ALFRED R. GOLZÉ,
Acting Commissioner.

Palisades project-Burns Creek combined study, Bureau of Reclamation—Repayment table

Function	Amount		Total repayment year		Year of Palisades payout		Year of Burns Creek payout	
	Deferred generator installation	Generators not deferred	Deferred generator installation	Generators not deferred	Deferred generator installation	Generators not deferred	Deferred generator installation	Generators not deferred
Commercial power [1]	$60,496,462	$60,723,462	2009	2005	52	48	44	40
Irrigation power	[2] 8,214,760	[2] 8,214,760	2013	2009	56	52	48	44
Irrigation	[3] 24,065,600	[3] 24,065,000	[4] 2019	2015	62	58	[4] 54	50

[1] Commercial power repaid with 3 percent interest.
[2] Repaid using surplus power revenues.
[3] Includes Palisades allocation of $19,717,000 plus $4,348,600 in assistance to irrigation on Michaud Flats project and Michaud division of the Fort Hall Indian project. Of the total amount, $10,075,000 is repaid by irrigators and $13,900,000 from surplus power revenues.
[4] 2019 is 50 years after the last 2 Burns Creek generators are installed.

E. CHURCH-O'MAHONEY AMENDMENT

Mr. CHURCH. Mr. President, there is little doubt that the present preference customers will need the power developed by Burns Creek by the time the project is completed. But it will be seen, in S. 281 and in the foregoing letter, that an amendment has been added to this bill which would require the Secretary of the Interior to schedule installation of generators at Burns Creek, based upon the actual load growth requirements of these preference customers.

The only customers served by Palisades which do not fall in the preference category are the Utah Power and Light Co., and the Idaho Power Co., both of whom get only secondary energy. All of the firm power is committed to the preference customers. Nevertheless, in the effort of the committee absolutely to preclude the possibility of competition between the Bureau and the private utility companies, this amendment, sponsored by the distinguished Senator from Wyoming [Mr. O'MAHONEY] and myself, was agreed to:

Installation of power generating facilities shall be scheduled by the Secretary on the basis of providing for the additional power requirements of those entitled to preference in the purchase thereof under the Federal reclamation laws.

The committee expressed its view that the preference customers are entitled to look to federally generated power for energy to meet their load growth. This is in accord with long established Federal practice.

It should be noted that of the preference customers in the vicinity of Palisades, only 4 out of the 20 which buy from the Bureau of Reclamation are in the service area claimed by the Utah Power & Light Co. Not one of these is presently buying any power from the Utah Power & Light Co. The Burns Creek Dam, as authorized by this bill, cannot invade the market of the Utah Power & Light Co.

F. OPPOSITION OF COAL INTERESTS

The last subject I want to treat is the opposition of the coal interests in Wyoming.

The objections came first from the United Mine Workers district president. One of these was that the project was uneconomic, and data was presented identical to that theretofore presented by the Utah Power & Light Co. Also, however, it was asserted that hydroelectric plants should not be developed in the face of the unemployment situation in the coal industry.

Committee inquiry in March developed that the real concern of the coal people was the fear that, should Burns Creek be built, the Utah Power & Light Co. would defer its plans to build a steam generating plant at Kemmerer, Wyo.

When the hearings were resumed in May, this matter was clarified. The Utah Power Co. submitted documentary evidence and gave testimony that its plans at Kemmerer were firm and that Burns Creek Dam would not postpone the construction of their Kemmerer plant.

Notwithstanding, the coal company persists in the contention that the coal mine employment will be adversely affected. There is nothing wrong with their arithmetic. The trouble is that it is only arithmetic, for it is merely an arithmetical computation to determine how much coal would be necessary to produce an amount of energy equivalent to that which would be produced by Burns Creek.

The fallacy is, as we have already seen, that a great amount of the energy from Burns Creek is to be used for irrigation pumping loads, at rates possible with hydroelectric generation but not possible with thermal generation. Failure to develop Burns Creek will not divert this load to thermal sources.

The situation of the irrigation pumpers, who can't afford steam-generated electric power, but can afford the hydroelectric power which is produced when the reservoirs are being released to fill the irrigation canals, demonstrates the tiein between power development and reclamation which is the keystone of the development of the arid mountain West.

But this is only part of the story. It is well known that the Northwest, and the country at large, is approaching the end of its hydroelectric capability. Our fast-growing population, and the relatively faster-growing use of electricity, portends that by 1980, even in the bountiful hydro area of the Northwest, a substantial percentage of electric requirements will have to be met with consumable fuels.

In areas like ours these fuels furnish their highest contribution in their ability to level out the fluctuations in energy generation which depends on river flow, and is subordinate to irrigation requirements. Fuels cannot replace the river, but they can supplement it. Taken with the river, these fuels are put to their most efficient use.

To burn coal, oil, or gas while water is falling unchecked toward the sea is a wasting of assets. Coal is and will be required, and in increasing amounts, but to say that primary reliance should be on coal while cheaper hydropower is available, is not only shortsighted and wasteful, but contrary to the management principles the private utility itself follows. It is contrary also to the practices of Congress in the development of the rivers of the West, over the past half century.

CONCLUSION

Mr. President, Burns Creek has claimed longer and more sustained effort on my part than any other single project I have sought since coming to the Senate. Yet, this is a project which has general approval in Idaho, which is recommended by the administration, which is backed by our whole delegation in Congress, and which has a record of favorable action in the committee and in the Senate in the 85th Congress, and favorable action in the Senate committee again in this Congress.

The merits of the project cry out for recognition. The insurance water it will provide may well prevent a crop loss more severe than the cost of the dam. As a natural extension of the Palisades project, Burns Creek Dam will reregulate the flow of the Snake River so that its parent structure may be operated for optimum benefits. Burns Creek will supply urgently needed firm power for the shortage-plagued cooperatives and other preference customers, at pumping rates the irrigators can afford.

Finally, Burns Creek Dam will pay for itself, with interest, in less than 50 years. It is a wise and prudent public investment.

That is why I have so fully reviewed the facts, to place the Burns Creek Dam in its proper perspective in the continuing story of the development of Idaho's greatest artery of life, the Snake River.

Mr. President, 2 years ago, I concluded my presentation to the Senate on the bill to authorize Hells Canyon Dam with words every bit as applicable to the bill now pending before us. I said:

> The issue that underlies this bill is as old as history and as broad as man's experience. All that we really have to sustain us, fundamentally, is the air, the soil, and the water. These are the elemental things of life. Civilizations that ill used the soil and the water, have quickly withered and died, for nature's penalty is inexorable. But proud and prosperous have been the civilizations that understood the Scripture:
>
> "He sendeth the springs into the valleys, which run among the hills * * * He causeth the grass to grow for the cattle, and herb for the service of man."
>
> Those empires that wisely utilized the water endured the test of centuries. Ancient wells, aqueducts, and reservoirs, some still serviceable after two millenniums attest to the lesson well learned.
>
> Mr. President, this bill will put a wondrous water resource to wise and efficient use. It is a bill that serves no interest, save the people's interest. It is a good bill. It should pass.

Mr. BENNETT. Mr. President, I yield myself 12 minutes.

As the senior Senator from Utah, a State which pioneered in the field of irrigation and water development, I have consistently supported worthwhile reclamation projects when they have come before the Senate for approval. It is, therefore, an unusual occasion for me today to have to arise in opposition to the Burns Creek project in my neighboring State of Idaho.

NOT A RECLAMATION PROJECT

There are three basic reasons why I cannot support the bill. In the first place, it is not a reclamation project. Even a casual reading of the report relating to this legislation will quickly indicate to the reader that this is a multi-million-dollar public power program brought before the Congress under the venerated and more respected designation as a reclamation project. Although the bill indicates that irrigation is one of the primary reasons for authorizing this project, only 1.7 percent, or $849,000 out of a total estimated construction cost of almost $49 million, would be allocated to irrigation. A total of 98.2 percent, or $47,872,000, is allocated to power and cost of interest during construction. The remaining 0.1 percent, or $49,000, is the estimated recreational or fish and wildlife benefits which might accrue from the project.

According to the statistics furnished by the Bureau of Reclamation, not one new acre of land would be brought under cultivation as a result of construction of the proposed Burns Creek Reservoir. At most, it would provide only 100,000 acre-feet of secondary water which would be stored indefinitely. Testimony of the regional reclamation director indicated that this water might be used only two or three times in a 50-year period. The last serious drought in this area occurred some three decades ago in the early thirties.

BURNS CREEK IS NOT NEEDED

A second reason for my opposition to this project is that there is not a shred of evidence to indicate that this project is needed. Certainly it is not needed for reclamation purposes, because as I previously indicated it does not provide any additional water for application to adjacent lands. The reservoir is not needed for storage purposes because existing facilities provide storage for 4,093,520 acre-feet of water and this is almost equal to the entire average annual flow of the upper Snake River, which is only about 4½ million acre-feet. The reservoir is not needed for river reregulation and this is best borne out by the fact that the Bureau of Reclamation, in apportioning the costs of this project, did not allocate a single dollar for this purpose. If in the future, reregulation of streamflow should become necessary, the Bureau testified that a reregulating dam could be built for $5 million to $6 million, or approximately one-tenth of the estimated cost of the Burns Creek project. I believe the junior Senator from Idaho said $9 million.

The proposed reservoir is not needed for production of electric power—unless the Federal Government is bound and determined to launch forth on an unlimited public power program where the sky is the limit and the taxpayers and corporate investors are left holding the proverbial bag. Adequate electric service is now being provided in the area by private and municipal power companies and REA's. Power needs for future growth can be adequately furnished from facilities at the Palisades Dam, and from a new powerplant to be constructed at Kemmerer, Wyo., which will utilize a coal-steam plant process, thus providing badly needed employment for miners in this depressed area.

This plant, which will be built by the privately owned electric company which has the franchise to serve the area, will ultimately produce 300,000 kilowatts. It will furnish electricity to the same region where Burns Creek power would be marketed, and there is good reason to believe that this private power will be available much sooner than will electricity from the Government-sponsored project. Therefore, it can readily be seen that there is no need to authorize this project to avert any power shortage, because private sources will provide additional electricity quicker and without cost to the taxpayers.

The Bureau of Reclamation admitted in testimony that this power project could only be justified on the basis of the Federal Government assuming an unwarranted obligation of providing preference customers with power to meet

their growing loads. I submit that this is not a valid reason and certainly does not represent my thinking or that of many of my colleagues, and I hope Congress will repudiate any such policy.

Mr. President, I was very much interested in reading in the report a statement made by the Bureau of Reclamation to the effect that "these people now have contracts for power with the Federal Government, and we believe that they should continue to receive from the Federal Government power to meet their growing loads."

Are we now to accept the doctrine that once customers are attached to Federal Government generating stations, they must thereafter be taken care of only in that way, and that private power resources can never again serve them?

PROJECT IS UNECONOMICAL

Mr. President, a third major reason for my opposition to this project is that it is uneconomical from the concept of the ratio of benefits to costs, normally applied to reclamation projects. The Bureau of Reclamation has calculated that the benefit-cost ratio on this project is only 1.26 to 1. Actually, the benefits are probably far less than calculated and the eventual costs will far exceed those indicated in the majority report of the Committee on Interior and Insular Affairs.

In making its calculations, the Bureau of Reclamation used a 2½ percent interest rate and a period of 100 years in arriving at the benefit-cost ratio. Assuming an interest rate of 3 percent and a payout period of 50 years, which is the norm on reclamation projects, the benefit-cost ratio would be reduced to 1.06 to 1. This would place the project on the borderline of feasibility, and it would assume that construction costs would remain unchanged, which they will not. Actually, the Bureau of Reclamation calculations are based on data collected in 1955 during feasibility investigations of the project, and construction costs have increased appreciably during the past 4 years. However, the Bureau has never recomputed the benefit-cost ratio on the basis of these increased costs of construction.

This is a power project pure and simple; yet when analyzed on this basis it would produce very high cost power as compared to other hydroelectric projects. Burns Creek power standing alone would cost an average of 5.27 mills, as compared with the 5.48 mills which is estimated to be the cost of privately produced power from a steam generating plant—almost identical. On the other hand, power produced upstream at Palisades costs only 3.67 mills per kilowatt-hour. Using the most optimistic estimates provided by the Bureau, the total annual revenue anticipated from Burns Creek is $1,125,000, which is $311,000 short of meeting the annual interest charges of $1,436,000. Therefore, the Bureau proposes to integrate Burns Creek with the Palisades project, raise the cost of power, postpone the payout on the latter project, and take revenues from Palisades in order to make Burns Creek financially and economically feasible. It is a simple case of taking an unsound and uneconomic project which cannot stand on its own merits and, by combining it with an already approved project, slip it by the careful scrutiny of Congress.

DETRIMENTAL TO COAL INDUSTRY

Mr. President, there is another practical reason why this proposal is not sound. If built, the Burns Creek project can only furnish power in the summertime, and the greater winter needs for power will be supplied by a privately owned, large steam-generating unit now under construction at Kemmerer, Wyo. This will accentuate the seasonal imbalance for the privately owned generator and will displace approximately 250,000 tons of coal per year, representing an annual loss of some 20,000 man shifts for the coal miners, with corresponding losses to local communities in taxes and wages. Employment in the coal-producing industry of this area is already depressed, and this would do it greater damage.

Mr. President, I was very much impressed by the statement made by the Senator from Idaho [Mr. CHURCH] that water is a renewable resource and can be used constantly, while coal is a wasting resource.

In Utah, Wyoming, and Colorado we have coal resources which will last, even at the present rate of use, for 400 or 500 years; and if the day is ever to come when coal will be so valuable that it cannot be burned for heating or power, I am afraid that day is far far in the future.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD three telegrams which are representative of many communications which I have received in recent weeks in opposition to the Burns Creek project. They are from Thomas Kennedy, acting president of the United Mine Workers of America; T. J. Canavan, executive secretary of the Utah-Wyoming Coal Operators Association; and Harry Mangus, president of district 22, United Mine Workers of America, Price, Utah. Mr. Mangus' responsibility embraces the Kemmerer coalfields.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MARCH 16, 1959.

Hon. WALLACE F. BENNETT,
U.S. Senator, Washington D.C.:

The United Mine Workers of America protests the passage of Senate bill 281 upon which the Subcommittee on Irrigation and Reclamation is presently conducting hearings. Passage of this bill providing for the Burns Creek project will displace 250,000 tons of coal per year and will adversely affect the Utah-Wyoming bituminous coal industry, causing economic chaos and widespread unemployment. No power shortage presently exists in this area which would justify the construction of such hydroelectric facilities, and plans are currently under way to construct facilities for steam-generated power from bituminous coal, which will satisfy future power requirements. We urge that you actively oppose this legislation which will have such a deleterious effect on the coal industry, and we request that this telegram be read at the hearings on Senate bill 281 and be made a part of the record.

THOMAS KENNEDY,
Acting President,
United Mine Workers of America.
WASHINGTON, D.C.

MAY 28, 1959.

Hon. WALLACE F. BENNETT,
Senate Office Building,
Washington, D.C.:

News release in the Salt Lake Tribune, May 26, indicates that Burns Creek (S. 281), which is admittedly a power project, is to be acted favorably upon by Subcommittee on Irrigation and Reclamation on basis of compromise. Suggested compromise—to build Burns Creek but to put in units a year or so apart, depending upon preference customers' need—would be just as detrimental to coal industry in area as original Burns Creek bill. As brought out by Mr. Glaeser in testimony before committee on March 16, Burns Creek generation of one-half billion kilowatt-hours would displace approximately 250,000 tons of coal annually and 20,000 man-shifts of coal miners. Market for 250,000 tons of coal in this area is urgently needed to stabilize employment in the coal mining industry and related industries already depressed, and to improve the economy of the coal mining business. The very insignificant benefits accruing to the State of Idaho compared to the serious detriment imposed on Wyoming and Utah as the result of constructing the Burns Creek power project do not justify proceeding with this project on any basis. We, therefore, urgently request that you give this bill your immediate consideration in order to adequately protect the economy in your State.

T. J. CANAVAN,
Executive Secretary, Utah-Wyoming Coal Operators Association.
SALT LAKE CITY, UTAH.

MAY 29, 1959.

Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D.C.:

News release in Salt Lake Tribune indicates that Subcommittee on Burns Creek Project, Senate bill 281, has reached agreement on a form of proposal. Wish to advise subcommittee's agreed form is detrimental. As Mine Workers had previously informed you, this project will displace one-fourth million tons coal per year and displace 20,000 man-shifts of labor. You are familiar with coal industry's present situation in States of Wyoming and Utah. Sincerely urge to oppose this bill in present form. Thank you, and you are at liberty to read this telegram in record.

HARRY MANGUS,
President, District 22, United Mine Workers of America.
PRICE, UTAH.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. KEATING. The Senator from Utah has presented a very forceful case against the bill. It appears to me to be absolutely ridiculous to call this a reclamation project. It is a distortion of the reclamation law to authorize a project which, right on its face, shows that only 1.75 percent of the cost will be allocated for reclamation.

Also, it is on a completely unsound basis when it provides for a 2½-percent interest rate over a 100-year period. As the Senator has pointed out, if the cost of this project is figured on the basis on which such projects are normally figured it would show a cost-benefit ratio which is about equal. We all know that under such circumstances, such legislation is never enacted.

I hope the effort to push this project will be defeated.

Mr. BENNETT. I appreciate the comments of the Senator from New York.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. DWORSHAK. I feel it incumbent upon me to call attention to the unfair comments which were just made by the Senator from New York. I do not think anyone is trying to force this particular bill down the throat of any Member of this body. I am somewhat amazed to find some of my Republican colleagues rise in opposition to this measure, notwithstanding the fact that the Bureau of the Budget, representing the administration and its partnership power program, has endorsed it. I am really amazed to find that some of my Republican colleagues contend that this project is for public power because it is a project in Idaho.

Certainly there are comparable projects—and many of them are not nearly so feasible and desirable—in every State of the Union; and they involve the generation of power at the expense of the Federal Government, but they are not regarded by some as public power projects.

Can the Senator from Utah tell me why such a distinction is made?

I am sure the Senator from New York [Mr. KEATING] does not mean to repudiate the Budget Bureau and the Committee on Interior and Insular Affairs. I know that many times the committees make mistakes; and I do not always follow the recommendations of our committees, because I think Senators have the responsibility of reaching independent conclusions. Perhaps that is being done in this case.

But I must emphasize that the public works bill which was passed by this body only a few weeks ago appropriated funds for 70 new starts, without the recommendation or the support of the Bureau of the Budget.

Mr. BENNETT. Mr. President, from my point of view there is a fundamental difference between projects which are essentially reclamation projects and those which are essentially power producers.

The particular project now under our consideration bothers me, not because it is located in Idaho, but because the power need is already being met by a coal-burning, steam-powered generating plant which is being constructed in the same area. From that point of view, I think the plant now proposed is unnecessary. There is no particular difference between the cost of the power to be generated at the two plants; and I believe that the regulation of the river flow and the amount of reclamation involved could be cared for much more completely by other means.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The time the Senator from Utah has yielded to himself has expired.

Mr. BENNETT. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Utah is recognized for 1 more minute.

Mr. BENNETT. Mr. President, I come now to my conclusions:

CONCLUSIONS

At this critical period in history, when the Federal Government is doing everything possible to cut expenditures and bring about economic stability, it would seem most unwise to authorize this $50 million project. This money could certainly be used more advantageously on other justifiable projects, where an actual need exists.

In my opinion, which is well borne out by facts, this is a poorly conceived, unjustified, and uneconomic project. It will furnish no additional firm water for irrigation purposes. Sufficient electric power is now being supplied to the area, and long-range plans have been made to provide additional power facilities for future growth and expansion. If the project is built, only a few preference customers will receive any benefits, while the taxpayers and private investors will stand to lose another round in the battle against inflation and total public power. If, as proposed, some of the generators were not installed initially, the economic feasibility of the project would be further reduced; and, as previously indicated, the benefit-cost ratio is already very tenuous.

Mr. President, I conclude that this is not a project worthy of congressional approval; and I hope that the Senate will act wisely and will vote against Senate bill 281.

Mr. GOLDWATER. Mr. President, will the Senator from Utah yield some time to me?

Mr. BENNETT. How much time does the Senator from Arizona desire to have?

Mr. GOLDWATER. First, let me ask what the situation in regard to the time is at this point.

The PRESIDING OFFICER. Twenty-seven minutes remain.

Mr. BENNETT. Yes. We have used 13 minutes; and 27 minutes remain.

Mr. GOLDWATER. If the Senator from Utah will yield 15 minutes to me, I believe that much time will suffice.

Mr. BENNETT. Very well, Mr. President; I yield 15 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 15 minutes.

Mr. GOLDWATER. Mr. President, I have always been interested in western reclamation. I think all westerners are. I believe we recognize that without reclamation, vast areas in the West which once were deserts would still be deserts, instead of being the lush valleys they are today.

My record in behalf of reclamation has been long, clear, and unbroken. It is because of my interest in reclamation that I opposed the Burns Creek development in committee, and I now rise to oppose it on the Senate floor. I oppose it because it is not a reclamation project. It will not reclaim a single acre of land, and will offer no benefits to existing reclaimed land. In fact, as I shall show, the proposed development would actually be a detriment to reclamation.

But, Mr. President, consider how this piece of proposed legislation is introduced to the Senate of the United States: The preamble states:

> To authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the Upper Snake River Valley, Idaho, and for other purposes.

The committee report recommending the project to the Senate repeats the same purpose.

We are busy and it is impossible for each of us to make a detailed study of each piece of proposed legislation that we are asked to decide upon. We are compelled, on many pieces of proposed legislation, to base our decisions on reports from our various committees; and we depend upon them for reliable, factual information.

From reading the preamble of the bill and the first paragraph of the committee report, one would naturally get the impression that this was primarily a reregulating reservoir, and would assume that it was needed for that purpose in connection with a reclamation development. But not 1 cent—I repeat, not 1 cent—of the cost of this project is allocated to reregulation. Ninety-eight and two-tenths percent of the cost of the project is allocated to electric power. So, in every practical sense of the word, this is a hydroelectric power development—nothing more, nothing less.

Mr. President, I may say that I find it difficult to understand how some Senators who fought so bitterly against the Hells Canyon project now find themselves in a position to support a similar project farther upstream.

Mr. President, I wish to say to my reclamation State friends on both sides of the aisle—to those who are sincerely interested in reclamation; and I think most of us are—that if we are to be able to make appropriations for needed reclamation, we are going to have to stick to reclamation projects, at least to projects the major benefits of which are reclamation. Our friends from other States, who have been sympathetic to reclamation, are not going to sit idly by and let us put over just any old project because it may be tagged with a reclamation label. That sort of subterfuge is going to make it more difficult for us to get money for true reclamation projects that are really needed. Besides, when money is allocated to the Bureau of Reclamation to build all-out power projects, just that much less money will be available for true reclamation. That was one of my principal objections to the Hells Canyon project—it was for power, not for reclamation.

Mr. President, I am not going to burden the Senate by attempting to cover all of the details in connection with the Burns Creek project. I covered most of them rather thoroughly in my views which appear on the last four pages of the committee report. I urge my colleagues to read those views before making up their minds on this proposed legislation. Those views are nothing that I dreamed up. All of them are supported by the record. There are, how-

ever, some very salient facts which I want to call to the attention of my colleagues, even at the cost of repetition.

First. The proposed development will not be a reregulating reservoir. The Palisades project has been in operation, and producing power, for 3 years; and the need for reregulation has not been demonstrated. If reregulation is needed, the Burns Creek project will not do the job. The Burns Creek dam is to be situated about 30 miles below the Palisades project; it would have almost as much installed capacity as Palisades project—90,000 kilowatts as against 114,000 kilowatts—and would use the same water. So if reregulation is needed below the Palisades project, it will be needed below the Burns Creek project. Ir reregulation is ever needed, it can be obtained by constructing a small dam downstream of the Palisades project, at a cost of $7 million or $8 million.

Second. The project now proposed would serve no new land, and would offer negligible benefits to land already under irrigation. It would provide 100,000 acre-feet of storage for irrigation which would be needed two or three times in 50 years. Only 1¾ percent of the cost of the project is allocated to reclamation. With such minor benefits to irrigation, could anyone, by any stretch of the imagination, consider this to be a reclamation project?

Third. Although it is a power project, as a power project it is not economically feasible. On reclamation projects, the legal rate of interest on power features is 3 percent; but on this project, which is proposed as a reclamation project, power will not even pay the cost of operations and 2½ percent interest on the investment. I do not know how the 2½ percent-interest rate entered into the argument, but it did; and at that rate, which is below the legal rate, this project is still economically unsound. The Bureau of Reclamation told another committee, "Burns Creek would be impossible, standing alone."

Fourth. The bill alleges the project would be authorized to "assist in the irrigation of arid and semiarid lands." Is there any assistance to a project in making it cost more—in taking a longer time to pay it out? The Palisades project would pay out on its own by 1990, but when it is loaded down by having to help pay out Burns Creek, it will take until the year 2015 to pay it out. The Palisades standing alone will be more than $28 million better off if Burns Creek is never built.

Fifth. Have we ever had a policy of assuming complete utility responsibility on the part of the Federal Government when it has furnished some electric power to someone? If so, I have not heard of it being accepted, with the possible exception of TVA, and I think in that instance we have been wrong. But, Mr. President, that seems to be what we are presented with in the case of Burns Creek. It also seems there is some difference of opinion in the same department.

Mr. Aandahl, Assistant Secretary of Interior, said:

> We do feel that it would be very unwise for us, as the marketing agency for all Federal power, except that which is in the Tennessee Valley, to try to establish a total utility responsibility for any group of customers.

But then Mr. N. B. Bennett, now Assistant Commissioner of Reclamation, who I assume is under Secretary Aandahl, said:

> But these people now have contracts for power with the Federal Government and we believe that they should continue to receive from the Federal Government power to meet their growing loads.

If furnishing power to meet growing loads is not complete utility responsibility, then I do not know what complete utility responsibility is. However, there is one thing I do know, Mr. President: If we are going to accept the complete utility responsibility concept, then we really are stuck. That means that in every place we have had some electric power produced as a byproduct of either reclamation, flood control, or navigation projects, and sold it to someone, we are accepting a utility responsibility to furnish them power for load growth or future requirements. Where does that lead us? In simple terms, it means that the Federal Government is going to be in the business of producing electric power all over the United States, and in unlimited quantities. We will soon exhaust hydroelectric potential, so the Government will have to resort to other means of producing the power to carry out this electric utility concept. That means Federal steam powerplants all over the country.

Mr. President, are we willing to accept such a concept? If we are, let us not chisel in and do the job piecemeal—a little here and a little there—let us get the job done right. Let us tell those we represent that we are going to nationalize the electric power industry and take it over. Let us tell them that we, their representatives, accept socialism; and see how they feel about that. As it is, we have been progressing rather rapidly down the road toward nationalization of the electric industry. Only one generation ago one-half of 1 percent of the power produced in the United States was produced by the Federal Government, and now it is about 15 percent. That is rather rapid progress, in my book. Every time one of these Government power projects comes up we are told there is plenty of room for both Government and private power, but I am going to tell you, Mr. President, the room is running out. At the present rate of progress, within another generation there will not be room for anything but Government power, because that will be all that we shall have. No one will have voted for nationalization of the industry, because we shall never have the opportunity to vote. We shall do it just a little at a time.

Sixth. Since Burns Creek is nothing but a power project, the only legitimate justification for it would be the need for additional power. Nowhere in the record is there any indication of a power shortage or a pending shortage in the area. Quite to the contrary, the area is adequately supplied, and there is every indication that their supply for the future is assured. The only thing that might be running out is tax-subsidized Federal power. The people out there are getting some cheap Federal power now, and I suppose it is natural for them to want some more of it if the rest of us are willing to put up our dollars to subsidize it. They would probably take some free meals too, if the rest of us would pay for them; but it is time to call a halt to these things—in fact, it is long past time—unless we want the enslavement of cradle-to-the-grave security that inevitably comes with the totalitarian state.

Seventh. One other thing I want to bring up before closing, Mr. President, is the coal situation. The power that would be supplied from Burns Creek would replace power that would otherwise be supplied by coal-fired steam plants. One of these days before long we are going to run out of hydroelectric power in the west, and even before that time we are going to find it more important to conserve water for consumptive use than to produce power with it. The answer is we are going to have to look to other sources for our power supply, and coal will be a very important source. We should be encouraging coal production, rather than discouraging it. Mr. President, you do not decide you need coal one day and start producing it. You have to have producers experienced in the business and miners skilled in the art. These people do not crop up over night. In my opinion, it is far more important to encourage development of natural resources, such as coal in the West, than it is to produce a little subsidized Federal power for a few privileged power consumers.

Mr. President, in my opinion, no one who has studied this Burns Creek development could, with conscience, recommend it unless his philosophy is Government power at any price, or unless he is on the receiving end of the gravy train. I have always had a high regard for most of those in the Bureau of Reclamation and find it hard to reconcile their position in recommending this project.

The pending bill should be soundly defeated—in fact, it never should have been introduced.

Mr. President, in the few moments I have left, I wish to put this whole question again in the right perspective. It is not a reclamation project. By no stretch of the imagination of anyone who is acquainted with reclamation could it be said that a project in which not even 1 cent is charged to reregulating, in which only 7 percent of the storage is going to be used for that purpose, could be called a reclamation project. Yet this bill is being presented to the Senate today clothed falsely with the name of reclamation.

My fear, as one who was born in the arid West, who has grown up there, who

realizes the extreme importance of reclamation to all of us in this country, is that if we take this step today to build a power project under the guise of reclamation we may be doing irreparable damage to reclamation projects of the future.

I hope that my colleagues will study this bill in the few moments they have. I regret that more Senators are not on the floor so they can listen to the debate made on both sides of the question, because we are embarking this afternoon on a very, very dangerous step if we build a project which is supposedly a reclamation project, but which in reality is wholly a public power project.

I am going to say once again what I have said many times about the Tennessee Valley Authority. I see absolutely no need to take tax money out of my State or out of the State of any other Senator to build power projects when private money will build them.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The time of the Senator from Arizona has expired.

Mr. GOLDWATER. Mr. President, I am halfway through a sentence. I think I have the right to complete my sentence.

Mr. BENNETT. Mr. President, I yield 1 additional minute to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 additional minute.

Mr. GOLDWATER. The Utah Power & Light Co. is ready to build a 300,000-kilowatt plant in this area. Why take the taxpayers' money to build a 90,000-kilowatt plant? I cannot bring myself to accept the philosophy that the Federal Government can do it better than can private industry, and I do not want to be a party to a vote that will take this country 1 more step down the dirty road of socialism.

Mr. CHURCH. Mr. President, I yield 5 minutes to the distinguished chairman of the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs, the Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. ANDERSON. Mr. President, I would not want the record of this discussion to be filled with allegations that power dams are not built by the Federal Government in the great Northwest grid chain, because we have already done that at various times. In the not too distant past we constructed John Day Dam, Priest Rapids Dam, the Dalles Dam, three dams which are much bigger than the dam under discussion today, and all for the production of power. All these projects have been welcomed by the people of the Northwest. The power they generate finds its way into the grid chains of both public and private powers. We have done a fine job in developing that area.

In the State of South Dakota there is the Oahe Dam, which will cost some $300 million to build. That is a power dam. Nobody stood on the floor of the Senate to vote against it. It was regarded as being a fine thing.

In the State of North Dakota there is the Garrison Dam, which is also a tremendous structure, and is used for the development of power.

Garrison Dam and Oahe Dam are being built by the Army Corps of Engineers, but the Corps of Engineers does not build all of these dams. As I tried to point out to the Senate a while ago, Hungry Horse Dam cost some $90 million, and perhaps more. It is twice as large as the dam presently under contemplation, and it was built by the Reclamation Service frankly as a power dam and nothing else.

In the State of California, there is the Trinity project. I can remember the first proposals with regard to that project. It is a part of an enormous project in the State of California which I am glad is moving along. It was constructed initially as a power dam. In the testimony there were statements that water from it would begin to be used for irrigation to some degree after 20 years, or perhaps after only 15 years, but the dam was originally constructed as a Reclamation Service project solely for the development of power. I think we need to bear that in mind, because it is not an unusual development.

We have under consideration at the present time an effort to tie together an existing project and a new project, both of which might have been authorized simultaneously. The original Palisades project could have well included this project.

I heard the able Senator from Arizona say that there was a plentiful supply of power in this area. The testimony before the committee, repeatedly given, was overwhelming to the effect that there is need for new power; that the area will need all the power which can be developed from this dam, by the time it will be finished, and by the time the generators can be installed. That testimony was given time after time by individuals who came before the committee, and by the people to be served by the dam.

I was tremendously impressed by the testimony of a man who is affectionately referred to as the "grand old man of the Snake River," Mr. Lynn Crandall. He has testified with regard to many projects having to do with the State of Idaho. His testimony has always been sound and has always been supported, in my opinion, by the majority of the people of that area. He testified vigorously in favor of the bill under consideration. He testified as to the need, and he referred to this as being a desirable project. That persuades me that the people of the area have an understanding of what they are being called upon to do, and are happy to do it.

The amount involved, generally speaking, is not a large sum of money. It will be repaid through the sale of power. The Burns Creek project is, to be sure, a project under the Reclamation Act, but it will be handled in such a fashion that it will be tied into the Palisades project, which will provide a far better use of water of the stream. All reregulating that can be done will be done by this project.

I noticed in the report, as I looked at it a few minutes ago, the Department pointed out to us again, as its witnesses did time after time, that this is a project which is necessary if there is to be reregulating on the upper Snake River in that area.

So long as the people in the area understand what they are doing and so long as the Bureau of Reclamation is prepared to build the project, I see no impropriety in using Bureau of Reclamation funds for that purpose. I therefore hope the Senate will vote overwhelmingly in favor of the project which the Senators from Idaho have worked so vigorously to obtain.

Mr. MORSE. Mr. President——

Mr. DIRKSEN. Mr. President, if the Senator from Oregon will yield, I should like to request the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MORSE. Mr. President——

Mr. CHURCH. Mr. President, I shall be happy to yield to the Senator. How much time does the distinguished Senator desire?

Mr. MORSE. I am sorry; I did not know the Senate was operating under a unanimous-consent agreement.

Mr. CHURCH. There is a unanimous-consent agreement.

Mr. MORSE. Will the Senator yield me 2 minutes?

Mr. CHURCH. I am happy to yield 2 minutes to the distinguished senior Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. Mr. President, I rise not only to support the two Senators from Idaho because of the grand job they are doing on behalf of the Burns Creek project, but also to support the interests of all the people of the Pacific Northwest.

Mr. President, we are dealing with a very sound project, the benefits of which are integrated, in my opinion, into the whole program for river basin development in the Pacific Northwest. As I have said many times, it is important that we have full development of our river basins if we are really to bring to the people of the Northwest and of the country the great potential benefits which the water of that area can bring to them and to the economy of the Nation.

I wish to congratulate the Senators from Idaho for the work they have done on behalf of this very sound project.

The committee report speaks for itself. I think it is an unanswerable report. I sincerely hope the Senate this afternoon will support the bill.

I have only one further comment to make, Mr. President. I am very much disappointed that there is apparently some private utility opposition to the project. I say to the private utilities I think it is important that we try to work out a cooperative program for public projects and private projects which will

inure to the benefit of the economy of our section of the country. In my judgment, the private utilities make a great mistake in seeking to block every worthwhile project such as this, exactly as I think that public power groups make a great mistake when they fail to cooperate with the private utilities in the development of low-head dams at low-head damsites. What we need is a maximum development of both public and private projects, to the end that we may develop the totality of these river basins for the benefit of our section of the country and of the Nation.

It seems to me, I will say to those who oppose the Burns Creek project, that this is a project which is a part of an integrated program which confronts us for the development of the Pacific Northwest. I certainly think we have an opportunity for the public groups and the so-called private utility groups to join forces in a cooperative program for the mutual benefit of each.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. SCOTT. Mr. President——

The PRESIDING OFFICER. Does some Senator yield time to the Senator from Pennsylvania?

Mr. BENNETT. Mr. President, I am happy to yield to the Senator from Pennsylvania the time remaining for the opponents, which I understand is 11 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 11 minutes.

Mr. SCOTT. Mr. President, I have been sympathetic to the reclamation of lands in our Western States. Although my State is one of the larger sources of Federal taxes and, therefore, one of the heaviest contributors toward the financing of these western reclamation developments, I have always figured that, where they were financially sound, their development would contribute to our national economy and eventually benefit my constituents because of this contribution.

I have suspected, at times, that we have been a little too generous in financing some developments that were not economically justified—projects where the development cost more per acre than the land was worth after the development was completed. But even when the economic feasibility was somewhat in question, some of us have gone along with the project when it was primarily for the reclamation of land.

A great many of the reclamation projects have included a hydroelectric power development incidental to the primary purpose of irrigation. I think that is all right, too, so long as the power can be economically developed and sold at a price which would contribute to the cost of reclaiming the land. But the purpose of the power development was to aid irrigation—not to hinder it.

But, Mr. President, as I have been able to study the Burns Creek report which is before the Senate today, we find the Bureau of Reclamation wanting to build a project which is an all-out power development. To me that, in itself, would be bad enough even if the project were economically feasible.

The Bureau of Reclamation was not created as a power producing agency—its purpose is the reclamation of our western lands. I do not think that the rest of the country should be called upon to develop some electric power for a few preference customers anywhere. I certainly do not want the people of Pennsylvania to have to fork out their hard-pressed tax dollars for any such development.

The more you look at this Burns Creek proposal the worse the situation becomes. This project not only fails to lower the cost of water on the land—it makes it cost more, which is just the reverse of the usual justification that the Bureau of Reclamation uses when proposing a power development along with a reclamation project. It extends the payout period of a sound reclamation project—the Palisades—by some 26 years. It is proposed to sell the power at the existing Bureau rate in the area which is below the cost of power produced at Burns Creek. The project would not irrigate one single acre of new land. It would provide a supplemental supply of water for existing land only two or three times each 50 years, which to say the least is very slim justification for a reclamation project. It verges on subterfuge.

The Bureau of Reclamation has enjoyed rather clear sailing in the past although it has promoted some projects of questionable economics and also of questionable value, and proposed projects that could not be justified in any sense of the word. But, Mr. President, if the Bureau is so hard up for work that it is going to propose such things as this Burns Creek project, which is a detriment instead of an asset to reclamation, then we people in the East who have to put up most of the money for these western developments had better start taking a long, hard look at all of its future proposals.

Mr. President, another thing that strikes me rather forcefully, and I must say as quite a surprise, was the testimony of Mr. N. B. Bennett, now Assistant Commissioner of Reclamation, before the Senate Subcommittee on Irrigation and Reclamation, when he said:

> The people now have contracts for power with the Federal Government and we believe that they should continue to receive from the Federal Government power to meet their growing loads.

What does the Bureau mean by this sort of statement? Does it mean that whenever the Bureau develops some power incidental to irrigation and sells it to some group of people, the Federal Government is assuming a utility responsibility to furnish all future requirements of those people? If that is what is meant, the Bureau will become another Federal Power Agency, and one of these days its reclamation work will become subordinate to its power activities. If that is its position, what is it going to do when it runs out of water developments—start building steamplants?

Mr. President, "reclamation" is a very fine sounding term. It has a great appeal to many of us. But if it is to be used to project the Federal Government further and further into the power business, the term takes on another meaning to us. I do not mind supporting some worthwhile reclamation projects, but I will not assist the Bureau in its efforts to assume a utility responsibility in the electric power field—I will oppose this effort and every similar one it advances.

The power which the Burns Creek development would displace is now being supplied by coal-burning steamplants. I am very sensitive to anything affecting coal, as my State is one of the great coal producing areas in this country. I know the value of coal, especially during times of emergency. It is to the national interest to support coal production and to keep both operators and miners active in producing it. If we are to displace coal production during normal times by spending tax funds to develop such uneconomical waterpower developments as Burns Creek, we may find ourselves in a very hazardous position in times of emergency.

From all I can learn, there is no power shortage in the area. All we have is a few preference customers wanting more Federal power so long as the taxpayers in the rest of the country are willing to subsidize it. We should discourage the attempts of the Bureau of Reclamation to use the reclamation program to develop purely power projects. Any true reclamationist should resent such attempts.

Mr. President, I hope the Senate will see through this attempt on the part of the Bureau to use the reclamation program to develop the unneeded, uneconomical Burns Creek development, and defeat this proposed legislation.

I ask unanimous consent to have printed at this point in the RECORD as a part of my remarks a memorandum on the Burns Creek project.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

BURNS CREEK PROJECT

1. Cost: $48 million to $50 million.

2. Project introduced under the guise of reclamation, whereas actually it is a power project—98 percent of cost allocated to power. Ninety thousand kilowatts installed capacity will generate one-half billion kilowatt-hours per year.

3. Irrigation benefits are very minor. One hundred thousand acre-feet of stored water which, according to Bureau of Reclamation, would have a use only two or three times in 50 years. Water would be used on present land; no new land would be put under cultivation.

4. Project proposes to supply power in an area where no power shortage exists. Utah Power & Light Co. has ample power to take care of own loads in its area and in the adjacent area to the west. The Idaho Power Co. has just installed 450,000 kilowatts at Brownlee and will have 220,000 kilowatts additional at Oxbow within 2 years. Ample transmission capacity exists into the area of claimed power shortage.

5. Project is economically unfeasible. Burns Creek would not even pay its own interest charges standing alone and, integrated with Palisades as proposed, would postpone the pay out of the Palisades project by about 10 years and Burns Creek would require about 70 years to pay out.

6. Burns Creek would actually hurt reclamation by postponing the time that Palisades revenues could be used to aid worthy reclamation projects.

7. One-half billion kilowatt-hours of generation at the proposed Burns Creek project would be equivalent to approximately 250,000 tons of coal per year or 20,000 man-shifts in the mines.

8. Claimed need for reregulation below Palisades has not yet been proven. But even if such need should be proven in the future, the installation of a 90,000-kilowatt power project is not the solution. Burns Creek would require, at full load, approximately the same water release as Palisades and could be operated in exactly the same manner as Palisades to create downstream the stream fluctuations that the irrigators fear will result from the Palisades operations.

9. Burns Creek is not comparable to the Colorado River storage project. It is true that the Colorado River storage project will generate large amounts of power, but the prime purpose of the Colorado project is to produce power revenues which will be used to finance participating projects to bring Colorado River water to the Upper Basin States. Burns Creek power rates would not even pay the interest charges.

Mr. BENNETT. Mr. President, the opponents will reserve the remainder of their time. May I inquire how much time remains to the opponents?

The PRESIDING OFFICER. Seven minutes remain.

Mr. CHURCH. Mr. President, I yield such part of the remainder of the time allotted to the proponents as my distinguished senior colleague may require.

Mr. DWORSHAK. Mr. President, I shall not hold this body in session long to explain some of the aspects of the proposed development. I shall devote my efforts to refuting some of the rather unkind remarks which have been made by some of my colleagues.

I am sure that the Senator from Arizona [Mr. GOLDWATER], who said that approval of this project would lead us on the road to socialism did not really intend to say that. That carries a sort of sinister warning. I do not think he is justified in calling that to our attention. I can recall that a few years ago, with the majority of Members of this body, I voted to authorize the Colorado River Basin program, which will provide for approximately $1 billion worth of water resource development.

Let us look at four of the major projects in that basin.

First, there is the Glen Canyon project, costing $371 million. That project is being built in the State of Arizona.

Next we have the Flaming Gorge Dam, at a cost of $52 million; then the Curecanti Dam, at a cost of $65 million, or a total of $488 million—all allocated to power.

It is quite significant that at the present time, while the Glen Canyon Dam is under construction, there has not been negotiated a single contract by the Bureau of Reclamation for the sale and distribution of the power generated at that site.

Arizona already has 315,000 kilowatts of Federal power, with transmission lines built by the Federal Government totaling 1,325 miles. Oh, this is not public power. It does not point the way to socialism.

In Idaho the situation is different. There we have about half that much Federal power, and instead of 1,325 miles of transmission lines we have 271 miles.

Mr. President, in Idaho we have 271 miles of Federal transmission powerlines, and in Arizona they have 1,325. I wonder if my colleagues can sense the significance of that comparison.

The Senator from Arizona also called attention to Hells Canyon Dam. I do not think he needed to do that. He is generally fair in debate. He knows that there is a vast distinction between Hells Canyon high dam and the dam currently under consideration by this body. In the instance of the Hells Canyon Dam on the Middle Snake River, a private utility was willing to construct the dams for storage and generation of power.

The Senator mentioned, in connection with Burns Creek Dam, that the Utah Power Co. is willing to build a thermal plant in Wyoming. He did not contend that the Utah Power Co. was willing to build a hydroelectric plant in the vicinity of the Burns Creek Dam, or in that stretch of the Upper Snake River. Consequently, there is no semblance of similarity between the Hells Canyon high dam and the low Burns Creek Dam.

Mr. President, for 20 years I have been a member of the House or Senate Public Lands and Irrigation Committees. I have served 13 years on the Appropriations Subcommittees in the House and Senate, which have handled budgets for the Bureau of Reclamation in the Interior Department. I think I have some comprehension of water resource development.

During the past several years I have served on the subcommittee in the Senate which handles the public works appropriation bill.

As I mentioned previously in this discussion, a bill was recently passed, providing for the initiation of 50 or 60 new starts which had not been approved by the Bureau of the Budget.

I again emphasize that the Burns Creek Dam has been approved by the Budget Bureau. I have watched the Bureau of Reclamation and the Army Engineer Corps for several years, building all kinds of public power, multiple-purpose, and flood-control dams, in virtually every State in the Union. I am amazed at some of the speeches and comments in opposition to this authorization today. They sound the warning that this project involves public power. It is the same kind of power which is generated in every other State in the Union, with one important difference. In many other projects, particularly under the Army Engineer Corps, many dams do not reimburse the Government for the cost of construction; but in the case of the Burns Creek Dam practically every dollar will be repaid to the Government from power revenue.

This leads me to ask whether there is any valid contention or logic in the claim that this is public power, but that in other States such projects do not involve public power. It is quite significant, going back for a moment to the very important Colorado River Basin development, to note the dams being built there. I wonder if the coal miners' union and the private utilities which are opposed to this development were opposed to the authorization of the Colorado Basin water resource program. Mr. President, how will this power be distributed by the Bureau of Reclamation in the Colorado River Basin? Was there a power shortage in that area?

I do not like to be too critical in calling attention to some of the developments in other States. I might mention the Missouri Valley, where several billion dollars' worth of projects are being built for flood control, and for the generation of power for the use of States in the Missouri River Basin.

I might call attention to all of the huge power dams built in the lower Columbia Basin, partially from water which is discharged by the Snake River, which runs through the State of Idaho. I could call attention to many of these other basins where power is generated. Oh, that is not public power; that is not socialism; but in this instance where we have a project which has the approval of the Bureau of the Budget, I wonder why there is so much opposition.

Mr. President, all I am contending for is that we use the same yardstick in the development of water resources in Idaho as in other States. We in Idaho are proud that we have one of the most valuable potential water resources of any State in the Union. There is nothing unreasonable or illogical when we ask that a project like Burns Creek, which has the aproval of the Department of the Interior, of the Bureau of Reclamation, and likewise has the approval of the Budget Bureau in this Republican administration, receive the support of this body and the Congress.

I do not think that is unreasonable. I think Idaho is entitled to the same consideration that the States receive in all of the other basins in various sections of the country. On that basis I rest my case, because I think that Burns Creek is a feasible project, if we can rely upon the recommndations of the Budget Bureau.

Mr. CHURCH. Mr. President, I commend my distinguished senior colleague for the fine statement he has made in behalf of this worthy project.

The proponents are now willing to yield back the time remaining to them, provided the opponents are willing to do likewise.

Mr. BENNETT. Mr. President, the opponents are also glad to yield back the remainder of their time.

The PRESIDING OFFICER. All time has been exhausted or yielded back.

Mr. CHURCH. Mr. President, I ask that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 1, line 8, after the word "the", to strike out "preservation and propagation" and insert "conservation and development"; on page 2, line 15, after the word "operationally", to insert "Installation of power generating facilities shall be scheduled by the Secretary on the basis of providing for

the additional power requirements of those entitled to preference in the purchase thereof under the Federal reclamation laws."; on page 3, line 17, after the word "agency", to insert a colon and "*Provided*, That all lands within the exterior boundaries of a national forest acquired for project purposes which are not determined by the Secretary of the Interior to be needed for actual use in connection with the project works shall become national forest lands: *Provided further*, That the Secretary of the Interior shall make his determination hereunder within five years after approval of this Act or, in the case of individual tracts of land, within five years after their acquisition by the United States: *And provided further*, That the authority contained in this subsection shall not be exercised by the Secretary of the Interior with respect to national forest lands without the concurrence of the Secretary of Agriculture."; on page 4, line 7, after the word "in", to strike out "the works of" and insert "conenction with"; in line 9, after the word "the", to strike out "Act of August 14, 1946 (60 Stat. 1080, 16 U.S.C. 662)," and insert "Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. secs. 661, 662)", and in line 12, after the word "the", to strike out "preservation and propagation" and insert "conservation and development", so as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to assist in the irrigation of arid and semiarid lands in the upper Snake River Valley, Idaho, to provide facilities for river regulation and the control of floods, to utilize the hydroelectric power opportunities created thereby, and, as incidents to the foregoing purposes, to enhance recreational opportunities and provide for the conservation and development of fish and wildlife, the Secretary of the Interior is authorized to construct, operate, and maintain a reregulating reservoir, powerplant, and related facilities at or near the Burns Creek site below Palisades Dam on the Snake River, the reservoir and powerplant to be substantially in accordance with the report of the Secretary of the Interior entitled 'Burns Creek Dam, Powerplant, and Reservoir' dated February 26, 1957. In so doing the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto). The works, including the reservoir, powerplant, and related facilities herein authorized shall be considered as features of the Palisades Dam and Reservoir project (Act of September 30, 1950, 64 Stat. 1083) and shall be integrated therewith financially and operationally. Installation of power generating facilities shall be scheduled by the Secretary on the basis of providing for the additional power requirements of those entitled to preference in the purchase thereof under the Federal reclamation laws.

"SEC. 2. The irrigation storage capacity in Burns Creek Reservoir shall be reserved for subscription by organizations which have storage rights in Palisades Reservoir (the term 'storage rights' being used in the same sense as in the storage contracts heretofore entered into by the Secretary of the Interior with respect to Palisades Reservoir) whether or not under the contract before the date of this Act. And the Secretary may contract with any such organization on the basis of operating plans which, in accordance with the contracts heretofore entered into between the United States and subscribers to Palisades capacity, treat the conservation capacity as having a priority equal to that of the irrigation capacity in Palisades Reservoir. Any Burns Creek irrigation storage capacity which is not so subscribed within six months from the time when funds are first made available for starting construction of the Burns Creek development shall then be made available for use in accordance with the Federal reclamation laws.

"SEC. 3. (a) The Secretary is authorized in connection with the Burns Creek development, to construct minimum basic public recreational facilities and to arrange for the operation and maintenance of the same by an appropriate Federal, State, or local organization or agency: *Provided*, That all lands within the exterior boundaries of a national forest acquired for project purposes which are not determined by the Secretary of the Interior to be needed for actual use in connection with the project works shall become national forest lands: *Provided further*, That the Secretary of the Interior shall make his determination hereunder within five years after approval of this Act or, in the case of individual tracts of land, within five years after their acquisition by the United States: *And provided further*, That the authority contained in this subsection shall not be exercised by the Secretary of the Interior with respect to national forest lands without the concurrence of the Secretary of Agriculture.

"(b) The Secretary may make such reasonable provision in connection with the Burns Creek development as, upon further study in accordance with section 2 of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C., secs. 661, 662), he finds to be required for the conservation and development of fish and wildlife. An appropriate portion of the cost of the development shall be allocated as provided in said Act and it, together with the portion of the construction cost allocated to recreation and the operation and maintenance costs allocated to these functions, shall be nonreimbursable and nonreturnable under the reclamation laws.

"(c) So far as the Secretary finds the same to be consistent with safety and with efficient operation for the primary purposes of the development, Burns Creek Reservoir and lands adjacent thereto which are now owned or hereafter acquired by the United States shall be open to free public use for lawful hunting and fishing purposes, and free access thereto for those purposes shall be assured.

"(d) During times when releases for other purposes are less than one thousand cubic feet per second, a release of this amount from Burns Creek Reservoir shall nevertheless be maintained for the benefit of downstream fishlife, but this release may be reduced for brief temporary periods by the Secretary whenever he may find that maintenance thereof is harmful to the primary purposes of the project.

"SEC. 4. (a) To assist in the construction of the works authorized by section 1 of this Act, the Secretary may, notwithstanding the last sentence of section 2 of the Act of September 30, 1950 (64 Stat. 1083), construct all necessary facilities to deliver power to the site of said works. The power-generating and transmission facilities authorized to be constructed by section 1 of this Act shall be subject to the second sentence of section 2 of said Act of September 30, 1950, and shall, to the greatest possible extent consistent with existing contractual obligations, be operated in conjunction with and connected to the facilities covered by such second sentence to the end of producing and marketing the greatest amount of power and energy. Nothing contained in this Act shall be construed to affect adversely the application in aid of irrigation, under sections 2(b), 3(a), and 5 of the Act of August 31, 1954 (68 Stat. 1026), of net power revenues received from the Palisades Reservoir and developments combined therewith for payout purposes under said Act of September 30, 1950.

"(b) The Secretary is authorized to amend contracts heretofore made under the Acts of September 30, 1950, supra, and of August 31, 1954, supra, whereby the water users assumed an obligation for winter power replacement based on the winter water savings program at the Minidoka powerplant to relieve the contractors ratably by one-third of that obligation, and to make new contracts under these Acts on a like basis. To the extent such annual obligations are reduced, the cost thereof shall be included in the cost to be absorbed by the power operations of the Palisades project.

"(c) The actual construction of the facilities herein authorized shall not be undertaken until at least 80 per centum of the conservation capacity in Burns Creek Reservoir is under subscription, nor until negotiations have been undertaken in accordance with the provisions of (b) of this section.

"SEC. 5. Expenditures for the works authorized by section 1 of this Act may be made without regard to the soil survey and land classification proviso of the Interior Department Appropriation Act, 1954 (67 Stat. 261, 266, 43 U.S.C. 390a).

"SEC. 6. For a period of ten years from the date of enactment of this Act, no water shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would be normally marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

"SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act."

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass.

The bill (S. 281) was passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. CHURCH. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

YOUTH CONSERVATION CORPS

Mr. MORSE. Mr. President, I ask unanimous consent that an article which appeared in the Oregon Grange Bulletin of July 20, 1959, by Elmer McClure, in a column entitled "The State Master's Comments," in support of the CCC program, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STATE MASTER'S COMMENTS

(By Elmer McClure)

Several years ago, the delegates to State Grange set a policy of promoting the passage of Federal legislation establishing a Youth

Conservation Corps to work on public land conservation and development projects. This policy was reaffirmed by the delegates at this year's State Grange session when they adopted that section of the master's address on Youth Conservation which reads:

"At previous sessions we have established a policy of supporting legislation to establish a program patterned after the CCC program that accomplished so very much during the early years of the Roosevelt administration. At that time, our chief concern was unemployment. Today, it is juvenile delinquency. Most authorities in this field agree that one of the most effective means of combating juvenile delinquency is keeping these young people busy at worthwhile work.

"This youth conservation program is still under consideration by the Congress and I believe it would be of tremendous benefit to our youth as well as to our Federal Park System. Therefore, I recommend that we reaffirm our support of this legislation."

I have already informed our Senators and Representatives of the State Grange action and urged their support of this legislation. I have received word that the bill which would establish the YCC within the Department of Labor, S. 812, has cleared its first hurdle. It was reported out of the Senate Labor Committee favorably and is now awaiting Senate action. The more grass roots support we can show for this bill, the better its chance for final passage in this session of the Congress.

We in Oregon have a very special interest in this legislation. With over half of the total area of Oregon still in Federal ownership, a large portion of the YCC work most probably would be done in Oregon, thereby adding greatly to the recreational and economic value of the Federal lands in this State.

There is also a provision in S. 812 that, if the State will provide some matching funds, it can secure YCC services for State-owned lands. Oregon has long been the stepsister among the Pacific Coast States in the matter of Federal appropriations. While there is no point in cataloging our grievances in this field, it might be well to remember a couple of instances. For instance, Oregon has no major Armed Forces installations such as both California and Washington have. It's time Cinderella went to the ball, too.

Tourists and vacationists are Oregon's third largest industry. Our beautiful scenic forests and parks are the main attraction which draws people to our State. Any program to make our scenic and recreational sites more beautiful and more attractive to visitors by adding camping and picnicking facilities, etc., certainly will build up our tourist industry and bolster the economy of our State.

S. 812 is one bill that we in Oregon have every reason to support. Therefore, I urge that you immediately write Oregon's congressional delegation and Senator LYNDON JOHNSON urging early and favorable consideration of this bill.

HOUSING: VICTIM OF CONVENTIONAL WISDOM

Mr. NEUBERGER. Mr. President, yesterday the Senate Housing Subcommittee began hearings—for the second time this session—on a housing bill. This legislation is vital to the Nation. I am confident that the subcommittee, headed by the distinguished Senator from Alabama [Mr. SPARKMAN], will continue to strive for enactment of an efficacious bill—despite the President's veto of S. 57.

In his message to the Senate announcing his veto of S. 57, President Eisenhower declared his disappointment with the act of Congress in approving the authorization contained in that measure.

The President called the bill extravagant and inflationary. He criticized it because it would tend to substitute Federal spending for private investment.

I believe that President Eisenhower's charges are, first, without substantial foundation in fact; and second, indicative of a financial and governmental philosophy which is injurious to the welfare of the United States.

The bill is not extravagant.

An estimated 13 million substandard dwelling units exist in the United States today. Net household formation and destruction of old residential structures create a demand for approximately 1.4 million net units each year. If the Nation's present slums are to be eliminated and current housing needs met, at least 2 million homes a year must be constructed for a period of at least 20 years. Urban renewal and planning funds are needed for this purpose.

SERIOUS NEED EXISTS

Furthermore, serious need exists for housing for the elderly, for cooperative housing, and for college housing.

Total new authorization provided by S. 57 is $1.4 billion. Only an estimated $28.5 million would represent new budget expense for fiscal year 1960.

S. 57 would stimulate construction of about 200,000 new homes to alleviate inadequate and slum housing conditions.

The bill is not inflationary.

Housing is tight in many areas of the United States. Scarcity forces up sales prices and rents. To increase the supply is to force these charges down, not up.

In 1952, total interest charges on a $10,000 GI mortgage, paid off over a 25-year period, amounted to $5,840. Today's interest costs on the same mortgage add up to $8,000, an increase of 37 percent. The unwise financial policies followed by the administration have pushed the price of mortgage money to new heights and contributed far more to inflation in the area of housing than any Federal efforts to stimulate residential construction.

ADMINISTRATION'S POSITION INCONSISTENT

The Senate Appropriations Committee is currently holding hearings on H.R. 7978, a bill to provide supplemental appropriations for fiscal year 1960. The administration originally requested $888 million to supply additional funds for 16 Government agencies. These funds were not included in the balanced budget submitted by the President in January. His request for supplemental appropriations was not accompanied by any proposal for bringing in new revenue equal to the recommended new proposed expenditures. Yet, I do not recall that the President announced his request was inflationary, even though the spending involved is 30 times greater than that connected with the housing bill approved by Congress. I am confident that if the President were asked to explain this inconsistency he would reply that the programs which the supplemental money will finance are needed. So is housing, in my opinion.

Classic inflation—which the President says he is fighting—is considered to be associated with full employment. Today nearly 4 million Americans are without work. S. 57 would create some 500,000 jobs in the housing industry and supporting sectors of the economy.

INFLATION NOT AUTOMATIC

Contrary to the impression created in the President's veto message, it is not true that Government spending is automatically inflationary. The President apparently assumes that cost of the housing program contained in S. 57 will be supported by deficit financing. This need not be the case.

Mr. President, in stating his objections to the housing bill sent him by Congress, President Eisenhower contributed to the strengthening of one of the great fallacies of the folklore of American capitalism—the belief that spending in the public sector of the economy somehow represents a subtraction rather than an addition to our gross national product.

It is probably unnecessary to point out that in a technical sense, Government purchases of goods and services are, by the definition explaining the system of national income accounting utilized by American economists, a part of gross national product. The President's views in this respect are based on philosophy not procedure.

I do not think that we can continue to give automatic sanction to the ancient saw that public spending is always bad and private spending good. What of our schools and roads? Activities are assigned to the public sector because they are essential to the well-being of the Nation, and are inadequately performed by private interests or better performed by government.

ALLOCATION ALTERATION REQUIRED

Our problem today is to allocate sufficient resources to meet our most urgent needs. If this means sacrifice in terms of consumption in the private sector, we must be prepared to make that sacrifice.

However, statistics for the period 1953–57 reveal that instead of attempting to care for the increased responsibilities of the Federal Government created by population growth and the birth of new international and domestic problems, we decreased from 21 to 17 percent the proportion of our gross national product devoted to public service. In relative terms, while the private sector of our economy has become richer, the Federal Government has become poorer.

Mr. President, in his book, "The Affluent Society," Harvard economist John Galbraith creates the concept of "conventional wisdom." He declares that:

> The conservative is led by disposition, not unmixed with pecuniary self-interest, to adhere to the familiar and the established. These underly his test of acceptability. But the liberal brings moral fervor and passion, even a sense of righteousness, to the ideas with which he is most familiar. While the ideas he cherishes are different from those of the conservative, he is not likely to be much less emphatic in making familiarity a test of acceptability. Deviation in the form of

originality is condemned as faithlessness or backsliding. A "good" liberal or a "tried and true" liberal or a "true blue" liberal is one who is adequately predictable. This means that he forswears striving toward originality. In both the United States and Britain, in recent times, liberals and their British counterparts of the left have proclaimed themselves in search of new ideas. To proclaim the need for new ideas has served, in some measure, as a substitute for them.

Thus we may, as necessary, speak of the conventional wisdom of conservatives or the conventional wisdom of liberals.

Mr. President, I believe that President Eisenhower in his veto message on the housing bill is parroting the "conventional wisdom" of the most conservative element of his political party.

But I also believe that some members of my own party are blinded by ideological stereotypes at the other end of the political spectrum, with respect to housing and other needed Federal programs.

Members of the Democratic Party have placed before Congress numerous progressive measures which, if enacted, would greatly strengthen this country. But many Democrats have indicated an unwillingness to push for revenue increases to pay for these new or expanded programs.

As Walter Lippmann and other thoughtful observers of the political scene have pointed out, the economic theoery which justifies deficit spending during recession periods, also states that such financing is to be avoided in periods of general economic health.

ARGUMENT DOUBLE EDGED

The United States, although not enjoying full prosperity, and in vital need of effective programs to eliminate residual and technological unemployment, is at least not currently experiencing a recession situation. Thus, the argument which was utilized to justify deficit spending last year, now cuts the other way.

Mr. President, I believe that in a time of reasonable prosperity and peace, Congress should attempt to balance the budget. But I also believe that the President's budget for 1960 is inadequate and that we should equate revenues and expenditures at a higher level of public service.

In preparing its budget estimates, the administration adopted a far too rigid fiscal framework.

This fact is particularly evident when one views Oregon's participation in Federal programs. The President's suggestions for reduction of Federal support of the home-mortgage market, failure to recommend construction funds for Green Peter Dam, cutback of money for road construction in the national forests, all directly hurt our State.

A similar situation exists with respect to national programs. Budget Director Maurice H. Stans announced recently:

We expect the year 1959 to be a period of the highest prosperity in the history of this country.

NEEDS MUST BE MET

But the administration tells us we do not have enough money to provide minimum health protection for the 15 million Americans over 65 years of age, initiate elimination of the Nation's 13 million substandard dwelling units, or assist in construction of 135,000 elementary and secondary school classrooms required to handle increasing enrollments.

I think that these and other vital needs should be met.

In an economic situation such as the present, I favor tax increases over deficit financing to support additional government services.

Deficit financing, when accomplished through, commercial banking channels, creates a potential source of inflationary credit. Interest and service charges add to the cost of goods and services purchased by the Federal Government. In the past 5 years, stimulated by the administration's tight-money policies, interest costs on the national debt have risen 20 percent. Today interest payments represent 10.5 percent of total budget expenditures—more than we spend on all the Federal functions of commerce and housing, natural resources, and labor and welfare.

INTRODUCED TAX MEASURES

For these reasons, on March 5, 1959, I introduced in the Senate four measures to raise additional Federal revenue. These bills would, first, increase temporarily the Federal highway fuel tax by 1½ cents; second, lower the percent depletion allowance for oil and gas companies from 27½ to 15 percent; third, allow the Post Office Department to set postal rates based on due consideration of cost of both public and nonpublic services; fourth, reinstate the excess profits tax of 1950.

For reasons of revenue adequacy as well as equity, I voted on June 25, 1959, to amend the corporate and excise tax rate extension bill so as to, first, repeal the 4 percent tax credit on dividend income from domestic corporations; second, deny deductions for certain entertainment, gift and travel expenses in connection with a trade or business; third, provide for withholding at their source of income taxes on interest and dividends; fourth, reduce the oil depletion allowance on a graduated basis; fifth, raise the gasoline tax from 3 to 4½ cents until July 1, 1961. I regret that these measures were not approved by Congress and added to the bill finally sent to the President.

REALISTIC RESOURCE DEPLOYMENT VITAL

It seems to me that the basic question posed by the budget for fiscal year 1960 is this: Are we willing to allocate to the public sector of the economy funds necessary to fulfill our domestic and international obligations?

Mr. President, the administration is extremely fond of pointing to our currently rapidly rising gross national product as a symbol of the wisdom of its economic policies. But the President and his advisers frequently appear to be obsessed with productivity not as a means but as an end.

This doctrine is not without bipartisan support. The CONGRESSIONAL RECORD contains daily reports on our underutilization of resources and the danger of losing the production rate race to the Soviet Union. All too seldom is the issue related to its essential corollary: What are we producing?

The drive for higher productivity has taken on a life of its own. It has become for many a force greater than the demand which presumably sustains it. As Admiral Rickover said recently:

We no longer produce to supply what we need; we now consume in order to clear away what the machine produces—a topsy-turvy state of affairs. To dispose of the flood of machine-made goods we have had to create a new industry; a $10 billion industry to service the machine by persuading us to buy its products.

Stimulated by advertising, we begin actually to believe that our 1959 auto will really be obsolete in 1960. Although the mores of society dictate that a government which spends more than it collects in revenue in a 12-month period is ill managed, we back with little question the extension of consumer credit so that more persons may buy cars, washing machines, and backyard swimming pools.

SYNTHETIC GOALS CREATED

Supplying of private wants—however created—assumes a vastly higher priority than public needs. Investment in an autoplant is an unqualified gain. But investment in schools to educate the men who will eventually run this increasingly automated industry is a burden.

The result is that we are rich in private goods but poor in public goods.

The reason that we are poor in governmental services is not because we lack the capacity to supply these needs but because we have succumbed to the continuing campaign to downgrade the value of projects carried out by Government. We have blindly accepted the myth that Government employees are somehow less diligent and capable than their counterparts in private enterprise and that the work they carry out is of less significance.

The public is led to believe that taxes represent a complete loss to the economy, that these funds disappear into some subterranean chamber guarded by bureaucrats—a race hinted to be alien to America—and are never seen again.

Mr. President, taxes are a method for allocating resources between the private and public sector of the economy. Taxes are neither good nor bad. It is what they buy in terms of governmental goods and services to which these judgments should be applied.

SOCIAL IMBALANCE PRESENT

Our primary problem today is not the creation of wealth, but the channeling of our affluence.

As Galbraith points out, we are experiencing a growing social imbalance in the division of resources between public and private goods.

Each consumer credit which will permit Americans to trade-in their chrome-laden auto each year for the latest model is regarded as virtue. This is not deficit spending, the bane of all governments, we are told; it is a contribution to our standard of living.

But if we attempt to provide needed funds for education, we are accused of financial irresponsibility.

Yet what will eventually best advance our Nation: Planned obsolescence of automobiles or a more adequate educational system?

Mr. President, I believe that we must support a rate of economic growth commensurate with capacity. Underemployment of our resources of men and machines is economic waste. The general monetary controls relied upon by the administration as an inflation weapon are not only ineffective in the face of administered prices, but retard growth. More selective methods are required to combat future general price rises.

NEW NEEDS, NEW DEMANDS

Economic growth will in turn automatically boost tax receipts, thus providing moneys for essential public services. But measures required to stimulate certain depressed economic areas are dependent upon provision of funds for such purposes. At the present time I believe such financing should utilize the vehicle of taxation.

The more essential problem, however, is this: Instead of assigning sufficient resources to the public sector to do the job which must be done, we insist in declaring that the job is no greater than the level and rate of resources approved in the past will support. It is time we recognized that there are new needs and, hence, new demands.

Mr. President, the housing bill is only a single, relatively small program in the total list of Federal functions. But the handling which it has received is indicative of much that is wrong with our approach to the activities of the Federal Government today.

The general not the special interest, the nature not the sum, the product not the production—these should be our special concern today as we decide between public and private wants. Until we adopt this attitude, we will continue to be a Nation rich in the soft strength of consumer wealth but poor in the goods and services which represent the true sinews of America as a great country.

CONSTRUCTION OF BRIDGE NEAR EL PASO, TEX.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 512, H.R. 4538.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4538) authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President I may say in explanation that the bill was reported unanimously by the Committee on Foreign Relations, under the chairmanship of the distinguished Senator from Arkansas [Mr. FULBRIGHT].

This Nation has been blessed with many benefits, but I know of none greater than enjoying a continuing friendly relationship with good neighbors to the north and to the south.

This situation—sought by many nations but achieved by few—has been marked by construction of stout bridges of friendship rather than tall walls of discord.

There is now before the Senate a bill sponsored by my good friend Congressman J. T. RUTHERFORD authorizing El Paso County, Tex., to construct, maintain, and operate across the Rio Grande another of these great "bridges of friendship." It is identical with a companion bill introduced by my distinguished colleague, the junior Senator from Texas [Mr. YARBOROUGH].

This bridge would provide another link between the Republic of Mexico and the United States. It would join the great States of Chihuahua and Texas, and would further cement the peaceful bonds of commerce, culture and friendship uniting the citizens of two cities—Juarez, Mexico, and El Paso, Tex.

The bill would not authorize the appropriation of Federal funds for construction of the bridge.

Construction and operation would be in accordance with the General Bridge Act of 1906. The bridge would be subject to approval by the International Boundary and Water Commission, as well as by the appropriate Mexican authorities.

This project has been proposed by forward-looking leaders on both sides of the international border.

The approval of the bill will open the way to ultimate achievement of many things: It will strengthen the notably friendly relations between the people of the United States and Mexico; a new avenue will be provided for the exchange of commerce, the interchange of culture, and the movement of peace-loving people between two great nations.

Mr. YARBOROUGH. Mr. President, the issue before the Senate is the proposed authorization of El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande River at or near the city of El Paso, Tex.

This bill provides for the construction of adequate bridge facilities connecting the progressive, growing cities of El Paso, Tex., and Juarez, Mexico. Approximately 600,000 people live in the two cities—the greatest bilingual international border city area in the Northern Hemisphere—and there are only two bridges to serve them.

Mr. President, 32 years ago, when I first went to El Paso, as a young lawyer, to practice law, those two bridges were there. At that time the population of the two cities was about 150,000. Today, there are still only those two bridges in that area; but today there are approximately 600,000 persons on the two sides of the river, in that small area, which is developing very rapidly. On the entire American-Mexican border, El Paso is the largest city on the American side, and Juarez is the largest city on the Mexican side of the border.

So, Mr. President, construction of the additional bridge, as now proposed, is urgently needed, and will make a most important contribution to the development of the area, particularly as regards the jobs and services performed by those who live on the American side of the border and those who live on the Mexican side.

The bridge planned by the public officials and community leaders in Texas and Mexico is a vital necessity to travel in that region. The bridge will also make a great contribution to the interchange of culture and ideas, jobs, and services, between friends on both sides of the border. Building this bridge will help to build a better good neighbor policy, not only in El Paso, but throughout a great area in the Southwest.

Under the provisions of this bill, the selection of the site for the bridge will be left up to local officials. The local officials plan to finance the work at no expense to the Federal Government. The construction and operation of the bridge will be subject to the approval of the International Boundary and Water Commission of the United States and Mexico, and to the approval of proper authorities in Mexico.

Mr. President, I commend the bill to the favorable consideration of the Senate; and I commend my senior colleague [Mr. JOHNSON] for his efforts in bringing the bill before the Senate, for its consideration, inasmuch as construction of the proposed bridge is so urgently needed in the interest of the development of that area of the country.

The PRESIDING OFFICER (Mr. KUCHEL in the chair). The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4538) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. YARBOROUGH. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

A COAL RESEARCH AND DEVELOPMENT COMMISSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 557, House bill 6596.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6596) to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill H.R. 6596, to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. JOHNSON of Texas. Mr. President, the bill will not be acted on today; but it will be the unfinished business, and its consideration will begin on Monday.

Previously, an order to have the Senate adjourn from today until Monday has been entered.

SECURITY COVERAGE FOR NONPROFESSIONAL SCHOOL DISTRICT EMPLOYEES

Mr. CARLSON. Mr. President, let me inquire whether the majority leader expects to have the Senate take up, this evening, Calendar No. 146, House bill 213, to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees.

Mr. JOHNSON of Texas. Yes; just as soon as the Senator from Oklahoma [Mr. KERR] reaches the Chamber. The Senator from Montana [Mr. MANSFIELD] will handle the bill when the Senator from Oklahoma arrives.

Mr. CARLSON. I thank the Senator from Texas.

MISGUIDED FOREIGN TRADE POLICIES

Mr. THURMOND. Mr. President, the tragic results of our misguided foreign trade policies continue to come home to haunt us. More and more domestic industries are feeling the impact, and an ever increasing number of American jobs are disappearing. Undoubtedly, the worst is yet to come.

As with almost all national issues, the foreign trade issue appears to the great majority of people as either all black or all white. Any modification of the policy, or criticism of its operation, is considered by the so-called free traders as heresy born in the spirit of isolationism. This attitude has contributed markedly to an almost complete lack of objectivity, which may ultimately destroy our economic system.

A careful examination of the operation of our purportedly "reciprocal" trade program reveals an astounding lack of "reciprocity." This lack of reciprocity, coupled with such factors as our encouragement and subsidies to foreign industrialization, the wage differential existing between our country and foreign countries, and the tax advantages enjoyed by foreign competitors, is continually and increasingly eroding both the foreign and domestic markets of domestic producers.

The ideas that led to the conception of our foreign trade program were undoubtedly sound. Into the statutes that effectuated this program were written procedures for the safeguarding of the markets—particularly the domestic markets—of our domestic producers. The operation of the program, however, has, from the beginning, been at wide variance with the theory underlying its conception. In practice, there has been scarely any utilization of the procedures authorized for preservation of our domestic industry and employment. The pleas of those portions of our domestic economy which have borne the brunt of the first assault have been like a voice in the wilderness, unheard, and unanswered.

For those who are truly interested in the advancement of foreign trade, this should be most alarming. With every plea from a segment of our domestic economy that goes ignored, more fuel is added to the fires of opposition to our trade program in its entirety. For those who lose their jobs or savings on the sacrificial altar of our untouchable trade policy, it is understandably difficult to be objective about the benefits derived from trade with the world community. It is much more characteristic for such a person to be violently and emotionally opposed to foreign trade—in other words, to see nothing but the black side.

Up to the present time only a minority of the American public has been directly affected to the extent that violent opposition to the trade program has been inspired. Only the blind, however, can fail to see that as greater inroads are made on domestic markets of basic industries such as steel, and other bellwether industries such as automobiles, such unalterable opposition will continue to multiply by leaps and bounds. Unless the safety-valve procedures provided in the law are utilized and invoked to perform their intended function, our foreign trade program is doomed to sudden and inglorious death at the hands of an aroused and angry public sentiment, occasioned by the blindness of the program's stanchest defenders.

Some of the safety valves available to make the foreign trade program practically workable on a long term basis are written into the so-called Reciprocal Trade Act itself, such as the peril point and escape clause provisions. Other safety valve features exist, such as that provided in section 22 of the Agricultural Adjustment Act, and although they are not an integral part of the Trade Act, their provisions are incorporated into all trade agreements made by our Government with foreign countries. Thus we breach no agreement when we invoke the provisions of the safeguard procedures to insure the preservation of some part of our domestic economy.

Mr. President, I have mentioned some of the competitive disadvantages accruing to domestic producers generally when competing with foreign products, as, for example, wage differentials, less realistic tax depreciation rates, and Government subsidies to foreign competitors. These competitive disadvantages apply in varying degree to any field where domestic industry must compete with its foreign counterpart. Other competitive disadvantages apply to particular segments of our domestic economy to the exclusion of other segments.

The most staggering competitive disadvantage which applies to one particular segment of our domestic industry arises from our two-price system of cotton. On August 1 of this year, the price differential on raw cotton will increase to 8 cents a pound. This means that effective August 1 domestic manufacturers of cotton products will have to pay 8 cents a pound more for their raw material than will their foreign competitors.

To appreciate the full impact of this price disparity in favor of foreign manufacturers, it is necessary to understand that the cost of raw cotton makes up well over half of the average selling price of a yard of gray cloth in the United States. In foreign countries, where the wage level is much less than in the United States, the ratio of cost of raw material to selling price of the manufactured item is presumably much higher.

In order to grasp the extent of the impact of this differential in cost of raw materials, it is essential that we take into account the wage differential to which it is cumulative. The average hourly earning of workers in the textile industry in the United States is $1.58. In Hong Kong, a major source of textile production, the standard textile wage is reliably reported to be 6.8 cents an hour. Even Japan, with its textile wage of approximately 10 cents an hour—and considered to be one of the really low-wage countries—is reportedly finding itself unable to compete with the lower wages being paid in other Asian countries.

Is there any wonder that there is such a growing animosity toward our trade program? Our Government cannot continue to turn a deaf ear to the cries of anguish from domestic producers and workers. Now is the time for an act of good faith by the Government, to restore at least some partial confidence of the American people in the trade program. The opportunity is at hand. A case has been made, and a more deserving case is hard to imagine.

On June 29, the National Cotton Council, representing cotton farmers, ginners, merchants, warehousemen, seed crushers, and spinners, filed with the Secretary of Agriculture a petition for action on cotton textile imports under section 22 of the Agricultural Adjustment Act. Section 22 contains provisions for relief against imports if it is found that they tend to render ineffective or materially interfere with the agriculture program of the Government.

Under section 22, import quotas have been imposed on upland cotton at a level of 30,000 bales under 1⅛ length. The petition of the National Cotton Council is directed at the imports of textiles. I should like briefly to summarize the case made for relief.

The number of bales of cotton imported into the United States in textile form, including yarn, cloth, and fabricated articles, has increased from 37,510, in 1948, to 286,630, in 1958. Lest there be any supposition that the trend has reached a cutoff, Senators should consider that although textile imports from

Hong Kong for any quarter through April of this year have never exceeded 2 million yards of cloth, unimpeachable reports indicate that orders have been placed for future delivery of more than 35 million yards of soft-filled sheetings alone from Hong Kong. It cannot be denied that textile imports, now at an alltime high, are increasing at a terrifically rapid rate.

Now let us turn to the forms of injury to the U.S. cotton program occasioned by these textile imports. These forms of injury may be classified in four categories: First, the immediate effect on the market for U.S. cotton; second, the effect upon the attitude of the domestic textile industry; third, the effect upon the domestic market development; and, fourth, the buildup of future trouble, through delay.

It is self-evident that any substantial decrease in the market for domestic raw cotton materially interferes with our national cotton program. It behooves us, therefore, to examine the recent changes in the market for our domestic raw cotton, both foreign and domestic. It is true that our exports of textiles are larger than our imports, and this often is used as an excuse for our Government's inaction. If, however, we examine the trends of imports and exports together, it is obvious that such an excuse is completely invalid. For example, in 1948, the imports of yarn, cloth, and fabricated products were the equivalent of 38,000 bales, and the exports of cloth and yarn were the equivalent of 689,000 bales, the difference being 651,000 bales. In 1958, the picture had changed materially. Although exports of yarn and cloth in bale equivalent still exceeded imports of yarn, cloth, and fabricated products, the differential had shrunk from the 651,000 bales—equivalent, in 1948, to 76,000 bales—imports of yarn, cloth, and fabricated products having increased from 38,000 to 287,000, and exports of yarn and cloth having decreased from 689,000 to 362,000.

The figures I have just stated are not an isolated example, but are consistent with the entire trend. Other figures illustrate the same trend. For instance, consider the dollar value of cotton goods exported and imported in the form of end products. In 1953, exports amounted to $62,962,000, and imports amounted to $48,228,000, leaving a differential of exports over imports of $14,734,000. In 1958, exports had decreased to $58,664,000, while imports had increased to $109,696,000. The $14,734,000 advantage of exports we enjoyed in 1953 has disappeared, to be replaced by a deficit of more than $55 million.

A few decades ago, the sale and use of domestically grown raw cotton abroad would have offset the trend in manufactured products. It has not been too long since about one-half of all the cotton consumed abroad was imported from the United States. In the last 5 years the situation has become radically different, for the United States has furnished not one-half the cotton for foreign consumption, but only one-seventh. There can be no question, incidentally, that a great portion of the raw cotton market which we have lost has gone to Red China. The U.S. cotton producer is losing the market rapidly. Sales of raw cotton abroad have shrunk materially, as have exports of manufactured cotton products, while at the same time textile imports have multiplied rapidly. The trend of a shrinking market for domestic cotton, at home and oversea, progresses at an even faster rate.

The question of the market for domestic raw cotton cannot be left with a consideration of only the immediate and direct effects of the competitive advantages of foreign competitors, however. There are other—if less direct, certainly just as substantial—effects of a cumulative nature. The attitude of the domestic textile industry is pertinent to this point.

The impact of incredible wage differentials, tax system disadvantages, inducements to oversea investments offered by the U.S. Government, and the disparity between the domestic and world prices of cotton have not been lost on the textile entrepreneur's thinking. As a matter of fact, the confidence of the textile manufacturer in cotton as a source of raw material supply is being undermined, insofar as domestic manufacture is concerned. His thinking is tilted—and logically so, we must admit—in the direction of synthetic fibers. A continuation of such thinking can only result in further losses of a cotton market.

We must also be conscious of the fact that all the pressures are aimed at directing the future capital investment in textiles to foreign lands, with the resultant loss of employment, and ultimately a further loss in market for raw cotton.

Many have pointed to the field of market development, both domestic and foreign, as the most appropriate solution to the problem. I could not agree more thoroughly that an intensive program of market development by the textile and allied industries is essential to the survival of the cotton, and indeed, the entire textile industry. But we must face the practical facts of life. Marketing development involves major capital investments over a long period in such things as market research, scientific research, advertising and promotion, new plant and equipment, and personnel training. Any realist must acknowledge that confidence is a condition precedent to any such major investments. To date, investors have certainly been given little reason for confidence by the only source of relief—the U.S. Government.

The situation in which we find ourselves will brook no delay. The longer action for the correction of competitive disadvantages of domestic producers is postponed, the worse the situation becomes. Textile industries are springing up as the initial effort of undeveloped countries. Earlier comers to the field of textile manufacturers in such places as Japan, Hong Kong, and India continue to strain for expansion of their textile capacity—ever looking toward capture of a larger part of the world, and particularly the American textile market. We are fast approaching a time when this particular facet of our trade program will be beyond salvation. The longer we wait, the more drastic will have to be the remedy, and, therefore, the more difficult it will be to apply.

I submit that it is hard to conceive of a more substantial case for relief than that which exists for the cotton industry under section 22. Even were this the only mishap of our foreign trade program, it would be incomprehensible if relief should be denied.

From an overall standpoint in the interest of the future foreign trade position of our country, however, there is an even more compelling reason why favorable action should be taken on the petition of the National Cotton Council. As I have mentioned earlier, an ever broader segment of the American public is adopting an attitude of adamant, uncompromising opposition to the trade policy of the United States. With each passing day, this segment increases in size. Admittedly, this portion of the American people may still be in the minority. Already, however, the same attitude is having an effect on the Congress. Only last year, substantial changes in the so-called Reciprocal Trade Act, although ultimately defeated, received a broad base of support in Congress, and actually were staved off only by the most vigorous opposition by both the administration and the leadership of the Congress.

If the safety valves provided to remedy the specific hardships that result from the general application of the policy remain tightly sealed, there is certain to be an ultimate explosion. The longer the explosion is delayed without some show of good faith by the Government, the more extreme will be the change when it comes.

The section 22 petition of the National Cotton Council not only makes an unassailable case for relief, but provides an unequalled opportunity for a demonstration that our trade program can be implemented in a practical manner without destroying domestic industry and employment. It is my sincere hope, in which I should be joined by every advocate of expanded world commerce, that the Secretary of Agriculture and the President will act immediately to grant relief to the cotton industry.

APPEAL BY POSTMASTER GENERAL OF COURT RULING IN REGARD TO "LADY CHATTERLEY'S LOVER"

Mr. DIRKSEN. Mr. President, I note that the distinguished Senator from South Carolina [Mr. JOHNSTON] issued a press release today and invited attention to a letter he has written to the Postmaster General, urging him to take immediate action to appeal the ruling of the U.S. district court in New York which asserts that the amazing book "Lady Chatterley's Lover" is mailable through the Post Office. The Senator from South Carolina [Mr. JOHNSTON] urges the Postmaster General to take immediate action to appeal that ruling and to have the matter determined forthwith.

I quite concur in the sentiments expressed by the Senator from South Carolina, and I invite attention to the fact

that already the publisher of the book in its unexpurgated form evidently is carrying on quite a propaganda endeavor in order to popularize it. I gather from certain information supplied to me it is the No. 2 book on the Nation's best-seller list.

Obviously, there is an attempt to cast the Postmaster General in a role of a censor, when in fact he is merely doing his duty under the law as Congress wrote it. That, in my judgment, becomes the issue.

I have looked over a number of expressions of editorial opinion, and other matters. I do not arrogate to myself the quality of a connoisseur in the literary field, but I believe, because of the vigorous and forthright statements which the Postmaster General has made on this matter, in indicating what he thought was his duty under the law, the appeal will be prosecuted with vigor.

SECURITY COVERAGE FOR NONPROFESSIONAL SCHOOL DISTRICT EMPLOYEES

Mr. MANSFIELD. Mr. President, I move that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 146, H.R. 213.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 213) to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 213) to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees, which had been reported from the Committee on Finance, with an amendment, after line 5, to insert a new section, as follows:

SEC. 2. Subsection (p) of section 218 of the Social Security Act is amended by inserting "Oklahoma," after "North Carolina," and "Vermont," after "Tennessee,".

Mr. KERR. Mr. President, I offer an amendment to the committee amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. Beginning with "Oklahoma," in line 7, strike out all through "and" in line 8, and at the end of the bill add the following new section:

SEC. 3. Notwithstanding the provisions of subsection (d)(5)(A) of section 218 of the Social Security Act and the references thereto in subsections (d)(1) and (d)(3) of such section 218, the agreement with the State of Oklahoma heretofore entered into pursuant to such section 218 may, at any time prior to 1962, be modified pursuant to subsection (c)(4) of such section 218 so as to apply to services performed by any individual employed by such State (or any political subdivision thereof) in any policeman's position covered by a retirement system in effect on the date of enactment of this Act if (1) in the case of an individual performing such services on such date, such individual is ineligible to become a memebr of such retirement system, or, in the case of an individual who prior to such date has ceased to perform such services, such individual was, on the last day he did perform such services, ineligible to become a member of such retirement system, and (2) such State has, prior to 1959, paid to the Secretary of the Treasury, with respect to any of the services performed by such individual in any such position, the sums prescribed pursuant to subsection (e)(1) of such section 218. Notwithstanding the provisions of subsection (f) of such section 218, such modification shall be effective with respect to (i) all service performed by such individual in any such position on or after the date of enactment of this Act, and (ii) all such services, performed before such date, with respect to which such State has paid to the Secretary of the Treasury the sums prescribed pursuant to subsection (e) of such section 218, at the time or times established pursuant to such subsection.

Mr. KERR. Mr. President, the purpose of the amendment to H.R. 213, offered by the senior Senator from Oklahoma, is to validate social security contributions made erroneously by certain employees of municipalities in Oklahoma and the municipalities.

As the Senate well knows, employees of State and local governments already covered by a retirement system are not eligible for social security coverage, unless the Social Security Act is specifically amended to permit it.

It has been brought to the attention of the Senator from Oklahoma that some cities have erroneously extended social security coverage to individual members of their police departments, who have elected not to come under their policemen retirement system because they thought they were covered by social security. They have had social security payments deducted from their wages, and the cities have made employer contributions. However, it has been brought to light that unless the amendment offered by the Senator from Oklahoma is adopted these people will lose their social security benefits. Of course, their contributions will be refunded, but that is of small comfort when we realize they will have no retirement benefits.

The amendment would not apply to any policemen hired in the future and is a temporary measure because the authority to modify the agreement between the Social Security Administration and the State of Oklahoma to cover such employees, expires December 31, 1961.

I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CARLSON. Mr. President, I wish to offer an amendment. At the proper place in section 2, the committee amendment, insert the word "Kansas."

Mr. President, I received a telegram from the Kansas Peace Officers' Association requesting that Kansas be included in the bill with the other States now included under this provision. I ask unanimous consent that the telegram be printed in the RECORD as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *June 17, 1959.*

Senator FRANK CARLSON,
Senate Office Building,
Washington, D.C.:

Kansas Peace Officers Association, through its board of governors, recommend and approve an amendment to House bill 213, Senate Calendar No. 146, permitting police in the State of Kansas to be included under social-security coverage for certain nonprofessional school district employee and police. Present bill covers Oklahoma and Vermont only. Will appreciate your assistance in this matter.

Lt. CHARLES PROWSE,
Wichita Police Department, President,
Kansas Peace Officers Association.

Mr. CARLSON. Mr. President, I have discussed this matter with the senior Senator from Kansas [Mr. SCHOEPPEL]. We are unanimous in requesting this action.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. CARLSON], to the committee amendment.

The amendment to the amendment was agreed to.

Mr. YOUNG of North Dakota. Mr. President, I should like to call up my amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, line 7, in the committee amendment it is proposed to insert, after the amendment just agreed to, the words "North Dakota."

Mr. YOUNG. Mr. President, I should like to make a few brief comments. I understand this action will make the policemen and firemen of my State eligible for social security benefits. It would not obligate them to accept the program. Each unit would have an opportunity to approve or disapprove.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from North Dakota.

The amendment to the amendment was agreed to.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

Mr. KERR. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. KERR. Has the bill been passed?

The ACTING PRESIDENT pro tempore. No; the bill has not been passed. The question is on agreeing to the committee amendment, as amended.

Mr. KUCHEL. Mr. President, I have an amendment I desire to offer to the amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated for the information of the Senate.

Mr. KUCHEL. Mr. President, I offer an amendment to add the word "California" to the list of States recognized in the pending bill.

The objective of this amendment is to include California within those States where the benefits of social security may be extended to policemen and firemen employed by the State or any political subdivision thereof on a voluntary basis.

The State Legislature of California has recently enacted legislation, approved by Governor Brown, to permit this extension of social security to policemen and firemen within our State. My amendment is designed to effectuate this State legislation.

This amendment will be beneficial to all the people of California in ultimately providing uniform and reasonable retirement benefits to those serving the public selflessly. It will not impair any of the rights of those directly affected. Before coverage is extended to any group, a secret vote of the employees involved must be held and a majority must favor inclusion. The law specifically protects any rights already acquired under an existing retirement system.

I ask unanimous consent to have printed in the RECORD, following my remarks, a telegram from Gov. Edmund Brown of California, urging the adoption of this amendment.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SACRAMENTO, CALIF., *July 22, 1959.*

Hon. THOMAS H. KUCHEL,
U.S. Senator, Senate Office Building, Washington, D.C.:

Understand H.R. 213 has reached Senate floor. This bill includes Senate Finance Committee amendment which would make applicable to Oklahoma and Vermont the provision in present law which permits 12 States to extend old-age and survivors insurance coverage to policemen and firemen already covered by local retirement systems. Existing State and Federal laws contain adequate guarantees that even if California is added to H.R. 213, old-age and survivors insurance coverage will be extended only to California policemen and firemen who elect to obtain such coverage. I have just signed assembly bill 1969 which will amend California law to permit social-security coverage to policemen and firemen already covered by local retirement systems provided Federal law is amended to include California in such coverage. I urge you to secure amendment to H.R. 213 to include California in the group of States where such coverage is permitted.

EDMUND G. BROWN,
Governor.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from California [Mr. KUCHEL] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. AIKEN. Mr. President, if all the amendments have been acted upon I should like to ask: Is "Vermont" still in the bill in the proper place?

The ACTING PRESIDENT pro tempore. That is a question properly addressed to the senior Senator from Oklahoma.

Mr. KERR. The answer is "Yes."

Mr. AIKEN. Mr. President, if there should be any grammatical errors in the bill as finally amended, is it in order to request unanimous consent to authorize the Secretary to put the bill in its proper grammatical form?

The ACTING PRESIDENT pro tempore. It is.

Mr. AIKEN. Mr. President, I ask unanimous consent that that be authorized.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 213) was read the third time and passed.

The title was amended so as to read: "An act to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees, and to permit the States of California, Kansas, North Dakota, Oklahoma, and Vermont to obtain social security coverage, under State agreement, for policemen and firemen in positions covered by a retirement system."

Mr. KUCHEL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. YOUNG of North Dakota. Mr. President, I move to lay that motion on the table.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from North Dakota to lay on the table the motion of the Senator from California to reconsider.

The motion to lay on the table was agreed to.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1959

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, for the information of the Senate, an explanation of S. 1138, the Veterans' Readjustment Assistance Act of 1959, as passed by the Senate, with amendments, on July 21, 1959. The explanation has been prepared by counsel for the Subcommittee on Veterans' Affairs, in consultation with the Senate legislative counsel, and with my study and approval after working with them.

Mr. President, I think the explanation is necessary in view of the rather lengthy amendments agreed to on the floor.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

GENERAL EXPLANATION AS PASSED BY THE SENATE, WITH AMENDMENTS, ON JULY 21, 1959

The bill (S. 1138), entitled the "Veterans' Readjustment Assistance Act of 1959," has as its primary purpose the establishment of a balanced program of readjustment assistance for post-Korean veterans, i.e., persons who first entered on active duty in the Armed Forces after January 31, 1955.

Service in the 6-month Reserve training program does not come within the meaning of "active duty" as that term is used in the bill. Consequently, members of the 6-month Reserve program would not be eligible for benefits provided by the bill.

The basic eligibility period of the bill extends from January 31, 1955, the officially declared termination date for establishing eligibility under the Korean GI bill, to July 1, 1963, the termination date of the compulsory draft law.

The vocational rehabilitation training program provided by the bill is limited to veterans with service-connected disabilities. The eligibility period for this program covers both post-Korean veterans and veterans who first entered military service between the end of World War II and the beginning of the Korean conflict.

Applicable throughout the bill is a requirement that a veteran, to qualify for assistance, must have been discharged under conditions other than dishonorable.

Three major types of readjustment assistance, patterned closely after the forms of assistance provided under the GI bills for veterans of World War II and the Korean conflict, would be available to post-Korean veterans under the provisions of S. 1138. These are—

(1) Education and vocational training assistance.

(2) Vocational rehabilitation training for veterans with service-connected disabilities.

(3) Guarantee and direct loan assistance for the purchase of (a) homes, including homes on farms, and (b) farmlands, livestock, machinery and so forth, to be used in farming operations conducted by the veterans.

EDUCATION AND VOCATIONAL TRAINING (SEC. 2)

Eligibility: To be eligible for educational or vocational training assistance the veteran must have served on active duty between January 31, 1955, and July 1, 1963, for a period of more than 180 days, and must have been discharged under conditions other than dishonorable. In the case of a veteran discharged from service for a disability incurred on active duty the length of his active duty service would not be a factor in establishing basic eligibility.

Length of education or training: The education or vocational training period would be calculated by multiplying 1½ times each day of the veteran's active military service between January 31, 1955, and July 1, 1963, and with respect to a veteran on active duty on June 30, 1963, active military service after such date until his first discharge or release from active service succeeding such date. The maximum education or training period to which a veteran could become entitled is 36 months. In computing a veteran's period of active military service, for purposes of determining his period of education or training, there would be an exclusion of time spent in certain courses of education sponsored by the Armed Forces.

Kinds of training: Eligible veterans may use their educational entitlements to pursue the following kinds of training:

(1) School courses, both at college and below college level. These courses may be

pursued full time, three-fourths time, one-half time, or less than one-half time.

(2) Cooperative courses, combining school and on-the-job training in alternating cycles. All cooperative courses must be pursued on full-time basis.

(3) Correspondence courses and flight training.

(4) On-the-job training: All job training must be pursued on full-time basis.

(5) Institutional on-farm training: All farm training courses must be on full-time basis.

Educational allowances: A monthly allowance, paid directly to the veteran by the Veterans' Administration, is the means by which the veteran is assisted in the pursuit of a program of education. The allowance would be an outright grant or a loan, as explained in the topical heading next below. For a full-time program in an educational institution, the education or training allowance would be as follows: For a veteran without dependents, $110 a month; for a veteran with one dependent, $135 a month; and for a veteran with more than one dependent, $160 a month. Proportionate rates are fixed for allowances concerning less than full-time courses, as well as on-the-job and on-the-farm training. From the education and training allowance, the veteran must meet all of the costs incident to his education—tuition, subsistence, books, supplies, fees, etc.

Grants and loans: Education and training allowances would be on a grant basis for all types of approved courses of education or training other than courses in institutions of higher education. For approved courses in institutions of higher education, the education and training allowances would be on a grant basis for the first school year of the veteran's program of education. After the first school year, such allowances would be on a grant basis for any school year immediately following a school year in which the veteran achieves a scholastic average or scholastic standing that places him in the upper half of his class. For example, a veteran who achieves such scholastic standing for the first school year of his program of higher education, will be entitled to receive education and training allowances on a grant basis for the entirety of his second school year. A veteran who does not place in the upper half of his class for any school year shall be entitled to education and training allowances on a loan basis during the immediately succeeding school year; however, if the veteran, during such immediately succeeding school year, attains the required scholastic average or standing, he shall be entitled to education and training allowances on a grant basis, retroactively, for such immediately succeeding school year. In cases involving retroactive payments of education and training allowances, adjustments, upon application, shall be made by (1) cancellation of the loan, if the veteran elected to obtain a loan for a school year during which he did not qualify for a grant; (2) cancellation of the amount of the loan, if the veteran elected to receive only a part of the loan to which he was entitled during such school year, and payment to the veteran of the difference between such amount and the amount he would have been entitled to receive had he been paid education and training allowances on a grant basis during such school year; and (3) payment of the full amount of the education and training allowances due for such school year, if the veteran elected not to receive any amount of the loan to which he was entitled during such school year. Loans shall be interest free and shall be repaid in equal or graduated periodic installments in accordance with schedules approved by the Administrator of Veterans' Affairs. Repayment of loans shall begin 1 year after the veteran ceases to pursue his program of education and shall continue over such period of time as the Administrator shall prescribe, not exceeding 10 years. If a loan is not repaid within the repayment period prescribed by the Administrator, interest shall accrue on the unpaid principal at the rate of 2 percent per annum.

Expiration dates: Veterans must commence education or training under the bill within 3 years after their separation from service and complete their training within 8 years after separation; however, with respect to persons separated from service prior to the date of enactment of the bill, these delimiting periods respecting commencement of training shall begin with the date of enactment of the bill. All education or training ends on June 30, 1973, except that certain career personnel may use their educational entitlements beyond that date and the method of computing the 3- and 8-year delimiting periods in career cases is liberalized so that the last period of service from which they are measured may include brief interruptions in service.

VOCATIONAL REHABILITATION FOR DISABLED VETERANS (SEC. 3)

Eligibility: To be eligible for vocational rehabilitation training, a veteran must have need of such training, as determined by the Administrator of Veterans' Affairs, to overcome the handicap of a physical or mental disability rated at 10 percent or more of total disability. The disability must be a service-connected disability arising from active military service either between the end of World War II (July 25, 1947) and the beginning of the Korean conflict (June 27, 1950), or subsequent to the end of the Korean conflict (January 31, 1955). Disabilities rated as 30 percent or more enjoy a nonconclusive presumption that training is needed; in cases involving disabilities rated as less than 30 percent the veteran must clearly show that the disability has caused a pronounced employment handicap. The general requirement for a discharge under conditions other than dishonorable would apply.

Length of training: The length of training is dependent upon the needs of the veteran. In general, the period is limited to 4 years; however, upon appropriate findings by the Administrator of Veterans' Affairs, additional time may be granted.

Kinds of training: The veteran may enroll in an institution offering college training, in an institution below the college level, or in any other type of training which, in the view of the Administrator of Veterans' Affairs, is designed to lead to the veteran's vocational rehabilitation.

Expiration dates: While there is no overall termination date with respect to the vocational rehabilitation program, there are dates beyond which individual veterans may not receive training. Generally veterans may not receive training more than 9 years after discharge or release from active mililtary service. However, with respect to veterans who become eligible for vocational rehabilitation by virtue of the enactment of this bill, training may be afforded such persons until 9 years after the enactment of the bill or 9 years after discharge or release from service, whichever is later. In addition, in certain hardship situations, the generally applicable expiration dates would be extended for 4 years. The additional 4-year period would be accorded in cases where (1) severe disability prevents training; (2) subsequent changes in discharges provide eligibility for training; and (3) service-connected disabilities are not established in time to begin and complete training before the general expiration dates.

Subsistence: A vocational rehabilitation trainee would receive a minimum subsistence allowance of $65 a month if he has no dependents, or $90 a month if he has one or more dependents; a full-time institutional trainee would receive $75 a month if he has no dependents, $105 a month if he has one dependent, and $120 a month if he has more than one dependent. Operative along with these rates is the following "floor" or combined compensation under the veterans disability laws and the subsistence allowance under this bill: Where the service-connected disability is less than 30 percent, the rate, if the veteran has no dependents, is $105 a month, if he has one dependent, $115 a month, plus $10 for one child and $7 for each additional child, and $15 for a dependent parent. Where the disability is rated at 30 percent of more, the rates for the above classification would be $115, $135, $20 for one child and $15 for each additional child, and $15 for a dependent parent.

HOME AND FARM LOAN ASSISTANCE (SEC. 4)

General statement: This section would make post-Korean veterans eligible for Veterans' Administration guarantee loans and direct loans similar in type to those available to World War II and Korean veterans under existing law. There are, however, several notable distinctions between the proposed loans for post-Korean veterans and those already available to World War II and Korean veterans: First, the loan rights of post-Korean veterans would not extend to the business loans and insured loans which are available to World War II and Korean veterans under sections 1813, 1814, and 1815 of title 38 of the United States Code. Second, there would not be a special direct loan program for post-Korean veterans. Direct loans authorized by this bill for post-Korean veterans would be subject to the present direct loan laws under which no direct loan may be made after July 25, 1960. Third, unlike the loans available to Korean veterans, the proposed loans for post-Korean veterans would be subject to a guarantee fee in a sum not to exceed one-half of 1 percent of the amount of the loan. The guarantee fee is intended to be used in the accumulation of a reserve fund sufficient to cover any losses that might arise under the program, the goal being to make the post-Korean loan program altogether self-sustaining. The amount of the fee may be included in the loan to the veteran and paid from the proceeds thereof. The fee would be deposited in a mortgage guarantee fund which would be used by the Administrator of Veterans' Affairs to carry out the aforementioned purposes.

Eligibility: To be eligible under the loan provisions of the bill, a veteran must have served on active duty between January 31, 1955, and July 1, 1963, for a period of more than 180 days, and must have been discharged under conditions other than dishonorable. In the case of a veteran discharged from service for a disability incurred on active duty, the length of his active duty service would not be a factor in establishing basic eligibility. The widow of a deceased veteran whose death resulted from active service would also be eligible.

Purpose and conditions of loans: The loans are for the purpose of assisting eligible veterans to purchase (a) homes, including homes on farms, and (b) farmlands, livestock, machinery, and so forth, to be used in farming operations conducted by veterans. Banks or other lending institutions would make the loans, with the Government guaranteeing 60 percent of a loan for residential real estate, or 50 percent of other real estate loans. The Government's guarantee with respect to a real estate home loan could not exceed $7,500, and with respect to other real estate loans could not exceed $4,000, or a prorated portion thereof. Loans of both types, or combinations thereof, would be guaranteed with interest at the rate generally applicable under the loan program for World War II and Korean veterans. (Pres-

ently, the interest rate may not exceed 5¼ percent per annum.) The loans would have maturities of not more than 30 years; except in the case of farm realty the maturities could be for 40 years. Under certain conditions, and in certain rural areas, the Veterans' Administration is authorized to lend up to $13,500 directly to the veteran when private capital is not available for a guaranty loan.

Expiration dates: Loans may be guaranteed if made before July 1, 1973. If a loan report or application for loan guarantee is received by the Administrator of Veterans' Affairs before such date, an additional period not to exceed 1 year will be allowed for disbursement of the loan and issuance of evidence of guarantee.

EFFECTIVE DATE OF BILL

The provisions of the bill shall become effective immediately upon its enactment, except that the educational and vocational training provisions of section 2 shall become effective on September 1, 1959. Persons enrolled in courses of education on September 1 would be entitled to educational allowances from that date, although they could not receive payment until after enactment of the bill.

Mr. YARBOROUGH. Mr. President, in reviewing the action of the Senate last Tuesday in passing S. 1138, to aid the veterans of the cold war, and to aid this country by increasing its productive capacity, earning power, and educational level, I am impressed by the very able arguments made in favor of the bill by the distinguished senior Senator from Tennessee [Mr. KEFAUVER], the senior Senator from Michigan [Mr. MCNAMARA], the senior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Alaska [Mr. GRUENING], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from Oregon [Mr. NEUBERGER], the junior Senator from New Jersey [Mr. WILLIAMS], the senior Senator from Oregon [Mr. MORSE], the junior Senator from Louisiana [Mr. LONG], the senior Senator from Oklahoma [Mr. KERR], the junior Senator from Colorado [Mr. CARROLL], the senior Senator from Minnesota [Mr. HUMPHREY], and the junior Senator from Wyoming [Mr. MCGEE]. So able a panel of Senators, representing every section of the Nation, is in itself a strong endorsement of the basic economic soundness of the bill and its worth to the Nation.

Mr. President, while all the Senate was moved by the eloquence of the junior Senator from Louisiana and the senior Senator from Oklahoma on the Long amendment, I would be remiss in my duty if I failed to pay tribute to those Senators who worked hardest for this measure in subcommittee and committee. In both, the distinguished chairman of the full committee, the senior Senator from Alabama [Mr. HILL], was faithful and diligent in attendance, wise in counsel, concerned always with the welfare of the country, patient with opponents of the measure, but firm in his support of a measure that would furnish real readjustment aid.

When efforts were made in the committee to cripple the bill and strip it of any real beneficial effects, the forceful and forthright senior Senator from Oregon was always present, and by his incisive reasoning and complete dedication to the public good, led in the unmasking of the destructive amendments, and their defeat in the committee. In his able argument on the floor of the Senate, the distinguished senior Senator from Oregon with unanswerable logic proved that this bill is the least, not the most, that this country can afford to do for its veterans and for itself.

For those Senators who were not on the floor at the time, and for the public, I recommend a reading of the able, powerful, dynamic, logical argument of the distinguished senior Senator from Oregon in favor of the education of these youths, for, as he expressed it, "the development of the brainpower of America." That argument is on pages 13821 to 13824 of the CONGRESSIONAL RECORD. I recommend it for reading.

So many dedicated Americans in and out of the Senate aided in bringing this bill to passage in the Senate that it would be impossible to name them all. I want to here publicly thank all who have aided in passage of this very constructive measure.

Mr. President, I ask unanimous consent to have printed at the appropriate place in the RECORD a brief explanation of Senate bill 906, a bill to amend chapter 33 of title 38 of the United States Code, popularly known as the Korean GI bill, or the Veterans' Readjustment Assistance Act of 1959, so as to eliminate a highly undesirable situation which sometimes occurs under the provision of the act concerning a "change of program" by the Veterans' Administration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 906, INTRODUCED BY SENATOR RALPH YARBOROUGH

The bill (S. 906) amends chapter 33 of title 38 of the United States Code, popularly known as the Korean GI bill, so as to eliminate a highly undesirable situation which sometimes occurs under the provisions of the act concerning a "change of program."

An example of the situation arises when a veteran selects as his initial program objective the attainment of a bachelor's degree. If upon completion of the work for a bachelor's degree he desires to obtain a master's degree, he may do so, but the change to the higher objective is considered a change of program. If the veteran then desires to seek a doctor's degree, he cannot do so and receive assistance under the Korean veterans' educational program. The reason for this result is that he has a right to only "one change of program," and that right was exhausted in obtaining his master's degree. Yet, if the veteran had initially specified the doctor's degree as his program objective, the process of obtaining all necessary lesser degrees would not have involved even one change of program.

The bill, S. 906, would correct this situation by providing that, in determining what constitutes a change of program, "a change from the pursuit of one objective or level of education or training to the pursuit of a higher objective or level of education or training in the same field of study or training" will be considered a continuation of the veteran's original program rather than a change to a new program.

ADJOURNMENT TO MONDAY

Mr. KUCHEL. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until 12 oclock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 32 minutes p.m.) the Senate adjourned, under the order previously entered, until Monday, July 27, 1959, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 24, 1959:

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

William T. Fairbourn
Bruno A. Hochmuth
Roy L. Kline
William R. Collins
John C. Miller, Jr.
Louis B. Robertshaw

CONFIRMATIONS

Executive nominations confirmed by the Senate July 24, 1959:

DEPARTMENT OF THE AIR FORCE

Dudley C. Sharp, of Texas, to be Under Secretary of the Air Force.

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. Thomas James Hartford, O18330, Medical Corps (colonel, Medical Corps, U.S. Army).

Brig. Gen. Albert Frederick Cassevant, O18456, U.S. Army.

Brig. Gen. Ben Harrell, O19276, Army of the United States (colonel, U.S. Army).

Brig Gen. Frederick William Gibb O19222, Army of the United States (colonel, U.S. Army).

Big Gen. Frank Willoughby Moorman, O19444, Army of the United States (colonel, U.S. Army).

Brig. Gen. William Frew Train, O18415, U.S. Army.

Brig. Gen. Harold Keith Johnson, O19187, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard Davis Meyer, O18963, Army of the United States (colonel, U.S. Army).

Brig. Gen. William Kerr Ghormley, O17674, U.S. Army.

To be brigadier generals

Col. George Merle Powell, O19340, Medical Corps, U.S. Army.

Col. Hallett Daniel Edson, O19541, U.S. Army.

Col. James Alden Norell, O39838, U.S. Army.

Col. Bruce Palmer, Jr., O20117, Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas Hogan Hayes, O19556, U.S. Army.

Col. Richard Lee Jewett, O18339, U.S. Army.

Col. Charles Scott Hays, O42534, U.S. Army.

Col. Robert Hawkins Adams, O19474, U.S. Army.

Col. Wilbur Manly Skidmore, O18440, U.S. Army.

Col. William Charles Hall, O18391, U.S. Army.

Col. John Francis Franklin, Jr., O19476, U.S. Army.

Col. George Allen Carver, O19122, U.S. Army.
Col. Evert Spencer Thomas, Jr., O30107, U.S. Army.
Col. Charles Edward Johnson 3d, O19534, U.S. Army.
Col. Orman Goodyear Charles, O29954, U.S. Army.
Col. John Joseph Lane, O19021, U.S. Army.
Col. James Orr Boswell, O19188, U.S. Army.
Col. Louis Alfred Walsh, Jr., O19567, U.S. Army.
Col. John Ramsey Pugh, O18790, U.S. Army.
Col. Raymond Russell Ramsey, O29470, U.S. Army.
Col. Harold Harry Shaller, O29657, U.S. Army.
Col. Franklin Guest Smith, O19154, U.S. Army.

IN THE REGULAR ARMY

The nominations of John E. Aber, and 1,946 other officers, for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299, which were received by the Senate on July 13, 1959, may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD of that date under the caption "Nominations," beginning with the name of John E. Aber, appearing on page 13213, and ending with the name of Robert S. Day, which is shown on page 13220.

EXTENSIONS OF REMARKS

Oregon Joins Brucellosis Honor Roll

EXTENSION OF REMARKS
OF
HON. RICHARD L. NEUBERGER
OF OREGON
IN THE SENATE OF THE UNITED STATES
Friday, July 24, 1959

Mr. NEUBERGER. Mr. President, the State of Oregon pioneered in the testing of cattle for brucellosis in 1928, and it has continued, with Federal cooperation, a long campaign for eradication of this costly livestock disease. I was highly pleased to learn today that, as a result of the success of this long battle, Oregon has been named a Modified Certified Brucellosis State by the U.S. Department of Agriculture.

Oregon now joins 19 other States, Puerto Rico, and the Virgin Islands on the certification honor roll. To be eligible, a State must have no county with more than 1 percent reactor cattle and 5 percent of its herds infected.

I am proud to have supported the $2.5 million increase in Federal funds for the brucellosis eradication program when it passed the Senate last year particularly because of the outstanding example of my own State in this program.

I ask unanimous consent that a copy of the telegram to Oregon's Governor Hatfield from Secretary of Agriculture Ezra Taft Benson on Oregon's certification be printed in the CONGRESSIONAL RECORD, together with an article from the Salem Capital Press for July 10, 1959, entitled, "Brucellosis Freedom Battle Accomplished."

There being no objection, the telegram and article were ordered to be printed in the RECORD, as follows:

JULY 23, 1959.

Hon. MARK O. HATFIELD,
Governor of Oregon,
Salem, Oreg.:

Our sincere congratulations to you and all those responsible for Oregon becoming a Modified Certified Brucellosis State. Oregon joins 19 other States, Puerto Rico, and the Virgin Islands that have previously attained this important step toward bovine brucellosis eradication. This is further evidence of the values derived from State-Federal cooperation, demonstrating again the accomplishments possible by State and Federal Governments working together with farmers, dairymen, and livestock producers. We are pleased that through such cooperative effort this significant accomplishment has been made. We look forward to the continuation of Federal-State cooperation for the furtherance of this important program in Oregon.

E. T. BENSON.

BRUCELLOSIS FREEDOM BATTLE ACCOMPLISHED

Oregon's accelerated brucellosis testing program, aimed at statewide certification for the first time in history, ended late July 2, Frank McKennon, State director of agriculture, announced.

Certification for a State means no county with more than 1 percent reactor cattle and 5 percent of the herds infected.

Last reports on the Oregon program will be submitted immediately to the U.S. Department of Agriculture in Washington, D.C., for review.

"We will not know the final outcome of the work here until Washington studies the records," McKennon said.

"If the Federal decision is as we hope, this will mark the end of a battle begun more than 30 years ago," he added.

STATE PIONEERS

McKennon recalled that Oregon pioneered in brucellosis (then termed Bang's disease by which many still know it) testing back in 1928. Varying degrees of testing, first on a voluntary basis and finally on a statewide compulsory basis since 1957, have been in effect since then. Original work was in dairy herds and dairy counties were the first to go after the disease in earnest.

The work was wrapped up in Harney County last week with percentage testing of a 600-cow herd. No reactors were found, the field laboratory reported. (Percentage testing requires the entire herd to be tested if any reactors show on the first 20 percent from which the blood sample is drawn.)

With exception of the one herd in Harney County, testing was completed by the June 30 deadline set more than 2 years ago.

MOP UP RAPIDLY

Twenty-eight of the thirty-six Oregon counties and the Warm Springs Indian Reservation were certified by April 1. In the last 2 months, State and Federal veterinarians, assisted by private veterinarians deputized by the State, have conducted a heavy mopping-up operation in Jackson, Crook, Jefferson, Klamath, Lake, Harney, Gilliam, and Wallowa Counties.

Dr. A. G. Beagle, in charge of Federal veterinarians in Oregon, says "there is no apparent question about any of the county records with exception of Lake County." He anticipates Washington will give this county careful study before making a decision.

"I believe Washington will consider the Oregon work a remarkable record in view of the obstacles placed in the path of the program," Dr. Beagle prophesied. He cited the suit filed by a group of cattlemen, who attacked constitutionality of the 1957 compulsory test act, as a major slowdown to the program. The court decision earlier this year upheld the law.

The contesting cattlemen insisted that calf vaccination alone was sufficient for control in beef operations. Calf vaccination has been in use here since the early forties.

Dr. L. E. Bodenweiser, State veterinarian, and Fred Pope, animal division chief, both with the State department of agriculture, expressed satisfaction and relief at completion of the testing. They said the situation had been "nip and tuck" the last few weeks. They said they would have additional comments when Washington renders its decision. They do not know how soon this will be.

In the meantime, McKennon pointed out that the Bang's program, although long and costly, has reduced Oregon cases of undulant fever—the human aspect of brucellosis—from 183 and 2 deaths as recently as 1945 to virtually no cases today. Nationally, 802 undulant fever cases were reported in 1958.

And Dr. Beagle said, "In my opinion, control of brucellosis through testing and vaccination has raised the average of our range country calf crop from about 50 percent to the present level of between 95 and 100 percent. This has undoubtedly added millions of dollars worth of cattle to the Oregon economy and untold tax dollars to the State."

Between $6 and $7 million have been spent on brucellosis control in Oregon by county, State and Federal governments since 1934, the year the Federal Government started paying indemnities. It was the all-out Federal drive commenced in 1954 which sparked the cleanup program in Oregon and other States.

The 1957 Oregon Legislature gave the final push here in authorizing the compulsory, State-financed program.

Observance of Pioneer Day in State of Idaho

EXTENSION OF REMARKS
OF
HON. FRANK CHURCH
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Friday, July 24, 1959

Mr. CHURCH. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared in connection with the annual observance in a great part of Idaho of Pioneer Day—the anniversary of the arrival of Brigham Young and his Mormon pioneers at Salt Lake.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CHURCH

It is 112 years ago this afternoon that Brigham Young, leading a train of wagons, looked out upon the valley of the great Salt

Lake and told his Latter-Day Saints, "This is the place."

These simple words marked the end of a thousand-mile trek across the Great Plains and the Rocky Mountains, as the Mormons moved away from the persecution they had met in the East, and set out to establish their religious community free from bigotry and hate.

Today, in Utah and many parts of Idaho, communities join in the annual observance of Pioneer Day, commemorating the arrival of the Brigham Young party. Major celebrations are being held, including parades, pageants, dramas, special addresses, and even rodeos. These are proper accolades, for the Mormons did more than found a colony in which they could enjoy their religious freedom.

Brigham Young has been called the greatest colonizer in our country's history, because he sent Mormons into all the areas surrounding the Great Salt Lake, pioneering the agricultural empire that now flourishes where once there was only a vast expanse of sagebrush. Indeed, it was Mormon pioneers who founded the first settlement in my own State of Idaho at Fort Lemhi in 1855—and although it was later abandoned, in 1860, they founded the first permanent settlement in Idaho at Franklin. This frontier village was named for Franklin D. Richards, a distinguished Mormon pioneer. During their first year at Franklin, the settlers built a 3½-mile canal, admitting the waters of Maple Creek to their 10-acre farm tracts, and thus also launched the first major irrigation effort in the State.

Not only, of course, had the Mormons moved in and begun the early development of southeastern Idaho, but they also turned the barren area near the Great Salt Lake into a green and prosperous countryside; here, too, they built one of the most beautiful cities in America. The State of Utah was thus being born.

Today, we in Idaho pay our respects to Brigham Young and his valiant western pioneers, conscious that their decision to attain religious freedom in the untamed wilderness brought civilization and progress to much of our State. The words which Brigham Young spoke as he crossed a mountain range and looked down upon an uninhabited and desolately beautiful land, have rung down through the corridors of time as the epitome of discovery and journey's end. Truly, this was the place.

SENATE

MONDAY, JULY 27, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, at the beginning of another week with its solemn responsibilities before us we would step out of the crowds which surround us and in the light of Thy presence face ourselves with the prayer, "Show Me Myself."

Alone with Thee, always a voice penetrates our busy occupations asking, "What shall it profit whatever else we gain if our personal powers, rich in promise, are dwarfed and blasted and we fall far short of Thy pattern for our lives?"

Always in communion with Thee, when all else is shut out, we glimpse the possible splendor that is in us knowing that the greatest thing we bring into the world is just a soul, sensitive to goodness and beauty, rich in possibilities of loving relationships, made for friendship, capable of devotions, obediences, and quiet heroisms, or upon occasion, of flaming sacrifice.

Grant us Thy restraining grace, that at any cost we may keep ourselves true to our high birthright, being perfected through the disciplines and experiences of life, and that we may so number our days that we may apply our hearts unto wisdom.

In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 24, 1959, was dispensed with.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 3460) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, and it was signed by the President pro tempore.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committee and subcommittee were authorized to meet during the session of the Senate today:

The Committee on Post Office and Civil Service, and

The Subcommittee on Housing of the Committee on Banking and Currency.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NUMBER OF ICBM'S IN POSSESSION OF THE SOVIET UNION

Mr. JOHNSON of Texas. Mr. President, I found very disturbing, this morning, an Associated Press story which quotes the Secretary of Defense as stating that the Soviet Union has "fewer than 10 ICBM's capable of hitting our country."

Last January, the Secretary said that the Defense Department did not believe that Russia has an ICBM capable of operating against this country. Now he says that the number is fewer than 10. I hope that a few months from now he will not be saying that the Soviet capability is fewer than 20.

The phrase "fewer than" can be deceptively comforting. I hope we do not comfort ourselves too far, inasmuch as the only assurance that should be satisfying is that the Soviets have fewer than we have.

Mr. President, I ask unanimous consent to have a Washington Post article on this subject printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald, July 26, 1959]

SOVIET ICBM CAPABILITY DISCOUNTED BY MCELROY

Secretary of Defense Neil H. McElroy said yesterday that at the most Russia has fewer than 10 intercontinental-range missiles capable of hitting the United States.

"We do not believe that Russia at this time has any important capability of this nature," McElroy said.

At the same time, McElroy said U.S. defense chiefs believe America's overall weapons system "could more than match whatever the Russians will have in intercontinental ballistic missile capability."

McElroy gave this assessment in a television interview with Senator KENNETH B. KEATING (Republican, of New York), filmed for use by New York State stations.

McElroy's statement that the Russians may have a few ICBM's capable of hitting the United States contrasted with his views at a news conference last January 22 when he said:

"We do not believe that Russia has an ICBM capable of operation against this country at this time."

McElroy also said at that time that "as of now, we have no positive evidence that Russia is ahead of us in ICBM's—operational."

Asked by KEATING whether "our situation is improving now or is Russia improving faster than we are," McElroy said:

"We think that we are at least maintaining our relative position, and our relative position is such that we should be always in a position to discourage any attack by the Russians."

At another point, McElroy said if a large number of enemy bombers were sent against a limited number of targets in this country "it would be very likely that some of them would get through."

However, he characterized U.S. air defense as good, and said the cost to the enemy of any bomber attack would be very high.

This country, he said, must retain an ability that, should Russia "attack our country with large weapons, we would be in a position to destroy him. That is our principal basis of defense."

The validity of this policy was attacked on a radio program by Representative CHET HOLIFIELD, Democrat, of California, a member of the Senate-House Atomic Energy Committee.

In the event of a massive surprise attack, HOLIFIELD said, "I do not believe that we could retaliate to the extent that it would

be an appreciable amount of damage to a foreign country."

HOLIFIELD predicted that a massive surprise attack would cause 50 million immediate casualties and some 20 million injured.

GALLUP POLL SHOWS VOTERS BELIEVE DEMOCRATIC PARTY IS THE MOST INTERESTED IN KEEPING PRICES DOWN

Mr. JOHNSON of Texas. Mr. President, one of the few clear trends in this very confused period is that public sentiment continues to rise in behalf of a responsible approach toward government.

The Gallup poll of yesterday demonstrates clearly that the people realize that responsible government is manifested by the Democratic Party on one of the most important of the issues before our people—inflation.

The question was asked, "Which political party—the Republican or Democratic—do you think is most interested in keeping prices down?"

The answer was clearly the Democratic Party.

I think that our Republican friends would be well advised to concentrate a little bit more on doing something themselves, rather than on trying to fight imaginary bugaboos of things that other people "won't do."

The Gallup poll in this instance is an excellent illustration of the famous saying by the first Republican President:

You can fool some of the people all of the time, and all of the people some of the time, but you cannot fool all of the people all the time.

I ask unanimous consent that the Gallup poll of July 25, as published in the Washington Post for July 26, be printed at this point in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald, July 26, 1959]

DEMOCRATS GIVEN EDGE ON HOLDING DOWN PRICES

(By George Gallup)

PRINCETON, N.J., July 25.—GOP hopes of making inflation a major campaign issue in 1960 may backfire unless the Republicans do a better job of spelling out the relationship between inflation and high prices.

Almost daily, the Eisenhower administration makes known its concern with inflation. The assumption is made that voters will naturally link an anti-inflation stand with an interest in keeping prices down.

As things stand today, however, voters still give the upper hand to the Democrats in the matter of which party is more interested in keeping prices down. Their advantage on this count, in fact, has grown over the past few months.

As part of its special study on the public's feeling about prices and wages—with the steel strike causing fears about another inflationary cycle—Gallup Poll reporters asked this question:

"Which political party—the Republican or Democratic—do you think is most interested in keeping prices down?"

This has been the trend of the public's thinking on the price issue over the last few months:

Party most interested in keeping prices down

[Percent]

	Today	March
Democratic Party	38	35
Republican Party	23	28
No difference	28	26
No opinion	12	11

PRICE-WAGE FREEZE

Accompanying the confidence in the Democrats' interest in keeping prices down is support from a considerable segment of the population for a price-wage freeze—a move historically opposed by the Republican Party.

On the other hand, almost as many voters at present are against such a drastic step—believing it would give too much control to the Government and that it would serve to kill the workingman's initiative.

Among rank-and-file Democrats today sentiment tends to support a price-wage freeze. Among GOP voters the scales are tipped the other way.

Here is the question asked of all persons in the survey:

"Would you favor or oppose laws which would keep prices and wages at their present level?"

Price-wage freeze?

	Percent
Favor	44
Oppose	42
No opinion	14

Here is the vote on the issue by party affiliation:

[Percent]

	Republican	Democrat	Independent
Favor	42	47	42
Oppose	45	39	43
No opinion	13	14	15

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LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to give notice that following the conclusion of the Senate action on the unfinished business, which is Calendar No. 557, House bill 6596, for the development of a Coal Research and Development Commission, the Senate may proceed to the consideration of the following measures on the calendar:

First. Calendar No. 183, S. 690, providing for the increased use of agricultural products for industrial purposes.

Second. Calendar No. 337, H.R. 6319, concerning final disposition of certain benefits in the case of incompetent veterans.

Third. Calendar No. 425, S. 107, amending the Merchant Marine Act relating to ship mortgage insurance to include floating drydocks.

Fourth. Calendar No. 428, S. 1958, relating to arrestment of wages of U.S. seamen.

Fifth. Calendar No. 446, S. 716, authorizing the Attorney General to compel the production of documentary evidence for the enforcement of the antitrust laws.

Sixth. Calendar No. 464, S. 1965, relating to the terms of office of members of certain regulatory agencies.

Seventh. Calendar No. 485, S. 1845, amending title 35 of the United States Code relating to patents.

Eighth. Calendar No. 562, H.J. Res. 280, consenting to the interstate compact to conserve oil and gas.

Ninth. Calendar No. 569, S. 1795, amending the law relating to the promotion and retirement of Regular officers.

Tenth. Calendar No. 570, H.R. 4413, providing improved opportunity for promotion for certain officers in the naval service.

I should like to have the aids on the minority and the majority sides notify any interested Senators that all those measures have been cleared by the majority to be brought up by motion. Certain Senators on the minority side desire to be notified. So I should like to have the minority aids notify Senators that we expect to call up those measures, following the disposition of the unfinished business, although not necessarily in the order in which I have listed them, and that we shall call them up when we can arrange to have Senators be present.

Mr. CAPEHART. Mr. President, I was about to ask the Senator from Texas when he thought the Senate would take up Calendar No. 183, Senate bill 690, which provides for the increased use of agricultural products for industrial purposes. He has just announced that that bill will be taken up in the next day or two. I wish to congratulate him on that.

Furthermore, I wish to say that I am in favor of enactment of the unfinished business, Calendar No. 557, House bill 6596, to create a Coal Research and Development Commission, to find new uses, new markets, and so forth, for coal. I think the purpose of the bill is excellent, just as I think it is a fine idea for us to find new uses in industry for agricultural products.

Mr. MUNDT. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. MUNDT. I should like to associate myself with the remarks of the Senator from Indiana in congratulating the majority leader on the plan to bring up Calendar No. 183, Senate bill 690, which provides for the increased use of agricultural products for industrial purposes. On numerous occasions I have discussed the bill with the majority leader, and he has told me that he would get the bill cleared with the majority policy committee. He has done so; and I hope the bill will be passed unanimously, this week. I can see no reason why any Senator should oppose the passage of the bill.

Mr. CAPEHART. As I recall, last year a similar bill was passed by the Senate by a vote of 82 to 0; and I do not anticipate that there will be any votes against it this year.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

REPORT ON ECONOMIC ASSISTANCE PROGRAMS AND ADMINISTRATION

A communication from the President of the United States, transmitting, for the consideration of the Senate, a report on Economic Assistance: Programs and Administration (with an accompanying report); to the Committee on Foreign Relations.

PLANS FOR WORKS OF IMPROVEMENT IN INDIANA, MARYLAND, OHIO, AND TEXAS

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Boggs Creek, Ind., Gilbert Run, Md., Marsh Run, Ohio, and Martinez Creek, Tex. (with accompanying papers); to the Committee on Agriculture and Forestry.

NOTICE OF PROPOSED DISPOSITION OF CERTAIN CALCINED ALUMINA

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 6,000 short tons of calcined alumina now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

REPORT OF BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

A letter from the Chairman, Board of Governors of the Federal Reserve System, Washington, D.C., transmitting, pursuant to law, a report of that Board, covering operations during the year 1958 (with an accompanying report); to the Committee on Banking and Currency.

ESTABLISHMENT OF A JUNIOR COLLEGE DIVISION WITHIN THE DISTRICT OF COLUMBIA TEACHERS COLLEGE

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to authorize the establishment of a Junior College Division within the District of Columbia Teachers College, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON PROVISION OF WAR-RISK INSURANCE AND CERTAIN MARINE AND LIABILITY INSURANCE

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public as of June 30, 1959 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

MIECZYSLAW J. PIORKOWSKI

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Mieczyslaw J. Piorkowski (with an accompanying paper); to the Committee on the Judiciary.

JAN FRANTISEK SEVCIK

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Jan Frantisek Sevcik (with an accompanying paper); to the Committee on the Judiciary.

PLANS FOR WORKS OF IMPROVEMENT IN ARKANSAS, MISSISSIPPI, AND TEXAS

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Flat Creek, Ark., Second Creek, Miss., and Tehuacana Creek, Tex. (with accompanying papers); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of Pennsylvania; to the Committee on the Judiciary:

"RESOLUTION OF THE SENATE OF PENNSYLVANIA

"There are twelve million decent, law-abiding Americans of Italian descent working and living in the United States. As a group and as individuals these citizens have contributed much to our way of life. Recently these fine people have become subjected to suspicion, and attacks of ridicule and contempt. Newspapers, motion pictures, television programs, and even the comic strips have focused the attention of the public upon the activities and evils of an alleged nationwide criminal organization known as the 'Mafia.' This partly resulted from the November 1957, meeting held by gangsters and racketeers of Italian descent held in Apalachin, New York. Americans of Italian descent join with their fellow citizens in renouncing these gangsters for what they are, but unfortunately the use of reckless language and exaggerated exposé techniques have resulted in creating a stigma which has attached to honest Italian-Americans without distinction. Honest citizens must stand in this shadow of evil and unfounded rumor concerning a national criminal organization of gangsters of Italian descent. Many of the Nation's leading law enforcement officers have debunked such rumors as myths. But still these Americans have to work and live in an atmosphere clouded by suspicion; it is effecting their occupations and livelihoods and results in discrimination and denial of civil rights which, if it involved another minority group, would not be tolerated by the American public. There is a need for ascertaining the true facts and presenting them to the public in such a way as to clear up the clouds of rumor and suspicion which have been generated: Therefore be it

"*Resolved*, That the Senate of Pennsylvania memorializes the Congress of the United States to proceed at once to investigate rumors concerning a national organization of criminals of Italian descent known as the Mafia, and ascertain the truth of such rumors, and further, if such organization does exist, to proceed to take such steps as will lead to the indictment and conviction of its members, and if such an organization does not exist, to make a clear official statement to that effect to the American public.

"EDWARD B. WATSON,
"Secretary, Senate of Pennsylvania."

A resolution adopted by the board of supervisors of San Benito County, Calif., favoring the enactment of legislation to implement aid to needy children; to the Committee on Agriculture and Forestry.

A resolution of the council of the city of Los Angeles, Calif., favoring the enactment of legislation to provide sufficient funds for the continuance of the construction of the Federal Highway System; to the Committee on Appropriations.

RESOLUTION OF BOARD OF GOVERNORS OF NORTH DAKOTA FARMERS UNION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the board of governors of the North Dakota Farmers Union, protesting against any increase in Federal gasoline and motor fuel taxes.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas marked administered price inflation and some unwise engineering on choice of materials have increased the costs of highway construction above original estimates; and

Whereas the executive branch has recommended an increase in Federal gasoline taxes; and

Whereas gasoline sales taxes have some of the characteristics of toll roads: Be it therefore

Resolved, That the board of governors of the North Dakota Farmers Union, composed of all county presidents, urge Congress to:

1. Disapprove the recommended increase in Federal gasoline and motor fuel tax; and

2. Direct the executive branch to exercise better planning and more economy in materials in highway construction to pay for legitimate additional costs from the general funds of the Treasury;

And that this resolution be forwarded to North Dakota Senators and Congressmen, to members of the House Ways and Means Committee, and to the Senate Finance Committee, to the North Dakota Highway Department and to the U.S. Department of Commerce.

WHEAT ACREAGE ALLOTMENT IN KANSAS—STATEMENT AND RESOLUTIONS

Mr. CARLSON. Mr. President, a number of counties in western Kansas are receiving a reduced wheat acreage this year, despite the fact that Kansas is getting an allotment increase of 62,747 acres for the 1960 crop year.

Last Thursday a meeting was held at Atwood, the county seat of Rawlins County, which was attended by about 1,000 farmers and businessmen, protesting the reduction for Rawlins County.

The meeting was attended by Tom Miller, James Dyess of the Commodity Stabilization Service of the Department of Agriculture, Wendell Becraft, State director of the ASC, and a number of other officials of the State committee.

Rawlins County seeded 188,960 acres of wheat for the 1951 crop. Their allotment for 1960 is 123,482. This means that Rawlins County has taken a reduction of 65,000 acres in 8 years. This is, roughly, a reduction of one-third of the wheat acreage in this period of time and is important to a county that is one of the large wheat producing counties of Kansas.

Before quotas were established, most of the farmers in this territory were following a summer fallow program and were seeding about 50 percent of their cultivated acreage. Since the quotas were established, the acreage which could be seeded to wheat has been cut, and now it is possible to seed about 48 acres of wheat on each quarter section of land containing 160 acres. This makes a real problem in this wheat producing area.

I ask unanimous consent that a statement by Mr. Fred Hale, editor of the Citizen Patriot of Atwood, Kans., and a copy of the resolutions which were unanimously adopted by those attending this

meeting be made a part of these remarks and referred to the Committee on Agriculture.

There being no objection, the statement and resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

STATEMENT BY FRED HALE

Mr. Frisbie, Mr. Becraft, Mr. Dyess, and other officials of the State ASC committee and officials of the A.S.D.A.

As you probably realize, when the farmers of Rawlins County do not raise wheat, business conditions locally are in a pretty sad state. We do not have to go back very far, to periods of drought, when crops were short, to remember that it is not only the farmers who suffer, but that business and professional men and women take their "raps" right along with them.

Up until recently, most of our problems dealt with the whims of Mother Nature, and during normal years, when rainfall was sufficient at planting time, and continued through critical growing periods, farmers could be pretty well assured of making a decent living, and in turn, we in the businesses and professions, prospered along with them.

Now, it seems, all of us are faced with another problem—the problem of economic survival—even when not faced with the hazards of weather. This problem is the gradual elimination of our rural population through curtailment of the number of acres of our one basic western Kansas crop: wheat.

Let's project this loss of 3,500 acres of allotment in 1960 just a little further and examine the implications. What, for instance, would it have meant this year? Rawlins County has harvested a wheat crop that averaged about 30 bushels per acre. On that basis, we would have lost 105,000 bushels of wheat in 1959. At the present cash price, that means a dollar loss of $178,000. That amount of income would mean actual cash income of $8,900 for the year for 20 farm families. Twenty farm families, each spending $8,900 a year with local business and professional people means an awfully lot to our economic well-being. Project it further—as most of us have been told—this is just the beginning. That in the years to come, additional acres will be lopped from our allotment. More and more farm families in Rawlins and other counties in the summer-fallow area, will be forced to leave their farms. And each farm family that leaves our communities makes it just that much harder for economic survival in our towns and villages.

To be quite frank about it, we like living here in western Kansas, and we are quite sure that others living on our farms and in our cities, like it here, too. It seems a shame that through discriminatory legislation, so many of our people are being forced to leave our area. It seems high time that action be taken to reverse that trend.

We ask no special favors, just the opportunity to continue to do business with people who are allowed to continue to grow our one basic crop, wheat, on a scale large enough to earn a decent livelihood. If the acreage reduction in this and other counties continues, there will not only be fewer and fewer farm families, but also fewer people in the businesses and professions, too.

At a public meeting of farmers, business, and professional men and women at Atwood, Rawlins County, Kans., after full discussion of the present farm program, as it concerns production of wheat, do, on this 24th day of July 1959, adopt the following resolutions:

1. We deplore the recent action of reducing wheat acreage allotments for Rawlins County for the 1960 crop year, and do hereby protest the law or regulation that makes certain that this county shall receive additional acreage reductions in each of the next 4 years. This protest is based upon the following facts:

(a) Rawlins County is one of the leading counties in the State of Kansas and in the Nation in the production of premium quality wheat. We wish to point out the fact that under controls, Kansas is second in the Nation in loss of allotted wheat acres.

(b) It is not economically sound to attempt to replace the production of wheat with other crops, in Rawlins County. Losses in wheat acreage in Rawlins County is an unrecoverable economic loss, for there are no other crops which can be produced profitably here, and this fact is supported by records of the statistician, Kansas State Board of Agriculture.

For these reasons, we believe the 3,500 acres of wheat allotment lost by Rawlins County for the 1960 crop must be restored.

We further resolve:

2. That any programs developed in a political atmosphere, and administered by political determination cannot effectively control production.

3. The production control program has resulted in a shift of wheat production to uneconomic areas by the policy of allowing an annual expansion of 3 percent for new wheat farms. By the same principal, it has shifted the uneconomic production of feed grains to areas such as our own.

4. Twenty-five years' experience has proved that we have increased production under controls.

5. It is not politically feasible, nor would farmers accept, production controls rigid enough to control surpluses.

6. We believe, therefore, that a program based upon realistic price supports for all grains should be adopted. Acreage controls should be abolished, and wheat, which is a most valuable feed grain, should be handled as the current program governing other feed grains. Wheat is known to be one of the leading feed grains, and has the added distinction of being a leading grain for human food. We sincerely believe that a wheat program based on these facts will result in a reduction of surpluses, allow wheat producers a fair opportunity to earn a livelihood, and all this at greatly reduced cost to the Government.

7. We thank the officials from the State and National offices who have come to Atwood to attend this meeting, and for their participation in the discussions that have enlightened us upon their responsibilities.

8. We thank the board of trustees of Atwood Community High School for the use of the building in which to hold this meeting, and to all others who have assisted in any way.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MUSKIE, from the Committee on Government Operations, with an amendment:

S. 2026. A bill to establish an Advisory Commission on Intergovernmental Relations (Rept. No. 584).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1702. A bill for the relief of Franciszek Roszkowski (Rept. No. 585);

S. 1731. A bill for the relief of Pacifico A. Tenorio (Rept. No. 586); and

H.R. 4243. An act for the relief of Peter Sergeevich Deryabin, also known as Theodore Stanley Orel (Rept. No. 587).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1071. A bill for the relief of Nettie Korn and Manfred Korn (Rept. No. 588);

S. 1557. A bill for the relief of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim (Rept. No. 589); and

S. 2238. A bill for the relief of Kenzo Hachtmann, a minor (Rept. No. 590).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2021. A bill for the relief of Irene Milios (Rept. No. 591).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. DIRKSEN, from the Committee on the Judiciary:

Robert S. Rizley, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma;

Curtis Clark, of Kentucky, to be U.S. marshal for the eastern district of Kentucky;

Lama A. De Munbrun, of Kentucky, to be U.S. marshall for the western district of Kentucky; and

John F. Kilkenny, of Oregon, to be U.S. district judge for the district of Oregon.

By Mr. KEATING, from the Committee on the Judiciary:

John R. Bartels, of New York, to be U.S. district judge for the eastern district of New York.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Walter N. Walmsley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Tunisia.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MUNDT:

S. 2447. A bill to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes; to the Committee on Finance.

(See the remarks of Mr. MUNDT when he introduced the above bill, which appear under a separate heading.)

By Mr. PROXMIRE:

S. 2448. A bill for the relief of Gilberto Dario Gagliani and Albertina Schiaffino Gagliani; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 2449. A bill to extend the International Wheat Agreement Act of 1949; to the Committee on Agriculture and Forestry.

By Mr. CAPEHART:

S. 2450. A bill for the relief of the Converse Salvage Co.; to the Committee on the Judiciary.

SOCIAL SECURITY FOR CLERGYMEN

Mr. MUNDT. Mr. President, I introduce, for reference to the appropriate legislative committee, a bill to amend the Internal Revenue Code of 1954 by extending the time within which a minister may elect coverage as a self-employed individual for social security purposes.

In 1954 Congress originally made it possible for ministers to be covered by our national social security program. This action in 1954 allowed clergymen a 2-year election period, which, incidentally, is still in force for those individuals who are just entering the field of the ministry. For individuals who

were already practicing ministers at the time of the original enactment the election period expired on the filing date for the taxable year of 1956.

Many clergymen had not been sufficiently advised of this available coverage, and failed to make the election within the time limits of the law. Therefore, Congress determined to extend the election period for an additional 2 years, thus allowing ministers until April 15, 1959, to make their decision.

It seems, Mr. President, that this extension period was not given enough publicity, and a goodly number of clergymen still remain uncovered by social security. I have heard from several practicing ministers in South Dakota, expressing dismay at their failure to make the election prior to April 15 of this year, and indicating their earnest desire to be included in the social security program.

Mr. President, the entire Nation owes a great debt of gratitude to the many fine men and women who have unselfishly dedicated themselves to the ministry of God.

The material rewards received by these good people are minimal, indeed, when compared with the magnificent work they do in carrying the teachings of Christ to every corner of the world. It seems to me the very least we can do is to assure that these men and women are provided with the opportunity to acquire some basic measure of security for their old age, following the conclusion of their active ministry.

I, therefore, introduce this bill, extending for an additional year the time period during which members of the clergy can elect coverage under the social security program. I hope that Congress will give early and favorable attention to this measure.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2447) to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes, introduced by Mr. MUNDT, was received, read twice by its title, and referred to the Committee on Finance.

WHITE FLEET OF AID AND MERCY—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of July 21, 1959, the names of Senators NEUBERGER, MCCARTHY, CASE of New Jersey, JAVITS, ENGLE, MURRAY, WILLIAMS of New Jersey, HARTKE, MORSE, DOUGLAS, HART, MCGEE, RANDOLPH, SYMINGTON, YOUNG of Ohio, JACKSON, CHURCH, GRUENING, GREEN, KEATING, MUSKIE, MAGNUSON, MANSFIELD, MOSS, PROXMIRE, PASTORE, ANDERSON, O'MAHONEY, KEFAUVER, YARBOROUGH, and COOPER were added as additional cosponsors of the concurrent resolution (S. Con. Res. 66) calling for establishment of a White Fleet of Aid and Mercy, submitted by Mr. HUMPHREY (for himself and other Senators) on July 21, 1959.

AMENDMENT OF CAPPER-VOLSTEAD ACT—RECOMMITTAL OF BILL

Mr. ELLENDER. Mr. President, after consultation with the authors of Calendar No. 525, Senate bill 2014, to clarify and amend the Capper-Volstead Act, and for other purposes, I ask unanimous consent that the bill be recommitted to the Committee on Agriculture and Forestry, for further study.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADVISORY COUNCIL ON NATIONAL SECURITY—CHANGE OF REFERENCE

Mr. RUSSELL. Mr. President, in compliance with a request by the sponsors and with the approval of the Committee on Armed Services, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of Senate Joint Resolution 83, and that this joint resolution be referred to the Committee on Government Operations.

Senate Joint Resolution 83 would establish an Advisory Committee on National Security. A special subcommittee of the Committee on Government Operations, of which the junior Senator from Washington is chairman, has been established to study "the effectiveness of present governmental organization and procedures for the development and execution of national policy for survival in the contest with world communism." This subcommittee apparently will consider the special area at which Senate Joint Resolution 83 is directed and, for this reason, the change of reference has been requested.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CLARK:

Address delivered by Senator MCGEE before the National Association of State Agencies for Surplus Properties Convention, at Jackson Lake Lodge, Grand Teton National Park, Wyo., on June 24, 1959.

By Mr. AIKEN:

Address entitled "Using Farm Products in International Farm Programs," delivered by Senator CARLSON to the International Economic Policy Association, in Washington, D.C., on June 30, 1959.

By Mr. CARLSON:

Program at dedication of the National FFA Building, July 24, 1959, and address delivered by Senator CARLSON on that occasion.

By Mr. PROXMIRE:

Letter written by Representative HENRY REUSS, of Wisconsin, to the editor of the New York Times, published in the Sunday, July 26, 1959, issue of that publication.

THE APPROACHING CRISIS IN THE HIGHWAY BUILDING PROGRAM

Mr. SYMINGTON. Mr. President, throughout the country there is growing concern as to the approaching crisis in the highway building program.

In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Highways Up to Congress," from the St. Louis Globe-Democrat.

Mr. President, in my own State of Missouri great progress has been made and is being made in meeting the needs of the growing metropolitan areas and the steadily increasing pressure on the expressways of Kansas City and St. Louis. But this work will slow to a complete halt in the very near future unless the Congress meets the vital need for additional funds for the highway trust fund.

Failure to do so will affect the security, as well as the prosperity, of the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HIGHWAY UP TO CONGRESS

Next week the Missouri State Highway Department planned to let bids for the stretch of Mark Twain Highway that will run from Shreve Avenue to O'Fallon Park. That outlook now is not so rosy.

The Mark Twain Expressway is part of the 41,000 mile net of interstate superhighways that Congress voted to build in 1956. At that time, the program cost was estimated at $27,500 million.

But the inflation that gripped the country, largely because of reckless, deficit spending by Washington has hiked the cost of the superhighways by more than $3 billion.

In addition, last year, Congress voted to step up construction without providing any additional income. As a result, last year's spending spree has about exhausted the highway trust fund.

It isn't taking in enough from Federal gasoline taxes and other revenue to match the outgo.

"We are completely tied up," a Bureau of Public Roads official told the Globe-Democrat. "We cannot pay the States for work already contracted for.

"By October, there will be zero money in the highway trust fund."

So construction of the Mark Twain Highway and others all over the country will stop until the fund builds up.

Only Congress can get the vital highway building program rolling again under a full head of steam. That is, by hiking the Federal gas tax so that those who use the highways pay for them.

Any other course, such as borrowing money from the Treasury, would be inflationary and, in the long run, far more expensive. Inflation has already added billions to the cost of building this network of superhighways.

There must be no deficit road financing. The only honest and cheap way to build these expressways is pay as you go, upping the Federal gas tax.

Congress knows it. We hope it will show the courage of its convictions.

WHAT FARM LEGISLATION DOES THE ADMINISTRATION WANT?

Mr. SYMINGTON. Mr. President, in his press conference last Wednesday President Eisenhower said he hoped the Congress would pass "a decent farm bill which I think is terribly important to the United States, even at this late date."

As a result of that statement, the able chairman of the Senate Committee on

Agriculture and Forestry, the senior Senator from Louisiana [Mr. ELLENDER], wrote President Eisenhower on July 23, and asked him to "kindly have a bill prepared embracing your views on farm legislation."

Mr. President, I ask unanimous consent that the letter from the chairman of the Senate Agriculture and Forestry Committee to the President be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 23, 1959.

The Honorable DWIGHT D. EISENHOWER,
President of the United States,
White House, Washington, D.C.

MY DEAR MR. PRESIDENT: I note from the transcript of your press conference held on Wednesday, July 22, that you list among the "essential" bills which Congress should enact before adjournment a "decent farm bill which I think is terribly important to the United States even at this late date."

I would be most grateful, Mr. President, if you would kindly have a bill prepared embracing your views on farm legislation.

As chairman of the Senate Committee on Agriculture and Forestry, I can assure you that if you will supply us with draft legislation conforming to your own views and which you believe could be enacted by the Congress, such legislation will receive expeditious and thorough consideration by my committee.

With kindest personal regards and best wishes, I am,

Sincerely yours,

ALLEN J. ELLENDER,
U.S. Senator.

Mr. SYMINGTON. Mr. President, the Congress and the people have the right to know what the President considers a decent bill.

As long ago as last February 16, when the Secretary of Agriculture appeared before the Senate Committee on Agriculture and Forestry, he promised to prepare and send to the committee an omnibus bill embodying his concept of decent farm legislation. That was 5 months ago, but Secretary Benson has not yet fulfilled that promise.

Nevertheless, Mr. Benson continues to oppose nearly every farm program submitted by farm leaders, or by Members of Congress.

In fact, during the first 6 months of this session of the Congress, 113 bills and joint resolutions were introduced and referred to the Senate Agriculture Committee, and on only 14 of these bills, most of which were minor, has the Department of Agriculture submitted a favorable report.

But when Congress does pass a measure in an effort to meet the problem, as in the cases of wheat and tobacco, President Eisenhower vetoes it.

The tobacco bill was a bipartisan effort which had the support of tobacco growers, co-ops, State farm organizations, and tobacco associations in all of the major tobacco producing States. It was a responsible bill, designed to meet the competitive situation faced by the tobacco industry. The President admitted the bill would have saved many millions of dollars a year. But he vetoed it.

In the case of wheat, the Congress passed a bill which, according to the Legislative Reference Service of the Library of Congress, would have reduced the cost of the wheat program by over a quarter of a billion dollars. This saving was verified by officials of the Department of Agriculture.

In addition, present Government-owned wheat inventories, now amounting to $3.1 billion, would have been reduced many million bushels per year; and overproduction of wheat would have been stopped.

But the President vetoed this bill also.

Again, therefore, if he continues to veto what we think is right, why does he not tell us what he thinks is right?

The people are tired of all these generalities and misty talk in the area of agriculture.

The lack of any coordinated farm policy on the part of the administration is costing the American taxpayer billions of dollars.

At the next opportunity, therefore, the President should be asked two questions:

First. What farm bill does he consider would be a decent farm bill?

Second. Why does not his Secretary of Agriculture fulfill his promise of last February to recommend to the Congress an omnibus bill which embodies his ideas?

THE NEED FOR EXTENSION OF PUBLIC LAW 480

Mr. STENNIS. Mr. President, we must export more agricultural commodities if we would restore balance to our agricultural program. Our agricultural economy is immediately affected and adversely affected when exports decline. The great surplus we have today is with us because we lack a vigorous and effective export program. These surpluses emphasize the critical need for developing a more realistic export program which will regain a fair share of world markets.

We desperately need an imaginative and vigorous export program for agricultural commodities—one that deserves and can count on the sincere support of the administration, as well as all other segments of our economy concerned with the future of American agriculture.

We cannot continue to follow, blindly, any course which has led to a decline of cotton exports from 7.6 million bales in 1957 to 5.7 million bales in 1958, and which experts expect to drop to less than 3 million bales this year.

I am hopeful that the Department of Agriculture will use every tool at hand to regain this market. The tragedy is that we have necessary legislation on the books to meet fully foreign competition. If a more vigorous and objective program is not put into effect by the Department of Agriculture in regard to cotton exports, there is no real hope of increasing the national acreage allotments, and we shall continue to build up surpluses.

Public Law 480, which is scheduled to expire on December 31, 1959, provides a sound approach for increasing agricultural exports. Its operation in the past has prevented our surpluses from being even higher. It cannot be allowed to lapse. The Congress should extend it with an overwhelming vote of confidence and trust the administration to use this authority more vigorously in combating the surplus-declining export problem.

The job of expanding exports becomes more difficult with each passing year. Many countries are progressing toward self-sufficiency in agriculture, even though economically unable to compete costwise. In order to protect their domestic production, they impose substantial import duties and other barriers to restrict their imports of farm products.

Thus, less developed nations that need our surplus food refuse to rely on available supplies, fearing that such trade might interfere with their own agricultural development programs. This problem must be recognized and faced. These countries must be reassured that we are not engaged in a dumping operation.

I believe that one of our greatest problems and serious threats will come through increased efforts on the part of Russia and Red China to increase commerce with other countries of the free world. This will have an additional impact on our agricultural export program. It must be met by firm, positive action on the part of our Government.

We must build our agricultural trade relations on a sound, long-range basis. Public Law 480 has given us a start and made a substantial contribution toward attaining this objective. The currencies we obtain in payment for commodities sold under title I have benefited both the United States and foreign countries. Substantial amounts of funds received for commodities are used for military construction. They are also loaned back to countries for economic development projects and other worthwhile programs which would otherwise call for U.S. dollar expenditures. In addition, this program has provided food and clothing for less fortunate people in foreign countries. The long-range benefits of these development programs will be to raise the living standard of less developed countries. In the future, they can become important customers for U.S. manufacturers and agricultural products.

The title I program is by far the most effective part of Public Law 480 as a means of promoting exports. This year, for example, about 20 percent of the value of all U.S. farm exports will move under the foreign currency program.

Title I sales were concentrated in such countries as India, Pakistan, Spain, and Turkey, who need agricultural products. Sales made under this act do not compete with dollar sales.

For example, more than 600,000 bales of cotton have been moved into substantial markets at a critical time when dollar sales were virtually impossible. This is the unusual feature that almost guarantees success of the program.

Since its beginning, almost 3.5 million bales of cotton have moved to friendly countries under this program.

Recently Indonesia, France, and Poland have signed agreements for substantial quantities of cotton, and other agreements have been negotiated which

promise to move an estimated 1 million bales.

Public Law 480 has also been instrumental in moving sizable quantities of wheat into the export market. Out of the total U.S. wheat exports this year, approximately one-half of the 450 million bushels exported will be sold under title I. About 1 million pounds of cottonseed oil and soybean oil will be shipped under this program during the marketing year ending this September 30. This represents about 75 percent of all U.S. vegetable oils exported for that period.

This program has not dislocated foreign markets, but has, in an orderly manner, been effective in reducing surpluses by attracting growing markets.

Approximately $220 million worth of foreign currencies have been used by the Treasury Department to provide U.S. agencies such as the State Department, Defense Department, and U.S. Information Agency with money to pay oversea expenses.

I have also been very much impressed with the use of foreign currencies for market development for agricultural commodities. Outstanding progress has been made in demonstrating the quality of American products through trade fairs in foreign countries. Foreign currencies have also been used to strengthen programs conducted by the U.S. trade groups to promote exports and study market potentials abroad. Foreign currencies are used to expand our educational exchange programs, to assist U.S. sponsored schools, libraries, and community centers, and to translate and disseminate U.S. textbooks.

The Military Construction Subcommittee of the Armed Services Committee, which I have had the honor to serve as chairman, has given special attention to the use of surplus commodities in connection with the construction of military housing. Under my sponsorship, the authorization for use of Public Law 480 currencies has now been increased to $250 million for construction of needed military housing and related facilities such as chapels, schools, and post exchanges. Otherwise, these facilities would require dollar expenditures.

This program has to date provided more than 8,000 units of housing in the United Kingdom, Spain, France, Japan, and Italy. Additional construction is planned in these countries; and, in addition, the Azores, the Philippines, Bermuda, Iceland, and other countries may provide excellent opportunities for the wise use of Public Law 480 funds in the future. This program has stimulated the export of agricultural commodities while defraying a sizable part of our defense costs.

Our committee has also urged the negotiations of barter transactions in countries where Public Law 480 funds are not available. More than 2,400 units of family housing have been constructed in France through barter contracts for cotton and wheat. While the Department of Agriculture has prohibited barter transactions under revised rules, our committee has urged the Department to revive the barter program, with the hope that this program can be reopened for the barter of surplus agricultural commodities for constructing military housing and other American defense needs.

When the military construction bill was under consideration 2 weeks ago, the Senate adopted my amendment requiring the Department of Defense to use available surplus commodity funds for military construction, in addition to family housing.

This new mandate will facilitate the use of foreign currencies in lieu of dollars for all military construction in countries where U.S. credits are available. This amendment would strengthen the objectives of Public Law 480, and I hope that it can be held by the Senate and House conference committee.

I would favor financing a substantial share of the foreign aid program by use of foreign currencies received from sale of agricultural commodities.

The future possibilities of an effective and sound program convince me that the extension of Public Law 480 is vital. Since its enactment, 1 billion bushels of wheat have been exported, 5 million bales of cotton, 300 million bushels of feed grains, 38 million bags of rice, 2.5 billion pounds of vegetable oil, 200 million pounds of tobacco, 3.4 billion pounds of dairy products, and substantial quantities of other commodities. I am hopeful that large amounts will continue to move each month under agreements authorized by title I.

As well as offering a sound approach for moving large quantities of surplus agricultural commodities, Public Law 480 has an important effect on our foreign policy and the dollar cost of our defense program. It deserves the consideration of every Senator, and I hope the bill reported by the Senate Agriculture and Forestry Committee, extending the program for 1 year, will receive the full support of the Senate.

AGRICULTURAL LEGISLATION

Mr. McCARTHY. Mr. President, I wish to commend the distinguished Senator from Missouri for the action he has taken, with the support of the chairman of the Senate Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], in writing to the President of the United States insisting that he give us a real indication of what he means by a "decent" farm program.

The charge the President made recently implies that what the Senate has recommended and what the Congress has proposed are the opposite of a "decent" farm program. I presume that if we pressed him to explain, he would say this is an "indecent" farm program.

The language which the President used in the recent press conference is consistent with the language he and the Secretary of Agriculture have been using about agricultural programs during the present administration, and even that used in the campaign preceding the 1952 election, in which issues were distinguished as being moral or immoral.

What Eisenhower was for was declared by him to be the moral position: that held by others, of course, being immoral. Senators may recall the references to the immorality of the Brannan plan, and the declaration that the new approach to these problems was going to be a moral and spiritual approach.

The administration has been in office for some 6½ years. I am not disposed to question the spiritual level of the administration or the level of morality which exists in the administration; but if they have a farm program that they prefer to call a "decent" farm program, I think the time has come to make known their recommendations, so we can get their recommendations against the record before us, a record which shows that in this year net farm income is expected to fall 8 percent below what it was last year.

All of us know the record with regard to the increased cost of farm programs and the increased farm surpluses being held. We note almost every day that the cost of living is going up.

In other words, the overall picture shows that as this administration has gotten more and more of what it said it wanted in the way of a farm program the farm picture has become worse. I say, no matter what the level of spirituality and morality is in the administration and the Department of Agriculture, the time has come to ask these men who claim this superiority, to produce, for the record, in the tradition of the Old Testament which judged prophets on the basis of their works.

DEFICIENCIES IN THE LABOR REFORM BILL

Mr. GOLDWATER. Mr. President, last week the House Committee on Education and Labor adopted a much-watered-down version of the Senate's watery labor reform bill.

The Chamber of Commerce of the United States has listed the principal deficiencies in this proposed legislation, and I ask unanimous consent that this analysis, together with numerous editorials from around the country, showing the universal desire for good labor reform legislation, be printed in the body of the RECORD.

There being no objection, the analysis and editorials were ordered to be printed in the RECORD, as follows:

[From Labor Relations and Legal Department, Chamber of Commerce of the United States, Washington, D.C.]

PRINCIPAL DEFICIENCIES IN PROPOSED HOUSE LABOR REFORM LEGISLATION

INTRODUCTION

The House Education and Labor Committee has approved its version of a labor reform bill. The stated purpose of this legislation is to eliminate racketeering and corruption from the trade union movement. As approved by the committee, the bill sadly fails to achieve its stated purpose.

The following brief analysis outlines the major deficiencies of the committee's bill. While this analysis is directed at the provisions of the bill as reported, it should be made clear that the committee has failed to include in the legislation certain provisions which are indispensable to effective labor reform legislation. These indispensable provisions are complete prohibitions of secondary boycotts and organization and recognition picketing.

Failure to deal with these principal tools of corruption and racketeering now is in-

excusable. These tools have served Hoffa well in his drive for power. They have been among the chief reasons why he has become so entrenched.

The secondary boycott and organization and recognition picketing would not be curbed in the slightest by the House reported bill. Any labor reform legislation must deal with these matters—matters clearly revealed by the McClellan committee investigations to be the devices of the criminal and gangster elements in the trade union movement.

The committee has, moreover, failed to include adequate enforcement measures in its bill. Returning to State and local communities the authority to deal with disputes of an essentially local character would also have been a major step toward the elimination of the manifold abuses revealed by Senator McCLELLAN'S hearings.

If the House of Representatives is given an opportunity to amend this legislation on the floor, every effort to obtain the vitally needed changes in the bill as reported must be made.

TITLE I—RIGHTS OF MEMBERS OF LABOR ORGANIZATIONS

Rights of membership

Section 101(a)(1): This section accords certain rights to members of labor organizations including the right "to participate in determining the policies," "to attend membership meetings," and "to vote in any election." The section then subjects these rights to "reasonable qualifications uniformly imposed."

Hence, in practice, unions may readily negate these rights by a determination of what is a reasonable qualification. The section can, therefore, be rendered meaningless.

Dues, initiation fees, and assessments

Section 101(a)(3): This section provides an exemption of federations of labor unions, such as the AFL–CIO, from the limitations imposed on increases in dues and initiation fees. This raises a question as to whether or not a parent body should be subjected to the same rule as its subordinate units.

Protection of the right to sue

Section 101(a)(4): While ostensibly conferring a right on a member to sue a union or its officials such right is effectively destroyed by the proviso requiring such member to exhaust the remedies under the union's rules before resorting to judicial action. This is required, moreover, without regard to how long the pursuit of such internal union remedies may take.

Safeguards against improper disciplinary action

Section 101(a)(5): A member of a union is denied any procedural safeguard until after disciplinary action has been taken. Moreover, the section fails to establish appeal procedures. Labor organizations are authorized to adopt and enforce rules requiring loyal observance by every member of his responsibility to the union and the labor movement as a whole. The sweeping authority thus granted would permit further emasculation of any safeguards intended to be created.

Enforcement of Bill of Rights

Section 102(a): This section denies enforcement of any right conferred in this title until internal union procedures or remedies have been exhausted or until 6 months have elapsed without a decision. To require a member to pursue internal union procedures may be futile; to require the member to wait 6 months may be fatal.

TITLE II—REPORTING BY LABOR ORGANIZATIONS, OFFICERS AND EMPLOYEES OF LABOR ORGANIZATIONS, AND EMPLOYERS

Reports by unions

Section 201(a): This section requires each union to adopt a constitution and bylaws and to file them with the Secretary of Labor. It also requires the filing of information concerning address, officers, fees, and detailed statements with respect to a number of specifically enumerated union practices. As reporting requirements, these may be desirable provisions. However, a glaring defect exists in the complete absence of any standards with respect to the various practices upon which reports must be filed. For example, information concerning procedure for authorization for strikes is required to be filed, but nothing is said as to what those procedures must be. A simple "none" answer would satisfy the law. The section is thus defective in its failure to include obviously needed standards.

Financial reports by unions

Section 201(b): The financial information required to be reported by unions under this section is in general the type which should be reported, but again a principal objection is to be found in the failure of the bill to impose any standards on a union regarding its financial dealings. Moreover, a union need only report salaries in excess of $10,000 and loans to officers or members over $250. There could well be many instances in which revelation of payments or loans below the indicated figures could serve a useful purpose in exposing transactions of a dubious character to the spotlight of public opinion.

Access to reports by members

Section 201(c): The effect of this section is to limit the access of members to the reports filed by the union inasmuch as the union is required only to make available the "information" contained therein in any fashion the union may choose. While a member may go to court to enforce this right, it is questionable if such a remedy is realistic.

Exemption from financial reporting

Section 201(d): An exemption from the financial reporting requirements is automatically granted to any union with less than 200 members or having gross annual receipts of less than $20,000. Only by formal proceeding by the Secretary of Labor may this exemption be removed. This would effectively exempt nearly 70 percent of all unions from financial reporting. In view of the subsequent provision authorizing simplified reports from small unions, no blanket exemption appears justifiable. Under this section, Dio's paper locals would not be required to report.

Union access to NLRB

Section 201(e): This section removes the strong inducement upon a union to comply with the reporting requirements because it repeals the Taft-Hartley Act language denying access to the NLRB for failure to report. In other words, failure to file under the proposed bill would now be no bar to unions to use NLRB facilities.

Penalties for violation of reporting sections

Section 209(a): This section is deficient because it fails to provide any penalty for the violation of any rules and regulations issued pursuant to the act. Rules and regulations therefore would be unenforceable.

Personal responsibility for reports

Section 209(d): Any person required to file a report may readily avoid a penalty for a false report simply by denying he knew it to be false. This emasculates the enforcement language.

Enforcement of reporting requirements

Section 210: This section fails to permit the Secretary of Labor to seek a court order to enforce the rules and regulations he issues under the act.

TITLE III—TRUSTEESHIPS

Reports by unions imposing trusteeships

Section 301: Failure to provide any standards which unions should follow in imposing trusteeships on a subordinate union is a major defect in this section. Reports on such trusteeships are required but copies of the reports are not required to be given to members. Enforcement of this provision is rendered difficult, if not impossible, by requiring personal knowledge of falsity of any report filed. No penalty is provided for a violation of rules and regulations issued pursuant to this title by the Secretary of Labor.

Purposes of trusteeships

Section 302: This section purports to limit the imposition of trusteeships by listing the valid purposes of the trusteeship. It, in fact, imposes virtually no limitations since carrying out the legitimate objects of the union is considered to be a valid purpose. Nowhere are legitimate objects defined.

Time limitations on trusteeships

Section 304(c): The effect of this section is to render a trusteeship virtually immune from legal attack for 18 months by granting a presumption of validity for that period of time which can only be overcome by clear and convincing proof of invalidity.

TITLE IV—ELECTIONS

Election of international union officers

Section 401(a): Except for the requirement of a secret ballot, this section fails to establish any standards for the conduct of an honest election. It contains no provision for access to membership lists by candidates nor for an honest count of the ballots.

Election of officers of intermediate bodies

Section 401(c): This section relates to the election of officers for joint boards, joint councils, or other assoications of unions and is as deficient as the section above on election of international union officers for the same reasons.

Nominations and voting

Section 401(d): Since this section fails to specify who shall be able to nominate candidates, the practical control of elections is left in the hands of autocratic union officials. Notice of elections need only be given to members in a general manner.

Elections in conventions

Section 401(e): This section merely provides an empty shell of protection by requiring that the constitutions and bylaws of a union be followed in electing officers. Since many constitutions and bylaws are silent on the subject the deficiency is apparent. Official records need only be maintained for 1 year. Nowhere are official documents enumerated.

Removal of officers

Section 401(g): This section permits a union member to go to court to seek a recall election to remove an elected officer guilty of serious misconduct. The deficiency rests in the failure to provide for the removal of nonelected officials or those not guilty of serious misconduct.

Enforcement of election requirements

Section 402(a): Before a member can go to court to upset a fraudulent election, this section requires that such member must first pursue internal union remedies for at least 6 months. This section would have operated as a bar to the court action instituted by the 13 teamsters resulting in the appointment by a Federal court of monitors to supervise that union.

Exclusiveness of remedies

Section 403: The effect of this section prohibits State action to supplement or complement the remedies provided in the title for a contest over an election previously held.

TITLE V—SAFEGUARDS FOR LABOR ORGANIZATIONS

Union officials as fiduciaries

Section 501(a): This section purports to make union officials financially accountable for their conflict-of-interest dealings. A major loophole is created by limiting the fiduciary duty to take into account the special problems and functions of a labor organization. Another major loophole arises from the fact that no accountability is required for profits reaped by an official who uses his office (not union funds) to his personal advantage.

Union loans to officials

Section 503(a): The permissible amount of a loan to an officer or employee of a union is fixed at $2,500. The lower amount of $1,500 specified in the Senate-passed bill may itself prove ineffective in preventing wrongdoing or financial irresponsibility.

Payment of defense costs and fines

Section 503(b): Under this section a union or an employer is permitted to pay the defense costs of any official charged with violating the act as well as the payment of any fine if the violation was not willful.

Persons ineligible for union or employer association office

Section 504: This section purports to keep the criminal and subversive element out of the labor-management scene. Its failure to do so stems from absence of provisions denying office to persons convicted of specified crimes (manslaughter, aggravated assault, kidnaping, forgery, sedition, assault with a dangerous weapon, abduction, blackmail, perjury, espionage, and a host of other serious felonies) instead of to those convicted of any felony.

Payments by employers to his employees or to union officials

Section 505: This section amends section 302 of the Taft-Hartley Act so as to make it a crime, punishable by fine and imprisonment, for an employer or his representative or anyone who acts in the interest of an employer to make certain payments to unions, union officials, or to employees for the purpose of influencing other employees in their rights to organize and bargain collectively. This section is a criminal statute. It absolutely forbids certain payments. Violation could send an employer to jail. Yet, under its provisions it could be a Federal crime for an employer to give money to an employee or a committee of employees for the purpose of holding an annual banquet, or buying uniforms for a bowling or baseball team, or to subsidize an employee dance. Each of these activities has an indirect influence on employee thinking about organization and collective bargaining.

TITLE VI—MISCELLANEOUS PROVISIONS

Investigations by Secretary of Labor

Section 601(a): This section requires the Secretary of Labor to have probable cause to believe a violation of the act has occurred before he can undertake an investigation. This virtually requires preknowledge of the facts that his investigation is designed to uncover. The Senate-passed bill, S. 1555, required only a belief that it was necessary to conduct an investigation. Moreover, the Secretary is powerless to investigate violations of the bill of rights title.

TITLE VII—TAFT-HARTLEY AMENDMENTS

No man's land

Section 701(a)(b): This section approaches the jurisdictional no man's land problem by giving sole occupancy in the area to the Federal Government. The result is to exclude the States from handling matters which are of strictly local concern and to impose on an already swollen Federal bureaucracy the impossible task of handling thousands of additional complaints—some involving establishments of no greater size than a corner drugstore with one or two employees. With a current caseload of over 6,000 cases the Board is even now faced with a herculean task in its endeavor to keep current. The imposition of this added responsibility manifestly will create an impossible situation, even if the Board is increased to seven members as the bill proposes and its staff is vastly enlarged.

The proper approach in eliminating the no man's land problem would be to vest States and State agencies with the power to handle labor cases in a manner not inconsistent with the provisions of Federal law.

NLRB changes

Section 701(c)(d): This section would establish a seven instead of a five-man National Labor Relations Board, the members having 7-year terms. In general, it is doubted whether this superficial attempt to reduce the backlog of NLRB cases is the answer since seven men instead of five would be required to review and consider policy cases.

This section also attempts to clarify the jurisdiction between the Board and its General Counsel. Ever since the General Counsel's Office was established in 1947, a conflict over division of authority has existed between the NLRB and its semi-independent General Counsel. Since no testimony has been presented to Congress that the suggested division of authority would eliminate this conflict, the proposal is of doubtful value.

Building trades amendments

Section 702(a): This section nullifies right-to-work laws and further weakens the present secondary boycott section of Taft-Hartley by permitting building trades unions to win recognition without showing they represent a majority of employees. Negotiation of prehire contracts permitting a 7-day union shop and requiring notification to the union of job openings is authorized. Contract clauses requiring minimum job experience and seniority priority based on employment in the industry or geographic area are permitted. Such clauses may circumvent State right-to-work laws and the guarantees of free choice contained in section 7 of the Taft-Hartley Act regarding union membership.

Secondary boycotts

Section 702(c): This section permits secondary boycotts at construction sites by permitting common situs picketing. It would remove restrictions now placed by courts and the NLRB on such picketing.

Voting rights of economic strikers

Section 703: This section rewrites the existing Taft-Hartley rule and permits lawfully replaced economic strikers to vote in representation elections.

Prehearing elections

Section 704: This section amends Taft-Hartley to permit elections after 30 days without requiring a formal hearing if there are no substantial issues of fact or law to be resolved by a preelection hearing. The section specifically prohibits elections without a hearing if the appropriate bargaining unit is in dispute. This is a return to the days of the Wagner Act. It places great power in the hands of the NLRB investigator or hearing officer to determine, without a hearing, whether or not there are substantial issues of fact or law.

Hot cargo—Secondary boycotts

Section 705(a): This section cleverly nullifies the provisions of the Senate-passed bill—S. 1555—curbing hot cargo secondary boycotts by common carriers and the Teamsters. It takes a different technical approach by making it an unfair labor practice for a common carrier covered by the Interstate Commerce Act to enter into such an agreement with a union. It adds a similar unfair labor practice for a union to make such an agreement with a common carrier. The major loopholes that destroy the effort to halt hot cargo boycotts are: (1) an employee of a common carrier may refuse to provide service where a labor dispute exists, and (2) unions by contract may prohibit a carrier from discharging such an employee.

Recognition picketing

Section 705(a): This section would place an ineffective limitation on recognition picketing and does nothing about organization picketing. It would prevent picketing for recognition purposes only (1) if another union is the bargaining agent (this is already in sec. 8(b)(4)(C), of the law) and (2) where the picketing union has lost the election within the past 9 months.

Defense for recognition picketing

Section 705(d): This section is objectionable because it provides that existence of a mere charge of an unfair labor practice against an employer is a defense to obtaining an injunction against recognition picketing. As any union or employee can file a charge at any time this provision in effect would mean that an injunction could never be obtained against recognition picketing.

Unfair labor practice priorities

Section 706: A new priority for handling unfair labor practice charges of discrimination by employers and unions is created by this section. This priority is second only to the priority accorded secondary boycott and recognition picketing charges. This section relegates many other equally important unfair labor practice charges to the lowest possible priority.

[From the Shelbyville (Ind.) News, July 7, 1959]

WHERE REFORM IS NEEDED

Among the many areas in which labor reform is urgent and vital—and is not provided by the Senate-passed Kennedy bill—none are more important or have been less understood than organizational (blackmail) picketing and the secondary boycott. To California's Congressman EDGAR W. HIESTAND, with a strong assist from the Government's Small Business Administrator Wendell B. Barnes, goes the credit for perhaps the most effective illumination to date.

In a dramatic and clarifying study, as reported by Human Events, Mr. HIESTAND reveals that "more than 27 million Americans—owners and employees of small businesses—are now at the mercy of labor union racketeers because of deficiencies in existing laws." He noted pointedly that the Kennedy bill provides these citizens no help.

He quotes Administrator Barnes: "Since their financial resources are extremely limited, they are unable to resist the economic pressures exerted against them with impunity by the powerful labor organizations. For these firms, the rights guaranteed to employers in the Taft-Hartley Act have no practical significance * * * they have no rights at all." These pressures may be in the form of a secondary boycott in which the small business is threatened and bulldozed to prevent its buying the goods or services of a company against which the union is striking—as in Walter Reuther's efforts to discourage the plumbing contractors of America from dealing in Kohler products.

Or the small business may be threatened with organizational (blackmail) picketing: "The employer is given to understand that, if he fails to agree (to his employees being dragooned into the threatening union) a

picket line will be thrown around his plant to intimidate his suppliers and customers as well as his employees.

"This is a formidable threat," says SBA, "because few small concerns have the economic stamina to hold out against picket pressure. On the other hand, if he signs a contract, he will betray the right of his employees to select their own representatives. Moreover, the employees may strike his plant in protest."

And, if you can stand one more item of woe, the small employer has no assurance the National Labor Relations Board will have any time for his troubles. "It has had to decline jurisdiction, because of filled dockets, in cases of many small concerns whose annual volume of business does not qualify their cases for review."

"Congressman HIESTAND vows," says Human Events, "that the Kennedy bill, if and when it reaches the floor, will be rigorously amended." If those 27 million Americans who own and work in small businesses, and who are sitting ducks for union sharpshooters, rise up in their wrath and support Representative HIESTAND, he can't miss. Whether they will do this is another guess. There isn't any time to waste.

[From the St. Louis (Mo.) Post-Dispatch, July 6, 1959]

ON WHOSE SIDE?

After more than 6 weeks, the House Labor Committee is still struggling with the writing of a labor reform bill. The committee is under intense union pressure. Every member of it, and of course every Member of the House, must face the voters next year. Union leaders are making the most of their concentrated power, especially in city districts, to affect the results of congressional elections.

So it is not surprising that the reports from the committee speak of a steady drift toward weakening one clause after another of the Senate-passed bill. The Senate bill itself, in our opinion, does not meet the public demand for a genuine and effective reform measure which adequately corrects the abuses exposed by the McClellan investigation. To water it down still further would represent a humiliating defeat of the public interest by organized group pressure.

Inevitably, the question is now arising: Would not half a loaf be better than none? A bill which carried out some of the needed reforms might very well be preferable to no legislation at all, but individual Representatives must be judged by their individual contributions to the final result. A Congressman who votes and works for a watered-down bill instead of a truly effective and comprehensive one must be prepared to go before the voters as a candidate who placed the union lobby's interest above the public interest.

It is not difficult to tell where the public interest lies. It lies first in reasonable but effective reform of internal union organization: in public accountability for union welfare funds and other finances, in protecting the rights of union members from usurpation by union bosses, in making the leaders more directly answerable to the rank and file. Secondly, the public interest demands effective legislation against secondary boycotts and blackmail picketing.

The first general objective can be attained by adopting the Senate bill's provisions on financial accounting and its bill of rights for union members, preferably with a stronger enforcement clause. The second objective requires rewriting of the Senate measure as it applies to "hot cargo" and blackmail picketing.

The House could find no better guide to legislation on the latter points than Secretary of Labor Mitchell's proposals. Mr. Mitchell is not trying to outlaw legitimate secondary boycotts—those, for example, which are directed against a company's performing struck work—nor is he trying to outlaw legitimate picketing. His proposed amendments would strike only at the kind of boycott by which a union wages a dispute with one employer by penalizing an innocent one, and at the kind of picketing which permits "top-down organizing" aimed at intimidating the employer instead of persuading the employees.

These are the minimum standards of an adequate labor reform bill, and Congressmen will be judged by whether they fight to protect or to tear down these standards. There is no public interest in legislation designed to weaken the right of collective bargaining. There is a strong public interest in legislation to curb the excesses of unscrupulous union leaders like Jimmy Hoffa. Every Congressman should be prepared to let his constituents know whose side he is on.

[From the Rome (Ga.) News-Tribune, July 1, 1959]

COURAGE NEEDED

The St. Louis (Mo.) Post-Dispatch is a famous newspaper which always has been friendly to the cause of organized labor. So something it recently said about pending Federal labor legislation is of marked significance.

"The public interest," observes the Post-Dispatch, "does not demand a union-busting bill, but it does demand a measure which effectively guarantees union democracy, makes union leaders more directly answerable to the rank and file, and corrects the abuses so impressively brought out by the McClellan investigation."

It then deals with certain loopholes and defects in the labor bill which passed the Senate. The bill's language is loose, for one thing, and leaves wide open room for evasions. The provision dealing with blackmail picketing is weak—much weaker, for instance, than that advocated by Secretary of Labor Mitchell. And the means the law provides for enforcing the bill of rights that it is supposed to guarantee the rank and file of union members leaves a great deal to be desired. Workers who felt their rights were infringed would have to file suit in the courts in an effort to obtain redress—an expensive and time-consuming stratagem that is obviously beyond the resources of most union people.

The Post-Dispatch concludes: "There are, no doubt, other respects in which the Senate bill could be improved without converting it into a union-busting measure. The secondary boycott, picketing and bill of rights enforcement clauses seem to us the most important. We hope the House will tackle them courageously despite political pressure from the unions."

This is a moderate view—and, to repeat, it comes from a longtime friend of labor. The country both needs and deserves a better, stronger bill than that passed by the Senate.

[From the Madison (Ind.) Courier, July 2, 1959]

LABOR LEGISLATION

U.S. businessmen are accused of being selfish because they want to strengthen the Kennedy-Ives labor bill passed by the Senate this year.

Shall the vast majority of Americans be kept waiting uncertainly year after year for protection from the racketeers while first attention is given to a few efforts to keep the racketeers from stepping on the toes of their own unions' members?

The bill passed by the Senate does virtually nothing for the public. Millions of Americans pay tribute to the gangsters in the form of higher prices and inconveniences; the public is constantly shocked, sometimes endangered by the gangster tactics, yet the public is expected to wait for relief. There is evidence of a strike in Madison today.

It's time Members of Congress quit viewing the problem from the standpoint of what they think is politically feasible and start dealing with it from the standpoint of public need.

Secondary boycotts and organizational picketing are the means the racketeers commonly use to violate the public interest. Why not outlaw them? Boycotts are always a danger and can strike any business with sudden, harsh and ominous force. They usually come in the form of a warning from a union boss that you must stop handling a certain product or doing business with a certain firm, or the union will see to it that no one does business with you.

Small businessmen and their millions of customers are the favorite victims. Much else that needs to be done to curb union racketeering was not included in the Senate bill. For one thing, candidates for union office should be given access to union membership lists. Lack of this provision in the bill would entrench control in the hands of the bosses in power.

Moreover, the Senate labor bill revises the Taft-Hartley law, imposing new handicaps on employers in matters not concerned with racketeering. These are designed to make the bill palatable to unions. They should be removed.

There is still time and hope for a good labor bill this session.

[From the Burlington (Vt.) Free Press, June 25, 1959]

HOFFA ON CARPET AGAIN

The McClellan committee is resuming hearings on the International Brotherhood of Teamsters and its president, James R. Hoffa, at a time when the House Education and Labor Subcommittee is working on a labor reform bill.

This is a fortunate coincidence because Hoffa is the best argument going for a labor bill with sinews.

His presence on the Hill may have a good effect on writers of legislation in the House. Senator MCCLELLAN has told them what should go into a good labor measure.

The months long parade of crime and corruption before the Rackets Committee has not been wasted on the Senator, even though it seems to have been on many another Senator and Congressman.

Specifically, Senator MCCLELLAN says the bill passed by the Senate should be strengthened:

1. To deal effectively with the no man's land between State and Federal jurisdiction in labor disputes;

2. To outlaw secondary boycotts;

3. To include stronger picketing provisions; and

4. To include a strong labor bill of rights.

As a result of a no man's land in which the National Labor Relations Board refuses to take jusisdiction and in which the States can't, thousands of business firms who are the victims of unfair labor practices are denied a hearing before any agency or the courts.

Secondary boycotts are those in which third parties are pressured into putting the screws on parties with which a labor union is at odds.

Examples of harmful picketing are so-called blackmail picketing, which is used to extort tribute from employers, and recognition picketing which sees plants picketed in which a majority does not want a union in order to change the minds of the majority and in order to enlist the aid of the employers in so changing minds.

A strong labor bill of rights is needed to help union members get rid of unscrupulous labor bosses.

This is not all that is needed, by any means. We can think of two other items right off; namely, placing labor unions under the provisions of the antitrust laws and removing union membership as a requirement for holding a job.

But if Congress will give attention to the renewed investigation into the affairs of the Teamsters and then listen to Senator McCLELLAN, there will be a chance for progress against labor lawlessness.

[From the New Iberia (La.) Iberian, June 22, 1959]

WAKE UP, AMERICANS, ONLY THE STINK REMAINS

(By Otto Garr Tague)

Of late it really is shameful how Congress kids the public. Supposedly most responsive of all branches of the Government to the wishes and needs of the people, in recent years it has become the willing tool of pressure groups who, through organized effort, make the most noise, and through their paid lobbyists are always present to blackmail its Members into doing their will.

Two outstanding examples will suffice to illustrate what I mean. One has to do with the manner in which labor union regulation has been kicked around; the other with the manner in which Congress has failed to provide our people with relief from the Supreme Court's foray against the people's rights as guaranteed by the Constitution.

When the McClellan committee began to turn up pay dirt as Dave Beck, Jimmie Hoffa, and dozens of labor grafters took the stand and disclosed a condition somewhat resembling peonage in union after union, the cry of protest and anguish that emanated from the Members of Congress was something to gladden the heart of the peons and all citizens who favor fair play.

Immediate action was promised to put a stop to the grafting and make labor unions subject to the will of their rank-and-file dues-paying members. Then the lobbyists went to work. Suddenly a period of profound silence ensued. Apparently on the recently adopted theory that if you let an issue lie around long enough it will cease to be an issue. Then up popped the Kennedy-Ervin bill, greeted with fireworks and fanfare. A new emancipation proclamation had been issued. Slavery was abolished. Except that when examined it was easily noted that nothing really was abolished. Not a single important wrong disclosed by the McClellan committee had been righted. And so much stink was aroused that it might be well to do nothing until the stink subsided. The circus has retired to its winter quarters. Oh, yes. Congress still is the responsive member of the three-ring circus. But responsive to the big noise of organized groups. And slavery has not been abolished.

[From the Cortland (N.Y.) Standard, June 19, 1959]

Along about the turn of the century industrial and financial interests in this country went too far. Greed for money and power led to excesses that outraged the public. The result was the antitrust laws. Public opinion demanded that the abuses be cured, and the Government ultimately obeyed.

Now we are seeing the same thing in the case of certain labor unions.

The classic current example is found in the projected scheme for forming a huge union made up of the workers in all the transportation industries. If that is ever done, a strike order could shut down the trains, the planes, the ships, the trucks and buses—and that would amount to shutting down the country.

However, the public temper is now becoming clear. The Portland Oregonian expresses a fast-spreading sentiment when it says: "This newspaper sees no valid reason why labor unions which now have or could arrange to have * * * the power to bring the national economy to its knees with a general strike, and to leave the Nation defenseless against attack, should not be subject to the same antitrust laws which govern their employers.

"Laws against monopoly in restraint of trade are based on a solid foundation of the welfare of all Americans. A transportation monopoly * * * is a weapon which could destroy the Nation. * * *" It is significant that so outstanding an authority on the labor problem as Senator McCLELLAN now urges the application of antimonopoly laws to unions. The unions will fight hard against this. But the handwriting is on the wall, plain for all to see.

[From the Wapakoneta (Ohio) News, June 29, 1959]

SMOKE SIGNALS

(By Summers)

The 30-member House Labor Committee is reported hard at work writing a new labor reform bill to replace the Kennedy sweetheart bill which the Senate pushed through its Chamber in evident haste, and which Senator JOHN L. MCCLELLAN, Labor Rackets Committee chairman has consistently and repeatedly denounced as inadequate.

As the final witness at the House hearings, just before its Labor Committee went into retirement to do its homework, Senator McCLELLAN blasted the shortcomings of the unionmade legislation bearing the Kennedy label.

"It does not fully meet the legislative needs," declared the earnest and judicial Arkansan. "It will not, as it is now written, correct all of the evil conditions and improper practices that we know exist. It can be strengthened to do so; it should be so strengthened before it is enacted into law."

But few Washington observers expect any such reinforcement to be applied by a committee of which the majority must be considered highly allergic to the displeasure of union leaders. And since officials of the CIO–AFL, the Teamsters and the United Mine Workers are now frowning on even this spineless measure as passed by the Senate, the rewrite that the committee will send to the House floor can be expected to be even weaker—if the toilers' command of doubletalk is equal to the occasion.

Thus, if there is to be any effective legislation in the labor field—and Speaker RAYBURN is said to have decided that there's gotta be a bill this session—realists agree it will have to be written on the floor via amendments to the committee's offering.

To be effective, any labor reform measure must, at very least, outlaw organizational picketing by which workers who may prefer another union, or none at all, are dragooned into the picketing union; provide an airtight ban on the malicious and cowardly secondary boycott; restore to the States the power to enforce their own labor laws where Federal officials claim jurisdiction but refuse to act.

It's getting hot in Washington, and the pull of home ties is growing stronger. It will be quick and easy for the House to pass whatever the committee hands over—unless an awful lot of people—in and out of unions—issue some instructions to their man on the House floor. If those who have been shocked, or angered or frightened (or all three) at the McClellan revelations will say their piece now, we can have worthwhile labor reform legislation.

But, in this final showdown, constituents will have to write it.

[From the Petaluma (Calif.) Argus-Courier, June 30, 1959]

NEED FOR LABOR REFORM

There remains only a short time for Congress to do something about labor reform, and the need for labor reform is growing every day. The bill passed by the Senate is not adequate. If the House provides a stronger bill, then there is hope that the Senate-House conferees can agree on an adequate bill. Such a bill should: outlaw organization picketing; outlaw secondary boycotts; straighten out the no man's land mess; give State courts and agencies authority to handle labor relations matters as long as they do not take action in conflict with Federal law; provide a strong bill of rights for union members; impose upon unions and employers requirements for reporting their affairs that strike only at corruption and do not impose unnecessary burdens. It is important that effective labor reform be obtained this year, for this may well be the last chance for years to come.

[From the Canandaigua (N.Y.) Messenger, July 2, 1959]

CALL FOR HELP

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Outlaw organizational picketing by which workers who may prefer another union, or none at all, are dragooned into the picketing union.

Provide an airtight ban on the malicious and cowardly secondary boycott.

Restore to the States the power to enforce their own labor laws where Federal officials claim jurisdiction but refuse to act.

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say their piece now, we can have worthwhile labor reform legislation.

But, in this final showdown, constituents will have to write it.

DOUGLAS McKAY

Mr. GOLDWATER. Mr. President, last week the United States lost one of its distinguished men, and we heard him extolled at great length on the floor of the Senate. He was Douglas McKay, a former Governor of the State of Oregon, who later served as Secretary of the Interior.

The Washington Post and Times Herald is probably one of the most vociferous of newspapers clamoring for truth and honesty. In fact, one of the most admirable traits of the late owner, Mr. Meyer, was his insistence on truth. I only wish the editorial writers of that newspaper would be more consistent in following the admonitions of Mr. Meyer in expressing the position of the newspaper.

I refer, Mr. President, to an editorial which was published in the Washington Post and Times Herald on July 25, 1959, entitled "Douglas McKay." In the editorial, it is stated:

This period was, in fact, one of the stormiest in the recent history of the Department of the Interior, when all sorts of private special interests tried (with some success) to obtain concessions or reversals of long-standing regulations. If Mr. McKay's own conservatism was not so extreme as that of some of the men around him, he seemed unable or unwilling to halt the depredations in oil leases, wildlife refuge invasions, weakened mine regulations and the like.

Mr. President, that is only a part of the editorial written on the life of Mr. McKay. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOUGLAS MCKAY

Douglas McKay was a genial, likable fellow who was a better Oregon businessman and politician than administrator in Washington. A highly successful automobile dealer who had been Republican Governor of Oregon for two terms with large popular support, he came to this Capital in 1953 as President Eisenhower's first Secretary of the Interior. Despite this earnestness, his 3 years as Secretary were not happy ones for the country.

This period was, in fact, one of the stormiest in the recent history of the Department of the Interior, when all sorts of private special interests tried (with some success) to obtain concessions or reversals of long-standing regulations. If Mr. McKay's own conservatism was not so extreme as that of some of the men around him, he seemed unable or unwilling to halt the depredations in oil leases, wildlife refuge invasions, weakened mine regulation and the like. His acquired championship of the national parks and interest in the upper Colorado project did not offset the effect of the open-door policy. By the time he retired to run against Senator WAYNE MORSE in 1956 he had become a political liability, and he was roundly defeated.

Yet in a sense Mr. McKay was a victim of circumstances. He was brought to Washington at a time of political change when certain groups were looking to the Eisenhower administration to undo most of what had been done for 20 years. The amorphous partnership policy placed him in the middle of the public-private power fight which he had avoided. If he was swept along in the current, he was not the only one. It is too bad that this had to happen to an essentially good and kindly man.

Mr. GOLDWATER. Mr. President, some 4 or 5 years ago I found it necessary to attack the Washington Post and Times Herald on the floor of the Senate with regard to a number of inaccuracies in a series of articles which were published in the newspaper about the Department of the Interior as it was conducted by Secretary McKay.

Mr. President, I do not care to go through these matters again, but I ask unanimous consent that an analysis of the giveaway charge made against the administration, which was published in the CONGRESSIONAL RECORD, volume 102, part 3, pages 3541–3546, be printed in the body of the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF GIVEAWAY CHARGES MADE AGAINST THE ADMINISTRATION

Mr. GOLDWATER. Mr. President, along with remarks I am about to make regarding the Department of the Interior, Secretary McKay, and certain charges which have been made, I should like to have printed in the RECORD an analysis of certain other charges and allegations made in a series of articles in the Washington Post and Times Herald which purported to go into the giveaway charges made against the present administration.

My staff and I have gone through this series of nine articles which appeared beginning on January 8 through January 16 of this year, and the analysis which I am placing in the RECORD points up the one-sided aspect of these articles, and, in general, the misinformation which has been characteristic of these so-called giveaway charges.

The analysis, which covers the major allegations made in this series of articles, shows once again how some facts have been twisted and other facts totally ignored. It also lends strength to my remarks of January 19, in which I pointed out that a newspaper which has loudly championed freedom of the press, had best begin to practice the responsibility of factuality that the public accepts as a duty of the press. The most rigid and the most demanding of these in the instance of the freedom of which we speak is that reporting be honestly and objectively accomplished.

Mr. President, I submit that a reading of the analysis shows that not only did the articles not follow the course demanded by a free press—fact and objectivity—but that the irresponsible, politically inspired charges which have been made under the general category of giveaway are without factual basis.

The truth is that Secretary McKay and this administration have upheld the highest principles of conservation of our great natural resources, and that if any giveaway did occur, it occurred due to laws which were on the books when this administration and Secretary McKay came into office. The responsibility for any giveaway must be placed at the doors of those who failed to provide remedial legislation, rather than those who administered the law of the land fairly.

Mr. President, I ask unanimous consent that the analysis of which I have spoken be printed in the RECORD at this point in my remarks.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. WATKINS. I am a member of the Committee on Interior and Insular Affairs, and have been for more than 9 years, but I can join wholeheartedly in support of the statement made by the distinguished Senator from Arizona. The Department of the Interior, under the direction of Douglas McKay, has been operated in accordance with law, and, to my knowledge, there has not been one single instance in which anything has been given away.

Mr. GOLDWATER. I thank the Senator from Utah for his remarks.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Arizona?

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

"CHRONOLOGICAL SUMMATION OF INTERVIEWS AND DATA FURNISHED WARREN UNNA, WASHINGTON POST AND TIMES HERALD STAFF WRITER, IN CONNECTION WITH RECENT GIVEAWAY SERIES

"November 25, 10 a.m.

"Mr. Unna interviewed the Director. Earl Thomas, Assistant to the Director; Michael Giller, Minerals Officer; Mack Corbett, Information Officer, were also in attendance. Mr. Unna indicated he was seeking information for use in a series of articles and submitted queries based on information he had previously received elsewhere on practically all of the charges made by conservationists in his series of articles. It was in this interview he took the quote attributed to Mr. Giller on Wind River Indian Reservation oil leasing. The quote, 'It's debatable whether it's a giveaway to have a competitive lease or a noncompetitive lease,' was taken out of context and leaves an unfair impression of what Mr. Giller really said. The remainder of that particular quote was: 'By that I mean it is debatable whether the Government always gains any advantage by competitive leasing.'

"Then Mr. Giller went on to explain that the regulations are designed to bring maximum rates to the Government by having competitive leasing where it is warranted and noncompetitive leasing where it is warranted, namely, in wildcatting or unknown geologic areas for oil and gas. Certain facts were given Mr. Unna on the Wind River oil leasing at this time. Mr. Unna's statement, as always, carefully attributed to 'critics of the administration's program,' rather than to himself, that the private oil companies now lease for 20 cents an acre with no need for bonus payments, is an oversimplification of the facts that were given him, namely: Department regulations call for payment of rental as follows: 50 cents per acre for the first lease year, no rental for the second and third lease years, 25 cents for the fourth and fifth years, and 50 cents for the sixth and succeeding years.

"November 25, noon

"Mr. Corbett, subsequent to Mr. Unna's interview with the Director, gave Mr. Unna a large photostat prepared by the Departmental Information Office of Oregon newspaper clips giving both sides of the Al Sarena question, including Secretary McKay's statement, charges of Drew Pearson, the refutations made by both Oregon daily newspapers, and a favorable analysis by former Governor Sprague, of Oregon.

"About December 7

"Karl Landstrom, of the Lands Staff, was contacted by Mr. Unna over the telephone, as result of which he prepared a table of data on withdrawals, restorations, and disposals, showing that approximately 700,000 acres had

been disposed of since January 1, 1953, as compared with approximately 918,000 acres from 1945 through 1952. The trend figures on withdrawals and restorations showed that withdrawals exceeded restorations in 1955 and 1954 for the first time in several years.

"The figures furnished by Mr. Landstrom are attached.

"About December 8

"Mr. Unna contacted Mr. Corbett by telephone, requesting figures on acreages under mineral lease or permit by International Nickel, Inc., M. A. Hanna, and Kennecott Corp., in Minnesota. After a careful check of Geological Survey and BLM records, Mr. Corbett telephoned Mr. Unna the following day to give him these data: No leases to any of the three concerns; no knowledge of any 50-year leases pending or granted to International Nickel Co. which Mr. Unna seemed to have inside knowledge from other sources; 5 permits to International Nickel for 3,587.47 acres, and 5 permit applications pending for an additional 4,620 acres. One permit issued M. A. Hanna for 741.03 acres and 1 application pending for approximately 10,280 acres; no permits on record for Kennecott Corp. The original hand draft listing every mineral permit on record for Minnesota, and on which Mr. Corbett prepared the information given Mr. Unna, is attached.

"About December 12

"Mr. Unna telephoned Mr. Corbett seeking to verify the width of right-of-way granted to Pacific Gas & Electric Co. by Congress near Barstow, Calif., for a natural-gas pipeline. Mr. Corbett advised Mr. Unna the next day that a check of the records, in the short time allowed, did not disclose any actual right-of-way agreement indicating the size of the right-of-way, but that all right-of-way grants are either 40 feet from the centerline or 50 feet from the centerline; therefore, it might reasonably be assumed that the right-of-way was an 80-foot right-of-way, since Mr. Unna's other informants had described it as being 40 rather than 50 feet.

"About December 14

"Mr. Unna contacted Lewis E. Hoffman, minerals staff officer, regarding a 50-year recorded advance form of lease for International Nickel Co., M. A. Hanna Co., and Kennecott Copper Co. Mr. Hoffman told him his office had no record of such proposed leases and that if any of these companies had conferred with the Assistant Secretary he did not know about it.

"In addition to this chronological summation, these Interior Department officials also talked with Mr. Unna in connection with the series of articles which he wrote:

"Lee Muck, Staff Assistant, Office of the Assistant Secretary for Public Land Management. Mr. Muck has since retired from the Department.

"Conrad Wirth, Director of the National Parks Service.

"John L. Farley, Director of the Fish and Wildlife Service.

"Clark Salyer, Chief of the Refuge Division, Fish and Wildlife Service.

"Alistair McBain, Chief of Information, Fish and Wildlife Service."

"THE AL SARENA CASE

"Charge: The one big giveaway case in the timber business * * * concerns Al Sarena Mines, Inc. It is extremely difficult to obtain timberland in the National Forest but one way is to obtain the lumber as a mere byproduct to claims for mineral deposits beneath the soil. In the past, Interior has been exceedingly tough on such claims because the timber byproduct being more valuable is usually the real incentive behind the claim for a mineral deposit.

"Fact: Under Secretary of the Interior Clarence Davis has made it clear that the decision he made to grant patents in the Al Sarena case was dictated by the law, rather than by an unjustified usurpation by an executive agency of the powers rightly vested in Congress. Here is a quotation from his recent testimony on this point:

" 'Under the mining laws, which had not been changed since 1872, until last year, a miner who stakes out his claim on public lands and files on it, spends $500 in the development of it, and proves that he has a valid discovery of minerals, is entitled to a patent * * *. There is no reference to timber in the mining laws; whether there is much, little, or no timber makes no difference whatever as a matter of law. * * *

" 'Nevertheless, a few years ago, the Department of the Interior attempted to inject into the mining laws a standard of discovery which required profitable operation and a showing that the mineral deposits had the greater comparative value than other uses. This is not the standard set up by law * * *.

" 'To allow mining claims to be located and then to judge them on standards other than those set up by the Congress and the Supreme Court is administrative legislation.

" 'If we are to adopt the philosophy that any Department of Government is vested with such vast powers, then it should be done by an act of Congress and not by administrative decision. * * *

" 'The wise use of our great national forests is a program supported by all of us. However meritorious that objective, I trust you will agree that we should never distort the law in order to attain it.'

"Charge: The standing timber on the Al Sarena claims, even before cutting is worth some $638,000—an 8,000 percent return on the company's investment.

"Fact: The facts regarding the timber values have been set forth by Under Secretary Davis as follows:

" 'I must reemphasize at all times that the value of timber on mining claims is not material; that the Congress has never passed legislation which denies mining claims merely because there is timber on them; but there has been comment in the press and I believe from some of the members of your subcommittees to the effect that these claims constitute a timber grab. Let me point out:

" '1. At the time these claims were filed on as mining claims, there can be no dispute that similar timber could have been purchased in Oregon for as low as $2 and $3 an acre. The fact that all the claims were staked between 1897 and 1939 would demonstrate conclusively that at least in the beginning there could have been no thought of any profits out of the timber.

" '2. The only testimony in the record at the time I passed on the case was the testimony of Mr. G. Robert Leavengood of the U.S. Forest Service. His testimony is: "The value of the timber which we would cut now runs about $77,000 on the contested claims."

" 'Admittedly, timber has increased in value since this record was made up in 1950, but I have difficulty in believing that it has increased as fantastically as some of the figures which have been so freely used.

" '3. If the mine had been developed, even without the issuance of any patent, the timber would have been available for the purposes of timbering the mine if underground workings were pursued and would have been largely lost to the Government.'

"Charge: Senator W. Kerr Scott, Democrat, of North Carolina, chairman of the joint investigating committee, finds the Al Sarena case smacks of 'bottom of the deck' dealing by 'high levels' within McKay's Department.

"Fact: Here is the reply by Under Secretary Davis to this charge:

" 'Mr. Chairman, the language has been used that there was some kind of "high level interference" in this case. I am a little puzzled as to what is meant by that term. * * *

" 'If you mean by "interference" that the Secretary has overruled the decisions of one of the numerous bureaus, then I must protest the use of the language.

" 'The Secretary of the Interior, and by delegation in this case, the Solicitor, is the final judge of the decisions of the Department. All of the actions of this vast army of 50,000 people employed by the Interior Department can be appealed ultimately to the Secretary for decision. * * *

" 'To say that the Secretary should not reverse field decisions or decisions of the bureaus is simply to argue that the decisions of field offices or bureaus should be final, and that we should have government by bureaucracy without interference from the elected executive branch. I hope it was not meant to imply that I am in error merely because I reverse the decision of some bureau. If so, then there is no need for a Solicitor, there is no need for Assistant Secretaries, and there is little need for a Secretary himself.' "

"FACTS ON ALLEGATIONS CCONCERNING WATER AND POWER RESOURCE DEVELOPMENT IN SERIES OF ARTICLES PUBLISHED IN WASHINGTON POST AND TIMES HERALD BEGINNING JANUARY 8, 1956

"Charge: Not one new start has been made on a large Federal multipurpose dam (like Hungry Horse Dam in Montana) since the Eisenhower administration took office.

"Fact: It is technically correct that no new dam 'similar' to Hungry Horse in construction or in power capacity has been authorized or construction started. However, Glendo Dam on the North Platte River in Wyoming and the Trinity River development in California are new hydroelectric projects on which construction has been initiated in fiscal year 1956. The Glendo Dam will have 24,000 kilowatts capacity and the Trinity River project 233,000 kilowatts. The administration has supported Libby Dam in Montana, the upper Colorado River storage project, and the Fryingpan-Arkansas project in Colorado. All three would have major hydroelectric power production as part of their multiplepurpose functions. Several lesser hydroelectric plants have been started as part of existing reclamation projects.

"Charge: Secretary of the Interior McKay failed in his responsibility to press for a Federal high dam at Hells Canyon.

"Fact: The position of the Department of the Interior is that Congress has refused to authorize Federal construction and the Supreme Court has plainly placed responsibility for decision on the license application by the Idaho Power Co. in the Federal Power Commission.

"Charge: This administration has abandoned dam sites such as Nez Perce on the Northwest's Snake River.

"Fact: The Nez Perce site was abandoned in the previous Democratic administration on the insistence of fishery interests.

"Charge: The Department of the Interior has abrogated the traditional 'wheeling' regulation.

"Fact: The Department continues to negotiate wheeling agreements with private power companies for delivery of Federal power to preference customers.

"Charge: The Department has attempted to abolish preference customers altogether.

"Fact: No example exists of any abolishment of preference rights of customers purchasing energy from the Bureau of Reclamation.

"Charge: The Department's new marketing criteria is an attempt to force rural electric cooperatives out of existence.

"Fact: The Missouri basin marketing criteria was announced merely as a notice to advise the Missouri River basin power suppliers, publicly and privately owned alike, that the Federal Government would not accept the responsibility of keeping the area supplied with power and that some long-

range planning arrangements were necessary so that the suppliers could schedule construction of their own generating capacity.

"In the Pacific Northwest, the Bonneville Power Administration policy of long-range commitments was considered for adoption on the same basis as in the Missouri River basin; that is, that the Federal Government would not take the responsibility for supplying power for any particular area other than that developed as a byproduct of multiple-purpose river development facilities.

"Charge: The Department of the Interior has allowed private utilities to enjoy 'dump rates' for an indefinite period.

"Fact: With respect to Canyon Ferry Dam, a Bureau of Reclamation structure in Montana, there is no question but that the Montana Power Co. is enjoying a benefit from Canyon Ferry power at dump rates. The final determination on construction of transmission lines, which would make possible delivery of power to other customers, rests with the Appropriations Committees of the Congress.

"Charge: The administration has proposed a downstream benefits bill, which would permit agencies with upstream private dams to charge the Government for storage of water.

"Fact: In the Columbia River basin, downstream benefits are computed and charged in operation of Federal dams. Simple fairness requires that private facilities receive the same treatment.

"Charge: The administration is considering cutting the Pacific Gas & Electric Co. into California's publicly owned Central Valley project, by way of facilities of the Trinity River division.

"Fact: This was a congressional action in the Trinity River authorizing legislation, which required the Secretary of the Interior to investigate and report to the Congress on the Pacific Gas & Electric and other possible partnership proposals for development of power facilities.

"Charge: The administration, through the Bureau of the Budget, has generally discouraged Federal power projects.

"Fact: While critics say there has been a general lack of enthusiasm from the Bureau of the Budget in authorizing new projects, evidenced by outright stop orders or behind the scenes 'Dutch uncle' talks which keep Interior agencies from ever requesting funds, a little investigation would disclose that the same situation has existed for several years back during the Democrat administration in the Bureau of the Budget."

"FACTS AND ALLEGATIONS CONCERNING MINERALS

"Charge: The Department of the Interior is about to give away minerals on 12,000 acres of Superior National Forest, through a 50-year lease option to International Nickel Co.

"Fact: While International Nickel has been a prospecting permit applicant since 1951 and does in fact hold 5 such permits covering an aggregate of 3,588.47 acres, no lease has as yet been granted.

"International Nickel quite recently indicated it plans to request two leases covering a total of 4,938.77 acres. Involved in the two areas are one of International Nickel's own permits and one tract for which the company had applied for a permit not yet issued. The remaining acreage—about half the total—includes lands covered by other permits and permit applications upon which International Nickel holds options.

"In view of the extremely low grade marginal copper and much lower content of nickel believed by experts to be present in the deposit, and the necessity for large investment to make production possible, it was found advisable to make preliminary arrangements for a long-term lease which might be issued if and when it was shown that an adequate mineral deposit was present and could be developed.

"The schedule of rentals and royalties proposed under any lease, when and if issued, would be higher after the first 25 years than the terms of the average hard mineral lease issued by the Department on known commercial deposits, and the terms for the initial 25 years would be comparable, notwithstanding the marginal nature of the deposit in this instance.

"The act of requesting that a lease be issued, as International Nickel has indicated it will in the near future, does not mean that the lease will be issued immediately, nor does such request assure that any lease ever will be issued. In making its request, the company will submit what it considers evidence of the presence of copper and nickel in sufficient quantities and of satisfactory quality to render mining operations feasible, and justifying the large investment which would be necessary to the operation.

"Charge: The Department told the International Nickel Co. to draft the kind of lease it wanted and 'we'll be glad to look it over.'

"Fact: In considering the preliminary arrangements for a long-term-lease form, conferences were held for a period of more than a year. Forest Service requirements for surface use of the lands, the marginal nature of the deposit, and the large operation handling a large daily tonnage which would be necessary in the area were among the factors contributing to the determination that a long-term lease would be needed if development of the mineral deposit were to be achieved.

"The lease form finally agreed upon embodied terms proposed by the Bureau of Land Management and Geological Survey, and accepted by the International Nickel Co.

"Charge: Under previous administrations, the company got nowhere in pressing for a 99-year lease, but once the administration changed it confronted the Forest Service with a letter from the Office of Defense Mobilization declaring the national welfare would be endangered if the Forest Service did not permit the mining.

"Fact: The copper and nickel deposit in Superior National Forest was of sufficient intrest to the ODM and other defense minerals agencies in 1952 that a representative of ODM called a meeting on July 17 of that year with the apparent intent of showing the need for immediate development of the deposit and to promote the issuance of prospecting permits.

"Represented at this meeting on July 17, 1952, in addition to ODM, were the Office of Defense Materials Procurement, Defense Minerals Exploration Administration, Bureau of Mines, Geological Survey, Forest Service, and Bureau of Land Management.

"During this meeting, maps of the deposit were examined and the nature of the deposit was discussed. It was considered to be highly marginal if commercial at all. The necessity for Government subsidy of any productive operation was foreseen as a strong possibility.

"Defense minerals agencies indicated that development was important, in view of the existing scarcities particularly of nickel, and possibilities were explored for early issuance of prospecting permits. At that time two permits had been issued, and following the July 17 meeting work was begun on other applications so that by January 1, 1953, five permits had been issued. This number had been increased to 13 by February 1, 1953.

"The act of June 30, 1950, 81st Congress, opens Superior and all other national forests in Minnesota to mineral leasing. This is a special act applying only to that one State."

"FACTS ON ALLEGATIONS CONCERNING INDIAN AFFAIRS IN THE SERIES OF ARTICLES PUBLISHED BY THE WASHINGTON POST AND TIMES HERALD BEGINNING JANUARY 8, 1956

"Charge: In a memorandum of May 16, 1955 the Commissioner of Indian Affairs made it possible for individual Indians to withdraw their share of the reservation or tribal land.

"Fact: The May 16 memorandum had nothing whatever to do with tribal land which is the common property of all the members of a particular tribal group. It was concerned solely with allotted land which is the property of individual Indians. In essence, the memorandum provides that if the Indian owner of an allotment seeks a fee patent (or unrestricted title) and can demonstrate his competence, the patent shall not be withheld merely because the land happens to be located in a timber or grazing unit. In all cases where the sale of such patented allotments creates problems for the owners of Indian lands remaining in trust, the Indian Bureau will consult and cooperate actively with these owners in working out fair and equitable solutions. No problems have so far arisen under the May 16 memorandum which proved incapable of such solution and none is anticipated.

"Charge: The Interior Department sponsored 1954 congressional bills removing from Federal protection a million acres of timberland on the Klamath Reservation in Oregon and 200,000 acres of timberland on the Menominee Reservation in Wisconsin.

"Fact: Both the Klamath and Menominee Tribes were included in a list of tribes presented to the Senate Civil Service Committee in February 1947 by the then Acting Commissioner of Indian Affairs with the statement that they 'could be denied Federal services immediately or in the future, whichever the Congress should decide. Both tribes were also included in House Concurrent Resolution No. 108 which was adopted by both branches of Congress in the summer of 1953 without a dissenting vote. This resolution called upon the Secretary of the Interior to submit proposed legislation which would terminate Federal supervision over the property and affairs of the tribes named therein. In compliance with this mandate, such proposals were submitted covering the Klamath and Menominee Tribes, among others, in the forepart of 1954. After full hearings in which representatives of both tribes participated actively, laws providing for termination of Federal supervision over a period of approximately 4 years were enacted for both. Representatives of both tribes indicated approval of the legislation as finally enacted.

"Charge: The Indian Bureau has given away property belonging to the Nez Perce Indians by authorizing the transfer of 19 acres of land and the several school buildings on it to Public School District No. 341, at Lapwai, Idaho.

"Facts: For a period dating back 10 years up to 1949, some 150 Nez Perce Indian children have attended the public school at Lapwai. In 1949, that elementary school burned down; and the Government allowed the school district to use the buildings which had been the former Indian school. The State of Idaho needs long-term tenure to the property before it can make extensive repairs and heating equipment replacement.

"There is a difference of opinion between the Government and the tribe as to the ownership of the land involved. That difference is now before the Federal District Court for the District of Columbia for settlement.

"The Department's objective is to make the property available to the school district so that some 300 children (about half of them Indian) will have a place to go to

school. Every effort is being made to accomplish this objective.

"Charge: The Department released Wind River Reservation oil rights on 161,000 acres of the Riverton reclamation withdrawal was established area to the detriment of the Indians.

"Fact: The pattern of administration of oil and gas development within the Riverton reclamation withdrawal was established not by the Department of the Interior but by congressional legislation—Public Law 284, of the 83d Congress. This legislation was supported, prior to enactment, by the joint tribal council of the Wind River Reservation in a resolution of January 27, 1953, and by tribal attorneys and delegates at the Senate committee hearing.

"Charge: The Department tried to shut down a garment factory in Flandreau, S. Dak., which, since 1935, has been adding $28,000 a year in earnings to the 'submarginal existence of a group of 150 Indians.' South Dakota's two Senators intervened and kept the factory open.

"Fact: The Flandreau garment factory was established in 1934 to provide employment for Indian women of the local community during depression period. After a few years of producing dresses only for the Flandreau Indian school, the operations were later expanded through the acquisition of high-speed power machines to include the manufacture of 30 different articles of clothing which have been widely used in schools and hospitals throughout the Indian Service.

"In 1951 an intensive study of the factory's operations was made by a special survey committee of Bureau personnel. This study revealed (1) that the factory was not an economically sound enterprise (a loss of $7,656.70 was suffered in fiscal 1950; $6,853.62 in fiscal 1951), and (2) that closing the factory would not involve serious social or economic readjustment (19 of the 24 women then regularly employed were married and living with their husbands; current employment opportunities were available locally for 17 of the husbands while the other 2 were presumably eligible for old-age assistance; the 5 single women could obtain employment locally or in off-reservation garment centers). The committee recognized that the factory had served its original purpose but felt that there was no longer justification for continuing it as a Federal operation.

"After discussions with the Indians about the possibility of their taking over the factory as a tribal enterprise failed to produce a favorable response, the committee recommended that the factory be closed on June 30, 1953.

"The closing date, however, was later postponed to March 1, 1954, in order to allow ample time for the factory employees to make personal readjustments. Before this date was reached a further examination of the factory operation showed evidence of considerably improved prospects and an additional extension was granted to March 1955.

"In August 1954, however, the picture was changed greatly when Congress enacted Public Law 568, providing for a complete transfer of all Federal Indian hospitals and other Indian health operations to the U.S. Public Health Service by July 1, 1955. Since the Public Health Service operates its own supply depot, it was obvious at once that a major market for the products of the Flandreau garment factory would be eliminated. In fact, during fiscal year 1955 sales of the Flandreau garments to Indian hospitals and health facilities totaled $49,935.93, as compared with $34,257.73 in sales to Indian schools.

"In discussions leading up to the actual transfer of Indian health responsibilities, Public Health Service officials clearly stated that it would not be feasible for that agency to continue purchasing Flandreau garments indefinitely. In response to urging by the Indian Bureau and South Dakota Senators and Congressmen, however, they did agree to carry on the purchases for 1 fiscal year, so that every opportunity would be provided for making necessary adjustments and for exploring the possibility of having the factory taken over as a nongovernmental operation. Such explorations have been carried on but have thus far produced no tangible results. The factory is now scheduled to close by the end of the 1956 fiscal year.

"Currently there are 15 workers employed by the factory. All of them have been offered full Bureau assistance in finding other employment opportunities.

"Charge: The Bureau of Indian Affairs showed impropriety in awarding a food contract to an unpaid Bureau consultant.

"Fact: The Bureau awarded a contract to supply food for five schools on the Cherokee Reservation in North Carolina for half a school year on a factfinding basis to see if contract feeding would provide a better grade of food at less money than Government-operated kitchens. The short-term contract, which was limited to less than 1 percent of the Bureau's feeding operations, was awarded not to an 'unpaid consultant' but to an experienced food service organization which had an excellent reputation for satisfactory performance on contracts of this general type. The final report of the operation, which ran from January to June of 1955, showed that the children got a greater variety of more nutritious and more palatable food from the private contractor than they did from Government operation—and at less cost. Government prepared means averaged 48.8 cents per meal; the contractor furnished better food at an average cost of 47.08 cents; and that average included some expensive cooking equipment which had to be installed, and which will last a number of years. After finding that a private contract was desirable, the Bureau invited bidding on a longer term contract to provide food service at the Cherokee schools. The competitive bidding resulted in the awarding of the contract to a company that had played no part in the carefully documented experiment; the contract was awarded to a Birmingham, Ala., concern which guaranteed the meals at 44 cents each—a saving of almost 5 cents per meal to the Indian Bureau.

"Charge: The Bureau of Indian Affairs negotiated a 'rigged' contract to rent automobiles instead of buying them and then abandoned the plan because of a threatened congressional investigation.

"Fact: The Bureau did rent 39 automobiles from a rental firm, after careful investigation of the company's rental plan and the plans of other national rental agencies. The contract was let as a 'feeler' to find out if renting would be preferable and more economical than outright Government ownership. At the time of the contract, one of the Bureau's biggest problems in its operation of a fleet of 5,133 cars, trucks and busses was the cost of keeping them in running condition. The use of Bureau cars for a minimum of six years or 60,000 miles in remote areas and over bad roads made the maintenance problem one of serious proportions. The charge that the contract was 'rigged' is entirely without foundation. It was an investigatory contract, let on what was the most feasible basis at the time. The chairman of the House of Representatives subcommittee investigating this matter publicly stated during the hearing that there was no evidence that would impugn the honesty or integrity of Bureau staff members in any way. The contract was not abandoned because of a threatened investigation, but was canceled by action of the Comptroller General of the United States on the ground that it was entered into without competitive bidding."

"FACTS AND ALLEGATIONS CONCERNING PLANTS FOR PRODUCING SYNTHETIC FUEL, OIL SHALE, ETC.

"Charge: The Department has given away plants for producing synthetic fuel, oil shale, zirconium, titanium and helium.

"Fact: The synthetic liquid fuels demonstration plants at Louisiana, Mo., converted from the Missouri ordnance works, were closed in the summer of 1953. The portion of the plants made up from the Ordnance works' original installation were turned over to the Army later in 1953 under terms of a congressional act dated September 13, 1951. The remaining structures were transferred to General Services Administration, as required by law. GSA, in turn, transferred custody to the Department of the Army. The Department of the Interior entered into no agreements or negotiations in the ultimate sale of the plants to private parties.

"Fact: The oil shale retorting and refining installations at Rifle, Colo., have been placed in standby condition and still are the property of the Government. Some of the shops and other facilities are being used in connection with a Bureau of Mines research program in mining shale and some of the dwellings are occupied by Bureau employees assigned to the experimental mining program which involves an expenditure of $1 million in fiscal 1956.

"No equipment, other than that damaged extensively by a roof fall at the experimental mine, has been sold.

"Fact: Zirconium-production facilities of the Bureau of Mines at Albany, Oreg., remain intact as property of the Government. No equipment has been sold. In fact, the Atomic Energy Commission and the Department have an agreement that the zirconium plant is to be maintained in such condition that it can be put into full-scale operation on 3 months' notice by AEC. Some of the equipment is being used by mines for special metallurgical research jobs. Most of the cost of building and equipping the zirconium plant was financed by AEC.

"Fact: As a pioneer in titanium research, the Bureau of Mines was requested by the Army Ordnance Corps to enlarge its facilities at Boulder City, Nev., in order to test improved equipment and techniques for recovering superior quality metal to be used in special Army ordnance military applications. This expansion was accomplished in 1952. All metal produced in research was used either by the Corps or for further experimental work at Boulder City. Although some commercial production was underway among several companies, the Defense Materials Procurement Administration decided output was not adequate and so requested the Bureau to step up its output at Boulder City. Between April 30, 1953, and September 7, 1954, the Boulder City pilot plant produced 246 tons of titanium, all of which went to the General Services Administration. This production supplemented but did not compete with private industry.

"As industrial output gained, the Bureau ceased large-scale output and now uses the Boulder City facilities in research aimed at improving metallurgical methods. This work is being done under a cooperative agreement with an industrial firm which contributes funds to defray costs and agrees that any resulting patents shall be assigned the Government and made available to industry as a whole. No parts of the titanium production facilities at Boulder City have been sold or given to private industry.

"In the Bureau of Mines laboratories, work continues on the improvement of present industrial processes and on development of new and improved methods for recovering superior quality titanium metal.

"Fact: Helium production: No helium plants have been closed under this administration; in fact, the Department has au-

thorized an additional plant for 1956. No helium-producing equipment has been sold or given away. The Department's Bureau of Mines remains the sole producer of helium on a commercial scale in the United States.

"Charge: Coal-mine safety regulations have been given away to the States for supervision.

"Fact: The Federal Coal Mine Safety Act, as approved by the Congress in 1952, has been administered by the Bureau of Mines of the Department in strict accordance with that law. No provisions of the Federal law have been turned over to any State for enforcement. No State inspection has replaced Federal inspection of any coal mine. The Bureau of Mines survey team recommended a stronger safety training program by the Bureau. That suggestion has been put into effect. The survey team recommended strengthening of health and safety activities and separating them from the Bureau's regional setup so Federal inspection and related work would be strengthened. That recommendation was adopted. The team suggested a 24-hour advance notice of the Federal inspection of a mine. That proposal was rejected by the Department.

"Charge: The Government's $35 million Louisiana, Mo., synthetic fuels plant was sold for $5 million to private interests—a return of 25 cents on the dollar.

"Fact: The Bureau of Mines of the Department, as authorized by the Congress, invested $14,852,130.76 in the two coal-to-oil demonstration plants at Louisiana, Mo. The coal hydrogenation plant ($10,438,880.76) began operating first and proved the feasibility of large-scale production of synthetic gasoline and other valuable products from representative American coals. The gas synthesis plant ($4,413,250), incorporating many refinements over processes developed by the Germans, made several successful runs. At this point, the Department felt that the neccessary information that could be gained from the installations had been obtained and that the benefits of further operations would not be commensurate with the $10,000-a-day operating costs at Louisiana, Mo. Less costly research on specific phases of the various steps in synthetic liquid fuels studies were assigned to laboratories at Morgantown, W. Va., and Bruceton, Pa.

"In taking over the former Missouri Ordnance Works from the Army, the Department got a headstart in that, without exchange of funds, it obtained many basic facilities, including roads, buildings, compressors, and a tremendous array of machinery. When it left Louisiana, Mo., those facilities were several years older and consequently less valuable. The demonstration plants also were in used condition and many of the devices were custom made for making synthetic fuels and nothing else. These facts notwithstanding, the Department entered into no negotiations whatsoever in connection with the ultimate sale of the various facilities to private industry.

"Charge: The Government's $16 million Rifle, Colo., oil shale plant has been shut down as not feasible on a commercial scale, although it had worked its cost of producing gasoline down to 13 cents a gallon (against an 11-cent price at a petroleum refinery), and only a token amount of work on mining techniques continues. Meanwhile Union Oil Co., of California, is spending large sums on its own oil shale process.

"Fact: The oil shale plant at Rifle was shut down after a roof fall in the experimental oil shale mine February 28, 1955, cut off the supply of oil shale and showed that the mining method then used needs revision. The investment in equipment, installation costs, and real estate to June 30, 1955, was about $6 million. The plant was put in standby condition when the Congress trimmed the Department's request for funds for Rifle from $1.25 million to $1 million and restricted work to be done there during fiscal year 1956 to mining studies. The estimate of a 2-cent cost spread between gasoline from shale oil and that from petroleum was based on extremely low mining costs, which could be attained in commercial operations by the method used before the roof fall. As mining the shale makes up about one-third the cost of crude shale oil, development of a revised mining system that will be safe and about as inexpensive as that formerly used is the key to early commercial production of shale oil products. The Department is pressing vigorously its studies designed to develop such a revised system.

"Union Oil Co. of California, which owns large oil shale deposits near Grand Valley, Colo., reportedly is confining its studies to retorting oil shale and refining shale oil. It intends to mine enough shale for its experimental work by opencut methods, but only a minute fraction of the Nation's—or that company's—oil shale reserves can be mined by such methods. When an oil shale industry is established, virtually all of the shale used must come from underground mines.

"None of the Bureau of Mines retorting equipment at Rifle has been sold. Some mining equipment, badly damaged by the roof fall in the experimental mine, is being sold and new mining machinery is being purchased.

"Charge: The Government's multimillion dollar zirconium-producing plant at Albany, Oreg., was shut down last June, dismantled, and put in standby condition.

"Fact: At the request of the AEC, the zirconium plant of the Bureau of Mines was put in standby condition last summer. Part of the equipment was disassembled for cleaning and was put in mothballs to prevent deterioration. However, the Bureau has agreed with AEC to maintain the plant in such condition that it can be reactivated on short notice. The United States has only one large commercial producer of reactor-grade zirconium (a special type of zirconium), but there are several producers of lesser-grade zirconium. There is some doubt whether existing commercial facilities for making reactor-grade zirconium will be able to meet coming demands. In that case, the Bureau of Ships or the AEC probably will ask the Bureau of Mines to go back into production.

"The Bureau of Mines has not given or sold to private industry any of its zirconium equipment. It has made available to industry valuable technical facts regarding the making of zirconium. When the zirconium plant at Albany went into standby condition, about 70 Bureau of Mines employees were laid off. It can be assumed that some of them did obtain positions with commercial zirconium producers.

"Charge: The Department of the Interior has created a new office of education to help States get back to doing their coal mine inspecting.

"Fact: Educational activities of the Bureau of Mines have been strengthened in recent months, but not for the purpose of transferring Federal inspections of coal mines to the States. A revitalized safety program includes accident-prevention classes conducted among workers and supervisors. It is intensification of work that began in 1947. Thus far, about 150,000 employees have completed the accident-prevention course. Some 140 mines have completed 100-percent training. This means that every employee and every supervisor at nearly 150 mines has completed the Government's accident-prevention courses.

"Charge: The Bureau of Mines survey team recommended that the Government get out of the helium-production business.

"Fact: This is true, but the suggestion was not adopted by the Department. In a letter dated May 10, 1955, Secretary McKay wrote the Honorable WILLIAM L. DAWSON, chairman, House Committee on Government Operations:

" 'The Department was hesitant to divest itself of the helium activity without giving intensive consideration to this subject; to assist it in reaching sound conclusions on so important an issue, the Department arranged for an independent study of the whole helium program and operations thereunder. The study was made under contract with Stone & Webster Engineering Corp. * * *

" 'As a result of our own deliberation and the findings of the Stone & Wester report, we have reached the conclusion that the Bureau of Mines should continue its helium-production program. Therefore, and since it was well established that current helium production was insufficient to meet prospective defense demands, the Department sought and obtained an appropriation of $6 million for additional helium-production capacity. Construction of additional facilities is now well underway.' "

"FACTS AND ALLEGATIONS CONCERNING HELIUM

"Charge: That Republican Congressmen HOFFMAN and MCCARTHY introduced—presumably at the administration's behest—identical bills to give the Secretary of the Interior the right to dispose of the Government's helium properties.

"Fact: These bills were introduced, at the Interior Department's request, to restore powers the Secretary of the Interior had possessed for more than 25 years under the original Helium Act of 1925. A clause in this act gave the Secretary of the Interior the right to dispose of wells, lands, or interests therein 'not valuable for helium production' and to dispose of oil, gas, and byproducts of helium operations 'not needed for Government use.'

"This clause was removed from the Helium Act in 1951, when Congress passed legislation (Public Law 247, 82d Cong.), aimed at repealing Government property laws that seemed to conflict with the Federal Property Administrative Services Act of 1949 (Public Law 152, 81st Cong.), which placed authority to dispose of all Government surplus property within the General Services Administration.

"The Interior Department found that this action crippled it in performing its duties under the Helium Act, because:

"1. Helium production facilities and other property utilized in the helium operation are not surplus within the meaning of Public Law 152. They are essential to the Bureau of Mines in its integrated program for conserving, producing, and selling helium gas.

"2. The Bureau of Mines receives no funds directly from Congress for maintaining and operating helium plants. The entire activity of producing or purchasing helium-bearing natural gas, delivering it to the plants, extracting the helium, and disposing of residue gases must be financed from money received as payments for helium, related services, and other products of the operation.

"Recognizing this, the original Helium Act provided that such money should be credited to a helium-production fund. This fund is used to finance the cost of producing helium.

"For example, the Bureau is disposing of the condensate, similar to a light oil, which is produced during the processing of helium-bearing natural gas at the Navajo, Ariz., helium plant. Removal of this condensate is necessary to prevent fouling of plant equipment.

"However, removing the condensate and preparing it for sale entail considerable expense and trouble. The condensate itself is not needed by the Bureau, but the money received from its sale is needed to offset the cost of producing it as an incidental part of the helium operation. Under the Helium

Act, the Secretary of the Interior can sell the condensate and turn the money received into the helium-production fund.

"Amendment of the Helium Act by Public Law 247 removed the Secretary's authority to sell such byproducts. Therefore, the Bureau would have to charge its loss in producing these products to the cost of producing helium.

"When the Interior Department explained its reasons for wishing the disposal clause restored, GSA officials agreed, but requested that the phrases 'not valuable for helium production' and 'not needed for Government use' be omitted since they might be construed to mean that property so described was surplus and as such should be disposed of by GSA.

"Although the Department of the Interior had no objection to this request, Congress insisted that the clause be restored in its original language."

"OIL AND GAS LEASING IN WILDLIFE REFUGES

"On December 2, 1955, Secretary of the Interior Douglas McKay announced new regulations governing oil and gas leasing on wildlife refuges. These regulations give a great deal more protection to the propagation of wildlife than those formerly in force.

"The new regulations have been misinterpreted. The facts regarding the most serious of these misinterpretations are set forth below:

"1. Do the new regulations permit oil and gas leasing on national wildlife refuges for the first time?

"Lands within national wildlife refuges have been subject to oil and gas leasing since the passage of the original Mineral Leasing Act of February 25, 1920 (41 Stat. 437). The authority for such leasing was reaffirmed by the act of August 8, 1946 (60 Stat. 950), which amended the Mineral Leasing Act of 1920. In 1947 Department of the Interior regulations were issued which defined conditions under which the leasing would be permitted. Oil and gas leases embracing lands located in several national wildlife refuges were issued under the authority of these clearly defined laws and regulations prior to 1953.

"However, within a few months after Mr. McKay became Secretary of the Interior, he decided that existing regulations did not provide adequate safeguards for the refuges. On August 31, 1953, he suspended the old regulations until such time as his Department could formulate new rules which would guarantee maximum protection for wildlife values. While the old regulations were suspended no leasing was permitted except in cases where it was necessary for the Government to protect itself from oil drainage or where possible damage to wildlife values was not involved. An example of the latter category is the Railroad Valley National Wildlife Refuge in Nevada where only a small percentage of the 140,000-acre refuge is used exclusively in the protection and propagation of wild waterfowl.

"During the more than 2 years between August 31, 1953, and December 2, 1955, the old regulations were given a thorough review by the Department of the Interior, specialists from its Fish and Wildlife Service and Bureau of Land Management, its Solicitor and the Secretary's Advisory Committee on Conservation. The new regulations embody the corrective measures that were recommended and agreed upon as a result of this study.

"The most noteworthy provision in the new regulations is one which gives the Fish and Wildlife Service and its career technicians absolute authority over where, when, how, and by whom drilling will be permitted on the refuges.

"Another significant revision makes refuges which provide habitat for rare and endangered species absolutely inviolate for the first time in history.

"It is obvious, therefore, that the new regulations provide much more stringent limitations than the regulations in existence when this administration took office.

"2. What is the legal authority for the leasing?

"The legal authority for the issuance of oil and gas leases on national wildlife refuges is set forth in detail in the laws cited above. The confusion surrounding this aspect of the new regulations has been generated by those who have mistakenly contended that the same laws which apply to prospecting permits for fissionable materials also apply to oil and gas. This is not the case.

"3. Do the regulations provide adequate safeguards for wildlife values?

"As stated above, the purpose of Secretary McKay's 1953 stop order was to arrest a situation that obviously was inimical to the primary purpose of refuges—the protection and propagation of wildlife. The new regulations correct these deficiencies inherent in the old regulations by carefully spelling out the conditions, and on what refuges, oil and gas leasing is permitted.

"It is significant that these regulations have the wholehearted endorsement of career specialists in the Fish and Wildlife Service and the approval of the Secretary's Advisory Committee on Conservation. Those who have the responsibility for protection of our wildlife feel that the new regulations are the means by which that protection can be insured.

"4. Are the regulations in accord with the intent of Congress?

"The assertion, that oil and gas leasing on the national wildlife refuges is a violation of the intent of Congress is an error in fact. The laws mentioned above, which were enacted by Congress, are irrefutable proof that it has been the sense of Congress that these refuge lands should be subject to multiple use, including oil and gas leasing. The Department of the Interior is bound by the law. Any argument about the philosophy of permitting oil and gas drilling on the refuges is irrelevant. The Secretary of the Interior has no alternative but to abide by the provisions of the laws that apply to the functions of Government under his jurisdiction. The most that can be done is to make the regulations implementing these laws as stringent as possible. This has been done by Secretary McKay.

"5. Have leases issued under the regulations returned the full amount due the Government in royalties and rental fees?

"Only those persons who are unfamiliar with the law will argue that the Government is not getting its just rental and royalty fees from the leases issued under the revised code. Because these leases were issued on lands defined by the Geological Survey as not being on a known structure of a gas and oil field, they had to be granted on a noncompetitive basis. The act of August 7, 1947 (61 Stat. 913) is explicit on this matter. This act also prescribes the royalty to be charged in noncompetitive leases: to wit, 12½ percent, the amount stipulated in the so-called Frankfort leases. The rental fees of 50 cents per acre are also set by the law."

Mr. GOLDWATER. Mr. President, I also ask unanimous consent that a portion of a statement I released to the press January 19, 1956, commenting on the usual inaccuracies of Mr. Drew Pearson, as he attacked Douglas McKay, be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF ACCURATE NEWSPAPER REPORTING, BY SENATOR BARRY GOLDWATER, OF ARIZONA, JANUARY 19, 1956

Let me, Mr. President, refer to recent examples of good and bad reporting on a subject which has found a place on the pages of the newspapers of our country. On September 29, 1955, Drew Pearson made charges in his column against Representative Harris Ellsworth, of Oregon, and Secretary of the Interior Douglas McKay. The Eugene Register-Guard, acting as a newspaper should, assigned a reporter to the task of ferreting out the charges and to determine whether they were true. Here is what the editor of that responsible newspaper said:

"If these charges are true, both Ellsworth and McKay ought to be run out of public life. If they are not true, McKay and Ellsworth are entitled to protection against a vicious slander. In any case, the people of the Fourth District, especially those who read the Register-Guard, are entitled to every bit of factual information we can get, so that they may judge."

After thorough, complete, and unbiased investigation by the reporter assigned, here is what the editor of that newspaper concluded—and I quote further from the editorial:

"In our opinion, no grand jury in the world would indict nor would any trial jury convict on the kind of faulty evidence (inferential hogwash) presented by Columnist Pearson. We have such a distaste for reporters who slant news or distort facts that we do not want to impugn Mr. Pearson's motives.

"INJUSTICE IS INJUSTICE, HOWEVER INTENDED

"We will say that whatever Columnist Pearson's reasons for this assault on Ellsworth and McKay, he has done a thoroughly bad job of reporting, and one which works a grave injustice on the people accused."

Mr. President, I do not intend to comment on the customary inaccuracy of Mr. Pearson. In my opinion the Eugene Register-Guard represents the great majority of the press who take their responsibility seriously.

Mr. GOLDWATER. Mr. President, I wish to close this short commentary by advising the editorial writers of this newspaper, if they want to accept my advice, which I do not think they do, they should be a little more careful in what they say. There has never been one proved charge against Douglas McKay or this administration of a giveaway in the Department of the Interior.

Mr. President, I think it is in ill taste for any newspaper in this country so to charge a man who cannot defend himself, when time and again during his life he successfully defended himself and his administration against the same type of charge.

BLUEPRINT TO SAVE OUR RAILROADS—ARTICLE BY SENATOR SMATHERS

Mr. WILEY. Mr. President, in yesterday's This Week magazine there was published a very challenging article written by our associate in the Senate, the Senator from Florida [Mr. SMATHERS], entitled "Blueprint To Save Our Railroads."

In the article the Senator warns the country of a grave problem. Among other things, it is said that in some 6 or 7 years probably we will not be able to buy a railroad ticket, unless we do something about the situation.

I have traveled the railroads of late, and I appreciate fully the problem about which the Senator has written. I think it is one which requires real study by the best brains we have available, to see if we can come up with the answers.

I am not sure that all the suggestions made with regard to the problem should be followed, but they at least raise the issue, and I feel it is a matter the committee which has jurisdiction should thoroughly study, immediately.

After the recess or the adjourment of Congress the committee should get the best brains in America to study the problem, to see what are the answers. I am seriously concerned about the entire situation.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD following my remarks.

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). Is there objection to the request of the Senator from Wisconsin?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLUEPRINT TO SAVE OUR RAILROADS

(By Senator GEORGE A. SMATHERS, of Florida, as told to Tony Simon)

(Senator SMATHERS (Florida), chairman of the Senate's Surface Transportation Subcommittee, is the author of the Transportation Act of 1958. Recently he has conducted hearings into the plight of our Nation's railroads.)

I'VE GOT A QUESTION

Question: "As a steady railroad commuter, I'm concerned about the fact that so many passenger lines are being shut down," writes Paul de Fur, of Norwalk, Conn. "Could you tell me if there is any solution in sight for this problem?"

We found that a lot of people share Mr. de Fur's concern about the current state of U.S. railroads, and many remedies have been proposed. The one presented here is from a Senator who has been studying railroad problems for many years and has come to the conclusion that we must take strong action soon. His plan rates careful consideration.

Answer: If mounting operating losses on passenger service continue at the present rate of $700 million a year, I would say that American passenger trains are indeed nearing the end of the line. Unless these losses are halted, passenger train service may grind to a stop by 1965.

Under the threat of such a collapse, the Federal Government would have to step in and take over the railroads. That would be a hard blow at our free enterprise system, and the cost of Government operation of a bankrupt transportation system could only lead to higher taxes. But obviously we cannot stand idly by and watch passenger service disappear entirely.

Fortunately, there is still time to prevent the complete breakdown of the last remaining rail system in the world—except the Canadian Pacific Railway—operating under free enterprise. I have a specific and workable proposal which I will outline later in this article.

But first, what is the major cause of railroads' present troubles? It is the astonishing waste which bleeds away millions of dollars each year. Even now, when some lines are threatening a sharp cutback in essential commuter services as a means of saving money, railroads are actually maintaining an estimated 12,000 miles of costly duplicate routes in the United States. Here are some startling examples:

Chicago to St. Paul: Three lines offer service on this 400-mile route—the Chicago, Burlington & Quincy; the Chicago, Milwaukee, St. Paul & Pacific; and the Chicago & North Western. They use different tracks, different freight yards, different repair shops, and different terminals—enormously expensive overlapping.

Indianapolis to St. Louis: The New York Central and the Pennsylvania run their trains over 250 miles of nearly parallel tracks. Here again is wasteful duplication of high-priced equipment

Chattanooga to Atlanta: The Louisville & Nashville and the Southern Railway operate tracks with are almost twin runs—and twin expenses—along much of the way.

Dunkirk, N.Y., to Buffalo: The Pennsylvania, New York Central, and Nickel Plate run on lines that are practically parallel. Here is a mass of duplicate tracks, yards, trains, locomotives.

Connellsville, Pa., to Sand Patch, Pa.: The Baltimore & Ohio and the Western Maryland cover side-by-side runs. Over one stretch both lines use the same track for several miles.

These examples point up a major reason why many of the Nation's 619 separate railroad companies are sick. It is absurd to have lines with parallel tracks and duplicate facilities compete for traffic which each railway carries at a loss.

The answer, I believe, is railroad consolidation. This one step could save railways $1 billion a year, as follows:

Four hundred million dollars in running stations, freight yards, terminals.

Three hundred million dollars in routing cars and switching trains from line to line.

Two hundred million dollars in making repairs and maintaining roundhouses.

One hundred million dollars in operating unnecessary parallel runs.

Just what is consolidation?

It's the teaming of railways—needlessly competing lines—to form a single rail system for each important region throughout the country.

As the map shows, I propose a division of the Nation's railways into four great regional networks. These four networks would cover the Northeast, the South, the Northwest, and the Southwest. Together, they would embrace the whole United States.

This plan can be brought about by actions to encourage regional consolidation, such as:

Congressional studies to demonstrate that railroad consolidations are consistent with public interest.

Tax concessions for regional railroads, possibly in the form of construction reserve provisions.

A new look at Interstate Commerce Commission regulations in the light of broad consolidation programs.

Consolidations, I am convinced, would result in:

1. Better service to the public—both for the long-distance traveler and the long-suffering commuter.

2. Greater security in jobs provided by the railroads. (Railroad jobs have been shrinking at the rate of 4,000 per month.)

3. A stronger transport network for the Nation's defense.

4. A chance for passenger railways to make some money again—and to improve their methods.

The system has worked in the past. Every major U.S. railroad is the product of consolidation of many smaller railway companies, operating separately and sometimes in competition with one another. The Pennsylvania, for example, is actually a consolidation of about 600 smaller lines.

Much of the railways' financial plight stems from hauling too little freight over too many duplicate routes. Railways carry less than 50 percent of the Nation's freight, a drop in recent years of 25 percent. Consolidation would increase the freight profits that help cushion commuter losses.

Outmoded practices and vigorous carrier competition—planes, buses, trucks, boats, pipelines—slash into rail income. Railways need to become just as enterprising and alert as the competition. Consolidation would help meet this challenge.

To be sure, there is no one solution for a transportation problem that has been building up for 30 years or more. A regional railroad system, however, will produce a rail network for troubled lines that is more efficient and less costly than what we have today. And Government funds are not required to launch or to advance consolidation.

Would consolidation destroy healthy competition among railways, resulting in poorer service? My answer is an emphatic "No" for these two reasons:

First, the day when railway giants monopolized transportation is long dead. Railways are caught up in vigorous and aggressive carrier competition with trucks, planes, buses, and boats. And the private family car, of course, is the greatest rival for passenger revenue.

Second, railways would still remain under ICC regulation—which includes setting ticket prices. Without Government permission, our railways cannot raise or lower rates by even 1 cent.

Some major lines already have or are considering merger plans. To name a few:

The Atlantic Coastline and the Seaboard Air Line.

The Erie and the Delaware, Lackawanna & Western.

The Northern Pacific; the Great Northern; the Chicago, Burlington & Quincy; the Spokane, Portland & Seattle.

The Norfolk & Western, and the Virginian.

Five of the main New England railroads: the Bangor & Aroostook, the Boston & Maine, the Maine Central, the New Haven, and the Rutland Railway.

These proposed scattered mergers are a step in the right direction. Consolidation of our railways over a whole region would go much further.

It would put an end to widespread waste and duplication.

It would strengthen rail finances and pave the way for relief for exasperated commuters.

The commuter problem will not directly be solved by such a system, however. This is an essentially local one, for each commuting area has conditions peculiar to itself. But consolidated is certain to rescue railroads tottering on the brink of financial catastrophe. Then they will be in a solid position to tackle the thorny commuter problem and find solutions.

Consolidation, in a word, will keep rail passenger trains from becoming museum pieces. Remember this. If the Government takes over operation of the railroads, you and I will be paying to run the trains, whether we ride on them or not.

DEBATE BETWEEN VICE PRESIDENT NIXON AND KHRUSHCHEV

Mr. MUNDT. Mr. President, during the past weekend the American people were privileged to witness a most remarkable debate over their television

sets. Through the ingenuity and excellence of American scientific research, we were able to view the historic exchange within a few hours after Vice President NIXON and Soviet Premier Khrushchev concluded their discussion which has captured world attention.

During the course of their debate, Mr. Khrushchev repeatedly asked if Americans would be able to hear his words exactly as they were given. Our Vice President promised Mr. Khrushchev that the American people would have the opportunity to hear this memorable exchange. Never has a promise been more fully kept.

Repeatedly this debate was carried over the television networks and their stations during the last weekend. Press and radio coverage have supplemented the film reports with extensive on-the-spot stories, supplemented by editorial and commentator analysis.

Now this question arises: Will Mr. Khrushchev keep his end of the bargain? Will Mr. Khrushchev comply with Mr. NIXON'S request that the debate be given the same type of coverage in Russia? Will the Russian people have the opportunity to witness this important discussion, as the American public has been given the opportunity to see it, hear it, and read it?

Vice President NIXON has kept his promise. Now it is up to Mr. Khrushchev to keep his. In discussing this important subject I cannot refrain from commenting on Mr. NIXON'S role in this exchange. This morning and yesterday I heard a few fainthearted criticisms of Mr. NIXON'S part in this debate, with the criticism that he should not have gotten into the argument with the Russian Premier.

It seems to me that in view of the manner in which this electrifying exchange of views took place, it would have been utterly inconceivable for our Vice President merely to stand by and not to answer the questions of Mr. Khrushchev. In my opinion Mr. NIXON represented America appropriately and effectively by the spirited remarks he made to Mr. Khrushchev. In fact, Mr. NIXON followed precisely the form of behavior in Russia which I personally recommended to the nine Governors of American States during a talk at the Cosmos Club, in the presence of Ambassador Menshikov when a luncheon was given there prior to the departure of the Governors for Russia.

It must be remembered that Vice President NIXON was formally opening the American exhibit in Russia. He did not start the argument. It was Mr. Khrushchev who launched into a lengthy discussion, and made the argumentative statements. I do not believe the American people would have approved silence, or abject appeasement on the part of the Vice President in answer to the statements of the Russian leader.

I am happy to state that in my opinion there are not many members of the Chamberlain Umbrella Brigade in the United States, so far as Russia and its Communist leaders are concerned. I am convinced that the American people overwhelmingly endorse DICK NIXON'S role in this remarkable forensic exchange. I believe that if circumstances should arise which again call for an answer by Mr. NIXON in discussions with Mr. Khrushchev, the American people will want the Vice President to do exactly as he did in the first instance, and they will expect him to speak out in Russia courageously and candidly, without waiting until he has left that area to make his comments.

I am happy to note that the distinguished assistant majority leader [Mr. MANSFIELD], who has just entered the Chamber, is reported over the weekend as approving and saluting the behavior and achievements of the Vice President in connection with this incident in Moscow.

It is becoming increasingly clear that Mr. NIXON is getting through more and more to the people behind the Iron Curtain with the fact that the United States is both firm and friendly, and that our crusade for permanent peace is also determined and dedicated.

It is encouraging to read in the morning newspapers that during the weekend conferences in the Russian dacha where the Khrushchevs, the Nixons, and other members of the visiting American delegation visited over the weekend, they renewed in private the frank and candid discussions, a preview of which was given in public as they toured the American exhibit.

It is encouraging to note that Mr. Khrushchev and Vice President NIXON have agreed on an account by the press as to what transpired, both at the exhibit and at the private conferences.

It is good for these important leaders to get together and discuss, man to man, the areas of difference. It is hoped that they will be able to develop areas of accommodation and understanding which will tend to hold the lines for peace. We should have learned by now that, as free men, we do not develop areas of understanding by running away from a foe, or by retiring, receding, backing down, or appeasing, kneeling on the rug, and going home with one's umbrella folded, like another Chamberlain.

So I salute the Vice President on the remarkable achievement he has made thus far in his mission to Moscow. It augurs well for continuing peace.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "NIXON in Russia: The Vice President Has Held His Own in Verbal Clashing With Mr. Khrushchev," written by Alan L. Otten, an eyewitness to the Moscow debate, which is published in the Wall Street Journal of July 27, 1959.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NIXON IN RUSSIA: THE VICE PRESIDENT HAS HELD HIS OWN IN VERBAL CLASHING WITH MR. KHRUSHCHEV

(By Alan L. Otten)

Moscow.—Premier Khrushchev is discovering the same thing some people in the United States have: Vice President NIXON can be a tough customer in a debate—one who seldom gives anything away to an opponent, and who often has the last word.

Mr. Khrushchev is pretty good in a rough-and-tumble argument also. But the Vice President has held his own, in the almost unanimous opinion of U.S. officials and reporters accompanying him on his tour of Russia.

In his speeches, in his well-reported verbal sparring matches with Khrushchev, and undoubtedly in his long private talk with the Soviet Premier at the latter's suburban dacha yesterday, NIXON spoke diplomatically, politely, and with almost unfailing good humor. But he also spoke most firmly.

Over and over, he reaffirmed the American desire for peace but warned against pushing America too far. Over and over he countered Russian demands for a Berlin settlement and an ending of American military bases overseas with a demand for serious negotiation at Geneva and a freer exchange of ideas.

State Department officials in Washington believe Khrushchev thinks he is stronger than he really is, that he feels the United States will kowtow and yield. NIXON, as the highest ranking American to visit Russia since the revolution and as the highest ranking American Khrushchev has met since the Geneva Summit Conference in the summer of 1955, was to put the record straight. He was to convince the Russians of our firmness and determination to stand fast on our present policies on Berlin, on military bases, and other controversial issues. And he was to warn Khrushchev against overconfidence.

SETS THE TONE

NIXON set the tone at the airport on his arrival, and plugged steadily from then on. There he told First Deputy Premier Frol Kozlov and others on hand to greet him that "in view of the destructive power of modern weapons, we know that if there is another war there will be no victors, only losers. For the first time since the dawn of civilization we have reached the point where we must either learn to live together or we will die together."

Opening the American National Exhibition in Sokolniki Park, he warned that "the nation which starts a war today will destroy itself. Completely apart from any retaliatory action which might be taken by a nation which is attacked, the deadly dust from radioactive bombs used in an attack will be carried by the winds back to the homeland of the aggressor.

"With both of our great nations holding this terrible power in our hands, neither must ever put the other in a position where he has no choice but to fight or surrender. No nation in the world today is strong enough to issue an ultimatum to another to fight or surrender. No nation in the world today is strong enough to issue an ultimatum to another without running the risk of self-destruction."

And in between those two formal addresses were all the pointed remarks of the now famous "summit in the kitchen" meeting—the debate he and Khrushchev staged before a mob of reporters in the very unlikely setting of the kitchen of the fair's model house.

NIXON has studied up for his meetings with Khrushchev in long days of briefings at the State Department before he left Washington. But he had expected the Soviet Premier would wait for yesterday's talk at his dacha to get down to business. Instead, Khrushchev bored in as soon as NIXON paid his formal call Friday morning at the Kremlin.

By the time they got to the fair for the informal tour in the late morning, NIXON had regained his composure and tried to keep things on a diplomatic, noncontroversial tack. But when they stopped in at the color television studio and Khrushchev saw the audience of admiring Russian fair workers around him, the Premier apparently

couldn't hold back and took the attack again. Most reporters felt that there the Russian had the best of things, since he was practicing no constraint in his remarks while NIXON was still trying to be light and relaxed.

But when they got to the kitchen just a few minutes later, the Vice President had had enough. His back was up. From then on, still politely but firmly, he gave as well as he took. He traded Khrushchev feint for feint and hard right for hard right in an unforgettable 45-minute sparring match. Then and in later encounters with Khrushchev and other Soviet officials, each time a Russion said "end military bases," NIXON snapped back with a warning against threatening too far; and each time a Russian called for trade, NIXON called for a freer exchange of ideas.

JABS BACK

When Khrushchev, at the kitchen summit, criticized American houses, saying they were too expensive and not built to last more than 20 years so the capitalists could sell another house in 20 years, NIXON jabbed back that "we do not want to have one decision made at the top by one Government official saying all the houses will be built this way."

When the Premier started an allegory criticizing the Americans and asked NIXON not to be offended, the Vice President assured Khrushchev not worry—"I have been insulted by experts." When Khrushchev kept on talking while NIXON tried to get a word in, NIXON, on finally getting the floor, declared that "if you were in our Senate we would call you a filibuster. You do all the talking and do not let anyone else talk."

The Premier's boasts of Soviet strength were met by this NIXON blow: "Both powers are strong. To argue in this day and age you are stronger or that we are stronger completely misses the point. With modern weapons it does not make any difference. If a war comes, we've both had it."

That evening, after the formal opening of the fair, when NIXON and Khrushchev stopped for goodbye toasts they battled again. The Premier proposed a toast to the elimination of foreign bases. NIXON refused that one and countered with a toast to peace. When Khrushchev said there could not be peace when Russia was surrounded by military bases and that NIXON could either drink to the elimination of bases or Khrushchev would not repeat the toast, NIXON charged the Soviet official did not like the wine. Eventually they ended on NIXON's motion to go on talking "for as long as we are talking we are not fighting."

Still later NIXON scored heavily when the Soviet worker pouring the wine proposed a toast of "100 years of life for Khrushchev."

COUNTERS TOAST

When NIXON agreed to that toast Khrushchev said, "We accept your 100-year proposal, but when I reach 99 we will discuss it further. Why should there be haste?" To which NIXON replied, "You mean in 99 years you still will be in power—no elections?"

NIXON not only refused to take it from Khrushchev but from any other Soviet officials. The Soviet minister of agriculture during a toast at the official luncheon at the Soviet exposition visit complained that the American resolution on Captive Nations Week hurt the atmosphere for the NIXON visit to Russia. NIXON replied that this sort of thing was inevitable during visits, and noted that "when Kozlov was in California recently he was talking peace but Khrushchev was, at the same time, in Poland making a speech very unkind to the United States."

The Vice President's tour still has a way to go, and, the way he and Khrushchev have been going at things, further sharp words can be expected. Whatever else may result from the exchanges, thus far Mr. Khrushchev must have the impression of facing an opponent who is also quick and tough.

THE AMERICAN EXHIBIT IN MOSCOW, AND THE VISIT TO RUSSIA BY VICE PRESIDENT NIXON

Mr. SCOTT. Mr. President, in the New York Times of July 26 and 27, 1959, there appeared articles written by James Reston regarding the American exhibit in the Moscow fair and the visit to Russia by Vice President NIXON. An editorial appeared in the Pittsburgh Press of July 25, 1959, regarding conditions in Russia. I ask that the articles and the editorial be printed at this point in the RECORD.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 26, 1959]

MOSCOW: THE CLASSLESS SOCIETY REVISITED

(By James Reston)

Moscow, July 25.—The American exhibition is the greatest foreign invasion to reach Moscow since Napoleon. A resourceful ticket scalper, or even a deviationist cop on a lonely stretch of fence, could quickly make himself a fortune, and the reason is fairly clear.

The demand is enormous, and the supply is carefully regulated, for this is the most class-ridden classless society in history. Even tickets are a monopoly of the state—tickets to the American fair as well as to almost everything else—and they are doled out to the faithful, starting with Khrushchev and working down through the politbureau to the champion lady bricklayer of Novosibirsk.

Everybody is equal, of course, but some are "equaler" than others. If you are in the political or intellectual hierarchy, for example, you ride around in a Zis, which is a big, black 1939 Packard, with silk curtains and a running board.

THE ORDER OF THE ZIS

Members of the order of the Zis can drive in the white-lined center of the street, which is off limits to trucks, visiting Cadillacs, or even minor league officials who have to drive around in Zims or Pobedas.

But even the order of the Zis is divided into three classes: Khrushchev is a two-Zis man, with a hardtop for weekdays and a convertible for going to his dacha on Sundays. There is a special group of officials in the Zis class who have bright yellow fog lights on their cars to warn policemen, militia, and other comrades to stay out of the way. Then, of course, there are the Zis regulars, with silk curtains, but no fog lights.

RIDE HARD OR SOFT

In this classless society, all comrades do not ride together on trains in equal discomfort. You can ride hard or soft depending on your station in life and your finances. Altogether there are five different fare rates on the trains; if, for example, you are rich or influential and in love, you can even hire yourself a soft compartment for two.

At diplomatic receptions segregation is the rule. Lofty officials and ambassadors are in one part of the room, separated by two long tables and a couple of well-dressed cops from the lower diplomatic orders and visiting firemen.

On the housing front, status is again the arbiter of selection. A big official, a good musician, a scientist, or engineer cannot only get the use of a large apartment but even buy a dacha of his own with the privilege of passing it on to his children.

THE NEW SKYLINE

The apartment building program in Moscow is spectacular. A visitor returning after less than 2 years sees a marked change in the whole skyline, so great has been the increase in the building program along the Lenin Hills.

Nevertheless, so many newcomers have come in from the country that the average per capita housing space in the city today is only 7½ square meters, whereas it was 8½ in 1917, the year of the Soviet revolution.

It is all very peculiar. Premier Khrushchev at the American fair this week upbraided the Americans for their inequality, their indifference to need, their housing, and emphasis on unnecessary material gadgets. And he wound up with his favorite boast that the Soviet Union will catch up with the United States in 7 years and eventually wave to us from on top.

Maybe so. They have undoubtedly made progress in ways unthinkable to their ideological saints, but they have a long way to go.

[From the New York Times, July 27, 1959]

NIXON VISIT ASSESSED—ADVANTAGES OF FIRST PHASE OF SOVIET TRIP FOUND TO OUTNUMBER THE DISADVANTAGES

(By James Reston)

Moscow, July 26.—The first Moscow phase of Vice President RICHARD M. NIXON'S visit to the Soviet Union, which ended today, has gone fairly well. It was neither a triumph nor a failure, but the advantages have clearly outnumbered the disadvantages.

Mr. NIXON came here, not to settle the Berlin crisis, but to open the American National Exhibition and learn something about the Soviet Union. He has done both.

In the ceremonial and social aspect of his mission he has been successful. He has been friendly. He has made a good impression on the crowds, which are accustomed to older leaders and seemed surprised and pleased by his youth and his obvious desire to learn more about their country.

In the infighting with Premier Nikita S. Khrushchev, he has shown neither greater depth of knowledge nor argument. He has relied on stock arguments and even phrases, but he has been dogged if not brilliant.

NO EFFORT AT SUBTLETY

In propaganda terms, the Vice President has made no effort to be subtle. This was a controversial point within the U.S. Government. Some officials thought the American exhibition was the best propaganda and should be allowed to speak for itself. Others thought he should openly recognize the Soviet objections to our society and political system and answer them directly. He chose the latter approach.

Maybe this hampered the possibilities of negotiation with Mr. Khrushchev on the hard realities of a German settlement—we still do not know the details of what happened in their conversations today—but the experts on Soviet policy here do not think so.

They note that Prime Minister Harold Macmillan of Britain tried the subtle approach here and was rebuked, at least in the beginning, and they are inclined to believe that the way to speak here, if you are going to speak at all, is to speak out in good plain frontier language.

In support of this it was noted that the Soviet Premier went out of his way today to make clear that his two public arguments with the Vice President at the fair on Friday were all good clean fun, with no offense intended. Mr. NIXON agreed.

The main advantages of the visit so far, however, probably lie not in any new policy accommodation but in the modification of personal assumptions on both sides.

The Vice President came here fearing that Mr. Khrushchev was a wild man who should not be invited to the United States or to a summit meeting unless the Soviet Government withdrew a lot of provocative Khrushchev statements and modified its positions on Berlin and various other subjects.

Now he is not so sure. Even after a couple of tiffs with the Premier, and much more private talks with him than he thought he would have, Mr. NIXON was talking to both Mr. and Mme. Khrushchev last night at the U.S. Embassy about "when you come to the United States."

Apparently the reason for this reassessment is that the Vice President has not found a hopelessly rigid demagogue but a tough, free-wheeling politician who loves to talk big and provoke arguments, not only with a visitor but with the other Soviet members, who have taken part in most of the ceremonial and social occasions.

The Nixon visit to Moscow has certainly not removed the Soviet mystery, but at the same time it has not confirmed the Vice President's worst fears. He has always been fascinated by political tactics and Mr. Khrushchev's nature-boy approach to crowds and rough-and-tumble political debate have intrigued him.

The Vice President has always been interested, too, in security and in the theory of the late John Foster Dulles that the Soviet people were in a state of incipient revolt and would in time rise against their masters if only the Western powers remained strong and united.

What Mr. NIXON has found here these last days is Mr. Khrushchev walking around among friendly crowds with virtually no security arrangements visible; indeed, with far less protection than the Secret Service would tolerate for the President of the United States.

CROWDS REMAIN FRIENDLY

Perhaps more important, the Vice President has discovered that after almost a generation of constant anti-American propaganda from a state-controlled radio and press, the Soviet people remain friendly to visiting Americans and absolutely fascinated by the material blessings of American life.

This is the real significance of the American fair. It is helping along what the old-timers in the Moscow diplomatic corps regard as the most hopeful aspect of Soviet life. This is that the people are yearning for larger benefits from their hard work, that the Government is gradually showing some sympathy for this yearning and that the more this becomes true—so the theme runs—the less the Soviet Union can be expected to be adventuresome beyond its frontiers.

There have been some negative points. A new controversy arose today about the release in the United States of the television tape showing the Khrushchev-Nixon debate at the fair on Friday. The Russians say the film was released against their will and before an agreed translation had been completed.

They complain, too, that Mr. NIXON came here to argue ideology instead of to encourage a political accommodation.

Nevertheless, the visit has gone about as well as could be expected in the midst of wider United States-Soviet controversies, and it has provided Mr. NIXON with an excellent political platform even before the official opening of his campaign for the Presidency.

[From the Pittsburgh Press, July 25, 1959]

IF THE SHOE FITS

Angry Russian reaction to "Captive Nations Week" is further evidence they can dish it out but can't take it.

When they speak of starving Americans or picture Little Rock as typical of the United States, when they say the American people want peace but are misled by warmongering public officials—that's peaceful coexistence.

But when we presume to sympathize with the plight of the enslaved peoples of Central Europe, that's "blatant, arrogant interference in the internal affairs of free sovereign states."

Free sovereign states? Such as Latvia, Estonia and Lithuania, overrun by the Russians 19 years ago with hundreds of thousands of their citizens liquidated or deported?

Free sovereign states? Such as Hungary, held in bondage by Russian tanks; or Poland, invaded and carved up by agreement with Hitler in 1939; or East Germany, Rumania, Bulgaria, Albania?

Russian blasts at warmongering Americans can be laughed off because the whole world, including Russia, knows such charges aren't true. Similarly, Russian concern about social injustice in America. We do not claim to be perfect. But injustice here is not, as in the Russian captive nations, the result of deliberate acts of the Government.

The Russians, on this score, are understandably sensitive because their record of oppression, torture and extortion is plain.

The timing might be questioned on the resolution of Congress and President Eisenhower's proclamation fixing a week of prayer to coincide with Vice President NIXON's visit to Russia. But year-around prayer for these unfortunate peoples, regardless of coincidence, is amply in order.

Anyway, the Russians don't get righteously indignant on the spur of the moment. Obviously they had intended a rough reception for Mr. NIXON, offsetting the favorable impression an important American official might make on the Russian people. Any other pretext would have served just as well.

DEPARTMENT OF STATE VISA APPLICATION FORM FOR TRAVEL IN THE UNITED STATES

Mr. FULBRIGHT. Mr. President, the American Automobile Association has sent to me a letter from its president, to the Secretary of Commerce, regarding the campaign the administration is putting on, which is called Visit U.S.A. 1960. This is a very worthwhile campaign, of course; but I am disturbed by the number of deterrents to the travel in the United States by foreigners, which we, ourselves, have placed in the way, either due to legislation or by our policies.

One of these deterrents which the president of the American Automobile Association believes is quite serious is the long, complicated, and embarrassing questionnaire which people of other countries are asked to fill out before the U.S. Government will consider giving them permission to visit this country. I agree with the President of the Automobile Association that the effect of this questionnaire is to place the U.S. Government in the position of saying, in effect, "Come and see us, but only if you can answer satisfactorily a number of very searching questions concerning your financial, marital, and family status and can prove to us in advance that you are socially acceptable."

I am addressing to the Secretary of State a letter asking whether these very searching questions are really necessary.

Meanwhile it may be informative to my colleagues to place in the RECORD at this point a copy of the visa questionnaire and application for registration which prospective travelers in the United States must fill out. Mr. President, I ask unanimous consent that this document may be inserted in the RECORD at this point.

There being no objection, the questionnaire was ordered to be printed in the RECORD, as follows:

Form C-101
Rev. Oct. 1955

FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

VISA QUESTIONNAIRE AND APPLICATION FOR REGISTRATION

If you will answer in detail all questions on this form and return it by mail to this office with a self-addressed stamped envelope you will be furnished specific information regarding the procedure to be followed in your case. All questions must be answered. If a question is not applicable, please so indicate.

Nonquota ----------	For office use only
Quota ----------	
Wife's quota ----------	
Pref. ----------	
No. of applicants ----------	

When an entire family is applying, the husband should execute the questionnaire (Please print your answers in block letters).

1. Family name: (If married woman give married name) (Given name) (Initial)	2. Date and place of birth: (add: Department, Powiat, Kreis, Judetul, Megye, Okres, etc.)
3. Other names by which I have been known: (If married woman give maiden name)	4. Last permanent residence:
5. Address in the United States: (Street, city, State)	6. Name and address of person to whom destined, if any:
7. Name and address of nearest relative in home country:	8. Travel documents presented: (or passport) Issued at: ---------- Date issued: ---------- Expires on: ---------- Valid for travel to United States: Yes ------ No ------

9. Hair	10. Eyes	11. Height	12. Weight	13. Nationality / 14. Complexion	15. Race / 16. Ethnic classification	17. Sex	18. Marital status at present time:
		---------- Cm ---- Ft ---- In	-------- Kilos -------- Lbs			----- M ----- F	---------- Married ------ Never married ---------- Widowed ---------- Divorced

19. Occupation:	20. Distinguishing marks:	21. Languages spoken, read, or written:

22. Intended United States port of entry:	23. Address of my final destination in U.S.:	24. I have (a) (no) through ticket to destination	25. Purpose of going to the United States:

26. Places of previous residence:

At the age of 14 years I was residing at: (City, Province, and Country)

I lived there until (Month and Year) I lived there until I lived there until I lived there until	When I moved to (Street, Address, City, Province and Country) When I moved to When I moved to When I moved to

(If more space is needed, attach a separate sheet)

27. Coregistrants (including spouse showing maiden name, and minor unmarried children)

(Check those accompanying you to the United States)

Name	Address	City, Province, country of birth (Refer to No. 2)	Date of birth

28. Name and address of father (If deceased, so state) (Give race)	29. Name and address of mother (If deceased, so state) (Give race and maiden name)

(If neither parent living give name and address of next of kin in the country from which you came)

30. Have you or any member of your family included in this application ever been: Arrested; convicted; in prison; in an almshouse; treated in an institution, hospital, or other place, for insanity or other mental disease?; the beneficiary of a pardon or amnesty? (If so, explain in detail)

31. Have you ever applied to any American consular office, either formally or informally, for a visa or other documentation as an immigrant or nonimmigrant? (If so, state when, where, and whether for immigrant or nonimmigrant visa)

32. Have you or any person included in this application ever been excluded, deported, or removed from the United States? (If so, explain in detail)

33. I intend to remain in the United States for the following period of time:

34. If you or any coregistrant were in the United States previously, give details below:

From (Month and year)	To (Month and year)	At (City and State)

35. Have you or any coregistrant ever been issued a passport other than as indicated in item number 8? (If so, give date of issue, to whom issued, government of issue and countries visited since 1939)

36. Are you or any coregistrant or have any of you ever been a member of the Communist Party or any Communist-affiliated organization? Yes ---- No ----

37. My name as it appears on my birth certificate is:

38. My present mailing address is:

39. My telephone number is:

40. At the time of your birth, were your parents permanent residents of the country in which you were born? Yes ---- No ----

41. Write yes or no to the following questions:

A. Has either of your parents had any mental illness? B. Do you have any serious physical defect? C. Did you ever serve in any armed force? D. Are you the spouse, brother, sister, son, daughter or parent of a U.S. citizen? E. Are you the spouse or child of an alien lawfully admitted for permanent residence? F. Have you or any coregistrant ever been refused a visa or denied admission to the U.S.?	Give details below or on separate page for each question answered yes.

42. My occupation in the United States will be:

43. My present monthly income is: $

44. My cash on deposit in the bank totals: $

45. My other assets are worth: $

46. If married will spouse and/or children apply with you for visas? Yes ------ No ------

47. Have you, or your spouse, or intended spouse, previously been married? Yes ------ No ------
If so, state when, where, and under what conditions such marriage or marriages were terminated

48. My wife has passport No.:

Issued by: (Country)

Expiring on: (Date)

49. My wife's passport includes the following persons:

50. Give the names and relationship of persons included in your passport.

51. List below the names of all parties, organizations, associations, societies, fraternal or political, of which you or any coregistrant are or have been a member, or with which you or any coregistrant are or have been affiliated with, including dates thereof and any position held in connection therewith. (If none, you must so state.)

52. References:

	Name	Street address	City and country
U.S.			
Foreign			

I certify that the answers to the foregoing questions are true and correct.

---------- (Date) ---------- (Signature of applicant)

Mr. MANSFIELD. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio obtained the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the Senator from Ohio losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAL RESEARCH AND DEVELOPMENT COMMISSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6596) to stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

FORCED CIVIL DEFENSE SHELTERS? REMINISCENT OF PROHIBITION ERA

Mr. YOUNG of Ohio. Mr. President——

The PRESIDING OFFICER. The Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, about a week ago I was greatly interested in viewing "Meet the Press." The distinguished Governor of the State of New York was the guest on the "Meet the Press" program, and I watched the entire program and listened carefully to his statements. I may say that the distinguished Governor of New York State, Nelson Rockefeller, made a fine impression on that television program. I have an observation to make, however, about a part of it.

Lawrence Spivak, conducting the program, asked, "Governor, at one time I believe you were for a national shelter program"—referring to civil defense. "What made you shift to a State program?"

After an answer to that, Mr. Spivak asked the Governor of New York, and his manner was one of being very incredulous and amazed, "As of now you are planning a law to compel people to erect civil defense shelters?"

Mr. President, in 1918 action was taken by force—by a constitutional amendment—to control the drinking habits of the American people. That was called prohibition. Later that was termed a "noble experiment" by President Hoover. The forced civil defense shelter program which the Governor of New York State is proposing for the citizens of New York may be another experiment noble in purpose, but the American people did not like the noble experiment which was termed "prohibition," nor will they, I believe, take kindlly to this latest noble experiment.

Americans, Mr. President, do not take kindly to drastic measures to force them to do something or abstain from doing something, particularly when there is no definite proof that the abstaining from doing something or being compelled to do something is of importance to their welfare and safety. It certainly has not been determined that forced construction of civil defense shelters is a necessity. I assert that forced construction of shallow civil defense shelters in backyards or cellars is an absurd and utterly worthless program.

For example, assuming that the State of New York has a population at present of 16 million, assuming that the State officials were successful in forcing the people of that State to erect 4 million shelters, at a cost of $500 each that would amount to a vast expenditure of $2 billion. At a cost of $250 each it would be $1 billion. If such an expenditure is forced upon taxpayers anywhere there would be no worthwhile result. Therefore, I hope no person in Ohio recommends such a waste of taxpayers' money.

Furthermore, as one who has gone to the city of New York on a few occasions, I have observed that over half of the people there live in apartment buildings. The Soviet Union has intercontinental ballistic missiles capable of traveling at the rate of 18,000 miles an hour which could strike a missile base or any target, including New York City, in this country in 18 or 20 minutes after the missile was fired from within the Soviet Union; or if a trigger happy submarine commander were to shoot a missile off our seacoast, it would be a matter of minutes. No civil defense official would have any warning or time then to notify our citizens.

Furthermore in a great catastrophe, if one were to be suffered, we may depend upon it that the Armed Forces of our country would disdain to take any advice or follow any leadership from any civilian wearing an armband.

Newsweek magazine published an article entitled "For New Yorkers: Compulsory Shelters," which shows a model to be put in a basement. Honestly if I had not seen it I could not believe such a program as suggested could be taken seriously.

I suppose that someone living on the 20th floor of an apartment building would probably, from the time the first warning is given, get down to about the 6th floor before an atomic warhead would explode, and, even should he survive, there would be a fallout in the neighborhood and throughout the entire area.

Mr. President, it is all right for New York State if the people of that State want to build shelters in basements and backyards. I can see that excavating contractors and workingmen would receive some money which they could put into circulation, and grocers and the big chainstores would sell a lot of groceries which would be stored for 2 weeks or 4 weeks, and that would put some more money into circulation. So I am not going to have high blood pressure or become excited because of what may or may not be done in New York State.

It seems that we go to ridiculous extremes in the matter of civil defense. About a year ago when there were plans for evacuation, many people were disturbed by sirens; in my home city of Cleveland, in Washington, D.C., and in other cities, civil defense officials were drawing pay from the Federal Government and State governments. Nothing was achieved by this; people were indifferent and disturbed; but the civil defense officials received the taxpayers' money.

Furthermore, the best thought nowadays is that evacuation is no good at all. Evacuation programs have done nothing more than inconvenience volunteer civil defense workers and the public generally.

We had the scheme of evacuating people from Cleveland toward Lorain, and from Lorain toward Cleveland, crowding the highways. In the evacuation scheme worked out here in Washington, D.C., about a year ago, the civil defense officers happily reported that Government officials and records were saved, but according to their theoretical estimates about half of the population of the District of Columbia was killed by the fallout and by the impact of the bomb.

Of course, Mr. President, were the Soviet Union to attack us with missiles carrying atomic warheads, the No. 1 target in this country would be our missile bases. Targets surely would not be State capitals and towns distant from missile bases and airfields. Yet the Civil Defense Agency spends millions in such areas, of course, this means more jobs for the bureaucrats.

It appears probable our ability to retaliate instantly by reason of our superiority of at least 3 to 1 over the Soviet Union in manned jet bombers would deter the Soviet Union from any attack on us.

But now civil defense advocates have gone to the extreme of advising shelters in backyards and in basements; and, Mr. President, although in Ohio a great deal of money, taxpayers' money, has been spent on civil defense; yet, according to a news item which I hold in my hand, Ohio's civil defense officials lack shelters in their own basements. Not one civil defense official in Ohio has erected a shelter in his own basement or backyard.

Now this stupid, foolish evacuation program has been abandoned. Its stupidity in Washington can be realized by noting at 4:30 or 5 o'clock every workday the immensity of the traffic, the highly congested traffic. Can you imagine, Mr. President, how futile and how foolish it is for the civil defense authorities to have a city like Columbus, Ohio, spend $600,000 to synchronize the traffic lights so in case of a bomb attack they are all green, as if you or I, Mr. President, in case of an atomic attack on Washington, would ever look at the traffic lights? We would probably run somewhere regardless of lights. Perhaps the best thing one could do would be to do nothing.

I remember in the Anzio-Nettuno beachhead when the shells came over and the shelling seemed heavier and generally disturbed us at mess we would hear the explosions and instinctively duck under the table. It did not do us any good, but that is something one does involuntarily.

Civil defense has been a hoax and a fraud upon the taxpayers of the United States. Now forced construction of air-raid shelters is proposed. If homeowners should be compelled to build air-raid shelters in their cellars and backyards, it would be the imposition of further useless expenditures. There has been much testimony offered that air-raid shelters to be effective against fallout from nuclear explosions must be elaborately constructed on a large scale, and go to a considerable depth. But what use is a shelter a few feet down in a basement or a backyard? If air-raid shelters could provide adequate protection against fallout they would have to be deep, and they would have to be amply stocked with provisions and water to enable the occupants to subsist over a long period of time, not merely 2 weeks.

The cost to the Federal Government, according to sworn testimony, to erect defense shelters which would be at all worthwhile, would be from $12 billion to $20 billion—not millions of dollars, but billions of dollars. Such

shelters, we are told, should not only be constructed in depth, but should have elaborate ventilating processes to protect the occupants against death or grave injury from fallout. Shallow shelters, such as those the distinguished Governor of the State of New York advocates or seeks to thrust upon the people of that State, if he goes through with his program, might be somewhat effective, just as lying flat on one's face in a backyard or areaway might be effective. Such shelters would be no more effective.

We recall what President Hoover termed prohibition, "an experiment noble in purpose," but which the people of this Nation repudiated; an experiment which was placed upon the necks of our people during wartime. Judging from the experience we had under the program of prohibition forced on the American people, it does not seem to this humble Member of the Senate that the distinguished Governor of New York will have a very good platform on which to run for President of the United States, if he proceeds to foist or thrust compulsory air raid civil defense shelters, on the American people. The American people despise compulsion.

May I, as a Democrat confident in the certain election of a Democratic President in 1960, express delight over the prospect that 40 years after forced abstinence, termed "prohibition," a foremost candidate for the Republican nomination for President of the United States apparently now advocates forced civil defense shelters upon American homeowners.

During the period of World War II there might have been some sense in civil defense training. But in this jet and missile age paid civil defense officials are simply boondogglers and pap suckers.

I read in today's Washington Post and Times Herald that John F. Fondahl plans to resign as Director of Civil Defense for the District of Columbia, a position which pays that gentleman $13,970 a year. I give him great credit for resigning from such a sinecure. I am certain that he has not accomplished any real and needful public service during all the time he has held the position of Director of Civil Defense for the District of Columbia. I am glad he has shown a heart for the welfare of the taxpayers by resigning from that position.

Mr. President, it is certain that in time of a sudden catastrophe due to the explosion of an atomic bomb or bombs the Army will take over immediately. Martial law will be declared. Any civilian wearing an armband and seeking to interfere will be laughed off. Thousands of young men have been drafted by the Nation for service in the Armed Forces. The draft has been extended by Congress for a period of 4 years. Many thousands who have received Army training will be returning each month to civilian life. As a part of their Army training, they should be given, as they probably are being given, training in first aid. They should be instructed as to what should be done in the event of disasters and fires caused by the explosion of nuclear bombs and missiles; and what to do in the event of an attack.

These young men, former soldiers, having returned to civilian life, could well take the leadership in their home communities to put into effect whatever civil-defense measures may be necessary. In that way, we would be following the example of Canada, which has assigned all civil-defense functions to the National Guard of that Dominion. We would be following the policy of our ally, Great Britain, where civil-defense functions have been taken over by the Home Guard.

In addition, would it not be far better for the taxpayers if Congress were to appropriate a few million dollars—not billions of dollars, but a very few million dollars—to have some nationwide agency, such at the American Red Cross, instruct the people, by radio and television, in the measures they should take for first aid to save lives in the event of a nuclear attack or in the event of any terrific catastrophe, such as flood or windstorms? That could be done satisfactorily without necessitating the expenditure of billions of dollars on civil defense, which has already cost the taxpayers of the States many millions in addition to the Federal expenditures. Such expenditures have been futile and wasteful.

Mr. President, I think the soldiers who have returned home from their service in the Army should take over the handling of civil defense. Yesterday I finished reading a history of the Civil War. That kind of war would now be considered a limited war. It would not be considered a tremendous catastrophe, although it was very serious at that time. Throughout the entire book, page after page, it is evident from the outset, immediately following the bombardment of Fort Sumter, that President Lincoln became a virtual dictator. He suspended the writ of hebeas corpus. He acted independently—he consulted no one—when he issued the Emancipation Proclamation. He simply laid it before his Cabinet for their information. He was in truth a dictator.

In event of a nuclear attack upon this country by the Soviet Union or Red China or by some trigger-happy soldier or airman or missileman in one of their armies, we can depend upon it that the Armed Forces of the United States would immediately take over, as they should take over. Civilians wearing armbands would not be permitted to interfere with our Armed Forces, and they should not be. In the terrible times which might confront us without any warning, or with only some few minutes' warning, our Armed Forces, trained and prepared, would take over. We may have all faith and confidence in them.

Mr. President, our Government should take steps now to have the American Red Cross furnish information by television and other means to instruct citizens generally as to what to do in the event of a disaster caused by sudden enemy action. Patrick Henry on one occasion said:

> There is but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way to judge the future except by the past.

Let us profit by the bitter, bad, and useless experience which the Nation has had with civil defense—first evacuation, then a shelter program, and now a forced shelter program which is suggested by the Governor of one of our States. Let us profit by the bitter experience which the taxpayers have had. Let the Armed Forces of the Nation take over the defense of the American people as they would take over anyway, and thereby save the taxpayers tremendous sums of money. Let us save our citizens from making foolish and utterly useless expenditures by digging in their back yards and basements.

Those fine men and women who have volunteered for civil defense work over the past several years deserve credit for their patriotic efforts. They, along with ex-service men, State, county, and city law-enforcement officers, and community welfare agencies and workers will respond voluntarily in times of emergency and disasters, as has always been done in the past.

Civil defense as now conducted is simply a costly, ineffective, and absolutely unnecessary agency. Volunteer workers in the civil defense setup deserve credit for what they have been trying to do. The odds against them are great, as the 1,800 Federal officials and employees in civil defense, plus the many paid State employees, are simply holding down political jobs and rendering no needful service whatever.

UNEMPLOYMENT AND DISTRESSED AREAS

Mr. HUMPHREY. Mr. President, recently Sylvia Porter, the noted economist and writer on matters of economics, published a notable article entitled "Our Jobless Rolls Are Too Big for Time of Prosperity." The article referred to the need for action on the part of the Federal Government in cooperation with the State to eliminate blighted areas I believe that this article relates somewhat to the subject matter of the bill before the Senate, which has to do with a program for coal research, to encourage and stimulate the production and conservation of coal in the United States. The areas which are producers of coal surely the areas which are in need of accelerated economic activity.

Furthermore, the bill which is known as the area rehabilitation bill, or the depressed areas bill, has passed the Senate. It lies languishing in the other body.

It appears to me that the threat of a Presidential veto has taken its toll. I only hope the Members of the other body will act despite the threat of a veto and give the encouragement which is needed to many areas in the United States which are like small deserts in a land of milk and honey, in a land of plenty. There is genuine prosperity in many parts of the country. But, by an ironical twist of fortune, there is genuine difficulty in small, but nevertheless significant, areas of the country.

I ask unanimous consent that the article by Miss Porter be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR JOBLESS ROLLS ARE TOO BIG FOR TIME OF PROSPERITY—U.S. ACTION NEEDED TO HELP STATES ERASE BLIGHTED AREAS

(By Sylvia Porter)

At this moment of high and rising prosperity almost 11 percent of all those able and willing to work are still jobless in 179 areas spread across 29 States in our land.

There is no question whatsoever about the power and breadth of today's business upswing, no doubt that our economy is surging to new heights.

Yet, while the rebound from the 1957–58 recession has slashed average unemployment in the United States to under 5 percent of our work force, the bitter facts are:

1. The boom has hardly touched the pockets of joblessness in cities hit by major industrial upheavals or migrations in recent years.

2. A full one-third of this Nation's unemployed men and women are concentrated in these 179 chronically depressed areas.

3. Many of these cities were hit by all-out depression long before the general economic downturn of 1957–58, and the nationwide recession made an already bad situation worse.

4. As an indication of the chronic nature of the unemployment, the area with 23.1 percent of its workers in May, the highest unemployment rate in the country—Biddeford-Sanford in Maine—has been on the Government's official labor surplus list since 1954. In Providence, R.I., unemployment in May topped 11 percent, and this major city has been on the sick list since 1951. In Atlantic City, N.J., unemployment exceeded 15 percent, and this world-famous resort city has been in trouble since 1952. So it goes.

ONLY A GREAT BOOM WILL HELP

Let's face it. If an upsurge already 14 months old and of this strength still leaves us with so many valleys of trouble, there is little chance that anything short of a great boom will erase them.

Let's face this too. Many of the jobless in these areas are too old or too set in their ways to move to booming regions. Large numbers don't have the skills and aren't now capable of learning the skills other regions are demanding. Most don't have the money to finance a move even if they dared try it.

The cities of the most prolonged and worst distress simply haven't had and don't have the capacity to fill the gaps created in their economic structures by the decline of what were once basic industries, the migration of major corporations.

So finally, let's face up to the one decent answer: a program of technical assistance, loans and grants under which the Federal Government can help States and localities redevelop the distressed regions.

WE DO PAY OUR DEBTS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "We Do Pay Our Debts," written by Sylvia Porter. The article relates to the ability of the American consumers to maintain, on schedule, payments on installment loans and consumer credit.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE DO PAY OUR DEBTS

(By Sylvia Porter)

You probably take for granted that during the bleak days of the 1958 slump armies of jobless in our hard-hit industrial cities were compelled to default on their bank installment loans.

It's a logical assumption. How could an automobile worker out of a job for a protracted period and dependent on unemployment benefits support his family and keep up the monthly payments on his mortgage and installment loans? How could his bank carry him month after month even if the bank's managers were sympathetic and wanted to?

Logical though this reasoning is, it has been spectacularly wrong. For the Chicago Federal Reserve Bank has just completed a study of the record on consumer loan repayments during the 1957–58 recession in its district—covering parts of deeply depressed Michigan, Indiana, Wisconsin, and all of Iowa. Here is what it shows.

In this heart of the industrial Midwest gross bank losses on consumer loans in 1958 amounted to only one-third of 1 percent, and for 1957–58 the net loss rate was under two-tenths of 1 percent or under $200 per $100,000 of loans. Even the Chicago Federal Reserve which, like all Federal Reserve banks, shrinks from making unqualified statements, says, "These rates are exceedingly low for this type of lending."

In 1958 a full 35 percent of the 1,000 banks in the States had no losses at all on consumer loans, or actually recovered money on loans previously charged off. This was less than the 45 percent which had a perfect record in 1957, but it still was a sensational percentage.

The largest banks in this midwestern area showed the smallest losses—only $166 per $100,000 loans. The high rate among smallest banks was only $215 per $100,000.

And, most provocative, there wasn't any significant difference between losses on loans among large banks in Michigan and Iowa—two States representing the extremes of bad and good business in 1958.

What does this record suggest?

If you wish to be cynical, you might say that the reason the banks' record was so good was that the banks had screened the loans so rigidly in the first place that they had only topnotch risks.

Or you might suggest that lots of the losses were hidden because on auto loans which went bad, dealers may have had arrangements under which they were obligated to pay the bank the full balance due.

And no doubt these explanations did play a part in the performance. Certainly banks which had no losses at all had too good a record; they obviously took no chances whatsoever and unquestionably turned down some worthy, profitable applications.

But surely the record also dramatizes the extent to which the American consumer keeps up his loan payments in bad times as well as good. In less depressed cities the loan story was even more amazing. At the Chase Manhattan Bank, largest bank in New York City and second largest in the Nation, losses on installment loans in 1958 were under one-quarter of 1 percent, and recoveries on loans were higher than in 1957. As a Chase Bank official put it to me, "It's a remarkably fine record, showing that people will safeguard their personal credit with considerable effort."

Surely the record indicates, too, that banks these days recognize that many delinquencies are beyond the control of the borrowers, and they now extend these loans, rewrite the terms, "protect" the borrowers.

Our brilliant installment loan repayment record in the recession of 1958 shouts again that we, America's consumers, are the best credit managers in the world.

PARTICIPATION BY AMERICAN STUDENTS AT THE WORLD YOUTH FESTIVAL AT VIENNA

Mr. HUMPHREY. Mr. President, on March 10, I addressed the Senate on the World Youth Festival to be held this year at Vienna, Austria. At that time I said:

The Vienna Festival now provides us with a challenge and an opportunity which must not be permitted to slip by—that of mingling freely and of exchanging ideas frankly with young people from all over the globe.

I then pointed out the difference between the attitude of our Government in regard to this particular Youth Festival and the attitude of our Government toward the Youth Festival which was held at Moscow about 2 years ago.

Of course it is quite obvious that the Vienna Youth Festival is Communist sponsored. Nevertheless, the attitude of our Government toward it is to encourage talented and capable young people of the United States who are dedicated to the principles of democracy and freedom to attend this festival and to speak up in behalf of democracy and the American system or, as we generally call it, the American way of life.

Mr. President, in the Washington Post on yesterday there was published an editorial entitled "Eyes on Vienna." The editorial calls to our attention the following:

For the first time in 12 years, the Communists are sponsoring a World Youth Festival in a city outside the Iron Curtain, and for once the State Department is not beseeching American youngsters to stay away. This means that the seventh festival, which begins in Vienna on Sunday, may be refreshingly unlike its predecessors. Of course the pro-Communist organizers of the fete will be trying to churn up all the propaganda that an estimated $30 to $50 million can buy. Their hope is that some 17,000 youths from 120 countries will be awed and impressed by an extravaganza featuring a host of the Soviet orbit's best actors, athletes, and musicians.

Then the editorial points out what I tried to emphasize in my speech of March 10, namely, that our young people will be doing a good job for democracy by mingling with the young people from other lands.

The editorial states:

But this time the youngsters will be mingling in an atmosphere where all sides can be assured a fair hearing. No secret police, no controlled newspapers, and no intimidating officials will be part of the hostly presence. Some 2,000 American youths are expected to be in Vienna to meet with visitors from the Soviet bloc, Africa, Asia, and Latin America. Most of the Americans will be well prepared. Student committees organized on a voluntary basis have briefed the American youngsters on how to present the Western side most effectively. The State Department, though it has cautioned American students on the festival's

propaganda purposes, has not begged our youth to go elsewhere, as it did at the time of the Moscow Festival 2 years ago.

Mr. President, I ask unanimous consent that the entire editorial be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EYES ON VIENNA

For the first time in 12 years, the Communists are sponsoring a World Youth Festival in a city outside the Iron Curtain, and for once the State Department is not beseeching American youngsters to stay away. This means that the seventh festival, which begins in Vienna on Sunday, may be refreshingly unlike its predecessors. Of course the pro-Communist organizers of the fete will be trying to churn up all the propaganda that an estimated $30 to $50 million can buy. Their hope is that some 17,000 youths from 120 countries will be awed and impressed by an extravaganza featuring a host of the Soviet orbit's best actors, athletes and musicians.

But this time the youngsters will be mingling in an atmosphere where all sides can be assured a fair hearing. No secret police, no controlled newspapers and no intimidating officials will be part of the hostly presence. Some 2,000 American youths are expected to be in Vienna to meet with visitors from the Soviet bloc, Africa, Asia, and Latin America. Most of the Americans will be well prepared. Student committees organized on a voluntary basis have briefed the American youngsters on how to present the Western side most effectively. The State Department, though it has cautioned American students on the festival's propaganda purposes, has not begged our youth to go elsewhere, as it did at the time of the Moscow Festival 2 years ago.

It is a pity that a meeting of this kind must be conducted in a cold war atmosphere. But though we may deplore the circumstances, the contest remains. Surely the country owes a debt to these students who are refusing to concede a round to Soviet propaganda by default.

Mr. HUMPHREY. Mr. President, I would say to the Senate, and also to the editorial staff of the Washington Post, that thousands of copies of the reprint of my address in the Senate on March 10 have gone to the students of the United States, through the cooperation of the National Student Association. Furthermore, the student leaders have prepared a manual of advice and counsel for any of the American young people who are attending this festival.

It is good to note that our young people are prepared for this meeting. I have a feeling that they will give a very good account of themselves, and will do honor to the traditions of our country and to the hope and the promise of democracy, not only here, but also abroad.

I, for one want to salute and compliment the young men and the young women of the great universities and colleges of the United States who are attending the festival, and who are preparing to act as representatives of freedom in connection with a program which obviously is dominated by pro-Communist elements. It is just this kind of courage and this kind of initiative which should characterize our foreign policy. We never should run away from the challenge of communism. We should meet it head-on. We have much more to offer. We have a better program to outline and to describe. We have a better philosophy to state. And when young men and young women from the United States are willing to exemplify the spirit of daring and of courage that is typified by their presence at that festival, it bodes well for the future of the United States.

Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

FOREIGN LANGUAGE TRAINING

Mr. HUMPHREY. Mr. President, I wish to report to the Senate on a study which has been made by the Senate Subcommittee on Reorganization, of the Senate Committee on Government Operations.

Earlier this session, I made a preliminary statement about one of the studies being undertaken by the subcommittee, namely, the study of the foreign-language training program.

Last fall, after the adjournment of the 85th Congress, and while I was on official business on the west coast, I visited the Army Language School at the Presidio of Monterey, Calif.

I was very much impressed with this educational facility, which provides intensive training in foreign languages for the military services, and also provides basic economic, geographic, and political information about countries in which the languages are spoken. I was impressed by the caliber of faculty, its excellent training facilities, and the dedication of its staff to its important mission.

But I discovered that despite the steadily increasing demands by all three of the military services and by our foreign service oversea agencies for trained linguists, the Army Language School was operating at less than 50 percent of its capacity. Also, among its instructors, all native speakers, recruited at great effort from throughout the world, there was growing concern over the future of the Army Language School. Its student population declined from 2,800 in the fiscal year 1955, to an average of 1,400 to 1,500 in the fiscal year 1959. More important still, it appeared that little or no affirmative action was being taken at high levels in the Military Establishment to correct this situation.

When I returned to Washington, I directed the staff of the Subcommittee on Reorganization and International Organizations, of which I have the privilege of serving as chairman, to conduct a thorough inquiry into the entire military foreign language program, to determine the reasons for the conditions existing at the Monterey facility.

The staff's findings have been published in Senate Report 153, of this Congress, entiled "The Federal Government's Foreign Language Training Programs," which I filed in the Senate, on behalf of the Committee on Government Operations on April 7, 1959. But for the information of Senators, I should like to summarize them briefly, in connection with developments which have occurred since the subcommittee's report was filed.

Briefly, the staff found, first, that there was no high-level direction or coordination within the Department of Defense of the foreign-language training programs of the military services; second, that the three branches of the military services were operating independent training programs, coordinated only through an interservice agreement, which was ineffective, at best; and third, that, as a result, the Military Establishment's foreign-language-training program was not being operated on the most economical or productive basis.

Mr. President, I digress from the formal report to state that here is another classic example of the utter failure of the Department of Defense to coordinate its activities; and that failure results in considerable cost and expense to the taxpayers of the Nation. It is inexcusable to have three separate language-training facilities in the three separate branches of the armed services and, in addition, to have the Foreign Language Training School of the Department of Defense. For instance, what is the use of having four separate schools in which certain members of our Defense Establishment are taught to speak Chinese, so that they will become qualified to speak Chinese when they are on Formosa. After all, if one of those schools is qualified to teach Chinese as it is spoken on the island of Formosa, certainly there is no need to have three additional schools for the same purpose. It seems to me completely ridiculous to have three or four separate schools, each with its own facilities, its own teaching staff, its own administrative staff, and its own budget officers, all paid from the Treasury of the United States; and undoubtedly the total of such costs is considerably in excess of what would be termed good management costs.

Based further upon these conclusions, the Committee on Government Operations, on recommendation of the Subcommittee on Reorganization and International Organizations, made the following recommendations to the Department of Defense in Senate Report 153:

Foreign language training should be elevated to the position in the Department of Defense where it commands the attention, the high-level coordination and the logistical support that is urgently required to provide the trained military linguists that the Armed Forces need. It should be the direct responsibility of no less an official than an Assistant Secretary at policymaking level.

The Secretary of Defense also might well give serious consideration to the establishment of an Armed Services Foreign Language Institute, which would be responsible for linguistic training for all three branches of the military services. While there may be admitted problems from the military viewpoint in concentrating foreign language training in one locality serving all three branches of the service, certainly improvements must be made in the present independent operations now being conducted by them.

After making these recommendations, at my direction the subcommittee held

an executive session May 22, 1959, to discuss the foreign language training program with high ranking officials of the Department of Defense and the three military services. Present were Assistant Secretary of Defense Charles C. Finucane; Under Secretary of the Army Hugh M. Milton, who also had inspected the Army Language School last fall, following my visit; L. S. Thompson, Special Assistant to the Secretary of the Air Force; Vice Adm. Harold P. Smith, Chief, Bureau of Naval Personnel, U.S. Navy, and other representatives of the military services who accompained them.

I am pleased to report that as a result of the subcommittee's interest in this important matter, the Department of Defense is conducting an extensive study of the military language program, with the intention of establishing the high-level departmental coordination recommended above. Also the subcommittee has been assured that thorough consideration is being given to the centering of basic foreign language training in a single facility for all three military services wherever the special requirements of the individual services permit.

In addition, the subcommittee has been assured that high priority will be given by the Department of Defense during fiscal 1960 to restoring the Army Language School to its maximum operating capacity as rapidly as anticipated increased demands for linguists warrant. I am confident that because of the interest focused by the subcommittee on the situation existing there, this will be done.

I add that the subcommittee will be keeping a weather eye on the Department of Defense to see that this consolidation takes place, first of all; and, secondly, that the Army Language School is permitted to operate at its maximum capacity.

I do not agree, however, with the concept advanced by the Department of Defense that basic or preliminary training in foreign languages should be provided only by private institutions and that specialized or technical training should be provided by postgraduate work at the Army Language School. It would seem to me that the exact reverse of this concept, with the universities providing the highly specialized training which spokesmen for the Air Force indicated they could not obtain at the Army Language School, would be a much more logical approach to meeting the service's needs.

In connection with this, I ask unanimous consent to insert at this point in my remarks a letter addressed to the Subcommittee on Reorganization by Col. Walter E. Kraus, commandant of the Army Language School, following the executive session May 22. Colonel Kraus has served as commandant of the Monterey facility for the past 4 years. He is responsible to a great degree, I am informed by some of our foremost educators, for the language training capability that has been developed there, and I attach the greatest validity to the comments he makes. I recommend that the Secretary of Defense, in reorganizing or reorientating the military language training program, give the most careful consideration to his views, especially those relating to the teaching of basic language skills.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HEADQUARTERS, U.S.
ARMY LANGUAGE SCHOOL,
PRESIDIO OF MONTEREY, CALIF.,
OFFICE OF THE COMMANDANT,
June 5, 1959.

MR. MILES SCULL, Jr.,
Professional Staff Member, Subcommittee on Reorganization, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. SCULL: I have reviewed the minutes of the hearing on the language program, which was conducted on May 22, by the Subcommittee on Reorganization.

In my opinion, the projected 6-month study of the Defense Department appears to be based upon false premises or misunderstandings.

For one thing, the teaching of military or technical terminology is not a matter so complex that it requires a postgraduate school. It is unthinkable that the Army Language School should be relegated to the minor and economically unsound role of simply adding technical terminology to the language training military students have undergone in colleges.

The concept of separate programs—basic by universities and specialized by the U.S. ALS—is not only inefficient but wasteful. To teach only the basic course at colleges would consume nearly the same time as it now takes to teach both basic and specialized language at the Army Language School. Thus, in addition to 47 weeks at a university, the student would have to spend another 2 or 3 months out here, which would be at variance with reasoned economy. In 1955 we abandoned the practice of "tag end" training in specialized terminology because it proved to be thoroughly unsatisfactory. We found that students acquire vastly superior skill in discussing military subjects when technical terms are introduced at the beginning and integrated throughout the remainder of the course.

Another indefensible argument presented in the hearing is that unification is unworkable because technical terminology varies too greatly in the three services. This is not true. We have given quite satisfactory training to Air Force and Navy students in this respect, even adjusting course materials in special cases. What is more important, however, is that the factor of technical terminology does not, by any stretch of the imagination, affect course organization to the extremes claimed in opposition to a Department of Defense school.

Later in the minutes, it was stated in effect that the universities are eminently qualified to provide basic training in languages. Meaning to belittle no one, I can say without equivocation that no civilian college does as well as the U.S. Army Language School in producing graduates with practical skills in foreign languages—abilities which are the sole aim and purpose of military language programs. To withdraw the current mission of fundamental training from the Army Language School would consumate the ultimate refinement of folly, for it would only necessitate reestablishing inferior copies of our facilities and the methods we have perfected over 18 years of pioneering in this field. Millions of contact hours with more than 24,000 graduates give us experience not to be found in any other institution offering a similar program.

By tradition colleges excel in teaching linguistic facts about language and its literary byproducts, but it is only by accident that this cultural approach—necessary to higher education—ever confers on a student any real skill in speaking the language. It is this very situation that occasioned the birth of and growth of the Army Language School.

I feel with the deepest conviction that the most significant role to be played by civilian colleges in advancing the national language program is that of training urgently needed teachers and accommodating civilian requirements. We are not competing with colleges. They teach a discipline; we teach a skill.

Sincerely yours,

WALTER E. KRAUS,
Colonel, Artillery, Commandant.

Mr. HUMPHREY. Mr. President, I call this matter to the attention of the Senate because of the crucial importance of building up the linguistic capabilities of our oversea personnel, military and civilian, in today's thermonuclear age.

In conclusion, I should like to quote the following paragraphs from the Senate report to which I have previously referred:

New military doctrines are emerging, brought about by the development of nuclear weapons, guided missiles, and other concepts of modern warfare which makes military linguistic ability a must. Today's nuclear age calls for highly skilled professional military forces of great mobility capable of operating anywhere on the face of the globe, if need be. Combat in the future, following devastating nuclear attack, will involve not only armed forces, but entire populations over widespread areas. A knowledge of foreign languages obviously has become an indispensable sidearm to the modern soldier, a weapon upon which not only his mission but his life may very well depend.

Moreover, missile warfare will greatly reduce the time between the decision to wage war and the act of aggression itself. No longer can nations expect to have days or weeks for essential defense before an attack; or, when missiles become operational, even hours. The best possible military intelligence, most sensitive to an aggressor's intentions, therefore, is an absolute necessity for survival in nuclear warfare. Vital to intelligence capability is linguistic ability refined to a degree which allows no tolerance for either mistake or omission, either of which could be fatal.

There is no question, Mr. President, that the highest priority must be given to producing the linguists our oversea personnel must have for the winning of either the cold war in which we are presently engaged or the peace which we fervently hope will follow it.

I am, indeed, pleased that the Department of Defense recognizes the vital importance of this to our military effort and is at last taking steps to do something about it. I respectfully urge the State Department, the ICA, the CIA, and other important security agencies to intensify their efforts in language training and improve their programs.

MILITARY WASTE IS HELPING TO UNBALANCE THE BUDGET

Mr. SPARKMAN. Mr. President, many in Government, as well as thoughtful citizens throughout the country, have become concerned over the constantly increasing cost of running the Government.

The information recently released that the National Government closed its books for fiscal year 1959 with a $12,541 million

deficit—the biggest peacetime deficit in the history of our Nation—is a danger signal we cannot afford to ignore.

One way to cushion the fiscal impact of these mounting deficits is to take advantage of every possible opportunity to economize in areas where economy can be wisely practiced without neglect of vital national needs.

On April 28, I called the attention of the Senate to the needless expenditure of public money by the Department of Defense through wasteful procurement methods. At that time, I commented on the widespread practice of noncompetitive, sole-source purchasing, and showed specifically how just one buying office of the Navy Department had effected savings averaging 70 percent on the purchase price of 42 products as a direct result of opening up sole-source procurements to the economies inherent in competitive bidding.

Today, I wish to comment briefly on a report just issued by the Office of the Secretary of Defense on the award of military prime contracts during the period July 1958 through March 1959.

By the way, Mr. President, I was pleased to note the speech made last Friday in the Senate by the distinguished junior Senator from Arizona [Mr. GOLDWATER] and also the comments made on the same date by the distinguished junior Senator from Vermont [Mr. PROUTY]. Both of these Senators were dealing with another phase of the matter about which I wish to address the Senate, and I congratulate them for having brought the subject before the Senate as they did on that occasion.

Let me say at the outset, Mr. President, there is little in this report to comfort those who had hoped to see the Nation's smaller business firms obtain a fairer share of the $15 billion spent by the Department of Defense through the several military services with business firms in the United States during the first 9 months of fiscal year 1959.

Nor does this report offer any basis for believing that the Defense Department is yet taking any real action toward mending the error of its procurement ways to the end that every tax dollar spent for weapons and military goods and services will buy 100 cents worth of product.

First of all, we should take note that small business concerns averaged only 16.1 percent of total purchases from all business firms during the first three quarters of fiscal year 1959. Unless there proves to have been an improvement in this small business share of military prime contract awards during the last quarter of fiscal 1959, the figures for the full fiscal year may show that small business received a smaller percentage of prime contract dollars in fiscal year 1959 than in any year since these records were first compiled in 1951.

The Department of Defense would have us believe that this decrease in small business' share of the defense contract dollar is a direct result of the increase in the procurement of major hard goods—these being explained as too large and too complex for production by small- and medium-sized firms.

I am willing to concede that, in general, the type of product being bought has a bearing on the source of supply by size. I am not willing to concede, however, that increased emphasis on hard goods by itself constitutes a valid excuse to explain away the constantly diminishing percentage of small business participation in defense prime contracts.

The Congress, for example, has provided a compensating mechanism in the joint set-aside program first authorized by the Small Business Act of 1951, and made permanent in 1958, by means of which some contracts may be earmarked for exclusive competitive award to small firms. I submit, Mr. President, that this set-aside mechanism is a built-in regulator by which the Defense Department, in cooperation with the Small Business Administration, can, if it has the desire to do so, adjust the percentage of contracts being awarded to small firms to a reasonable and just level.

Yet the report of the Defense Department tells us that out of $15 billion in contract awards to concerns within the United States during the first 9 months of fiscal year 1959, contracts worth only $534,695,000 were actually awarded competitively to small concerns by means of this joint set-aside procedure. In other words, this set-aside device which Congress placed in the hands of the Defense Department and the Small Business Administration accounted for only 3.5 percent, or about one-thirtieth, of the total dollars awarded in the 9-month period under discussion.

Another aspect of the Defense Department report, Mr. President, should interest anyone who is concerned with balancing the budget, combating inflation, and seeing our Government run on an economical and business-like basis. This feature involves the continued and habitual reliance of the purchasing officials of the Defense Establishment on sole-source, noncompetitive buying.

Of the $15 billion spent by the Department of Defense in the United States for goods and services from July 1958 to March 1959, almost $5½ billion—or more than one-third of the total—was spent in the form of modifications and extensions of existing contracts. This means another $5½ billion without competition or the right of anyone else to participate in this business.

In addition, prime contracts valued at $5,384,000,000—another one-third of the total—were negotiated in each contract instance with only one company or so-called sole source. Here we find, Mr. President, that more than two-thirds of the prime contract dollars were let during this period without a vestige of competition.

Yet the taxpaying public, and I dare say some Members of Congress, still believe that the Federal Government conducts its purchasing activities under an advertised, sealed-bid system in which, all other things being equal, the bidder offering the lowest and most economical price to the Government gets the Government's business.

It should also not go unnoticed that a mere 20 large corporations—just 20 companies out of the more than 4 million concerns comprising our national economy—are today consistently obtaining more than 50 percent of the net value of military prime contract awards.

There is much talk, Mr. President, of economy in Government. We are deeply concerned, as we must be, with attempting to balance the budget. Yet at the same time, the administration stands by while hundreds of millions of dollars each year go down the drain because the Department of Defense will not insist that business firms compete on a business-like basis when they sell to the Government.

There is no sensible substitute for competition, Mr. President. It was only last week that the country observed the wholesome influence of competition when one manufacturer of steam turbine generators of a type and size bought by the Government announced reduction in the price tag of 600,000-kilowatt generators of $2,400,000 a unit. This is equal to about a 15-percent price slash. It is interesting to notice that within 48 hours another manufacturer of steam turbine generators also cut its prices. The taxpayers of this country will be the direct beneficiaries of these price cuts which were induced, in large part, by competition.

Since business itself buys on a competitive basis, why cannot the businessmen running the Department of Defense bring themselves to guard tax dollars as carefully as they would conserve the purchasing dollars of their own companies?

It is not probable that in the near future we will be able to reduce substantially the annual outlays for national defense. Common sense therefore insists that those responsible for spending billions of defense dollars should see to it that the Government gets a dollar's worth of return for each dollar spent.

There is only one intelligent way to buy, whether the buyer is a consumer shopping on Main Street for a pair of shoes or the Government placing a multimillion-dollar order. The only way to find the best quality at the lowest price is to buy competitively.

Until the procuring officials of the Department of Defense learn this basic fact of life—which is lesson No. 1 for purchasing agents in private business—the spending of our defense dollars will continue to be marked by waste and inefficiency.

This new practice, which has resulted in giving over half the total of defense production to just 20 companies, is simply not fair to the taxpayers nor to the 4 million small independent businessmen who are not even permitted to bid on this business.

To a large degree we have turned the small businessman out to pasture as far as military procurement is concerned. Such a course ignores the fact that in every war in which this Nation has been engaged since 1776 the independent businessman has been the backbone of our defense effort either through prime contracting or subcontracting. The small business man has a record of dedication, efficient operation, resourcefulness, ingenuity, and devotion to the welfare of the Nation unmatched in the

annals of history. Have we ever put the flag on the independent businessman's establishment and had him fail us? The record is studded with evidence that he has saved the Nation untold billions.

But, today, without justification, we close our eyes to this magnificent record of performance in our military procurement as if the independent businessman were a rank amateur in the defense business.

It is impossible to tune in radio or television or to read a newspaper without being reminded of the $12½ billion deficit in the President's budget for fiscal 1959, just ended.

Some of the deficit is due to waste. When is the waste going to stop? A partial answer to this question lies in the area of military expenditures.

The Small Business Committee which has been charged with exercising primary concern and responsibility in relation to the welfare of the small and independent businessman has kept a watchful eye on expenditures for Government purchases of goods and services. We can testify that present practices in military procurement constitute a principal culprit in the business of unbalancing budgets. The more our small and independent businessmen have been barred from participation in Government purchases, the less mileage we have been getting out of the Government defense dollar.

It is time we stopped standing at the wailing wall, idly bemoaning unbalanced budgets and dimming prospects for tax reductions. It is time we stopped striking away madly and foolishly at vital programs in nondefense areas and get at the root of the problem.

It appears that the wasteful, nonbusinesslike practice of handing over the bulk of defense business to a handful of major companies without any other companies getting a chance to bid or otherwise to compete for the business, is still in vogue. This is the same practice I called attention to on April 28 and on so many previous occasions.

This is all done in the name of efficiency and the idea of achieving mass production at lower cost. But where is the evidence that such a system has achieved either efficiency or the hoped-for degree of mass production in the new types of complex weapons that are claiming such a large portion of our total military expenditures today? The evidence is lacking. The fact is that many of these new weapons are of such revolutionary nature and design, they are, for the most part, still on the drawing boards or still ideas in somebody's head.

They might be likened to a sculptor's dream which only his own skill and artistry can transform into a work of art. Like the piece of sculptor's handiwork, many of our weapons are in the nature of handmade products, certainly at this stage.

The Small Business Committee has accumulated evidence sufficient to convince any informed, reasonable mind that the most promising course for saving tax dollars lies in restoring to some of the 4 million small and independent businesses in this Nation some of their lost participation in military procurement.

We must demand a return to our historic, tested, and proven system of relying heavily upon the demonstrated efficiency, resourcefulness, and zeal for economy of the American independent businessman in defense production. He is the heart and core of our national strength. He represents the essence of fiscal integrity and responsibility. He typifies our national pride in good work and in giving a dollar's worth of performance for a dollar's worth of pay.

I do not believe that there is a single citizen in this country who is not willing to have his tax dollars wisely and prudently spent to preserve our national security. By the same token, I do not believe that there is a single taxpayer who, if he had possession of the facts, would not resent having to underwrite a defense budget needlessly swollen by a disregard for the rudiments of sound competitive buying practices.

The time has come when, if the Defense Department will not make these sensible purchasing economies, economical competitive buying should be forced upon it by the pressure of public opinion coupled with whatever legislation is required to preserve the integrity of the defense dollar.

MESSAGE FROM THE HOUSE— ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 306. An act to amend the Federal Crop Insurance Act;

H.R. 1219. An act to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers);

H.R. 1631. An act for the relief of Joseph B. Kane, Jr.;

H.R. 2594. An act for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N.C., on March 7, 1942;

H.R. 2846. An act for the relief of Dorman William Whittom;

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act;

H.R. 3117. An act for the relief of Albert J. Hicks;

H.R. 3249. An act for the relief of William S. Scott;

H.R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work;

H.R. 4538. An act authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.;

H.R. 5927. An act to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base;

H.R. 6955. An act for the relief of Sallie B. Dickens; and

H.R. 7631. An act to amend the Act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes.

ORDER OF BUSINESS

Mr. MOSS obtained the floor.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MOSS. I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may be permitted to suggest the absence of a quorum without the Senator from Utah losing his right to the floor.

The PRESIDING OFFICER (Mr. CANNON in the chair). Is there objection to the request of the Senator from West Virginia?

Mr. ALLOTT. Mr. President, reserving the right to object, and I shall not object, may I inquire if the Senate is still in the morning hour?

The PRESIDING OFFICER. The unfinished business has been laid before the Senate. The Senate is not in the morning hour.

Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAL RESEARCH AND DEVELOPMENT COMMISSION

The Senate resumed the consideration of the bill (H.R. 6596) to stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

Mr. MOSS. Mr. President, before the Senate today is House bill 6596, a bill to establish a Coal Research and Development Commission. A similar bill was introduced also in the Senate and has been the subject of hearings before the Committee on Interior and Insular Affairs.

I invite the attention of Senators to the fact that essentially identical bills were introduced in the 85th Congress, both in the Senate and in the House. Those bills were passed by both Houses of Congress. However, the bills were passed late in the session, and, because of the inability to get the bills on the House Calendar, they were never finally acted upon. The bill which went back to the House was never acted upon finally, and, consequently, no law was enacted.

I shall not take much time to elaborate on the bill or need for it. The subject has been thoroughly discussed, not only in the Senate, but in the committees.

It is a matter of general knowledge throughout the United States that our coal mining industry is in a critical and serious condition. Production has been

declining, and for several years there has been a steady reduction in the number of miners employed in the coal industry. This seems to be an anomaly because of the exceedingly great value which this great resource furnishes to us in America.

Our carbon deposits of coal, which were originally used for heating purposes only, have never been fully developed to their full potential, in many respects. There have been sporadic programs in an effort to develop gasoline or other products from coal, and to find other uses. However, there has been no systematic coordinated program.

The amount spent for research in the coal industry is woefully small, as compared with the amount spent in other industries. For example, the report points out that in 1955 approximately $17 million was spent on research in coal, whereas in 1953, 2 years earlier, $146 million was spent for research by the petroleum industry, and $361 million was spent by the chemical industry. The figures for other industries are also high.

The bill recognizes the problem of a declining industry, with increasing unemployment. It is recognized that this commodity has great potential value, but it has not been unlocked. Therefore, we have the problem of conducting research in the uses of coal. The bill before us has as its purpose the carrying out of a research program, first, to develop new and more effective uses for coal; second, to improve and expand existing uses for coal; third, to reduce the cost of coal production and distribution; and fourth, to emphasize possible developments in the uses of coal of particular value to small coal producers.

The proposed Coal Research and Development Commission would be authorized, first, to conduct research projects; second, to contract for, sponsor, cosponsor, and promote the coordination of research projects carried out by others; and, third, to collect and promote the coordination of all available coal research information.

The Commission would be prohibited from conducting research projects itself unless it were unable reasonably to contract or otherwise provide for such research by others.

No research would be undertaken or conducted unless all the information developed therein would become available to the public.

The bill recognizes that research is carried on now in many areas. The industry itself conducts research. Some of our institutions of higher learning conduct research. The Bureau of Mines has had a research agency for some time. The proposed Coal Research and Development Commission would not duplicate any of the research effort now being made. It would coordinate data from various sources, and would go into additional areas, either through its own staff, or preferably by contracting with research agencies, such as colleges and other institutions organized to do this particular kind of work.

The question arises why there should be a Coal Research and Development Commission. Why not simply increase the appropriations of the Bureau of Mines? This has been considered by the committee. The Bureau of Mines has had this duty for a number of years, but the Bureau of Mines has a number of other projects. It has the whole field, as it were, of minerals, metal and otherwise. Consequently it has diffused its energies and efforts. Its research program has been feeble, and has not been satisfactory.

By creating the Coal Research and Development Commission and charging it with the duties prescribed in the bill, we would be pinpointing a particular research in a particular industry, in which concentrated research work needs to be done.

The bill would authorize, in the first fiscal year, an appropriation of $2 million for the Commission; and in the subsequent years an amount necessary to carry on its work. Requests for appropriations would go through the normal budgetary process in the same way as do other budgetary requests.

It is the feeling of those who have sponsored the proposed legislation and those who have testified in its behalf, including not only producers in the coal industry, but members of labor unions who work in the coal mines, and others interested, that this bill offers an opportunity for us not only to help an industry which has been declining and faltering, but to add to the great resources of the United States. Our coal beds represent a great resource. Our problem is to unlock that resource, and to make it useful and available to all of our people.

The coal reserves which we have for energy alone could last the United States for thousands of years, but perhaps energy is not what we seek primarily from coal. Perhaps by the contemplated research into other areas of use we will find far more valuable uses for coal, with results different from any we get from combustion, and the use of coal simply for energy. Since we have this resource and since we have other needs, it is incumbent upon us in Congress to pinpoint the problem, and to set in motion the great development program contemplated by the pending bill.

So I urge that the Senate favorably consider and act upon the bill before it today, and provide to America additional uses from the resource of our coal beds.

Mr. BYRD of West Virginia. Mr. President, I wish to compliment the Senator from Utah on the excellent statement he has made. I commend him for the diligence and the intensive efforts which have been put forth by the members of the committee on which he serves.

As a Senator from the greatest bituminous coal-producing State in America, I wish to express my gratitude for the attention given to the proposed legislation by the Senator from Utah and the Senate Committee on Interior and Insular Affairs.

I know of no proposal which is of greater interest and importance to my State of West Virginia than the bill which is presently before us, the coal research and development bill, H.R. 6596, which was reported by the committee without a single dissenting vote. I think that this is perhaps one of the strongest arguments in favor of the bill. I respectfully urge that the entire Senate later today add a ringing endorsement to the bill similar to that given by the committee.

Much has been said and written, Mr. President, about the great need for, and great potential of, this proposed legislation. I do not wish to consume much time repeating the many arguments and evidences which illustrate the worth of the proposed Coal Research and Development Commission. However, I feel that there are certain points which should be brought forward, so that there can be no possible doubt that if enacted the bill will be good legislation, and that it will redound to the immense benefit of the country.

I should like to stress two points, Mr. President: First, that the American coal industry is in very serious need of such a program as this; and, second, that the opportunity for general economic rewards through the program would be almost unlimited.

It is well established, I believe, that this Nation's coal industry faces many grave difficulties, and has been plagued with hard times for more than a generation. Two years ago, a special Subcommittee on Coal Research in the House of Representatives summed up the situation very comprehensively when it said in its report:

> From 1925 to 1953, inclusive, the bituminous coal mining industry experienced a net loss in 13 of the 27 years for which data are available, and in only 2 of the 27 years were fairly good profits obtained. Viewing industry's earnings from another angle, it is found that the value, f.o.b. mines, of the total production of bituminous coal in 1953 was on the order of $2,247,000,000, from which the incorporated producers, who accounted for 80 percent of the production, realized a profit after Federal taxes of less than $13 million, or a calculated net profit of less than three-quarters of 1 percent of the gross value of the coal produced. It is doubtful that any other major industry vital to the economy of the Nation has experienced anything approaching the depressed financial condition of the coal mining industry over the past 20 years.

So, Mr. President, a Special Subcommittee on Coal Research, created by the House of Representatives in the 84th Congress, recognized the great need for a program such as is envisioned in the pending bill, H.R. 6596.

Nor has the condition of the coal industry improved appreciably during the 2 years which have passed since the report I have just quoted was written. Just 4 months ago, Mr. Tom Pickett, executive vice president of the National Coal Association, testified before the Mines and Mining Subcommittee of the House Committee on Interior and Insular Affairs and described the American coal industry as an industry still seriously depressed and marginal in its operation. I quote two paragraphs from Mr. Pickett's testimony:

> Let us examine the economic condition of the coal industry in West Virginia, the Nation's leading producer of bituminous coal. The output of West Virginia mines in 1947 was 176 million tons. By 1958, production had dropped to 118 million tons, a decrease

of 33 percent in 11 years. Employment fell from 114,000 men in 1947 to a figure estimated as low as 63,000 last year. This decline in the coal industry has not been typical of the rest of West Virginia's industries. The payroll of the chemicals industry in the State increased 158 percent in this period. The iron and steel payroll rose 86 percent, oil and gas payrolls increased 76 percent, and the glass and pottery industry was up 46 percent. Yet the payroll of the bituminous coal industry declined by 5½ percent despite a 90 percent increase in the wage rate of coal miners.

The effects of the depressed conditions of the coal industry in West Virginia are not confined to the companies and the miners who produce coal. Retail sales in coal communities suffer. Railroads and railroad workers feel the effects.

The harmful effects to which Mr. Pickett refers might have filled hours of testimony, had he chosen to go on and speak of them at considerable length. He might have told of the thousands of miners who have been cast adrift, unable to find new ways to earn a living. He might have pointed out that more than 300,000 West Virginians live on Government surplus food rations, largely as a result of the depressed condition of the coal industry, and of the communities and regions which base their economy mainly on the coal industry. It might have been pointed out that hundreds of small businesses have failed because of the decline of coal, that State and county and city tax revenues have slumped, that unemployment benefit costs and other expenses have soared, that human suffering and privation have been widespread, as a result of coal's decline.

All these grim facts have been repeated many times in the Senate—frequently by my colleague [Mr. RANDOLPH] and myself, and frequently by Senators from other coal-producing States. Therefore, I shall not dwell upon the many hardships and problems which have accompanied the deterioration of the coal industry.

I shall, however, give one illustration of the distress which has been brought on by coal's hard times. In West Virginia, the preponderance of persons out of work are those who once held jobs in the coal industry, or in occupations dependent upon the coal industry. Moreover, as of this month, West Virginia has the highest rate of unemployment in the entire Nation.

For the week ending July 4, the Department of Labor reports that insured unemployment in West Virginia was 22,810. This represented a total of 6.7 percent of the State's labor force while the national rate for the same week was only 3.3 percent. The ranking of States with more than 5 percent insured unemployment was as follows:

	Percent
West Virginia	6.7
Pennsylvania	5.4
Maine	5.2
New York	5.1
Alaska	5.0

It must be remembered, Mr. President, that the numbers for insured unemployment actually tell only a small portion of the true unemployment story. The thousands of persons who have exhausted all unemployment benefits and still cannot find work are not included in the figures which have been supplied by the Department of Labor. Neither are agricultural workers nor the many other types of workers whose jobs are not covered by unemployment compensation provisions. A more realistic appraisal of the situation can be obtained by perusing the statistics which the U.S. Department of Labor uses in compiling its lists of cities and counties designated as "areas of substantial labor surplus." These figures are estimates of total unemployment, not merely insured unemployment.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table based on the latest Labor Department statistics.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated total unemployment in areas of substantial labor surplus in West Virginia

Area	Unemployed	Rate	Date of estimate
MAJOR AREAS			
		Percent	
Charleston	11,100	9.7	May.
Huntington-Ashland	10,750	11.6	Do.
Wheeling-Steubenville	16,800	11.9	Do.
SMALLER AREAS			
Beckley	6,550	27.6	February.
Bluefield	4,950	21.9	June.
Clarksburg	3,250	10.1	April.
Fairmont	3,110	12.4	Do.
Logan	3,980	18.5	February.
Martinsburg	1,600	8.9	April.
Morgantown	3,000	15.3	Do.
Parkersburg	3,050	7.7	June.
Point Pleasant-Gallipolis	4,100	11.1	February.
Ronceverte-White Sulphur Springs	2,700	14.0	Do.
Welch	6,000	27.1	June.
Pikeville-Williamson	8,300	35.5	April.
Cumberland-Mineral	5,550	14.0	February.
VERY SMALL AREAS			
Grafton	1,517	31.6	January.
Marlinton	500	12.5	Do.
Elkins	1,100	12.3	February.
Total (19 areas)	97,907		

Mr. BYRD of West Virginia. Mr. President, in the State of West Virginia not a single surplus labor area has been dropped from the list since a year ago. There are no fewer surplus labor areas in West Virginia today than there were a year ago. Thus it is evident that there is a very wide variation between West Virginia's insured, or official, unemployment of 22,810, and the actual figure for all unemployment. It must be admitted that some of the Labor Department figures concerning areas of substantial labor surplus are perhaps somewhat out of date, but I feel that it is safe to assume that the actual number of unemployed still adds up to a grim total far in excess of the insured number.

Aside from unemployment and the resulting suffering brought on by the slump of the coal industry, there is yet another very serious consequence to keep in mind when thinking of the state of American coal. That is the very real danger to our Nation's security which could result from a further deterioration of the coal industry. America's defense potential will be seriously impaired if the industry slumps deeper into enfeeblement, if many more mines are shut down and allowed to cave in or fill with water; if the coal field working force is further whittled away and the young men turn to new types of work; if mining equipment is permitted to depreciate and is not replaced when worn out; and if the coal-hauling railroads further reduce their capacity to transport huge amounts of coal. If all these things are allowed to happen, then the American coal industry will not be able to respond to the enormous fuel needs of our country in the event of another war.

In fact, there are some who feel that the coal industry already has declined to the point that our national defense potential is seriously impaired. Just a few days ago, Joseph E. Moody, president of the Southern Coal Producers' Association, spoke at a Bluefield, W. Va., gathering and stated flatly that "the bituminous industry is now in no position to meet requirements demanded of it in event of a war."

Mr. President, I ask unanimous consent that the account of Mr. Moody's address, which was published in the Williamson Daily News of July 15, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COAL OFFICIAL RAPS "GAMBLE"

BLUEFIELD, W. VA.—A soft coal industry spokesman says the Government is chancing a national disaster by failing to help the industry.

Joseph E. Moody, president of the Southern Coal Producers Association, said here Tuesday night that the bituminous industry is now in no position to meet requirements demanded of it in event of a war.

"The inability of the bituminous coal industry to supply these requirements would be a national disaster," he told a Bluefield Chamber of Commerce meeting.

"Insofar as the bituminous coal industry is concerned, the Government is gambling with national security," Moody asserted.

He said the chief fault was that the Government has not imposed strict limitations on imports of cheap foreign residual oil. This product—which once was discarded—has taken many of coal's markets.

Moody also said something should be done about the "dumping" by gas companies of excess supplies in industrial areas at lower-than-cost prices.

But Moody said the industry itself had to take some of the blame for its illness. "We've spent too much of our time fighting each other," he said, "while competing fuels worked more closely and took away coal's markets."

Mr. BYRD of West Virginia. Thus, Mr. President, I feel that it is more than evident that a great need exists for a stimulus which would bring aid to the American coal industry. It is needed both to bring economic relief to those regions the standard of living of which is closely tied to the condition of the coal industry, and to insure that our Nation will have adequate fuel resources immediately available in the event of another national emergency.

The need of the coal industry was recognized only a few days ago, on July 15, when the House Committee on Interior and Insular Affairs unanimously adopted

a resolution urging the President to take immediate steps toward increasing production and employment in what it described as the "critically depressed" mining industry.

In view of all these circumstances, it is no wonder that we who represent the coal-producing States of America should be so intently interested in winning the passage and enactment of the proposed Coal Research and Development Act. We believe that great, long-lasting good would redound to our people, who are so highly dependent upon the coal industry, from a program which has the following avowed purposes, as stated in section 4 of the bill:

To (1) develop new and more effective uses for coal, (2) improve and expand existing uses for coal, (3) reduce the cost of coal production and distribution, and (4) emphasize those developments in uses for coal of particular value to small coal producers.

In order to fulfill these avowed purposes, the proposed Commission would—and again I quote section 4 of the bill:

(1) conduct research projects;

(2) contract for, sponsor, cosponsor, and promote the coordination of, research projects conducted by industrial associations, educational institutions, qualified nonprofit organizations, qualified private consulting firms, and by other departments, agencies, and independent establishments of the Federal Government; and

(3) collect and promote the coordination of all available research information on the production, preparation, distribution, and uses of coal, including, but not limited to, technical papers.

Mr. President, I do not regard the proposed program as a magic formula through which all the economic problems of America's coal-producing areas would be automatically resolved, nor do I see it as a panacea to effectuate the overnight strengthening of our fuel supplies for defense purposes, but I do feel that such a broad, long-range research and development program would gradually lessen the difficulties which confront the coal industry, and would result in many benefits for all Americans.

There are a multitude of reasons why coal should be assisted in attaining its full potential as a basic material to be used in improving our American standard of living. First and foremost is the fact that coal is by far our most abundant natural mineral fuel resource. The coal reserves of this Nation make up from 84 to 90 percent of our total energy resources. At least 27 States have important reserves. Remaining American coal reserves amount to about 1,900 billion tons—a figure so large it is virtually impossible to grasp. Of that stupendous amount, roughly one-half, or 950 billion tons, is estimated to be recoverable.

To convey an idea of the potential value of these reserves, I shall explain that, at our present rate of consumption, 1 billion tons will serve all the coal power needs of the United States for about 2 years. Thus, our recoverable reserves would sustain us, at present levels, for 1,900 years—as many years as have elapsed since Jesus Christ lived. Furthermore, with continuing advances in technology, it may become possible to utilize many of the narrower veins of coal not now recoverable.

A second powerful argument in favor of the establishment of a comprehensive coal research program is the fact that the chances for rewards from such a program appear to be very lucrative. Scientists predict that, eventually, a fabulous number of valuable products may be realized from the prosaic lump of coal. The National Geographic Society reports that there are believed to be more than 200,000 chemical byproducts of bituminous coal, although only a few of them are used commercially today. The products which already are being produced entirely or in part from coal cover a broad span, and include aspirin, phonograph records, laughing gas, vanilla flavoring, perfume, embalming fluid, laxatives, synthetic vitamins, dyes, TNT, mothballs, indelible pencils, clay pigeons, paint, synthetic rubber, saccharin, fingernail polish, DDT, sulfa drugs, photographic developers, weed killers, synthetic fabrics, refrigerants, road pavement, detergents, carbon electrodes, antiseptics, plastics, food products, and many others.

But these many products represent only a scratch on the surface of the potential that lies ahead for coal. It is evident that a multitude of benefits can be brought to our way of life through coal and its byproducts, once science fully exploits the potential of the resource.

Some will ask, "Why does not the coal industry pay for its own research, as do other American industries?" To this question, there is the reply that the coal industry does finance its own research, so far as possible, with its unstable, borderline operation. Again, I refer to the testimony of Mr. Tom Pickett, given before the House Mines and Mining Subcommittee 4 months ago:

The coal industry has been doing research and development of its own, but its means of doing this are limited by its low margin of profits, and by the very nature of the industry. The last available survey of research in coal revealed that, in 1955, a total of $17,382,400 was spent on research. Approximately $2.5 million of this was spent by commercial coal operators, $1.2 million by captive coal companies, and $3.2 million by the makers of equipment. The rest was spent by Government agencies, educational institutions, and private research bodies. For an industry the size of bituminous coal, this is a very low figure for research and development.

The truth of Mr. Pickett's statement that this is a "very low" figure is quite apparent when one considers that, in 1953, the American chemical industry spent $361.1 million for research, and the petroleum industry spent $145.9 million. Thus, it is clear that, even to approach the field of coal research in an adequate fashion, a much more ambitious program is needed.

A slight portion of the needed research and development might be conducted by the governments of the coal-producing States. My own State of West Virginia, I know, has under consideration a plan to build a pilot plant to test-produce road-building material from soft coal byproducts. Pennsylvania and Kentucky also are interested in such plants. An account of the possible development idea was printed in the July 17 issue of the Welch Daily News; and I ask unanimous consent that the article may be reprinted in the CONGRESSIONAL RECORD, as a part of my statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAY SET UP STATE PLANT TO MAKE ROAD MATERIAL

(By Carlo J. Salzano)

CHARLESTON, W. VA.—Deputy State Road Commissioner George E. White, Jr., said today the commission is considering establishing a plant in West Virginia that makes road-building material from soft coal derivatives.

The material, still in the experimental stage, is made through a process developed by Curtiss-Wright Corp., Woodridge, N.Y.

Pennsylvania and Kentucky have contracted with Curtiss-Wright for construction of experimental plants and use of the binder on various highways for testing purposes.

White said the commission plans to obtain some of the binder for limited testing in the Mountain State while considering establishing an experimental plant.

He said results of the Kentucky experiments were being watched closely by the SRC.

A Curtiss-Wright representative, G. Frederick Brackett, visited Gov. Cecil H. Underwood Thursday after talking with White and Road Commissioner Patrick C. Graney. Underwood was pictured as vitally interested but said the decision on setting up a pilot plant in West Virginia rested with the road commission.

As for the cost of the binder on a commercial basis, Brackett said it could not be determined at this time. But he ventured that it would be competitive with asphalt although four times better in quality.

Bracket added a highway constructed of the new coal-containing binder would require much less maintenance and would have better resistance to skidding than asphalt.

The Federal Government also is studying the material for possible use on the Interstate Highway System, he said.

Brackett estimated it would take about 2,200 tons of coal to make enough binder for 1 mile of highway 20 feet in width. He could not estimate the cost of a pilot plant in West Virginia but said that Kentucky's contract called for a $200,000 facility which included technical help from Curtiss-Wright.

Mr. BYRD of West Virginia. But, obviously, Mr. President, it would be impossible for the States themselves to conduct a very substantial part of the needed development. The only complete answer, I believe, is to be found in the enactment of the bill we now have before us. In House bill 6596, which is very similar to Senate bill 49, which I cosponsored, along with my colleague from West Virginia [Mr. RANDOLPH] and eight other Senators, I believe there is outlined a program that would prove to be a sound investment for all America. While its immediate benefits would accrue primarily to the 27 coal-producing States, its long-range benefits eventually would reach all Americans, through an improved way of living, with hitherto unknown products and less expensive versions of products available today. It would be an investment that would repay itself many times through the bringing of one of our foremost natural resources to scientific maturity.

Therefore, Mr. President, I respectfully urge each of my colleagues in this body to join with me in furthering the same strong approval of House bill 6596 that has been expressed by the House of Representatives and by the Senate Committee on Interior and Insular Affairs.

In conclusion, I should like to point to one final, and very ominous, reason why it is imperative that the Senate pass House bill 6596. I quote from page 10686 of the CONGRESSIONAL RECORD of June 12, 1959, two very important sentences from the statement made by Representative EDMONDSON in the House of Representatives. He is a member of the special Subcommittee on Coal Research. He said:

> Our committee found that not more than 1,000 professional people were engaged in coal research in the United States. We also found that Russia was employing about five times the number of professional people in coal research as are similarly engaged in the United States.

Mr. President, I am sure that each of us here today realizes the urgent need for our country to avoid being surpassed by Russia in the economic race which has been thrust upon us. Therefore, this final argument must be added to all the others in my plea for the passage and enactment of House bill 6596, the Coal Research and Development Act.

Mr. MOSS. Mr. President, the committee has reported the bill with amendments. I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Is there objection? Without objection, it is so ordered.

Mr. MOSS. Mr. President, I should like to describe briefly the committee amendments, and then move their adoption.

The first committee amendment provides that section 3(a) be amended by striking out the words "as an independent agency in the executive branch," so as to make the first part of section 3(a) read:

> There is hereby created a Coal Research and Development Commission.

The next committee amendment provides that for administrative purposes the Commission "shall be located in the Department of the Interior." That amendment is set forth in the latter part of section 3(a) of the bill.

The third committee amendment is in section 6, subsections (b) and (c). This committee amendment would strike out the language adopted by the House, and would insert, in lieu thereof, a provision that the "Commission is authorized to establish and fix the compensation for not more than eleven scientific or professional positions in the Commission," and so forth. This committee amendment is for the purpose of conforming to the general budgetary and personnel procedure, rather than to have the bill name the positions and spell out the salaries, item by item, as was previously provided by the bill. This was recommended by the House Committee on Post Office and Civil Service.

The fourth amendment is a minor technical change, which provides that the Commission shall supply to the Secretary of the Interior, for transmittal to the President and the Congress, its report at the end of each year.

Mr. President, I move that the amendments of the committee be agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing en bloc to the committee amendments.

The amendments were agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, line 6, after the word "created", to strike out "as an independent agency in the executive branch,"; in line 15, after the word "Commission", to insert "The Commission shall be located for administrative purposes in the Department of the Interior."; on page 9, after line 3, to strike out:

"(b) The Commission is authorized to establish and fix the compensation for not more than ten scientific or professional positions in the Commission without regard to the Classification Act of 1949, as amended, each such position being established to carry out research and development projects conducted by the Commission itself which require the services of specially qualified scientific or professional personnel. The rates of compensation for positions established pursuant to this subsection shall not be less than $12,500 per annum nor more than $19,000 per annum and shall be subject to the approval of the Civil Service Commission. Such positions shall be in the classified civil service of the United States, but appointment to such positions shall be made without competitive examination upon the approval of the proposed appointee's qualifications by the Civil Service Commission or such officers or agents as it may designate for this purpose."

After line 20, to strike out:

"(c) There is hereby established a position to be known as the 'Research Director'. The Research Director shall be appointed by the Commission, and shall receive salary not to exceed $19,000 per annum. The Research Director shall administer all research projects conducted by the Commission itself under authority of this Act."

On page 10, after line 3, to insert:

"(b) The first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended, is amended by inserting immediately following subsection (h) thereof the following new subsection:

"'(i) The Coal Research and Development Commission is authorized to establish and fix the compensation for not more than eleven scientific or professional positions in the Commission, of which one shall be designated as Research Director, each such position being established to effectuate those research and development functions of the Commission (including scientific, technical, and economic research and the practical application of that research) which require the services of specially qualified personnel.'"

And in line 19, after the word "to", to insert "the Secretary of the Interior for transmittal to".

Mr. COOPER. Mr. President, I speak in support of H.R. 6596, a bill which has been explained to the Senate by the distinguished Senator from Utah [Mr. Moss].

In past years, with other Members of the Senate, I have sponsored several similar bills and I congratulate the Senator from Utah for his leadership in developing and presenting to the Senate this bill, which is so important to the coal industry.

My interest in the proposed legislation arises, naturally, from my interest in the State of Kentucky. It is the third largest coal producer among the States, and is estimated to be the fifth richest State in coal reserves. Fifty-two of the one hundred and twenty counties of my State have produced coal.

Coal has represented for years the major source of income for coal miners, mine operators, railroads, and business communities in the eastern Kentucky and the western Kentucky coalfields.

I am glad that the development of the Ohio and Green Rivers in western Kentucky has given assistance to the western Kentucky coal field, providing cheap river transportation and new markets—particularly the great powerplants along the Ohio River. But in eastern Kentucky coal production has declined. Hard times are knocking at the door in the eastern Kentucky coal field. Technological changes in mining and unfavorable freight rates have affected eastern Kentucky coal specifically, and other forms of competition, applicable to the coal industry generally, such as imports of crude and residual oil, have reduced eastern Kentucky coal markets to the danger point.

Thousands of coal miners in eastern Kentucky, and some in western Kentucky, are out of work, and their families depend chiefly on surplus food.

Not long ago an article in Look magazine presented to the Nation the distressing story of miners and their families in eastern Kentucky. And mine operators face the loss of their investment, and the total economy in the eastern Kentucky coal region is threatened.

I ask unanimous consent to have printed in the RECORD a table which shows Kentucky and national coal production since 1954.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Kentucky coal production of bituminous coal

1954	56,964,408
1955	69,019,910
1956	74,555,028
1957	74,666,796
1958 (estimated)	64,100,000

National coal production of bituminous coal

1954	391,706,300
1955	464,633,408
1956	500,874,077
1957	492,703,916
1958 (estimated)	405,000,000

Mr. COOPER. Mr. President, while I have been speaking of the situation in the eastern Kentucky coal field, to some degree what I have said applies also to the western Kentucky field. I know this is not a State or sectional problem, for other large coal-producing States with significant coal reserves in almost every region of the United States face the same problems.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Pennsylvania.

Mr. SCOTT. I am glad the Senator from Kentucky has made reference to the fact that this is not by any means a local problem which is confined to any one State. We in Pennsylvania for many

years have had to face the fact that some of the uses of coal which were available in previous years have slipped by, and some of our markets have been lost to other fuels. The need for a comprehensive research program to provide new methods by which coal may be made available and used in other fields, such as chemicals, and plastics, supplying the consumer needs of our people through the conservation of this natural resource, leads me to believe the enactment of the pending bill is desirable. It would contribute to an increase in employment in my Commonwealth of Pennsylvania. It would enable us to counteract critical unemployment and the distressed situations which have prevailed for so long.

I am glad the bill has been brought to the floor of the Senate. I congratulate the author of the bill, the Senator from Kentucky [Mr. COOPER], the Senator from Utah [Mr. MOSS], the Senator from West Virginia [Mr. RANDOLPH], and all Senators who have demonstrated their interest in this much needed legislation, and I am very happy to support the bill.

Mr. COOPER. I thank the junior Senator from Pennsylvania very much for his comments. He has expressed a fact all of us who live in coal-producing States are becoming more aware of every day—namely, the worsening conditions in the coal fields of our respective States.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the senior Senator from Pennsylvania.

Mr. CLARK. I should like to express my complete agreement with the views just expressed by my colleague from Pennsylvania [Mr. SCOTT], and also to commend the Senator from Utah [Mr. MOSS], the other members of the committee, and the Senator from Kentucky [Mr. COOPER], for the interest they have taken in this matter.

As everybody knows, at one time Pennsylvania was the greatest coal-producing State in the country. I think we still have a monopoly of the production of anthracite. The uses of anthracite are becoming fewer year by year. The need for research to find new uses for that coal is therefore greater.

I am happy to note, as I am sure my colleague has noted, that a very large investment has recently been made in a new use of anthracite, and an industry is coming into northeastern Pennsylvania that will provide in the neighborhood of 1,200 jobs, which will have to do with the new utilization of anthracite.

Our bituminous fields are in the same unhappy situation as are the fields in West Virginia and Kentucky. The coal industry as a whole has not had the resources to spend on research—the money which is needed. I think the committee report points out that the amount in dollars spent on research in the petroleum industry is many, many times the amount which the coal industry has been able to afford.

I think the modest program of governmental research proposed, financed with governmental funds, is excellent. I thank the Senator from Kentucky for yielding to me. I am happy to see him so vigorously supporting the bill.

Mr. COOPER. I thank my colleague, the senior Senator from Pennsylvania [Mr. CLARK].

Mr. CHAVEZ. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I once again remind the East that the West also produces coal. In my own State there are hundreds of millions of tons still underground. As is true of the rest of the country, with the coming of natural gas and petroleum, the coal industry in my State has suffered also. However, of late, private industry has started small studies, in a modest way, to bring about what is intended to be developed by the provisions of the pending legislation. I am glad to join with the authors of the bill and those interested in the coal industry. I not only support them, but will vote for the pending bill.

Mr. COOPER. All of us from eastern coal-producing States are glad to have the support of the distinguished senior Senator from New Mexico.

I point out a fact which has not been given great consideration throughout the United States. The national interest demands a stable and developing coal industry. In the national interest, we should always keep in mind the national dependence upon coal as a source of energy, both in peacetime and in time of emergency. Our coal reserves at the present rate of consumption are sufficient for the next 1,900 years, while, according to current estimates, our domestic supply of uranium, as an example in which we are showing great interest, will be depleted by 1970. Coal is far and away our largest and most dependable source of energy.

In 1957 a special Subcommittee on Coal Research, appointed by the Committee on Interior and Insular Affairs of the House of Representatives, discussed at some length the importance of coal to the national interest—to the economy and to defense. It pointed out that it was uncertain how long other sources of energy would last, but that coal gave assurance to the country of a dependable source of energy.

As my distinguished friend the Senator from Utah, as well as the Senator from West Virginia [Mr. BYRD], pointed out, in time of war coal is absolutely essential for national defense. Since World War II, we have been importing a great volume of crude oil and residual fuel oil. Last year enough residual oil was imported to replace 52 million tons of coal, about 12½ percent of the volume of coal produced in the United States in that year. And imports are growing in volume.

We must take into account that, if war should come, it is possible that for a time the imports of residual oil—fuel oil—and crude oil would be cut off. The history of World War II proves that when the country needs energy, needs fuel, fuel to supply our factories and munitions, we depend on coal. Coal is essential to the security of the Nation.

All of this points up the fact that it is imperative the Congress take serious and positive steps to initiate a program of coal research to find out new ways to use coal, and better and cheaper methods of production. We have talked about this year after year, but we have done very, very little.

Witness after witness testified, in 1957, before the House Special Subcommittee on Coal Research, that there was a desperate need for research in the industry to uncover new uses and production methods for coal. The Committee on Interior and Insular Affairs of the Senate heard the story last year. In 1955 only $17 million was spent for research in the coal industry; but in the petroleum industry research expenditures totaled $145.9 million, and in the chemical industry they amounted to $361.1 million. The coal industry does not have such profits, such funds for research.

The Bureau of Mines has done some work on this subject. The Bituminous Coal Institute, comprised of mine operators and mineworkers, particularly the United Mine Workers of America, has valiantly attempted to do its part in coal research, and has done a great deal. However, if any substantial breakthrough in coal research is to occur, there must be substantial encouragement, funds, and organization provided by the Congress.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. I wish to compliment the distinguished Senator from Kentucky for the very able remarks he is making. I should like to emphasize the point that the textile industry spent $280 million in the same year he has mentioned, the rubber industry spent $53 million in the same year in which the chemical industry spent $361 million, and the petroleum industry spent $146 million.

I wanted to have those additional figures with regard to the textile industry and the rubbery industry included in the RECORD along with the Senator's remarks.

Mr. COOPER. I am glad that you complete the record. It points up the disparity between research in coal and research in other industries.

Mr. President, great opportunities exist for research, but they have not been sufficiently financed or explored.

The Bituminous Coal Institute, which works with the Bureau of Mines, in a limited investigation listed 209 areas in which additional experimentation would be of great value to the coal industry. I have that record in my hand. This is only a summary of the work the institute did; yet, as I have said, it was able to list 209 areas in which there is a great opportunity for coal research. There are other possibilities of expanded use of coal—and of more efficient production and marketing of coal.

Several years ago the Government established a plant to experiment and develop oil and gas from coal. For some

reason, the experiments were discontinued. Such a plant should be established again, as well as plants to experiment in developing nuclear energy from coal. The Kentucky Nuclear Commission and the Eastern Kentucky Regional Planning Commission have strongly supported such proposals.

There are many other research and development opportunities for more extensive uses of coal.

The Bituminous Coal Institute and the Bureau of Mines do not have the resources to scratch the surface, in comparison with other competitive industries.

Mr. President, as the Senator from Utah has pointed out, the bill authorizes the Commission to enter into contracts for reseach and, if necessary, the Commission can itself undertake research projects. It would also coordinate the efforts of other groups to avoid wasteful duplication, to encourage speedy investigation of those areas where research is most urgently needed, and to serve as a research clearing house for all private and public agencies interested in the coal industry.

Certainly the sum authorized, $2 million a year, is a very modest sum considering the importance of the coal industry, its present deterioration, and the possibilities research offers toward stabilizing and developing the coal industry.

The Commission would focus national attention on the needs and problems of the industry, so that all concerned will realize what must be done effectively to protect the national interest in coal, as well as to promote the coal industry itself. We cannot afford to permit so great a national resource to be inefficiently or incompletely used and to deteriorate.

I think it is correct to say that the coal industry is the one industry in the United States which has never asked for any subsidization, and has never had any subsidization. All the industry has asked for is an opportunity to compete fairly with other sources of fuel energy.

All segments of the coal industry are united in supporting the establishment of the Coal Commission. It is my belief that the impetus it would give to the coal industry, and the new uses it would discover would help immeasurably to restore the industry to its normal level of activity. I hope at long last Congress will take this necessary action, will pass the bill, and that it will become law—that we will establish the Coal Commission, to provide a sound and fruitful research and development program for the coal industry of our country, and for the national interest—our economy and defense.

Mr. RANDOLPH. Mr. President, my able colleague from West Virginia [Mr. BYRD], the good Senator from Utah [Mr. MOSS], the diligent Senator from Pennsylvania [Mr. CLARK], the experienced Senator from New Mexico [Mr. CHAVEZ], and the distinguished Senator from Kentucky [Mr. COOPER], have given to the Members cogent and compelling reasons for the passage of the pending bill.

Mr. President, the Senate, in passing the coal research bill last year, agreed that the Nation's coal industry is not strong and healthy by any means—being an industry which has long been economically ill and highly vulnerable to competitive fuels.

At the time the proposed legislation before this body was introduced in the early days of the present session of the Congress, I joined wholeheartedly as a cosponsor and I declared:

The benefits which would accrue from activities of the proposed Coal Research and Development Commission would do much to improve and strengthen an industry plagued with pressing problems.

Although some localized coal-mining sectors have been overworked, the Nation's and West Virginia's coal resources generally represent a vast storehouse of mineral wealth that has barely been tapped. These resources, if properly developed and conserved, should serve the Nation for several centuries to come.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. MOSS. I congratulate the Senator from West Virginia [Mr. RANDOLPH] for the able exposition he is making of this problem, as related to the State of West Virginia and all the other States of the Union. The Senator from West Virginia has been most active in this field for some time. I recall that he was an author and cosponsor of the Synthetic Liquid Fuels Act which was before the Congress a number of years ago. I think this demonstrates his continued interest and activity in this effort, and I compliment him highly for his continued support.

Mr. RANDOLPH. Thanks, and I am very grateful. Inasmuch as my colleague mentioned the Synthetic Liquid Fuels Act, I shall say that measure became law on April 5, 1944. I was a cosponsor of that act, with the eminent senior Senator from Wyoming [Mr. O'MAHONEY].

That legislation, which was originally passed by the 78th Congress, under the stress of wartime demands for liquid fuels with which to supply our Armed Forces, was extended into a 10-year plan when peacetime requirements for oil and oil products surpassed the peak years of World War II. I frankly regret that that program did not continue beyond the 10-year period. It should have functioned beyond that date.

I was impressed with the expressions of my colleague from West Virginia [Mr. BYRD] and my colleague from Kentucky [Mr. COOPER] in reference to the research which is being carried forward by the Soviet Union in finding uses for coal. I feel that the continuance of World War II, from the standpoint of the prosecution of the offensive by the Nazis, extended 6 months longer than it lasted because the Germans had found it feasible to process gasoline from coal—gasoline which fueled the fleets of Nazi planes over the skies of Great Britain, and almost brought defeat, or partial defeat, to the fighting forces of that battered island.

Today we are thinking in terms of our resources being properly conserved and developed to serve the Nation for several centuries to come.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to my beloved colleague from Maryland.

Mr. BEALL. I join with my distinguished colleague from West Virginia. I wish also to take this opportunity to corroborate what he is saying about the legislation enacted in connection with the production of gasoline and liquid fuels during the war. At that time I happened to be in the House of Representatives with him. The then Representative RANDOLPH brought to my attention the model which was set up in the old Ways and Means Committee room of the House, to show the processes involved in producing gas from coal. He devoted much time and gave much attention to that processing in those days, particularly with respect to the question of the type of coal which was being processed. He did much for his own State, but more particularly during the war days, he did much for the country, in bringing to our attention the importance of this process. Having listened to what he has said, I am happy to say that I know from my own personal observation of his activity during those days. I am glad to associate myself with him today.

Mr. RANDOLPH. I thank my colleague from Maryland. I often recall our pleasant association together in the House, and I was delighted to see him active in this body.

There is unquestioned need that the coal-producing industry be revitalized and stimulated as rapidly as possible to increase coal marketing and rail transportation, thereby helping to overcome the vast amounts of unemployment and underemployment which have persisted too long to create deep pockets of chronic social and economic distress in some sections of West Virginia and other States.

But this is not an appeal simply for a means of assistance to a single industry or for areas depressed because of technological and economic changes.

Rather, Mr. President, coal is recognized as one of America's traditional basic natural resource industries.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to my colleague from West Virginia.

Mr. BYRD of West Virginia. I have listened to the statement by my colleague. I think he is making some very pertinent points which require that we act swiftly and favorably upon the proposed legislation before us.

There is one thing particularly about what he has said which should be emphasized. It was touched upon by the Senator from Kentucky [Mr. COOPER], and that is the fact that the Soviet Union is already engaged in a great effort in the field of coal research. It should be pointed out that in the Soviet Union there is an independent agency, the responsibility of which is the conduct of a program of coal research and development.

The Russian Institute of Bituminous Coal Research is under the guidance of a member of the Russian National Academy of Sciences. Under him are ap-

proximately 400 scientists with the equivalent of our doctor of philosophy degree. They have assisting them approximately 4,000 scientists who have a scholastic rank equivalent to our bachelor of arts, bachelor of science, and bachelor of engineering degrees. These men are assisted by an additional 6,000 technicians, all of whom compromise a total engaged in this field which far exceeds the combined total number of scientists and technicians engaged in the same field of research today in this country, in both public and private agencies.

In addition to the Russian Institute of Bituminous Coal Research, there are at least 10 subsidiary institutes engaged in coal research in the major coal-producing regions throughout the Soviet Union. I do not believe that the importance of the point my colleague from West Virginia and the Senator from Kentucky have made can be exaggerated—namely, that the Soviet Union is already engaged in this effort. We should not be unmindful of the fact that the United States will soon fall into a secondary position so far as coal production is concerned, and that Soviet Russia is fast becoming the leading coal-producing country in the world. When we think of the importance of coal as a fuel and as a power resource in peace and war, it becomes all the more imperative that we try to take steps to catch up, lest one of these days it becomes too late.

I thank the senior Senator from West Virginia for yielding.

Mr. RANDOLPH. My able colleague from West Virginia has made a further contribution to our reasoning, which we believe to be valid, as to why the bill should be enacted into law during this first session of the 86th Congress.

We know, Mr. President, that with our growth as an industrial Nation, which has been parallel to the advancement made by coal as a major source of energy, we must take those steps which are necessary to make its position more positive in the energy field. This is essential to our country in time of peace, and is especially so during periods of stress, when the national security is endangered or is under direct aggression.

Coal mines, unlike battlefields or ordnance works, cannot be placed in mothballs or on standby status. A deteriorated mine soon becomes totally nonproducing, and new coal mines of the modern, high-productive type cannot be obtained quickly and placed in operation without tremendous capital expenditures. Hence it is highly essential that for defense readiness reasons the coal industry be kept ready and responsive to the country's security needs.

There is no profit to local, State, or Federal economy or government in idle and abandoned mines. In such status they cannot guarantee any economic stability to the United States. Coal, Mr. President, is a priceless ingredient in the economic worth of our Nation, and is essential in the production of steel and for the generation of most of this country's electric energy. What could be more important to our industrial strength?

West Virginia produces almost one-fourth of the bituminous coal of the Nation, and is the leading bituminous coal producing State of the Nation. I have been closely associated with the problems of this industry for many years, and of course I am aware, as is the distinguished Senator who is my colleague from West Virginia, of how much the health of this industry means to the State of West Virginia and to the Nation as a whole.

While we boast of the fact that America has enough coal to last more than 2,000 years at the recent rate of consumption, we are prone to overlook some of the more unfavorable features. For example, the reserves of the high-grade coking coal needed for steel manufacturing are not so plentiful that a scarcity problem might exist in the immediate future.

In October 1945, while a Member of the House of Representatives, I observed in that body during debate on an appropriation item for coal studies and investigations by the Bureau of Mines:

> It is true that we have plenty of coal as far as quantity is concerned, but that certainly is no reason why we should fail to use it prudently, conserve some of the best coal for posterity, exact every possible unit of energy from our coals, and otherwise see that none of this valuable resource is wasted.

I was speaking then, as I speak now, of a great need for both a national fuels energy policy and proper research—and I added:

> In the history of the world, and in our own history, we have many examples of the unwise use of natural resources and the dire consequences that inevitably follow. We cannot afford to take changes with coal, the mainspring of our industrial economy.

I warned:

> An inventory of American coal resources and a wise use of coal resources throughout the years to come certainly is not to be considered as an emergency wartime expediency and something that should be dropped like a hot potato the minute peace returns.

Mr. COOPER. Will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Kentucky.

Mr. COOPER. I think the Senator has brought up a very important point, namely, that while we all agree that the establishment of a Research Coal Commission will have great value, that in itself will not be sufficient to meet all the problems of the coal industry.

I am glad the Senator has pointed out that there should be developed a national fuel policy, certainly a national policy relating to coal. Such studies have been made. Work is going forward in that direction now, as the Senator knows well, joined in by both the producers and the United Mine Workers of America, and there is need for a total policy with respect to coal.

Mr. RANDOLPH. The Senator from Kentucky is certainly helpful in directing our attention again to the need for an overall approach to the need for a fuels policy which can serve the Nation. I think that cooperative effort, which is now moving forward in this area of our national security, is one which is wholesome and indicative of a constant approach which was lacking perhaps 5 or 10 years ago.

To continue with the words which I spoke:

> Coal, as the basis of our national economy in war and peace, deserves the best consideration from the Congress.

The following spring, in May 1946, I pointed out:

> The country's position with regard to petroleum reserves has become more critical in recent years. Heavy demand has continued in spite of the end of the war. * * * Not only is the total quantity of oil discovered each year decreasing, but the size of new fields is small when compared to the strikes found in earlier years.

Projecting this discussion, I commented:

> To supplement the supply of petroleum in this country, we are considering exploitation of foreign fields. Oil concessions to be divided between the nations in some of the world areas are major sources of international contention and bickering. While this is going on, it is folly not to prepare to utilize our vast reserves of oil shale or other solid fuels which furnish almost limitless sources of the liquid products so essential to our normal economy and indispensable in time of war.

I would state again that in the 10-year program we were thinking not only of the processing of gasoline, high-octane gasoline to be used in aircraft, obtained from coal, but we were studying uses for the oil shales in the States of Colorado and Wyoming and other sections of the West.

Unfortunately, this research program to which I have made reference was one of the important activities which I call to the attention of my colleague from Utah [Mr. Moss], was permitted to drift and to expire, even though substantial progress was made in synthetic fuels research and production.

Mr. President, I reiterate another comment I made in an appeal in the House in 1946 for realistic approaches to minerals and fuels research authorizations and appropriations:

> There are many who say that we have become a "have-not" nation in the minerals field. They maintain that our only chance of competition with other nations industrially is to import our mineral raw materials. I do not agree with this view. I believe we have in this country untapped resources that can be utilized to maintain our position of world leadership. * * * But we shall have to develop new technologies in mining and metallurgy for the use of industry so that the vast deposits of minerals may be used in the most effective way for the welfare of the Nation. An active solvent domestic mineral industry is absolutely essential, both to the national security and the national economy.

There is no question of the national need for a broad program of exploration and research. Our high standards of living and our national security demand it. But such a program cannot and will not be undertaken, except on a very limited scale, by private industry, for it is obvious that most of the discoveries which will be made will not be immediately economic to exploit. Only a federally sponsored program can carry out the necessary objectives.

In the past, the Bureau of Mines has demonstrated conclusively the great value of pilot-plant work. So have other governmental instrumentalities.

Looking ahead, Bureau of Mines researchers say it is inevitable that oil and gas reserves will diminish and price will increase; that economical and safe competitive production of energy from fissionable material along with economical production of solar energy seem impossible for many years.

Increasing requirements for liquid and gaseous fuels in the next 15 to 20 years, experts predict, will open up huge new markets for coal as a substance for conversion to gas and synthetic liquid fuels.

To satisfy this future energy hunger, the coal industry must be helped to solve today's problems and shape long-range plans now—not later.

Internal revenue figures for 1952, for example, showed that the bituminous industry had a net profit after taxes of less than $34 million. The petroleum industry invested more than four times that much in research alone. However, research in the coal industry is meager, mainly due to a lack of funds, as the junior Senator from West Virginia [Mr. BYRD] has said—and others have concurred in his view—compared with other industries. Why?

Consider this: Coal prices in past years have dropped as other prices went up, and mining has become a costly business. It take $10 or more per ton of annual capacity in some areas to build a modern deep mine. Such a mine would take perhaps 2 years to complete and may need sales up to 2 million tons a year to insure proper support. It must make money to attract capital to supplement its own funds. Some analysts estimate that the industry will have to attract at least $1 billion in the 5 to 6 years ahead to replace exhausted mines and meet required capacity.

Indeed, Mr. President, it is unfortunate that earlier action has not been taken to follow through on the 1955 pronouncement of the President's Advisory Committee on Energy Supplies and Resources Policy. That group called coal a great national asset, and it recommended a cooperative industry-Government study for research and development possibilities. We have the opportunity to make up somewhat for the time lost. We should take advantage of it by enacting this measure without further delay.

Mr. ALLOTT. Mr. President, I offer as an amendment Senate bill 1362, in the nature of a substitute. I do not ask that it be read, but I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, Mr. ALLOTT's amendment in the nature of a substitute was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Interior, acting through the Bureau of Mines shall—

"(1) develop through research, new and more efficient methods of mining, preparing and utilizing coal;

"(2) contract for, sponsor, cosponsor, and promote the coordination of, research with recognized interested groups, including but not limited to, coal trade associations, coal research associations, educational institutions, and agencies of States and political subdivisions of States;

"(3) establish technical advisory committees composed of recognized experts in various aspects of coal research to assist him in the examination, evaluation, of research progress on all research proposals and contracts and to ensure the avoidance of duplication of research; and

"(4) cooperate to the fullest extent possible with other departments, agencies, and independent establishments of the Federal Government and with State governments, and with all other interested agencies, governmental and nongovernmental.

"SEC. 2. Research authorized by this Act may be conducted wherever suitable personnel and facilities are available.

"SEC. 3. No research shall be carried out, contracted for, sponsored, cosponsored, or authorized under authority of this Act, unless all information, uses, products, processes, patents, and other developments resulting from such research shall be available to the general public. Whenever in the estimation of the Secretary of the Interior the purposes of this Act would be furthered through the use of patented processes or equipment, the Secretary is authorized to enter into such agreements as he deems necessary for the acquisition or use of such patents on reasonable terms and conditions.

"SEC. 4. (a) It is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until expended, not to exceed $20,000,000 to be used to carry out the purposes of this Act for the fiscal year beginning July 1, 1959.

"(b) There is hereby authorized to be appropriated for each fiscal year beginning after June 30, 1960, such sums as may be necessary to carry out the purposes of this Act."

Mr. ALLOTT. Mr. President, I ask unanimous consent, without losing my right to the floor, that I may suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. ALLOTT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ALLOTT. Mr. President, my remarks should not exceed 10 to 15 minutes, not including such remarks as may be made in opposition. My amendment is an amendment in the nature of a substitute.

There is no reason why we should not be able to proceed within a very few minutes to a yea-and-nay vote on the question of agreeing to this amendment.

Mr. MANSFIELD. Mr. President, will the Senator from Colorado yield to me?

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Does the Senator from Colorado yield to the Senator from Montana?

Mr. ALLOTT. I am very happy to yield to the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, after consultation with the majority leader since I heard the Senator from Colorado state how long he would speak, and after consultation with the chairman of the subcommittee, I ask unanimous consent that further debate on the pending amendment be limited to 30 minutes, to be divided equally between the two sides, and to be controlled, respectively, by the Senator from Colorado [Mr. ALLOTT] and the Senator from Utah [Mr. Moss]; and that then the Senate vote on the question of agreeing to the amendment.

Mr. ALLOTT. Mr. President, in connection with such arrangements, I have often found myself "boxed in." Although I think I shall be able to conclude my remarks in 15 minutes, I do not wish to be confined strictly to such a limit. However, I assure the Senator from Montana that my remarks will be brief and to the point.

Mr. MANSFIELD. Very well.

Mr. ALLOTT. Mr. President, the pending bill was originally passed by the House of Representatives as House bill 6596, to encourage and stimulate the production and conservation of coal in the United States, through research and development by creating a Coal Research and Development Commission, and for other purposes.

So far as the purposes of the pending bill and the purposes of the amendment in the nature of a substitute which I have submitted are concerned, there is no difference between them. Those of us who come from coal-producing States—whether we come from Virginia or West Virginia or Maryland or Montana or Colorado or any of the other coal-producing States—are, I am sure, agreed in the belief that it is time to put into motion in the United States the machinery for a research and development program, not only for the purpose of finding more efficient ways to produce coal—for, after all, coal presently is being produced efficiently in the United States, and more efficiently than anywhere else in the world—but, rather, for the purpose of finding new ways to utilize the coal reserves we have. The coal reserves of the United States are fabulous in size.

Perhaps no one else has stated the situation better than did Mr. John Owens, secretary-treasurer of the United Mine Workers of America, who testified in regard to these measures. In the course of his statement, he said:

Byproducts of coal, 200,000 at the latest count, touch the American family's life a thousand times a day: Vitamins, insecticides, aspirin, drugs, phonograph records, dyes, paints, synthetic fibers, weed killers, cleaning fluids, fertilizer, film; the list is nearly endless. Yet the potential use of coal and its byproducts through research have scarcely been touched, and this research can only be done through the utilization of Government funds.

* * * * *

Low temperature carbonization of coal is a process to draw off the chemical components of coal by subjecting the coal to measured amounts of heat.

* * * * *

There is one area of research and development which is of particular importance to our country. I refer to the manufacture of petroleum and gas from coal.

He cited many other instances.

So, Mr. President, the real issue confronting us is simply whether we are going to establish a Research Commission which, in effect, will be a new, independent Commission; or whether we are going to place in the Bureau of Mines, in the Department of the Interior, the responsibility for carrying out this program.

It has been stated that such a program has never been carried out by the Bureau of Mines; that even with the great amount of research work the Bureau of Mines has done, the Congress has never given the Bureau such a directive.

Of course, the advantages of having the Bureau of Mines do the job are numerous.

At this time, I may say—in order to correct any misunderstanding of the statement I have just made—that the committee amendment on page 2 of the bill, in section 3, subsection (a), would strike out the words "as an independent agency in the executive branch," and, at the end of that subsection, would insert "the Commission shall be located for administrative purposes in the Department of the Interior."

What the new sentence means, I do not know. It was added in an attempt to arrive at a compromise. However, I do not think it was a very good one, because the new sentence would place the Commission "for administrative purposes," but not otherwise, in the Department of the Interior, probably in the Bureau of Mines.

So, Mr. President, what is the Senate going to do today? Will the Senate vote to establish a completely new research commission, and make it entirely independent of the Department of the Interior? That is what the bill, as passed by the House of Representatives, does. Or will the Senate vote that "the Commission shall be located for administrative purposes in the Department of the Interior"? That is what the pending committee amendment would do.

On the other hand, my amendment in the nature of a substitute provides that—

The Secretary of the Interior, acting through the Bureau of Mines, shall—

(1) develop through research new and more efficient methods of mining, preparing, and utilizing coal;

(2) contract for, sponsor, cosponsor, and promote the coordination of, research with recognized interested groups—

And so forth, and—

(3) establish technical advisory committees * * * to assist him in the examination, evaluation, of research progress on all research proposals and contracts and to ensure the avoidance of duplication of research; and

(4) cooperate to the fullest extent possible with other departments, agencies, and independent establishments of the Federal Government and with State governments, and with all other interested agencies, governmental and nongovernmental.

My amendment in the nature of a substitute also provides, in section 2, that "research authorized by this act may be conducted wherever suitable personnel and facilities are available."

So far as the location of the Commission is concerned, I do not think anyone doubts that it will take at least 1 year for the Commission to locate the proper personnel for the project. When the project is underway, where will the necessary information be obtained? If the Commission is administratively within the Department of the Interior, the Commissioners will have to walk over to the Bureau of Mines and obtain all the information and facts on coal the Bureau of Mines has been collecting for years and years, and then arrange to have that information utilized by the new agency, which also will be located within the Department of the Interior.

From the administrative point of view, I think almost everyone will agree that such procedure would be a very poor one.

The Bureau of Mines already has the machinery with which to do the necessary research work, and also have a valuable corps of research workers. Of course that corps can be increased in size. However, the bill as reported to the Senate from the Committee on Interior and Insular Affairs, would result in the establishment of two different teams, whereas the work could be done properly by only one team.

I recognize the integrity and the good faith of those who wish to have a separate Commission established. They believe that is necessary in order to get a little drive behind this program. I want such a drive behind the program, too; all of us want such a drive behind this research program, once it is established.

But we are also faced with the fact that the Bureau of the Budget has reported adversely on the pending bill, and so has the Department of the Interior. Those reports are to be found on pages 4 and 6 of the hearings on the pending measure.

Mr. President, in order to get this program into effect, what must we do? Inasmuch as the Bureau of the Budget has not really strongly endorsed the pending bill, although the Budget says it much prefers the amended version of the bill which our committee has reported to the Senate; and inasmuch as the Department of the Interior is opposed to the bill in its present form, if we really wish to get such a program into operation, are we not more likely to obtain that result if we take the suggestion of the Department of the Interior and the Bureau of the Budget?

I am not unmindful, either of the fact that the people whose lifeblood depends on this kind of research development, the mineworkers, as represented by the United Mine Workers of America, have placed themselves squarely and unequivocally on record as being opposed to the approach which the pending bill uses, and as being in favor of the amendment. Mr. Owen said:

We feel that the Interior Department, with its years of experience, is the Department that is more familiar with the coal and mineral resources than any other department of our Government or any other agency that can be established. I am glad to know that there are no objections to creating this research group. The only questions is, What department shall man or administer it?

Well, that seems to us to be a minor question that can be resolved. The United Mine Workers of America are hoping that the Congress will adopt this into law and place it in the Interior Department because of its long experience in the coal industry.

Mr. President, I have mentioned several matters. I desire to refer to two more, and pound them home. First of all, the greatest number of vacancies in positions in the United States today is in positions requiring trained personnel to do research work. Congress enacted last year the National Defense Education Act for no other reason than that we in this country were lacking in needed scientific research personnel. Are we going to establish a completely separate agency which will duplicate much work already being done on mines, and drain and deplete further the ranks of scientific research workers in this country; or are we going to take what we have, add a few more personnel to that agency, and come up with a real program?

The second and last point which I wish to emphasize is that, not only because of the situation which exists in the Department of the Interior and the Bureau of the Budget, but from the standpoint of the sheer matter of time, if we desire to see a coal research development project get under way and catch fire, we cannot wait a year while a new Commission establishes itself with its desks and its office space and its personnel and gets researchers from all over the country. We cannot wait a year while those persons can be gathered together. We had better start now with what the Bureau of Mines has, expand that agency, and get the program going, because, if the amendment is adopted, the program will start moving at least 1 year before the other program would.

UNAMIOUS CONSENT AGREEMENT TO LIMIT DEBATE

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MOSS. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a time of limitation may be placed on the pending amendment, with 10 minutes to be alloted to the Senator from Utah [Mr. Moss], chairman of the subcommittee, 5 minutes to the Senator from Illinois [Mr. DIRKSEN], and the last 5 minutes to the Senator from Colorado [Mr. ALLOTT], after which a vote shall be taken.

Mr. ALLOTT. Mr. President, it is understood, of course, that I may yield any of my time to another Senator.

Mr. MANSFIELD. It is understood that the Senator may do so.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the agreement is entered.

Mr. MOSS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. MOSS. Mr. President, the amendment which is now before the Senate was discussed rather fully in the committee at the time the bill was being considered. The proposal of the Senator from Colorado, who, I am sure, is as anxious as anyone else to find a solution to the problem, entails an additional appropriation for the Bureau of Mines. The amendment proposes an appropriation of $20 million for the next fiscal year.

The Bureau of Mines has had all the time the responsibility for research into this field, as well as in other mining fields. One of the complaints which has been made is that the Bureau of Mines has not conducted the type of research necessary for the coal industry at this time. In the report it was pointed out that the research carried on by the Bureau of Mines is long-range, and is not of any immediate value. Moreover, my colleague from Colorado intimated that the Commission, if created, would duplicate the work of the Bureau of Mines and other agencies. As a matter of fact, the bill specifically requires the agency to coordinate the research done by the Bureau of Mines and by all other research agencies, and specifically prohibits it from duplicating the work done.

The one great advantage there would be in having a Research and Development Commission would be that it would be a coordinating agency to gather the research efforts of existing agencies, and then point to areas not being covered by present research.

My colleague also complains about the fact that it would be an independent agency, and for that reason he would be opposed to it. It would be independent in that it would be charged with certain duties to perform and would be given certain requirements which it must observe; but for administrative purposes, it would be limited within the Department of the Interior, which means, in so far as administrative matters, personnel matters, and similar matters, are concerned, they would be handled within the Department of the Interior. The report, when it was made by the Commission, would be made to the Secretary of the Interior for transmittal to the President and to the Congress.

Mr. President, this is not a new or novel proposal. Many times there has been established a special agency which has been concerned with a particular problem, and it has been placed, for administrative purposes, within one of the departments of Government. The proposal gets away from the necessity of having another administrative agency which would report directly to the Congress or the President. It has a place within the hierarchy of an administrative department.

I should like to point out, finally, that because of the number of years—at least a decade—which have elapsed during which the problem has existed, and during which it has grown more acute, we have not been able to get a focus on the problem through the Bureau of Mines or through any of the constituted departments. It seemed necessary to select a qualified agency, which it is now proposed to do, providing for the qualifications of persons who would constitute the Research Commission, and giving the Commission charge of the problem, pinpointing and focusing attention on the problem, and providing an appropriation to carry out the particular function. The bill so provides. I believe that is the effective way to deal with the problem facing us.

As the committee did, I oppose the amendment which is offered by the Senator from Colorado, which is simply a proposal for a continuation of a program which already is in existence, with a little extra money given to the Bureau of Mines. That is about all it amounts to.

I hope the Senate will reject the amendment, and will act favorably on the bill before it.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. CARROLL. How much time do we have for a discussion of this matter?

Mr. MOSS. I have only 10 minutes.

The PRESIDING OFFICER. The Senator from Utah has 1 minute remaining of the time he allotted to himself.

Mr. CARROLL. Will the Senator yield me 3 minutes, if not at this time, later, so I may have a little time to discuss the matter?

Mr. MOSS. I have been allowed 10 minutes in opposition to the amendment.

The PRESIDING OFFICER. The statement of the Senator is correct. The Senator from Utah has 1 minute remaining of the time he allotted to himself, and a total of 6 minutes.

Mr. CARROLL. I should like to have about 3 minutes of that time. I do not care to speak at this time, if I can reserve 3 minutes.

Mr. MOSS. Mr. President, I yield 3 minutes to the Senator from West Virginia [Mr. BYRD].

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 3 minutes.

Mr. BYRD of West Virginia. Mr. President, I rise in opposition to the amendment offered by the Senator from Colorado.

Mr. President, I should like to quote from the report of the House Subcommittee on Coal Research. I think these excerpts go to the point:

> A short-range, federally supported coal research and development program such as that referred to in the preceding paragraph, if it is to be conducted expeditiously and effectively and achieve the maximum end results, should utilize the research facilities and personnel of industry associations, universities, and other nonprofit organizations, of private consulting firms and of the Department of the Interior and other Federal agencies, to the extent it is practical to do so, and should be administered by an independent Federal agency which must not be shackled and inhibited by such traditional approaches and restrictive policies as control research activities in the Department of the Interior.

Mr. President, this special subcommittee of the House of Representatives spent a long time in considering this important problem. It heard representatives of the coal industry. It heard representatives of labor. It heard representatives from Government agencies. After long, arduous, and careful study it was the consensus of opinion of the special subcommittee that this program should be conducted by a separate agency and not by the Bureau of Mines.

The same subcommittee said in the same report:

> And the Bureau of Mines, as a matter of policy, does not concentrate its coal research activities on efforts to solve the short-range problems of the industry. Most of the Bureau's work on coal, which now amounts to about $5 million annually, is in the area of long-range research and is of such nature that it appears unlikely the average coal producer will be benefited by it.

And the subcommittee further said:

> The Bureau of Mines does not look with favor upon an expanded coal research program along the general lines suggested by the National Coal Association and as suggested by practically every witness appearing before the subcommittee on behalf of the coal producers, mine workers, State organizations, community officials, civic groups and coal-carrying railroads.

The distinguished Senator from Colorado spoke about the position taken by the United Mine Workers of America. I understand that the United Mine Workers of America expressed a preference for the program's being under the supervision of the Bureau of Mines, but I am also informed that the organization would be happy to have this legislation enacted into law as it is presently written.

The PRESIDING OFFICER. The three minutes allotted to the Senator from West Virginia have expired.

Mr. MOSS. Mr. President, I shall be happy to yield the Senator 1 more minute.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may be permitted to speak for 3 additional minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I should like to read from the hearings conducted by the Senate committee, which include the testimony of Mr. John Owens, secretary-treasurer of the United Mine Workers of America. In answer to the question "What department shall man or administer the program?" Mr. Owens answered:

> Well, that seems to us to be a minor question that can be resolved. The United Mine Workers of America are hoping that the Congress will adopt this into law and place it in the Interior Department because of its long experience in the coal industry.

Mr. President, I am not so sure that the United Mine Workers of America is particularly wedded to the idea that this should be put in the Bureau of Mines.

The National Coal Association has urged that there be a separate agency.

As I have already pointed out, Mr. President, the special subcommittee rec-

ommended that there be a separate agency.

I personally believe, in view of the experience I have had in Washington, after 6 years of service in the Congress, that a separate agency will be more effective, and will approach the problem with greater enthusiasm and with a greater vision than would be the case if the program were under the auspices of the Bureau of Mines.

I find in the various governmental departments that there is a tendency for the departments to grow and grow until a mountainous bureaucracy is created amid a blizzard of paper work. In such a case, there is a resistance to new ideas. There is a reluctance to try new approaches. These agencies which have many and diverse functions and responsibilities tend to become musclebound.

So, Mr. President, I think if we are to expect to have an effective coal research program, we must entrust it to an agency which has no other responsibility except the single objective of coal research. Then we can have enthusiastic and new approaches to problems.

The agency, as is comprehended in the proposed legislation will engage in a short-range research program, the type of program which will benefit the small producers, which make up the great percentage of the coal industry today, as well as benefiting the large producers.

The Bureau of Mines has done an excellent job, but it has other objectives, other responsibilities, and other functions. I maintain that if we expect the program to be an effective one, we should try a new and bold approach by creating a new agency, the responsibility of which is to conduct an intensive program of coal research and nothing else.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I have one further point to make before I yield to my colleague.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. BYRD of West Virginia. Mr. President, I ask the Senator from Utah to yield me 1 additional minute.

Mr. MOSS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Utah has 3 minutes remaining.

Mr. MOSS. I am sorry; I have agreed to yield 3 minutes to the Senator from Colorado.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may continue for 30 seconds.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. ALLOTT. Mr. President, I did not hear the request.

The PRESIDING OFFICER. The Senator from West Virginia asked unanimous consent that he be permitted to proceed for 30 additional seconds.

Mr. ALLOTT. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I merely wish to bring to the attention of the Senate a statement which was made by Mr. Ankeny under questioning by the House subcommittee. When he was asked the question, If an independent commission were set up, what would the Bureau of Mines do then in regard to research? Mr. Ankeny, the head of the Bureau of Mines, said, "We will increase our research in the field of coal."

Mr. Ankeny's statement is adequate evidence that it is best for us to vote against the amendment offered by the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MOSS. Mr. President, I reserve my remaining 3 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, the pending amendment gives me some difficulty, because I am a conformist so far as administrative techniques are concerned. I believe there is wisdom in the recommendation made by the Hoover Commission, over a long period of time to keep clearly defined the lines of responsibility in the executive branch from the top to the bottom.

I was candid enough to state before the committee, when I testified, that a proposal to set up an independent agency without or aside from a Cabinet department obviously gives me some trouble, unless there is a thoroughgoing justification for it. I believe in this case there is justification for it.

I think, in the main, the Bureau of Mines has not particularly failed us in its lines of endeavor, but with some boldness and imagination it could have gone infinitely further in the coal industry, and I doubt whether the coal industry would find itself in its present distress and in its present difficulty if that had been done.

Years ago I said that if an equal amount of imaginative effort had gone into the production of a steam automobile, instead of a hydrocarbon-motored automobile, the chances are there would be many more steam automobiles operating in America today. But young minds, fresh minds, informed minds, and imaginative minds got into the hydrocarbon field and pushed steam off to one side. After the last White and Stanley Steamer, we heard nothing more about the steam automobile.

I think if we are going to resurrect the coal industry we will have to follow a similar course. If we entrust this program to the Bureau of Mines in the Department of the Interior, we will have the same people who have been there for a long, long time working on it. The results which have been achieved thus far do not indicate that we would make very much progress if this program were committed to the same people. When I say that I do not disparage them for a moment, I do not reflect upon them. But the coal industry is in trouble, and it cannot wait 25 years to be lifted out of its distress. Some fresh thinking must be injected into it, or it will continue to languish, and there will be a greater succession of ghost towns from one end of the country to the other in the Coal Belt.

I know what a ghost town in a mining area is like. There are ghost towns in my old congressional district, and there are ghost towns in southern Illinois.

So, as I evaluate the verities and the equities and put them in balance, it seems to me that, notwithstanding the fact that we are departing from a sound administrative approach, on the other side is the necessity for doing something for an industry which is truly in distress.

If anyone has any doubt about it, he need only go to West Virginia, Kentucky, portions of Pennsylvania, southern Illinois, or Ohio, and he will discover for himself what the problem is.

So, putting it on balance, I believe the amendment of the Senator from Colorado should be voted down, and that we should make a try. This bill represents the thinking of the House, as well as of the Senate committee. Under the circumstances, I believe the bill should be approved without the amendment of my distinguished friend from Colorado [Mr. ALLOTT].

Mr. President, in connection with my remarks, I ask unanimous consent to have printed in the RECORD at this point a statement which I have prepared containing certain data which I have developed with respect to coal as an energy source and what it will mean to the future of this country.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

The forward development of modern civilization is very largely predicated upon our ingenuity in the utilization of energy. While there can be no doubt that in years to come nuclear energy will play a more important role than it has in the past, for generations to come our economy will be based upon our ability to use the vast energy resources from fossil fuels, with which our great land has been blessed.

I have joined with a number of my distinguished colleagues in introducing S. 49, a bill to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission.

In future years our ability to compete with other nations will be greatly affected by the cost of electrical power, which, in turn, will be largely influenced by the cost of fuel.

In 1952 two of the foremost experts on energy resources, Mr. Eugene Ayres, technical assistant to the then executive vice president, Gulf Research & Development Co., and Mr. Charles A. Scarlott, editor, Westinghouse Engineer, collaborated on a book entitled "Energy Sources: The Wealth of the World." Their review of the world's energy sources clearly shows the necessity for the legislation we are sponsoring. Let me read a few important passages from their excellent analysis:

"Coal is by far the most abundant fossil fuel. The magnitude of coal reserves is, therefore, of the greatest importance. Several estimates have been made for the world, but these estimates are little more than informed guesses. Table 3 shows two sets of figures which are, perhaps, equally unreliable. The totals are about the same, but the later estimate shows North and South America revised sharply downward and Asia revised sharply upward. Most of the American coal is in the United States. Most of the Asiatic

coal is in China. Both sets of figures are based on the assumption that coal can be recovered with little loss from depths of several thousand feet. The 1938 estimate assumes 3.2 trillion tons in the United States, but it will be seen that this figure must be considerably discounted. Similar reductions may have to be made for Asiatic coal, but no evidence on this point is available now, and will probably not be forthcoming for a long time. Fuel production, essentially all coal, in the Soviet Union has been doubling approximately once in 5 years, an increase of about 15 percent per year, except in the early part of World War II. If this growth curve should continue, energy production would equal that of the United States within 7 or 8 years. It is possible, though improbable, that the Soviet will achieve this goal before 1960 unless another war intervenes.

TABLE 3.—*Estimated coal reserves of the world*

[In trillions of tons]

	1913	1938
North and South America	5.1	4.3
Asia	1.3	2.0
Europe	.8	.8
The rest of the world	.2	.2
Total	7.4	7.3

"Coals vary in their usefulness. The most generally useful coal is bituminous because some of it is the only source of metallurgical coke, it is good for steam boilers, and it is a preferred coal for conversion to liquid fuel. It happens that more than half of the bituminous coal of the earth is in the United States. More than 80 percent of the anthracite coal is in Asia. America has about 93 percent of the subbituminous and lignite. Of the total world reserves, 53 percent is bituminous, 40 percent is subbituminous and lignite, and 7 percent is anthracite. In the United States most of the bituminous and all of the anthracite are east of the Mississippi River, and most of the subbituminous and lignite is in the West.

"Unlike petroleum there is no reason to expect a natural limitation to the rate of production of coal in the United States within this century. The limitations will be those imposed by labor relations, transportation, consumer demand, and supplies of labor, water, and capital. The first three of these factors have been controlling influences in the past. The last three will be more influential in the future."

The quotations I have just read show the need for our accumulating more knowledge about our coal reserves and their availability, particularly in view of our competition with the Iron Curtain countries.

Again let me include some additional comments from their excellent study of our energy. They say:

"About all we really know about coal reserves is that there appears to be lots of coal in the world; that the United States has a substantial proportion (perhaps almost one-half); that North America probably has somewhat more than one-half of the world's supplies. Instead of 7 trillion tons there may be double that. On the other hand there may be less than half that.

"The reasons for such uncertainty with regard to coal resources are many. The so-called 'geologically inferred' estimates for the areas that have been explored are neither 'fish nor fowl.' They do not express the total accumulations of coal deposits regardless of recoverability, nor do they express the amount of coal that can be practically recovered. They are somewhere in between. When we dig where geological maps show coal, we sometimes find no coal because of faulting or the pinching out of coal seams. An immense amount of coal can never be recovered because the seams are too thin or because they slope too much or are otherwise located badly. Dr. A. C. Fieldner, U.S. Bureau of Mines, believes that 'further investigation of our coal reserves by core drilling methods may cut down the geologically inferred reserves as much as 50 percent.' Estimation of any resource underground is not an exact science; and coal, in some localities, is erratic in its conformations. Widely quoted figures from U.S. Geological Surveys have been wrongly construed as proved reserves. Instead, they have been geological estimates of coal deposits having a minimum bed thickness of 14 inches for bituminous and anthracite coals, 2 feet for subbituminous coal, and 3 feet for lignite. Beds have been included to a depth of 3,000 feet below the surface.

"In 1907, 1936, and then in 1944, geological surveys indicated that the U.S. reserves (prior to the start of mining) had been about 3 trillion tons. But the reserve figures include deposits that must now be regarded as unrecoverable in a practical sense. The U.S. Geological Survey is now making a careful study, in cooperation with industry, to determine present practically recoverable reserves. Net figures will be obtained by subtracting production and losses, and the figures for reserves before mining will be reexamined in the light of more modern geological and mining data. Until this study is completed, we shall have no realistic picture of the present recoverable coal reserve—the reserve upon which we shall have to depend in the future for economical fuel."

These statements by acknowledged technical experts demonstrate the need for determining our long-range coal reserves. Their research provides compelling reason for the creation of a Coal Research and Development Commission.

However, our immediate concern is to develop new and effective uses for coal and to reduce the cost of coal production and distribution. This is important so that coal, which constitutes our largest readily available source of energy, may be used to its maximum advantage. This will permit the conservation of liquid fuels from petroleum, since they have a unique role in our economy in the propulsion of automobiles, airplanes and other vehicles. Messrs. Ayres and Scarlott also said:

"One of the most difficult of intellectual tasks is to maintain a sense of proportion. When we hear a very large number or a superlative adjective, we cannot help being vaguely impressed. Trillions of tons of coal, hundreds of billions of barrels of oil and tar, mountains of oil shale, many tens of thousands of square miles of peat bogs—what does it all mean? Can we sit back comfortably with a sense of abundance of natural resources? Can we regard seriously the optimistic pronouncements of all the energy we shall need for thousands of years? With the background of knowledge of processes by which one form of energy producing material can be converted to another, can we assume that as one fuel is exhausted we can turn to another? Can we be reasonably certain that when fuels are gone we can depend upon nuclear energy?

"The answer to most of the questions is no. As for conversion, the answer is yes, at a price. * * * But in the meantime let us look at the whole fossil-energy picture.

"Our present requirement is made up of various fossil fuels, wood fuel, and hydroelectric power. The total amounts divided by our annual consumption of energy would seem to represent the number of years that each reserve would last if we used that material alone to fill all of our energy needs. But it is not as simple as this. The requirements of the United States for energy are going up year by year. Even on a per capita basis the demand for B.t.u. is increasing. World requirements will go up even more rapidly because most of the world is starting from a much lower point. The world as a whole is using wood more rapidly than the wood is growing, and as the use of wood falls off the use of fossil fuel must grow. The conversion loss of fuel is increasing because of the growth of demand for electric power. Conversion losses will increase to substantial proportions of total energy requirements when we begin large-scale manufacture of liquid or gaseous fuel from coal. In spite of technological progress in the devices for fuel use, the overall efficiency of fuel utilization is tending downward. * * *

"The total energy reserves of the United States and of the world are almost the same when expressed in terms of the respective energy requirements. The reason for this is that the high proportion of the world's principal fuel (coal) located in the United States is offset by our relatively high energy demand.

"Coal is so much more abundant than any other fossil fuel that inaccuracies in the other fuel reserve figures are of little overall consequence. What is left of our fossil-fuel era depends upon coal. If we find twice as much oil and gas, or if we can recover 10 times as much tar, or if we can produce all of our shale oil, the picture will not be greatly changed.

"The maximum totals are almost 10 times as great as the minimum totals. This does not mean that the fossil-fuel era will be nearly 10 times as long if we can get the maximum amounts. The various factors that affect life conspire to subordinate actual reserve magnitudes. It will be seen that the energy picture of the future is fundamentally the same almost regardless of our choice of figures."

Coal is not only a source of energy, but it is the basis for our iron and steel industry. Iron ore would be of very little value without coking coal to reduce the ore to metal. We are very rapidly using up our better deposits of coking coal, and before long we will have to find ways to adapt our manufacturing processes to use what is now regarded as inferior coal. The establishment of a Coal Research and Development Commission can play an important part in finding ways to adapt these deposits to the needs of our metallurgical industries. Again let me quote directly from Messrs. Ayres and Scarlott:

"About 20 percent of the bituminous coal produced is used to make coke. F. M. Becker, of the United States Steel Corp., has made a thoughful analysis of our reserves of good coking coal, and he points out a number of interesting things. 'Coking-quality coals are found only in the semibituminous or bituminous rank. These groups also include a variety of other coals that do not produce a homogeneous mass on heating and, therefore, are noncoking.' The depletion of coking coals has progressed three times as rapidly as the depletion of noncoking coals, although coking coals originally constituted far less than a fifth of our total coal reserves. The quantity of high-quality coal (low ash and low sulfur) is only a small fraction of the reserve of coking coal. '* * * It is generally agreed that a high percentage of exhaustion (of good coking coals) has been achieved * * * it is evident that future coals will be higher in average sulfur than those formerly available.' Fortunately, 'acceptable pig iron can be made with coke higher in sulfur than indicated by presently established standards.' It is possible to desulfurize iron; and, when low-sulfur coal is no longer available, this will have to be done.

"In 1950, the Bureau of Mines completed a survey of coking-coal reserves in Cambria County, Pa. It was estimated that less than half of the coal in beds of 28 inches or more thickness is recoverable by present mining methods. The average recovery in Cambria County has been only about 48 percent, and

this applies to beds not less than 28 inches thick. At least 500 million tons of coal are believed to exist in this county in beds between 14 and 28 inches, but beds that are thin are not being mined because costs of recovery are too high. This is symptomatic of the coal-mining situation everywhere. The Bureau of Mines is studying the coking properties of coals not now widely used for making metallurgical coke, and also the possibilities of upgrading marginal coals by the use of suitable preparation steps. This work was stimulated by the concern over shortages of high-grade coking coal that impeded steel production during World War II.

"The steel industry is nearing the time when it must adapt its manufacturing process to inferior coal (85 percent of its coal is for metallurgical coke), and the time is not too far away when it may have to make really fundamental changes in its ore-reduction practice. It is unfortunate that we should continue to speed this day by burning good coking coal in our domestic furnaces and industrial steam plants. Low-cost abundant steel is so vital for all of us that the time may come when we may prefer to see our remaining coking coal used for metallurgy rather than for heat or power or conversion."

Coal plays still another role in today's complex economy. Coal chemicals are the basis for dyes and pharmaceuticals. We have barely scratched the surface in the utilization of coal as a raw material in our chemical industries. Coal is essentially carbon, the basic element in organic chemistry. This science has given us plastics and so many other products which are based on the chemistry of the carbon atom. Even nylon hosiery is a product of our coal mines. The Bureau of Mines of the U.S. Department of the Interior in a recent study presented a diagram showing the many products dependent upon coal. Mr. Chairman, I would like to submit this chart from the booklet entitled "Facts About Coal" in the record of these hearings. (Chart not printed in RECORD.)

The United States is endowed with coal deposits that can play an ever increasing role in making jobs for our people and in improving our living standards. We cannot afford to neglect any possible opportunity to develop these resources to their maximum capacity.

I am convinced that the establishment of a Coal Research and Development Commission will enhance the welfare not only of those whose lives are directly affected by the production of coal but also those of every American.

Mr. DIRKSEN. With those rather modest remarks, I shall content myself, and utter the hope that the amendment of my esteemed friend from Colorado will not meet with the favor of a majority of this body this afternoon.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. DIRKSEN. Have I any time left?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MOSS. Mr. President, I yield myself an additional minute.

My distinguished colleague from Illinois called the roll of States with ghost towns in mining areas. He did not mention Utah. I should like to add Utah to the list.

I wish to read briefly from the report of the House committee on the bill. It is in line with the remark made by the distinguished minority leader:

It is regrettable that the Bureau of Mines' concentration on long-range studies, useful though they are, its strong predilection for using only its own laboratories, and the history of unsuccessful past efforts to induce it to pay more attention to short-run investigations have caused such a lack of confidence in it that some witnesses who appeared before the committee expressed the view that they would prefer no bill to one that merely added the new functions and administrative machinery to the existing setup.

Mr. President, I yield the remainder of the time under my control to my colleague from Colorado [Mr. CARROLL].

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. Mr. President, how much time is left?

The PRESIDING OFFICER. One minute and thirty seconds.

Mr. CARROLL. I ask unanimous consent to proceed for an additional 1 minute and 30 seconds, in order that I may have my original 3 minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. CARROLL. The distinguished Senator from Illinois has placed his finger on the principal issue in this case.

Since I have been on the floor, the plight of Colorado's coal industry has not been mentioned. Today the coal industry in Colorado is in a depressed condition. Cities like Trinidad, Walsenburg, and some of the Routt County areas are withering on the vine. Their coal mines have been closed, and their survival efforts are now desperate. Some Colorado coal towns have disappeared altogether. The Colorado coal industry and the economy of many Colorado communities need this bill and they need it in its present form. They want an independent agency with an assurance that a research program will be put swiftly into motion.

I invite the attention of Senators to the fact that this proposed legislation has been under consideration by three Congresses. In the 84th Congress the subject was considered of such importance that the then chairman of the House Committee on Interior and Insular Affairs [Mr. ENGLE] appointed a special subcommittee to consider this question. At Mr. ENGLE's side, providing guidance and leadership during the fight for this bill in the 84th and 85th Congresses, was the ranking Democrat on the House Interior Committee, the distinguished Representative from the Fourth District of Colorado [Mr. ASPINALL]. Later Mr. ASPINALL succeeded Mr. ENGLE as chairman and took over the leadership of the fight in the House. Mr. ASPINALL, during all his years in the Congress, has been concerned about the plight of Colorado coal miners and the Colorado coal mining industry. In this Congress Mr. ASPINALL authored the bill that we have before us today. Mr. ASPINALL would not want to bypass the Bureau of Mines if he thought the Bureau could accomplish what is needed, but it has not achieved very much. It's research program is not adequate to the job. That is one of the reasons why the committee recommended the establishment of a new commission. The House by its overwhelming vote recommended this concept, and the Senate Committee on Interior and Insular Affairs agreed that the bill be presented in its present form.

Coal mining was once an important industry in Colorado. In its first 100 years the industry mined more than 500 million tons. Dollar volume has been about $1,176 million, or nearly half that of all gold produced in Colorado during the same 100 years.

Today coal production is a fraction of what it once was. Where 12,658,055 tons were mined in Colorado in 1918, only 2,972,191 were produced in 1958. There were 249 mines in operation in 1918, employing 14,374 men. By 1958, the number of mines in operation had dropped to 128 and the number of men employed to 2,499.

Coal still means up to $17 million annual business gross, but the market has shriveled. Railroads, which once accounted for much of the production, now use practically no coal. Powerplants, although still good coal customers, are four times more efficient than they used to be. Hence the rising curve of power produced has not meant a similar increase in coal consumption.

Yet the coal industry is optimistic over the probability that a revolution in markets is in the foreseeable future. Utilization of coal in the production of electric power and liquid fuel opens new vistas to the industry. Still other new ways must be found to utilize coal and new methods can be found to produce coal cheaper and more efficiently. But research is required to find these answers. It is true that much research has been conducted by the Bureau of Mines, but the results have not matched the challenge. Such advances must be stimulated and coordinated by a central agency which will have access to technological developments made by industrial associations, educational institutions, private consulting firms, and other departments and agencies of the Federal Government.

Colorado has an estimated 100 billion tons of coal reserves, according to the Geological Survey report of 1954. Colorado ranks fourth in the Nation in remaining bituminous resources, led only by Illinois, Kentucky, and West Virginia.

An imaginative approach must be made toward the realization of the full potential of these vast reserves—for the economic growth of the coal industry and the economic health of those who have devoted their lives to the development of the industry, and for the material benefits which will accrue to the Nation through new uses for our defense effort, our conquest of space, and for consumer goods.

I regret that I cannot go along with my senior colleague from Colorado. I know his intentions are good. But in addition to what the Bureau of Mines has been doing, we must explore new ways, and blaze new trails. I regret that I cannot support my colleague's amendment. I hope the Senate will accept the committee's recommendation.

Mr. ALLOTT. Mr. President, a remark was made by my distinguished colleague a few moments ago to the effect that Colorado was not discussed. Prior to the time he entered the Chamber, I discussed the situation in Colorado. It

is discussed also at considerable length in the hearings.

I am sure that all my colleagues who have discussed this question are motivated by just as good intentions as I am, and that they are acting in equally good faith. I am sorry that the minority leader [Mr. DIRKSEN], allowed his brilliant intellect to lead him down the the wrong path on this particular question. Nevertheless, I admire him, for his great loquacity and beautiful oratory.

First of all, the bill would create an anomalous administrative situation. The bill provides for placing this activity in the Department of the Interior for administrative purposes. Can any Senator tell me what that means? No one can tell me what it means. We are proposing to establish a new administrative agency, but to place it in the Department of the Interior for administrative purposes.

The Hoover Commission recommended in 1949 that any systematic effort to improve the organization and administration of the Government must create a more orderly grouping of the functions of Government into major departments and agencies under the President. It stated that the first and essential step in the search for efficiency and economy in the executive branch was to correct the diffusion of authority and confusion of responsibility.

Reorganization Plans Nos. 1 to 13 were submitted to and were approved by the Congress in 1950 to accomplish these objectives. In presenting these plans to the Congress former President Truman stated that they represented a bold approach to the problem of delineating responsibility and authority for the management of the executive branch.

We have before us a problem with respect to coal. What are we to do this year or next year when we come to the question of molybdenum, manganese, lead, zinc, fluorspar, boron, and 50 other metals which are of vital interest to our country? Are we to establish for each of them a separate research institute? I think not.

I invite the attention of my colleagues, particularly those who are piloting this bill, to the fact that under the terms of the bill, the chairman of the Commission would receive a salary of $20,500 a year. That is within $2,000 of the salaries of Senators, and we pay our own expenses. It is more than assistant secretaries in major departments receive, and much more than heads of bureaus receive.

The proposal provides for 11 Public Law 313 scientific positions paying up to $19,000, whereas the Interior Department as a whole now has only five of these positions authorized for its many and widely diversified research activities.

I close with the observation that, first of all, if we really want coal research, here is an amendment in the nature of a substitute which is approved by the Bureau of the Budget. It is approved by the Department of the Interior. On the contrary, the bill before the Senate has been disapproved by both these agencies in unequivocal terms.

If the idea is to speed research, then under the amendment we should not have to wait a year while we are gathering together the scientific personnel and the facts we have to get from the Bureau of Mines at one end of the Department of the Interior and furnishing to them the new setup so that the personnel can start to work.

If we really wish to conserve scientific personnel, and utilize all the knowledge with respect to coal, collected in the world or collected in this country we can utilize it by means of what is provided in the amendment better than in any other way.

Objection has been made, and it has been suggested that the Bureau of Mines has not done a good job. I have this to say about that. I do not hold a brief for any department of Government except as they make a good record, but we have never said to the Bureau of Mines, "We want you to do a good job in this area." If we have a bad law, we do not accomplish anything by ignoring it. We do good by enforcing it, and then perhaps amending it if the results demand it.

So in this matter, if research is desired, let us say to the Bureau of Mines, "Here is the money. Here is the problem," and then if the personnel does not do what it should, we can talk to the personnel at a later time. But let us put the responsibility where it belongs. Let us not diffuse our effort. Let us speed up the research by a year, and let us get something accomplished.

Mr. MOSS. Mr. President, I suggest the absence of a quorum. Has all time for debate expired?

The PRESIDING OFFICER. All time for debate has expired. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time limitation be extended by 3 minutes for the purpose of allowing the Senator from Ohio, who has not taken part in the debate, to speak on the pending question.

The PRESIDING OFFICER. Will the Senator from Utah withhold his request?

Mr. MOSS. I withhold my suggestion of the absence of a quorum.

The PRESIDING OFFICER. Without objection, the Senator from Ohio may proceed.

Mr. LAUSCHE. Mr. President, I merely desire to express my approval of the general objective of the bill.

Repeating the words which have been uttered by other Senators, with respect to Ohio I must say that the coal areas are in need of economic stimulation. Those areas usually are not suitable for the establishment of new businesses. They have typical characteristics, and they revolve mainly about the development of the natural minerals which are within their borders.

In Ohio the Batelle Institute has been conducting research, and I know that the minds of many people are set on the day when by discovery new uses of coal will be provided, and in my judgment the $2 million which the bill proposes to provide for use in this research the first year and other amounts, as needed, in subsequent years eventually will be productive of tremendous financial contributions to the economy. I join with the Senators who have so vigorously fought in behalf of the establishment of this research.

One word further. I subscribe to the views expressed by the Senators who state that a new agency with a new vision and a new spirit will be able to do the job better than if we assigned it to the Bureau of Mines. The Bureau of Mines has its work to do. Its field is large. The fact that the duty to make the research is not being assigned to it is not in the nature of a condemnation of its work. What is proposed is the product of a belief that the best good can be obtained through a new agency taking hold, an agency which will have new vision. I therefore join with the Senator from Utah and the junior and senior Senators from West Virginia in supporting the bill as it is now before the Senate.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Colorado [Mr. ALLOTT].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Jersey [Mr. WILLIAMS], are absent on official business.

The Senator from Connecticut [Mr. DODD], and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. NEUBERGER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New York [Mr. JAVITS] is absent on official business.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

The result was announced—yeas 27, nays 56, as follows:

YEAS—27

Aiken	Case, S. Dak.	Kuchel
Allott	Cotton	Langer
Beall	Curtis	Mundt
Bennett	Dworshak	Prouty
Bridges	Ellender	Saltonstall
Bush	Goldwater	Schoeppel
Butler	Hickenlooper	Scott
Carlson	Hruska	Smith
Case, N.J.	Keating	Williams, Del.

NAYS—56

Anderson	Gruening	Monroney
Bartlett	Hart	Morse
Bible	Hartke	Morton
Byrd, Va.	Hennings	Moss
Byrd, W. Va.	Hill	Murray
Cannon	Holland	Muskie
Capehart	Humphrey	Proxmire
Carroll	Jackson	Randolph
Chavez	Johnson, Tex.	Robertson
Church	Johnston, S.C.	Russell
Clark	Jordan	Smathers
Cooper	Kefauver	Sparkman
Dirksen	Kerr	Stennis
Douglas	Lausche	Symington
Eastland	McCarthy	Talmadge
Engle	McClellan	Thurmond
Ervin	McNamara	Yarborough
Frear	Magnuson	Young, Ohio
Fulbright	Mansfield	

NOT VOTING—15

Dodd	Kennedy	O'Mahoney
Gore	Long	Pastore
Green	McGee	Wiley
Hayden	Martin	Williams, N.J.
Javits	Neuberger	Young, N. Dak.

So Mr. ALLOTT'S amendment in the nature of a substitute was rejected.

Mr. MOSS. Mr. President, I move that the vote by which the amendment in the nature of a substitute was rejected be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. HART in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 6596) was passed.

Mr. MOSS. Mr. President, I move that the vote by which the bill passed be reconsidered.

Mr. BYRD of West Virginia. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one if its reading clerks, announced that the House had passed, without amendment, the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4060) to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run, and it was signed by the President pro tempore.

A THIRD BASEBALL LEAGUE

Mr. HUMPHREY. Mr. President, the announcement today of the formation of a third major league is good news for lovers of the great American sport of baseball. I am particularly pleased, of course, that the Twin Cities of Minneapolis and St. Paul will at last have their own major league ball club.

It is fitting, too, that a Nation which has skyrocketed in population since 1903 should at last have more than 16 major league ball clubs—which has been the total for over half a century. Modern-day air transportation has made possible the extension of major league baseball to the great metropolitan areas which have so long been denied this magnificent sport, and I am confident the teams will be strongly and enthusiastically supported.

INDUSTRIAL USES OF AGRICULTURAL PRODUCTS

Mr. JOHNSON of Texas. Mr. President, if I may have the attention of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Georgia [Mr. TALMADGE], my colleague from Texas [Mr. YARBOROUGH], and the Senator from Indiana [Mr. CAPEHART], I wish to state that I am about to move that the Senate proceed to the consideration of Calendar No. 183, Senate bill 690, to provide for the increased used of agricultural products for industrial purposes.

I am informed that we shall be able to obtain a unanimous-consent agreement in connection with the consideration of the bill—namely, 30 minutes for each amendment and 1 hour on the bill, to be equally divided, and that the regular form of such agreements, which is at the desk, be followed.

Therefore, Mr. President, I ask unanimous consent that during the consideration of Calendar No. 183, Senate 690, the time for the consideration of each amendment be limited to 30 minutes, to be divided equally, and the time on the bill itself be limited to 1 hour, also to be divided equally—all in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

The agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective immediately, during the consideration of the bill (S. 690) to provide for the increased use of agricultural products for industrial purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate now proceed to the consideration of Calendar No. 183, Senate bill 690.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 690) to provide for the increased use of agricultural products for industrial purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I understand that the time limitation I submitted a moment ago is now in effect.

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Let me inquire whether any amendments are to be offered to the bill.

Mr. HUMPHREY. I have amendments to offer, but they are only technical ones.

Mr. JOHNSON of Texas. Very well. Will the Senator from Minnesota submit the amendments now?

Mr. HUMPHREY. I shall submit them after the opening statement on the bill has been made.

Mr. JOHNSON of Texas. Very well.

Mr. President, at this time I shall yield to the Senator from South Carolina [Mr. JOHNSTON]. Let me ask how much time he desires to have.

Mr. JOHNSTON of South Carolina. Five minutes.

Mr. JOHNSON of Texas. Then, Mr. President, I yield 5 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, before the Senator from South Carolina makes his statement, I ask for the yeas and nays on the question of the passage of the bill.

The PRESIDING OFFICER. Is the request for the yeas and nays sufficiently seconded?

The yeas and nays were ordered.

Mr. JOHNSON of Texas. I thank the Senator from South Carolina for his courtesy; and I now yield 5 minutes to him.

Mr. JOHNSTON of South Carolina. Mr. President, the pending bill establishes an agency to be known as the Agricultural Research and Industrial Administration, of the Department of Agriculture, to coordinate and expedite efforts to develop, through research, new industrial uses, and increased use, under existing processes, of agricultural products, as well as to develop new replacement crops, and to reduce the stock of commodities owned by the Commodity Credit Corporation.

I should like to say that several Senators introduced bills on the same subject. A number of those bills would have prevented the Department of Agriculture from administering their provisions.

We compromised, so to speak, and let the agency stay under the Department of Agriculture, and the bill was reported from the Committee on Agriculture and Forestry by a unanimous vote. All these facts being so, and Senators having had on their desks since April 15 the report of the committee, which I am satisfied a great many of the Senators have studied, and I am sure they know the contents of the bill, I do not think it necessary to take much time. That is the reason why I agreed with the majority leader to limit the time for the discussion of important legislation to such a short time.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSON of South Carolina. I yield.

Mr. CAPEHART. I think this is an excellent piece of proposed legislation. I have introduced similar bills many times. I see nothing wrong with the way the bill is written. I hope the same thing will happen in a few minutes as happened a year ago. Last year the Senate passed a similar bill by a vote of 86 to 0. There was not a single vote against it.

One objection that will be made against the bill is that it takes power away from the Secretary of Agriculture. Nobody wants to take any power away from the Secretary. What the bill provides is an administrator who can give the subject his full time. We want somebody administering the research who will be able to spend 24 hours a day thinking about the problem. The Secretary of Agriculture has more than he can do at the moment, let alone think about this problem. We want a topnotch man in the job, on a par with a Cabinet position, who can spend all his time on the problem.

The proposal is no reflection on the Secretary of Agriculture. He has no time to do the research supervision. He ought to welcome the bill, because, while it retains the housekeeping functions in the Department of Agriculture, it will enable him to have a man who will be able to devote 24 hours to doing research into new uses for agricultural products, so that the income of farmers can be increased. The farmers of the country certainly deserve a man who can spend 24 hours on that problem, and not have in charge of such research a man who has a thousand and one other problems.

The proposal is no reflection on the Secretary. It is an honest, sincere effort to get a much needed job accomplished, namely, to find new uses for farm products, and thereby increase the income of farmers.

That is how simple the bill is. It is not complex. Nobody is taking a shot at anyone. Nobody is trying to interfere with the Secretary of Agriculture. In fact, we are trying to help him, and trying to get him a top caliber man. A top caliber man capable of doing the job cannot be induced to take the position unless he is given responsibility and authority. If he is to be put under a second or third Assistant Secretary, we shall not get the kind of man we need to get the job done.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield myself 3 additional minutes, so I may answer some questions.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from South Dakota.

Mr. MUNDT. I should like to associate myself with the remarks made by the distinguished senior Senator from Indiana [Mr. CAPEHART].

I quote from the committee report on the subject, page 2 thereof, dealing with the creation of new agencies:

Section 2—

Says the report—

establishes in the Department of Agriculture—

Not outside of it—

an Agricultural Research and Industrial Administration. * * * It would be headed by an administrator, subject to the general direction and supervision of the Secretary of Agriculture, appointed by the President, with the advice and consent of the Senate.

So the bill specifically provides that the Secretary of Agriculture has a function in this matter, the general supervisory function and the directory function he has as Secretary of the Department.

As the Senator will recall, this was a compromise between those who wanted to lift it entirely outside the Department and make it an independent agency, and those who suggested that the function should be left in the Department, with additional powers.

On the opening day of Congress I introduced an identical bill to S. 690 and this provision was contained in that bill, as it was in the bill passed unanimously by the Senate a year ago. Unfortunately that bill died in the House of Representatives.

The pending bill in no sense deprives the Secretary of Agriculture of anything. It elevates this important activity to the point where the administrator can work on it 24 hours a day, he can make special requests, can get special funds, and can get to the point of utilizing the present surpluses by finding new uses in industry for them.

Mr. JOHNSTON of South Carolina. Everything the Senator has said is correct. The arrangement proposed in the bill is very much like the arrangement for the Rural Electrification Administration. Anyone who is familiar with the workings of the Rural Electrification Administration will recognize that the bill provides a similar arrangement.

Mr. MUNDT. The new agency would have precisely the same position that the REA has, and it is where the administration wants to keep the REA, as indicated by the veto of the President of a bill to change the administration of the REA.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Mississippi.

Mr. STENNIS. In the bill he is advocating, the Senator does not mean to deemphasize, or have the bill militate in the least against, the present agricultural research, in all its branches, and neither does the Senator want to deemphasize forest research in any of its ramifications. Is that correct?

Mr. JOHNSTON of South Carolina. Yes. It is meant to use that kind of research as a steppingstone to get results.

Mr. STENNIS. This program is meant to be inaugurated with full recognition of the very important place that basic agriculture and forestry research now has in the programs being carried on. Is that correct?

Mr. JOHNSTON of South Carolina. That is true.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MUNDT. One of the impelling reasons that induced the committee to take the compromise position, instead of lifting the matter entirely outside the Department of Agriculture, is the fact that able and respected Dr. Shaw and others testified that frequently, as new uses were found for farm products, new ways of developing such farm products had to be found, to make them more adaptable to research and industrial utilization. The two jibe together and should be kept under the administrative canopy of the Department of Agriculture.

Mr. STENNIS. Mr. President, will the Senator yield for a brief comment?

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield myself 2 more minutes, in order to answer questions. I have not had much opportunity to speak yet.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 additional minutes.

Mr. JOHNSTON of South Carolina. I yield to the Senator from Mississippi.

Mr. STENNIS. The Senator from Mississippi understands that what is proposed is merely a supplemental program and that we shall continue to have the agricultural research services and also the forestry research services as heretofore. Is that correct?

Mr. JOHNSTON of South Carolina. The new program does not affect those services one iota.

Mr. STENNIS. I thank the Senator.

Mr. KEATING. Mr. President, will the Senator yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KEATING. I should like to bring the attention of the Senator from South Carolina to subparagraph (1) on page 8 of the bill, in which it is provided that the agency is given authority to "maintain and operate manufacturing facilities and to build, purchase, or lease plant facilities."

That is certainly putting the Government of the United States into business. I wanted to ask the Senator whether an amendment is to be offered which will in some way explain what is meant by that provision. I could never vote for a bill which went so far as that.

Mr. CURTIS. Mr. President, will the Senator yield to me for a reply?

Mr. JOHNSTON of South Carolina. Yes. I may say to the Senator from New York that provision would be applicable only when it was not feasible to have someone else develop such facilities.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I had better yield myself 3 minutes this time.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 3 minutes.

Mr. CURTIS. Mr. President, I may say to the distinguished Senator from New York that the proposal to create the commission to make such studies was introduced by the junior Senator from Nebraska. I suggested to the President the name of a gentleman to be chairman of the commission; and he was appointed.

This Government operation is limited to research, trial commercialization, and pilot testing. For trial commercialization and pilot testing, the bill does call for some Government participation. There definitely is a provision on research. However, the bill does not propose Government owned or operated factories and plants, but would turn the entire matter over to private enterprise.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. CURTIS. This is to operate within the limited scope of research, pilot testing, and trial commercialization.

Mr. KEATING. I appreciate the explanation of the distinguished Senator from Nebraska. Perhaps it is helpful in establishing the legislative history of the bill. It strikes me, however, that the language of subparagraph (1) ought to be somewhat refined in order to carry out the intention expressed by the Senator from Nebraska. As the subsection is worded, it certainly is very wide open in the giving of authority to the agency to maintain and operate plants, and to build plants.

Mr. CURTIS. If the Senator will read page 5, lines 13 to 22, he will observe the language:

> The agency shall have power and authority, within the limits of the funds made available to it, to coordinate and expedite activities toward research, pilot plant, development, trial commercialization and industrial uses, with Federal and State Governments, educational institutions, private research organizations, trade associations, individuals and industrial corporations in expanding the industrial utilization of the products of farm and forest and the development of new crops.

It is within that limitation that the agency can own property.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Indiana.

Mr. CAPEHART. Let me read what the able Senator from New York is talking about, on page 8, line 17, under subheading (1):

> To test production procedures on a commercial basis—

The word used is "test." It does not refer to anything beyond "test."

Then the language continues:

> maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs.

The purpose of the language is to provide for setting up pilot plants. There was never any intention on the part of any of us who are interested in the bill to do otherwise. I introduced a bill on the subject as early as 5 or 6 years ago.

What we are trying to do is to set up pilot plants to test the practicability of new uses for farm products. Then, when a test is proved, of course, the product will be licensed to private industry to manufacture or process. I can say without fear of successful contradiction that nobody who had anything whatsoever to do with the proposed legislation ever had in mind that the Government would manufacture or process, beyond testing the practicality or feasibility of a product. It is almost necessary to do that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CAPEHART. Mr. President, will the Senator yield me 1 minute?

Mr. JOHNSTON of South Carolina. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. If we are to conduct research in this field, it is almost necessary to have a pilot run. To do that we have to have facilities.

The Senator will find that the bill gives the right and authority to contract with private industry to do what we are contemplating. The Government does not necessarily have to do what the bill provides, but can contract with private industry to make the research, to do the pilot manufacturing, and to make field tests. It was never intended that the Government would manufacture a single pound of anything, beyond the necessity of making the pilot test or the pilot run.

Mr. KEATING. I appreciate the explanation given by the distinguished Senator from Indiana, and I accept the intention of the committee as being a statement of fact, but I strongly feel that the language should be considerably modified to bring about that result.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. Mr. President, will the Senator yield me 1 minute?

Mr. JOHNSTON of South Carolina. I yield 1 minute to the Senator from New York.

Mr. KEATING. On page 2 of the report, in the listing of the objectives of the bill and the powers of the new agency, No. 10 states: "Build, maintain, and operate manufacturing facilities."

I do not think that the language of subsection (1) is sufficiently refined to carry out the expressed intention of the members of the committee. I think the language is much broader in authority than is necessary to accomplish what the Senator from Indiana mentioned.

Mr. MUNDT. Mr. President, will the Senator yield to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from South Dakota.

Mr. MUNDT. Our friend the Senator from New York is confused because he has looked over to page 8, to subsection (1). If the Senator will look at page 5, to ascertain the purpose, I am sure he will agree the safeguards he desires and we all desire are already provided. On line 21, page 5, the language is very clear when it says:

> In the discharge of these duties, the agency is empowered to—

One of the things is listed in subparagraph (1).

What are these duties? What is the purpose of this new plant, if it is built by the Government? That is very clearly stated on page 5, in the language:

> The agency shall have power and authority, within the limits of the funds made available to it, to coordinate and expedite activities toward research, pilot-plant development, trial commercialization, and industrial uses, with Federal and State Governments, educational institutions, private research organizations, trade associations, individuals, and industrial corporations in expanding the industrial utilization of the products of farm and forest and the development of new crops.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. In the discharge of these pilot duties the Government has a right to build a plant only with respect to its test and experiment activities.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Connecticut.

Mr. BUSH. Can the Senator tell us whether a report was asked for from the Department of Commerce or from the Department of Agriculture with regard to the bill?

Mr. JOHNSTON of South Carolina. It was.

Mr. BUSH. The Department report does not appear to be included in the committee report. Is that correct?

Mr. JOHNSTON of South Carolina. It was not included.

Mr. BUSH. Why was it not included?

Mr. JOHNSTON of South Carolina. The Senator will find that the Department of Agriculture did not object to the kind of investigation planned, to try to find out different uses for agricultural commodities, but did want to leave the matter entirely with the Department, not even asking for a separate agency or even an agency under the Department. That is how the difference arose. That was the only difference.

Mr. BUSH. Is the Department of Agriculture opposed to the passage of the bill?

Mr. JOHNSTON of South Carolina. The Department is not opposed to the purpose of the bill, but is opposed to the machinery set up to implement the bill, and only to that.

Mr. BUSH. We would have to presume the Department of Agriculture would be opposed to the bill in its present form. The Department is opposed to the bill before the Senate?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. BUSH. What is the story with regard to the Department of Commerce?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Minnesota, who had charge of the hearings.

Mr. HUMPHREY. The Department of Commerce and the Department of Agriculture reports were coordinated through the Bureau of the Budget. The Bureau of the Budget registered objection to the bill strictly on the basis the chief sponsor of the bill, the Senator from South Carolina [Mr. JOHNSTON] has just stated; namely, as to administrative machinery.

I say, most respectfully, that the members of the Senate Committee on Agriculture and Forestry, after having many times heard the Department of Agriculture say there was plenty of existing authority for the kind of research desired came to the conclusion, after exhaustive hearings and after many investigations, that the proposed legislation was necessary.

I observe that some of my colleagues from the committee are present in the Chamber. Those Senators will recall that while the Department of Agriculture said it could do what is desired, it was not doing it. The members of the committee decided unanimously the research should be made. I wish to add that I was one of those who listened to the Department for a long time say it could do this.

I believe it is fair to say that the distinguished Senator from Nebraska [Mr. CURTIS], the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. MUNDT], and the Senator from South Carolina [Mr. JOHNSTON], were the major and prime movers in regard to this kind of legislation. Each Senator, as I recall, introduced a separate bill. I recall that the Senator from Nebraska had a proposal attached to another agricultural bill to direct the establishment of such a program as this.

We came to the conclusion we reached not as the result of partisanship, and not simply in an attempt to jam something through, but instead on the basis of very careful study. We came to the conclusion this had to be done if we were to do anything with regard to industrial uses of farm products. The present Research Division of the Department of Agriculture is essentially involved in research in the field not of new uses of production, but in the field of new commodities and better seeds, better livestock, better agricultural commodities.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from South Carolina [Mr. JOHNSTON] has 11 minutes remaining.

Mr. CURTIS. Mr. President, will the Senator from Illinois yield me 10 minutes?

Mr. DIRKSEN. Mr. President, I am glad to yield 10 minutes to the Senator from Nebraska.

Mr. HUMPHREY. Mr. President, will the Senator first permit me to make my statement in regard to the bill?

Mr. JOHNSTON of South Carolina. I ask the Senator from Nebraska to permit me to yield to the Senator from Minnesota before he proceeds.

Mr. HUMPHREY. Mr. President, I shall not take much of the time of the Senate. I have prepared a statement relating to the bill. I ask unanimous consent to have my statement, outlining the authority granted in this measure, which is explained very concisely and directly in the report, plus a statement of the general provisions of the bill, printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

EXPLANATION OF S. 690

This bill provides the organization and authority needed to bring about the increased industrial use of farm products and provide a market for our surplus agricultural commodities.

The new organization, to be known as the Agricultural Research and Industrial Administration, would be established in the Department of Agriculture, which already has considerable authority in this field. It would be headed by a $20,000 per year Administrator appointed by the President with the advice and consent of the Senate and three $17,500 per year Deputy Administrators. It would have authority to pay up to $19,000 per year to up to 10 especially qualified scientific or professional employees. In addition it could hire or contract for temporary services, without regard to Classification Act rates. It is the purpose of the bill to provide an adequate organization to accomplish the bill's objectives.

The new organization would coordinate and expedite efforts to develop new uses for farm products, new crops to replace those in surplus, and additional means of reducing stocks owned by Commodity Credit Corporation. In the discharge of its duties it would have the following authority:

First, all of the authority of the Secretary of Agriculture in this field, and authority to utilize all Government facilities;

Second, authority to make research grants;

Third, authority to use foreign currencies generated under title I of Public Law 480, 83d Congress, without appropriation;

Fourth, to make contracts dealing with such matters as the commercialization, market acceptance, and economic feasibility of industrial uses and processes;

Fifth, to extend suitable incentives to hasten the establishment of new crops or new industrial uses;

Sixth, authority to direct the Commodity Credit Corporation to deliver any of its stocks to be used for research, pilot plant operation, trial commercialization, export of manufactured products, or new or byproduct uses;

Seventh, authority to provide for the private operation of Government facilities;

Eighth, authority to give loan or grant assistance in procuring facilities to those contracting with it;

Ninth, to provide in its contracts for the equitable disposition of inventions produced thereunder;

Tenth, to license patents under the control of the Department;

Eleventh, to pay incentives for program suggestions;

Twelfth, to test production procedures and acquire and operate manufacturing plants; and

Thirteenth, authority to grant graduate scholarships and fellowships.

Mr. HUMPHREY. I add that what we propose to do, over and above existing authority, is to establish in the Department of Agriculture an Agricultural Research and Industrial Administration for industrial and commercial and new uses of agricultural commodities. It would not conflict with the established agricultural research, such as that conducted at the Beltsville Station, the work on seeds, the work of the horticultural experimental stations, and that of the land-grant colleges. None of that work would be in conflict with what is proposed.

The purpose of the bill is to see whether or not surplus agricultural commodities which are accumulating can be put to new commercial and industrial uses. The purpose is not to find more production, but to find outlets for existing production in the new and commercial uses.

The purpose of the bill, among other things, would be to see whether or not certain short fibers of cotton could be converted to new commercial uses. It is not the purpose in any way to detract from the fine research program already under way in the field of better raw materials, better seeds, and better livestock, to which the Senator from Mississippi [Mr. STENNIS] has directed his attention, and to which he has given such careful attention during his service in the Senate.

The bill would supplement and augment industrial and commercial uses of agricultural food and fiber products. I have an amendment to offer at the proper time. It is a technical amendment, which requires not only that new uses shall be sought, but that the present program shall be continued in order to expand the present uses and the present research in this field.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ALLOTT. I should like to discuss the point which the Senator from New York [Mr. KEATING] raised. I feel that there is a definite deficiency in draftsmanship. I have been interested in cosponsoring several bills with the Senators from Nebraska and other Senators in this connection.

First, on page 5 of the bill, line 15, each time line 15 has been read, it has been read as follows: "activities toward research, pilot-plant development," and so forth.

I suggest that if it is read as it is punctuated, the language makes very little sense. It says: "expedite activities toward research, pilot-plant, development, trial commercialization," and so forth. I suggest adding an "s" to "pilot-plant," in which event the language would make sense.

On page 8, line 20, after the word "production" there should be a semicolon. Also, at the end of the paragraph the words "in accordance with the purposes named herein" should be added, so as to read:

(1) To test production procedures on a commercial basis, maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production; and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs, in accordance with the purposes named herein.

Frankly, I feel that the wording is very poor.

Mr. JOHNSTON of South Carolina. Mr. President, I do not have authority to speak for the committee, but most of the members are present. I do not believe any of them would disagree with the amendments suggested. The language was drafted by the draftsmen for the Senate.

Mr. ALLOTT. May I offer those suggestions as amendments?

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MUNDT. I think I can speak for the minority group. We have no objection to accepting the amendments suggested, if they are of any value. It seems to me that they merely amount to saying a second time what we have already said. They do not change the meaning. They merely button up the language, fore and aft.

Mr. ALLOTT. It is a good thing to be protected on both ends.

Mr. MUNDT. I am perfectly willing to accept the amendments suggested.

Mr. JOHNSTON of South Carolina. Mr. President, I do not see any harm in accepting the suggested amendments. If there is no objection, we shall be glad to take them to conference.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HUMPHREY. May I hear the amendment read? I was privileged to be responsible for reporting the bill from the committee. I should like to know the exact wording which is suggested.

Mr. ALLOTT. On page 5, beginning in line 15, each time the language has been read by any Senator, it has been read in this manner "activities toward research, pilot-plant development, trial commercialization and industrial uses," and so forth.

That is not what the bill says. The bill says: "Toward research, pilot-plant, development, trial commercialization and industrial uses," and so forth. We certainly do not want an authorization merely for one pilot-plant. I suggest adding an "s."

Further, in order to tighten the language—and this is no reflection on the draftsmanship—on page 8, in subsection (1) a semicolon is really required after the word "production"; and, in order to make the language perfectly clear, at the end of the sentence the words "in accordance with the purposes named here" should be added, so as to read:

(1) To test production procedures on a commercial basis, maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production; and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs, in accordance with the purposes named herein.

Mr. HUMPHREY. I think that is exactly what is meant, but the suggested amendment is a double protection.

Mr. ALLOTT. Mr. President, are these amendments accepted?

The PRESIDING OFFICER. The Chair did not hear the question of the Senator from Colorado.

Mr. ALLOTT. Mr. President, I offer the amendments which I have suggested.

Mr. JOHNSTON of South Carolina. I accept them.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. What are the amendments?

Mr. JOHNSTON of South Carolina. To add an "s" in one place, and a semicolon in another place. I believe that grammatically that would improve the language.

Mr. ALLOTT. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the adoption of the amendments en bloc? The Chair hears none; and the amendments offered by the Senator from Colorado [Mr. ALLOTT] are agreed to en bloc.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KEATING. As the Senator from South Dakota [Mr. MUNDT] has said, we have buttoned the language up fore and aft. I may have an important starboard amendment, also on page 5; but first let me ask this question: In line 16 on page 5 the language is "trial commercialization and industrial use," and so forth.

Is "trial" used as an adjective, and does it modify both "commercialization" and "industrial uses"? Is that the understanding?

Mr. HUMPHREY. Yes.

Mr. JOHNSTON of South Carolina. The "and" carries it over.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MUNDT. I should like to add, for the information of the Senate, that the bill does one or two other things which have not been discussed, but which we think will expedite the results which are sought, that is, the development of industrial uses for the foods and fibers of the farm. For one thing, it provides, outside the restrictions of the Classification Act, that the administrator of the agency shall be empowered to employ 10 scientists or technicians at top level grades, so that we may have high level performance and high level administration.

We have in mind, as members of the committee know, that this program will proceed on an active basis. It is to be a so-called crash program. It is a program to which we wish to devote a major effort, on which we wish to employ our best talent. So in addition to singling out the program and focusing it in the Department of Agriculture, with a semi-autonomous agency, the bill provides for additional scientists and technicians.

The second thing required is that there shall be a special annual report made to Congress in January each year by the Administrator. This report will not be buried in the general annual report of the Department of Agriculture, but will be a specific report from the specific agency, showing what has been achieved, what it is endeavoring to accomplish, wherein it has failed, and what it has spent, in the important business of developing new industrial uses for farm products.

The third step forward is that it provides specific and special appropriations for this purpose, so that Congress in its wisdom can push and prod this particular activity as rapidly as it wants to and will keep control of it from the standpoint of the money it makes available.

As one of the original authors of this bill, I believe that with the other activities in operation, we can make great strides toward eliminating existing surpluses and toward reaching that happy day when the American farmer can receive a fair price for a full crop in the marketplace, because between the human and animal needs and the industrial needs we believe the American and the world economy can absorb and utilize everything the American farmer can produce and thus provide in the market prices which will permanently make farming a profitable endeavor.

Mr. SCHOEPPEL. Mr. President, I wish to say to the distinguished Senator from South Carolina that with what has been said in favor of this measure I thoroughly and completely agree. It represents a great step forward in meeting some of the problems with which we are confronted concerning the surplus of agricultural products.

I see on the floor while we are discussing this measure the distinguished Senator from Indiana [Mr. CAPEHART]. I think it was about 4 years ago that he introduced for the consideration of the Senate a measure which in very general terms was along the lines of the pending bill; and the distinguished

Senator from Nebraska [Mr. CURTIS] also introduced such a bill.

With permission of the Senator from South Carolina I should like to ask the Senator from Indiana, who I understand is in favor of this bill——

Mr. CAPEHART. Oh, yes.

Mr. SCHOEPPEL. If the bill does not generally follow some of the ideas set forth in the measure introduced by him, in which many of us joined?

Mr. CAPEHART. In substance this bill does what the bill I introduced attempted to do. My bill was sponsored by some 40 other Senators from both sides of the aisle, including the able Senator from Kansas, [Mr. SCHOEPPEL]; the able Senator from South Dakota [Mr. MUNDT]; the able Senator from Nebraska [Mr. CURTIS], and other Senators too numerous to mention. I wish I had all their names. We introduced a bill 4 years ago which in substance does exactly what the pending bill proposes, and I highly recommend it.

Mr. SCHOEPPEL. I might say to the Senator from South Carolina, I appreciate the fact that this important measure has been brought to the floor of the Senate for consideration. As the Senator from Minnesota [Senator HUMPHREY] said a moment ago, when we had this bill before us in committee and discussed it and in the hearings held there was definite and positive need shown for a positive moving forward with this program rather than proceeding with it on a piecemeal basis, and I think this measure meets the need to a very marked degree. I hope that the Senate will pass the bill.

Mr. JOHNSTON of South Carolina. What the Senator from Kansas says is entirely correct. Everybody who appeared before the committee admitted the need for some action in this field. They differed a little as to how it should be done.

Mr. HRUSKA. Will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, in the consideration of the pending bill it seems to me we are witnessing a long-awaited event. It is an event which has been impatiently awaited by many, many people.

The need for such a bill to provide for the increased use of agricultural products for industrial purposes, is very obvious and highly urgent. It is highly urgent to make progress along the line the bill proposes in order to rescue American agriculture, which is in distress and which is headed for even greater distress unless a measure of this kind is enacted into law and becomes effective.

We may differ as to the methods and the mechanics by which to attain the objectives which are set forth in this bill. There is sincere and honest division on that point. I do not know that I subscribe entirely to the fashion in which this bill has directed itself, but I would like to say that if any undesirable development should occur in the implementation of this bill, we are always here in business ready to make such correction as may be necessary.

Not only is an annual report of the Administrator required but the Agricultural Committee of the Senate will maintain close contact with activities of this kind. The important thing is, that we are going forward in this field. My only regret is that we are late in doing what we are doing today.

I urge that the Senate take the most expeditious action possible in order that we may get this measure to the other body so that it can be enacted into law before we adjourn Congress finally.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. HUMPHREY. Will the Senator yield for a technical amendment?

Mr. JOHNSTON of South Carolina. I think everyone has agreed to the amendment. The Senator from Minnesota is not going to take much time on the amendment, and it will give me a little more time.

Mr. CURTIS. I yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota has the floor. The junior Senator from Nebraska yielded to the Senator from Minnesota.

Mr. MUNDT. I thought the Senator had yielded to me.

Mr. JOHNSTON of South Carolina. I yield to the Senator from Minnesota as much time as he deems necessary.

Mr. HUMPHREY. Let the Senator from South Dakota proceed.

Mr. MUNDT. Mr. President, I do not want the Senator from Nebraska to be uncomfortable about the fact that he is not sure that the best mechanism for administration is provided. Nobody can be sure of that. If the Senator is worried in any way that this plan somehow or other might be unworkable from the standpoint of the Secretary of Agriculture, I might point out that the Secretary of Agriculture is a member of the President's Cabinet. He will consult with the President in the selection of the Administrator. It is to be a team proposition so far as they are concerned.

Undoubtedly the Secretary of Agriculture will recommend to the President the man he wants to have appointed. His nomination must be confirmed by the Senate.

They will work together in the same governmental office.

We believe this is the best way to coordinate all the functions of the Department of Agriculture in its various scientific and research activities so as to keep in focus the primary target of this bill, which is to expedite industrial utilization of farm products, as the Senator from Minnesota has pointed out. It contemplates the consumptive aspects of research rather than the productive aspects of research.

Mr. HRUSKA. I take note of the observations made by the Senator from South Dakota. Legislation is always the art of the possible. While I still say there may be Members of this body who may disagree with the conclusions reached by the committee, I again want to say, Mr. President, that the purposes as reflected in the bill as presently drawn are adequate for the senior Senator from Nebraska. Let us take very prompt action. Let us take action now in this very, very important field.

Mr. JOHNSTON of South Carolina. Mr. President, if the Senator from Minnesota will offer his amendment, that will give us a little time on it.

Mr. HUMPHREY. I offer the amendment, and I suggest that to conserve time, I can explain what the amendment proposes, and if there is need for reading the amendment that can be done.

Among other things, the amendment would add, on page 3, line 5, after "byproducts," the words "and on development of means by which present industrial and commercial uses of farm products and byproducts can be extended"; and at the end of line 12, to add: "expanding existing industrial and commercial uses," so you tie into one framework not only that which is new, but that which is existing in industrial uses and commercial uses, and industrial and commercial research. This is a technical amendment that does not make any substantive change. It only correlates the program in one agency. It provides for existing commercial and industrial uses, and for research with respect to food and fiber products.

Mr. MUNDT. May I ask the Senator from Minnesota if he has discussed this amendment with the committee members on this side of the aisle? We think it is useful and valuable and see no reason to oppose it. We suggest that the chairman of the subcommittee accept it.

Mr. JOHNSTON of South Carolina. I accept the amendment. It is also recommended by the Department of Agriculture.

Mr. HUMPHREY. It is recommended by the technicians.

I ask unanimous consent that it be printed in the RECORD, so that the amendment may appear in connection with this colloquy.

There being no objection, Mr. HUMPHREY'S amendment was ordered to be printed in the RECORD, as follows:

On page 3, line 3, strike out the period and insert in lieu thereof a comma and the following: "and on development of means by which present industrial and commercial uses of farm products and byproducts can be extended."

On page 3, line 12, strike out the period and insert in lieu thereof a comma and the following: "and to permit the development of means for expanding existing industrial and commercial uses of farm products and byproducts."

On page 3, line 21, immediately after the comma, insert the following: "and for expansion of existing industrial and commercial uses,".

On page 5, line 20, immediately after the word "industrial", insert "and commercial".

On page 7, line 1, immediately after the comma, insert the following: "or to expand present industrial and commercial uses,".

On page 7, line 8, strike out "or" immediately after "products,"; and in line 9 strike out the period and insert in lieu thereof a comma and the following: "or (F) further development of present industrial and commercial uses."

Mr. COOPER. Will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Kentucky.

Mr. COOPER. I rise to support this bill, S. 690. There may be some difference of opinion as to the mechanism which should be employed to make it most effective, but I think the main thing is to pass a bill, to enact it into law and see how it works.

The bill before the Senate is designed to find new uses for farm products, to expand present commercial uses of agricultural products, and to develop new crops for our farmers to supplement those which are now in surplus.

The bill is identical to S. 4100, passed by the Senate last year by a large vote, on which the House did not act. I was a sponsor of one of the research and development bills last year, and during the discussion on the Senate floor, I called attention to the methods of research used in this country to develop new weapons. I stated at that time that we ought to pursue a program of similar size and scope for food and fiber—for "in the long run, they will be more valuable weapons."

The measures before the Congress flow, to a large extent, from the excellent work of the President's Commission on Increased Industrial Use of Agricultural Products. Dr. Frank J. Welch, dean of the College of Agriculture of the University of Kentucky, was a member of that outstanding Commission. Its broad recommendations, and its specific examples, by commodities, of the many opportunities for commercial development, provide solid ground for the belief that a greatly expanded research effort can result not only in benefits for our people as a whole, but also can enlarge the contribution made by farmers to the life of the country while removing much of the weight of surplus production from farmers' markets.

I wish to call attention to the fact that section 6 of the bill provides that the Agricultural Research and Industrial Administration may request that Government-owned facilities useful in the program authorized by the act be transferred to that agency. For example, I am familiar with the alcohol-butadiene plant at Louisville, Ky., known as Plancor 1207, which many have said might provide a very useful facility for research into the increased industrial use of agricultural products—and which Dr. J. Leroy Welch, the Chairman of the President's Commission on Increased Industrial Use of Agricultural Products, in March 1957, informed the Senate Banking and Currency Committee might be used to produce alcohol from surplus crops such as corn. This could mean a great deal to agriculture in our section, and could give employment as well. If S. 690 is enacted into law, I know the new agency will consider this possibility, and I hope that operation of the Louisville alcohol-butadiene plant might offer an opportunity for the work envisioned by the bill. During the war, similar pilot plants were built for the development of synthetic rubber, and were found to be useful facilities.

The country is faced today with a critical and continuing farm problem. My own belief is that for several years production controls will continue to be needed, that these controls should be made more effective, and that price supports should be high enough to provide a reasonable incentive to farmers to accept more effective controls. Second, an expanded and extended soil bank conservation reserve would provide long-term retirement of land to conservation uses, especially, for farmers who wish to turn to other work. But, in the long run the affirmative answer to the farm problem—to the cost-price squeeze and toward parity incomes for farmers—must be expanded markets at home and abroad, to put more of our production into the good use for which it is intended.

I see two possibilities for the expansion of farm markets at home: our growing population, and new uses for farm products. New uses, better commercial uses, and new specialty crops—encouraged by the provisions of this bill—can play an important part in an effective, many-sided approach to the farm problem.

But the intent of this bill goes beyond amelioration of a serious problem. It concerns a better way of life for all our people, new and more efficient products, progress in many fields through a quickened pace of research and development.

There may be questions as to the particular provisions of this bill. I support the bill because it is before the Senate, and may be the only bill on which we will have a chance to vote; I do not wish to embrace the exact mechanism it provides. But, while the Senate committee did not hold hearings this year, the House Committee on Agriculture has held extended hearings on the bill introduced by the chairman of its Subcommittee on Research and Extension, Mr. ABERNETHY. That bill, H.R. 2718, is strongly supported by the Association of Land-Grant Colleges. I hope the House will act on a bill this year, and if it should be different from the Senate bill I hope those differences will be resolved and that the Congress will enact legislation in this important field before adjourning.

I know also that there are proposals to establish in the executive branch an Agricultural Research and Development Commission to give direction to this sort of work. With other Senators, I have proposed a second Country Life Commission. Such a commission could examine our national goals, and perhaps appraise the value and priority of this as well as other work. Above all, I think it is essential to begin to put together the pieces to the farm problem, to relate the various farm programs to each other, and to come forward with a unified program which will merit the respect of the entire country.

I think what is most important now is to pass the bill before the Senate, have it enacted, and let it work. I compliment the Senators who have reported the bill to the Senate. I wish to compliment also those who in the past introduced similar bills. I remember that 5 or 6 years ago the senior Senator from Indiana [Mr. CAPEHART] introduced and urged passage of a similar bill, as have the Senator from Nebraska [Mr. CURTIS], the Senator from South Dakota [Mr. MUNDT], the senior Senator from South Carolina [Mr. JOHNSTON], and other Senators.

I hope the passage of Senate Bill 690 will enable prompt action to be taken in this field. I am glad to support the measure.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. JOHNSTON of South Carolina. I will accept the amendments; I simply wanted to defer action on them so that I might answer any questions which might be asked about them.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CASE of South Dakota. I join with other Senators who have complimented the committee upon reporting the bill. It was my privilege in 1956 to be one of the supporters or cosponsors of the Curtis amendment to the Agriculture Act of 1956. The bill, it seems to me, is a logical outgrowth of the research commission which was established by the Curtis amendment to the act of 1956. It laid the foundation by providing for a year of investigation and for a report. Now we should go forward, and the bill appears to do that.

I should like to have the attention of the distinguished Senator from South Carolina. While the bill was being discussed, I was called from the floor for a few minutes. I am not certain if anything was done to change the structural language under "Powers and duties," section 4. It occurs to me that there is a lack of uniformity in the way the several power clauses begin.

On page 5, line 21, section 4, the sentence begins:

> In the discharge of these duties, the agency is empowered to—

There follow many clauses. Some of the clauses follow logically the word "to"; some of them repeat the word "to." In order that there may be uniformity, it seems to me that the word "to" should be stricken in line 22 and reinserted at the beginning of subsection (a) on line 23, page 5; also at the beginning of line 10, page 6, in subparagraph (c); on page 6, line 23, at the beginning of subparagraph (e); on page 7, line 3, at the beginning of subparagraph (f); and on page 7, line 24, at the beginning of subparagraph (i). Then all the clauses would start with the preposition "to."

Mr. JOHNSTON of South Carolinia. From a grammatical standpoint, I think those corrections should be made though I do not think the language is wrong as it stands at present.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that the word "to" at the end of line 22, page 5, be stricken, and that the word "to" be inserted at the beginning of each subparagraph in section 4 where it does not now appear.

Mr. JOHNSTON of South Carolina. I observe that some paragraphs begin with "to" and that some paragraphs do not.

I can see no harm in that arrangement. Also, the word "to" could remain at the end of line 22 and it would be omitted from all the other paragraphs where it is now used. But if it will be clearer in the way suggested by the Senator from South Dakota, I do not object.

The PRESIDING OFFICER. The request of the Senator from South Dakota is that the word "to" at the end of line 22, page 5, be stricken.

Mr. CASE of South Dakota. And that the word "to" be inserted at the beginning of each subparagraph in section 4 where it does not now appear in that section.

The PRESIDING OFFICER. Without objection, the corections will be made.

Mr. CURTIS. Mr. President, I yield myself 10 minutes. I support the bill. I commend the Committee on Agriculture and Forestry, and especially the chairman of the subcommittee, the distinguished Senator from South Carolina [Mr. JOHNSTON], for reporting it to the Senate. The bill is before the Senate today because of an action taken in 1956. At that time I offered an amendment to the bill then under consideration to provide for a Presidential Commission To Recommend New Uses for Agricultural Products. The amendment was adopted, and the bill was passed, and the Commission was appointed.

President Eisenhower appointed J. Leroy Welsh, of Omaha, Nebr., to be Chairman, and Karl O. Butler, George H. Coppers, Charles Sayre, and Frank J. Welsh as the other members of the Commission. The Commission selected as its executive director Wheeler McMillen, the publisher of Farm Journal, an exponent of this kind of program for more than a quarter of a century.

The Commission called before it leaders from the scientific world, from industry, and from agriculture throughout the land. Many of those persons did not even submit an expense account. Congress appropriated $100,000 to carry on the work, and about $40,000 was returned to the Treasury unused.

As a Nebraskan, I do not wish to underestimate our stake in agriculture. In the first place, a sizable portion of our State's population consists of farmers, farm operators, and farm owners. Their income and their prosperity means income and prosperity for Nebraska. Our merchants, shopkeepers, and professional people in our towns and cities largely sell their goods and render their services to farmers, or to those who in turn sell to farmers. The greater portion of Nebraska's manufacturing relates to farming. Nebraska has a large amount of farm equipment manufacturing. We make irrigation pipe, truck boxes, dryers, elevators, wells and water equipment, and countless other things. Another factor in Nebraska's economy is manufacturing or processing of farm products. Nebraska provides the world with the best in meat, flour, butter, and many other processed agricultural products.

The income, especially the net income after today's high costs, for a great many of our farm families is not near what it ought to be. I would like to see those policies adopted which would enable the farm families of Nebraska to increase their income.

I know of no one who contends that our present farm program is satisfactory either to farmers, taxpayers, or to the Government. Both major political parties have wrestled with this problem for a number of years. The programs sponsored by the Government in the past have been put forth with good intentions. Many of the things that have been done have been of great temporary assistance to farmers, yet the problem remains far from solution.

The problems we now face and those the Government faces would have become this acute much earlier if it had not been for the intervention of two wars. In spite of all of the years of efforts put forth and the spending of billions of dollars we are still plagued by surpluses. These surpluses hang like a cloud over the normal markets and prevent a rise in prices.

At the same time they are a heavy financial burden upon the Treasury of the United States. A reduction in acreage has not resulted in a reduction of surpluses. Many well-qualified people believe that we have not yet scratched the surface in the matter of productivity. We have reduced and reduced the acres which a farmer may plant in order to participate in the price-support program. The individual farmers are not to blame for the situation. If they are to stay in business and make a go of things they must produce all they can.

We must turn our attention to new markets. What are those new markets? Great and commendable efforts are being made to increase our exports of agricultural products. This is proving to be very costly. We are subsidizing, for instance, the export of wheat to the extent of about 75 cents or 80 cents per bushel.

But the real problem in reference to agriculture is that the world is producing more of its own food. Many countries that were, a few years ago, deficit food areas now are plagued with a surplus.

The greatest market we can find anyplace for agricultural products is right here at home. The greatest new market we can find is a market in industry. We are living in an industrial age. The American people are using more gadgets, more materials, and equipment of all kinds than ever before, and that use is increasing daily.

Many of these industrial uses can be supplied from raw materials produced on the land.

This program falls in three parts. The program recommended goes far beyond research.

In the first place, it calls for a broad program of scientific research to find new uses for farm crops.

Secondly, it calls for a program of trial commercialization and pilot testing. Research merely for the shelf does not provide the answer. We must have this trial commercial situation and pilot testing. Thirdly, it seeks a program of limited subsidies on a test pilot basis to both farmers and industry to get the program started.

None of us will deny the value of research. Most of the material things that we use and enjoy from day to day are the products of research. The great advances in medicine, that have extended human life, are a result of scientific research. The atom was split and a profound program of peacetime uses of atomic energy awaits us, all because of research.

Oh yes, there has been research in the field of agriculture. But practically all of this research has been directed toward how we can produce more and we have neglected the research on finding new uses for that which we can produce.

It is because of research that we now produce 100 bushels of corn where we used to produce 25.

All through these years, however, the talent, the brains, the laboratories, and the money have not been applied to finding new uses for the things we produce on the farm.

As the Welsh Commission points out, industry is currently investing at least $3 billion a year, 3 percent of gross sales, in research. The result is obvious in a constant flood of new and improved products—fabrics, plastics, building materials, surface coatings, detergents, chemicals, and many others.

Many of these so-called miracle products of modern research have provided the foundation for vast new industries and the stimulus for new consumer demands. Most of the products are based on nonagricultural raw materials—particularly chemicals derived from petroleum—which are chemically taken apart and rebuilt—synthesized—in new forms. This search by industry is continuous, systematic, and intensive.

By contrast, agriculture spends not over $375 million on research—about 1 percent of gross sales, and most of this goes to improve and increase production. Federal and State Governments spend $190 million of the total, of which no more than $18 million goes for utilization research.

In other words, about one-twentieth of 1 percent of the gross sales of agriculture has been used on research to find new uses for agricultural products.

In the last 20 years, for example, domestic use of paint, varnish, et cetera, increased about 100 percent in the rapidly expending U.S. economy. Use of linseed, or other drying oils, increased only about 25 percent. Synthetics took their place. If linseed oil were used in paints today at the same rate as in the early 1930's, the United States would need a million more acres of flax. Per gallon of paint, the use of drying oils has dropped more than 40 percent in the last 20 years or so as they were progressively replaced by synthetic products. Tung oil is affected by the same trend, and that is important to a very great segment of our agricultural economy.

So in recent years agriculture has been researched out of a good part of its natural markets.

Nearly half of the market for natural fibers—cotton, wool, flax, silk—has been

taken over by synthetic fibers. Two out of three pairs of shoes are now made partly or wholly of leather substitutes. Two-thirds of the soap has been replaced by detergents, which do not use natural fats. In fact, in the last 10 years the use of detergents per person increased from 1 pound a year to 15 pounds, while the use of soap decreased from 23 pounds to 8 pounds a year.

One of the jobs of this research and trial commercialization is to regain the markets we have already lost; but there are many, many opportunities in addition to that.

At the present time we are using more synthetic rubber than natural rubber. The synthetic rubber is of better quality. It has been improved because of research. The research has been done by the petroleum industries, and they are making the rubber. It is estimated that the consumption of synthetic rubber will increase by 50 percent in the next 5 years.

Were the American farmers allowed to have that increase only, and were that rubber made from alcohol provided from farm products, it would require 200 million bushels of grain.

A former distinguished Nebraskan, William Jeffers, as the rubber czar in World War II, made a large portion of the Nation's rubber from alcohol made from grain. It can be done again. When Mr. Jeffers started, the cost of synthetic rubber, per pound, was exceedingly high. That cost was gradually lowered throughout the program. The lowering of costs is the important element in a trial commercialization program.

It has long been my hope that we could use alcohol produced from grain as a part of our motor fuel. Farmers buy a great deal of gasoline and tractor fuel. Certainly they should be allowed to produce their own fuel. The number of cars in the country is constantly increasing and likewise the motor-fuel market is increasing. European countries have blended alcohol into their gasoline up to 25 percent. Were we to blend alcohol into our gasoline to the extent of 10 percent, it would require more than 1 billion bushels of grain. In other words, that one use alone could probably solve the grain-surplus problem.

However, we face a very definite obstacle in regard to this. It is an economic fact that gasoline can be produced cheaper than alcohol. Consequently, no one selling gasoline is going to turn to a blended alcohol. In peacetime, under our free American system, we cannot compel that to be done by law.

However, I am thoroughly convinced that a broad program of research will lower the cost of producing alcohol from farm products. At the present time, when we make alcohol out of farm products, we have a protein residue that is a very valuable food for animals. However, with improved methods brought about by research and trial commercialization, it is believed that the alcohol can be extracted, and the protein residue will be a fine human food. Its value will then be many times greater than its value for livestock food. The alcohol will then become more or less a byproduct, and can be sold at a price that will enable it to compete with gasoline for a part of the motor-fuel market. So, while a portion of the motor-fuel market is not the farmer's at this time, it is not an impossibility that one day it will be.

A number of leaders in the petroleum industry are not adverse to these efforts. They realize that the farmers are purchasers of their products. They realize that farm prosperity means a great deal to the prosperity of our country. Furthermore, the same companies will be selling the motor fuel at all the filling stations in the country, regardless of the components of that fuel. They are not going to lose the business.

Incidentally, it is the objective of the pending bill and the Welsh Commission report that the Government enter into the field of research, trial commercialization, and pilot testing with limited subsidies, but that the results be turned over to private enterprise. We do not advocate a program of Government-owned plants and Government manufacturing of products from the farm or from any other source.

Our surpluses are primarily starches. From starch we make alcohol, and from alcohol we can make rubber, plastics—a thousand and one things that are now being made from other materials.

We are not limited by any means to motor fuel and rubber and like products. There are literally hundreds of possibilities of making industrial uses of agricultural products. These include solvents, surface coatings, plastics, chemicals, fibers, films, explosives, adhesives, lubricants, insecticides, drilling muds, paints, varnishes, and even paving materials.

The Welsh Commission report says, as an example, that about 35 percent of the corn processed by wet milling now goes to nonfood uses. The industry would like to expand this fifteenfold. The largest new outlets it envisages are for the use of starch in metallurgy, in insecticides, in defoliants, and in paper. These three uses alone might take up to 410 million bushels of corn annually.

Our country produces great quantities of sugar; we could produce a great deal more. Here is what the Welsh report says about the industrial possibilities in regard to sugar:

> The sugar industry is confident that these industrial uses will be developed, to the extent perhaps of utilizing an extra million tons of sugar by 1965 and 2 million tons by 1975. This would add more than 10 percent to the projected 1965 demand and more than 16 percent to that projected for 1975. Sugar is an inexpensive, exceptionally pure, and, chemically, very reactive material adaptable for many large-scale industrial applications. Present industrial use is small, but a dozen years of research have turned up some highly promising leads.

Perhaps the forage crops we produce have the highest value of any crops, since they furnish over half the feed for livestock. Yet it is likely that far greater values lie locked up in those crops, particularly the legumes, than in those which have been exploited. At the present time, we extract some chlorophyll and some xanthophyll from legumes.

But the Welsh Commission reports that the 55 million tons of legumes produced annually in the United States also contain some things that we never have developed. These include a billion dollars' worth of protein, carotene worth $2¾ billion, vitamin E worth $2 billion, vitamin K worth $115 million, xanthophyll worth $12½ billion, and chlorophyll worth $19 billion.

These figures may seem a bit fantastic, but they show that these materials in our legumes are waiting to be used and developed for medicinal and other nonfood uses.

I want to quote from the Welsh report in one other instance in reference to potatoes. Here is what it says:

> The potato industry is confident that a materially enlarged research and development program would so expand the market that surpluses would disappear and it might even be necessary to increase production.

I want to talk a little bit about the section on new plants.

The all-wise Creator put on this earth 250,000 plants. We have domesticated and used only 150 of them—not 150,000, but 150. We have never taken the trouble to find out what the rest are for.

We are short of paper. The American people use more paper products than anyone could ever imagine. Not only is our population increasing, but our per capita consumption of paper is increasing. We use paper for many things in our homes.

Our publishers sometimes get concerned about the shortage, or the threat of a shortage, of paper. The task group on new and special crops points out that we can make not only paper but furniture and specialties from bamboo in the South—from South Carolina to Texas and the coastal and piedmont areas. Bamboo will grow faster than the pine itself. This crop could be expanded for industrial purposes, so that we could use 1 million acres of bamboo. This crop alone might solve the surplus problem which is facing cotton farmers.

We must always remember that what helps any segment of American agriculture helps all of American agriculture. As a Nebraskan, I am just as much interested in the problems of the Cotton Belt as I am in the problems of any other area.

The same task group made reference to a very fine production in Nebraska. I refer to the development and improvement of safflower. This crop did not amount to very much until 1946, when the results of research and development of the Nebraska Agricultural Experiment Station were made known. At the present time, we raise about 100,000 acres of safflower, most of it is northern California and western Nebraska.

Safflower oil is now being sold to manufacturers of alkyd resins, enamels, varnishes, and high-quality paints. It is believed that with further development in research there are great possibilities in safflower.

Throughout the years our cordage and rope, particularly the cordage for marine

use, has been obtained from abaca and sisal, which are imported products. The task group on new crops points out that sansevieria, a commonly used house plant, known as the snake plant, can be used for cordage and rope; and this plant promises a market for possibly 100,000 acres.

Kenaf, the task force points out, can be used to make fiber for post office twine, carpet yarn, camouflage, burlap, and other articles normally made of jute, which is imported. The task force points out that this new industrial use, when fully developed, could require the production from 200,000 acres.

Another crop mentioned by the same task group was simmondisa, from which we can produce a wax, to be used for fine waxing and polishing. It would be noncompetitive, because wax is now in demand in industry. This offers a possible use for 150,000 acres of new crops.

We use tannin in the leather industry. It is believed that we could use the production of 100,000 acres of canagrie to produce the tannin, and it would be competitive in price with imported tannins.

If a program of broad research and trial commercialization can be gotten underway, it is very likely that many of these things I have mentioned can be developed. It is also very likely that some of them may not prove to be practical.

At the same time, many, many other uses which none of have ever thought about will result from such industrial research.

The objective we seek is full production for American agriculture. May the time soon come when the American farmer can manage his own land, plant all of his acres, and sell his products at a fair price.

Mr. President, not only do I hope that the pending bill will be passed by both Houses, but I also hope that the bill will be signed by the President, and will become law.

The PRESIDING OFFICER. (Mr. LAUSCHE in the chair). The time yielded to the Senator from Nebraska has expired.

Mr. DIRKSEN. Mr. President, a similar bill passed the Senate in July 1958, by a vote of 81 to nothing. At that time I probably was paired in favor of the bill. I think my office records indicate that there was a death in the family, and I was in Illinois, when the bill was under consideration here.

It would appear that my voice is the only one to be lifted here in opposition to this bill. I oppose the bill because the Department of Agriculture is opposed to it, because it believes the bill will result in duplication, and because it believes it is unnecessary to legislate further in regard to a good many of the items and a good deal of the authority contained in the bill.

Mr. President, I think of the old chromo which used to hang in our kitchen, at home. On occasion, I have previously alluded to it. Everyone who took a 3-year subscription to the newspaper received one of the pictures. It was a picture of two gladiators in the Roman arena; and it showed the gladiators about to engage in mortal combat. Mr. President, I am rather hard pressed to draw on my knowledge of Latin at this late age; but I believe one gladiator was shown calling out, "Ave Caesar, morituri te salutant!"—or, "Hail Caesar, those who are about to die salute thee!"

Mr. President, I know this bill may pass; but I must lift my voice in opposition to it, anyway.

I believe it was Bruce Barton who once said that everybody reads the commentaries on the Bible, but people seldom read the Bible itself.

So I thought I would read the bill, rather than read all the things that are stated by way of commentary.

Section 2 of the bill provides that the Commission shall be a separate agency of the Department of Agriculture, except for administrative purposes. The Secretary believes, and I think with some reason, that this would constitute a duplication in the Federal structure.

Secondly, I invite attention to the powers and duties reposed in this new agency. They are almost unlimited. It is provided that "the agency shall have power and authority to coordinate and expedite activities toward research, pilot-plant, development, trial commercialization and industrial uses," both at the Federal level and the State level. It can use all manner of agencies in carrying out those duties.

Third, I invite attention to the fact that the bill provides the agency may "make use of the facilities of the Department of Agriculture and other Federal agencies."

That is an authority which is already enjoyed by the Department, and it would become unnecessary to reexpress it in a new act.

On page 6, the bill indicates that, to the greatest extent practicable, the agency shall utilize pilot plants, regional laboratories, and other facilities and equipment.

I was in the House of Representatives when we authorized the construction of the four regional research laboratories. They stand as mute but still eloquent evidence of the amount of research power the Department of Agriculture has today, and also the facilities the Congress has made available in nearly every field, including new uses.

There are some other items in the bill which are rather interesting. On page 6, beginning on line 7, there is this language:

> To make grants, for periods not to exceed five years' duration, to State agricultural experiment stations, colleges, universities, and other research institutions and individuals.

There is no indication of the limits on the grants. It is as wide as a 40-acre field when it comes to making grants to agencies and institutions, including individuals.

The next subparagraph on page 6 of the bill, beginning on line 10, reads:

> Contract with foreign individuals, organizations, institutions of learning, or private corporations where payment can be made in foreign currency. The agency is hereby authorized to utilize such foreign currencies notwithstanding other provisions of law requiring reimbursement.

I see no limit there. I would say the sky is the limit, and there is a great accumulation of currencies which could be expended for this purpose if the agency so desired.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I have only a limited time, but I yield.

Mr. CASE of South Dakota. I think the Senator makes a very valid point when he states that the sky is the limit. However, restrictions should be provided in other legislation. I personally believe we ought to have a complete review of the whole field of foreign currencies, whether they have been accumulated under Public Law 480 or as counterpart funds. There should be established in the Treasury Department a division of foreign currencies, and the expenditure of foreign currencies should be made subject to the Appropriations Committees, just as any other assets are.

Mr. DIRKSEN. I quite agree.

Mr. President, the next paragraph goes even further, because it provides that the agency may "make contracts or cooperative arrangements providing for the commercialization, market acceptance, and the economic feasibility of industrial utilization in the competitive market for agricultural products and processes."

Mr. President, that is a big bag of tricks. There is no limit to it, as a matter of fact. It is wide open language.

The next provision goes even further. It would "Extend suitable incentives to farmers or to industry to hasten the establishment of a new crop or of a new industrial use, where such appear likely to lead to durable additional markets."

How does one develop an incentive for a market? With money. I do not know how else it can be done. The growing of surplus commodities might be given up in return for trying out some new crop. How would it be done in the case of industry? It would have to be subsidy. The only thing I can think of in providing an incentive, is the offering of something by way of a subsidy payment, both to farmers and industry. Still, there are no limits established. I do not know how far it would go.

Mr. President, I remember a program in which we were once engaged with respect to the cultivation of the Russian dandelion for the purpose of producing rubber. I was a Member of Congress when we bailed out that business. As I remember, it cost us about $60 million or more before we were through. That program was put into effect on an incentive basis. We had to provide incentives for people to engage in that program.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DIRKSEN. Briefly, because I am the only one opposing the bill.

Mr. MUNDT. In reply to the inquiry of how the incentive program will work, let me point out that the proposal is nothing new insofar as our agricultural programs are concerned. The Senator will remember that in World War II the country ran short of linseed oil. An incentive was provided by offering $6 a

bushel for flax, which farmers grew on land used for other crops. The farmers responded. We received the linseed oil. The war was won.

How would this program work? Farmers could be offered an incentive for growing crops for industrial use on land which was used to grow surpluses which are being eaten by rats.

Mr. DIRKSEN. I know all about those programs. I was here when they were in process. I know how costly such programs become.

Mr. President, to continue with a discussion of the provisions of the bill, I read from page 7 of the bill, subparagraph (g):

To make contracts or leases for the private operation of any property or facilities transferred from another Government agency pursuant to this Act or other legislative authority.

If another agency has a plant, and this agency requests it, the provision states that this agency can make a contract or lease for the private operation of that property.

It goes further. With respect to private operation, it provides:

To make loans or grants to those with whom contracts or other arrangements are entered into, for the purpose of providing assistance in the acquisition or expansion of facilities and equipment for research or development activities.

That is a terrifically broad grant of power. There is no limit, no circumscription, whatsoever. Frankly, I do not know how far it will go.

The bill contains a provision for scholarships. We are encroaching a little on the educational domain. The section states:

The agency may provide graduate scholarships and fellowships and for this purpose may make grants to individuals for scholarships and fellowships.

Of course, there is a limit of 1 percent of the student body, but it covers any accredited school or college. There is no limitation as to individuals or the aggregate amount which will be involved. I would think that if a director got quite ambitious, he could do a very good job of moving deeply into the whole educational field with Federal grants.

This is a provision in the bill with relation to transfer of Government plants. It has some interesting language. It states:

Notwithstanding any other provision of law—

That is the acceptable language used today, which can so often cover a multitude of sins—

Notwithstanding any other provision of law, any Government agency—

Any Government agency—

holding any Government-owned facility useful in the program authorized by this Act is authorized to transfer such facility to the agency, for use in the program, if requested to do so.

All it takes, of course, is the approval of the Director of the Bureau of the Budget.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DIRKSEN. Not for the moment.

Mr. MUNDT. Will the Senator yield for one single sentence, so that I may point out all of us know that is an extremely important proviso.

Mr. DIRKSEN. I know it is.

Mr. MUNDT. If it is approved by the Director of the Bureau of the Budget, that means administration approval.

Mr. DIRKSEN. Mr. President, I know also the amount of pressure which will be put on the Director of the Bureau of the Budget, if there are plants in other agencies which this agency wants. It will be intergovernmental pressure.

Finally, this bill is going to cover many things. The definition of agricultural products includes everything in section 207 of the act of 1946. Mr. President, I ask, Do Senators know that "fish" are agricultural products? Do they know that "shellfish" are agricultural products? Well, fish and shellfish are agricultural products, because the act of 1946 so defines them.

Forest products are included. Bees are included as agricultural products. Poultry, livestock, and dairy products are included. Horticultural products are included. Agricultural products include all of those.

Then Mr. President, I need some help, because vitacultural products are included. I do not know what is included in vitacultural products, and I will have to ask my distinguished friend, the Senator for South Carolina, because the act of 1946 includes vitacultural products. I should think that the word "vitacultural" comes from "vita" meaning life, but I still cannot put together the meaning of the vitacultural product.

Agricultural products even include poultry. Perhaps we will have to suggest to a former Secretary of Agriculture that he discontinue his genetic explorations in the field of poultry, because I understand he is on a farm in Connecticut trying to get the chickens to lay two eggs where they laid one egg before. If he succeeds, with all the chickens we have in this country, we will have eggs galore, and we will have an egg and poultry problem.

That is slightly in the humorous vein, but I mention it only to show how broad is the proposal.

Mr. President, I can understand the attitude of the Department of Agriculture. Of course, the capsheaf is found in section 10:

There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Such sums will be for what? I think mainly, Mr. President, they will be to duplicate in considerable measure what the Department of Agriculture is already doing, and what private laboratories are doing at the present time.

We get a little impatient in this field. I can understand that. I am no novice in the field of new uses. In 1933, I went so far as to have highway demonstrations. We had the American Automobile Association, the motor vehicle manufacturers, and others conduct experiments with gasoline which contained a 10-percent mixture of alcohol. We called that agrol, and we brought the program forward to the point that finally 1,800 filling stations in the country were selling agrol, which was a mixture of pertoleum or gasoline and alcohol derived from an agricultural product.

In every case it is a matter of conversion. It is a matter of conversion cost. It is a matter of the raw product.

It is a little difficult to hasten these things along, but I think in the main the Department of Agriculture, notwithstanding all the unkind things which have been said about its Christian Secretary, Ezra Benson, is still doing a good job, in my book.

The Department is opposed to the bill, and I have felt it necessary to express the viewpoint of the Department, because, in large measure, it concurs with the personal opinion I have about the bill.

With that, Mr. President, I am willing to yield the floor.

Mr. CAPEHART. Mr. President, will the Senator yield me 10 minutes?

Mr. DIRKSEN. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 12 minutes remaining.

Mr. DIRKSEN. I yield my distinguished friend from Indiana 5 minutes.

Mr. CAPEHART. Mr. President, what is the purpose of the proposed legislation? I think we ought to keep our eyes on the purpose. Perhaps the bill is not perfect. Perhaps we will have to change it. I never knew of a bill which went through the Congress the first time which was perfect and which did not have to be changed.

The purpose of the proposed legislation is to find new uses in industry for farm products. Thereby we would do what? Thereby we would increase the size of the farmers' market, so he could sell that which he grows.

Everybody knows the reason we have a farm problem today is overproduction. All we are seeking to accomplish by the proposed legislation is to find uses for the farm products we are now growing, and likewise to find some new products which might be grown on the farms to be used for purposes about which we do not now know.

We can approach the problem in a light or humorous vein if we wish, but I want to say it is not very humorous to the 6 million farmers in the United States who are suffering today. It is not very humorous to the taxpayers of America, who are putting up $7 billion a year to operate the Department of Agriculture. It is not very humorous to those who watch, day by day, the surpluses go up and up and up, until there are now nearly $10 billion worth of them.

What is the answer to the farm problem? What is the answer? This bill is an effort to solve the problem. I think it is the only way we can solve the problem.

I happen to know, as a businessman, there are only two ways to increase business. The first is to find new customers to whom to sell products. The other is to sell more goods to present customers.

This is an effort to do both for the farmers. It is an effort to find new customers for the farmers and to sell more to the existing customers.

I regret exceedingly that the Secretary of Agriculture is opposed to the bill. I would think the gentlemen who were here, as the able Senator said a moment ago, lobbying against this proposed legislation, would be hard to find today. If I had a business which was costing the taxpayers about $7 billion a year—with farm prices going down, with the farmers' income going down, with surpluses going up—if I had a record of that sort to look at I would be hard to find when a group of 98 Senators was trying to do something. It may be a feeble effort. However, we are trying to improve the situation of the farmer and trying to take these men off the hook.

I have been fighting the Secretary of Agriculture for 5 years on this very question. I have been trying to help solve the problem in a positive way. The Secretary wants to do it in a negative way. The Secretary wants to reduce further the farmers' production, to reduce further the farmers' prices, in order to discourage them from growing crops. I presume he wants to increase the cost to the taxpayer.

I want to see this bill passed. A year ago 81 Senators voted to pass a similar bill. What we want to do is to find new uses for farm products and new markets so that we can get the Government completely out of the farming business and so that we can relieve the taxpayers of any additional cost.

The farmers must be able to take their products to the open market at prices profitable to them. Despite this we find people opposed to the proposition presented by the pending bill.

The most I have ever heard it said the program might cost would be as much as $100 million a year. Frankly, I do not believe at the moment we would need to spend anything near that amount. But let us think about it a minute. We are spending a billion dollars a year to store the surpluses we have on hand. Despite that, there are those who say this bill may cost a little money and that it is wide open. It is not wide open, because Congress must appropriate the money to do the job. There is nothing wide open about it at all. We reserve the right in the bill to appropriate $1 million or $100 million.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CAPEHART. How can Senators be against something which is constructive? It is said, "We do not need this bill." Then what do we need? What does the Department of Agriculture recommend to solve the farm problem?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I was about to remark that the deep dark secret about it all was the cost. As the distinguished Senator from Indiana has indicated, the program might cost up to $100 million a year.

Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, while I cannot agree with a single sentence or syllable of the argument of my distinguished friend, I appreciate his position. I recognize that being minority leader carries its responsibilities. Unfortunately the Secretary of Agriculture is opposed to the precise language of this particular bill.

It is not unprecedented for the senior Senator from South Dakota to find himself on the other side of an argument or an issue from the Secretary of Agriculture. We have frequently disagreed; and I disagree with him emphatically in this instance. Agricultural legislation is a matter of economics with me. It is not a political or a partisan matter. I shall continue to support or oppose farm legislation by the application of a simple rule which I have always followed: "Does it benefit our farmers and our nation?" Certainly when we are spending millions of dollars trying to develop new methods to raise more and better farm products to produce additional surpluses, we should spend at least an equivalent amount of money in expanding markets to consume the products we are now raising. The program of the Secretary of Agriculture sometimes sounds as though he proposes to solve the farm problem by reducing prices, so that farmers will reduce production. Even if it worked, it would not benefit the farmers or the rural States or communities. Since such a program would not expand farm income.

I have always supported the opposite course. I want to solve the farm problem by increasing prices and increasing production. There is only one economically sound way to do that, and that is to expand markets for farm products. The Secretary has said over and over again that he wants the farmer to receive better prices in the market place. The way to get better prices in the market place is to get more purchasers in the marketplace, with more money, and more demands that need to be satisfield, so their competition in trying to buy the products they need will force up prices for farm products.

That is what we expect to accomplish by this legislation, which is identical with S. 43 which I introduced on January 8 of this year and with legislation which I also cosponsored in the last Congress. Our Senate Agriculture Committee reported it unanimously as a good method of adding to the human and animal needs for agricultural products, those needs of industry, which will then be developed by utilizing vast amounts of foods and fibers produced on American farms in the fabrication of industrial products.

I urge the passage of the bill by an overwhelming vote.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Missouri [Mr. SYMINGTON].

Mr. SYMINGTON. Mr. President, I support S. 690 for the promise it offers in bringing about greater markets for farm products, not only for the farmers of my State, but for those of the entire Nation.

Research in the area of new uses for agricultural products, as with other research, can lead to a higher standard of living and a better way of life for all peoples throughout the world.

As a member of the Senate Agriculture Committee, I had the opportunity during the last Congress of participating in the hearings on S. 4100—a bill identical with the one before the Senate today.

This proposed legislation was based on the information presented during those hearings and on the recommendations of the President's Commission on Increased Industrial Use of Agricultural Products. This Commission, after careful study, concluded that it was possible to develop profitable industrial markets capable of absorbing excess farm production.

The Commission gave four requirements for accomplishing this: First, a realization of the potential, together with a sense of urgency; second, a greatly expanded program of basic and applied research; third, a program of fellowships, scholarships, and grants to encourage and develop scientific talent in this area; and, fourth, the means for bridging the gap between laboratory results and actual use of agricultural commodities in industry.

Mr. President, the pending bill to a considerable degree meets the recommendations and requirements set forth by the Commission. It is a compromise of a number of individual bills presented to our committee.

The bill would establish within the Department of Agriculture an Agricultural Research and Industrial Administration, which would be empowered to, first, utilize existing facilities and authorities; second, make research grants; third, use foreign currencies accumulated under Public Law 480, 83d Congress; fourth, enter into contracts or cooperative arrangements; fifth, make incentive payments; sixth, make Commodity Credit Corporation stocks available; seventh, provide for private operation of Government facilities; eighth, assist in the acquisition or expansion of facilities by persons contracting or cooperating in research and development; ninth, grant exclusive licenses to use patents under the control of the Department of Agriculture; tenth, build, maintain, and operate manufacturing facilities; and, eleventh, provide for graduate scholarships and fellowships.

With nearly $9 billion in Government inventory of farm commodities and with every indication of sharp increases in this inventory in the next few years, the positive approach of finding new uses for these commodities, as embodied in S. 690, is sorely needed.

I urge favorable action on the bill.

Mr. DIRKSEN. Mr. President, how much time remains?

The PRESIDING OFFICER. Four and a half minutes remain to the Senator from Illinois.

Mr. JOHNSTON of South Carolina. Mr. President, the Senator from Minnesota [Mr. HUMPHREY] has an amendment pending. So far as I know, there is no objection to it. If it is acceptable, I think it could be acted upon at this time.

Mr. MUNDT. It has been accepted.

The PRESIDING OFFICER. Is the Senator from South Carolina willing to yield back all time?

Mr. JOHNSTON of South Carolina. Mr. President, I yield back all the time

I have remaining, both on the amendment and on the bill.

Mr. DIRKSEN. Mr. President, I yield back all time remaining to our side.

The PRESIDING OFFICER. All time has been exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. McGEE], the Senator from Utah [Mr. Moss], the Senator from Montana [Mr. MURRAY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD] the Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON] the Senator from Wyoming [Mr. McGEE], the Senator from Utah [Mr. Moss], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New York [Mr. JAVITS] is absent on official business.

The Senator from Iowa [Mr. MARTIN] is necessarily absent and if present and voting would vote "yea."

The Senator from North Dakota [Mr. YOUNG] is detained on official business, and if present and voting, would vote "yea."

The result was announced—yeas 76, nays 7, as follows:

YEAS—76

Aiken	Fulbright	Monroney
Allott	Goldwater	Morse
Anderson	Gruening	Morton
Bartlett	Hart	Mundt
Beall	Hartke	Muskie
Bible	Hayden	Neuberger
Bridges	Hennings	Prouty
Butler	Hickenlooper	Proxmire
Byrd, Va.	Hill	Randolph
Byrd, W. Va.	Holland	Robertson
Cannon	Hruska	Russell
Capehart	Humphrey	Saltonstall
Carlson	Jackson	Schoeppel
Carroll	Johnson, Tex.	Scott
Case, S. Dak.	Johnston, S.C.	Smathers
Church	Jordan	Smith
Clark	Kennedy	Sparkman
Cooper	Kerr	Stennis
Curtis	Kuchel	Symington
Douglas	Langer	Talmadge
Dworshak	Lausche	Thurmond
Eastland	Long	Wiley
Ellender	McCarthy	Yarborough
Engle	McClellan	Young, Ohio
Ervin	McNamara	
Frear	Mansfield	

NAYS—7

Bennett	Cotton	Keating
Bush	Dirksen	Williams, Del.
Case, N.J.		

NOT VOTING—15

Chavez	Kefauver	Murray
Dodd	Magnuson	O'Mahoney
Gore	McGee	Pastore
Green	Martin	Williams, N.J.
Javits	Moss	Young, N. Dak.

So the bill (S. 690) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATIONS AND FINDINGS

SECTION 1. That the Congress of the United States hereby makes the following declarations and findings concerning the development of new and improved uses for farm products, new crops to replace those now in surplus and the disposal of surplus commodities owned by the Government:

(a) Farms in the United States have a capacity to produce more farm products than can now be marketed at prices that will return sufficient incomes to farmers to maintain an efficient and progressive agricultural industry.

(b) A prosperous agriculture will contribute immensely to national welfare by efficient production of needed food, feed, and fiber by provision of raw materials for the transportation and processing industries, by purchases of production supplies, and by its contribution to maintenance of a balanced and high-level national economy.

(c) National defense and security interests of the United States require protection of agricultural resources against deterioration and the maintenance of high productive capacity in order to meet possible emergency needs of the United States and other friendly nations.

(d) Basic research in agricultural products and their uses is essential in any long-range program of benefit to agriculture.

(e) Research programs to develop new and improved uses for farm products and new farm products have potentialities for providing outlets for a larger volume of farm production and greater stability of the prices of farm commodities.

(f) Public and private research agencies, including the Departments of Agriculture and Commerce, the land-grant colleges, other universities and research institutions, as well as private firms, can and should be utilized for an all-out attack on development of new and improved uses, and new and extended markets and outlets for farm products and byproducts, and on development of means by which present industrial and commercial uses of farm products and byproducts can be extended. Research, pilot plant, development and trial commercialization work and corollary economic and related studies should be devoted to the expansion of industrial uses for agricultural commodities in surplus, and to any food and feed uses and replacement crops that can make substantial contributions toward the solution of the surplus problem. Facilities should be established as needed to permit adequate experimentation and testing, and production and market development, of promising new uses and new products, and to permit the development of means for expanding existing industrial and commercial uses of farm products and byproducts.

(g) Development of new and improved industrial and other uses of farm products and new farm products and new and extended markets and outlets for farm products and byproducts will enlarge income opportunities for farmers. It also will reduce Government costs for acquisition, storage, and ultimate disposition of commodities now in surplus.

(h) Disposition of a portion of the surplus stocks of the Commodity Credit Corporation through industrial channels for new or byproduct uses, and for expansion of existing industrial and commercial uses, so that the carryover of any commodity beyond the needs of the Nation can be reduced, will have a stabilizing effect on the market prices for farm commodities.

AGRICULTURAL RESEARCH AND INDUSTRIAL ADMINISTRATION

SEC. 2. There is created and established in the Department of Agriculture an agency of the United States to be known as the Agricultural Research and Industrial Administration, all of the powers of which shall be exercised by an Administrator, under the general direction and supervision of the Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of six years and who shall receive basic compensation at the rate of $20,000 per annum. The duties of this agency shall be to coordinate and expedite efforts to develop, through research, new industrial uses, and increased use under existing process, of agricultural products, to develop new replacement crops; and to reduce the stocks of commodities owned by the Commodity Credit Corporation.

SALARIES

SEC. 3. The positions of three Deputy Administrators of the agency shall be in grade GS–18 of the General Schedule established by the Classification Act of 1949, as amended. Such positions shall be in addition to the number of positions authorized to be placed in such grade by section 505(b) of such Act. The agency is authorized to fix the compensation, notwithstanding other provisions of law, for not more than ten positions which require the services of especially qualified scientific or professional personnel: *Provided,* That the rates of basic compensation for positions established pursuant to this provision shall not exceed the maximum payable under the Act of August 1, 1947 (61 Stat. 715), as amended and supplemented. The agency may appoint and fix the compensation of any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, technical, or other special services, without regard to the civil service laws or the Classification Act of 1949, as amended.

POWERS AND DUTIES

SEC. 4. The agency shall have power and authority, within the limits of the funds made available to it, to coordinate and expedite activities toward research, pilot-plants, development, trial commercialization and industrial uses, with Federal and State Governments, educational institutions, private research organizations, trade associations, individuals and industrial corporations in expanding the industrial and commercial utilization of the products of farm and forest and the development of new crops. In the discharge of these duties, the agency is empowered:

(a) To make use of the facilities of the Department of Agriculture and other Federal departments and agencies, land-grant institutions, and experiment stations. The agency shall utilize existing facilities owned or controlled by the Federal Government to the greatest extent practicable, including pilot plants, regional laboratories and other facilities and equipment, and is authorized to utilize authority now available to the Secretary of Agriculture under existing law;

(b) To make grants, for periods not to exceed five years' duration, to State agricultural experiment stations, colleges, universities, and other research institutions and individuals;

(c) To contract with foreign individuals, organizations, institutions of learning, or private corporations where payment can be made in foreign currency accumulated under Public Law 480, Eighty-third Congress. The agency is hereby authorized to utilize such foreign currencies notwithstanding other provisions of law requiring reimbursement;

(d) To make contracts or cooperative arrangements in the manner provided by sections 10(a) and 205 of the Act of August 14, 1946 (7 U.S.C. 427i, 1624), including contracts and agreements providing for the commercialization, market acceptance, and the economic feasibility of industrial utilization in the competitive market for agricultural products and processes with respect thereto;

(e) To extend suitable incentives to farmers or to industry to hasten the establishment of a new crop or of a new industrial use, or to expand present industrial and commercial use, where such appear likely to lead to durable additional markets;

(f) To direct the Commodity Credit Corporation to make delivery of any of its stocks of commodities to agencies of the Government, persons, or corporations designated by the agency where such stocks are to be used for (A) research, (B) pilot plant operation, (C) trial commercialization, (D) export of manufactured products, (E) new or byproduct uses, or (F) further development of present industrial and commercial uses. The Commodity Credit Corporation, with respect to commodities thus requisitioned by the agency, shall pay necessary handling and delivery charges to the destination directed by the agency. Such sums of money as the agency shall receive, if any, on such transfers of commodities, shall be turned over to the Commodity Credit Corporation;

(g) To make contracts or leases for the private operation of any property or facilities transferred from another Government agency pursuant to this Act or other legislative authority;

(h) To make loans or grants to those with whom contracts or other arrangements are entered into, for the purpose of providing assistance in the acquisition or expansion of facilities and equipment for research or development activities;

(i) To provide in all contracts for the disposition of inventions produced thereunder in a manner calculated to protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: *Provided however,* That nothing herein shall be construed to authorize the agency to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents;

(j) To grant exclusive licenses with or without payment of royalty for a fixed period of not to exceed five years for the use of patents under the control of the Department of Agriculture;

(k) To pay incentive awards to private citizens for suitable and acceptable suggestions to implement the program established by this Act, such payments to be made in accordance with previously published rules stating the amounts of, criteria for determining, and subjects of, such awards; and

(l) To test production procedures on a commercial basis, maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production; and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs in accordance with the purposes named herein.

SCHOLARSHIPS

SEC. 5. The agency may provide graduate scholarships and fellowships and for this purpose may make grants to individuals: *Provided,* That such individuals agree to pursue courses in an accredited college or university in the United States leading to a degree or degrees in a science or field of study having application in agricultural research: *Provided further,* That the initial grants in any one year may be made to individuals to attend any one institution in a number not exceeding 1 percent of the student body.

TRANSFER OF GOVERNMENT PLANTS

SEC. 6. Notwithstanding any other provision of law, any Government agency holding any Government-owned facility useful in the program authorized by this Act is authorized to transfer such facility to the agency, for use in the program, if requested to do so by the agency, provided such transfer has the approval of the Director of the Bureau of the Budget. The agency is authorized to exercise, with respect to the facilities transferred, all of the authority vested in the agencies transferring such facilities. At the time of such transfer, funds and personnel related to the operation or administration of such facilities, shall, with the approval of the Director of the Bureau of the Budget, also be transferred to the agency.

DEFINITION OF "AGRICULTURAL PRODUCTS"

SEC. 7. The terms "agricultural products" and "farm and forest products" as used in this Act shall have the same meaning as the term "agricultural products" in section 207 of the Act of August 14, 1946 (7 U.S.C. 1626).

ANNUAL REPORT

SEC. 8. The Administrator shall present annually to the Congress not later than the 20th day of January in each year a full report of his activities under this Act.

SAVINGS PROVISION

SEC. 9. The authorities under this Act are in addition to and not in substitution for authorities otherwise available under existing law.

APPROPRIATIONS

SEC. 10. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, we expect to move to proceed to the consideration of Calendar No. 570, House bill 4413, and Calendar No. 569, Senate bill 1795, this evening. First in order will be Calendar No. 570, House bill 4413. The very able junior Senator from Mississippi [Mr. STENNIS] will explain these measures. I do not anticipate that there will be a yea-and-nay vote. I hope there will not be; but if a yea-and-nay vote is requested on either of these measures, I will ask that the vote be postponed until tomorrow, so that all Senators may be on notice as to our plan.

Mr. SYMINGTON. Mr. President, what is the second bill?

Mr. JOHNSON of Texas. The two bills to which I have referred are Calendars Nos. 570 and 569. Calendar No. 570 is House bill 4413; and Calendar No. 569 is Senate bill 1795.

Mr. SYMINGTON. I thank the Senator.

IMPROVED OPPORTUNITIES FOR PROMOTIONS FOR CERTAIN OFFICERS IN THE NAVAL SERVICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 570, House bill 4413.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4413) to provide improved opportunity for promotions for certain officers in the naval service, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, on page 6, line 8, after the word "list", to insert:

Of the officers considered but not recommended for continuation on the active list the board shall further report the names of any officers whose performance of duty would not warrant retention on the active list under any circumstances. Each board shall certify in its written report that in the opinion of two-thirds of the acting members of the board, based on the information available to the board, the performance of duty of each such officer whose name is so reported would not warrant retention on the active list under any circumstances.

On page 8, line 20, after the word "grade", to insert "and whose name has not been reported in the approved report of a board in compliance with subsection 1(h) of this Act"; in line 23, after the word "pay", to strike out "lump sum payments under one of the following methods, at the option of the officer concerned:" and insert "a lump-sum payment of $2,000, effective on the date of his retirement"; on page 9, after line 3, to strike out:

(1) Effective on the date of retirement, an amount equal to the product of two months' basic pay to which he is entitled at the time of retirement and a number which is equal

to his number of years of early retirement, but such product may not exceed $6,000; or

(2) Effective on the date of retirment and the first and second anniversaries thereafter, an amount equal to one-third of the product of two months' basic pay to which he is entitled at the time of retirement and a number which is equal to his number of years of early retirement, but such product may not exceed $6,000.

The number of years of early retirement is determined by subtracting the number of years of service credited to an officer under section 6387 or 6388 of title 10, United States Code, as appropriate, at the time of retirement from the number of years of such service the officer would have had if he had been permitted to remain on the active list until completion of the amount of service specified in section 6376, 6377, or 6379 of title 10, United States Code, as appropriate. If the officer dies before receiving all the benefits due and payable under this subsection, the remaining unpaid amount shall be payable in accordance with the provisions of section 2771 of title 10, United States Code.

On page 10, line 10, after the word "Act", to strike out:

However, in computing the officer's number of years of early retirement, the number of years of service credited to the officer under section 6387 or 6388 of title 10, United States Code, shall be determined as of the date specified for his retirement under this Act.

And on page 13, line 21, after the numerals "30", to strike out "1970" and insert "1965."

Mr. STENNIS. Mr. President, this is an important bill, a bill of far-reaching consequences to those who are more directly affected by it. There are approximately 4,000 Regular naval officers and 1,100 Regular Marine Corps officers. The bill was under consideration for several weeks. It was reported unanimously by the subcommittee, and then unanimously by the Committee on Armed Services.

The bill provides temporary authority for the selective retirement of certain senior commanders and captains in the Navy and equivalent Marine Corps grades prior to the expiration of the normal 26 years for the grade of commander and 30 years for the grade of captain.

This retirement authority has three purposes: First, to create additional vacancies in the immediate years ahead, to avoid about three-fourths of the younger officers in the Navy and Marine Corps hump from being forced into premature retirement at about the 20-year point of nonselection to a higher grade; second, to prevent the accumulation of an unacceptable number of twice or more failed commanders who could reman on duty under existing law until the completion of 26 years of service; third, to provide on equitable grounds a reasonable advancement opportunity to officers now in the regular hump.

Briefly, and by way of summary, this is the situation with which we are confronted: There is in the Navy what is called the World War II hump. These are the Regular Navy who entered service during World War II. Now, 14 years after the end of the war, they have moved up in the scale of advancement to the point where they are now lieutenant commanders with lesser number of junior commander men. This bill is temporary authority which will permit the Navy, through a special board of action, to retire certain senior commanders and captains in order to create additional vacancies for those in the hump. The officers should not be considered substandard because they failed to achieve a higher grade or because of their early retirement. It will simply be because the Navy has too many officers at those levels at a given time.

Unless these officers are retired and avenues are opened up for the promotion of men below them, there will not be a super promotion flow. It is a very unfortunate situation, but it is something which has built up without anyone particularly being at fault.

I, myself, did not favor the bill at all until I was convinced that something of this kind was absolutely necessary to meet an immediate situation, and also to open channels for the normal promotion of officers in the lower brackets.

Mr. President, the Navy presented a convincing case that this legislation was essential to meet the personnel needs of the Navy.

NATURE OF THE PROBLEM

Mr. President, there are about 25,000 Regular officers in the unrestricted line of the Navy. Of this total about 8,000, one-third of the entire corps, are concentrated in the Navy hump. These are the officers who were commissioned during World War II and are now for the most part in the grade of lieutenant commander, except for a few junior commanders. Instead of being concentrated in the 4-year groups of World War II, these offiecrs under normal grade structure should be spread over 11-year groups in order to provide the proper flow of promotions and retirements. There is the same approximate concentration in the other officer groups in the Navy and the Marine Corps.

In the absence of legislative relief the Navy estimates that there will be only 2,000 vacancies in the grade of captain over the next 10 years, for which these 8,000 officers must ultimately compete. In the meantime, there also will be very limited promotion opportunty to the grade of commander. Without relief the following passover percentages must be applied: (a) Of the present lieutenant commanders in the hump group, 70 percent must be passed over, with only 30 percent reaching the grade of commander; (b) for the selection of commanders to captain the passover rate of about 75 percent must be applied, with the selection of only one out of four. In crossing both of these hurdles to commander and captain only 8 out of 100 of the lieutenant commanders, or 8 percent would be selected without some relief.

It is significant to note, Mr. President, that on a percentage basis 70 out of 100 of these lieutenant commanders would be retired at the end of 20 years because of nonselection. Of the remaining 30, 22 would be retired at the end of 26 years in the grade of commander. These forced premature retirements will deprive the Navy in the years ahead of the trained officers essential for the operation and leadership of the Navy.

RESULTS WITH THE LEGISLATION

Mr. President, if this bill is enacted there will be a selection rate to the grade of commander of 60 percent, instead of 30 percent without relief; and to the grade of captain of between 45 and 50 percent, as compared to the 25 percent in the absence of relief. Therefore, out of 100 lieutenant commanders, 60 would be selected to commander. About 25 of this group would reach the grade of captain. There would be a comparable improvement in promotion opportunity for the other officer groups in the Navy and Marine Corps.

COMPARATIVE EQUITY OF OFFICERS INVOLVED

Mr. President, this bill does alter the normal retirement point of 26 and 30 years for the senior officers who will be affected. It should be emphasized, however, that these senior officers have advanced to their present grade with little or no promotion attrition and at the same time have received accelerated promotion in advance of the normal periods contemplated under the basic law. Even with the legislative relief, the younger hump officers will be confronted with much greater promotion competition than the officers who will be involuntarily retired. In view of all of these conditions, this bill represents a reasonable balance of the equities of all the groups which will be affected. More importantly, it should be emphasized that the principal purpose is to meet the needs of the Navy and Marine Corps. As the hearings and report will indicate, the laws have been changed many times over the years with respect to personnel in order to meet changing conditions.

FEATURES OF THE BILL

Mr. President, under existing law a commander in the Regular Navy or lieutenant colonel in the Marine Corps who has twice failed of selection to the next higher grade remains on active duty until the completion of 26 years of service. A twice failed captain or Marine Corps colonel remains until the completion of 30 years of service.

This bill provides that (a) the twice failed commanders or lieutenant colonels will be subject to board action and involuntary retirement prior to the completion of the 26-year point; and (b) that naval captains or Marine Corps colonels who have either twice failed of selection or who have completed 5 years in grade will be subject to involuntary retirement prior to the 30-year point. The 5-year provision is necessary to the Navy since as a technical matter twice failure for admiral does not occur until about the 30th year of service.

The bill provides that all of the officers affected must have at least 20 years for retirement purposes. This authority therefore temporarily suspends the normal 26- and 30-year retirement points.

USE OF THE AUTHORITY

Mr. President, the use of this retirement or noncontinuation authority is described in detail in the committee report. In effect, in the Navy and Marine Corps the Secretary of the Navy will establish

so-called continuation zones each year for these various groups. Boards consisting of officers of flag or general rank established under promotion board procedures will then recommend the officers to be continued on active service and those to be involuntarily retired within the numbers prescribed by the Secretary. For the Navy it is planned over the next 10-year period that about 35 percent of the captains who complete 5 years of service will be involuntarily retired under this authority, and about 45 percent of the commanders over the next 5 years, except that in the first year of operation about 67 percent of the twice failed commanders will be eliminated. The boards will select for retirement those officers with the least potential among all of those considered. The Marine Corps plans to retire all of the twice failed lieutenant colonels and 80 percent of the twice failed colonels.

COMMITTEE AMENDMENTS

Mr. President, I would now like to refer briefly to the three amendments recommended by the committee to this legislation.

1. CUTOFF DATE FROM 1970 TO 1965

The committee amended the bill by reducing the life of the temporary authority for involuntary retirement from June 30, 1970 to June 30, 1965. The June 1965 date will provide a reasonable period for the operation of the plan. At the same time, the Navy can request an extension at a later date if the same conditions persist in 1965 as forecast at the present time. The difficulty in a 10-year plan is that the various factors upon which the plan are based cannot be accurately forecast beyond 5 or 6 years. Even though on paper, the problem will exist in the captain grade in 10 years. It may well be that the problem will be minimized in 1965.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. STENNIS. I shall be glad to yield to the Senator from Colorado; but would he mind my covering one additional point in the bill for the information of Senators who may be remaining for that purpose?

Mr. CARROLL. I simply want to make one point which I can raise later on. I shall be happy to defer my request.

Mr. STENNIS. I shall ask the Senator to defer his question for only a short time.

The question comes up about the special compensation, if any, to be made to those men who are being involuntarily retired, even though they have made all the grades and have not been found substandard in any way, that being a situation in which they could serve until they had been in service 26 years, and in some cases 30 years.

The committee finally unanimously agreed on a plan that to help meet the situation of adjusting the families to the new conditions, we would recommend the payment of a full sum of $2,000 to each officer retired under the special provisions of the bill. That was more of a family adjustment than it was extra pay or any kind of retirement pay or any kind of extra payment on the occasion of retirement. It was an attempt to meet a situation whereby these men will have to go out and find other positions in civilian life. They will have to adjust their families to new conditions. They will have to do that before they had otherwise planned to do so.

2. FLAT SUM OF $2,000 FOR ELIGIBLE INVOLUNTARILY RETIRED OFFICERS

Mr. President, the bill as passed by the House provided that certain of the involuntarily retired officers would receive a lump-sum payment, in addition to their retired pay. This additional sum would have been based on 2 months of basic pay for each unserved year prior to normal retirement, with a maximum of $6,000 per individual. In addition, the individual could elect to receive the amount over a 3-year period.

The Senate committee amended the bill by providing that those eligible under the House formula would receive a flat $2,000, regardless of rank or length of service. Those who would be excluded from the lump-sum payment under the House version are those who in effect are involuntarily retired while serving in a rank above the grade held when this bill becomes law. This exclusion is also continued in the present version of the bill.

In addition, the Senate committee has included language which would deny the lump-sum payment to involuntarily retired officers whose record of performance on a quality control basis would not justify their continuation on active duty under any circumstances. The intent of this language would be for the Navy and Marine Corps to exclude from any lump-sum payment those officers who would be subject to the quality control standards for elimination under the permanent authority of Senate bill 1795, the previous bill just discussed.

Mr. President, it should be emphasized that the lump-sum payment should not be considered in any way as establishing a precedent or a right. It might be considered a family adjustment allowance for the purpose of assisting in the necessary changes in the return of these officers to civilian life.

The committee was also of the opinion that a flat sum was more equitable than a graduated formula based on rank and length of service. The readjustment conditions upon leaving military service are not necessarily related to the officer's rank and length of service upon which a graduated formula would be based.

This provision was finally agreed upon as an adjustment, inasmuch as it was not desired to set a precedent. The same treatment will be accorded, regardless of rank or length of service. The only ones who will be qualified to receive the special payment will be those who were in these ranks when the bill was passed. Those who later reach the rank of commander or the rank of captain will do so in part because there has been a thinning out. So the special lump-sum payment will be limited to those who hold these ranks now. Those who reach these ranks as a result of the thinning-out process will come in a different category.

The bill contains certain other minor provisions.

3. REPEAL OF AUTHORITY FOR ADVANCEMENT ON THE RETIRED LIST

Mr. President, the last amendment adopted by the committee is a provision which would repeal, effective November 1, 1959, the present authority to advance Navy and Marine Corps officers on the retired list if they were especially commended for performance of duty in combat before January 1, 1947, by the head of the military department. This amendment would not be retroactive, and would, therefore, not affect the rights and privileges of those who have already received an advance in rank.

Even though no additional pay is attached to the advancement in rank, the committee was of the opinion that the authority should be repealed, in view of the fact that it is discriminatory against officers of the Army and Air Force who may have performed in a similar manner. Since its enactment in 1925, this provision has been limited to Navy and Marine Corps officers. There are factors other than pay which attach to a higher rank, such as greater employment opportunities and the increased prestige of a higher rank. The committee amendment will insure a uniform standard on this matter for all the military services for the future.

Mr. President, I yield now to the Senator from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. President, I thank the Senator from Mississippi for his very clear and concise statement.

Several matters have come to my attention. I wish to state for the RECORD that I do not speak in opposition to the presentation the Senator from Mississippi has made; but I do seek information.

In the case of selective retirement, do I correctly understand that under the present law, commanders who have served 26 years may retire; or captains who have served 30 years may retire?

Mr. STENNIS. Yes. Under present law, that is their normal retirement time—26 years and 30 years, respectively.

Mr. CARROLL. The clear presentation the Senator from Mississippi has made has helped me understand some of these matters. Certainly I am not as experienced in this field as he is.

Let me ask how this measure relates to similar provisions in regard to other branches of the Armed Forces? We know they also have had a World War II "hump." This measure relates to the "r.i.f.'ing" process. Has similar or equal treatment been given in the Army and in the Air Force?

Mr. STENNIS. The Senator's question is very timely. This problem relates especially to the Navy and to the Marine Corps. The other services had a similar problem; but it was handled in a different way, and in large measure the problem has been met. The size of the regular strength of the Army and the size of the Air Force were increased; and that increase helped in part to solve what otherwise would have been a much more acute "hump" problem for them.

The Navy has known of this problem, and has faced it in the best way it could. But the Navy has reached the point where it can do nothing more about it, other than by means of the measure which I have outlined.

Mr. CARROLL. I recall the fact that many Army officers, who may have reached the grade of colonel, were reduced to the rank of sergeant through the "r.i.f.'ing" process.

I wonder whether these commanders and captains, who are covered by this bill, are to be treated differently. The way this problem was handled in the Army had many inequities, in my opinion; but they may have been inevitable.

Mr. STENNIS. I am familiar with that problem. But this measure relates to an altogether different situation. It relates only to regular naval officers.

Mr. CARROLL. That is the point I am interested in.

Mr. STENNIS. The pending bill does not relate in any way to Reserve officers; they will not be affected by it. The problem the Senator from Colorado has mentioned could not arise under this bill.

Mr. CARROLL. When the Senator from Mississippi refers to a "Regular officer," does he mean a graduate of one of the academies, or does he mean a man who has risen from the ranks?

Mr. STENNIS. They do not have to be graduates of the Academy; but they are Regular Navy officers, either from the Academy or from other sources of training which qualify them to be Regular officers.

Mr. CARROLL. Did some of them rise from the enlisted ranks of the Navy and become officers?

Mr. STENNIS. A few of them came from the ranks. They come from all possible sources.

Mr. CARROLL. If they came from the enlisted ranks of the Navy, and if they are then to be given this special treatment, how can we distinguish between them and those who rose from the ranks of the Army and became officers and then were reduced to enlisted rank through the "r.i.f.'ing" process.

Mr. STENNIS. Those in the Army who had that experience were Reserves. This bill will not affect that situation either one way or another. If the Navy can do that under present law, the enactment of this bill will not take away that right; the Navy will still have it.

Mr. CARROLL. I think the pending bill is worthy of consideration. But I believe equal treatment should be given throughout the various services.

Let me ask the cost of the bill, in dollars and cents.

Mr. STENNIS. Of course all the officers must have as much as 20 years of service, and they will receive their retirement pay. But the special provision to which I referred a moment ago is estimated to cost about $6 million.

Mr. CARROLL. Does the Senator from Mississippi mean that will be the cost for the entire group covered by this bill?

Mr. STENNIS. Yes; for the entire group in the Navy and the Marine Corps.

Mr. CARROLL. As I understand, under the present retirement law, a commander in the Navy may retire after 26 years of service, and a captain may retire after 30 years of service; and I understand that a similar provision is in effect for Marine Corps officers of comparable rank.

Mr. STENNIS. That is correct.

Mr. CARROLL. If this measure becomes law, will a board be allowed to make a finding which will result in a reduction of the required period of service—in other words, less than 26 years or less than 30 years, respectively?

Mr. STENNIS. That is correct; the Senator from Colorado has caught the major point of the entire bill.

Mr. CARROLL. Will the Senator from Mississippi state for the RECORD how much discretion the board will have? Could it provide that men with less than 20 years' service could be retired, for example?

Mr. STENNIS. That is a very good question. The board could not reach down to those with less than 20 years. In other words, all of these officers will have to have had at least 20 years of service and, therefore, be entitled to at least 20 years of retired pay.

Mr. CARROLL. Very well. So the purpose of the bill is to reduce the "hump."

Will application of the bill be mandatory?

Mr. STENNIS. Yes; it will. If the board says they shall go out, they will go out.

Mr. CARROLL. Does the bill provide guidelines or standards to help some of the veterans of World War II who also were in the "hump" in the Army? After all, when a colonel is reduced to the rank of master sergeant, and has to continue to serve at the same post, that affects his life and the life of his family, under the military caste system. Is there some way by which that situation can be adjusted for them?

Mr. STENNIS. Not under the provisions of this bill. Certainly the situation to which the Senator from Colorado has referred does involve a problem.

But there is a well-recognized distinction between Regular officers and Reserve officers. So far as the obligation of the Government to them is concerned, they are dealt with separately, entirely.

In other words, a Reserve officer can be dismissed by means of an Executive order; he has no guarantee. But we place a legislative guard or protection around the Regular officers.

But under present conditions, we believe that we are forced to withdraw that legislative protection, because some of these men must go out.

Mr. CARROLL. I agree with the concept stated. I think the Senator is doing the proper thing. It may be that the Army is so big that such dismissals are necessary. But are we applying the same standards, the same equities, to men in the Army and Air Force as we are to men in the Navy and the Marines? That is the purpose of my question.

Mr. STENNIS. As to the Regular officers, that is correct. This bill does not impose any injustice on anyone or show anyone any favoritism.

Mr. CARROLL. Has the Army ever proposed a legislative program similar in nature to that given to the Navy?

Mr. STENNIS. The Army has handled the matter in a different way, due to the circumstances I mentioned a while ago. The Senator from Mississippi really did not handle that bill, but the Army does not have that problem now. Another bill is being proposed, in the way of permanent legislation, that will apply to the Regular officers of all the services. The Air Force in particular has asked for it. It wants special authority to retire some of its Regular officers.

Mr. CARROLL. I think the Senator from Mississippi has been forthright, and his presentation has been most helpful. I think we have a clear understanding about the Navy. Is this bill related to the same problem? Is there involved a question of selective retirement? Is there a similar formula or a system in the Air Force and the Army?

Mr. STENNIS. The Air Force and the Army are not affected by the bill now before the Senate. The Air Force and the Army have a problem, but they propose to handle it under general continuing legislation. They propose to eliminate men by procedures whereby they are declared to be substandard. The officers whose performance does not justify their continuation or active duty are retired in advance of the legislative protection that surrounds them under the present law, but there will be no payment or compensation of any kind. They will go out of the service under the selective process.

If the Senator from Colorado will permit me to do so, I should like to yield to the Senator from Massachusetts [Mr. SALTONSTALL], former chairman of the full committee, who has handled much legislation of this kind in the past. I yield to him.

Mr. SALTONSTALL. Mr. President, I thank the Senator. I will say to the Senator from Colorado that we had the problem of the so-called "hump" several years ago, following World War II. The Army and Air Force have gotten rid of their "humps" as a result of World War II. They have certain problems in relation to officers who are substandard. That problem is handled in another bill which the Senator from Mississippi is backing.

With respect to the pending bill, the Navy has not gotten rid of its "hump." The bill is an effort to give the Navy 6 years to get rid of its "hump." The bill provides a temporary law which will be in effect for only 6 years, during which time the Navy believes it can accomplish the objective of getting rid of the "hump" which followed World War II. So we had to give the Navy special consideration in an effort to be fair to the men who will be affected. The Navy will be affected, along with the Army and the Air Force, in the general bill which will be a lasting law to take care of substandard conditions.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CARROLL. I have not had an opportunity to study the bill. It is only due to the cogent remarks of the Senator from Mississippi that I raised the question. When did the Army start the "r.i.f.'ing" process? What is meant by the term "substandard"? Are we applying the criterion of substandard to the Navy and the Marine Corps? That is the question I am getting at. I have read of complaints from many members of the services who are suddenly washed out. Is that what is meant by "substandard"—being "r.i.f.'d" out of the service or having to go to an enlisted rank?

Mr. SALTONSTALL. No; I do not think that applies.

Mr. CARROLL. What is meant by "substandard"?

Mr. SALTONSTALL. I want to be sure I am accurate before I answer, because I do not wish to complicate the situation. My understanding is that certain boards of higher officers who have the responsibility of recommending promotions have gone over the names of certain officers at least twice. Those names have been passed over for promotion several times because it would not be in the best interest of the service or of the men themselves to promote them.

Mr. CARROLL. I come to this precise point. We have had examples of men who have spent 16 or 17 years in the service and have been promoted to the rank of colonel, who have been told that if they want to retain their retirement rights they must accept the rank of master sergeant, because of the fact that they have been passed over for promotion. A great problem has been created. I ask if the Navy and the Marine Corps men expect the same kind of "r.i.f.'ing" and the same criterion of substandard to which men in the Army are subjected. Are men in the Army subjected to the substandard criterion because of the larger number in the Army?

Mr. STENNIS. That is true with respect to Reserve officers. The Army permits Reserve officers to serve as sergeants and thereby not lose any rights which they may have accumulated. The Navy had the same problem. The Navy dismissed its officers, but did not permit them to become noncommissioned officers.

Mr. CARROLL. What did the Navy do with Naval Reserve officers?

Mr. STENNIS. It eliminated them. They were "ri.f.'d" out of the service. They went out of the service without being permitted to serve in a lower, noncommissioned rank. The Army permitted its officers to serve as sergeants for a certain period of time.

Mr. CARROLL. Do we have any examples in the record of a man who came up through the enlisted ranks in the Navy who would now be affected by this bill? I am not sure I understand all of the titles in the Navy, because I am an Army man. I want that understood for the record. I have been in two World Wars and was an enlisted man in World War I. I have no Army connections now. I am not in the Reserve. I simply raise these questions.

Did any chief petty officer, or the highest enlisted rank of the Navy, go into the officer personnel group? Were men in this situation reduced in rank? Do they come under the provisions of the bill?

Mr. STENNIS. There would be very few of them under the bill, because if there are any at all, they are in the service as Regular officers and not as Reserve officers. Presumably they will get treatment under the bill as favorable as anyone else.

The Senator's thinking is sound and practical, but I ask the Senator to keep in mind that he is thinking about two different groups of officers in all these services. There are the Reserves, who do not have any legislative protection. They are subject to Executive orders all the time. That is one of the ways the manpower rises and falls in the services.

The second group is the Regular officers, to whom we have given the legislative protection I have tried to describe in the opening discussion on the bill. That is what we find it necessary to change. We do not like to do so. It works a hardship on some officers especially, but there is a law of necessity.

Mr. CARROLL. We know that these are difficult problems.

Mr. STENNIS. Yes.

Mr. CARROLL. Do the same provisions apply to the Regular officers of the Army and of the Air Force?

Mr. STENNIS. I think when the proposed permanent legislation is considered and put into operation it will be substantially the same; yes.

Mr. CARROLL. Does the proposed legislation give the Reserve officers of the Army, of the Navy, and of the Air Force the same equitable treatment?

Mr. STENNIS. The bill does not affect the Reserve officers in any way. Those officers are in a different category.

Mr. CARROLL. Both bills?

Mr. STENNIS. Both bills; that is correct. These bills apply to those who have had legislative protection as Regular officers.

Mr. CARROLL. The nub of the question pertains to the Regular officers of the Navy and the Regular officers of the Marine Corps if I correctly understand the remarks of the distinguished Senator from Mississippi. They are accorded the same equitable treatment as the Regular officers of the Army and of the Air Force.

Mr. STENNIS. It is substantially the same.

Mr. CARROLL. The bill does not seek to change in any way the status of Reserve officers of any branch of service?

Mr. STENNIS. The Senator is correct.

Mr. CARROLL. I thank the Senator from Mississippi for his patience and for the clarity of his presentation.

Mr. STENNIS. I thank the Senator from Colorado for his questioning.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I simply wish to state, as a member of the subcommittee under the chairman, the Senator from Mississippi [Mr. STENNIS], that I believe we have tried to improve the quality of the service by affording the opportunity for promotion of qualified men and at the same time making it as fair as we could for those who, after 20 years of service, could be retired under the bill which the Senate will consider in the immediate future, and under this bill, which the Senate is now considering, with relation to the Navy. We have done our best to make it as fair as we could to all of them, and that is the reason for the special treatment.

Mr. STENNIS. I appreciate the remarks of the Senator from Massachusetts.

Mr. CARROLL. Mr. President, will the Senator yield so that I may ask a question of the Senator from Massachusetts, who has had great experience with the military services?

Mr. STENNIS. I yield.

Mr. CARROLL. Is it the opinion of the Senator from Massachusetts that the treatment accorded in the past has been as fair and equitable to Army officers who have been in the service for many years and then suddenly have been sent out as is now proposed for the Navy officers covered in this bill? Is this bill as fair?

Mr. SALTONSTALL. I hope it is. As I say, the Army problem is over, so far as the regular "hump" is concerned. The Navy is the only service with that problem now.

Mr. CARROLL. Let me put the question in a different way. Was the Army as fair to its officers in the elimination of the "hump" as the pending bill is with respect to the Navy officers?

Mr. SALTONSTALL. I hope so.

Mr. CARROLL. What is the Senator's opinion? The Senator has had great experience.

Mr. SALTONSTALL. We took that problem up 3 or 4 years ago. We considered the "hump" in the Army at that time, as well as the "hump" in the Navy. The Army "hump" has been taken care of, so there is no longer any question of special treatment due to the fact that there was a reduction after World War II.

Mr. CARROLL. Perhaps I should state the question still differently. In getting rid of the Army "hump," were the same principles applied as are being applied today to get rid of the Navy "hump"?

Mr. SALTONSTALL. I think so. The "hump" problem was solved, and so far as I know there have not been any great complaints from the Regular forces. At least I have not heard of any.

Mr. CARROLL. I thank the Senator from Massachusetts and the Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

Mr. President, there is a major amendment of great importance which was offered to the bill in the committee by a member of the subcommittee, the Senator from Nevada [Mr. CANNON]. I ask the Senator to present that amendment now, or the substance of it, on the merits.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I thank the distinguished Senator from Mississippi for yielding to me. I want to add to the Senator's remarks a statement of my own concerning the committee action on this particular bill.

The amendment to which the Senator refers is the amendment which reads:

SEC. 9. (a) Chapter 561 of title 10, United States Code, is amended—

(1) by repealing section 6150; and

(2) by striking out the following item in the analysis:

"6150. Higher retired grade for retired officers specially commended."

(b) This section becomes effective on November 1, 1959.

The committee amendment, which would be effective November 1, 1959, would not be retroactive and, therefore, would have no effect on the privileges of the officers already advanced prior to the date of its repeal.

At the same time, the committee amendment will insure for the future a uniform standard on this matter for all the military services. Since this provision was enacted in 1925, it has applied only to Navy and Marine Corps officers. It is therefore discriminatory against the officers of the other military services, who may have performed in a similar manner but who are not, of course, advanced upon retirement. Even though no additional pay is authorized by virtue of the advancement, the Navy and Marine Corps officers who receive the higher rank enjoy the other advantages attached to the higher grade such as greater employment opportunities and the prestige of the higher rank. In addition, there is also an added advantage for those who may be recalled to active duty from retired status. Under existing law, the Secretary of the Navy has discretionary authority to recall retired Navy or Marine Corps officers to active service in the higher rank to which they were advanced. While serving, these officers receive the pay of the higher rank and, moreover, under existing law, if they serve in a recall status for 2 years, their retired pay will be recomputed under the scales of their advanced rank.

Mr. President, this particular provision is commonly known as the tombstone promotion law which was written into the law in 1925 to provide for particular promotions in the Navy relating to Navy and Marine Corps officers, and to one officer in particular. This provision, in substance, provides that a person who has been specially commended for outstanding service during a particular period of time can by law, upon being retired, be advanced to the next higher grade. A number of officers have been so advanced under that particular provision of law.

Mr. President, I should now like to make a brief reference to the effect which the advancement provision has had on the retired lists in the Navy and Marine Corps. Under existing conditions, a disproportionate number of the retired flag-rank officers in the Navy are officers who never served on active duty in their retired rank but were advanced as a result of the special authority. As of May 24, 1959, out of 1,420 officers on the retired list in the grade of rear admiral, only 198 served in the rank, with 1,220 being advanced from a lower grade. Of 198 vice admirals, 44 served in the rank and 154 were advanced to that rank. Of 62 admirals, 29 served in the rank and 33 were advanced.

Mr. President, in the Marine Corps the retired list indicates a similar disproportionate condition. As of July 24, 1959, out of 186 officers on the retired list in the grade of brigadier general, 17 served in the rank and 169 were advanced to the rank. Of 58 major generals on the retired list, 13 served in the rank and 45 were advanced. Of the 27 officers on the retired list in the 3-star rank, 3 served in the rank and 24 were advanced. Of the 16 officers on the retired list in the 4-star rank, 4 served in the rank and 12 were advanced.

Mr. President, the committee report, on page 32, contains an extensive report of the Department of Defense, which opposes the extension of the advancement provision to the Army and Air Force. The report opposes this provision as being unfair and unsound in principle.

Mr. President, the reasons why the extension of this provision is unsound for two of the military services should also apply to its continuation for the other two services.

I urge the Senate to approve this amendment as adopted by the Senate Committee on Armed Services.

I intended to call up, after the committee amendments have been acted upon, an additional amendment which would extend this same limiting provision to the Coast Guard, since I did not realize the provision extended to the Coast Guard until after the committee amendment had been acted upon.

Mr. President, in summary, I do not believe it is fair that this type of provision, a promotion after retirement from service, should be extended to the Navy and Marine Corps and not to the other services. Therefore, it having been in effect, I believe it is fair to eliminate it, particularly in the light of the view of the Department of Defense that it would oppose extending it to the other services. I believe the Senate should act favorably on the amendment.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. CARROLL. Did the Senator hear the series of questions which I propounded to the Senator from Massachusetts [Mr. SALTONSTALL]? Was the Senator from Nevada present?

Mr. CANNON. The Senator from Nevada was present.

Mr. CARROLL. Has the Senator any comment to make on the questions which I asked with reference to the Army getting over the "hump"? We are now meeting the Navy "hump," and I suppose there will be an Air Force "hump." I should like to have the Senator's opinion on this subject, because I respect his opinion in this field as well as in other fields.

Mr. CANNON. I thank the distinguished Senator from Colorado for his kind remarks.

As has been stated, the so-called "hump" problem, so far as it relates to the Army and the Air Force, has largely been solved. It has been solved in part by the very point the Senator from Colorado raises. There was a "r.i.f." of reserve personnel, because the Reserve officers filled in many of the slots. Many Reserve officers were regular enlisted men, noncommissioned officers. They then were given the opportunity to remain in the service, and to go back to an enlisted rank, as a part of the "r.i.f." process, with which the Senator is familiar. This, in part, took care of the "hump" problem as it existed in the Army and Air Force.

In addition, the Air Force had been continually expanding over a period of years, and therefore was able to utilize many of the officers, as distinguished from the problem now confronting us with respect to the Navy. The Navy has the "hump" existing, and has no place to use the officers, other than to lose many of the officers in the lower ranks. I think it is well to point out that before considerations by the Board the naval officers who would undergo consideration for termination of service must be men who have had 5 years' service in the respective grades, and have been previously considered for promotion, as I understand the provisions of the bill. So, before they are selected for retirement under this provision of the bill, they will have the opportunity for consideration.

Mr. CARROLL. Do I correctly understand the Senator to say that this is a method of "r.i.f.'ing" Regular officers?

Mr. CANNON. The Senator is not correct. The Senator from Nevada does not consider it as a method of "r.i.f.'ing." They have simply been unable to advance men who came along faster than they would normally have been advanced had it not been for the war. Now they are in the position of the top grades being filled. In the lower grades, commanders and captains are in the position that they are good officers, but they have no place to go, because there is no vacancy above.

Mr. CARROLL. Perhaps some other expression other than "r.i.f." should be used. Does this provision apply only to commanders and captains?

Mr. CANNON. This bill applies only to commanders and captains.

Mr. CARROLL. Therefore, it is not a "r.i.f.'ing" process. It is a removal from the top level so that others may be promoted as distinguished from Army, Air Force, and Navy "r.i.f.'ing."

Mr. CANNON. The bill relates only to the Regular officers of the Navy and Marine Corps. It does not affect the Reserves in any way.

The other bill, which will be under consideration shortly, covers removal of substandard officers. If it is passed, it will apply equally to all services, so that in the future, if the bill which is not now before the Senate, but which will be called up shortly, is passed, it will apply equally to all services in the

future, for the removal of the substandard officers.

Mr. CARROLL. If it applies to all branches of the service, to get rid of the "hump," all will be equally subject to the "substandard" procedures.

Mr. CANNON. That is correct.

Mr. CARROLL. One further question. What is meant by "substandard"? I do not understand the expression. Does it mean that the commanding officer does not like a man? Or has it something to do with the efficiency records?

Mr. STENNIS. Mr. President, if I may interject, I suggest that I should have used the words "quality control" rather than "substandard."

Mr. CARROLL. I like "substandard."

Mr. STENNIS. In any event, the determination is made by a regular board in each service, appointed by the Secretary. The board must meet certain requirements. It sits under certain conditions, with which the Senator is generally familiar. The board has before it the records of these men. It is a quality control feature all the way through, as the Senator from Mississippi understands.

Mr. CARROLL. Has the Senator from Nevada any comment to make on the term "substandard"? I must go home and talk with my people in Colorado on this subject. I must talk with men in the Army who have been "r.i.f.'d". They will say, "The Navy and the Air Force have this special program." I must explain these things at home, and the explanation should appear in the RECORD, so that we will know what we are talking about.

Mr. CANNON. If the Senator from Colorado will permit, I would prefer to discuss the "substandard" officers or the "quality control" bill at the time we are discussing that bill, because the question is not involved in connection with the bill now before the Senate. I do not like to interchange terms in connection with the so-called "hump" bill. The Navy does not contend that the officers involved in the "hump" are substandard officers, or that the bill should be referred to as a quality-control bill. The purpose of this bill is to solve the particular problem of the "hump" by permitting the Navy to retire officers who have served long and faithfully, and perhaps, by reason of a rapid advance due to the war, have been in grade a long time, and have no place to go. Therefore the Navy can deviate below the 26-year and 30-year retirement dates for the release of these men under the retirement program. I shall be happy to discuss the so-called quality-control bill and the substandard problem with the Senator at the time that bill is before us; but I hesitate to become involved in it in connection with the bill now before the Senate.

Mr. CARROLL. Here we are in the evening, 20 minutes to 7, with very few Members on the floor. We are making a record. When we talk about the "hump," it is like a camel's hump. It is proposed to get rid of the men at the top so that men in the lower grades can be moved up.

By another bill it is proposed to trim the hooves of the camel and get rid of the substandard officers. So it is proposed to remove one top group, by offering an incentive to retire, at a cost of $6 million or $7 million. Then it is proposed to remove another group, the so-called substandard group, underneath.

The junior Senator from Colorado now understands what action is proposed. I think he can go home and explain the situation to his constituents. The Senator from Nevada has a far wider experience with military affairs than I have had. Is the Senator from Nevada satisfied with the bill, so far as it affects the Air Force, except for his proposed amendment?

Mr. CANNON. This bill does not affect the Air Force at all.

Mr. CARROLL. But the so-called "substandard" bill does.

Mr. CANNON. The "substandard" bill does.

Mr. CARROLL. In connection with the pending bill, the Senator's amendment has to do with including the Coast Guard, does it not?

Mr. CANNON. The amendment, which I shall offer in a few minutes, includes the Coast Guard. The language in section 9 of the bill relates to the Navy and Marine Corps.

We are talking now about the so-called "tombstone" promotion bill. That is the amendment which the Senator from Nevada was discussing. It relates to three services, the Navy, the Coast Guard, and the Marine Corps. Section 9, together with section 10, which I will propose as an amendment in a few moments, would eliminate that provision in the present law. That is the section I am talking about. We are confusing two problems.

Mr. CARROLL. Does that relate to the Coast Guard?

Mr. CANNON. Section 9 does not relate to the Coast Guard. It relates to the Navy and the Marine Corps. Section 10, which I will offer in a moment, as soon as the committee amendments have been acted upon, would include the Coast Guard.

Mr. STENNIS. Mr. President, if there are no further amendments to be offered, I ask that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Is there objection to agreeing to the committee amendments en bloc? The Chair hears none. Without objection, the committee amendments are agreed to en bloc.

Mr. STENNIS. Mr. President, the Senator from Nevada has an amendment, and so far as the Senator from Mississippi knows, it is the only amendment to be offered.

Mr. CANNON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 10. (a) Chapter 11 of title 14, United States Code, is amended—

(1) by repealing sections 239 and 309, and

(2) by striking out the following items in the analysis:

"239. Retirement in case of special commendation.

"309. Retirement in case of special commendation."

(b) This section becomes effective on November 1, 1959.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. STENNIS. Mr. President, as chairman of the subcommittee, I will say that the subcommittee will agree to the amendment being adopted.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Nevada is agreed to.

The bill is open to further amendment.

Mr. STENNIS. Mr. President, I believe the subject has been fully covered. The major points in the bill have been set forth in the statements and the discussion. There will be a bill on the same general subject matter, but not a companion bill, which we propose to bring up when this bill is disposed of.

Mr. HOLLAND. Mr. President, will the Senator yield for one question?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Florida?

Mr. STENNIS. I yield.

Mr. HOLLAND. As I understand, this particular bill applies to the Regular officers of the Navy, the Marine Corps, and the Coast Guard. It requires 20 years' service before it may apply to an officer.

Mr. STENNIS. The Senator is correct. Officers cannot be dismissed or forced out unless they have had 20 years of service.

Mr. HOLLAND. But after they have passed that period, they may be required to retire under the provision of the bill prior to the attainment of their full retirement, which would enable them to recover the largest retirement pay.

Mr. STENNIS. That is correct, before their normal retirement period has been reached.

Mr. HOLLAND. Are we to understand that except for the $2,000 payment which is given in such cases, in no case is any addition to the actual time served, on which the retirement pay is based?

Mr. STENNIS. The Senator is correct. The 20 years is a minimum floor.

Mr. HOLLAND. But there is no addition whatever by the bill, other than the $2,000 payment, to the actual elapsed time of service upon which the retirement is computed.

Mr. STENNIS. The Senator is correct. The House bill had a more liberal provision.

Mr. HOLLAND. I thank the Senator.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4413) was passed.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT OF 1936—UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE

During the consideration of House bill 4413,

Mr. JOHNSON of Texas. Mr. President, will the Senator from Mississippi yield briefly?

Mr. STENNIS. Yes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Mississippi may yield to me, while the minority leader is present. Obviously, we are going to discuss these bills longer than was anticipated, and the Senate will have to go over before taking action on Calendar No. 425, Senate bill 107.

I ask unanimous consent that the Senator from Mississippi may yield to me, without losing the floor, in order that I may propound a unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the consideration of Calendar No. 425, Senate bill 107, to amend title XI of the Merchant Marine Act of 1936, there may be a limitation on the bill of 1½ hours to each side, in other words, a total of 3 hours, to be equally divided between the majority leader and the minority leader, and that the other usual routine terms of a consent agreement may apply.

The PRESIDING OFFICER. The Chair will inquire as to what limitation is desired on amendments.

Mr. JOHNSON of Texas. Thirty minutes on amendments, the time to be equally divided.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and the agreement is entered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, during the further consideration of the bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to one-half hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided, further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until tomorrow at 11 o'clock a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROMOTION AND INVOLUNTARY RETIREMENT OF OFFICERS OF THE ARMED SERVICES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 569, S. 1795.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1795) to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the regular components of the Armed Forces.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments, on page 3, at the beginning of line 9, to strike out "in the grade of colonel or captain, as the case may be, "; and on page 4, in the material following line 14, in the third line of the middle column, to strike out "in computing basic pay" and insert "under section 14053"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 65 of title 10, United States Code, is amended—

(1) by adding the following new section after section 1293:

"§ 1294. Twenty years or more: regular majors, lieutenant colonels, and colonels; regular lieutenant commanders, commanders, and captains

"(a) Not more than once in each fiscal year, the Secretary of a military department may convene one or more boards, each consisting of at least five officers of a regular component of an armed force under the jurisdiction of that Secretary in grades above colonel or captain, as the case may be, to review the records of, and recommend for continuation on the active list, officers of that component on the active list in the following permanent grades who have at least 20 years of service computed under section 3927(a), 6387, 6388, or 8927(a) of this title, whichever applies, and who, in the case of officers of the Army or the Air Force or officers of the Navy in the Nurse Corps, have been considered at least twice but not recommended for promotion to the next higher permanent grade, or who, in the case of other officers of the Navy or officers of the Marine Corps, are considered as having failed of selection at least twice for promotion to the next higher grade and who have not been recommended for promotion to that grade:

"(1) Colonel or captain, as the case may be.

"(2) Lieutenant colonel or commander, as the case may be.

"(3) Major, in the case of officers of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps or female officers of the Air Force (other than those designated under section 8067(a)–(d) or (g)–(i) of this title), or lieutenant commander, in the case of officers of the Navy in the Nurse Corps.

"(b) A board convened under this section shall recommend officers for continuation on the active list in the number specified by the Secretary. The Secretary may specify separate numbers for particular categories of officers. However, the number specified by him for officers in any category must be at least 80 percent of the officers in that category being considered.

"(c) Except as provided by section 47a of title 5, if the Secretary approves the report of a board, he shall, not later than the first day of the seventh calendar month beginning after he approved that report, retire each officer who is considered but not recommended for continuation.

"(d) Notwithstanding subsection (a), a selection board considering officers of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps may include an officer of the Regular Army in that corps who is senior in permanent grade to, and who outranks, any officer in that corps being considered by that board. A selection board considering corresponding officers of the Air Force under this section may, in the same manner, include an officer of the Regular Air Force. A selection board considering officers of the Navy in the Nurse Corps may, in the same manner, include an officer of the Regular Navy.

"(e) So much of chapter 543 of this title as relates to alternate and staff corps members of selection boards, oaths of members, separate numbers for the various kinds of officers in the naval service, voting, and written reports apply to boards convened by the Secretary of the Navy under this section."; and

(2) by inserting the following new item in the analysis:

"1294. Twenty years or more: regular majors, lieutenant colonels, and colonels; regular lieutenant commanders, commanders and captains."

SEC. 2. The table in section 1401 of title 10, United States Code, is amended by inserting the following new formula:

"5	1294	Monthly basic pay to which member would be entitled if he were on active duty in his retired grade.	2½% of years of service that may be credited to him under section 14053 or, if greater, in the case of an Army or Air Force officer, 2½% of years of service credited to him under section 3927(a) or 8927(a), as the case may be.[3]	Amount necessary to increase product of columns 1 and 2 to 50% of pay upon which computation is based.	Excess over 75% pay upon which computation is based."

SEC. 3. Section 1405 of title 10, United States Code, is amended by striking out the words "(formula 4)" and inserting the words "(formulas 4 and 5)" in place thereof.

SEC. 4. Chapter 335 of title 10, United States Code is amended—

(1) by adding the following new sentences at the end of section 3297(d): "Such a recommendation shall be based upon ability and efficiency. Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.";

(2) by amending section 3299(c) by striking out the last sentence.

(3) by amending the catchline of section 3300 to read as follows:

"§ 3300. Commissioned officers: promotion to captain or, in the case of officers of Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps, major; selection board procedure";

(4) by striking out the words ", captain, or major" in section 3300(a) and inserting the words "or promotion-list officers of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps in the regular grade of captain" in place thereof;

(5) by striking out the words ", captain, or major" in section 3300(b) and inserting the words "or a promotion-list officer of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps in the regular grade of captain" in place thereof;

(6) by adding the following new subsections at the end of section 3300:

"(d) From promotion-list officers of the Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps, as the case may be, in the regular grade of captain who are not on a list of officers furnished by the Secretary to a selection board under subsection (c), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the regular grade of major a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (c) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection. An officer who is not on a list of officers furnished to a selection board under subsection (c), and who is on a promotion list above an officer who is recommended for promotion under this subsection, shall be treated as if consideration under this subsection were not consideration for promotion.

"(e) The number of officers that may be recommended for promotion under subsection (c) and (d) may not be more than the number specified by the Secretary for promotion under subsection (c).";

(7) by inserting the following new section after section 3300:

"§ 3300a. Commissioned officers: promotion to major or lieutenant colonel; selection board procedure

"(a) When promotion-list officers in the regular grade of captain or major are to be considered, under section 3299 of this title, by a selection board for promotion to the next higher regular grade, the Secretary of the Army shall furnish to the board a list of promotion-list officers, in order of seniority in regular grade, to be considered and shall direct it to recommend a number specified by him for promotion. The board shall recommend those officers whom it considers to be best qualified. However, the number prescribed by the Secretary for recommendation must be at least 80 percent of those listed for consideration for the first time.

"(b) From promotion-list officers in the regular grade of captain or major, as the case may be, who are not on a list of officers furnished by the Secretary to a selection board under subsection (a), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the next higher regular grade a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (a) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection. An officer who is not on a list of officers furnished to a selection board under subsection (a), and who is on a promotion list above an officer who is recommended for promotion under this subsection, shall be treated as if consideration under this subsection were not consideration for promotion.

"(c) The number of officers that may be recommended for promotion under this section may not be more than the number specified by the Secretary for promotion under subsection (a).

"(d) This section does not apply to the promotion of promotion-list officers of the Army Nurse Corps or the Army Medical Specialist Corps to the regular grade of major or lieutenant colonel or to the promotion of promotion-list officers of the Women's Army Corps to the regular grade of major.";

(8) by amending section 3303(d)(3) by striking out the words "the date he would have been retired under section 3913 of this title if he were eligible" and inserting the words "such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Army, but not later than the first day of the seventh month after the Secretary approves the report of that board" in place thereof;

(9) by amending section 3304 by redesignating subsections (b), (c), and (d) as subsections "(d)", "(e)", and "(f)", respectively; striking out the words "subsection (d)" in subsection (d), as so redesignated and inserting the words "subsection (f)" in place thereof; and inserting the following new subsections:

"(b) From promotion-list officers of the Army Nurse Corps or the Army Medical Specialist Corps, as the case may be, in the regular grade of major who are not on a list of officers furnished by the Secretary to a selection board under subsection (a), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the regular grade of lieutenant colonel a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (a) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection.

"(c) The number of officers that may be recommended for promotion under subsections (a) and (b) may not be more than the number specified by the Secretary for promotion under subsection (a).";

(10) by amending section 3305 by redesignating subsections (b), (c), (d), (e), and (f), as subsections "(d)", "(e)", "(f)", "(g)" and "(h)", respectively, and inserting the following new subsections:

"(b) From promotion-list officers in the regular grade of lieutenant colonel who are not on a list of officers furnished by the Secretary to a selection board under subsection (a), the Secretary may furnish the board the names of additional officers, in order or seniority in regular grade. From those officers, the board may recommend for promotion to the next higher regular grade a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (a) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection.

"(c) The number of officers that may be recommended for promotion under this section may not be more than the number specified by the Secretary under subsection (a) for promotion."; and

(11) by striking out the following item in the analysis:

"3300. Commissioned officers: promotion to captain, major, or lieutenant colonel; selection board procedure."

and inserting the following items in place thereof:

"3300. Commissioned officers: promotion to captain or, in case of officers of Army Nurse Corps, Army Medical Specialist Corps, or Women's Army Corps, major; selection board procedure.

"3300a. Commissioned officers: promotion to major or lieutenant colonel; selection board procedure."

SEC. 5. The last sentence of section 3442(c) of title 10, United States Code, is amended to read as follows: "Selections shall be based upon ability and efficiency."

SEC. 6. Section 3913 of title 10, United States Code is amended—

(1) by amending subsection (a) to read as follows:

"(a) A deferred officer who is not recommended for promotion under section 3303(c) of this title, or an officer who is found disqualified for promotion under section 3302(f) of this title, shall, if he has at least 20 years of service computed under section 3927(a) of this title, be retired, except as provided by section 47a of title 5, on such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Army, but not later than the first day of the seventh month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned."; and

(2) by amending subsection (b) by striking out the words "so entitled to retire" and inserting the words "the date he completes 20 years of service computed under section 3927(a) of this title, or the first day of the seventh month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned, whichever is later" in place thereof.

SEC. 7. Section 5707 of title 10, United States Code, is amended by inserting the following new sentence at the beginning of subsection (i): "Recommendations for promotion or for continuation on the active list shall be based upon ability and efficiency."

SEC. 8. Chapter 573 of title 10, United States Code, is amended—

(1) by adding the following new sentence at the end of each of subsections (a) and (b) of section 6382: "However, if he so requests, he may be honorably discharged at any time during that fiscal year.";

(2) by adding the following new sentence at the end of each of subsections (d) and (e) of section 6383: "However, if he so requests, he may be honorably discharged at any time during that fiscal year.";

(3) by inserting the words "or, in the discretion of the Secretary of the Navy, on any earlier date if the officer so requests" after the words "his name is so reported" in section 6384(b);

(4) by adding the following new sentence at the end of section 6401(a): "However, if she so requests, she may be honorably discharged at any time during that fiscal year."; and

(5) by adding the following new sentence at the end of section 6402(a): "However, if she so requests, she may be honorably discharged at any time during that fiscal year."

SEC. 9. Chapter 835 of title 10, United States Code, is amended—

(1) by adding the following new sentences at the end of section 8297(d): "Such a recommendation shall be based upon ability and efficiency. Notwithstanding any other provision of law, a board that is to recommend officers for promotion whom it considers to be the best qualified may recommend only those officers whom it also considers to be fully qualified.";

(2) by amending section 8299 by striking out the words "or (g)" in subsection (a) and inserting the words ", (g), or (h)" in place thereof; by striking out the last sentence of subsection (c); and by redesignating subsection (h) as subsection "(j)" and inserting the following new subsections:

"(h) From Air Force nurses or medical specialists, as the case may be, in the regular grade of major who are not on a list of officers furnished by the Secretary to a selection board under subsection (g), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the regular grade of lieutenant colonel a number of officers, whom is considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (g) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection.

"(i) The number of officers that may be recommended for promotion under subsections (g) and (h) may not be more than the number specified by the Secretary for promotion under subsection (g).";

(3) by amending the catchline of section 8300 to read as follows:

"§ 8300. Commissioned officers: promotion to captain or, in the case of certain female officers, major; selection board procedure";

(4) by striking out the words ", captain, or major" in section 8300(a) and inserting the words "or female promotion-list officers (other than those designated under section 8067 (a)–(d) or (g)–(i) of this title) in the regular grade of captain" in place thereof;

(5) by striking out the words ", captain, or major" in section 8300(b) and inserting the words "or a female promotion-list officer (other than one designated under section 8067 (a)–(d) or (g)–(i) of this title) in the regular grade of captain" in place thereof;

(6) by amending section 8300 by striking out subsection (d) and inserting the following subsections in place thereof:

"(d) From female promotion-list officers (other than those designated under section 8067 (a)–(d) or (g)–(i) of this title) in the regular grade of captain who are not on a list of officers furnished by the Secretary to a selection board under subsection (c), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the regular grade of major a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (c) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection. An officer who is not on a list of officers furnished to a selection board under subsection (c), and who is on a promotion list above an officer who is recommended for promotion under this subsection, shall be treated as if consideration under this subsection were not consideration for promotion.

"(e) The number of officers that may be recommended for promotion under subsections (c) and (d) may not be more than the number specified by the Secretary for promotion under subsection (c).";

(7) by inserting the following new section after section 8300:

"§ 8300a. Commissioned officers: promotion to major or lieutenant colonel; selection board procedure

"(a) When promotion-list officers in the regular grade of captain or major are to be considered, under section 8299 of this title, by a selection board for promotion to the next higher regular grade, the Secretary of the Air Force shall furnish to the board a list of promotion-list officers, in order of seniority in regular grade, to be considered and shall direct it to recommend a number specified by him for promotion. The board shall recommend those officers whom it considers to be the best qualified. However, the number prescribed by the Secretary for recommendation must be at least 80 percent of those listed for consideration for the first time.

"(b) From promotion-list officers in the regular grade of captain or major, as the case may be, who are not on a list of officers furnished by the Secretary to a selection board under subsection (a), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the next higher regular grade a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary under subsection (a) for promotion. If 5 percent of that number is less than one officer, the board may recommend one officer under this subsection. An officer who is not on a list of officers furnished to a selection board under subsection (a), and who is on a promotion list above an officer who is recommended for promotion under this subsection, shall be treated as if consideration under this subsection were not consideration for promotion.

"(c) The number of officers that may be recommended for promotion under this section may not be more than the number specified by the Secretary for promotion under subsection (a).

"(d) This section does not apply to the promotion of female promotion-list officers (other than those designated under section 8067 (a)–(d) or (g)–(i) of this title) to the regular grade of major or to the promotion of female promotion-list officers designated under section 8067 (e) or (f) of this title to the regular grade of lieutenant colonel.";

(8) by amending section 8303(d)(3) by striking out the words "the date he would have been retired under section 8913 of this title if he were eligible" and inserting the words "such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Air Force, but not later than the first day of the seventh month after the Secretary approves the report of that board" in place thereof;

(9) by amending section 8305 by redesignating subsections (b), (c), (d), (e), (f), (g), and (h) as subsections "(d)", "(e)", "(f)", "(g)", "(h)", "(i)", and "(j)", respectively, and inserting the following new subsections:

"(b) From promotion-list officers in the regular grade of lieutenant colonel who are not on a list of officers furnished by the Secretary to a selection board under subsection (a), the Secretary may furnish the board the names of additional officers, in order of seniority in regular grade. From those officers, the board may recommend for promotion to the next higher regular grade a number of officers, whom it considers to be the best qualified, that is not more than 5 percent of the number specified by the Secretary for promotion under subsection (a). If 5 percent of that number is less than one officer, the board may recommend one officer under this subsecton.

"(c) The number of officers that may be recommended for promotion under this section may not be more than the number specified by the Secretary under subsection (a) for promotion."; and

(10) by striking out the following item in the analysis:

"8300. Commissioned officers: promotion to captain, major, or lieutenant colonel; selection board procedure."

and inserting the following items in place thereof:

"8300. Commissoned officers: promotion to captain or, in the case of certain female officers, major; selection board procedure.

"8300a. Commissioned officers: promotion to major or lieutenant colonel; selection board procedure."

SEC. 10. The last sentence of section 8442(c) of title 10, United States Code, is amended to read as follows: "Selections shall be based upon ability and efficiency."

SEC. 11. Section 8913 of title 10, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) A deferred officer who is not recommended for promotion under section 8303(c) of this title, or an officer who is found disqualified for promotion under section 8302(f) of this title, shall, if he has at least 20 years of service computed under section 8927(a) of this title, be retired, except as provided by section 47a of title 5, on such date as may be requested by him and approved under regulations to be prescribed by the Secretary of the Air Force, but not later than the first day of the seventh month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned."; and

(2) by amending subsection (b) by striking out the words "so entitled to retire" and inserting the words "the date he completes 20 years of service computed under section 8927(a) of this title, or the first day of the seventh month after the Secretary approves the report of the last board that did not recommend him for promotion to the grade concerned, whichever is later" in place thereof.

SEC. 12. Section 1431(c) of title 10, United States Code, is amended by striking out the second sentence and inserting the following sentences in place thereof: "Unless made under section 1433, the change or revocation is not effective if he is retired or becomes entitled to retired or retainer pay within five years after the date of the change or revocation. However, a change or revocation made by an officer who is retired under section 1294 of this title is effective if made at such a time that it would have been effective had he been retired on the earliest date prescribed for an officer of his kind by section 3915, 3916, 3921, 6376, 6377, 6379, 6396, 8915, 8916, or 8921, as the case may be, of this title."

Mr. MANSFIELD. Mr. President, for the information of the Senate, when this bill is disposed of, the next order of business will be Calendar No. 425, S. 107, a bill to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the "vessel" in such title, and following that we will consider Calendar No. 560,

S. 2424, a bill to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs.

Mr. STENNIS. Mr. President, I shall not detain the Senate long, although this is an important bill and I think it should be explained.

This bill and the preceding bill were handled in the subcommittee by a subcommittee of five, consisting of the Senator from South Carolina [Mr. THURMOND], the Senator from Nevada [Mr. CANNON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Maine [Mrs. SMITH], and I. I had the honor of being the chairman of the subcommittee. I mention the names of the other members because they gave the problem a great deal of time and attention. The subject is rather involved, and the proposed legislation is really rather drastic, in a way. No one was happy about the situation or the recommendation which we felt compelled to make, but we did get together on a unanimous report. I want to thank each of them for the very fine services they rendered.

Mr. President, the basic purpose of this bill is to provide certain quality control authority for the management of the Regular officer personnel in the military departments. Basically, the bill provides that Regular officers in the grade of lieutenant colonel and colonel, and equivalent Navy grades, who have twice failed of selection to the next higher permanent grade, will be subject to involuntary retirement prior to completing the normal retirement point if their performance does not justify their continuation on active duty. In addition, the bill makes certain changes in the permanent promotion laws of the Army and Air Force to make more competitive the selections in the services.

Mr. President, before discussing the details of this permanent legislation, I would like to observe some of the basic reasons for its need.

One of the most difficult problems which is always confronting the military departments is the matter of improving the quality of its personnel. Any sound personnel management plan must, among other things, contain two essential points. First, it must provide for a career which is sufficiently attractive to young men to induce them to enter and remain in the military service, and secondly, it must provide for the elimination of such personnel who fail to measure up to the high standards of quality which are necessary in this day of complex weapons and atomic power.

Mr. President, the various items of pay legislation, together with the additional items providing for various fringe benefits which have been enacted by the Congress in the past few years, have gone toward meeting the first requirement. The pending bill is aimed at assisting toward meeting the second objective of improving the military personnel system.

FEATURES OF THE BILL

INVOLUNTARY RETIREMENT AUTHORITY

Under existing law, in the Army and Air Force, regular officers in the grade of major and below who have twice failed of selection to the next higher permanent grade are eliminated from active service with either severance pay or are retired if they have the 20 years of service. With respect to the regular grade of lieutenant colonel, however, these officers remain on active duty until the completion of 28 years of service, even though they have failed two or more times to the next higher permanent grade. Marine Corps lieutenant colonels remain on active duty until the completion of 26 years after they have twice failed to the next higher grade. With respect to colonels and captains, these officers remain in active service until the completion of 30 years, even though they have twice failed of selection to the next higher grade.

There is a considerable period in some cases between the time of the second failure and the normal retirement point. In the Air Force, regular lieutenant colonels are presently being twice failed to regular colonel at an average of 20 years of service and in the Army between 25 and 26 years. In the Navy and Marine Corps, the second passover for this grade occurs at about the 20th year of service.

These officers would ordinarily continue to serve until either the completion of 26 or 28 years.

At the present time regular colonels in the Air Force are twice failed of promotion to brigadier general at about the 25th year of service; in the Army, the second failure occurs at about the 27th year.

It is the position of the Department of Defense that these various retirement points of 26, 28, and 30 years of service of the twice-failed officers operate in some cases to keep on the active list some whose performance in the grades concerned does not justify their continuation on active duty.

This bill provides permissive authority whereby the service secretaries may establish five-man officer boards to consider officers in these twice failed categories. These boards would recommend those who would be continued on the active list and those who should be retired. The bill further provides that all officers affected must have at least 20 years for retirement purposes. Furthermore, the bill provides that at least 80 percent of the group being considered by a given board must be retained on the active list. Or, in other words, only 20 percent of each grade being considered may be involuntarily retired.

Mr. President, the bill contains a special provision with respect to certain female officers in the grade of major who have twice failed of selection to the next higher grade. This provision is similar to that provided for twice failed lieutenant colonels. The provision was recommended by the Department of Defense because of the special existing provisions of law which provide that certain twice failed female majors may remain on duty until the completion of 25 years of service. The provision of this bill would subject this group to the same standards being applied to the male and remaining female officers.

USE OF THE LEGISLATION

Mr. President, the permanent authority of this legislation will not be used in the next few years by the Navy and Marine Corps. The personnel situation of these two services is such that they require the use of the more drastic elimination authority temporarily provided in H.R. 4413, the Navy hump bill, which will be considered immediately following this bill. The Navy testified, however, that they fully support the legislation which would provide a useful permanent management tool. The Air Force indicated that they had immediate need for this legislation and that its authority would be implemented as soon as possible after enactment. Army on the other hand, was of the position that as of the present time, the existing statutory authority under the show-cause procedure was sufficient for quality control purposes in these senior regular grades. The Army did support the measure as useful for possible future requirements.

NO BREACH OF FAITH

Mr. President, the question could be raised as to whether the enactment of this legislation could be regarded as a breach of faith to those officers who would be involuntarily retired prior to completing either the 26-, 28-, or 30-year periods of active service.

The record should be clear that this legislation does not constitute any breach with respect to those officers who might consider themselves adversely affected by these provisions. For many years legislation has been enacted aimed at improving the personnel policies of the Armed Forces and of meeting changing times and conditions. Whenever any change is made it could be argued that there are some individuals who would have greater benefits under the old system than under the new. The Department of Defense testified in effect that it did not consider that this legislation would lessen the security incentive aspect of a military career. The removal of this type of officer from the active list provides both a greater opportunity and an incentive for superior performance for all officers. The following Department of Defense testimony should be quoted in this regard:

As to whether enactment of S. 1795 might operate to lessen the security incentive aspect of a military career, the Department of Defense is confident that this will not be the case. With the recently enacted military pay bill, levels of pay have been provided for the higher grades which career-wise offer a significant financial incentive. Greater emphasis has been placed on achievement and less on the total number of years a person has been in service. The kind of officer the services are seeking to attract has confidence in his ability and is more than willing to have his future success depend on his ability, hard work, and initiative. He wants the opportunity to advance on his

merits and to receive recognition on the basis of performance rather than length of time in service. He does not place reliance on "security" by making it the sole or even major consideration in his choice of a career. We believe that he will willingly accept the stiffer career competition implicit in this bill.

PROMOTION PROVISIONS

Mr. President, this bill further proposes several changes in the permanent promotion laws of the Army and Air Force which tend to make the systems more competitive and at the same time recognize outstanding officers.

MANDATORY USE OF BEST QUALIFIED SYSTEM

Mr. President, the bill amends existing law by requiring the use of the best-qualified system for selection to the permanent grade of major and lieutenant colonel in the Army and Air Force. Under the best qualified system, the number of officers being considered, in effect, compete among themselves for a lesser number of vacancies than the total number being considered. The bill, in effect, provides that the boards will be given sufficient vacancies to recommend at least 80 percent of those being considered. Existing law authorizes the use of either the best qualified system or a so-called fully qualified method under which those being considered do not compete among themselves, but are only selected on the basis of meeting the minimum qualifications.

The required use of the best qualified system will result in a uniform standard in all of the services, since the Navy and Marine Corps under present law are required to use this system.

FIVE PERCENT BELOW THE ZONE SELECTION

The bill further amends existing law by providing that up to 5 percent of the permanent promotions to the grade of captain, major, and lieutenant colonel in the Army and Air Force may be from among those officers who are below the so-called zone of consideration. Under existing law, all such promotions must be made from among those officers within the zone. This additional 5-percent feature would permit the outstanding officers to be selected ahead of their contemporaries if their record of performance justified such advancement. Again, the 5-percent provision would result in the uniform provision in all the military services, since the Navy and Marine Corps presently possess such authority.

Mr. President, there are several minor modifications of existing law contained in this bill which are explained in detail in the committee report. The effect of all these changes is to bring the promotion laws of all the services into greater uniformity.

By way of summary, the proposed legislation would permit the respective services to retire officers on a quality control basis before they had served the number of years which I have just mentioned, in which event there would be no special compensation or no special consideration from a monetary standpoint, except as may be listed in present law. It is clear that this will not be any breach of any kind of contract or agreement, or anything of that kind, express or implied, which is in the present law. The proceedings will be one of eliminating these officers. It will be on the basis of a quality control process, and it will be conducted by military boards to be selected by the secretaries, for which boards law, tradition, and custom point out well-defined courses and channels to be followed.

Mr. President, there are two relatively minor committee amendments. One provides that at least 80 percent of the group being considered by a given board must be retained on the active list; in other words, only 20 percent of each group being considered may be involuntarily retired. The bill as recommended applied the 80-percent limit only to the grade of colonel.

The other amendment is strictly technical and concerns a word and a reference in the bill.

I move that the committee amendments be adopted.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

Mr. STENNIS. So far as I know, there are no other amendments to be offered. If my understanding is correct, I now move the third reading of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1795) was passed.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT, 1936

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 425, S. 107.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the "vessel" in such title.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. MANSFIELD. Mr. President, it is my understanding that on this measure a time limitation has been agreed to, namely, 30 minutes on each amendment and 3 hours on the bill.

The PRESIDING OFFICER. The Senator from Montana is correct.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I inform the Senate again that immediately following the conclusion of action on S. 107, the next order of business will be the equal-time amendment to the Communications Act of 1934, Calendar No. 560, S. 2424.

Mr. President——

The PRESIDING OFFICER. The Senator from Montana.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, under the order previously entered, I move that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 54 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, July 28, 1959, at 11 o'clock a.m.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 27, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Hebrews 13: 6: *That we may boldly say, the Lord is my helper, and I will not fear what man shall do unto me.*

Almighty God, our gracious Benefactor and Father of all mercies, may we daily appreciate Thy goodness more fully and discern Thy beneficent purposes more clearly.

Gird us with faith and fortitude for the events and experiences of each new day for we know not what a day may bring forth and may Thy peace be our strength and song as we commit ourselves gladly to the dispensation of Thy divine providence.

Grant that with hearts of love and minds of good will we may enter sympathetically, helpfully into the life of needy humanity, sharing with others the blessings which bring us health and happiness.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, July 23, 1959, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 306. An act to amend the Federal Crop Insurance Act;

H.R. 1219. An act to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers);

H.R. 1631. An act for the relief of Joseph B. Kane, Jr.;

H.R. 2594. An act for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of

a munitions truck between Smithfield and Selma, N.C., on March 7, 1942;

H.R. 2846. An act for the relief of Dorman William Whittom;

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act;

H. R. 3117. An act for the relief of Albert J. Hicks;

H.R. 3249. An act for the relief of William S. Scott;

H.R. 4060. An act to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payments bonds commences to run;

H. R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work;

H.R. 4538. An act authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.;

H.R. 5927. An act to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base;

H.R. 6955. An act for the relief of Sallie B. Dickens; and

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 137. An act to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes;

H.R. 213. An act to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees;

H.R. 697. An act to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes;

H.R. 2909. An act relating to the maintenance and travel expenses of judges;

H.R. 4340. An act to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies;

H.R. 6714. An act for the relief of Abraham Fye;

H.R. 6717. An act for the relief of Robert N. Anthony; and

H.J. Res. 354. Joint resolution for the relief of certain aliens.

The message also announced that the Senate had passed bills, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 36. An act for the relief of Page A. Wilson;

S. 281. An act to authorize the Secretary of the Interior to construct, operate, and maintain a regulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes;

S. 464. An act for the relief of Julia Mydlak;

S. 669. An act to authorize the Secretary of Agriculture to convey certain lands to the Bethel Baptist Church of Henderson, Tenn.;

S. 906. An act to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section;

S. 1038. An act for the relief of Wong Gar Wah;

S. 1049. An act for the relief of Rachel Borenstein;

S. 1110. An act to amend the act of August 4, 1955 (Public Law 237, 84th Cong.), to provide for conveyance of certain interests in the lands covered by such act;

S. 1392. An act for the relief of Isabel M. Menz;

S. 1436. An act to amend section 1 of the act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869);

S. 1453. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa to the city of Keosauqua;

S. 1627. An act for the relief of Mrs. Paula Deml;

S. 1650. An act for the relief of Edmund A. Hannay;

S. 1694. An act to extend the existing authority to provide hospital and medical care for veterans who are United States citizens temporarily residing abroad to include those with peacetime service-incurred disabilities;

S. 1945. An act for the relief of Josef Jan Loukotka;

S. 2153. An act to authorize the Coast Guard to accept, operate, and maintain a certain defense housing facility at Yorktown, Va., and for other purposes;

S. 2208. An act to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act;

S. 2220. An act to strengthen the Commissioned Corps of the Public Health Service through revision and extension of some of the provisions relating to retirement, appointment of personnel, and other related personnel matters, and for other purposes;

S. 2334. An act to transfer from the Department of Commerce to the Department of Labor certain functions in respect of insurance benefits and disability payments to seamen for World War II service-connected injuries, death, or disability, and for other purposes;

S. J. Res. 24. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand;

S. J. Res. 106. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium;

S. Con. Res. 46. Concurrent resolution authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability"; and

S. Con. Res. 47. Concurrent resolution authorizing the printing of additional copies of the hearings on automation and technological change.

AREA REDEVELOPMENT LEGISLATION

Mrs. KEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from West Virginia?

There was no objection.

Mrs. KEE. Mr. Speaker, area redevelopment legislation has been pending before the House since May 14. On that date, an amended version of S. 722 was sent to the House Rules Committee.

As of this date, no further action has been taken on this measure which is of such vital importance to West Virginia and other States suffering from chronic and substantial unemployment.

It is unthinkable, Mr. Speaker, that the House will adjourn without acting on this vitally important legislation. The unpleasant economic facts which make area redevelopment legislation so urgently needed will not go away if we simply ignore them. They will remain with us to haunt the country in the future.

West Virginia and other States suffering from pockets of unemployment are not asking for a Federal handout. Rather, we are asking the Federal Government to authorize a program under which the efforts of local, State, and Federal Governments can be coordinated in a concentrated effort to help these areas regain economic stability.

Recently, Mr. Speaker, Miss Sylvia Porter, one of the Nation's finest economic writers, called attention to the great number of people who have been out of work for 3 months and to the large number who have been out of work for 6 months.

She wrote in her outstanding column:

> This legislation [area redevelopment] still remains bottled up in the House and maybe that is where it will end. But if Congress doesn't act, the problem won't go away. Instead, it will be worse when the next recession comes. The hard core will be harder and thicker. The solutions will be tougher and will take much longer.

LABOR LEGISLATION

Mr. MUMMA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MUMMA. Mr. Speaker, I was at home in my congressional district, as customary, over the weekend. I attended the usual functions to which a Congressman is invited, and I was surprised by the expression of interest on the part of the people attending these affairs and, also, the number of telephone calls I received. This morning, when I came to Washington, I found a stack of letters on my desk; there must have been 150. These letters called my attention to a television program last week, the Jack Paar Show. I was not aware that such a large number of people stayed up so late at night. The purpose of all these personal conversations, telephone calls and letters was the demand for a strong labor bill. I think Congress should take advantage of this opportunity to try and pass a good labor bill.

It was further surprising to me the varying background of those who contacted me. The group includes pastors, their wives, attorneys, engineers, workmen, and also a lot of just good citizens. A couple of letters were missent to my office and were intended for other Members of the House. Upon inquiry, we find this mail on the labor situation is pretty much the same in most offices and nothing has stirred up more spontaneous reaction in a long time. The

bill that the House of Representatives will consider contains very little of the original Kennedy-Ervin bill inasmuch as there have been 103 amendments by the House committee of which, I understand, only 5 might strengthen the bill, while there are 98 others that water it down further. To my mind, about the only strength the Kennedy-Ervin bill had was the original McClellan "bill of rights" which before leaving the Senate was watered down.

The people in my district want a strong labor bill, and I am writing them that I, too, want such a bill and agree with their views.

ADDITIONAL ALLOWANCE FOR STATIONERY

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution, House Resolution 314, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives an additional allowance of $600 per regular session for stationery for each Member of the House of Representatives, Delegate, and Resident Commissioner.

SEC. 2. The first section of this resolution shall take effect January 7, 1959.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

OMNIBUS AMENDMENTS TO THE RESERVE OFFICERS PERSONNEL ACT OF 1954

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 324, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Idaho [Mr. BUDGE], and pending that I yield myself such time as I may consume.

Mr. Speaker, this resolution unanimously reported by the Committee on Rules makes in order the consideration of a very complicated, technical bill, amending the Reserve Officers Personnel Act. The bill H.R. 8186, was reported unanimously by the Committee on Armed Services.

Mr. Speaker, I reserve the balance of my time.

Mr. BUDGE. Mr. Speaker, a revision of the statutes with reference to Reserve officers is long overdue. I know of no opposition to the bill on this side.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

IMPROVING ACTIVE DUTY PROMOTION OPPORTUNITY FOR CERTAIN AIR FORCE OFFICERS

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 325 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8189) to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Idaho [Mr. BUDGE] and at this time I yield myself such time as I may require

Mr. Speaker, House Resolution 325 makes in order the consideration of H.R. 8189, improving active duty promotion opportunity for certain Air Force officers. The resolution provides for an open rule and 1 hour of general debate.

The purpose of the proposed legislation is to authorize the Air Force to exceed the total number of majors serving on active duty by the end of fiscal year 1961 by 3,000 over and above that number authorized by the Officer Grade Limitation Act. If enacted, this legislation will permit Reserve captains now serving on active duty to be promoted to the grade of major for pay purposes. Without the proposed legislation, these officers will continue on active duty in the grade of captain, and relatively few will have an opportunity to attain the grade of major. By June 30, 1961, there will be 6,400 Reserve captains serving an active duty in the Air Force, all of whom will have completed 14 or more years of active duty.

Under existing law, Regular officers must be promoted to the grade of major upon the completion of 14 years of promotion list service. The Officer Grade Limitation Act limits the total number of officers who may serve in the grade of major by fiscal year 1961 to 23,146. This is based upon a total officer strength of approximately 126,000 officers. At the present time there are 22,800 majors serving on active duty, 35 percent of whom are Regulars and 65 percent of whom are Reserve officers.

The Officer Grade Limitation Act permits the Air Force at this time to have approximately 23,000 officers on active duty serving in the grade of major. This limitation precludes the promotion of many Reserve captains who have demonstrated their ability to serve on active duty in the grade of major in several ways. All of them have been promoted to the grade of major under the Reserve Officer Personnel Act and, therefore, have been subjected to a selection system for a permanent Reserve promotion. In addition to having been selected to the Reserve grade of major, they have been retained on active duty in the Air Force. The Air Force states that their continuation on active duty is necessary and fully justified. These officers, for the most part, fulfill assignments of great importance to the Air Force. Many of them are pilots in the Military Air Transport Service and special air missions. The great number of them, however, are serving in the Strategic Air Command.

Simple equity requires favorable consideration of legislation which will permit these Reserve officers to have approximately the same opportunity for promotion to the grade of major as their counterparts have in the Regular service.

This same problem does not exist in the Army or the Navy.

The proposed legislation is temporary legislation since an overall study of the Officer Grade Limitation Act will be conducted by the Department of Defense prior to June 30, 1961. It will not accelerate promotion in any other grade nor will it increase the total number of officers on active duty.

It should be noted that this legislation will not increase retirement costs in any manner since all of the Reserve officers who will be promoted to the grade of major now hold the grade of major as Reserve officers and upon the completion of 20 years of active duty will qualify for retirement pay in this grade, unless promoted to a higher grade. With the enactment of this legislation, approximately 5,000 Reserve captains who have 14 or more years of active service may be promoted to the grade of major.

There will be no new cost in fiscal 1960 since the estimated cost of $852,000 will be absorbed in the present Air Force budget. The estimated fiscal 1961 cost is $2,130,000.

The proposed legislation is unanimously recommended by the Committee on Armed Services. I urge the adoption of this resolution.

Mr. BUDGE. Mr. Speaker, I understand this is temporary legislation to take care of a problem in the Air Force for 1 fiscal year only. I know of no opposition to adoption of the rule.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

REGULATION OF SAVINGS AND LOAN HOLDING COMPANIES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 323 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7244) to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 323 makes in order the consideration of H.R. 7244, pertaining to the regulation of savings and loan holding companies. The resolution provides for an open rule and 1 hour of debate.

H.R. 7244 would prohibit any holding company from acquiring control of two or more savings and loan associations if the savings accounts in the associations are insured by the Federal Savings and Loan Insurance Corporation. It also denies Federal Savings and Loan Insurance Corporation insurance to any uninsured savings and loan association if it is controlled by a holding company which also controls an insured savings and loan association. Finally, the bill as reported prohibits any insured savings and loan association controlled by a holding company from making any loan to the holding company or any of its subsidiaries.

The bill does not have any retroactive effect. That is, it would not require an existing holding company to divest itself of an insured association it now controls. But the company could not acquire control of any additional insured association.

Two years ago there were only two principal holding companies owning two or more associations. Today there are more than a dozen savings and loan holding companies in existence or definitely projected, and their operations extend to six States. In view of the rapid growth of these savings and loan holding companies, it is apparent that prompt action is needed if we are to preserve the traditional pattern of independent, locally managed savings and loan associations.

This bill was unanimously agreed to by the House Banking and Currency Committee.

I urge the adoption of this resolution.

Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Speaker, I think this legislation is very timely. I know of no objection to the adoption of the rule and I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTER-AMERICAN DEVELOPMENT BANK

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 322 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7072) to provide for the participation of the United States in the Inter-American Development Bank. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 322 makes in order the consideration of H.R. 7072, providing for the participation of the United States in the Inter-American Development Bank. The resolution provides for an open rule and 2 hours of general debate.

This bill authorizes the President to accept membership on behalf of the United States in the Inter-American Development Bank; it also authorizes to be appropriated the full amount of the U.S. subscription of $450 million. It contains several provisions of law necessary to make our membership effective, including provisions relating to the marketing of the Bank's securities in the United States, and it provides for the coordination of the activities of U.S. representatives to the Inter-American Development Bank by the National Advisory Council on International Monetary and Financial Problems. The bill requires the approval of Congress for certain actions on behalf of the United States with respect to the Inter-American Development Bank, including voting an increase in capital or subscribing to additional stock, and accepting any amendment to the Bank agreement.

The Inter-American Development Bank is designed to expand the economic growth of Latin America. It will make loans for projects in these countries to supplement other sources of credit. It will also assist these countries in formulating development programs and in engineering and organizing projects. Its technical assistance will help these countries obtain capital from other sources, as well as from the Inter-American Bank. The Bank, drawing its membership from the 21 American Republics, will have resources of $1 billion, of which $850 million will be the ordinary capital of the Bank and $150 million will be placed in a Fund for Special Operations. Our subscription to the ordinary capital of the Bank will amount to $350 million and our contribution to the Fund for Special Operations will be $100 million.

The President, in recommending the enactment of this legislation on May 11, 1959, said:

> The establishment of the Inter-American Development Bank and our participation in it will be a most significant step in the history of our economic relations with our Latin American neighbors. It will fulfill a long-standing desire on the part of the Latin American Republics to have an inter-American institution specifically designed to promote the financing of accelerated economic development in Latin America.

I urge the adoption of this resolution.

Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Speaker, while I have some personal reservations as to the wisdom of this legislation, I think it properly should be brought before the House. I have no requests for time on the rule.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OMNIBUS AMENDMENTS TO THE RESERVE OFFICER PERSONNEL ACT OF 1954

Mr. RIVERS of South Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to Reserve commissioned officers of the Armed Forces.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8186, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I rise in support of H.R. 8186, a bill providing a series of perfecting amendments to the Reserve Officer Personnel Act of 1954, and urge its unanimous approval by this body.

Legislative action is necessary to assure equality of promotion opportunity among Reserve officers of the respective Armed Forces so as to permit the maintenance of a vigorous and capable officer corps in the Reserve forces. The original statute providing a detailed system of Reserve officer promotion was enacted into law in 1954, as the Reserve Officer Personnel Act. Prior to that time, the promotion, distribution, and elimination of Reserve officers had been controlled by secretarial regulations within each of the military departments. Consequently, it was recognized at the time of the original enactment of the Reserve Officer Personnel Act that a period of operation and administration would in all probability disclose areas which should be clarified and strengthened in the original act. The present bill, therefore, represents the recommendations on this subject by the Department of Defense and the respective armed services as modified by the Armed Services Committee.

PRINCIPAL FEATURES OF H.R. 8186

Although H.R. 8186 incorporates many changes to existing law, of a minor or technical nature, it also includes the following major substantive changes:

First. It will provide increased promotion opportunity for Reserve officers of the Army attached to units by permitting them to be considered and, if qualified, promoted at the mandatory consideration points at which all nonunit officers are presently considered for promotion. Today, under existing law, nonunit officers must be considered for promotion to the grade of captain, major, and lieutenant colonel at the 7-, 14-, and 21-year point of service and, if qualified, promoted. However, unit officers of the Army have not been afforded this promotion opportunity. Under the proposed change both unit and nonunit officers will be afforded this promotion opportunity. This will correspond to existing Air Force law.

Second. It will, in the case of the Army and Air Force, permit the waiving of strength ceiling to the extent necessary to allow the promotion of Reserve officers to fill unit vacancies and mobilization billets without regard to overall vacancies. Under existing ceiling limitations these promotions cannot be effected notwithstanding the fact that qualified officers are now assigned to these billets and are performing these duties.

Third. It will authorize the promotion of Reserve officers of the Nurse Corps or Medical Specialists Corps of the Army and Air Force to the Reserve grade of colonel, and the promotion of Reserve officers of the Women's Army Corps and women in the Air Force to the Reserve grade of lieutenant colonel, to parallel the system of promotion of Regular officers in those branches.

Fourth. It will extend the moratorium on mandatory retirement by reason of service and grade for all unit officers of the Army and Air Force until January 1, 1962, but at the same time retain the effective date of July 1, 1960, in respect to all other officers. This action will permit the retention, by reserve units, for another 18 months of experienced officer personnel who would otherwise be required to be transferred to the Retired Reserve or discharged.

Fifth. It will eliminate an inequity in existing law which would preclude certain specialists in both the Army and Navy, who had been granted constructive service prior to the enactment of ROPA, from ever becoming eligible for Reserve retirement at age 60. Under the change, the period of constructive service granted these individuals will neither significantly enhance nor penalize their opportunity for Reserve retirement.

Sixth. It will provide for the retention of unit officers of the Air Force Reserve and Air National Guard through the grade of captain, or until they complete 14 years of commissioned service, if they would otherwise be promoted out of their units by operation of the mandatory promotion system thus saving for the all-important unit program thousands of young, energetic pilots and other officers who have been trained at great expense to the Federal Government. Moreover, it extends similar protection through the grade of major to officers in the professional categories, such as physicians, dentists, veterinarians, lawyers, and chaplains. These latter positions are inherently difficult to obtain and more difficult to retain, for the individuals have spent long years in gaining and attaining their important professional standing and currently are permitted to contribute little, if anything, from their now all too brief service with the Reserve components.

Seventh. It will, in the case of the Marine Corps Reserve, authorize an increase in the number of general officers from a present total of 5 to a new total of 10. Thus, this change will bring the Marine Corps proportionately closer to the other service departments in the authorized number of general officers.

Eighth. It will, in the case of the Navy, authorize selection boards to dip below the zone to permit the selection of outstanding Reserve officers, in the grade of commander and captain, for promotion to the next senior grade. This change will then parallel similar authority already provided selection boards convened to select Regular officers for promotion.

Mrs. CHURCH. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-six Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 116]

Albert	Flynn	Moeller
Alford	Ford	Montoya
Ashley	Forrester	Moore
Auchincloss	Fountain	Moorhead
Baker	Frelinghuysen	Morgan
Barry	Gallagher	Moss
Bass, N.H.	Giaimo	Moulder
Baumhart	Goodell	Multer
Blitch	Green, Oreg.	Nix
Boggs	Healey	Ostertag
Bow	Hoffman, Ill.	Powell
Bowles	Holt	Quigley
Brademas	Hull	Rabaut
Brewster	Irwin	Riehlman
Brock	Jackson	Roosevelt
Brown, Ohio	Jarman	Santangelo
Buckley	Johnson, Colo.	Scott
Canfield	Jonas	Taylor
Celler	Kasem	Teller
Chelf	Keith	Thompson, N.J.
Curtis, Mass	Kilburn	Toll
Daniels	Lindsay	Tollefson
Davis, Tenn.	McCormack	Tuck
Diggs	McDowell	Ullman
Dingell	Marshall	Watts
Dooley	Merrow	Wharton
Dorn, N.Y.	Michel	Whitten
Dulski	Minshall	Willis
Farbstein	Mitchell	Zelenko

Accordingly the Committee rose; and the Speaker pro tempore [Mr. PRICE] having assumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill H.R. 8186, and finding itself without a quorum, he had directed the roll to be called, when 344 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from South Carolina [Mr. RIVERS] has the floor.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentlelady from Illinois.

Mrs. CHURCH. Mr. Chairman, I should like to say to the gentleman that my only purpose in calling for a quorum was that I sat here on the floor of the House and realized, as I have before, that the measure the gentleman was discussing, was one of major significance, one that should have full attention; and I felt that the measure, as well as the distinguished gentleman, merited a quorum.

Mr. RIVERS of South Carolina. I am complimented, and I thank the gentlelady very much.

Mr. Chairman, it will, in the case of the Coast Guard, modify the percentage grade distribution of Reserve officers in the grades of lieutenant commander and commander to generally parallel the percentage distribution presently in effect in the Navy. It would also permit the Coast Guard to assure an orderly flow of promotion opportunity by permitting attrition, through board action.

In addition to the foregoing major changes, the bill also provides for numerous minor substantive changes and a number of technical and conforming changes.

DEPARTMENTAL RECOMMENDATIONS

The Department of Defense recommended an omnibus revision of the Reserve Officer Personnel Act of 1954 and the Bureau of the Budget interposed no objection. The proposals for the Department of Defense were introduced as H.R. 7325 and were referred to the House Armed Services Committee for action. In addition to the departmental proposal, a similar proposal was introduced on behalf of the National Guard Association as H.R. 5083. Both of these bills were referred to the House Armed Services Committee and formed the basis upon which the committee had taken action and reported out the present clean bill, H.R. 8186.

COST

In conclusion I wish to point out that notwithstanding the changes that are recommended by the Armed Services Committee to the Reserve Officer Personnel Act of 1954, the cost of administering the various Reserve programs will, for practical purposes, not be affected by these changes. In other words, this legislation does not involve any substantial costs. It is conceivable that some minor increase in Reserve retirement costs might result from the increased promotion opportunity afforded certain Reserve officers. However, on the other hand, much of this increased cost will probably be offset by savings realized from simplified administrative procedures resulting from a number of proposed changes contained in this legislation and from the retention with drilling units of young but experienced pilots of the Air Force Reserve and Air National Guard.

This legislation is, unfortunately, long overdue. It is essential to the continued healthy development of a vigorous and capable Reserve force. I therefore urge that this body reflect its support of our Reserve forces by unanimously approving passage of H.R. 8186.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield.

Mr. BAILEY. Will the gentleman go into greater detail with reference to the category of Reserve officers who might be medical officers or dental officers?

Mr. RIVERS of South Carolina. I will be glad to do so. The purpose of the provision I have just cited is to authorize the retention by Reserve units of professional men and certain specialists despite the fact that these officers may have, subsequent to their association with the drilling unit, been promoted to a grade above that authorized for the unit.

Mr. BAILEY. Will the new legislation interfere with the retirement rights of present Reserve officers and deprive them of their retirement rights?

Mr. RIVERS of South Carolina. No, this legislation will enhance their retirement opportunity. Under the present law many Reserve officers, through no fault of their own, would not be permitted an opportunity to qualify for Reserve retirement. This bill cures that defect.

Mr. BAILEY. I thank the gentleman from South Carolina.

Mr. RIVERS of South Carolina. I thank the gentleman very much.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to my colleague from Florida.

Mr. MATTHEWS. Mr. Chairman, I want to associate myself with the views of the gentleman from South Carolina. I know my colleagues share with me my confidence in this great Committee on Armed Services. When they bring us a bill, and a technical bill such as the one so ably and adequately explained by the gentleman from South Carolina, we are prone to accept their recommendations. There is one question specifically I would like to ask. One of the great problems we have, of course, with our Reserve units is a proper program of training. So many times our Reserve officers find it difficult to get promotions because the training program does not have the resiliency in it, perhaps, that it should have. Is the gentleman's committee constantly checking the program for the Reserve units? I know you are, but would the gentleman be good enough to make a statement on that point at this time.

Mr. RIVERS of South Carolina. The committee is constantly doing that. I imagine what my colleague has in mind is the adequacy of the training unit facilities. Sometimes the Air Force is bound by budgetary considerations or by a ceiling on the components or, perhaps, the Reserve or the National Guard or whatever the unit might be. Or it may be cadres of units. But, we are constantly checking that so that we can make these things available in all sections of the country and to all people.

Mr. MATTHEWS. I thank the gentleman very much.

Mr. HEMPHILL. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield.

Mr. HEMPHILL. I thank my distinguished colleague for the hard work and diligence that he has put into this legislation. I am disqualified from voting for or against the bill because of my Reserve status. I do want to say it is a great thing for all Reserve officers, and we appreciate very much what you are trying to do for this country.

I also congratulate the entire Armed Services Committee on the incentive study given to this legislation. Legislative action in this field has long been necessary as an incentive to the Reserve officers, many of whom attend Reserve meetings and give allegiance to their units under very trying conditions.

In most unit meetings, the Reserve officers have to attend in uniform. They do not have a uniform allowance sufficient to cover the costs, and they do not have travel allowance. They accept the difficulties because of the patriotism the Reserve officers have always presented. They need any incentive we can legislate. I am proud to be a Reserve officer, and I am delighted that my distinguished South Carolina colleague is presenting this legislation today.

The increased promotion opportunity afforded will be greatly appreciated by our reservists. They appreciate also the mandatory promotion provision and the extension of the moratorium on mandatory retirement.

I am glad that it covers all of the services. I am also grateful that this legislation takes into consideration the Air Force Reserve and the National Guard technician program. If we were to have a war, we know we could depend on the Reserves, but a reservist must have training if he is to be of value. This bill provides incentive to the reservists to get the training.

Often, because they were unit officers, Army Reserve officers did not have the same privilege of mandatory consideration points in their career. This bill would give them that opportunity.

In the Air Force as well as the Army, strength ceilings have caused much misgiving in the Reserve units. The provision in this bill will enable the Reserve commanding officers not only to fill vacancies, but to give some promotions long overdue.

The moratorium on mandatory retirement will be welcome throughout the Army and Air Force. It will, in the long run, save money, because of the fact that the men to whom the moratorium is extended will be delighted, patriotic Americans, trained, ready to serve and able to serve.

The provision for retention of the unit officers of the Air Force and National Guard, through company grade until they have completed 14 years of commissioned service, is a great thing for the airmen.

Because of my association with that field of the service, I am particularly gratified at that provision.

The promotion to the grade of major of the officers in the professional category will personally affect me. For this reason, I cannot vote on this legislation because I believe I should disqualify myself and I cannot vote. I have had some association with the fine lawyers of the Air Force, and I think it would be a shame to turn them out after utilizing their talents and building up their experience to an extent that they are very valuable in their professional capacity.

All in all, this is a good bill, and I hope the Senate will give it early passage.

Mr. RIVERS of South Carolina. I thank my colleague, the gentleman from South Carolina, very much.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 8186, a bill which will modernize and improve the Reserve Officer Personnel Act of 1954.

My distinguished colleague on the other side of the aisle has done a masterful job of explaining to you the major provisions of the bill being considered by us today. Therefore, I will not trespass on your time by attempting to repeat or duplicate this abundantly clear presentation. However, since I had played

some small part in the drafting of the original act, the Reserve Officer Personnel Act of 1954, I feel that I should refresh your recollection on the circumstances which prompted the enactment of the original legislation on this subject.

Prior to 1942, there were but two statutes relating to the promotion of Reserve officers. In the case of the Army the provision of law was contained in section 37 of the National Defense Act of 1916 and provided simply, and I quote:

> Promotions in all grades of officers * * * shall be made under such regulations as may be presented by the Secretary and shall be based * * * on recommendations made in the established chain of command.

In the case of the Navy, sections 305 and 306 of the Naval Reserve Act of 1938 provided that Reserve officers may be distributed in the various grades not above lieutenant commander except that, and I quote, "a small percentage" may be commissioned as rear admiral, captain, or commander.

Thus, simply stated, there were for practical purposes no statutory provisions for the promotion of Reserve officers which would insure the development and continuation of a satisfactory system of promotion for Reserve officers. Reserve officer promotions, therefore, were entirely a matter of secretarial discretion. As a consequence of this condition the many thousands of Reserve officers who had served most capably during World War II were not afforded any genuine promotion opportunity and therefore necessarily lost interest in the Reserve program.

Inasmuch as the Congress was acutely aware of the necessity of maintaining a strong Reserve force in our Defense Establishment the Congress, in accordance with the recommendation of the Armed Services Committee, enacted the Armed Forces Reserve Act of 1952. As you know, this act defined the mission and general organization of the Reserve components of our Armed Forces. It was our intention at that time to include within its provisions detailed statutes regarding the promotion of Reserve officers. However, because of the pressure of time this was found to be impossible. Instead, there was enacted in section 216(a) of that act a general statement of policy in regard to the promotion of Reserve officers, and I quote in part:

> The appropriate secretary shall establish an adequate and equitable system for promotion of members of the Reserve components in an active status. Such promotion system shall, insofar as practicable be similar to that provided for members of the Reserve components of the appropriate Armed Forces of the United States.

In reporting out the bill, H.R. 5426, which was later enacted as the Armed Forces Reserve Act of 1952, the Armed Services Committee enjoined the Department of Defense to submit a Reserve promotion bill as soon as practicable. As a result of this requirement of the armed services, the Department of Defense submitted a legislative proposal which, after extensive hearings before our committee was reported out on July 29, 1953. This legislation subsequently passed the other body and was enacted into law as the Reserve Officer Personnel Act of 1954. Under the terms of the act the bulk of its provisions were made effective on July 1, 1955.

The Reserve Officer Personnel Act, popularly known as ROPA, has stated in its preamble that it is an act "to provide for the promotion precedence, constructive credit, distribution, retention, and elimination of officers of the Reserve components of the Armed Forces of the United States."

This act, therefore, established a detailed statutory basis which would insure the promotion, precedence and elimination of Reserve officers in the most equitable manner possible. However, it was recognized that since the Congress was acting in an area which had heretofore not been covered by statute, it was conceivable that actual administration of this body of law would reveal certain deficiencies and shortcomings. Consequently, at the time of passage of the act the Armed Services Committee directed the Department of Defense to study the provisions of this act after its implementation and then to report back to the Congress such changes which it deemed necessary to achieve the basic purpose for which it was designed.

The bill before you today embodies for practical purposes the major portion of those changes to the Reserve Officer Personnel Act recommended by the respective service departments and represents the first major substantive change to the act since its enactment.

Our efforts, therefore, to amend ROPA are not based on our dissatisfaction with its concept or principal but rather, on our desire to refine it by eliminating any shortcomings in the act as originally conceived by the Congress and thus more nearly accomplish the purpose for which it was created.

Many of the problems created by existing provisions in ROPA could not possibly be foreseen by its authors. For example, a number of the amendments contained in this bill are designed to enhance the promotion opportunity of our Reserve nurses and medical specialists in the Army and Air Force. These changes are necessary to ROPA to permit these Reserve nurses and medical specialists the increased promotion opportunity that has been afforded their regular counterparts by legislation enacted subsequent to the original enactment of ROPA.

I have made these observations to provide you with the background which influenced our committee in approaching its study of these many changes to the Reserve Officer Personnel Act. Our committee found that certain provisions of existing law were causing the loss of large numbers of fine officers in drilling units. Our committee also found that in some instances certain officers were being promoted prematurely causing distortion in grade distribution of officers. These conditions will be rectified by the changes recommended by this committee.

As a working member of the group which developed these changes I know the tremendous amount of work that has gone into the bill being considered by us today. Therefore, I wish to compliment my distinguished colleague from South Carolina, Mr. MENDEL RIVERS, who, as chairman of the subcommittee which conducted hearings on this bill, exercised great care and patience in developing information from all the military services and the various organizations representing Reserve personnel to first determine the necessity for corrective action and then to develop the specific language necessary to correct this condition. This bill is the result of the most careful investigation and considered judgment by the Armed Services Committee, and I therefore urge its unanimous passage by this body.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. GROSS. I understand this bill will not call for any substantial appropriations; is that correct?

Mr. VAN ZANDT. That is correct. On page 13 of the report that accompanies this bill you will find the following statement:

> COST
>
> Notwithstanding the changes that are recommended by the Armed Services Committee to the Reserve Officer Personnel Act of 1954, the cost of administering the various Reserve programs will, for practical purposes, not be affected by these changes.

In other words, this legislation does not involve any substantial cost.

Mr. GROSS. It can be done out of present administrative costs?

Mr. VAN ZANDT. It can; as a matter of fact it may develop that the bill if enacted into law will save rather than cost money.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am delighted, I will say to the gentleman from Pennsylvania, that this bill has been reported by the committee, and I express my thanks and commendation to the chairman of the committee, the gentleman from Georgia [Mr. VINSON], to the chairman of the subcommittee, the gentleman from South Carolina [Mr. RIVERS], and to the ranking minority member, the gentleman from Pennsylvania [Mr. VAN ZANDT], and all the Members for righting a wrong that was perpetrated unconsciously perhaps when the bill went through some years ago, that took away benefits to the Reserve officers who served us so well and so ably.

Mr. VAN ZANDT. In reply to the gentlewoman from Massachusetts, it is well to recall that in 1953 there was a great clamor on the part of Members of Congress to write into law some protection for the Reserve officers of this country. The House Armed Services Committee, assuming their responsibility, through a subcommittee, wrote what is today known as ROPA, which has been the law for the past 5 years. In these past 5 years we have gained a lot of experience, and that experience revealed

inequities. The bill we offer to the House today is designed to eliminate these inequities, in other words, make a better law out of ROPA, as we call it.

Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I should like to make a few remarks in support of H.R. 8186, the pending legislation now before this House.

First, I believe that the chairman of the subcommittee, the Honorable L. MENDEL RIVERS, of South Carolina, is to be highly commended for the excellent bill which has been developed under his most capable leadership. The Reserve Officer Personnel Act is not easily read or understandable. It is a highly complex law wherein almost every provision is interrelated to every other provision. Few, if any, of its many clauses can be logically considered out of context with the whole. Accordingly, the omnibus amendment bill is a highly complex document, and its development is a tribute to the preservation and objectiveness of the subcommittee and its chairman.

Mr. Chairman, there is a demonstrated need for these amendments to the Reserve Officer Personnel Act of 1954. At the time of enactment of the basic statute, it was recognized that we were legislating in a field that previous to that time had been controlled by secretarial regulations within the military departments. We were aware that a period of operation would, in all probability, disclose areas which should be clarified and strengthened in the original act. The Department of Defense and the military departments have expended considerable time and effort in coordination and cooperation with the National Guard Association and the Reserve Officers Association, in studying the operations and results obtained under the Reserve Officer Personnel Act, with a view to its correction and improvement. H.R. 8186, the bill now before us, represents the sum total of those efforts as objectively considered and modified, where necessary, by the House Armed Services Committee.

I should like to direct my remarks to the impact of these proposed amendments on the National Guard, both Army and Air.

The bill will provide better protection to the Federal property issued to the States, for use by the National Guard, by increasing the stature and career of the U.S. property and finance officers responsible for this property. These are National Guard officers recommended for their important positions by the Governor of each State, and to whom both the State and the Federal Government must look for proper operation and maintenance of the vast amounts of Federal arms material and supplies which are furnished to the National Guard, in order that it may in fact continue to be a firstline defense force of this Nation.

The bill will provide equality of promotion opportunity between officers of Army National Guard units and the Army Reserve units at specified phase points in their careers similar to that now provided for officers of the Regular Army. At the same time, it preserves to the States those rights and prerogatives guaranteed in the Constitution of the United States concerning the appointment of officers. Moreover, it authorizes a brief period of delay to the individual officers selected for promotion, which will preclude the wholesale removal of Army National Guard officers from their units and provide the States with ample opportunity to train replacements. These provisions provide a fine balance between desirable promotion features on the one hand and desirable vitalization procedures on the other.

For the Air National Guard, the bill removes the so-called pusher clause from the current law, by virtue of which thousands of officers were considered for promotion and, if selected, promoted out of their units prior to the normal phase points in their service careers.

It provides for the retention of officers in Air National Guard units through the grade of captain, thus saving for the all-important unit program thousands of young, energetic pilots and other officers who have been trained at great expense to the Federal Government. Moreover, it extends similar protection through the grade of major to officers in the professional categories, such as physicians, dentists, veterinarians, lawyers, and chaplains. These latter positions are inherently difficult to obtain and more difficult to retain, for the individuals have spent long years in gaining and attaining their important professional standing and currently are permitted to contribute little, if anything, from their now all too brief service with the Reserve components.

Lastly, it provides increased incentive for young officers to enter the Army National Guard and Air National Guard units, and Army Reserve and Air Force Reserve units, by permitting them increased promotion opportunities within the unit structure whenever unit vacancies occur—a situation which does not now exist, and which currently precludes the promotion of many outstanding unit officers who are, and have been, performing in higher grade vacancies, and who have assumed the increased responsibilities thereof.

Mr. Chairman, this bill has the support of the National Guard Association and the Reserve Officers Association. It is required legislation and I sincerely urge every Member of this House to support its enactment.

Mr. VAN ZANDT. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I would like to address myself at this time specifically to that part of the proposed legislation which concerns itself with the Coast Guard Reserve. During the hearings conducted by our committee, it became evident that certain sections in the Coast Guard title of ROPA were in need of amendment or revision. In 1954 when ROPA was enacted Congress authorized 6,000 commissioned officers in the Coast Guard Reserve and specified that grade percentages in the various grades would be applied to the on-board number of officers rather than the authorized number. The legislation before this House proposes that both the Navy and Marine Corps, and the Coast Guard, apply the grade percentages to the authorized number rather than to the on-board number. Those familiar with the Reserve Officer Personnel Act of 1954 will recall that Army and Air Force grade percentages were and are presently applied to their authorized number. This proposal would make the application of grade percentages to the authorized number uniform throughout the Armed Forces. The Coast Guard believes at the time of the original enactment of ROPA that the authorized grade percentage in the grade of commander should be 3½ percent. This was based on an estimate of what the eventual requirement in that grade would be. Experience since that time has shown that this percentage is not adequate to provide for a vital and normal flow of promotions to the grade of commander. The bill proposes to increase the grade percentage in the grade of commander from 3½ to 6 percent and to decrease the grade percentage in the grade of lieutenant commander by the same amount. The 6 percent in the grade of commander compares with the present and originally authorized Navy percentage in the grade of commander of 7 percent.

The second change contained in the proposed legislation concerns itself with constructive service credit. This amendment is largely technical in nature and it is proposed to apply equally to Reserve officers in all of the Armed Forces.

The third change proposes to establish by a new section in the Coast Guard title an additional attrition feature which was not in the Coast Guard section of the original enactment but was in the section of all the other Armed Forces. It provides a means by which the appropriate Secretary may remove from an active status commissioned officers in any grade when they have completed certain specified periods of service. The use of this feature of the proposed law is limited to those instances where an excessive number of officers in any grade stops or prevents the normal flow of promotions to that grade.

The legislation proposed herewith as it concerns the Coast Guard is neither novel nor controversial and if such amendments are enacted into law they merely bring the Coast Guard into practical consonance with the Navy and other branches of the Armed Forces.

This legislation has the unqualified support of the Reserve Officers Association and of a special study group of Coast Guard officers, both Regular and Reserve. I would like to depart for a moment from my usual role as a Member of this Congress and speak in my other capacity as an officer of the Coast Guard Reserve for the purpose of assuring you that this legislation is sorely needed to maintain a ready and qualified corps of Reserve officers so vital to mobilization purposes. I urgently solicit your support of H.R. 8186.

Mr. RIVERS. Mr. Chairman, I yield 2 minutes to the gentleman from Montana [Mr. ANDERSON.]

Mr. ANDERSON of Montana. Mr. Chairman, the Reserve Officer Personnel Act of 1954 was regarded as a bill of rights for Reserve officers to cover, as a matter of law, many matters which had previously been left to the writers of regulations and instructions in the Pentagon. Any attempt to write into law a matter as detailed and as complex as the personnel matters of our Reserve officers is a gigantic task. It has become evident that in order to make the Reserve Officers Personnel Act most effective, certain changes were necessary in order to assure fairness and to eliminate inequities which otherwise might overtake many of our most effective officers in the Army, Marine, Air Force, Coast Guard, and Navy Reserves, and in the National Guard.

The amendment now before the House is one which undertakes simply to make more fair and effective the provisions of the basic law of the Reserve Officers Personnel Act of 1954.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the gentleman from Ohio.

Mr. VANIK. In an earlier discussion which did not include the present speaker, I heard some reference to the fact that this would accelerate somewhat the retirement of some Reserve officers. Can the gentleman tell me how that would be brought about?

Mr. ANDERSON of Montana. There is no provision for acceleration of retirement. There are a number of cases in which forced attrition of the Reserve officer would have worked an injustice, and this legislation undertakes to give these officers additional consideration. I hope my colleagues will give this bill unanimous support.

Mr. RIVERS. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. WAMPLER].

Mr. WAMPLER. Mr. Chairman, I rise to give my wholehearted support to the bill H.R. 8186 which is legislation to correct certain inequities that have already been outlined. It also would facilitate the administration of the Reserve program and will create uniformity among the services.

Mr. Chairman, I welcome the opportunity to speak in support of H.R. 8186 which is a bill designed to amend the Reserve Officer Personnel Act. At this time it is most fitting to recognize and commend the fine leadership displayed by the chairman of the Armed Services Subcommittee, my distinguished colleague from South Carolina [Mr. MENDELL RIVERS], before whose subcommittee the hearings on this bill were conducted.

I should like to extend my remarks on this bill particularly to the viewpoint of the Navy and Marine Corps.

Those portions of this bill which pertain to the Navy and Marine Corps are fewer in number and of considerably less moment than those which affect the other services primarily because the Reserve Officer Personnel Act already permits the Navy and Marine Corps to manage Reserve officers by methods almost identical to those which are established by the laws controlling Regular officers. The personnel laws affecting the naval service instituted a single promotion system for all categories of officers, in contrast with the multiple systems of the Army and Air Force. With this single system, Reserve officers are considered for promotion, and promoted if selected as best fitted, upon completion of the same period of service as active duty officers, through the operation of the running mate principle. If they fail to be promoted they are also separated from active status under the same rules which apply to Regular officers.

For this reason very little additional legislation was needed within the Navy and Marine Corps to standardize the rules for promotion and separation of Regulars and Reserves. Those few provisions of this bill which are applicable to the naval service are in large part designed to achieve uniformity among all services rather than within a single service. Such provisions include a shift of the Reserve officer grade distribution from percentages of the actual Reserve officer strength to percentages of the statutorily authorized strength; authority to bring officers onto active duty in a lower rank if done for the purpose of attending a civilian school; authority to grant officers constructive service credit when shifting from the line to specialist categories which entail advanced education; and authority to delay up to 1 year the promotion of officers who are under investigation.

Among the provisions included to correct deficiencies in present law is one which would place a time limit of 1 year during which an officer must establish his professional qualifications for promotion after selection by a selection board if he is to be entitled to pay and allowances from the date of the vacancy which permitted his promotion. This is to prevent the undue amount of accounting which is necessary when such an officer delays longer than a year in achieving the required promotion credits.

There were also included two provisions which modify that part of existing law which requires the separation from active status of lieutenant commanders of the Navy who are twice passed over for promotion to commander after 20 years of commissioned service. The first of these provides against the contingency of a shortage of officers in the Ready Reserve by authorizing the retention of such officers up to 5 additional years, in any individual case, whenever such action is necessary to maintain the Ready Reserve at its required strength. The second corrects an existing inequity which now prevents such officers who have been granted constructive service credit, such as physicians, dentists, and chaplains, from qualifying for Reserve retirement. The committee has included a provision which would permit the retention of such lieutenant commanders past their normal separation point in order to permit them to qualify for retired pay at age 60 and thus place them on an equal basis with all other officers.

There is also included in this bill a provision to correct one of the few cases where there are differences in the law between Regular and Reserve promotions in the Navy and Marine Corps. When selection boards are considering active duty officers for promotion they are authorized by the law to reach down below the promotion zone and select outstanding officers for accelerated promotion to the extent of a maximum of 5 per cent of the total selected. There is no such provision for Reserve officers who are not on active duty. The committee considered that this situation is entirely inequitable. The committee felt that there are many advantages in bringing forward at an accelerated pace certain outstanding individuals in the Reserve. Accordingly, the committee has incorporated in this bill a clause to correct this inequity between the Reserve and Regular promotions and to provide for these accelerated promotions.

The present law limits the number of Marine Corps Reserve general officers to five. The committee believed that this number does not meet mobilization needs nor does it afford Marine Corps Reserve officers promotion opportunities comparable with those enjoyed by Reserve officers of the other services. There is included in this bill, therefore, a provision which will increase the authorization from 5 to 10.

These, then, are the few items of the bill now under consideration which apply to the Navy and Marine Corps. They are designed to correct a few inequities, to facilitate the administration of the Reserve programs and to seek uniformity among the services. I think we should emphasize that these are not far-reaching changes when the entire reserve promotion system is considered, that in general the law as it applies to the Navy and Marine Corps has worked exceedingly well and has permitted both these services to develop outstanding Reserve components.

H.R. 8186 is necessary to bring our Reserve Officer Personnel Act up to date and to correct the deficiencies which have developed in the administration of this law. I urge my colleagues to support this bill.

Mr. RIVERS. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I desire to add my support to H.R. 8186, which expands, corrects, and modernizes the Reserve Officer Personnel Act. This act is a good act and is sound law. It has given the services a firm base on which to plan our Reserve officer personnel program. Likewise, it has given the individual Reserve officer a firm base upon which he can plan his career as a reservist. We all agree that the reservist, as a patriotic citizen and important member of our armed services, is entitled to such a system and that it should provide for the greatest degree of equity among all active reservists and between the Reserve and Regular officer.

In developing the basis for a personnel system, which ROPA is designed

to do, we must bear in mind the purpose for which the Reserve Forces are created. This purpose was ably stated in section 201 of the Armed Forces Reserve Act of 1952. May I take the liberty of quoting from that passage:

> The Congress hereby declares that the Reserve components of the Armed Forces of the United States are maintained for the purpose of providing trained units and qualified individuals to be available for active duty * * * in time of war or national emergency.

It is in this light that we approached the task of developing the necessary amendments to the Reserve Officer Personnel Act. Our efforts to amend ROPA, then are not based on our dissatisfaction with its concept or principles, but rather, to refine it and bring it up to date. It is true, also, that the services did run into certain problems that were not foreseen at the time ROPA was originally enacted. For example, a number of the amendments contained in this bill are designed to enhance the careers of our Reserve nurses and medical specialists. These amendments are in line with the recent changes to the laws affecting their Regular counterparts.

Another important group of amendments is designed to overcome a problem the Army has encountered in the lack of attrition and promotion opportunity in units of the Army Reserve and National Guard.

The Navy Department has found need for adjustment in the method of determining its grade authorizations. Amendments to this end will be found in the bill.

The Air Force has been faced with two major problems. First, because of the workings of other provisions of ROPA, they have been unable to make unit promotions to fill vacancies in the grades of major and lieutenant colonel in our Ready Reserve, including the Air National Guard. This has been a source of dissatisfaction on the part of our most active reservists. Second, through a technicality, they have been forced to consider for promotion many thousands of officers at an earlier point in their career than was originally contemplated. In addition to throwing our Reserve structure out of line, it has caused the loss of a number of fine officers in ready units. Solutions to these problems, and certain administrative problems encountered by the services, are contained in the proposed amendments.

Mr. Chairman, I know that a tremendous amount of work has gone into the preparation of the amendments which are contained in this bill now under consideration. My distinguished colleague from South Carolina, Mr. MENDEL RIVERS, who is chairman of the subcommittee which conducted the hearings on this bill, exercised great care and patience in extracting information from all the military services and organizations representing Reserve personnel to, first, determine the necessity of corrective action and then, if required, to develop the specific corrective legislation. This bill is the result of careful investigation and considered judgment. I urge the passage of this much-needed bill.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, as a member of the subcommittee which spent many days on this bill, I feel it is very important legislation, that it is a good bill. I know of no opposition to it, and I hope it will receive the unanimous endorsement of the House.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS of Oklahoma. Mr. Chairman, I wish to join those who have already made statements in regard to the pending bill H.R. 8186. I fully concur in those statements and support this legislation wholeheartedly.

I wish to especially compliment the able and distinguished chairman of our Subcommittee No. 3, the gentleman from South Carolina [Mr. RIVERS], and also the members of our subcommittee, including those of the minority party who are members of that committee, on their working out and presenting this comprehensive bill. We have had complete harmony in these hearings. We have gone over the matter very, very carefully. We have heard everyone who wanted to make a statement in regard to it, and I believe that this is the best bill on this subject matter than can be written at this time.

Mr. Chairman, it has been a great pleasure for me personally to sit in on the hearings and to listen to those who have greater wisdom than I, and have had more experience in this field. I learned a lot and had a small part in the proceedings. And, I do believe that this legislation will go a long way toward improving our Reserves in this country and toward helping our whole country in every way.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield the remainder of my time to the gentleman from Georgia [Mr. LANDRUM].

Mr. VAN ZANDT. Mr. Chairman, I too yield the remainder of my time to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, together with the gentleman from Michigan [Mr. GRIFFIN], I have today introduced a nonpartisan bill, dealing with the tremendously vital issue of labor-management reform legislation. We did so only after the most thorough consideration, and in light of what we feel to be absolutely necessary in this field, if free and democratic processes in the industrial relations of our great Nation are to survive.

The Joint Subcommittee on Labor-Management Reform Legislation, of which I had the honor to be cochairman, took extensive testimony in this general area, hearing in all some 98 witnesses, over a 3-month period. Competent persons from all segments of American industrial life were heard—some, several times. Only two argued that reform legislation was unwarranted and unnecessary. I had hoped, therefore, that the Committee on Education and Labor, after its executive sessions, would present to the House a bill which would strike at the roots of the acute problems which were revealed—not only in the testimony given before the joint subcommittee, but also by the dramatic revelations of the select committee in the other body. In my judgment, however, the bill which the House committee reported last Thursday, July 23, fails in several important respects to effectively come to grips with many pertinent matters. Briefly I would like to discuss some of these problems.

Turning to the first title of both the committee bill, and the bill which Mr. GRIFFIN and I have introduced today, "Rights of Members of Labor Organizations," even a cursory reading of the two illustrates the important differences. The committee bill would require that union members "exhaust reasonable remedies" within a 6-month period, which are available under the union's constitution and bylaws. Only then can the member subsequently institute a civil action for relief from infringement of his rights. It is also to be noted that the member would only be entitled to a civil court injunction against further violation. The bill we propose as a substitute would permit a member to seek immediate redress of his basic rights in the courts after 4 months without the further delaying and dilatory route of exhausting union procedures. Our bill would also provide effective criminal penalties against those persons willfully violating such members' rights by force or violence.

That effective and timely relief is needed is shown by a review of certain testimony presented by union members. In one instance, the wife of a union member was called on the telephone, told that her husband was being held, and that he was going to be "cut up" and thrown on the front lawn. Incidentally, the local union, of which this employee was a member, was kept in trusteeship for 10 years, during which $200,000 disappeared from the treasury. In another case, a member was brought up on charges of conduct unbecoming a member, jurors "doubled" for the prosecution, he was denied a lawyer of his own choosing, and the sentence was that he pay a $250 fine, not work in the State for 2 years, and stay away from the union hall for 5 years. In the case of a Teamster local, out of 3,300 members, only 11 were declared to be eligible to run for union office.

I would call to the Members' attention that the interim report of the McClellan committee found that there has been a significant lack of democratic processes in certain unions, that one-man dictatorships have thrived—in some instances for 20 to 30 years—and that through intimidation and fear, the rank-and-file union member has been deprived of a voice in his own union affairs. In this regard, one of the most significant provisions in title I of the committee bill is that which empowers the union, regardless of the general rights specified, to require of members "loyal observance by every member, of his responsibility toward the labor organization as an institution and toward the

labor movement as a whole." Under this, could not the union in Kansas City, which expelled 19 members who resorted to legal action against rigged elections, have done so on the basis of disloyalty. Or what about the union which tried and convicted a member in 1957 for statements made in 1953, 4 years earlier. Could he not also have been disciplined or expelled for disregarding his obligations toward the labor movement as a whole?

I am inclined to agree with Mr. Meany when he said before the Senate committee:

> Before the Senate hearings we did not know one one-hundredth of corruption existing in the labor movement.

One of the basic underlying principles of both the Wagner Act of 1935 and the Taft-Hartley Act of 1947 has been the rights of employees—under the first to be free from employer domination, under the second to be free from union domination. That further legislation, however, dealing with union democracy is needed in 1959 cannot be challenged. As one union official put it in his testimony:

> We believe that the control of the union by its membership is the best way to insure its democracy and keep the officers in line—I believe that the best demonstration of democracy in action is where the people directly handle their own union business.

This the substitute bill seeks to accomplish, by insuring effective membership control.

The committee bill also purports to contain reporting provisions, under which the goldfish bowl approach would enable union members to see for themselves wrongdoing and take effective and corrective action. In actuality, however, it contains an outright exemption for approximately 70 percent of the unions of the country—by exempting those with less than 200 members or gross annual receipts of less than $20,000. Many of the notorious racketeering situations, therefore, such as the Johnny Dio locals would be left untouched, and unhindered. Under the bill we propose, all unions of whatever size would be required to report pertinent financial data, informing the membership of possible conflicts of interest, and other shady deals; while at the same time authorizing the Secretary of Labor to prescribe simplified forms of reporting, if full reporting would be unduly burdensome.

The McClellan committee in this general area found, first, that union financial safeguards have been almost totally lacking; second, destruction of financial records rampant; and third, that misuse of union funds has totaled some $10 million, as of March 24, 1958.

As important as the foregoing problems are, however, I must say in all candor that, in my judgment, two of the most crucial issues confronting the Congress in this labor-management field, are the matters of secondary boycotts, and organizational and recognitional picketing. A blackmail organizational picket line is one wherein a union places a picket or pickets—varying from one to an infinite number—in front of a business establishment, to force the employees of the establishment to join the union. Often there is little or no employee support; or in many instances the employees have said "No" specifically to the union organizers.

What does such a "line" mean to an employee in Missouri or to a small businessman in Los Angeles? The testimony before the joint subcommittee, in a grotesque way, pictured what is meant. In Brownsville, Mo., a bakery was forced out of business after months of such blackmail organizational picketing, although the employees had refused to join. In Peoria, Ill., an employer went broke after 6 months of such daily activity; and a restaurant in that city was picketed for 10 months, although during that entire period no employees were contacted by the union.

In Los Angeles a half dozen apple processors and packing plants were picketed from 8 to 10 months. A restaurant in San Francisco was picketed continuously for 925 days, or more than 2½ years. An automobile dealer in Galesburg, Mo., underwent this ordeal for 3 years, during which time his showroom was shot up, and new cars received paint jobs of acid and paint removal. In this particular case, the organizer told the employer bluntly:

> We realize that we cannot organize your employees, therefore you will have to organize them for us, or we'll break you.

In all these cases, and there are hundreds more, the union puts up a picket line in order to force recognition, to compel the employees to join against their will—in one case brought to our attention a contract with another union had already been signed—and in total disregard of the processes of the National Labor Relations Board.

Yet after months of such testimony, often given at the risk of life and property, the committee bill would not deal with this problem in any way. I repeat, in no way does the committee bill solve the overwhelming problem of blackmail organizational picketing. Our proposed bill would. It would do so by prohibiting picketing when, first, another union has been lawfully recognized; second, where a valid election has been held during the preceding 12 months; third, where the picketing union cannot demonstrate that it has a sufficient showing of interest among the employees to support an NLRB petition for an election; and fourth, where picketing has been engaged in for a reasonable time—not exceeding 30 days—and no petition for an election has been filed.

Basically, the same coercive situation exists on the issue of secondary boycotts. A secondary boycott is a situation where the union, in a dispute with one employer, puts pressure upon another employer or his employees, in order to force the second employer or his employees, to stop doing business with the first employer, and "bend his knee to the union's will." Thus it is called secondary activity.

The committee bill would deal with this problem only in the very narrow way of proscribing the formal execution of "hot cargo" contracts with those employers subject to the Interstate Commerce Act, part II. There of course are thousands of employers not covered by such provisions, with whom the Teamsters, and other unions, could and surely would, execute and effectuate such agreements. By not prohibiting the others, by not naming them, the committee bill would indirectly sanction, if indeed not approve, their execution. I submit if such contracts are bad in one segment of our economy, they are undesirable in all segments.

The reported bill therefore would not touch many of the situations presented to the joint subcommittee. What about the trucking firm in Michigan which had sugar and shellac dumped into its trucks, and its customers driven away, because they feared union trouble? What about the secondary boycott of a company's product in Ohio, which a Member of the other body characterized as a "brazen and coldblooded" move to destroy the business. Or the boycott activity against another trucker of such proportions that the conduct of certain Teamsters leaders were said to "make Attila the Hun appear by comparison to be a very mild mannered and benevolent individual."

What will be our answer to the manufacturer of church furniture in Indiana who had dozens of installation jobs halted at churches from Bunker Hill to Dayton, because its employees had the effrontery to vote against the union? Shall we bow to the union will, and pray only in union-built pews? What about the trucking firm in Los Angeles which was forced out of business after 2½ months of violence and boycotting; or the poultry dealer in Georgia who had customers say: "We like you; we like your poultry; we want to do business with you; but we can't go through the trouble that these unions can cause us. We have done it before, and we will not do it again." What logical difference is there between union pressure upon secondary employers, and secondary employees? The technique is the same, the result is the same—pressure upon disinterested third parties to make them bring pressure to bear upon the hapless businessman and his pawnlike employees.

I ask: Do they not deserve protection? Do they not merit some relief? What will be our answer to them; or to the trucker in Michigan who with his employees was harassed for 3 years because they voted against the Teamsters; or the small filling station operator in Illinois who, when his employees repeatedly stated that they did not wish to belong to the Teamsters, had his customers jeered?

Nor does the full remedy lie, as will be suggested later, in requiring the National Labor Relations Board to take complete jurisdiction over all cases. The Board itself has declared organizational picketing in many instances to be lawful; and would therefore be of little assistance under its interpretation of present law.

The situation in many parts of America has become so ugly and menacing that the joint subcommittee actually heard two union officials testify against picketing abuses. One stated that his organization specifically disapproved of putting a picket line around an employer—to compel the employer to sign a contract with a union that did not represent his employees. Another characterized such situations as bad and immoral.

As one witness said during his appearance:

When the picket line appears, the ballot box disappears. Congress has to make up its mind whether it wants a picket line as a means of forcing union recognition, or whether it wants the ballot box.

In conclusion, Mr. Chairman, let me say that the bill the gentleman from Michigan and I have introduced is not an antiunion bill, it is not a union-busting bill, it is not an anticollective bargaining bill. It would not impinge in any way upon the lawful and legitimate purposes and activities of American labor unions.

It is a bill which would restore the control of union affairs to union members. It is a bill which would deal realistically with the life-and-death problems of the small businessman. It is the minimum required to stop blackmail organizational picketing, and secondary boycotts. Here, I submit, is the cancer—the lethal weapon which, in the words of Senator McCLELLAN, ultimately could turn this country "into a jungle," where "we would have to resort to the bullet and to the dynamite for the protection of our property and our loved ones."

It is with a deep sense of responsibility, and not without great deliberation, that I have introduced this bill. I believe that it merits, and hope that it will receive, the support of my fellow Americans, who believe, as I do, that progress can be achieved in our country only through decency and fair play—for the unions, the union members, and the general public.

Mr. LANDRUM. Mr. Chairman, I now yield to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, the subject of labor reform legislation is so serious and the need is so great that surely there can be no room for partisanship. It is in that spirit that I have joined with the distinguished gentleman from Georgia [Mr. LANDRUM] in sponsoring a reform bill that is truly bipartisan, or nonpartisan.

In our best judgment, as cochairman and ranking minority member, respectively, of the House Labor-Management Reform Subcommittee, our substitute represents the minimum bill that the full Committee on Education and Labor should have reported to the House.

Mr. Chairman, I plead with the Members of both parties to resist the temptation to draw the hard lines of partisanship. This fight for effective reform legislation should not be a battle between the political parties—it must be a battle for the public and for the working men and women of our country. Surely there is plenty of room in both parties for the champions of this great cause.

Our substitute introduced today is a moderate but effective reform bill. It is not punitive or extreme.

However, it may be expected that some will work to defeat this substitute with labels rather than logic.

The Members of the House and the press should be aware that for all practical purposes our substitute is the committee bill, H.R. 8342 with a few very important changes which can be summarized as follows:

First. Title I of the substitute, the bill of rights for union members, is essentially the bill of rights in S. 1555 as it passed the Senate. Those who try to pin a "union-busting" label on our bill of rights will be pinning the same label on 90 Members of the other body.

Second. Titles II, III, IV, V, and VI of the substitute, dealing with reporting, trusteeships, elections, and other safeguards, are almost identical to the provisions in the committee bill except for these important differences: (a) the committee bill automatically exempts nearly 70 percent of all the labor organizations in the country from reporting. The substitute removes the exemption and requires all unions to report but provides that the Secretary may prescribe simplified forms for smaller unions; (b) the substitute restores the language of section 213 in the Senate-passed bill relating to extortionate picketing in place of the confusing revision represented by section 602 of the committee bill; (c) section 607 of the Senate-passed bill which provided criminal enforcement of rights guaranteed under the act was stricken by the House committee. The substitute—in sections 609 and 610—restores the sense of the Senate provision but makes it clear that criminal sanctions apply only when rights are denied through the use of force or violence.

Third. Title VII of the substitute bill contains a number of amendments to the Taft-Hartley Act including provisions to deal with such problems as jurisdictional no man's land, blackmail organizational picketing, hot cargo, and other loopholes in the Taft-Hartley ban against secondary boycotts. Other amendments to the Taft-Hartley Act in title VII provide: (a) for certification without election of unions in the building and construction industry where there is a prior history of collective bargaining; (b) that a representation election to oust a lawfully recognized union cannot be held during an economic strike for 1 year upon the petition of an employer or for 6 months upon the petition of another union. In general, the provisions of the substitute in this area are in line with the proposals made by the President and the minimum recommendations made by Senator McCLELLAN. The substitute does not go as far in these areas as some advocates of reform legislation have proposed.

Like the committee bill, the substitute repeals the non-Communist affidavit requirement in the Taft-Hartley Act, but makes it a criminal offense for any person to serve as an officer of a union if he is a Communist, or has been a Communist within 5 years prior to such service.

In my opinion those who seek to defeat this substitute with labels will be attacking the position of the President which has already been described throughout the country, and even in the liberal press, as fair, reasonable, and moderate.

Mr. Chairman, the issues are drawn and the question now is whether the American people control the Congress or whether it is controlled by a few labor bosses and special interest groups. I hope the American people will rally now as never before in support of those who are trying to pass effective labor reform legislation.

There follows a detailed analysis of the substitute bill being introduced today:

ANALYSIS OF THE LANDRUM-GRIFFIN REFORM BILL (H.R. 8400, H.R. 8401)

PREAMBLE

Section 1: The purpose and short title of the subtsitute are identical with the Senate and committee bills. This Senate bill referred to is S. 1555 as it passed the Senate. The committee bill is H.R. 8342.

Section 2(a): This section in the substitute is the same as the committee bill. It sets forth the findings that the Federal Government continues to be responsible for protecting employees' rights to organize, to choose their representatives, and to engage in concerted activities; that the relations between employers and labor organizations and the millions of employees they represent have a substantial impact on interstate commerce, and that assuring the free flow of commerce requires that labor organizations, employers, and their officials adhere to the highest standards of responsibility, particularly as they affect labor-management relations.

Section 2(b): In the same language as the committee bill, this sets forth the further finding in recent investigations in the labor and management fields revealing abuses that call for further legislation in the interests of employees and the public generally.

Section 2(c): In the same language as the committee bill, this declares the enactment of the act to be necessary to prevent the burdening and obstructing of commerce.

Section 3: This section contains definitions of a number of terms used in the first six titles of the bill. The text conforms exactly to the committee bill.

TITLE I—RIGHTS OF MEMBERS OF LABOR ORGANIZATIONS

Section 101 (bill of rights): Amendments adopted by the House committee all but nullified the Senate-passed version of Senator McCLELLAN's bill or rights for union members.

Except for technical and conforming amendments, the substitute restores the bill of rights in substantially the form that it passed the Senate. It makes one important change in the Senate-passed bill of rights in order to make certain that in gaining rights under this act, a union member is not inadvertently denied his rights under the National Labor Relations Act. The Senate bill requires a union member to exhaust internal union procedures over a period of 6 months, before asserting his right to institute an action in a court or before an administrative tribunal. Since the Taft-Hartley law prescribes a 6-month statute of limitations for the filing of unfair practice charges, the Senate's 6-month limitation might prevent a member's access to remedies provided under

the National Labor Relations Act. In the substitute, we have specified a 4-month limit for pursuit of internal union remedies under the bill of rights.

The bill of rights, section 101, in the substitute bill assures union members of equal rights within the union, including equal voting rights. It assures free speech on union matters. Incorporating a committee amendment, it protects against exorbitant rates or arbitrary changes in dues and fees. Subject to reasonable limitations, the section guarantees union members the right to bring suit or testify in judicial, administrative, or legislative proceedings. It protects a member from arbitrary discipline or expulsion. A related provision (sec. 401) corrects a major deficiency in the committee bill by making certain that bona fide candidates for union office shall have access to a list of names and addresses of at least those members of the union subject to a union-shop contract.

Section 102 (equitable remedy): This section is the same as the Senate-passed and enables union members whose rights have been infringed to bring a civil suit in a Federal district court for appropriate relief.

Section 103 (retention of existing rights): This is a saving clause which preserved rights and remedies now existing under State or Federal law. Except for conforming amendments, it is identical to the Senate-passed bill and the committee bill.

Provisions for criminal sanctions where rights are denied through force or violence, are set forth in section 610 of the substitute.

TITLE II—REPORTING

Section 201 (a) (union reports): Same as the committee bill. This section provides that each labor organization shall file with the Secretary its constitution and bylaws and a report of certain information, much of which unions must file now if they wish to use the procedures of the National Labor Relations Act to become certified as representatives of employees or to correct alleged unfair labor practices of employers.

The information section 201(a) would require of each labor union would be (1) its name and address, (2) names and titles of its principal officers, (3) the amount of its initiation fees, (4) the amount of its regular dues, and (5) by means of a detailed statement or reference to its constitution and bylaws, procedures it follows with respect to certain enumerated matters.

The wording of this subsection conforms to the committee amendments to the Senate bill except in one minor respect—it omits the language fixing the time in which unions exempt from the financial reporting provisions, have to file these documents. Under this bill, as mentioned above, no union is exempt.

Section 201(b): Same as the committee bill. This section would require unions to file with the Secretary annually reports signed by two officers setting forth certain financial information. Section 9(f) of the Taft-Hartley Act now requires unions to file much of this information, but only if they wish to use the procedures of the National Labor Relations Board. The information these reports would contain would be: (1) Assets and liabilities at the beginning and end of each fiscal year; (2) receipts of any kind and the source thereof; (3) salary, allowances, and other disbursements to each officer and to each employee who received more than $10,000 from labor organizations; (4) loans to any officer, employee or member in excess of $250 and the security therefor, if any, and terms of repayment; (5) loans to any business and the security therefor, if any, and terms of repayment; and (6) other disbursements of any kind and the purposes thereof.

Section 201(c): This section requires unions to furnish to their members the information appearing in the foregoing report, and enables members to bring suit, if access to the books and records is denied.

An important difference in the substitute is the omission of section 201(d) in the committee bill which would exempt all labor organizations having less than 200 members or having gross annual receipts of less than $20,000. It is estimated that 60 to 70 percent of the unions would be exempt from reporting under the committee bill.

Section 202 (d) and (e) of the substitute are the same as section 202 (e) and (f) of the committee bill. They would amend Taft-Hartley by striking subsection (f), (g), and (h) thereof.

Section 202(a) (reports of union officers): Same as committee bill. This section deals with conflicts between the personal interests of any union officer or any employee and such officer's or employee's duty to his union. Officers or employees of labor organizations who engage in certain described transactions, where a conflict of interest is likely, must make and file a report of such transactions.

Section 202(b): Same as committee and Senate-passed bills. This section exempts securities that are listed on a national stock exchange or that are registered under the Investment Company Act of 1940 or the Public Utility Holding Company Act of 1935, and any income derived therefrom.

Section 202(c): Same as committee bill. This section makes it clear that reports need not be filed under section 202 unless an officer of a labor organization, his spouse or minor child, do engage in one or more of transactions described in 201(a).

Section 203 (reporting by employers): Same as the committee bill. This section requires certain reports to be filed by employers or labor relations consultants hired by employers. The committee revision (incorporated in the substitute) represents an improvement over the corresponding section of the Senate bill which required reporting of activity which is both ethical and lawful under the National Labor Relations Act. The committee bill and the substitute are clearly aimed at conduct which is unlawful or would be an unfair labor practice.

Section 203(a) requires an employer report to include any payments or loans to representatives of labor organizations, payments to employees or groups or committees of employees for the purpose of causing them to interfere with the exercise of the rights of other employees guaranteed by the Labor Relations Act or the Railway Labor Acts, payments to labor relations consultants who undertake to compensate employees for engaging in such activity or to engage in labor espionage, and payments to any third person for engaging to bring in the services of an individual or firm engaged in such business.

Subsection (b) requires detailed reports from labor relations consultants who enter into such arrangements with employers. A saving clause in subsection (c) makes it clear that this section is not to be construed as limiting or modifying the exercise of rights protected by section 8(c), the so-called free-speech provision of the Labor Relations Act.

Subsection (d) defines the terms "interfere with, restrain or coerce" as having the same meaning as corresponding language in the National Labor Relations Act.

Section 204 (attorney-client relationship): Same as committee bill. This section excludes from the reporting requirements any confidential communications between attorney and client. The provision is identical to language suggested by the American Bar Association.

Section 205 (publication of reports): Same as committee bill. This section provides that reports filed with the Secretary of Labor by labor organizations, union officials, employers, and labor relations consultants shall be public information.

Section 206 (retention of records): Same as committee bill. This section requires persons filing reports to keep the basic records from which such reports were compiled, for inspection for a period of at least 5 years.

Section 207 (effective date): Same as committee bill. This section provides for initial filing within 90 days after passage of the act and permits filing of financial reports within 90 days after the end of the reporter's fiscal year.

Section 208 (rules and regulations): Same as committee bill. This allows the Secretary of Labor—the official designated as custodian of the documents and reports required to be filed—to make regulations with respect to the form of the reports, with authority to prescribe simplified reports for small labor organizations and small employers.

Sections 209 and 210 (enforcement): Same as committee bill. These sections provide for criminal and civil enforcement of the provisions of title II.

TITLE III—TRUSTEESHIPS

The provisions of title III in the substitute are identical to the provisions of title III in the committee bill.

Section 301(a) (reports of trusteeships): This requires reports by national or international unions to the Secretary within 30 days of establishment of trusteeships over subordinate unions (or within 30 days of enactment for existing trusteeships) and semiannually thereafter.

Subsection (b) requires unions to furnish such reports to members and provides the Secretary with the same rulemaking and publication powers he has under title II.

Subsections (c), (d), and (e) make failure to report, false reports or concealment or destruction of documents or records upon which a report is based punishable by a maximum $10,000 fine or imprisonment for 1 year, or both.

Section 302 (limitation on parent unions): This requires the establishment and administration of a trusteeship to be in conformity with the union constitution, and for correcting either improper conduct, assuring the performance of agreements, restoring democratic procedures, or the achievement of proper union objects.

Section 303(a) (other limitations): This makes it unlawful during trusteeship (1) to count members' votes for convention delegates or national or international officers if not cast by secret ballot in which all members in good standing could participate, or (2) to transfer to the parent organization any funds of the trusteed union except regular per capita tax and assessments payable by nontrusteed unions. It is provided that upon dissolution of the trusteeship, assets may be distributed in accordance with the charter, constitution, or bylaws.

Subsection (b) makes violation of subsection (a) punishable by a maximum $10,000 fine or imprisonment for 1 year, or both.

Section 304(a) (enforcement): This provides that upon the written complaint of a member or subordinate union alleging violation of section 302 or 303, the Secretary shall investigate, and if he finds an unremedied violation, he may petition the appropriate Federal district court to enjoin and dissolve the trusteeship and for other appropriate relief. It also confers a similar right to bring such suits upon members or local unions.

Subsection (b) provides for place and manner of bringing suit.

Subsection (c) provides that a trusteeship established by a labor organization (1) in conformity with the procedural requirements of its constitution and (2) authorized or ratified by the executive board of the labor organization after a hearing, shall be pre-

sumed valid for a period of 18 months. This presumption may be rebutted by clear and convincing proof that the trusteeship was not established for the purposes allowable under section 302. After the expiration of 18 months there will be a presumption that the trusteeship is invalid in any proceeding brought by the Secretary to remove the subordinate union from the trusteeship unless the labor organization can show by clear and convincing proof that the continuation of the trusteeship is necessary for a purpose allowable under section 302. If the labor organization can so show, the court many continue the trusteeship for a period not in excess of 1 additional year.

Section 305: This requires a report within 3 years by the Secretary on operation of Trusteeships Title.

Section 306: This makes clear that all other rights and remedies at law or in equity are specifically preserved, with the limitation that when the Secretary does file a complaint the proceeding is to be exclusive and the result res judicata.

TITLE IV—ELECTIONS

The provisions of title IV in the substitute are identical to the provisions of title IV in the committee bill.

The basic purpose of this title, in both bills, is to require national and international labor organizations to provide at least every 5 years for the election of their constitutional officers by secret ballot referendum or through delegates elected by secret ballot, and to require local unions to hold such secret ballot elections at least every 3 years.

Section 401 (terms of office; procedures): This section embodies the foregoing requirements and also gives bona fide candidates a right to inspect a list of names and address of all members of the union subject to a union shop contract, and to designate an observer at the polls and ballot counting.

Provision is also made for elections at least every 4 years for officers of such intermediate bodies as joint boards or joint councils.

Another subsection relates to eligibility, freedom from reprisal and notice of opportunity for nominations. Candidates may not use union funds or employer contributions to promote their campaigns.

A member may petition a U.S. district court for the removal of an elected officer guilty of serious misconduct and if the court finds merit in the petition, it may order a recall referendum in the labor organization affected.

Section 402 (enforcement): When the election provisions have been violated and an aggrieved member has exhausted his remedies under the constitution and bylaws of the union without avail for 6 months, U.S. district courts are given jurisdiction to entertain a suit for relief. Such relief may include the direction of a new election under the supervision of the Secretary of Labor.

Sections 403 and 404 contain ancillary provisions preserving existing rights and remedies with respect to elections which are about to be held and making the provisions of the election title effective within 90 days or at the next union convention if a modification of the union constitution and bylaws is not in order until such convention meets, provided, however, that such convention must be held within 2 years.

TITLE V—SAFEGUARDS FOR LABOR ORGANIZATIONS

This title in the substitute conforms exactly to title V in the committee bill.

Section 501 (fiduciary responsibility of union officers): This section, a revision of a related provision in the Senate bill, states that officials of labor organizations occupy positions of trust with respect to the money and property of the union in their custody. It prescribes certain general standards of fiduciary conduct.

A right of action to recover damages or obtain an accounting in behalf of a labor organization can be brought by a member of the union. Embezzlement of union funds is made a crime punishable by a maximum fine of $10,000 or maximum imprisonment for 5 years, or both.

Section 502 (bonding): This section requires every officer or agent of a labor union (except labor unions whose property and annual financial reports do not exceed $5,000) to be bonded by a corporate surety company. No person not covered by a bond is permitted to handle, disburse, or otherwise control funds.

Another requirement written into this title by a committee amendment is that the surety company must be one in which no labor organization or any officer or agent thereof has an interest. An additional standard is that the company furnishing the bond must have been authorized by the Secretary of the Treasury as an acceptable surety on Federal bonds. Violation of this section carries a criminal penalty.

Section 503 (loans to union officers): Under this section unions are forbidden to make loans in excess of $2,500, and both unions and employers are forbidden to pay the fine of any officer or employee convicted of any willful violation of this act.

Section 504 (ineligibility of Communists and convicts to hold union office): This section adopts the committee revision of the prohibitions in the Senate bill making ineligible for union office persons convicted of certain crimes. The substitute, like the committee bill, not only makes persons who have been convicted or have served prison sentences ineligible for union office or to serve as business agents or organizers, but also makes such persons ineligible to act as labor relations consultants, or as officers of any group or association of employers dealing with a labor organization. The same prohibition applies to present and former members of the Communist Party. The period of ineligibility of ex-convicts or ex-Communists continues for 5 years after the termination of their Communist membership or, in the case of a convict, 5 years after the end of his imprisonment or conviction, as the case may be.

Section 505 (amendment to sec. 302): This section revises section 302 of the Labor-Management Relations Act so as to broaden the prohibitions in existing law against payments by employers to labor organizations or their agents. Under this section the prohibitions are extended to payments by labor relations consultants, payments to representatives of unions who are trying to organize the employees of a particular employer, payments to employee committees for the purpose of influencing other employees, and payments to union officers or employees for the purpose of influencing them in their capacity as such.

The section also makes it unlawful for any person to request or receive such payments or loans.

Another amendent would add a new paragraph to section 302 of the present statute making it illegal for union officers or agents to demand or accept unloading fees from motor carriers.

TITLE VI—MISCELLANEOUS PROVISIONS

This title contains some substantive and procedural provisions which do not fall within the subject matters of any of the specific titles.

Section 601 (investigations): Same as committee bill. This section contains broad language authorizing the Secretary of Labor to inspect records and accounts to determine whether there have been violations of the act. It also confers subpena power upon him.

Section 602 (extortionate picketing): This section is the same as section 213 of the Senate-passed bill. The corresponding section in committee is vague and almost meaningless.

Section 603 (retention of other rights): Same as committee bill. This provides (in subsection (a)) that except where this act is specific, it shall not be construed as reducing or limiting responsibilities of labor organizations or union agents, or barring any existing right or remedy of individual members under State or Federal laws. Subsection (b) provides a similar rule of construction with respect to the Railway Labor Act and the National Labor Relations Act.

Section 604 (State criminal laws): Same as committee bill. This section contains another saving clause making clear that the authority of States to enact or enforce general criminal laws is not to be construed as having been impaired by this act. This section may not be necessary, and should not be construed as an implied limitation on State power in other areas.

Section 605 (service of process): Same as committee bill. This provides that service of process on an officer or agent of a labor organization shall constitute service upon the labor organization itself.

Section 606: Same as committee bill. This section applies the rulemaking provisions of the Administrative Procedure Act to rules and regulations issued under this act.

Section 607: Same as committtee bill. This section contains permissive language authorizing the Secretary of Labor to utilize the facilities or service of State or Federal agencies—with their consent—and directing Federal agencies to cooperate with the Secretary in providing him with information and assistance to perform his functions under this act.

Section 608 (criminal contempt): Same as committee bill. This section preserves the right of jury trial in proceedings for criminal contempt instituted because of a violation of any civil decree resulting from a lawsuit authorized by this act.

Section 609 (denial of rights through discipline): The Senate-passed bill (S. 1555) contained a criminal enforcement provision (sec. 607) which was stricken out by the House committee. (Paragraph (a) of that section 607 would have made it a crime for any labor organization, or its agents, to fine, suspend, expel, or otherwise discipline a member for exercising rights guaranteed by the act. The substitute bill provides that denial of such rights through union discipline shall be unlawful; however, unlike S. 1555, the substitute provides for civil, rather than criminal, enforcement. In our judgment, the conduct prohibited by this section is generally comparable to conduct described as an unfair labor practice under the Taft-Hartley Act and, accordingly, we do not believe that criminal sanctions are warranted.

Section 610 (denial of rights through violence): Like the previous section, this section deals with the denial of rights guaranteed to union members. However, unlike section 609, this section applies to the denial of such rights through force or violence. Criminal penalties in this case are justified and, accordingly, are provided. Section 610 is comparable to section 607(b) of S. 1555, which was stricken by the House committee. However, the words "or by economic reprisal or threat thereof" in the Senate-passed bill are omitted in the substitute. We believe the quoted language is too vague for criminal enforcement and, further, that the activity proscribed is covered, and should be prohibited, under the phrase "or otherwise discipline" in section 609 where civil remedies are available for enforcement.

Section 611: This section states a rule of construction—the conventional principle of separability in the event any portion of the act should be held invalid.

TITLE VII—AMENDMENTS TO THE LABOR-MANAGEMENT RELATIONS ACT, 1947, AS AMENDED

This title, like the corresponding title in the committee bill and Senate bill, proposes certain amendments to the Taft-Hartley Act. Generally speaking, however,

while this title deals with some of the issues considered in the two other bills, it is really a complete substitute. The substitute comes to grips with serious abuses which are ignored or are not dealt with realistically in either the Senate bill or the committee bill. These are in the areas of the jurisdictional "no man's land," secondary boycotts and blackmail recognition picketing.

Section 701 (no man's land): Both the Senate and committee bills in the corresponding section dealt with what is popularly called the issue of "no man's land" (i.e., the holdings by the Supreme Court in the Guss and Fairlawn[1] cases that neither State boards nor State courts have jurisdiction over labor disputes which the National Labor Relations Board declines to entertain on the ground that the impact of such cases on commerce is relatively slight). The committee bill in adverting to this situation proposed a remedy which would create more problems than it would solve. In short, it requires the national board to take jurisdiction of every case, no matter how trivial its effect on interstate commerce. If enacted into law, the committee bill would cast upon an already overburdened agency, thousands of small cases, predominantly local in character, which should be handled by the States.

The committee amendments to section 701, which go in the direction of complete federalism in labor relations, are worse than the Senate bill. The Senate bill did not go quite as far as the committee bill in eliminating the States from this field. It would have permitted State boards—in the 10 States where they exist—to entertain cases.

It should be noted that both the committee bill and the Senate bill ignore the fact that until the Guss decision was handed down, State boards and State courts could, and did accept jurisdiction over cases which the National Board declined to handle.

The substitute bill would eliminate the no man's land by restoring the situation substantially to what it was before the preemption doctrine was carried to the point reflected in the Guss and Fairlawn decisions. In other words, in rejecting the totally Federal approach of the committee bill, and the "slightly less Federal" approach in the Senate bill, this bill in subsection 701(a) would ratify the authority of the Federal Board to decline jurisdiction over cases where the effect on commerce is insubstantial. It would permit the Board to do this either by rule of decision or by published rules. Subsection (b) would then vest State boards and State courts (including territorial tribunals) with authority to exercise jurisdiction over such classes of cases as the Board has declined or would decline.

The revision of section 701 which this substitute bill proposes is not novel and has been recommended by the administration as the solution for the no-man's-land problem.

Section 702 (building and construction industry): This section is a substitute for section 702 of the committee bill. It would permit the National Labor Relations Board to certify a union as the representative of employees in the construction industry without first conducting an election—if the union and the employer petition for such certification, and if there is a history of collective bargaining between the union and the employer. A substantial number of the affected employees may challenge the majority status of the union and cause an election to be conducted.

This provision embodies an agreement reached by the major unions and contractors in the construction industry last year in a series of conferences sponsored by the Secretary of Labor.

Subsection (b) of section 702 adopts verbatim the language of the corresponding subsection in the Senate and committee bills.

Section 703 (elections during economic strikes): This, like the corresponding section of the Senate bill and the committee bill, deals with the problem of economic strikers voting in Labor Board elections. In the present act the second sentence in section 9(c)(3) provides that a replaced striker is not eligible to vote. This provision has been criticized as possibly creating a situation in which an employer could provoke a strike, replace the strikers, and call for a quick election in which the replacements could vote the union out.

The Senate bill attempted to deal with this problem by leaving it to the NLRB to make regulations with respect to the voting by economic strikers. The committee bill carries language which would permit any replaced striker to vote as long as a labor dispute could technically be said to continue—irrespective of whether he had any real interest in his former employment. Thus it would enable former employees with no job rights in the plant to participate in the selection of the representative of the present employees.

This substitute bill avoids these possibilities by continuing in effect the present language of the law, but eliminating the possibility that an unscrupulous employer might provoke a strike and demand an election. Specifically, this section provides that the NLRB may not direct an election during an economic strike in which recognition was not an issue when the strike began, until the strike is terminated or until 1 year after its commencement, whichever is sooner. The same rule applies to a petition filed by a rival union or a group of dissident employees with a 6-month limit rather than a 12-month limitation.

Section 704 (designation of an Acting General Counsel for the Labor Board): This subsection corresponds to section 706 of the Senate bill and subsection (c) of section 701 of the committee bill, and would permit the President to designate an Acting General Counsel when a vacancy in that office occurs.

Section 705 (secondary boycotts and recognition picketing): This section deals effectively with two of the most flagrant types of conduct engaged in to thwart the basic policy of the National Labor Relations Act—secondary boycotts and recognition or organizational picketing. One of the major defects in the Senate and committee bills is the fact that while they concede there is a problem, they deal with these abuses in such an ineffective manner that it can truly be said they do not deal with the basic evils at all. Section 705 of this title adopts a portion of the corresponding section (sec. 705) of the committee bill. It also closes the loopholes which have been carved out of the National Labor Relations Act.

Subsection (a) of this substitute is a revision of section 8(b)(4) of the Taft-Hartley Act, which makes certain types of boycotts and jurisdictional strikes unfair labor practices. It is clear from the legislative history of the Taft-Hartley Act that Congress meant to outlaw all secondary boycotts. Unfortunately, various judicial and administrative decisions have held that the present language of section 8(b)(4) and section 303 permit labor organizations to engage in some types of secondary boycotts with complete impunity. This has been one of the major weapons, as numerous hearings have disclosed, used by gangsters and racketeers who have infiltrated the labor movement.

Present law provides that it is unlawful for a union to induce or encourage "employees of any employer" to engage in strike or "concerted refusal" to do their work for one of the forbidden objects listed in section 8(b)(4)—such as to force their employer to cease doing business with a "primary" employer. Since farm laborers, railway labor, and supervisors are not "employees" within the meaning of the Act, unions may now without penalty induce them to engage in secondary boycotts. This bill corrects this by changing the word "employees" in the phrase quoted above to "any individual employed by any person." This change appears in clause 4(i).

As the present act forbids inducing "employees" to engage in a strike or "concerted" refusal to do their work, the courts have held that unions may induce employees one at a time to engage in secondary boycotts.[2] By changing "employees" to "any individual" and omitting the word "concerted," the proposed revision of clause 4(i) closes this loophole.

The courts also have held that, while a union may not induce employees of a secondary employer to strike for one of the forbidden objects, they may threaten the secondary employer, himself, with a strike or other economic retaliation in order to force him to cease doing business with a primary employer with whom the union has a dispute. This bill makes such coercion unlawful by the insertion of a clause 4(ii) forbidding threats or coercion against "any person engaged in commerce or an industry affecting commerce."

Another important change in the language of section 8(b)(4)(A) of the present act is the insertion of the words "to agree." Under existing law strikes to force or require secondary employers to cease handling or transporting certain products or to cease doing business with some other person are forbidden. The law, however, does not prohibit resort to the same kind of activity to force such employers to sign contracts or agreements not to handle or transport goods coming from a source characterized by a union as "unfair." While it is true that the Supreme Court in its various "hot cargo" decisions[3] held that such contracts were not a defense to the actual incitement of employees, it expressly abstained from holding that it was illegal to cause employers to sign such contracts.

The addition of the words "to agree" in this paragraph, as this bill proposes, would make it illegal for unions to insist upon "hot cargo" clauses being inserted into collective bargaining agreements. This would accomplish a much-needed reform. At the present time not only do many Teamster contracts contain "hot cargo" clauses but some other unions employ the same device.

The bill makes no changes in section 8(b)(4)(D) of the present statute, the prohibition against strikes over work assignments. It does include one additional proviso which relates to what is popularly referred to as "farmed out" work. This proviso makes the secondary boycott prohibitions inapplicable to a lawful strike against a secondary employer performing work for the account of a primary employer who cannot do the work himself because his own employees ordinarily assigned to such tasks are on strike. This exemption applies, however, only where the strike is lawful, not in breach of a collective bargaining agreement, and called or ratified by the union the primary employer is required by law to recognize.

Subsection (b) of section 705 also concerns the hot cargo problem. Both the Senate bill in section 707(a) and the committee bill in section 705(a) display some concern with this tactic by making it an unfair labor practice for common carriers and unions to

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[1] *Guss* v. *Utah Labor Relations Board*, 353 U.S. 1; *Amalgamated Meatcutters* v. *Fairlawn Meats, Inc.*, 353 U.S. 20.

[2] *NLRB* v. *International Rice Milling Co.*, 341 U.S. 665.

[3] *Local 1796, United Brotherhood of Carpenters* v. *NLRB*, 357 U.S. 93.

enter into contracts whereby the carrier agrees to refrain from transporting certain products or to provide services to some employer. However, there is no valid reason why this prohibition on hot cargo contracts should apply only to the carriers subject to the Interstate Commerce Act. Subsection (b) of section 705 not only makes it an unfair labor practice to enter into a "hot cargo" agreement, but also makes it clear that such contracts are void and unenforcible.

Subsection 705(c) of the substitute embodies a major reform. It is intended to prohibit blackmail recognition picketing by unions which do not represent the employees. Under the National Labor Relations Act elaborate election machinery is provided for ascertaining the wishes of employees in selecting or rejecting bargaining representatives. The act contains provisions for giving employees an opportunity to vote by secret ballot. In recent years the safeguards intended by these election provisions have been thwarted by unions which have lost elections, and unions which do not have enough employee support to petition for an election but yet insist upon compelling employers to sign contracts with them—irrespective of the sentiment of the employees.

The customary method employed to force employers to do this is to place picket lines around their plants or shops. Such picketing, even when peaceful, will frequently cause small employers to capitulate. The picket line is a signal for truckers not to pick up or deliver goods to employees of maintenance contractors. Pickets also deter many customers from entering retail or service establishments. In the face of such tactics employees whose jobs are in jeopardy as they see their employer's business choked off are soon coerced into joining the picketing union—even though they might prefer another union. In many such cases their employer forces them in a particular union by signing a compulsory membership agreement with the picketing union.

The NLRB has attempted to give some relief to employers and employees victimized in such situations by holding it an unfair labor practice for a union to picket for recognition after it has lost an election. While such relief seems called for, nevertheless the courts of appeal are in conflict as to whether the Board has even this limited power. In the District of Columbia the court of appeals set aside the Board's order.[4]

Both the Senate bill and the committee bill contain language which would prohibit picketing for recognition if (a) an employer has legally recognized another union, or (b) where the Board has held an election within the preceding 9-month period. These sections do not go to the heart of the problems. It is already illegal to picket where another union is certified. The prohibition against picketing within a 9-month period after an NLRB election is so qualified by other language as to make the prohibition meaningless. It permits recognition picketing by a union after it has lost an election—if such union then claims it has been "designated or selected as representative" by the majority of the employees. Apparently, a union could thus resume its blackmail picketing immediately after it lost the election.

The substitute bill which would prevent such picketing for a 1-year period after an election—unless of course, the union has won it. It would also prohibit picketing where the union cannot show enough adherents to justify a Labor Board election, or where the picketing has continued for a reasonable time (not to exceed 30 days) without a petition being filed.

Subsection (d) applies the provisions of present law calling for priority of investigation and temporary injunctive relief.

Subsection (e) relates to section 303 of the Taft-Hartley Act which now contains language identical to section 8(b)(4). The purpose is to make the language of section 303 conform to the amendments to section 8(b) provided for in the earlier parts of this section. Section 303 under present law authorizes damage suits for boycotts.

Section 706: This section is identical with the corresponding section of the committee bill and section 709 of the Senate bill. It provides for an amendment to section 10—the enforcement section of the National Labor Relations Act—which would require the regional offices to give priority of investigation to charges of illegal discrimination against individual employees.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended as follows:

(1) Section 123(a) is amended to read as follows:

"(a) In time of war, or of national emergency declared by Congress, the President may suspend the operation of any provision of the following sections of this title with respect to any armed force: 281, 592, 1002, 1005, 1006, 1007, 1374, 3217, 3218, 3219, 3220, 3352(a) (last sentence), 3353, 3354, 3359, 3360, 3362, 3363, 3364, 3365, 3366, 3367, 3368, 3369, 3370, 3371, 3375, 3378, 3380, 3382, 3383, 3384, 3385, 3386, 3388, 3389, 3390, 3391, 3392, 3393, 3494, 3571, 3819, 3820(c), 3843, 3844, 3845, 3846, 3847, 3848, 3850, 3851, 3852, 3853, 3854, 5414, 5457, 5458, 5506, 5600, 5665, 5867, 5891, 5892, 5893, 5894, 5895, 5896, 5897, 5898, 5899, 5900, 5901, 5902, 5903, 5904, 5905, 5906, 5907, 5908, 5909, 5910, 5911, 6389, 6391, 6397, 6403, 6410, 8217, 8218, 8219, 8353, 8354, 8358, 8359, 8360, 8361, 8362, 8363, 8365, 8366, 8367, 8368, 8370, 8371, 8372, 8373, 8374, 8375, 8376, 8377, 8378, 8379, 8380, 8381, 8392, 8393, 8396, 8494, 8571, 8819, 8843, 8844, 8845, 8846, 8847, 8848, 8850, 8851, 8852, and 8853.

(2) Chapter 11 is amended—

(A) by adding the following new section after section 280:

§ 281. Adjutants general and assistant adjutants general: reference to other officers of National Guard

"In any case in which, under the laws of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia, an officer of the National Guard of that jurisdiction, other than the adjutant general or an assistant adjutant general, normally performs the duties of that office, the reference in section 1002(c), 3218, 3364, 3370(d), 3392, 3845, 3851, 3852, 8218, 8844, 8845, 8851, or 8852 of this title to the adjutant general or the assistant adjutant general shall be applied to that officer instead of to the adjutant general or assistant adjutant general."; and

(B) by adding the following new item at the end of the analysis:

"281. Adjutants general and assistant adjutants general: reference to other officers of National Guard."

(3) Chapter 51 is amended—

(A) by striking out the figures "3849," and "8849," in section 1006(e);

(B) by amending section 1007 to read as follows:

"§ 1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers

"Notwithstanding chapters 337, 363, 573, 863, and 873 of this title, a reserve commissioned officer, other than a commissioned warrant officer, who is assigned to the Selective Service System or who is a property and fiscal officer appointed, designated, or detailed under section 708 of title 32, may be retained in an active status in that assignment or position until he becomes 60 years of age."; and

(C) by striking out the following item from the analysis:

"1007. Commissioned officers: retention in active status while assigned to Selective Service System."

and inserting the following new item in place thereof:

"1007. Commissioned officers: retention in active status while assigned to Selective Service System or serving as United States property and fiscal officers."

(4) Section 1374(a) is amended by striking out the words "is found to be incapacitated for service because of a physical disability and is transferred to the Retired Reserve", and inserting the following in place thereof: "is transferred to the Retired Reserve, except under section 1002 of this title".

(5) Section 3212 is amended—

(A) by inserting the figure "3383," after the figure "3366,";

(B) by inserting the words "and to the extent necessary to allow the appointment of reserve officers to fill prescribed mobilization or active duty requirements" before the period at the end of the first sentence; and

(C) by inserting the words "or not to fill one of those requirements" after the word "sections" in the second sentence.

(6) Section 3218 is amended by striking out the words "and those serving in the National Guard Bureau", and inserting the following in place thereof: "those serving in the National Guard Bureau, and those promoted under section 3389 of this title,".

(7) The last sentence of section 3352(a) is amended by striking out the word "regular" and inserting the words "temporary, regular," in place thereof.

(8) Section 3353(a) is amended by striking out the words "and is not already a commissioned officer of an armed force".

(9) Section 3359 is amended—

(A) by striking out the word "Based" at the beginning thereof and inserting the designation "(a)" and the words "Except as provided in subsection (b), based" in place thereof; and

(B) by adding the following new subsection at the end thereof:

"(b) A person who has served on active duty (other than for training) in any grade higher than the reserve grade in which he may be appointed under subsection (a) may be originally appointed as a reserve officer of the Army in a reserve grade equal to that higher grade."

(10) Section 3364 is amended by adding the following new subsections at the end thereof:

"(e) Notwithstanding any other provision of this title, a reserve commissioned officer who has been in an inactive status may not be considered for promotion until at least one year after the date on which he is returned to an active status."

"(f) An officer of an Army Reserve unit organized to serve as a unit may decline a promotion under section 3366 or 3367 of this

[4] *Drivers Local 639 v. N.L.R.B.*, 43 LRRM 2156 (CADC, 1958), setting aside *Curtis Bros., Inc.*, 119 NLRB No. 33. Cf., *N.L.R.B. v. Rubber Workers*, 44 LRRM 2465 (CA 4, 1959) enforcing *O'Sullivan Rubber Corp.*, 121 NLRB No. 185.

title if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interests of the Army.

"(g) An officer of the Army National Guard of the United States may decline a promotion under section 3366 or 3367 of this title if the Governor or other appropriate authority of the State or Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action.

"(h) If an officer declines a promotion under subsection (f) or (g), his name shall be retained on the appropriate promotion list for a period of not more than three years from the date he was selected for promotion to the grade concerned unless—

"(1) in the case of an officer of the Army Reserve, he is appointed to that grade or his name is removed from the list under another provision of law; and

"(2) in the case of an officer of the Army National Guard of the United States, he is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade or his name is removed from the list under another provision of law.

"(i) At the end of the three-year period described in subsection (h), or at any earlier time if he requests the promotion, an officer of the Army Reserve whose name is retained on the promotion list under that subsection, shall be promoted to the grade concerned and shall be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit.

"(j) At the end of the three-year period described in subsection (h), or at any earlier time if he requests the promotion, an officer of the Army National Guard of the United States whose name is retained on the promotion list under that subsection shall, effective as of the last day of that period or as of the date of his request, as the case may be, have his Federal recognition terminated, be transferred to the Army Reserve, and be promoted to the grade concerned. However, an officer may not be transferred and promoted under this subsection before the expiration of that three-year period unless the Governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the National Guard of the District of Columbia, whichever is concerned, approves that action."

(11) Section 3366 is amended—

(A) by amending the catchline to read as follows:

"§ 3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration";

(B) by inserting the words ", while holding that grade," before the words "has not been considered" in subsection (a);

(C) by inserting the following new subsection after subsection (a):

"(b) Without regard to vacancies, each officer of an Army Reserve unit organized to serve as a unit, and each officer of the Army National Guard of the United States, who holds the reserve grade of first lieutenant, captain, or major and who has not been considered by a selection board under this section or section 3367 of this title, for promotion to the next higher reserve grade, shall be so considered far enough in advance of the date upon which he will complete the service prescribed in column 2 of the table in subsection (a) that, if recommended, he may be promoted effective on the date on which he will complete that service.";

(D) by redesignating present subsections (b), (c), (d), (e), (f), and (g) as "(c)", "(d)", "(e)", "(f)", "(g)", and "(h)", respectively.

(E) by amending subsection (c), as redesignated, to read as follows:

"(c) An officer recommended for promotion under this section may be promoted to fill a vacancy within the distribution of officers not assigned to units at any time. If not sooner promoted, he shall be promoted, effective as of the date on which he completes the service prescribed in column 2 of the table in subsection (a), without regard to vacancies. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section, and who, before the date on which he would be promoted under this section, is appointed to the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade, shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed to the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of his promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit;" and

(F) by amending subsection (g), as redesignated to read as follows:

"(g) This section does not apply to the promotion to a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps."

(12) Section 3367 is amended—

(A) by amending the catchline to read as follows:

"§ 3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies";

(B) by amending subsections (a) and (b) to read as follows:

"(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of captain, major, or lieutenant colonel, he may convene a selection board to consider and recommend, for promotion to those grades, officers of the Army Reserve who are in an active status and who are not assigned to units organized to serve as units, reserve officers who are on active duty (other than for training), officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States. The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the minimum service, computed under section 3360(b) of this title, that an officer of the appropriate branch must have to be placed to that list. He shall require that each officer who has the prescribed service completed under that section, who is in an active status, and who is not assigned to a unit organized to serve as a unit, be placed on that list. Officers of any Army Reserve unit organized to serve as a unit, and officers of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list. The Secretary shall prescribe the number to be recommended for promotion from each list.

"(b) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the Army National Guard of the United States who is recommended by a selection board for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall, effective as of the date of the promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless, upon his promotion, he fills a vacancy in that unit;" and

(C) by amending subsection (d) to read as follows:

"(d) This section does not apply to the promotion of a grade above major of reserve officers of the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps."

(13) Section 3770 is amended—

(A) by amending the catchline to read as follows:

"§ 3370. Commissioned officers: promotion to field grade in certain cases";

(B) by amending subsections (a) and (b) to read as follows:

"(a) Whenever the Secretary of the Army determines that, within the distribution of officers not assigned to units, there are existing or anticipated vacancies in the reserve grade of—

"(1) lieutenant colonel in the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps;

"(2) colonel in any other branch; or

"(3) colonel in the Army Nurse Corps or Army Medical Specialist Corps;

he may convene a selection board to consider and recommend, to fill those vacancies, reserve officers who are in an active status and who are not assigned to units organized to serve as units, subject to section 3390 of this title, reserve officers who are on active duty (other than for training), officers of any unit of the Army Reserve organized to serve as a unit, and officers of the Army National Guard of the United States.

"(b) The Secretary shall prescribe for each zone of consideration list established under section 3364 of this title the amount of service computed under section 3360(b) of this title that an officer of the branch concerned must have to be placed on it for consideration under this section. So far as practicable, the amount of service prescribed shall correspond to that which an officer of the Regular Army in the same branch must have for consideration for promotion to the same grade. The Secretary shall require that each officer who is in an active status, who is not assigned to a unit organized to serve as a unit, and who has the prescribed service computed under that section be placed on that list. Officers of any unit of the Army Reserve organized to serve as a unit, and any officer of the Army National Guard of the United States, who have the prescribed service computed under that section, shall also be placed on that list."; and

(C) by amending subsection (d) to read as follows:

"(d) Subject to section 3380 of this title, an officer recommended for promotion under this section may be promoted whenever there is a vacancy, but it is not mandatory that the authorized number be maintained in any grade. Each officer of the

Army National Guard of the United States who is recommended for promotion under this section and who, before the date on which he would be promoted under this section, is appointed in the next higher grade to fill a vacancy in the Army National Guard and is federally recognized in that grade shall be promoted to that reserve grade effective as of the date on which he is so recognized. If he is not so appointed in the next higher grade in the Army National Guard and federally recognized in that grade, he shall effective as of the date of the promotion under this section, have his Federal recognition terminated and be transferred to the Army Reserve. An officer of the Army National Guard of the United States may decline a promotion under this section if the Governor or other appropriate authority of the State, Territory, Puerto Rico, the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, approves that action. If an officer of the Army National Guard of the United States so declines a promotion, his name shall be removed from the recommended list. Each officer of an Army Reserve unit organized to serve as a unit who is promoted under this section shall, effective as of the date of that promotion, be transferred from his unit unless upon his promotion he fills a vacancy in that unit. An officer of a unit of the Army Reserve organized to serve as a unit may decline a promotion under this section if the Secretary of the Army, or an officer designated by him, approves that action as being in the best interest of the Army."

(14) Section 3383 is amended—

(A) by striking out the words "section 3217 and 3219" in subsection (a) and inserting the words "section 3220" in place thereof; and

(B) by inserting the following new sentence after the first sentence of subsection (b): "whenever the Secretary determines that a vacancy in a reserve grade below colonel is one that may be filled by an officer of the Women's Army Corps, officers of that branch are eligible for consideration even though the vacancy is not allocated to that branch."

(15) Subsections (a) and (b) of section 3389 are each amended by striking out the words "and not above colonel".

(16) Section 3391 is amended to read as follows:

"§ 3391. Commissioned officers: officers of Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps not to be promoted above certain grades.

"A reserve officer of the Army Nurse Corps or the Army Medical Specialist Corps may not be promoted to a reserve grade above colonel. A reserve officer of the Women's Army Corps may not be promoted to a reserve grade above lieutenant colonel."

(17) The analysis of chapter 337 is amended by striking out the following items:

"3366. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units; mandatory consideration.

"3367. Commissioned officers: promotion of first lieutenants, captains, and majors not assigned to units to fill vacancies.

* * * * *

"3370. Commissioned officers: officers not assigned to units; promotion to field grade in certain cases."

and inserting the following items in place thereof:

"3366. Commissioned officers: promotion of first lieutenants, captains, and majors; mandatory consideration.

"3367. Commissioned officers: promotion of first lieutenants, captains, and majors to fill vacancies.

* * * * *

"3370. Commissioned officers: promotion to field grade in certain cases."

(18) Section 3494 is amended by adding the following new sentence at the end thereof: "However, a reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his reserve grade, without affecting his reserve grade."

(19) Section 3571(a)(3) is amended to read as follows:

"(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title;

"(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A), if, under regulations to be prescribed by the Secretary of the Army, his service during that part of a year was satisfactory;

"(C) the periods of active service while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under section 502, 503, 504, or 505 of title 32, and that are not credited to him under clause (A) or (B); and

"(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and are not credited to him under clause (A) or (B)."

(20) Sections 3841 and 3842 are repealed.

(21) Section 3843(b) is amended by striking out the words "in an active status in a reserve grade below brigadier general" and inserting the words "in a reserve grade below brigadier general who is not a member of the Retired Reserve" in place thereof.

(22) Section 3844 is amended—

(A) by striking out the words "in an active status in the reserve grade of major general and each officer in an active status in the reserve grade of brigadier general" and inserting the words "in the reserve grade of major general who is not a member of the Retired Reserve, and each officer in the reserve grade of brigadier general who is not a member of the Retired Reserve and" in place thereof; and

(B) by inserting a comma before the word "shall".

(23) Section 3847 is amended to read as follows:

"§ 3847. Twenty-five years; officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps

"Each officer in a reserve grade below lieutenant colonel who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps, and who has not been recommended for promotion to the reserve grade of lieutenant colonel or has not remained in an active status since such a recommendation, shall 30 days after he completes 25 years of service computed under section 3853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment."

(24) Section 3848 is amended—

(A) by amending subsection (a) to read as follows:

"(a) Except as provided in section 3847 of this title, each officer in the reserve grade of first lieutenant, captain, major, or lieutenant colonel who is not a member of the Retired Reserve, and each officer in the reserve grade of major who is assigned to the Army Nurse Corps, Army Medical Specialist Corps, or the Women's Army Corps, who has been recommended for promotion to the reserve grade of lieutenant colonel who is not a member of the Retired Reserve, and who has remained in an active status since that recommendation, shall, 30 days after he completes 28 years of service computed under section 3853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment."; and

(B) by adding the following new subsection at the end thereof:

"(d) Notwithstanding subsection (a), an officer who is assigned to the Army Nurse Corps, the Army Medical Specialist Corps, or the Women's Army Corps and who would otherwise be removed from an active status under subsection (a), may, in the discretion of the Secretary of the Army, be retained in an active status, but not later than 30 days after he completes 30 years of service computed under section 3853 of this title."

(25) Section 3849 is repealed.

(26) Section 3851(a) is amended—

(A) by striking out the words "After July 1, 1960, each" and inserting the word "Each" in place thereof; and

(B) by striking out the words "in an active status in the reserve grade of colonel or brigadier general" and inserting the words "in the reserve grade of colonel or brigadier general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" in place thereof.

(27) Section 3852 is amended—

(A) by striking out the words "After July 1, 1960, each" and inserting the word "Each" in place thereof; and

(B) by striking out the words "in an active status in the reserve grade of major general" and inserting the words "in the reserve grade of major general who is not a member of the Retired Reserve or the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" in place thereof.

(28) The analysis of chapter 363 is amended by striking out the following items:

"3841. Age 50: Army Nurse Corps or Army Medical Specialist Corps; reserve officers below major.

"3842. Age 55: Army Nurse Corps or Army Medical Specialist Corps; reserve officers above captain.

* * * * *

"3847. Twenty-five years: Women's Army Corps majors.

* * * * *

"3849. Twenty-eight years: Women's Army Corps lieutenant colonel."

and inserting the following item in place thereof:

"3347. Twenty-five years: officers below lieutenant colonel; Army Nurse Corps, Army Medical Specialist Corps, and Women's Army Corps.".

(29) Section 5457(b) is amended by inserting the word "authorized" before the words "number of such officers".

(30) Section 5458(a) is amended by striking out the figure "5" and inserting the figure "10" in place thereof.

(31) Section 5458(b) is amended by inserting the word "authorized" before the words "number of such officers".

(32) Section 5505 is amended by adding the following new subsection at the end thereof:

"(d) Any officer of the Naval Reserve or Marine Corps Reserve who is selected for participation in a personnel procurement program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his permanent or temporary grade, without affecting his permanent or temporary grade."

(33) Section 5600(a) is amended by striking out the words "who is not already an officer in an armed force in a permanent grade above chief warrant officer, W–4,".

(34) Section 5899 is amended—

(A) by adding the following new sentence at the end of subsection (a): "However, an officer in the grade of captain or commander is eligible for consideration for promotion when his running mate is eligible for consideration for promotion. From among those eligible commanders who are junior to the junior officer in the promotion zone, the board may recommend for promotion to the grade of captain a number of officers that does not exceed 5 percent of the total number of officers that the board is authorized to recommend for promotion, unless that number is less than one, in which case it may recommend one such officer.", and

(B) by adding the following new subsection at the end thereof:

"(h) Notwithstanding any other provision of this title, a reserve commissioned officer in a permanent grade above chief warrant officer, W–4, who has been in an inactive status may not be considered for promotion until at least one year after the date he is returned to an active status."

(35) Section 5902 is amended by adding the following new subsection at the end thereof:

"(e) The promotion of an officer of the Naval Reserve or the Marine Corps Reserve who is under investigation or against whom proceedings of a court-martial or a board of officers are pending may be delayed by the Secretary of the Navy until the investigation or proceedings are completed. However, the promotion of an officer may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary determines that a further delay is necessary in the public interest."

(36) Section 5907 is amended by adding the following new sentence at the end thereof: "However, if an officer has not established his professional and moral qualifications, as prescribed by the Secretary of the Navy under section 5867 of this title, within one year after the date on which the President approved the report of the selection board that recommended him for promotion, he is entitled to the pay and allowances of the grade to which promoted only from the date he is appointed in that grade."

(37) Section 6389(c) is amended by adding the following at the end thereof:

"Notwithstanding the first sentence of this subsection, the Secretary may defer the retirement or discharge of such number of officers serving in the grade of lieutenant commander as are necessary to maintain the authorized officer strength of the Ready Reserve, but the duration of such deferment for any individual officer may not be in excess of five years. Notwithstanding the first two sentences of this subsection, the Secretary may defer the retirement or discharge under this subsection of an officer serving in the permanent grade of lieutenant commander or above in the Naval Reserve or in the permanent grade of major or above in the Marine Corps Reserve for a period of time which does not exceed the amount of service in an active status which was credited to the officer at the time of his original appointment or thereafter under any provision of law, if the officer can complete at least 20 years of service as computed under section 1332 of this title during the period of such deferment."

(38) Section 6391(a) is amended by inserting the words "or on the inactive status list" after the words "active status".

(39) Section 8212 is amended—

(A) by inserting the figures "8370 (a) or (c), 8372(b), 8374," immediately before the figure "8375";

(B) by inserting the following immediately before the period at the end of the first sentence: ", and to the extent necessary to allow the appointment of reserve officers to fill prescribed mobilization or active duty requirements"; and

(C) by inserting the words "or not to fill one of those requirements" after the word "sections" in the last sentence.

(40) Section 8218 is amended by striking out the words "and those serving in the National Guard Bureau,".

(41) Section 8353(a) is amended by striking out the words "and is not already a commissioned officer of an armed force".

(42) Section 8361 is amended—

(A) by inserting the word "reserve" before the word "grade" wherever it occurs in subsection (a); and

(B) by adding the following new sentence at the end of the subsection (e): "Notwithstanding any other provision of this title, such a reserve commissioned officer may not be considered for promotion until at least one year after the date on which he is returned to an active status."

(43) Section 8363 is amended—

(A) by striking out the figure "8372" in subsection (c) and inserting the figures "8366, or 8372" in place thereof;

(B) by striking out the words "8379, or 8380 of this title or subsection (f)" in subsection (e) and inserting the words "or 8379 of this title or subsection (f) or (g)" in place thereof; and

(C) by adding the following new subsection at the end thereof:

"(g) The promotion of a reserve commissioned officer who is under investigation or against whom proceedings of a court-martial or board of officers are pending may be delayed until the investigation or proceedings are completed. However, a promotion may not be delayed under this subsection for more than one year after the date he is selected for promotion unless the Secretary of the Air Force determines that a further delay is necessary in the public interest."

(44) Section 8366 is amended—

(A) by amending the last sentence of subsection (c) to read as follows: "However, if there is no vacancy in the Air National Guard in that grade on the date on which he must be promoted under subsection (d), he shall be retained in the Air National Guard in that grade for a period ending 90 days after that date, or until a vacancy occurs in that grade, whichever is earlier. If no vacancy occurs during that period, he shall, on the last day of that period, have his federal recognition terminated and be transferred to the Air Force Reserve.";

(B) by striking out the words "federally recognized National Guard before June 15, 1933," in subsection (e)(2) and inserting the words "National Guard" in place thereof; and

(C) by amending subsection (f) to read as follows:

"(f) This section does not apply to the promotion to a grade above major of any Air Force nurse or medical specialist or any female reserve officer who is not designated under section 8067 (a)–(d) or (g)–(i) of this title or appointed in the Air Force with a view to designation under that section."

(45) Section 8368 is amended—

(A) by amending subsection (a) to read as follows:

"(a) In this chapter, 'deferred officer' means any of the following officers who has been considered, for the first time under this chapter, by a selection board for promotion to the next grade higher than his current reserve grade but not recommended for that promotion, who has been examined for the first time for Federal recognition in the next grade higher than his current reserve grade, but found not qualified for that recognition, or who has been recommended or found qualified and declined that promotion:

"(1) An officer in the reserve grade of first lieutenant or captain.

"(2) An officer in the reserve grade of major, other than an Air Force nurse or medical specialist or a female officer who is not designated under section 8067(a)–(d) or (g)–(i) of this title or appointed in the Air Force with a view to designation under that section.";

(B) by inserting the words ", or is recommended and declines the promotion" after the words "not recommended for promotion" in subsection (f); and

(C) by inserting the words ", or is recommended or found qualified and declines the promotion" after the words "found qualified for federal recognition" in subsection (g).

(46) Section 8370 is amended—

(A) by striking out the word "captain" in subsection (b) and inserting the word "major" in place thereof; and

(B) by amending subsection (c) to read as follows:

"(c) A reserve officer who is designated as an Air Force nurse or medical specialist may be promoted to a reserve grade above major only to fill a vacancy in the number authorized by the Secretary for that category."

(47) Section 8372(b) is amended to read as follows:

"(b) Whenever the Secretary considers that the number of officers in the reserve grade of captain, major, lieutenant colonel, or colonel in—

"(1) any unit of the Air Force Reserve that is in the Ready Reserve and is not on active duty or is on active duty for training; or

"(2) the Air Force Reserve, in positions to be filled by officers with a mobilization assignment in the Ready Reserve;

is or may become unbalanced, he may direct that a number specified by him be selected from officers of the Air Force Reserve who are in the Ready Reserve, who are not on active duty or are on active duty for training, but who are determined to be specially qualified for, and available to fill, those vacancies. Selection for promotion under this subsection shall be made under the procedures prescribed in the first two sentences of section 8367(c) of this title, but no officer may be selected for promotion under this subsection unless he is fully qualified for promotion to the grade concerned."

(48) Section 8376 is amended—

(A) by striking out the words ", and who was promoted to that temporary grade under a general selection board procedure," in subsection (a);

(B) by inserting the following before the period at the end of the first sentence of subsection (c): "or before applying for promotion under subsection (a)"; and

(C) by amending the second sentence of subsection (c) to read as follows: "When he completes that amount of service and applies, or if, having completed that amount

of service before being released from active duty, he applies, an officer covered by this subsection shall be promoted to the next higher reserve grade, without regard to vacancies."

(49) Section 8377(b) is amended by striking out the words ", except as provided in sections 1005 and 1006 of this title, be transferred to the Retired Reserve, if he is qualified and applies therefor, or be discharged from his reserve appointment" and inserting the words "be treated in the manner provided for deferred officers in section 8846 of this title" in place thereof.

(50) Section 8380 is amended—

(A) by striking out the last sentence of subsection (b) and inserting the following in place thereof: "If he has completed the period of active duty (other than for training) that he is required by law or regulation to perform as a member of a reserve component and declines the temporary appointment, he shall be released from active duty. If he has not completed that period of active duty, he shall be retained on active duty in the grade in which he was serving before the promotion and may not be released from active duty on his application until he completes the period of active duty he is so required by law or regulation to perform."; and

(B) by repealing subsection (c).

(51) Chapter 837 is amended—

(A) by adding the following new section at the end thereof:

"§ 8396. Officers promoted under section 8366 of this title: retention in unit

"(a) Notwithstanding any other provision of law except sections 8843 or 8844 of this title, an officer of any unit of the Air Force Reserve organized to serve as a unit, or an officer of the Air National Guard of the United States, who is promoted to the reserve grade of captain under section 8366 of this title, who in the case of an officer of the Air National Guard, is federally recognized in the grade of captain, and for whom there is no vacancy in that grade in his unit, may be retained in that grade in his unit until he is promoted to the reserve grade of major.

"(b) Notwithstanding any other provision of law except sections 8843 or 8844 of this title, an officer of any unit of the Air Force Reserve organized to serve as a unit, or an officer of the Air National Guard of the United States—

"(1) who is promoted to the reserve grade of major under section 8366 of this title;

"(2) who, in the case of an officer of the Air National Guard, is federally recognized in the grade of major;

"(3) who is designated under section 8067 of this title; and

"(4) for whom there is no vacancy in that grade in his unit;

may be retained in that grade in his unit until he is promoted to the reserve grade of lieutenant colonel.

"(c) An officer of the Air National Guard covered by this section may be federally recognized, and retained as provided in this section, in the grade of captain or major, as the case may be, regardless of the existence of a vacancy in that grade, or in any higher grade, in his unit."; and

(B) by adding the following new item at the end of the analysis thereof:

"8396. Officers promoted under section 8366 of this title: retention in unit."

(52) Section 8494 is amended by adding the following new sentence at the end thereof: "However, a reserve commissioned officer who is selected for participation in a program under which he will be ordered to active duty for at least one academic year at a civilian school or college may, upon his request, be ordered to that duty in a temporary grade that is lower than his reserve grade, without affecting his reserve grade."

(53) Section 8571(a)(3) is amended to read as follows:

"(3) for a reserve officer, precedes his date of entry on active duty by a period computed by adding—

"(A) the years of service after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that are credited to him under section 1332(a)(2) of this title;

"(B) the days and months of any part of the year preceding his date of entry on active duty, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (a), if under regulations to be prescribed by the Secretary of the Air Force, his service during that part of a year was satisfactory;

"(C) the periods of active service, while in his current reserve grade or in any higher reserve grade, that are not credited to him under clause (A) or (B);

"(D) the periods of service, while in his current reserve grade or in any higher reserve grade, that he has performed under section 502, 503, 504, or 505, of title 32, and that are not credited to him under clause (A) or (B); and

"(E) one day for each point for drill or equivalent instruction after June 30, 1955, while in his current reserve grade or in any higher reserve grade, that is credited to him under section 1332(a)(2)(B) of this title and not credited to him under clause (A) or (B)."

(54) Section 8819(a) is amended to read as follows:

"(a) Except as provided by sections 1005 and 1006 of this title, each second lieutenant of the Air Force Reserve shall, if he is found not qualified for promotion before he completes three years of service, computed under section 8360 of this title, in that grade be discharged from his reserve appointment within 90 days after completing that service."

(55) Sections 8841 and 8842 are repealed.

(56) Section 8844 is amended—

(A) by amending the catchline to read as follows:

"§ 8844. Age 62: reserve major generals, except those covered by section 8845 of this title"; and

(B) by striking out the words "the Chief of the National Guard Bureau" and inserting the words "an officer covered by section 8845 of this title" in place thereof.

(57) Section 8845 is amended—

(A) by amending the catchline to read as follows:

"§ 8845. Age 64: Chief of National Guard Bureau; adjutants general"; and

(B) by inserting the words "adjutant general of a State, or Territory, Puerto Rico, the Canal Zone, or the District of Columbia" after the words "National Guard Bureau".

(58) Section 8847 is amended to read as follows:

"§ 8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 (a)–(d) or (g)–(i) of this title; Air Force nurses and medical specialists

"(a) Each female commissioned officer, and each Air Force nurse or medical specialist, who is in an active status in a reserve grade below lieutenant colonel, except an officer whose name is on a recommended list for promotion to that reserve grade, shall, 30 days after he completes 25 years of service computed under section 8853 of this title—

"(1) be transferred to the Retired Reserve, if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"(b) This section does not apply to female commissioned officers who are designated under section 8067 (a)–(d) or (g)–(i) of this title."

(59) Section 8848 is amended to read as follows:

"§ 8848. Twenty-eight years: reserve first lieutenant, captains, majors, and lieutenant colonels

"(a) Each officer in an active status in the reserve grade of first lieutenant, captain, or major, except an officer covered by section 8847 of this title, and each lieutenant colonel who is not on a recommended list for promotion to the reserve grade of colonel, shall, 30 days after he completes 28 years of service computed under section 8853 of this title—

"(1) be transferred to the Retired Reserve if he is qualified and applies therefor; or

"(2) if he is not qualified or does not apply therefor, be discharged from his reserve appointment.

"(b) Notwithstanding subsection (a), an Air Force nurse or medical specialist who is in the reserve grade of lieutenant colonel, or a female officer who is not designated under section 8067 (a)–(d) or (g)–(1) of this title and who is in the reserve grade of lieutenant colonel, may, in the discretion of the Secretary of the Air Force, be retained in an active status if he would otherwise be removed from an active status under subsection (a). An officer may not be retained in an active status under this section later than 30 days after he completes 30 years of service computed under section 8853 of this title."

(60) Section 8849 is repealed.

(61) Section 8851 is amended by striking out the words "After June 30, 1960," and inserting the words "Except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia", in place thereof.

(62) Section 8852(a) is amended by striking out the words "After June 30, 1960," and inserting the words "Except for the adjutant general or assistant adjutant general of a State or Territory, Puerto Rico, the Canal Zone, or the District of Columbia", in place thereof.

(63) Section 8853(2) is amended by striking out the words "federally recognized National Guard before June 15, 1933," and inserting the words "National Guard" in place thereof.

(64) The analysis of chapter 863 is amended by striking out the following items:

"8841. Age 50: female reserve nurses and medical specialists below major.

"8842. Age 55: female reserve nurses and medical specialists above captain.

* * * * *

"8844. Age 62: reserve major generals, except Chief of National Guard Bureau.

"8845. Age 64: Chief of National Guard Bureau.

* * * * *

"8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067 of this title.

* * * * *

"8849. Twenty-eight years: female reserve lieutenant colonels, except those designated under section 8067 of of this title."

and inserting the following items in place thereof:

"8844. Age 62: reserve major generals, except those covered by section 8845 of this title.

"8845. Age 64: Chief of National Guard Bureau; adjutants general.

* * * * *

"8847. Twenty-five years: female reserve officers below lieutenant colonel, except those designated under section 8067(a)–(d) or (g)–(i) of this title; Air Force nurses and medical specialists.".

SEC. 2. Title 14, United States Code, is amended as follows:

(1) Section 772 is amended to read as follows:

"§ 772. Authorized number of officers

"(a) The authorized number of officers in the Coast Guard Reserve in active status is 6,000. The actual number of Reserve officers in active status at any time shall not exceed these authorized numbers unless the Secretary shall determine that a greater number is necessary for planned mobilization requirements, or unless such excess shall result directly from the operation of mandatory provisions of this or other laws.

"(b) The authorized number of officers of the Coast Guard Reserve in active status in each of the grades below the grade of rear admiral shall be a percentage of the total authorized number of such officers in active status below the grade of rear admiral, and shall be 0.6 percent in the grade of captain, 6.0 percent in the grade of commander, 22.5 percent in the grade of lieutenant commander, 37 percent in the grade of lieutenant, and 33.9 percent in the combined grades of lieutenant (junior grade) and ensign, except that when the actual number of Coast Guard Reserve officers in an active status in any grade is less than the number which is so authorized, the difference may be applied to increase the authorized number in any lower grade or grades. No Reserve officer shall be reduced in rank or grade solely because of a reduction in an authorized number provided in this subsection. The authorized number of Coast Guard Reserve officers in an active status in the grade of rear admiral shall be two.

"(c) The Secretary may determine the number of Reserve officers in each grade who may be promoted annually under the provisions of this subchapter. The number which shall be so determined for each grade shall be the number deemed to be necessary to provide equitable opportunity for promotion among succeeding groups of Reserve officers and an adequate continuing strength of Reserve officers in an active status, and shall not cause the number of Reserve officers in active status in any grade to exceed the number authorized in this section for that grade."

(2) Section 773 is amended by striking out the words "who holds no appointment as a commissioned officer of the Armed Forces".

(3) Chapter 21 is amended by inserting the following new section after section 787:

"§ 787a. Excessive number; elimination from active status to provide a flow of promotion

"(a) Notwithstanding any other provisions of this title, whenever the Secretary shall determine it to be necessary to provide a steady flow of promotions or that there is an excessive number of Reserve officers in an active status in any grade who have at least 30 total years of service or at least 20 years of satisfactory Federal service under section 1332 of title 10, United States Code, he may convene a board which shall consider all such Reserve officers of that grade in an active status not on active duty who have that service. The Secretary shall direct the board to select and recommend by name a specified number of such officers for retention in an active status.

"(b) The Secretary may in the case of an officer not recommended for retention in an active status under subsection (a) of this section—

"(1) Transfer the officer to the Retired Reserve if he is qualified and applies for transfer;

"(2) Transfer the officer to the Inactive Status List, if qualified; or

"(3) Discharge the officer."

(4) The analysis of chapter 21 is amended by inserting the following new item between items 787 and 788:

"787a. Excessive number; elimination from active status to provide a flow of promotion."

SEC. 3. That part of section 20 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 155a) preceding the table therein is amended to read as follows:

"SEC. 20. A reserve commissioned officer of the Army who on July 1, 1955, was in a reserve grade listed in the following table may not be promoted for the first time under any one of sections 3366, 3367, 3370, and 3371 of title 10, United States Code, until he completes the service prescribed for that grade by the following table:".

SEC. 4. (a) Notwithstanding any other provision of law, sections 3847, 3848, 3851, 3852, 8847, 8848, 8851, and 8852 of title 10, United States Code, become effective on January 1, 1962, with respect to officers of Army Reserve and Air Force Reserve units organized to serve as a unit and officers of the Army National Guard of the United States (other than officers in the inactive Army National Guard) and Air National Guard of the United States (other than officers of the inactive Air National Guard), and on July 1, 1960, with respect to all other reserve officers of the Army or the Air Force.

(b) Section 21 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1560), is amended—

(1) by striking out the words "July 2, 1960" wherever they appear therein and inserting the words "January 1, 1962, with respect to officers of Army Reserve units organized to serve as a unit and officers of the Army National Guard of the United States, and July 2, 1960, with respect to all other Reserve officers of the Army", and

(2) by adding the following new subsection at the end thereof:

"(g) Subsection (a) and (b) of this section do not apply to any Reserve officer of the Army who is a civilian employee of the Army National Guard."

SEC. 5. Section 22 of the Act of September 2, 1958, Public Law 85–861 (72 Stat. 1560), is amended by striking out the words "and who was not a commissioned officer of an armed force" and inserting the words ", or who was transferred to a special branch of that Corps in the lowest grade of that branch or Corps" in place thereof.

SEC. 6. Notwithstanding any other provision of law except section 1001 of title 10, United States Code, the discharge or transfer to the Retired Reserve (because of his age or length of service) of any reserve officer of the Army who—

(1) was originally appointed as a reserve officer before the enactment of the Reserve Officer Personnel Act of 1954; and

(2) but for the operation of section 3853(2) of title 10, United States Code, could have completed 20 years of service computed under section 1332 of that title;

is deferred until he completes that amount of service or until he becomes 60 years of age, whichever is earlier.

SEC. 7. A reserve officer who is designated as an Air Force nurse or medical specialist, or female reserve officer of the Air Force (other than an officer designated under section 8067 of title 10, United States Code), who, after June 30, 1955, and before the enactment of this Act, received a temporary appointment under section 8442 of that title, in a grade higher than his reserve grade may, if he applies within one year after the enactment of this Act, be promoted to a reserve grade equal to that temporary grade if he is otherwise eligible for promotion to that grade under section 8363(a) of that title.

SEC. 8. Section 29(a) of the Act of August 10, 1956, chapter 1041, as amended (5 U.S.C. 30r), is amended by striking out the words "calendar year" wherever they appear therein and inserting the words "fiscal year" in place thereof.

Mr. RIVERS of South Carolina (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the RECORD, considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to Reserve commissioned officers of the Armed Forces, pursuant to House Resolution 324, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to permit the enrolling clerk to correct any typographical errors that may have occurred in the printing of H.R. 8186.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

IMPROVING ACTIVE DUTY PROMOTION OPPORTUNITY FOR CERTAIN AIR FORCE OFFICERS

Mr. RIVERS of South Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8189) to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8189 with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the bill before the House today is temporary legislation expiring June 30, 1961, which would authorize the Air Force to exceed the total

number of majors serving on active duty by 3,000, over and above the number authorized by the Officer Grade Limitation Act of 1954. You will recall that this act limits the number of officers who may serve in the grade of major and above depending upon the total number of officers serving on active duty. Based on an officer strength of approximately 126,000 at the end of fiscal year 1961, there will be about 23,000 majors authorized on active duty in the Air Force.

Under the Officer Personnel Act, at least 80 percent of the Regular officers must, and I repeat must, be promoted to the grade of major upon the completion of 14 years of promotion list service.

This bill will permit Reserve captains serving on active duty to have a similar opportunity for promotion to the grade of major for pay purposes upon the completion of 14 years of active duty. Without the proposed legislation, only 2,000 Reserve officers serving in the grade of captain could be promoted to the grade of major by June 30, 1961. With the enactment of this bill, approximately 5,000 Reserve captains may be promoted to the grade of major by that time.

All of the officers concerned are serving on active duty as captains and will have by June 30, 1961, 14 years or more of active duty. In addition, all of them will have been promoted to major in the Reserve, but will be serving on active duty as and drawing the pay of a captain.

This bill is urgently needed by the Air Force in order that the promotion opportunity for these Reserve captains will be comparable to the promotion opportunity afforded Regular captains.

The Air Force is desirous of keeping these officers on active duty, because their services and experience are badly needed. Most of these officers are pilots in the Strategic Air Command, Military Air Transport Service, Special Air Missions, Air Defense Command, and Tactical Air Command—the combat forces of the Air Force.

From the viewpoint of equity, it is not fair for a Reserve captain on active duty in the Air Force to have to serve longer than a Regular captain before being promoted or to have less opportunity for promotion.

As I pointed out before, this is temporary legislation and will expire on June 30, 1961. The differences in authorized grade distribution for the several services, coupled with the changing grade requirements which have developed over the past several years, makes necessary a complete reevaluation of existing grade authorizations. The Department of Defense will conduct this reevaluation and submit recommended changes by June 30, 1961.

It should be noted that this bill will not increase retirement costs in any manner whatsoever since all of the Reserve officers who will be promoted to the grade of major on active duty now hold the grade of major as Reserve officers and, upon the completion of 20 years of active duty, will qualify for retirement pay in this grade, unless promoted to a higher grade. In addition, this legislation will not increase the active duty strength of the Air Force, nor will it accelerate promotions in the grade of captain or lieutenant.

I am convinced that the enactment of this bill is essential in order to equalize the promotion opportunities between Reserve and Regular Air Force officers and that should it not pass, the Congress will be unable to explain the resulting inequities to the Reserve officers whom the Air Force will be unable to promote.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield.

Mr. GROSS. What happens to this compression after 1961; does the gentleman have any idea? This relieves compression now, does it not?

Mr. RIVERS of South Carolina. It relieves the compression now. They will conduct a study and at that time the committee will take the matter up and try to resolve it. What will happen in 1961 by the action of the committee, I do not know, but they are to come up with a concrete proposal to cure any future difficulty that may arise in any grade of officer strength, whether it is lieutenant, captain, major, lieutenant colonel or colonel, whatever it may be.

Mr. GROSS. But the gentleman does expect that we will be confronted with an extension of this legislation in 1961?

Mr. RIVERS of South Carolina. I doubt it, but I cannot make a prediction at this time. However, I do not think we will.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield.

Mr. VANIK. Will this legislation take care of the hump in the Navy that we talked about a short time ago?

Mr. RIVERS of South Carolina. No; this has nothing to do with that. This legislation applies the 80 percent to the Reserve just as the law requires that it apply to the Regular force in the grades that I have discussed.

Mr. VANIK. Is there no problem of a hump in the Air Force?

Mr. RIVERS of South Carolina. There is a problem of a hump there, but it is a different kind. We have a bill dealing with that before the other body now, and we are hopeful that that will be passed.

Mr. VANIK. That is a separate piece of legislation?

Mr. RIVERS of South Carolina. Yes. This is a bill that applies to the Reserves.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, H.R. 8189 authorizes the Air Force to exceed the strength limitation, in the grade of major, between now and June 30, 1961, by not more than 3,000 officers.

Under existing law the Air Force may only have 23,000 majors serving on active duty. Under the proposed legislation, the Air Force will be permitted not to exceed 26,000 majors on active duty between now and June 30, 1961.

The necessity for the legislation is due to the fact that the Officer Grade Limitation Act places a limitation on the number of officers who may serve in the grade of major proportioned to the total number of officers serving on active duty.

The 3,000 officers who will be promoted from the grade of captain to the grade of major are Reserve captains now serving on active duty.

These officers are all majors in the Reserve but their active duty grade is that of a captain.

In other words, they can only draw the pay of a captain and wear the insignia of a captain while serving on active duty even though they have been selected to the grade of major in the Reserve.

In addition, these officers now have, or will have by the time they are promoted, over 14 years of active duty.

Not less than 80 percent of the Regular Air Force captains must be promoted to the grade of major under existing law when they have completed 14 years of promotion list service.

Thus, the proposed legislation will give these Reserve captains an opportunity to have the same promotional chances as their counterparts in the Regular Air Force.

There are 6,400 Reserve captains serving on active duty who now have or will have 14 years of active duty by June 30, 1961. Without the proposed legislation only 2,000 can be promoted to the grade of major.

With the proposed legislation approximately 5,000 Reserve captains will be promoted to the grade of major.

The bill will cost $852,000 in fiscal 1960, which will be absorbed in this year's appropriation. In fiscal 1961 the bill will cost $2,130,000, for which the Air Force will request funds.

It should be emphasized that the bill will not permit the Air Force to have 3,000 more officers; it will merely permit the Air Force to promote 3,000 more captains to the grade of major. This accounts for the cost of the proposed legislation.

A captain promoted to the grade of major receives $45 more in basic pay and $15 more in flight pay, for a total increase in salary of $60 a month.

The proposed legislation will not increase the total number of officers on active duty, nor will it accelerate the promotion of first lieutenants to captain.

Likewise, it will not affect retirement costs, since these officers are now majors in the Reserve and will upon retirement retire in the highest grade satisfactorily served.

Mr. Chairman, I have no further requests for time.

Mr. RIVERS of South Carolina. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on the date of enactment of this Act and ending at the close of June 30, 1961, any authorized strength prescribed for the grade of major by or under section 8202 of title 10, United States Code, may be exceeded by not more than three thousand.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8189) to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major, pursuant to House Resolution 325, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

REGULATION OF SAVINGS AND LOAN HOLDING COMPANIES

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7244) to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies.

The SPEAKER. The question is on the motion of the gentleman from Kentucky [Mr. SPENCE].

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7244, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill will promote and preserve the local management of savings and loan associations by protecting them against encroachment by holding companies. The holding company has grown greatly in the last few years. Heretofore, almost all the savings and loan associations were mutual companies. They were locally managed and locally owned. They had the interest of their communities at heart. They were held in peculiar affection by the people because of the services they rendered to them. Almost all their funds were invested in homebuilding and in homeownership. Because of the standing they had in the estimation of the people, they had certain privileges. But, recently, after the passage of the Bank Holding Act, there has been a great activity in savings and loan holding companies. I think 2 or 3 years ago there were but two holding companies controlling savings and loan associations. Now, there are about a dozen holding companies. They have changed the whole concept of the savings and loan program. I do not say all the holding companies are controlled by men who do not have the interest of their people at heart, but in many instances the holding companies have made that instrument the means by which they have obtained great fortunes by buying savings and loan associations and selling the stock of the company on the market. It has been a very lucrative field and is growing rapidly.

This bill is designed to prevent the expansion of the holding companies. It is not a punitive bill; there are no criminal statutes involved; there are no punitive provisions. The only method provided in the bill to prevent the expansion of holding companies is by withdrawing from the corporations that they purchase the insurance furnished by the Federal Savings and Loan Insurance Corporation.

The provisions of the bill make it unlawful after enactment of this act for a holding company to acquire two or more savings and loan associations. If in violation of the law they do acquire savings and loan associations against the provisions of the bill the insurance will be withdrawn.

We feel sure that if this method is adopted it will prevent the expansion of these organizations and their continued tremendous growth. Both savings and loan leagues, the National and the United States, are in favor of this bill.

A similar bill was introduced during the last Congress, was reported unanimously by the House Banking and Currency Committee, and I understand the Rules Committee was unanimous in granting a rule for its consideration. It was passed without a dissenting vote by the House. Although the Senate had contemporaneously passed such a bill in the Financial Institutions Bill, they failed to pass the House bill.

I hope the bill will be passed without amendment. I think it will subserve the purpose we want to achieve, and I do not think there can be any valid objection to it even by the holding companies. It has no retroactive effect. What they have they can keep, but they cannot expand in the future.

Not long ago I remember a holding company went into business and in 2 or 3 years it controlled more than half a billion in assets of the corporations it controlled.

The bill provides only that if a holding company owns 10 percent or more of the stock of a savings and loan association it shall be considered to have a controlling interest; or, if the Home Loan Bank Board finds that by other means it might acquire that control the Board can then order it to divest itself of the corporation it has acquired or the Board will discontinue the insurance.

Certainly, there can be no objection to the passage of this bill. It is essential that it should be passed promptly, because the activities of the holding companies are increasing day by day. They have followed the course the banks followed when the Congress was considering the bank holding bill. I hope the Congress will promptly pass this bill in order to prevent this activity which I think is hostile to the best interests of our country, for it means a concentration of economic power which is not good for the economy of America.

Mr. Chairman, I reserve the balance of my time.

Mr. McDONOUGH. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, I cannot disagree with the statement of the chairman of the committee on this bill. I doubt if there is much controversy concerning it.

Some of the pertinent points of the bill are that it prohibits any holding company from acquiring control of two or more savings and loan associations if the accounts of that association are insured by the Savings and Loan Insurance Corporation.

The bill is not retroactive. The bill does not require, as did the bank holding bill which was passed by this Congress previously, does not require any existing holding company to divest itself of its holdings. The bill is similar to a bill that the House passed in 1957 unanimously, but it was not acted upon by the Senate.

Its principal purpose is to prevent, as the chairman has stated, monopoly and control of financial institutions by holding corporations. This is looked upon in certain parts of the United States as very detrimental; in other parts as not so detrimental. Insofar as California is concerned, it has become rather common practice to the extent of the acquisition on the part of certain holding corporations of a large number of savings and loan associations, but in spite of the arguments to the contrary, they have not become monopolistic.

The precaution provided in this bill, however, is undoubtedly a good one and will provide for more individual initiative on the part of savings and loan associations that possess a Federal charter to operate without the possibility of control from outside sources.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Minnesota.

Mr. WIER. May I ask the gentleman, what is the machinery by which this legislation could or would prevent, shall we say infiltration by holding companies and prevent individual officers of holding companies from buying stock in these loan and savings organizations, thereby getting some control of them? How do you stop it?

Mr. McDONOUGH. Does the gentleman mean with this bill?

Mr. WIER. Yes.

Mr. McDONOUGH. The savings and loan associations are not stockholding corporations, therefore you cannot buy into the institution by acquiring a majority of the stock. The savings and loan associations, as the gentleman knows, are shareholding participating organizations in which the depositors are stockholders or shareholders, so that the stock of these Federal savings and loan associations is not on the market for purchase like in State savings and loan associations.

Mr. WIER. Then how do the holding companies or individuals get any control of these savings and loan associations?

Mr. McDONOUGH. Under State charter they attempt to bring two under one control. This bill provides that shall not happen.

Mr. WIER. This preempts any take all, then?

Mr. McDONOUGH. If the gentleman wants to interpret it that way.

Mr. Chairman, I have no further statement to make except to say that the bill, in my opinion, is well written. Hearings were held on it and all parties were given an opportunity to express their views. One of the most pertinent statements in the hearings is from the legislative chairman of the United States Savings and Loan Association, which would be affected by this legislation. They came to the committee and urged passage of the bill.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. HOLIFIELD. Could my colleague tell me if this bill is the same one that was passed, I believe it was 2 years ago, by the House?

Mr. McDONOUGH. Yes; it is identical with that bill.

Mr. HOLIFIELD. It is identical?

Mr. McDONOUGH. Yes.

Mr. HOLIFIELD. The Home Loan Bank Board made certain recommendations in the way of amendment. As I understand it, those amendments were not agreed to by the committee; is that correct?

Mr. McDONOUGH. They were not taken up by the committee.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Kentucky.

Mr. SPENCE. The Home Loan Bank Board feels that this legislation is very necessary. They wanted a bill immediately to cope with the situation. Their members came to me, speaking for the Board, and said they were willing to forego their amendments in order to get a bill through this session.

Mr. HOLIFIELD. I appreciate the gentleman's answer to my question. I have studied the amendments which the Home Loan Bank Board recommended. I had some grave doubts as to the wideness of scope of some of the language of certain of the amendments. I am very pleased that the committee has not at this time accepted the amendments and has agreed to hold them for further study. I compliment the committee for bringing forth the bill as it is now written.

Mr. SPENCE. They wanted a bill immediately.

Mr. HOLIFIELD. I understand there is an urgency to get a bill through prohibiting further holding company formations. Is that not true?

Mr. McDONOUGH. That is correct.

Mr. HOLIFIELD. I thank the gentleman.

Mr. McDONOUGH. As the gentleman understands, this is not retroactive and any pending consolidation is not affected; it is only if eventually the consolidation becomes effective after the enactment of this act.

Mr. HOLIFIELD. This does not have any effect on an individual building and loan association acquiring branches where those branches are approved either by the State comptroller of charters or by the Federal Comptroller of Charters.

Mr. McDONOUGH. No.

Mr. HOLIFIELD. I thank the gentleman.

Mr. McDONOUGH. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. WILSON].

Mr. WILSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON. Mr. Chairman, we are asked today to vote on this proposed legislation which has as its purpose the elimination of holding companies in the savings and loan field. Obviously, this legislation is intended to prevent the repetition of events which occurred back in the twenties when holding companies were more actively involved in our commercial banking enterprise. At that time legislation was enacted to prevent monopoly control.

The irony here is that 95 percent of existing savings and loan associations are mutually owned and therefore cannot become properties of holding companies. The remaining 5 percent, located in 13 of our States, are the ones this legislation is supposed to protect. Obviously, these percentages clearly indicate that a monopoly of the savings and loan field is out of the question.

Much can be said about the value of holding companies in this field. One of the real problems involved today in this field is the lack of able management. This situation exists because of the vast expansion experienced by savings and loan associations which has been so rapid that efficient management is not readily available. Holding companies are in a position to develop management talent for their member associations.

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and if they be out of order, to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, the labor bosses are telling us to vote as they direct, or "else." Now, that might seem to be out of order, that subject, but there is no use, as was said last week, of having bankers or banks if someone else—goons, for example—are to run the country, if Congress is not to make the laws.

Last week it was my privilege to put into the RECORD articles from Life and also from Time in which it was asserted that one of Hoffa's attorneys, a Mr. Zagri, was intimidating Members of Congress. He objected to that. A Michigan representative of Hoffa's district, Jack Thorp, a Republican, has been in my office half a dozen times, and he three times brought in this same attorney. I thought the attorney Mr. Zagri was a fair sort of a fellow with an almost complete knowledge of labor legislation. I finally induced Mr. Thorp, who was Hoffa's representative—and there happened to be a reporter there then—to say exactly what action he wanted; what Hoffa wanted in the way of legislation. And, not too greatly to my surprise he said they did not want any legislation. None at all. But apparently he is reconciled to the idea that they are going to get some, and of course, whether the people get what they are entitled to have will be determined in the next few weeks.

But at that time Mr. Zagri complained very, very bitterly about the statements in these two magazines. And, inasmuch as I was putting them in the RECORD I asked him why; whether he had been intimidating Members of Congress. He said no, he had not. And, he asked these representatives, the reporters from Time and Life he said, to each of them, "You cite one single instance where I have gone to any Congressman and demanded that he do this, that, or the other."

Well, of course, he never asked anything of me, because he knows I have nothing to sell. He also knows I am under no obligation to Hoffa. Others may be. I have no knowledge on that. I sugested this—I said, "Well, if you talk to these Congressmen, maybe you feel that they are under obligation." He said, "Not one of them, and neither of these reporters nor any one of the representatives of those two publications have ever been able to cite a single instance where I have made threats or improper demands." He complained about some Congressman—and sometimes I may have—not going along, but in my judgment there will always be Members who have views to the right and to the left. It is no concern of the rest of us if they vote their sincere views as I assume they do, nor how they vote.

I remember a couple of Congressmen who went along with labor unions when it was a rather hot subject in Michigan. I never felt justified in criticizing them, because if I did, maybe they would not have remained here, and maybe you would have had some in their districts who were worse if judged by your standards or by mine. In any event, who is always right? I remember a Member on the Democratic side—a fine gentleman here—who went along with labor bosses from Detroit, and the first thing he knew the unions put in a candidate against him in the primaries. This Member had been fair, he had so much ability and integrity and common decency that there was no comparison at

all. Do you get the point? I would rather have someone who was sincere and honest and had the welfare of the country as a whole at heart than somebody who is a political stooge.

Why they pick on Hoffa all the time I do not know. Have the others been forgotten because of the political issue? Here is Reuther. He has been the head of an organized group which has carried on most violent practices for the last 18 years, and for some 37 years John L. Lewis has advocated force and violence in connection with his disputes. He has no respect for law where his unions are at stake. Was he not fined for illegal activities?

Away back in 1922 he caused 22 men to be killed, 6 of them dragged behind automobiles, just by sending a telegram to the president of one of his locals in Herrin, Ill. And he has kept on, right through the years, without any gaps, in the same way.

And recently the operator of a mine was killed, the driver of a truck was killed, in a strike with Lewis' union. So, before the Committee on Education and Labor, I went to the trouble of asking John L. Lewis about the Herrin incident, in bloody Williamson County, in Illinois.

And he said, "What has that got to do with it? It is not relevant, it is not pertinent." I said, "All right, now, wait a minute." He objected, to the chairman. I said, "When we start back 37 years ago and trace a course of violence, beatings, and murder right down to within 2 weeks."

Did you notice the papers lately? Three of those fellows have been sent to the penitentiary. Does it not prove anything?

The record shows we need law to protect us against men like Lewis.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. McDONOUGH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HOFFMAN of Michigan. I thank the gentleman. You could not finish this in an hour nor in a week and we are working so hard on this banking bill, maybe it will do all of us a little good to hear this. A little recess, so to speak. Think of this labor issue, because it is coming up pretty soon. We are to find in the next few weeks whether the labor bosses are writing legislation or whether it is written here in the Congress. That is one of the issues; that is the big issue of today—who is to write this labor legislation? Will it be Hoffa, Reuther, John L. Lewis? Or will the people, through their Representatives, write it.

Now I will get back to Lewis. Surely, he has been good for the coal industry workers at the expense of all the rest of us. And when he testified over there he said we did not need any legislation. That gives you a fair idea of his thinking. Violence, beatings, murders, destruction of property—but no Federal legislation needed. That is Lewis.

Now about Meany, what did he say? I said to him, "Don't you think we should have legislation which will prohibit strikes in public utilities?" We have it in Michigan. It has been affirmed by the U.S. Supreme Court. It is legal, it is good. It has proved to be good up there. I said to Meany, again on the witness stand, "Do you favor it?" And he said, "Yes." Why can we not get it? I have had a bill in for the Lord knows how long, but I cannot get any action on it. On what? On legislation which prohibits strikes in connection with public utilities. You know what that means.

Let me tell you about what Hoffa is putting out. We have one or two good Republicans in Michigan yet. Hoffa got this put out and sent to his members, the Teamsters Union, and a couple sent it on to me. The Teamsters sent a postal card with the address on it and with the other side left blank for the message to be written on in pen or pencil. A couple hundred of the cards came in over Saturday and Sunday. Mailed from where? Some of them from the local communities, some from Detroit. I do not know how the voters of the Fourth District got down to Detroit to mail those cards. But what does Hoffa say?

SUGGESTIONS THAT MAY BE USED FOR A MESSAGE TO YOUR CONGRESSMAN

(Use any one of the following or write in your own words so long as you get across the idea that you are opposed to one of the four (4) issues listed in the letter because of what they will do to you.)

Dear Sir—Dear Congressman—Mr. Congressman—or any other salutation, or none.

I am opposed to being made a strike breaker by law. Vote against so-called hot cargo ban.

(NOTE.—Sign your name and address.)

Secondary boycotts as such means I can't support other workers who have trouble with their boss. Vote no against such a labor bill.

(NOTE.—Sign your name and address.)

According to the newspapers Congress is about to ban hot cargo protection in my union contract. Vote against this as I do not want my personal rights or beliefs taken away by any such law.

(NOTE.—Sign your name and address.)

Vote no against so-called hot cargo, secondary boycott, or organizational picketing bans. These will break labor's back. I understood you were a friend of labor. I hope I am not wrong.

(NOTE.—Sign your name and address.)

FOR VETERANS TO USE IF THEY DESIRE

I fought in a war to preserve our individual rights and prerogatives—why take them away from us because we belong to a union by making it illegal for my union to protect and back me up for refusing to handle goods through a picket line.

(NOTE.—Sign your name and address.)

We just got through defeating some dictators in Europe, why set up a labor czar with unlimited power to break up unions under the disguise of needed labor reform legislation. Urge you to oppose such provisions in any labor bill. The Kennedy-Ervin bill and other like proposals are designed to destroy labor unions. Sincerely hope you do not aid and abet that type of thinking.

(NOTE.—Sign your name and address.)

Workers whose boss refuses to recognize their union should not be deprived by law of being able to advertise by picketing such facts. Bans against organizational picketing will have the effect of stopping the growth of unions. Hope you will oppose any such provisions in the contemplated labor bill.

(NOTE.—Sign your name and address.)

I urge you to vote against antilabor and anti-Teamster legislation as is being proposed in Congress according to the newspapers. My labor representatives have stated my position. Hope you will go along with us. Time will tell.

(NOTE.—Sign your name and address.)

(Be sure the member signs his name and address to his post card.)

I am not going to vote for any bill that does not carry the three provisions. What is the use? All three are necessary.

I had the privilege of getting in on the tail end of Bob Kennedy's appearance yesterday. He did a good job, a wonderfully fine job. So far as I heard, he did not say a word about the Kennedy bill. And he did not say anything about Reuther. It was all Hoffa. I do not know why they just confine so much of it to Hoffa, unless it is in view of the fact that he is going to put up $9 million to convert those who oppose him?

There are some like my good friend from Texas, who is all for the farmer, if it is tobacco and rice or cotton. Hoffa is all for the teamsters, if they belong to his union, and he does not care a tinker's darn about the rest of our people.

Next week we are to find out, on both sides of the aisle, who is bossing whom. That is what we are going to do in the next few weeks. Where will each of us stand? How will we vote? The RECORD will show if I have my way.

And if Bob Kennedy will stay on TV, somebody must get me a couple more secretaries to answer the letters that I will be getting. And if he stays on and talks, as he talked yesterday, we will have, the people will have, labor legislation that is worthwhile.

I do not know whether that will suit the Humphrey supporters or the Stevenson boys or the Johnson people —or any of the many candidates. I do not know about that, but I do know, I am sure, certainly, it will not suit—well, yes, we are all for it; are we not—not for the Kennedy bill but for good legislation—at least by our words. It will certainly give us what the people want—fair, decent legislation which will protect not only the workers but the public at large.

I thank the gentlemen for giving me the time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I have been interested today sitting here listening to several speeches about labor. I thought maybe we might balance up the record a little bit. We have heard something about people being killed as

a result of labor leaders and labor organizations and so forth. I thought we might talk for a few minutes about some of the people who have been killed by management. In the first place, I remember when I started to work as a young lad of 14 I worked 10 or 12 hours a day for 10 cents an hour. I worked 6 days a week and I worked without any kind of sick benefits or any hospitalization benefits, without any vacations and without decent working conditions. I worked in the sweatshops, in the textile sweatshops, in several States. This was long before the days of organized labor and before collective bargaining was recognized as being the right of a human being. This was when labor was sold on the market as a commodity without any kind of protection.

Mr. HOFFMAN of Michigan. Pardon me, Mr. Chairman, will the gentleman yield for one question.

Mr. HOLIFIELD. I decline to yield. The gentleman had 10 minutes and I have only 5 minutes.

Mr. HOFFMAN of Michigan. But this interests me. Will the gentleman yield for just one question?

Mr. HOLIFIELD. I decline to yield. I have heard the gentleman many, many hours and listened to him speaking for many hours and I have never interrupted him. I hope he will just sit down and listen to just a few pearls of wisdom from his friend and fellow member on the Committee on Government Operations.

Mr. HOFFMAN of Michigan. I would if they were available.

Mr. HOLIFIELD. Thank you, sir—as to whether they are available or not, we will let the audience estimate their value.

Mr. Chairman, I can remember back when workingmen who tried to strike against the conditions I just mentioned were shot down in cold blood. I will give you the name of some of the great strikes that have occurred in history where human beings were shot down by machineguns and beaten to death with blunt instruments and all sorts of weapons. If I fail to remember some of them, I hope my friend the gentleman from California [Mr. COHELAN], who has had experience in the trade-union movement, will prompt my memory.

I can look back at the Ludlow Massacre in Colorado where in the iron mine strike in Ludlow, Colo., several men, women, and children were shot down by the company-hired strikebreakers, the National Guard, and the Pinkerton Agency, an agency which has been completely eliminated now as a strikebreaking entity. You do not hire a strikebreaker today like you did in the old days to commit violence on the workers.

There was the Haymarket strike in Pennsylvania where a number of men were shot down by the employers and their hired gunmen and goons.

There was the great Pullman strike in 1894.

Will my friend prompt me? Can he think of any other famous strikes in history where many people were killed?

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to my colleague.

Mr. COHELAN. I would remind the gentleman there were some very, very great organizational activities in the period of the thirties just following the passage of the Wagner Act and during the time of the great Franklin Delano Roosevelt. In that great period, which has been characterized by some historians as the period of relief, recovery, and reform, we first had some labor legislation which created a political environment which permitted trade unions to function effectively in this country. It was only a short 10 years later the Taft-Hartley Act was passed. But, I would remind the gentleman in this Committee that in that period from 1932 to 1940, there was an intense organizational activity in this country. There was a very dreadful struggle between labor and management, and it was not a happy chapter in the history of this country. Scholars are in agreement that the history of labor-management relations in the United States is one of the most violent in the history of labor movements in the world. This period was no exception.

Mr. HOLIFIELD. Is it not true that many, many men lost their lives on the picket lines while they were striking to better their working conditions, as a result of actions of the employers and their hired goons?

Mr. COHELAN. I would call attention to the events in the Ford strike in the late thirties. Mr. Ford's security organization is recalled. I would also call attention to the little steel strike in the thirties. The record, may I say to my distinguished colleague, the gentleman from California, is replete with evidence of violence on the part of management. May I say while I have the opportunity, any violence on the part of organized labor is to be deplored. What we seek as Members of this great body on the eve of our consideration of so-called labor reform legislation is to adopt fair legislation which will eliminate so far as possible the crooks and racketeers from the labor movement. It is to be hoped that this great opportunity to improve and to help one of our great social institutions will not become a punitive expedition by the implacable enemies of the labor movement and free collective bargaining. Certainly it is to be hoped that as we approach this time when we are to consider a very important piece of legislation in the field of labor-management relations we can do so calmly.

Mr. HOLIFIELD. I thank the gentleman for his contribution. I just thought that the RECORD should show the other side of the picture, that it is not a one-sided picture.

Mr. Chairman, in this extension of my remarks I wish to correct a mistake in location of the Haymarket strike. I had in mind the Homestead Steel strike in Pennsylvania and inadvertently located the Haymarket strike which occurred in Illinois as occurring in the State of Pennsylvania.

Mr. Chairman, I certainly do not condone violence, mayhem, or murder on the part of either labor or management. I only speak at this time on the behalf of balancing the record. There is an old adage that says "the pot should not call the kettle black" and our industrial history will show that black crimes of violence have been committed by both management and labor. I believe the record will also show that there have been fewer crimes of violence committed since the passage of the Wagner Act in 1935–37 than occurred in the dark decades of violence when labor was denied the right to strike, picket, and bargain collectively.

Mr. McDONOUGH. Mr. Chairman, I have no further requests for them.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title IV of the National Housing Act, as amended (12 U.S.C., sec. 1724 et seq.), is amended by adding at the end thereof the following new section:

"REGULATION OF HOLDING COMPANIES

"SEC. 408. (a)(1) As used in this section, the term 'company' means any corporation, business trust, association, or similar organization, but does not include the Federal Savings and Loan Insurance Corporation, any partnership, or any company the majority of the shares of which is owned by the United States or by any State.

"(2) As used in this section (except when used in subsection (f)), the term 'stock' means nonwithdrawable stock, underlying ownership stock other than mutual shares in a mutual institution, permanent stock, guaranty stock, or stock of a similar nature (as defined by the Federal Home Loan Bank Board by regulation) by whatever name called.

"(3) For the purposes of this section, a company shall be considered as having control of an institution or other organization if such company owns, controls, or holds with power to vote more than 10 per centum of the stock of such institution or other organization, or if the Federal Home Loan Bank Board determines, after reasonable notice and opportunity for hearing, that such company directly or indirectly exercises a controlling influence over the management and policies of such institution or other organization.

"(b)(1) The Corporation shall reject any application made for insurance under this title on or after the date of the enactment of this section if it finds that the applicant is controlled by any company which also controls any insured institution or any other applicant for insurance.

"(2) If an application of any institution for insurance under this title is approved on or after the date of the enactment of this section, and the Federal Home Loan Bank Board subsequently determines, after reasonable notice and opportunity for hearing, that at the time of such approval such institution was controlled by a company which also controlled another insured institution (or another applicant for insurance if the application of such other applicant was approved), the Board shall either—

"(A) terminate the insured status of such institution; or

"(B) require such company, in the manner provided in subsection (e) of this section, to dispose of so much of the stock of such institution, or take such other action, or both, as may be necessary to divest itself of its control of such institution.

If the insured status of an institution is terminated under subparagraph (A), the provisions of section 407 relating to continuation of insurance of accounts, examination by the Corporation during the period of such continuation, final insurance premium, and notice to insured members shall be applicable as though the termination had been ordered under such section 407.

"(c) It shall be unlawful for any company on or after the date of the enactment of this section—

"(1) to acquire the control of more than one insured institution; or

"(2) to acquire the control of an insured institution when it holds the control of any other insured institution.

"(d) Any company may, without regard to subsection (c), acquire stock pursuant to a pledge or hypothecation to secure a loan or in connection with the liquidation of a loan, but it shall be unlawful for any such company to retain for more than one year any control the acquisition of which by such company would, except for this subsection, have been unlawful under subsection (c).

"(e) If, in the opinion of the Federal Home Loan Bank Board, any company holds control of an institution and such control was acquired in violation of subsection (c) or retained in violation of subsection (d), it shall give such company notice that if it does not divest itself of such control within thirty days an action will be brought to force the divestiture thereof. Notice given to such institution shall constitute notice to such company for purposes of the preceding sentence. If such company does not dispose of so much of the stock of such institution, or take such other action, or both, as may be necessary to divest itself of such control within thirty days after the receipt of such notice, the Board shall, without regard to any statute of limitation, institute in the United States district court for the district in which the principal office of such institution is located, and prosecute to final satisfaction, an action to require divestiture of such control. Process in any such action may be served in any district in which such company transacts business or wherever it may be found. The United States district courts shall have jurisdiction of all actions brought under this subsection and, in view of the fact that the questions involved are of general public importance, shall hear and determine such actions with all reasonable promptness. Any such action shall be brought by the Federal Home Loan Bank Board in its own name and may, in the discretion of the Board, be prosecuted through its own attorneys. All expenses of the Board under this subsection shall be considered as nonadministrative expenses.

"(f) It shall be unlawful, on or after the date of the enactment of this section, for any insured institution which is controlled by a company—

"(1) to invest any of its funds in the stock, bonds, debentures, or other obligations of such company or of any other organization controlled by such company;

"(2) to accept the stock, bonds, debentures, or other obligations of such company, or of any other organization controlled by such company, as collateral security for advances made to such company or organization or to any other person; except that such institution may accept, and hold for a period of not exceeding two years, such stock, bonds, debentures, or other obligations as security for debts contracted prior to the acquisition of such control;

"(3) to purchase securities or other assets or obligations under repurchase agreement from such company or from any other organization controlled by such company; and

"(4) to make any loan, discount, or extension of credit to such company or to any other organization controlled by such company.

Except as otherwise provided by regulation by the Federal Home Loan Bank Board, a non-interest-bearing deposit with a bank, to the credit of an insured institution, shall not be deemed to be a loan, discount, or extension of credit to such bank for purposes of this subsection. As used in this subsection, the term 'organization' means a corporation, business trust, association, partnership, or similar organization."

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, just as I was trying to say sometime earlier today, you can fuss around and fool around with this banking legislation and your Home Loan Bank or whatever you call it, and all these lending businesses, but what good does it do you if we are to have the country operated by some of these—and there are only a few of them, a handful or more—crooked union labor leaders?

I put in a privileged resolution asking for information from the Labor Department. I wanted to know the amount of money paid in by the unions through dues and assessments. Under the rules they are supposed to answer such a resolution within 7 days, but they waited 42 days and then they said it would cost too much. I wanted to get the information because amounts paid to unions by the members are tax exempt. I do not know any reason why when you can get $9 million in political contributions to elect Congressmen, with some sort of a disclosure as to how it was spent, there should not be an accounting for $9 million.

These pearls of wisdom that my very beloved friend the gentleman from California [Mr. HOLIFIELD] was giving us—and I sure admire him and recognize his ability and his desire to serve; he has a long and worthwhile record of service here—but those pearls of wisdom that he was putting out to us and to which he said I should listen and which I suggested to him he might take another look were nothing but costume jewelry bought in some 10-cent store.

As for this episode over in Illinois or in Chicago—the gentleman shakes his head. Well, maybe I am wrong; it would not be the first time I had been wrong. Maybe it has something to do with the Whisky Rebellion, but I do not think so. He said the Haymarket strike was in Pennsylvania. I tried to tell him it was in Chicago, but he would not yield. He might have been referring to the Homestead strike which was in Pennsylvania.

Now, he talks about violence on the part of the employers, saying that the employers are always to blame for it; sure, the employer is always to blame. So the union goons are caught in a violation.

I do not say that they, the employers are guiltless; they used to meet violence with violence. If I understand the gentleman from the other body, who is the head of this committee, Senator MCCLELLAN, if I understand him correctly he said some few weeks ago that if we go on and do not get a remedy we will have lynch law in this country. Violence will be met by violence.

All this violence the gentleman from California [Mr. HOLIFIELD] talks about; where did it happen? On company property. This strike in the Kohler plant in Wisconsin where there was much violence, where did those men come from who did the beating? They came, most of them, from Michigan—Detroit, and surrounding areas. Mazpy and Gunaca certainly came from Michigan. After all Gunaca did in that Kohler strike, he got back to Michigan and Governor Williams protected him for 4 years. Then he finally was taken back to Wisconsin and what happened? He walked into court and pleaded guilty. The prosecuting attorney recommended probation or some slap on the wrist, but the judge gave him the jail term that he deserved.

Now, do not tell me that the employer is always to blame. He does not travel across the country looking for trouble. It comes to him willy-nilly. The goons deliver it. Sometimes he is, sometimes he is not at fault, but the violence by and large occurs on the property of the employer or on a public street, and it comes from fellows who have been brought in. I have seen some of it. I have witnessed what happened on the picket lines over at Monroe and other places in Michigan. But we will have this whole subject before us this next week or the week after, I hope. Let us get ahead with practical solutions to these problems.

The gentleman said he worked for $6 a week. Bless his dear heart, the first time I worked it was for $6 a week after I had gone through Northwestern University Law School. I wanted to get work, I wanted to get experience. I wanted to learn the law. And none of us on the small wages ever starved to death.

Nor did I ever lose my voice.

And here is something to think about overnight.

Mr. Chairman, to the question, "Who writes our laws?", the answer will come in the next few weeks when Congress passes upon labor legislation now pending which is designed to lessen misuse of union funds, extortion, union practices which deprive the individual worker of his civil rights and adversely affect the public welfare.

The pending worthwhile legislation is opposed by the labor bosses—Reuther, Hoffa, Meany, Lewis, and others.

At the moment, Hoffa and his Teamsters are publicly the most active. They have recently distributed to their members postal cards addressed to Congressmen and accompanied by a mimeographed page which suggests to union members four statements to be used to

pressurize their Congressmen and four additional statements to be used by union members who are veterans.

Evidently in reply hundreds of communications have been received demanding in one form or another that we vote for legislation which will permit unions and their members to refuse to transport or work on merchandise where at any point in its production or transportation there is a strike.

If the Teamsters demand that other employees be permitted to refuse to handle "hot cargoes" was granted, Clark Equipment Company, National Steel, Whirlpool, Malleable, Saranac, any one of the many companies giving employment to so many in Berrien County, could be shut down, closed tight as a drum, if some union anywhere in the country which supplied it with material had a strike, even though Berrien County employees had no grievance. Is it not absurd to grant power to throw union men out of work because somewhere, perhaps hundreds of miles away, there is a labor dispute? That is the hot-cargo issue. Employees must choose officials who are neither selfish nor subversive.

The union leaders insist that we vote for legislation which will permit a boycott. That is, approve any and all efforts to induce workers not to install or repair merchandise which is made or handled by people or organizations against whom there is a strike.

The most prominent recent illustration is that in the Kohler strike where people are urged not to buy Kohler products, workers requested not to install or repair Kohler products. That is the secondary boycott issue.

The union bosses, especially the corrupt ones, insist that they be permitted to force an employer to compel his employees to join a particular union, pay an initiation fee and monthly dues or if the employees refuse, to discharge them. In addition they insist that they be permitted to picket the premises, refuse to deliver necessary materials or merchandise, and boycott the business of any employer who refuses to comply with the demand that he discharge his employees if they refuse to join a certain union, even though no employee wants to join and no election has been held. This is the blackmail or organizational picketing issue.

The union letter which now comes to our desks demands that we ban all legislation which even tends to do away with any of these unjust, un-American practices.

By the use of any one of the above practices, a union could put any individual or business organization out of business.

If Congress refuses to enact the legislation the people demand and employers are forced out of business, will the Reuthers, the Hoffas, the Meanys, the John L. Lewises, give employees a better job?

The mere statement of what a few unions are now demanding provides the answer. My answer is as it always has been: That under no circumstances will I vote for any legislation the purpose of which is to lessen the opportunity for progress and prosperity and which would eventually lead to the destruction of our form of government—which to date, as demonstrated, has given the individual more of the good things he desires than that in any other part of the world.

I will wholeheartedly support any legislation which will protect the worker and benefit all of us.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7244) to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies, pursuant to House Resolution 323, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

INTER-AMERICAN DEVELOPMENT BANK

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7072) to provide for the participation of the United States in the Inter-American Development Bank.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7072, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill provides for participation of the United States in the Inter-American Development Bank. The Inter-American Development Bank is the result of long conferences between 20 of the South American Republics and the United States of America. The bill provides for the participation of all these nations in the formation of this bank.

Every republic in South America, Central America, and Mexico are participants. It has been a dream of those people for years that we might have such a financial institution. We have gone into business with these people.

In my opinion, it is more than a bank. I hope it will be an instrument that will stimulate international good will. Long ago we recognized the importance of hemispheric solidarity and the importance of the republics south of us to our national welfare.

Mr. Chairman, in 1823 the Monroe Doctrine was initiated by President Monroe which provided that this Nation should not be subject to future European colonization, or no nation should set up a government in this hemisphere that was inimical to our foundamental principles of freedom for the individual. That doctrine has been in effect ever since.

These nations have agreed to participate in this bank, and the quota of each one is set by the agreement. The United States agrees to invest $450 million in the bank and the other nations jointly agree to invest $550 million in the bank. Our quota is not to be paid immediately, and maybe a large part of it may never be paid. It provides for the payment in the next few years by the United States of $150 million, 20 percent of which or $30 million will be paid on the enactment of the act, and 40 percent will be paid before September 30, 1961, which will amount to $60 million, and $60 million will be paid on or before December 31, 1962. The rest of our quota will be held on call. It may not be necessary to pay it at all. The other nations pay their assessments in the same manner we do. They have to pay one-half of their quota in dollars or gold and, of course, they will pay in dollars the same proportion of their assessments that we have to pay.

The bank is modeled after the International Bank for Reconstruction and Development and is patterned largely in accordance with the Bretton-Woods Agreement. That bank has been in existence for 13 years, and it has done remarkably well. I think we can look with confidence that this bank, if it is managed properly and conservatively, will not only be a savings to the American people, who have to go to the rescue of some of our neighbors when they are in trouble, but I think it will grow in importance and will stimulate the good will between the nations.

The bill providing for this bank passed the Senate 89 to 3, and I am confident that it will pass the House as we have brought it before you, because it is the result of an agreement between the nations. If we make any great change in it or any substantial amendments, the whole work of our neighbors would be ineffectual and would void what we are doing here today.

The International Bank for Reconstruction and Development can do some of the things that we expect this bank to do. It can make some of the loans, but it has not done so. The Latin-American people feel that they have not been given the consideration that should have been given to them in the organizations we have heretofore formed. An expanding economy in South America is of importance to us. Its riches are unknown. It has a potentiality we cannot conceive of. It has produced many

things both in agriculture and in mining that we do not produce. Our export trade with them has grown steadily. Our imports have also grown. It would be to our advantage to see that they have a sound and an expanding economy and that they achieve the goals of better living conditions, gainful employment, and job opportunities.

South America has some classes that are very rich, but it has no middle class. It has a potential labor market that could be useful if employment could be found. The best way we can assist is to join with them in technical assistance and financial aid for the development of their resources. I think this would be of inestimable value to those people and in the long run our Government would not sustain a loss. The formation of this bank may very well inure to the benefit of our economy and to our future prosperity just as it would to theirs.

The trouble with some of the nations south of us is that they have few industries; they have little employment for their people many of whom live in the direst poverty. The poet said:

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates, and men decay.

The formation of this bank could have a psychological effect upon our neighbors that would be good.

H.R. 7072 is not a Republican bill. It is not a Democratic bill. The Bretton Woods Agreement was entered into during a Democratic administration. The International Bank for Reconstruction and Development and the International Monetary Fund were adopted under a Democratic administration. This administration has followed the course pursued in those bills and has agreed that this is the best way to meet the problems that present themselves. Honorable Robert B. Anderson, Secretary of the Treasury, has made a very able statement in favor of the bill, as have also Assistant Secretary of the Treasury Upton and Acting Secretary of State Dillon. Honorable Dean Acheson, who was a brilliant Secretary under a Democratic administration, gave a most excellent statement in behalf of the bill. I think you have an opportunity today to do a great service for your country by authorizing the President to accept membership in the bank, and you will be doing an equally great favor to our southern neighbors in ratifying the agreement that we have all entered into. I offer the bill to you with the hope that you will pass it without amendment.

The CHAIRMAN. The gentleman from Kentucky has consumed 18 minutes.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the ranking member of the subcommittee that handled this bill, the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, for years we, here in the Congress, have heard criticism of our foreign aid program and about forcing into the hands of other nations money that they did not want and forcing upon them programs which were not needed in those countries. It seems to me the formation of this Inter-American Development Bank is the beginning of an answer to a question that has been posed by inquiries along that line. Under the terms of this agreement, the 21 American Republics will become members of the Inter-American Development Bank, when they accept and ratify the agreement through legislative action. Let me emphasize this is not a back door approach. We go into this through the appropriations procedure. We all know what is going on.

I would like to call your attention to certain parts of the testimony before our committee because I believe it clearly highlights and brings to a focal point the purpose of this legislation and what is expected from it.

Secretary of the Treasury Anderson testified and said:

> The assumption by the Latin Americans of a major responsibility for management, both as lenders and as borrowers, should facilitate the harmonious economic development of all these countries.
>
> The total resources of the Bank will amount to $1 billion, of which $850 million will be the authorized capital stock for its ordinary operations, and $150 million will be the initial resources of the "Fund for Special Operations," which I will discuss presently.

Later in his statement, the Secretary further stated:

> The bill which the committee has under consideration contains 5 basic provisions:
>
> (1) It empowers the President to accept membership in the Inter-American Development Bank for the United States in accordance with the agreement.
>
> (2) It authorizes funds for paying our subscription.
>
> (3) It makes provision for the marketing of the Bank's securities in the United States.
>
> (4) The bill provides for giving the Bank the required immunities under American law and establishes the procedure for dealing with such legal disputes as might arise in courts in the United States.
>
> (5) Finally, it provides for coordination of the activities of the U.S. Governor and Executive Director of the Inter-American Bank by the National Advisory Council in the same way as is now provided by law for the U.S. representatives on the International Bank and the International Monetary Fund.

This should be pointed out. The bill authorizes an appropriation of $350 million to pay for our capital stock in the bank.

It also provides the authorization of $100 million without fiscal year limitation for payment of the U.S. subscription to the fund for special operations. On or after the date on which this Government accepts the agreement—and there is a time factor in this—but not later than September 30, 1960, the United States will be required to pay in $30 million to the bank's capital for ordinary operations and $50 million to the Fund.

An additional appropriation of $60 million will be required when called by the bank, but not before September 30, 1961, to make a second payment to the ordinary capital subscription. The third payment will not become due before September 30, 1962, when the third payment of $60 million to the paid-in capital is due.

The bank will not be able to call the second installment of our subscription until 90 percent of the total subscriptions of the membership are paid in. This insures all other nations making their payments. Ninety percent must be paid in before they can call for the second installment; and the United States has an obligation for 41 percent of the first installment; the others have an obligation for 59 percent.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Iowa.

Mr. GROSS. Did the gentleman say 90 or 19?

Mr. WIDNALL. Ninety.

Mr. VANIK. Mr. Chairman, at this point will the gentleman tell the Committee the budgetary impact of this bill?

Mr. WIDNALL. May I sum that up later?

Mr. VANIK. Yes; I will come back to it.

Mr. WIDNALL. Under Secretary Upton appearing before the committee was asked by me:

> Mr. WIDNALL. Secretary Upton, what protection would there be against devaluation of the currencies of the various member nations in Latin America? That question is called to mind by the headlines in the paper today about the Argentine crisis.
>
> Secretary UPTON. Yes, sir.
>
> Well, there is a maintenance of value clause which protects against the devaluation of the currency. This provides that in the case of a formal devaluation a change in the par value with the Monetary Fund, the country is required to put in additional currency to make up for that difference.
>
> It also provides that in the event of a significant depreciation of the currency, existing in the opinion of the Directors of the Bank, they may also call upon the country to make up the difference.
>
> The standard of value is the U.S. dollar, of the weight and fineness in effect on January 1, 1959.
>
> Mr. WIDNALL. The United States would not be called upon for an additional contribution as a result of the devaluation of currency?
>
> Secretary UPTON. No. Any country would stand on its own feet with respect to a devaluation of its own currency, and it alone would be called upon to make up the difference between that and its original capital value.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield.

Mr. GROSS. What is the penalty if they fail to conform to the agreement?

Mr. WIDNALL. I believe as a result of the action that undoubtedly would be taken by the other 20 countries they would not be able to participate in the fund.

Mr. GROSS. But that is purely discretionary; there is nothing in the bill to compel it.

Mr. WIDNALL. No. The control would lie in the countries participating.

I think it should be pointed out that in recent years one of our best customers has been Latin America. Last year we sent them $4 billion in exports compared to $4.5 billion in 1957. Some of that reduction in trade was occasioned by the fact that many of the countries

felt that other nations were more concerned with them as a country and as free operating entities.

The lending authority of the proposed Inter-American Development Bank would be $850 million devoted to long-term loans at going market interest rates repayable in U.S. currency. That was the testimony of Mr. Coughran, executive vice president of the Bank of America.

A very interesting witness before our committee and one who certainly had worlds of experience in connection with inter-American trade and world trade was the former Secretary of State Dean Acheson. I believe he pointed out rather clearly the purpose of this legislation. At page 55 of the committee hearings you will find his testimony. I read from it the following statement:

Here is the dilemma which confronts the underdeveloped countries of our time. Simultaneously they need guidance and resent it. Why, one may ask, can they not learn by experience? To such an inquiry, a friend once suggested that men learn not from experience but from fatigue. Be that as it may, there is, I fear neither the time nor the resources available for underdeveloped countries to learn, in a free system at least, from costly mistakes.

It is here, fortunately, that the new Bank can make its greatest contribution. It will be an institution contributed to and largely managed by the Latin American countries. So in an important way, when the Bank speaks with one of them, they will be speaking with one another; and yet the Bank will have a wealth of experience and knowledge available in the officials and technicians whom it may employ.

This provides an opportunity for furnishing of guidance and the insistence upon criteria and standards which under other circumstances could, and indeed have, caused resentment. And not only resentment, but suspicion, for here can enter the ogre of economic imperialism exploiting Latin American resources, bitter memories of which survive from the days of Spanish and Portuguese colonialism. But their own institution, controlled by and operated for the benefit of the Latin American countries, cannot be suspected of exploitation or imperialism.

Mr. Chairman, I think that should be emphasized because we have been suspected in our dealings with Latin American countries and with other countries of colonialism and imperialism in our policies, that we wanted them to bend down to our will. In this case they will have the participation necessary so that they can establish policies and they can establish the wisdom of loans. They also have a basic interest to see that it is run soundly.

Mr. Acheson further commented:

Too often in Latin America governments have attempted to push development forward by engaging their own credit and their own limited administrative personnel in investments in the private sector—in the construction and operation of hotels, industrial plants, extractive industries, and so forth. Some governments have committed vast sums to these endeavors, without realizing that as much more again will be needed to complete and maintain them. Some of these investments have been unwise and losing ventures; but all of them have withdrawn essential credit and personnel from the public sector, economic and social, without which the basis for a stable industrial society cannot exist.

It is certainly hoped that by the enactment of this bill it will be possible for the 21 countries involved to provide longtime development in the Americas, screened by the American countries, policies set by the countries participating so that we may make sound progress, sound economic progress, that will result in constructive work in those countries in years to come and a far better standard of living.

It will also take from us the responsibility of appropriating from year to year to try to help through mutual security and foreign aid programs any government, in the fields in which we have ventured in the past.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Ohio.

Mr. VANIK. At this point, will the gentleman tell the committee the budgetary impact of this proposal?

Mr. WIDNALL. All of the apropriations in connection with this bill must be passed on by the Congress through the Appropriations Committee. There would be a $350 million appropriation of which the United States would be required, no later than September 30, 1960, to pay in $30 million to the Bank's capital for ordinary operations and $50 million to the Fund. An additional appropriation of $60 million would be required when called by the Bank, but not before September 30, 1961. All of the payments after the first payment become due only if 90 percent of the contributions have been made by the other countries.

There is also a third payment. That would not become due before September 30, 1962, the $60 million to be paid-in capital. There is a payment of $30 million due no later than September 30, 1960.

Mr. VANIK. Will the gentleman please tell the committee about the contingent liability for the $100 million over and beyond the amount he has discussed?

Mr. WIDNALL. This is in what they call the soft currency loan field, a field where the loans would be made in soft currencies and repaid in soft currency. There would be a contingent liability, I believe, as far as the United States is concerned, to the extent of its participation.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. McDONOUGH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. I would like to know what effect this might have in aiding Castro to expropriate some land down in Cuba, sugar lands, which I am particularly interested in. Would it have any effect in aiding him to do that?

Mr. WIDNALL. I would say it possibly could have eventually, to the extent that Cuba would be one of the nations participating, if they made their capital contribution so that they could borrow through the bank, subject to the approval of the others who are on the Board of Governors.

Mr. MUMMA. Was there not an amendment added to the foreign aid bill barring him from participating in any foreign aid money?

Mr. WIDNALL. As I recall it, yes.

Mr. MUMMA. Could there be a similar one placed on this bill?

Mr. WIDNALL. There can be all kinds of amendments to this bill if they are offered and passed on by the House.

Mr. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Kansas.

Mr. GEORGE. Would this further reduce our gold supply?

Mr. WIDNALL. The basic contribution is payable in gold or dollars.

Mr. GEORGE. Who makes that decision?

Mr. WIDNALL. I think that is within the power of the country to decide upon its contribution. I do not believe it is callable in either one or the other, as I understood the basic law.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from Ohio.

Mr. VANIK. Is it the gentleman's understanding, where loans might be made under this act, it will be possible to pay off in case of exappropriation by any of the Latin American countries?

Mr. WIDNALL. Certainly it is not the intent of the legislation to do that.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. BARR].

Mr. BARR. Mr. Chairman, there are three economic currents flowing in the world today which pose certain problems for the United States. First, in Europe we see the creation of a common market made up of many of the industrial Western European nations who have joined together in an attempt to let the raw materials and the finished products of Western Europe flow freely from one nation to another, with no interruption caused by tariff barriers or import restrictions. The creation of this great European Common Market certainly constitutes a real threat to American industry, and it does mean that we are unquestionably faced with severe and serious competition in this area. In all fairness, however, we in this country should applaud the efforts of these nations to solve their industrial and commercial problems on the same basis that we solved them in this Nation—by the creation of a union of sovereign states between which commerce and trade can flow freely. This is just about exactly what we did when we formed our great Federal union of States back in 1788, and the nations of Western Europe are merely profiting by our example. The second economic current that is flowing through the world today is the growing competition of the Communist bloc. To

date this competition has not proved unbearable, but we would be foolish to ignore the potential danger to American industry and trade that may arise in the near future from this threat. An absolute dictatorship that needs pay no attention to the wishes or needs of its people can move with alarming and dangerous speed to undercut this Nation in many of our overseas markets.

The third economic current that is flowing through the world today involves a possibly temporary over-supply of many of the raw materials that our good friends in the Western Hemisphere are producing. A few weeks ago I was privileged to attend the Interparliamentary Conference between the Congress of the United States and the Canadian Parliament. At that time I was assigned to the Economic Subcommittee. Our discussions revolved around the problem of excess production by our good friends in Canada of wheat, oil, lead, zinc, nickel, and uranium. This problem of the oversupply of raw material and some food products is not confined to our friends on our nothern border, but also characterizes the economy of our friends to the south—the Latin American nations. Time after time in our discussions with the Canadian members of Parliament reference was made to the threatening competitive aspect of the European common market and the competition we can expect from the Communist bloc. None of us were empowered to make any agreements—we were there to talk. The talk constantly came back to the theory that to meet the competition of the common market in Europe, the competition of the Communist bloc, and at the same time to solve many of the problems in our hemisphere, the nations in the Western Hemishpere might possibly be driven into a common market of their own, stretching through both continents. None of us had a perfectly clear crystal ball; and none of us can forsee exactly what the future will bring, but the signs are clearly on the horizon which seem to indicate that the nations of the Western Hemisphere must seriously begin thinking about some methods of economic cooperation which will enable us to maintain our stature in a competitive world.

In my opinion the creation of this great Inter-American Bank furnishes the United States, and 21 Latin American nations who are forming it, with a tool that can be enormously valuable to all of us in the event that circumstances do drive us into a hemispheric common market. We already have a basic political organization in the Organization of American States. The Inter-American Bank is designed as the financial adjunct of the Organization of American States. It is designed as an institution which will enable this country to cooperate with our Latin-American neighbors in the solution of many of the financial problems that will be facing us. In this institution the United States and the charter nations will share their cash and their know-how in a joint effort to solve our hemispheric financial problems. I should like to add that the political organization—the Organization of American States, plus this Inter-American Bank, will provide a solid base, not only to help us solve our immediate financial and development problems, but will also prove invaluable in the event that we in the Western Hemisphere think it advisable to create our own common market to facilitate the free flow of raw materials and finished products between the nations of North and South America.

The creation of this Inter-American Bank has another aspect that is more difficult to assess properly. The United States has a great reservoir of financial and industrial know-how. The same thing is true in greater or lesser degree of many of our Latin-American neighbors. The creation of this Inter-American Bank will make it possible for us in the United States and our Latin-American neighbors to share, not only our cash, but our knowledge. Too often in the past it has proved difficult for the United States to deal directly and on a unilateral basis with our good friends in the South. Sometimes when we have attempted to help with advice and with cash, there is a temptation for our neighbors to think that our motives are suspect—to wonder just what sort of a deal we have under the table. On the other hand often our advice has proved faulty, and the purposes for which we have used our cash have been unwise. Our fault in this latter phase has been that all too often we have simply lacked the information and background that we need. But through the Inter-American Bank we have an opportunity to counsel and to advise in cooperation with the other directors representing the charter nations. We will not be forced into the uncomfortable position of dealing as one nation with another—we will have the vast benefits of dealing with an organization in which all of us are cooperating—in which all of these Latin-American nations are lenders as well as borrowers. This should clear up any doubt as to our motives. It will also give us the opportunity to share the knowledge of the area which the Latin-American directors will bring to the organization.

It seems to me that it is imperative that we in this Congress recognize the close ties that this Nation has in the Western Hemisphere. It is imperative that we recognize that these ties impose a certain financial obligation—a necessity to cooperate in the development of our joint economic destinies. It is my honest opinion that the best vehicle we can find to accomplish these objectives would be through the proposed Inter-American Bank. I urgently request your favorable consideration.

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, with the present bill we are confronted with an opportunity to permit our actions to speak louder than our words and, in doing so, to give substance to the years of verbal assurances of inter-American friendship and of repeated pledges of hemispheric cooperation.

Throughout our history we have recognized, at least in theory, the special geographical and political relationships and mutual interests that have tied us closely to our 20 American Republic neighbors. Too often, however, our deeds have not measured up to our words. We have sometimes overlooked the needs and problems of our southern friends in our necessary preoccupation with crises in Europe and Asia. And we have often presumed too freely on the friendship and loyalty of our fellow countries without always recognizing that the obligations of friendship are mutual.

The Inter-American Development Bank, however, is an opportunity to join in an endeavor that holds great promise for the future development of Latin America. This is truly a mutual undertaking. It is genuinely cooperative. And for these reasons the Bank seems designed to avoid many of the dangers and misunderstandings arising from a benefactor-beneficiary relationship.

This is not a giveaway program or even a mutual assistance project. It represents the adaptation of a tested and proven instrument of international financial cooperation to the particular needs of the Latin American nations. The United States will be only one of 21 contributors, although a major one. And the United States will be one of 21 countries making the business decisions, determining priorities and authorizing the allocations from the Bank's resources.

These needs, Mr. Chairman, are great. Despite the immense natural resources of Central and South America, to a great degree they have remained undeveloped and have not contributed to the economic stability of the countries or the individual well-being of a majority of their peoples. This fact explains, at least in part, the political turmoil that periodically engulfs many of these nations—which we witnessed, for instance, during the Vice President's recent trip—a turmoil complicated by growing populations and extensive poverty.

Latin America needs help, not only assistance from outside but the means for cooperating among themselves toward the harmonious development of each of their economies. This assistance cannot be imposed; it must be encouraged. Our Latin neighbors are too proud, too fearful of losing their hard-won independence to risk it for help which comes only at a high price in terms of political independence.

The Inter-American Development Bank will help provide the means for development, for mutual self-help, and in a way in which the 20 Republics will be encouraged to work together with no fear of infringement upon their sovereignty. It will also provide a way for outside expert assistance to be used to the best advantage—to be made available within the context of an organization subject to their own control.

The capital of the Inter-American Development Bank will be relatively modest

at the beginning. It is intended to give the Bank an opportunity to see how usefully and effectively it can be operated. Its funds will supplement, not replace, those available from other public and private lending institutions. The Bank will not only make loans for individual projects, but will assist countries in formulating overall development programs and in engineering and organizing specific projects. Its technical assistance will help countries obtain capital from other sources, as well as from the Inter-American Bank.

Perhaps most important, Mr. Chairman, the Bank creates a new opportunity for experience in self-development, for training in the responsible management of one's own affairs in harmony with others in the same position.

These are prerequisites for the healthy development not only of economies but of free and responsible self-government.

As a member of the subcommittee, I was greatly impressed at the wide support this bill received from all the interested groups. I hope the House will provide its seal of approval to this immensely worthwhile endeavor.

Mr. McDONOUGH. Mr. Chairman, in my opinion, the pertinent protections and authorizations that Congress has provided for in this bill are in section 5.

Section 5 is as follows:

SEC. 5. The following actions relating to the Bank are prohibited except with the authorization of Congress:

1. Any increase in the subscription of the United States to the Bank.

2. Any change in the quota of the United States in the Fund for Special Operations.

3. Acceptance of any amendment to the Bank agreement.

4. Approval of any increase in the capital stock of the Bank.

5. Any loan by the United States to the Bank, except by an agency authorized by law to make loans to international agencies.

None of these things can be done without the authorization of the Congress.

In other words, the bill provides for every precaution against delegating authority by the Congress to any agency because these vital moves that might be made or changes that may be proposed cannot be done without the authorization of the Congress.

Mr. Chairman, I have no further requests for time, and I urge the passage of the bill.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, the discussion on the bill, H.R. 7202, has been clear and has been very helpful. I consider that this is an important piece of legislation and I believe the House should vote favorably on this measure. I congratulate the committee for bringing this bill to the floor.

I have on several previous occasions argued for the creation of such a facility. There has long been a demand for an Inter-American Bank designed to promote trade and improve the economic stability of the nations of the Western Hemisphere.

It is not generally known, but there is little trade between the Latin American countries. They do not buy and sell in quantity to each other. It is logical to suppose that the existence of a hemisphere bank would encourage more commerce between the nations of the hemisphere. It could lead to greater trust and confidence in each other and the United States. Such an institution could help to overcome the feeling among Latin American nations that the United States tries to dominate them, if not for selfish reasons, then at least by the exercise of overcautious paternalism. It could strengthen the feeling of dignity and equality and help to direct nationalism into constructive channels. It should show clearly the good motives of the United States in lending a friendly hand to establish and support an institution which if properly managed can be of real assistance in developing material and human resources in Central and South America. Such a bank could even be the first step in hastening the processes of economic integration which already is being talked about and which may become of real importance in the future. Presumably, the institution would be more sensitive than present facilities to special needs such as housing, education, and health, which are so necessary for well-balanced development.

A part of the reluctance which has been shown by this country in aiding the creation of a hemisphere bank undoubtedly is due to the fact that already we are a major participant in a number of international banking institutions and the fear that the creation of an institution peculiar to this hemisphere would lead to requests for similar institutions for other specific regions of the world. I submit that we have a particular interest in this hemisphere and its people. They are our closest neighbors and our stanch friends. This hemisphere can be very largely self-sustaining once it is properly developed. The prosperity of the Western Hemisphere means continued prosperity for the United States. We have direct and compelling reasons to stand by and strengthen our neighbors in the Western Hemisphere. The establishment of an Inter-American Bank is sufficiently important for the project to stand on its own feet. It is justified, in my opinion, without regard to our participation in other banks and could not be held to create a precedent for similar participation in other area banks. I consider it a long-overdue step.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I rise to voice my strong support for the bill under discussion to authorize the participation of the United States in the Inter-American Development Bank. Believing that this proposal represents one particularly significant and worthwhile step in the direction of an effective assistance program for Latin America, I was happy to cosponsor this bill and urge the Members of the House to grant it their full support.

As a member of the Inter-American Affairs Subcommittee of the House Foreign Affairs Committee, I was privileged to participate in a study undertaken by that group into the relations of the United States with Latin America. We found, as have all other studies on this subject, that perhaps the biggest, single facet of Latin American problems lies in their economic ills. One of the major causes of this is traced to the numerical limitation of exportable products most of these countries have; several of them can fairly be called one-crop economies. For example, Chile is dependent on mineral exports for 65 percent of her foreign exchange; Brazil depends 60 percent on coffee; El Salvador and Colombia depend 80 percent on coffee. When, as we have experienced in the past several years, world market prices decline substantially, the blow to the economy of these countries is devastating. This, combined with the steadily increasing prices on their imports, cause economic and then political and social repercussions in these countries that rock the very foundations of their existence.

Latin America then is in the midst of an epochal revolution in its political, social, and economic life. Recent events in Argentina, Colombia, Venezuela, and Cuba attest to the determination of the Latin American people to achieve liberation from oppression, to demand visible improvement in their living conditions. Economic reform, a greater diversity in their commercial and agricultural production, development of the many natural resources of these countries—these things are badly needed if this area is to achieve the governmental and economic stability and security they need and are demanding. President Frondizi, of Argentina, and President Allessandri, of Chile, are making strenuous efforts at economic stabilization. Bolivia, another nation hard pressed for economic reform, is now negotiating with the International Monetary Fund regarding its stabilization program. Colombia has undertaken through the Export-Import Bank, the International Monetary Fund and through its own austerity program, to overcome the budgetary and industrialization crises brought about by the 1957 drop in coffee prices.

There is no single approach to the solution of the economic problems of the Latin American countries; the Export-Import Bank, the International Monetary Fund, the Agricultural Trade Development and Assistance Act and other international monetary organizations all are worthwhile programs which have served admirably to assist and develop the economy and industrialization in the American Republics. Recognizing the need for other avenues of assistance and cooperation, studies were undertaken in 1957 and a recommended agreement for the establishment of the Inter-American Development Bank was signed by the representatives of the 21 American Republics in April of this year.

The bill under consideration would allow U.S. participation in this Bank and authorize an appropriation of $450 million which represents the full amount of the U.S. subscription.

The Inter-American Development Bank is designed to expand the economic growth of Latin America. It will make loans for projects in these countries to supplement other sources of credit. It will assist them in formulating development programs and in engineering and organizing projects. Its technical assistance will help these countries obtain capital from other sources including the private capital market which already has direct investments in Latin America amounting to over $9 billion, more than in any other region in the world.

This program is designed to enlist the full cooperation of all the Latin American countries in a joint enterprise with the United States. All participating countries will share a part of the cost and the responsibility for managing the institution successfully.

Enactment of this legislation will satisfy a longstanding desire of the Latin American Republics for an inter-American lending institution specifically created to handle the specialized economic needs of their areas. It will supplement other worthwhile programs and help these countries to help themselves both through their subscriptions to the Bank and through their assumption of a major responsibility for management in determining priorities and authorizing loans.

I heartily support this legislation, Mr. Chairman, and hope it will receive the unanimous vote of the House.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I have asked for this time in order to ask some pointed questions. In view of the fact that this is going to cost the Treasury approximately $50 million a year for the next 3 years, and in view of the fact that we are having difficulty now in balancing our budget, I would like to ask the gentleman, either the chairman of the committee or the ranking Republican member of the committee, if we have White House clearance on this legislation?

I will direct my question to the ranking Republican member, the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. I am informed that the contribution we must make the first year is provided in the budget for this fiscal year. There is no excessive amount that we are obligated to contribute which would unbalance the budget.

Mr. BAILEY. However, it is $50 million.

Mr. MCDONOUGH. No; the amount we are required to contribute for the first year in the formation of this bank is provided for in the present budget.

Mr. BAILEY. That still does not answer the question completely. The gentleman did not tell me whether you have clearance for the entire program. You are talking about this current year.

Mr. MCDONOUGH. Of course, I cannot answer the question the gentleman poses as to subsequent fiscal years because we have not arrived at that point yet and we do not know what the situation may be.

Mr. BAILEY. Then I would like to ask the gentleman if my coal industry in West Virginia which is shut down now wants a loan to get going again, can it apply to this Inter-American Bank?

Mr. MCDONOUGH. If it moved to South America it could.

Mr. BAILEY. It would not be privileged to apply to this Inter-American Bank for a loan to get on its feet to start operations in West Virginia?

Mr. MCDONOUGH. Not under the terms of the bill.

Mr. BAILEY. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Inter-American Development Bank Act".

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the Inter-American Development Bank (hereinafter referred to as the "Bank"), provided for by the agreement establishing the Bank (hereinafter referred to as the "agreement") deposited in the archives of the Organization of American States.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Indiana a few moments ago in his remarks said that this is another opportunity for us to share our cash with the foreigners, and he is 100 percent correct: This is the latest sharing of the poor old American taxpayer.

A question I would like to have answered is why existing agencies such as the International Monetary Fund, the World Bank, the Export-Import Bank, or the International Bank for Reconstruction and Development cannot make these loans? Can somebody inform me as to why a brand new setup has to be created?

Surely that question was asked when you held hearings on the bill; you must have asked why some of the existing international lending agencies could not handle this situation. I am surprised that that question was not asked.

Mr. SPENCE. Is the gentleman asking me the question?

Mr. GROSS. Yes; I would like to have anybody answer the question.

Mr. SPENCE. The International Bank for Reconstruction and Development probably could, but this is a recognition of the need of the Latin American countries.

Mr. GROSS. A recognition of what?

Mr. SPENCE. They are willing to contribute their part. If we want to give them help we ought at least to consider the people who are willing to come in and make a common undertaking of it and contribute some of their own funds.

Mr. GROSS. Let me ask if these Latin American countries cannot contribute to some of the existing international lending agencies and obtain loans?

Mr. SPENCE. I have given the gentleman the answer.

Mr. MCDONOUGH. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Certainly.

Mr. MCDONOUGH. I am sure the gentleman knows that the Export-Import Bank is a completely owned U.S. Bank.

Mr. GROSS. But the World Bank is not; let us take the World Bank.

Mr. MCDONOUGH. There is coordination between the World Bank and this Bank. I do not know for certain that all of the countries who are subscribers to this Bank are members of the World Bank.

Mr. GROSS. Is there anything to preclude South American countries from becoming members of the World Bank?

Mr. MCDONOUGH. I cannot answer that now but I do know that 21 of the Latin American countries are subscribers to this plan, and this is an opportunity on the part of the United States to coordinate our efforts in the Latin American countries.

Mr. GROSS. I heard about that a while ago, and my question is still unanswered.

Mr. MCDONOUGH. Not by giveaway, but by loans.

Mr. GROSS. I heard all about that a little while ago. What I am trying to find out is why these South American governments cannot become members of the World Bank and why these loans cannot be provided through agencies already established. The silence I get indicates there is no reason why they cannot. Here you are setting up a brand new organization. The bill reads: "The President shall appoint a Governor of the Bank and an alternate for the Governor, and an Executive Director of the Bank." Who is going to pay them? Can somebody tell me? There is no indication in the bill.

Mr. MCDONOUGH. I understand a certain amount of the capital will be set aside for administrative purposes.

Mr. GROSS. They are going to be paid, are they not?

Mr. MCDONOUGH. They are going to be paid.

Mr. GROSS. They are going to be paid salaries.

Mr. MCDONOUGH. Yes.

Mr. GROSS. They are going to be paid good salaries.

Mr. MCDONOUGH. I suppose so.

Mr. GROSS. It would be a duplication. We already have administrative officials of the World Bank, do we not?

Mr. MCDONOUGH. There is a difference between the World Bank and this Inter-American Bank in this respect: The World Bank is participated in by

some 53 nations and there are loans that may be asked for by nations in other parts of the world. In this institution the United States is attempting to coordinate its economic activities with the South American countries, and there is no competition with any other services.

Mr. GROSS. There is nothing to keep the South American countries from joining this other world financial setup, is there?

Mr. McDONOUGH. No.

Mr. GROSS. Absolutely not, and they may be in competition with any other country in any other part of the world.

What is the salary of these officers going to be? Who is going to pay them? Can somebody tell me something?

Mr. BARR. The salaries of the officers will be paid from earnings of the Bank, not by the taxpayers.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 5 additional minutes.)

Mr. GROSS. But is it not more than a little strange that we go into the financing of an operation such as this on any basis and nobody knows what the salaries of the officials are going to be, or other expenses?

Mr. BARR. We are sharing this burden with 20 other nations. We are only paying 41 percent of the cost.

Mr. GROSS. Can somebody tell me what we are going to spend under this bill?

Mr. BARR. We have a 40 percent vote.

Mr. GROSS. We have a 40 percent vote, the gentleman says.

Mr. BARR. Yes; 41 percent.

Mr. GROSS. And we have a contingent liability up to $450 million?

Mr. BARR. That is correct.

Mr. GROSS. That is not exactly alfalfa, even in this day of depreciated dollars.

Mr. BARR. No; it is not.

Mr. GROSS. This is again the back door approach to the U.S. Treasury, is it not?

Mr. BARR. No. This goes to the Appropriations Committee, and it must be approved by that committee. The authorization must be approved by the Appropriations Committee.

Mr. GROSS. What does this language mean: "There is hereby authorized to be appropriated without fiscal year limitation"?

Mr. BARR. By the Appropriations Committee.

Mr. GROSS. And the Appropriations Committee can turn this down if it wants to, is that correct?

Mr. BARR. That is correct.

Mr. GROSS. Let us hope they do. I find this langauge:

> The Bank is not designated to replace or be a substitute for existing sources of capital.

What is meant by that?

Mr. BARR. I think the language is self-explanatory. As the gentleman pointed out very succinctly, they are further organizing by creating this bank, when we have the World Bank and the International Monetary Fund, but the World Bank and the International Monetary Fund have become so deeply involved in Africa, in Asia, and in many other parts of the world that the South American countries feel they are not getting a fair deal from the United States. I am from the Midwest, as is the gentleman, and I realize these giveaway programs are not very popular, but I happen to think, however, that we have a financial responsibility and this is the way I would like to live up to it.

Mr. GROSS. We have a financial responsibility to our own taxpapers, too, do we not?

Mr. BARR. Yes.

Mr. GROSS. This is going to be a further drain on the gold reserves of this country?

Mr. BARR. It could possibly be. Any authorization we make here can be a drain on the Treasury.

Mr. GROSS. It means the establishment of factories in South America to deprive more American workers of their jobs; is that not true?

Mr. BARR. I think, sir, it is designed to create markets for all of these countries and we want to be sure that they are kept as our largest customer.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. McDONOUGH. The answer to the question about gold is not entirely correct. The contribution is to be made in gold or dollars. There is no need for any drain on our gold supply.

Mr. BARR. In all fairness, you are correct, sir; the dollars we place in the International Institution can be pulled down from gold.

Mr. GROSS. Dollar for dollar, they can be taken in gold, there is no question about that. It is fully discretionary. I would like to ask about this fund for special operations. What is the meaning of "fund for special operations"? It is referred to in the bill, line 14, page 4.

Mr. McDONOUGH. One hundred and fifty million dollars?

Mr. GROSS. No; it is $100 million.

Mr. McDONOUGH. It is $100 million; yes.

Mr. GROSS. What is the fund for special operations? What is the purpose of it?

Mr. SPENCE. Some of the nations may not be able to participate to the full extent in the Bank, so they have a fund for special operations to help those countries. They will have to pay back the money they obtain.

Mr. GROSS. What is the gentleman trying to say, that some of these 21 countries may not participate in this organization? Someone just said all of them would participate.

Mr. SPENCE. The United States has complete control over these things, because it takes a three-fourths vote to do anything except to make the ordinary loans.

Mr. GROSS. What precisely is the meaning of this $100 million fund for special operations? What precisely is the function of it? What is it set up for?

Mr. SPENCE. The fund is for a little easier loan to people who are a little more distressed.

Mr. GROSS. Now, if the gentleman is correct, we are getting down to the nub of this thing.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. SPENCE. I object. I think we ought to be fair about this matter of time. I would like to see the bill voted upon.

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. GROSS moves that the Committee now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. GROSS. Apparently now we are getting at the nub of this thing. It is a good deal like the World Bank on the one hand that practices, perhaps, a modicum of sound banking, and the Development Loan Fund. If that is what the Fund for Special Operation means, then we have the comparison of the Development Loan Fund and the World Bank in operation in this bill. Can that be what this is, that these are soft loans, uncollectible loans going through the special fund as contrasted with loans made in other provisions of the bill?

Mr. McDONOUGH. Mr. Chairman, if the gentleman will yield, if the gentleman heard the gentleman from New Jersey [Mr. WIDNALL], who described the soft currency, he described where special consideration would have to be given to those countries in need because of their soft currency and not more than $150 million of this fund may be used for that purpose.

Mr. GROSS. For soft loans.

Mr. McDONOUGH. For loans to countries who have soft currencies.

Mr. GROSS. "Soft currencies" means "soft loans," does it not?

Mr. McDONOUGH. It means countries whose currencies are not as stable as some of the other countries.

Mr. GROSS. And we have no reasonable expectation of collecting on the loans made.

Mr. McDONOUGH. That, I do not think, follows. I think you can collect in soft currencies, though you would have to collect a lot more of them, and it would take a longer time to collect. But, that does not mean you cannot collect them.

Mr. GROSS. How are we going to keep track of these international lending agencies? Just how are we going to keep track of them, and their overlapping and duplication. This thing is really blossoming out with this bill.

Mr. McDONOUGH. The bill further provides that any increase in subscription of the United States to the Bank must be authorized by the Congress, with

the gentleman participating in the debate. Any change in management of the Fund for Special Operation must be authorized by the Congress. Acceptance of any amendment to the Bank agreement must be authorized by the Congress, and any loan by the United States to the Bank except by an agency authorized by law to make loans to international agencies must be authorized by the Congress. We have complete control there.

Mr. GROSS. I understand, but this is the biggest foot you ever saw stuck in a door, and the gentleman knows if this door is opened, it will never be closed again.

Mr. McDONOUGH. The gentleman will recall that we provide money for foreign aid under the mutual security program.

Mr. GROSS. Under the terms of this bill you are not taking anything away from the foreign giveaway.

Mr. McDONOUGH. There no doubt will be a deficiency in that, and for that reason this will supplement a lot of that work, and on a better basis.

Mr. GROSS. Will the gentleman assure me that we will quit putting as much foreign aid in Bolivia each year as that government collects in taxes, if this bill passes? Will the gentleman assure me that will happen?

Mr. McDONOUGH. As far as I am concerned, I will agree that the amount of money they may borrow out of this Bank may be deducted from the mutual security fund, because they actually prefer that this go through this means rather than through the mutual security program.

Mr. GROSS. I would have to disagree with the gentleman on that. They like their millions in handouts from this country. This bill might make some sense if you provided in the bill that the money subscribed to the capital stock of this new Bank came out of foreign giveaway funds. Then, this bill might make a little sense. I might be tempted to buy it under those circumstances, but I am certainly not going to stand here today and subscribe to a brand new international lending agency, with a liability of half a billion dollars on our taxpayers, when we already have similar agencies all over the map.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from West Virginia.

Mr. BAILEY. I was hoping that when we started talking about soft loans, maybe we could be eligible for loans for our soft coal industry in West Virginia. I say to the gentleman that if we start the present tendency to take American capital and American jobs abroad that we had better make these loan funds broad enough so that the American firms can make applications for loans.

Mr. GROSS. We are not only exporting our cash to them but we are importing their labor in terms of the products of the industries we establish in foreign countries.

Mr. BAILEY. Over a million American jobs have already been exported by 3,000 American firms that have oversea plants in operation.

Mr. GROSS. That is right.

Mr. BAILEY. And it will be my pleasure next Monday to tell the House the details of who those people are and what industry they are engaged in and how many American jobs they have displaced.

Mr. GROSS. This bill, providing for a new and expensive administrative setup, seems to be advocated only because already existing international agencies are unable to shovel out our money fast enough. I submit that no valid argument has been advanced in behalf of this measure. I refuse to support this latest move to further deplete our gold reserves and add to the obligations of the U.S. Treasury. I reiterate my opposition.

Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Without objection, the preferential motion is withdrawn.

There was no objection.

Mr. REUSS. Mr. Chairman, the Inter-American Development Bank represents an important step forward in our relations with Latin America. It fulfills a long desired objective of Latin Americans to have their own financial institution to deal with their own problems. It also carries to a larger fulfillment the long standing good neighbor policy of the United States.

The pressure for a quickening pace of development has been mounting all over Latin America since World War II, and while the United States has provided reasonably large amounts to assist development in critical areas in the Middle and Far East, the Latin Americans, who are traditionally our best trading partners, have felt that, in spite of all the work done by existing lending agencies, they have been somewhat neglected in the recognition given to their development problems. This Bank, as an instrumentality of the Western Hemisphere countries, is peculiarly suited to cover these development problems. Capitalized at $1 billion, the Latin Americans will contribute well over half of the initial capital and will have the majority voice in the management of this institution. The major share of the capital resources of the Bank will be utilized to make sound, bankable loans along the general course chartered by the International Bank. In addition thereto, the Inter-American Bank will have a $150 million fund for special operations which will be authorized to make loans repayable in whole or in part in the currency of the borrower. This fund will give the Bank the additional flexibility needed to tailor its lending operations to the particular needs of the Latin American countries.

The U.S. contribution to this institution will be $450 million, of which $200 million will be the form of a callable capital and will not require any payment by the United States unless a call should be made by the Bank to cover outstanding obligations or guarantees. This arrangement is similar to the U.S. contribution to the International Bank which has never made a call on the United States but utilizes this callable capital as a Guarantee Fund against which securities are issued. The paid-in capital contribution will be $150 million, to be paid in installments over a 3-year period. The U.S. contribution to the Fund for Special Operations will be $100 million. The contribution of the Latin Americans to this Bank will be $550 million. The voting in the Bank will be on a weighted basis so that the United States will have approximately 40 percent of the total vote which will be sufficient to safeguard the U.S. interests but does not carry with it the tinge of majority ownership responsibility. The significance that the major contribution to this organization will be made by the Latin American countries, themselves, should augur well for their exercising management control and responsibility in this institution.

The Bank agreement specifies that the Bank should encourage private investment projects, enterprises, and activities contributing to economic development, and to supplement investment when private capital is not available on reasonable terms and conditions. It is expected that the Bank will cooperate as far as possible with national and international institutions and with private sources supplying investment capital. Since the Bank will be in a position to make loans of the same type and in the same area where existing institutions are already providing substantial financing, it is obvious that there will be need for close coordination of the efforts of all these institutions. The limited resources of this Bank will make it necessary for it to work closely with the other institutions for Latin America to achieve the desired acceleration of its economic development.

Of great importance to the member countries is the provision in the agreement authorizing the Bank to give technical assistance to member governments and to private business in member countries. Such technical advice and assistance in the preparation, financing, and execution of development plans and projects and in the advance training of personnel should be invaluable to the more underdeveloped countries of Latin America. Such coordination of planning will bring about a closer cooperation between existing lending institutions and the borrower, as well as a greater appreciation of such development planning by the various member countries who will then have a stake in the success of such a plan.

The membership of this institution is restricted to the members of the Organization of American States. This includes the 21 Republics of the Western Hemisphere who are also joined in military and political alliances. It is gratifying to note that Canada may become a member of this institution if she accedes to membership in the Organization of American States. Surely, the Inter-American Development Bank would benefit from Canada's membership.

The Clerk read as follows:

GOVERNOR, ALTERNATE GOVERNOR, AND EXECUTIVE DIRECTOR

SEC. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor. The term of office for the Governor and the Alternate Governor shall be five years, but each shall remain in office until a successor has been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an Executive Director of the Bank. Except as provided for in article XV, section 3, of the agreement, the term of office for the Executive Director shall be three years, but he shall remain in office until a successor has been appointed.

(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a Governor, Alternate Governor, or Executive Director.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Bank to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Bank under paragraphs (5) and (6) of subsection (b) of section 4 of said Act, as amended, shall be included in the first report made thereunder after the establishment of the Bank and in each succeeding report.

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, (a) subscribe to additional shares of stock under article II, section 3, of the agreement; (b) request or consent to any change in the quota of the United States under article IV, section 3, of the agreement; or (c) accept any amendment under article XII of the agreement. Unless Congress by law authorizes such action, no Governor or alternate appointed to represent the United States shall vote for any increase of capital stock of the Bank under article II, section 2, of the agreement, or any increase in the resources of the Fund for Special Operations under article IV, section 3(g), thereof.

DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Bank shall act as its depository or as its fiscal agent and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTION

SEC. 7. (a) There is hereby authorized to be appropriated to the President, without fiscal year limitation, for the purchase of thirty-five thousand shares of capital stock in the Bank, $350,000,000. In addition, there is hereby authorized to be appropriated to the President, without fiscal year limitation, for payment of the subscription of the United States to the Fund for Special Operations, $100,000,000.

(b) For the purpose of keeping to a minimum the cost to the United States of participation in the Bank, the Secretary of the Treasury, after paying the requisite part of the subscription and quota of the United States in the Bank required to be made under atricle II, section 4, and article IV, section 3, respectively, of the agreement, is authorized and directed to issue special notes of the United States from time to time, at par, and to deliver such notes to the Bank in exchange for dollars to the extent permitted by the agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the Bank. The face amount of special notes issued to the Bank under the authority of this subsection and outstanding at any one time shall not exceed, in the aggregate, the amount of the subscription and quota of the United States actually paid to the Bank under article II, section 4, and article IV, section 3, respectively, of the agreement.

(c) Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States, its Territories or possessions, or the Commonwealth of Puerto Rico, by or against the Bank in accordance with the agreement, the Bank shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Bank is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES, AND PRIVILEGES

SEC. 9. The provisions of article X, section 4(c), and article XI, sections 2 to 9, both inclusive, of the agreement shall have full force and effect in the United States, its Territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in, and the establishment of, the Bank.

SECURITIES ISSUED BY BANK AS INVESTMENT SECURITIES FOR NATIONAL BANKS

SEC. 10. The last sentence of paragraph seventh of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting after the words "International Bank for Reconstruction and Development" the words "or the Inter-American Development Bank" and by striking the words "said Bank" and inserting in lieu thereof "either of said Banks".

SECURITIES ISSUED BY BANK AS EXEMPT SECURITIES; REPORT FILED WITH SECURITIES AND EXCHANGE COMMISSION

SEC. 11. (a) Any securities issued by the Bank (including any guarantee by the Bank, whether or not limited in scope) in connection with raising of funds for including in the Bank's ordinary capital resources as defined in article II, section 5, of the agreement, and any securities guaranteed by the Bank as to both principal and interest to which the commitment in article II, section 4(a)(ii), of the agreement is expressly applicable, shall be deemed to be exempted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (15 U.S.C. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (15 U.S.C. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with respect to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(b) The Securities and Exchange Commission, acting in consultation with the National Advisory Council on International Monetary and Financial Problems, is authorized to suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with respect to the operations and effect of this section and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

CERTAIN REPORTS REQUIRED

SEC. 12. The reports of the National Advisory Council on International Monetary and Financial Problems provided for in section 4(a)(6) of the Bretton Woods Agreements Act (and referred to in section 4 of this Act) shall also cover and include the effectiveness of the provisions of section 11 of this Act and the exemption for securities issued by the Bank provided by section 5136 of the Revised Statutes in facilitating the operations of the Bank and the development of the economic resources of member countries of the Bank and the recommendations of the Council as to any modifications it may deem desirable in the provisions of this Act.

Mr. SPENCE (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question: What is the rate of interest that will be charged on the loans made under this new bank?

Mr. WIDNALL. In answer to the question, the bank management will determine the rate of interest and it is understood it will be the same interest rate that is charged by local banks in the United States.

Mr. GROSS. That would be 7 percent or 8 percent, would it not? In the Middle West loans carrying any risk have an interest rate of about 7 percent.

Mr. WIDNALL. It will be the going rate of interest, as loans are made in the United States.

Mr. GROSS. Does the gentleman mean on commercial paper?

Mr. WIDNALL. It will be in accordance with the type of risk and the security in back of the loan as circumstances obtain with respect to each particular loan. There is nothing set in the bill on the rate of interest.

Mr. GROSS. That would be either 6 percent or 7 percent?

Mr. WIDNALL. It could be less and it could be more.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 15, after "agreement" insert "agreement; or (d) make a loan or provide other financing to the Bank, except that loans may be made or other financing provided to the Bank by

any agency of the United States, created pursuant to an Act of Congress, which is authorized by law to make loans or provide other financing to international organizations."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment:

The Clerk read as follows:

Committee amendment: On page 4, line 9, after "appropriated" strike out "to the President."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 7072) to provide for the participation of the United States in the Inter-American Development Bank pursuant to House Resolution 322, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the "Ayes" appear to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 233, nays 87, not voting 114, as follows:

[Roll No. 117]

YEAS—233

Anderson, Mont.	Burdick	Dawson
Andrews	Burke, Ky.	Dent
Aspinall	Burke, Mass.	Denton
Avery	Bush	Derounian
Baldwin	Cahill	Dixon
Barr	Carnahan	Doyle
Bass, Tenn.	Cederberg	Durham
Bates	Celler	Dwyer
Beckworth	Chamberlain	Edmondson
Bennett, Fla.	Chelf	Elliott
Betts	Chenoweth	Everett
Blatnik	Chiperfield	Fascell
Boland	Clark	Feighan
Bolling	Coffin	Fenton
Bolton	Cohelan	Fisher
Bonner	Conte	Flood
Bowles	Cook	Flynn
Boyle	Cooley	Fogarty
Breeding	Corbett	Foley
Brock	Cramer	Forand
Brooks, La.	Cunningham	Frazier
Brown, Ga.	Curtin	Fulton
Brown, Mo.	Curtis, Mo.	George
Broyhill	Daddario	Glenn
	Dague	Grant
Griffin	Machrowicz	Rivers, Alaska
Griffiths	Mack, Ill.	Roberts
Gubser	Madden	Robison
Hagen	Magnuson	Rogers, Colo.
Haley	Mahon	Rogers, Fla.
Halleck	Martin	Rogers, Mass.
Halpern	Matthews	Rogers, Tex.
Harris	May	Rostenkowski
Hébert	Meader	Roush
Herlong	Metcalf	Rutherford
Hess	Meyer	St. George
Hiestand	Miller, Clem	Saund
Hogan	Miller, George P.	Saylor
Holifield	Miller, N.Y.	Schenck
Holland	Milliken	Schwengel
Hosmer	Mills	Selden
Huddleston	Minshall	Shelley
Ikard	Moeller	Short
Johnson, Calif.	Monagan	Sikes
Johnson, Wis.	Montoya	Sisk
Jonas	Morris, N. Mex.	Smith, Iowa
Jones, Ala.	Morris, Okla.	Smith, Miss.
Jones, Mo.	Moulder	Spence
Judd	Mumma	Springer
Karsten	Murphy	Staggers
Karth	Natcher	Steed
Kasem	Nelsen	Stratton
Kastenmeier	Norrell	Stubblefield
Kearns	O'Brien, Ill.	Sullivan
Kee	O'Hara, Ill.	Teague, Calif.
Keith	O'Hara, Mich.	Thompson, Tex.
Kelly	Oliver	Thornberry
Kilday	Ostertag	Tollefson
Kilgore	Patman	Trimble
King, Calif.	Pelly	Udall
King, Utah	Perkins	Vanik
Kirwan	Pfost	Van Zandt
Kluczynski	Pirnie	Vinson
Kowalski	Poage	Wallhauser
Lafore	Porter	Walter
Langen	Preston	Wampler
Lankford	Price	Watts
Lesinski	Prokop	Weis
Levering	Pucinski	Westland
Libonati	Quie	Widnall
Lindsay	Rains	Wier
McCulloch	Randall	Wilson
McDonough	Ray	Wright
McDowell	Reece, Tenn.	Yates
McFall	Reuss	Young
McGinley	Rhodes, Pa.	Younger
McGovern	Riehlman	Zablocki
McIntire	Riley	
McSween		

NAYS—87

Abbitt	Downing	McMillan
Abernethy	Evins	Mack, Wash.
Adair	Flynt	Mason
Alexander	Gary	Murray
Alger	Gathings	Norblad
Allen	Gavin	Passman
Ashmore	Gray	Pilcher
Bailey	Gross	Poff
Baker	Hall	Rees, Kans.
Baring	Hardy	Rhodes, Ariz.
Belcher	Hargis	Scherer
Bennett, Mich.	Harmon	Scott
Bentley	Harrison	Shipley
Berry	Hemphill	Siler
Bosch	Henderson	Simpson, Ill.
Bray	Hoeven	Slack
Burleson	Hoffman, Mich.	Smith, Calif.
Byrnes, Wis.	Horan	Smith, Kans.
Cannon	Jennings	Smith, Va.
Casey	Jensen	Taber
Church	Johansen	Teague, Tex.
Coad	Johnson, Md.	Thomson, Wyo.
Collier	Kitchin	Tuck
Colmer	Knox	Utt
Davis, Ga.	Laird	Van Pelt
Derwinski	Landrum	Whitener
Devine	Latta	Williams
Dorn, S.C.	Lennon	Winstead
Dowdy	Lipscomb	Wolf

NOT VOTING—114

Addonizio	Bow	Dollinger
Albert	Boykin	Donohue
Alford	Brademas	Dooley
Andersen, Minn.	Brewster	Dorn, N.Y.
Anfuso	Brooks, Tex.	Dulski
Arends	Broomfield	Fallon
Ashley	Brown, Ohio	Farbstein
Auchincloss	Buckley	Fino
Ayres	Budge	Ford
Barden	Byrne, Pa.	Forrester
Barrett	Canfield	Fountain
Barry	Carter	Frelinghuysen
Bass, N.H.	Curtis, Mass.	Friedel
Baumhart	Daniels	Gallagher
Becker	Davis, Tenn.	Garmatz
Blitch	Delaney	Giaimo
Boggs	Diggs	Goodell
	Dingell	Granahan
Green, Oreg.	Merrow	Rooney
Green, Pa.	Michel	Roosevelt
Hays	Mitchell	Santangelo
Healey	Moore	Sheppard
Hechler	Moorhead	Simpson, Pa.
Hoffman, Ill.	Morgan	Taylor
Holt	Morrison	Teller
Holtzman	Moss	Thomas
Hull	Multer	Thompson, La.
Irwin	Nix	Thompson, N.J.
Jackson	O'Brien, N.Y.	Toll
Jarman	O'Konski	Ullman
Johnson, Colo.	O'Neill	Wainwright
Keogh	Osmers	Weaver
Kilburn	Philbin	Wharton
Lane	Pillion	Whitten
Loser	Powell	Willis
McCormack	Quigley	Withrow
Macdonald	Rabaut	Zelenko
Mailliard	Rivers, S.C.	
Marshall	Rodino	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Giaimo for, with Mr. Moore against.

Mr. Buckley for, with Mr. Hoffman of Illinois against.

Mr. Auchincloss for, with Mr. Taylor against.

Mr. Bass of New Hampshire for, with Mr. Wainwright against.

Until further notice:

Mr. McCormack with Mr. Arends.

Mr. Ullman with Mr. Simpson of Pennsylvania.

Mr. Garmatz with Mr. Brown of Ohio.

Mr. Fallon with Mr. Goodell.

Mr. Friedel with Mr. Barry.

Mr. Fountain with Mr. Ayres.

Mr. Forrester with Mr. Bow.

Mr. Addonizio with Mr. Frelinghuysen.

Mr. Daniels with Mr. Fino.

Mr. Rodino with Mr. Baumhart.

Mr. Gallagher with Mr. Osmers.

Mr. Santangelo with Mr. Kilburn.

Mr. Hull with Mr. Holt.

Mr. Johnson of Colorado with Mr. Michel.

Mr. Lane with Mr. Pillion.

Mr. Philbin with Mr. Becker.

Mr. Donohue with Mr. Weaver.

Mr. O'Neill with Mr. Withrow.

Mrs. Green of Oregon with Mr. O'Konski.

Mr. Thompson of Louisiana with Mr. Jackson.

Mr. Morrison with Mr. Curtis of Massachusetts.

Mr. Willis with Mr. Dorn of New York.

Mr. Morgan with Mr. Merrow.

Mr. Nix with Mr. Mailliard.

Mr. Green of Pennsylvania with Mr. Anderson of Minnesota.

Mr. Barrett with Mr. Wharton.

Mr. Byrne of Pennsylvania with Mr. Ford.

Mr. Boggs with Mr. Dooley.

Mr. Roosevelt with Mr. Budge.

Mr. Moorhead with Mr. Canfield.

Mr. Sheppard with Mr. Broomfield.

Mr. YOUNG changed his vote from "nay" to "yea."

Messrs. SMITH of California, LATTA, and WOLF changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 1928, an identical bill to H.R. 7072.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Inter-American Development Bank Act".

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the Inter-American Development Bank (hereinafter referred to as the "Bank"), provided for by the agreement establishing the bank (hereinafter referred to as the "agreement") deposited in the archives of the Organization of American States.

GOVERNOR, ALTERNATE GOVERNOR, AND EXECUTIVE DIRECTOR

SEC. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor. The term of office for the governor and the alternate Governor shall be five years, but each shall remain in office until a successor has been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an Executive Director of the Bank. Except as provided for in article XV, section 3, of the agreement, the term of office for the Executive Director shall be three years, but he shall remain in office until a successor has been appointed.

(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a Governor, Alternate Governor, or Executive Director.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U.S.C. 286b), shall apply with respect to the Bank to the same extent as with respect to the International Bank for Reconstruction and Development and the International Monetary Fund. Reports with respect to the Bank under paragraphs (5) and (6) of subsection (b) of section 4 of said Act, as amended, shall be included in the first report made thereunder after the establishment of the Bank and in each succeeding report.

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SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, (a) subscribe to additional shares of stock under article II, section 3 of the agreement; (b) request or consent to any change in the quota of the United States under article IV, section 3, of the agreement; (c) accept any amendment under article XII of the agreement; or (d) make a loan or provide other financing to the Bank, except that loans or other financing may be provided to the Bank by a United States agency created pursuant to an Act of Congress which is authorized by law to make loans or provide other financing to international organizations. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for any increase of capital stock of the Bank under article II, section 2, of the agreement or any increase in the resources of the Fund for Special Operations under article IV, section 3(g) thereof.

DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Bank shall act as its depository or as its fiscal agent and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTION

SEC. 7. (a) There is hereby authorized to be appropriated, without fiscal year limitation, for the purchase of thirty-five thousand shares of capital stock in the Bank, $350 million. In addition, there is hereby authorized to be appropriated, without fiscal year limitation, for payment of the subscription of the United States to the Fund for Special Operations, $100 million.

(b) For the purpose of keeping to a minimum the cost to the United States of participation in the Bank, the Secretary of the Treasury, after paying the requisite part of the subscription and quota of the United States in the Bank required to be made under article II, section 4, and article IV, section 3, respectively, of the agreement, is authorized and directed to issue special notes of the United States from time to time, at par, and to deliver such notes to the Bank in exchange for dollars to the extent permitted by the agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the Bank. The face amount of special notes issued to the Bank under the authority of this subsection and outstanding at any one time shall not exceed, in the aggregate, the amount of the subscription and quota of the United States actually paid to the Bank under article II, section 4, and article IV, section 3, respectively, of the agreement.

(c) Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States, its Territories or possessions, or the Commonwealth of Puerto Rico by or against the Bank in accordance with the agreement, the Bank shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Bank is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES AND PRIVILEGES

SEC. 9. The provisions of article X, section 4(c), and article XI, sections 2 to 9, both inclusive, of the agreement shall have full force and effect in the United States, its Territories and possesisons, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in, and the establishment of, the Bank.

SECURITIES ISSUED BY BANK AS INVESTMENT SECURITIES FOR NATIONAL BANKS

SEC. 10. The last sentence of paragraph seven of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting after the words "International Bank for Reconstruction and Development" the words "or the Inter-American Development Bank" and by striking the words "said Bank" and inserting in lieu thereof "either of said Banks".

SECURITIES ISSUED BY BANK AS EXEMPT SECURITIES; REPORT FILED WITH SECURITIES AND EXCHANGE COMMISSION

SEC. 11. (a) Any securities issued by the Bank (including any guarantee by the Bank, whether or not limited in scope) in connection with raising of funds for including in the Bank's ordinary capital resources as defined in article II, section 5, of the agreement, and any securities guaranteed by the Bank as to both principal and interest to which the commitment in article II, section 4(a)(ii), of the agreement is expressly applicable, shall be deemed to be exempted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (15 U.S.C. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (15 U.S.C. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations, and necessary in the public interest or for the protection of investors.

(b) The Securities and Exchange Commission, acting in consulation with the National Advisory Council on International Monetary and Financial Problems, is authorized to suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effects of this section and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

CERTAIN REPORTS REQUIRED

SEC. 12. The reports of the National Advisory Council on International Monetary and Financial Problems provided for in section 4(a)(6) of the Bretton Woods Agreements Act (and referred to in section 4 of this Act) shall also cover and include the effectiveness of the provisions of section 11 of this Act and the exemption for securities issued by the Bank provided by section 5136 of the Revised Statutes in facilitating the operations of the Bank and the development of the economic resources of member countries of the Bank and the recommendations of the Council as to any modifications it may deem desirable in the provisions of this Act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 7072) was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE GAS TAX AND THE FEDERAL INTERSTATE HIGHWAY PROGRAM

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, it is imperative that Congress permit no disruption of the Federal highway building program through failure to provide adequate funds. To do so would be to waste far more of the public's money and resources than would be saved by postponing needed construction.

William E. Umstattd, president of the Timken Roller Bearing Co., said in a letter to me under date of July 15: "The clear intent of the Highway Act of 1956 was to provide for a continuing highway building program. Relying upon the clear intention of this act, road builders, contractors, and equipment manufacturers have made serious commitments in money and manpower. To immobilize the already mobilized construction efforts of all these companies would indeed be a costly waste."

It seems to me that Mr. Umstattd's position is well taken. In my own State road contractors are understandably disturbed by the fact that the highway building fund to cover future operations is exhausted. I feel certain that this Congress will not adjourn without providing adequate funds to cover existing contracts for fiscal 1960. We should also make provision for new revenues to finance the continuing program in the future.

Future revenues might be provided from several sources. It has been suggested that interstate highway trust fund revenues would be adequate if diversions of automotive excise taxes were stopped. The issuance of revenue bonds is another device that should be carefully considered.

I am convinced that the poorest proposal for financing the program is the administration's request for a fifty percent increase in the Federal gas tax. I have opposed this suggested tax increase from the outset. Such an increase would further strain an already heavily taxed traveling public. Furthermore it would threaten a field of revenue that is urgently needed by the States.

I agree entirely with a resolution on this subject recently passed by Northwest Central States Gasoline Tax Administrators Conference that was forwarded to me with a covering letter from Mr. E. W. Stephens of Pierre, S. Dak., secretary of the conference. Mr. Stephens' letter and the resolution are included as follows:

NORTHWEST CENTRAL STATES
GASOLINE TAX
ADMINISTRATORS CONFERENCE,
Pierre, S. Dak., July 20, 1959.

HON. GEORGE S. MCGOVERN,
House Office Building,
Washington, D.C.

DEAR GEORGE: I enclose copy of resolution which was adopted by unanimous vote of our conference at its annual meeting held June 25 and 26, last, in Rapid City, S. Dak., for your information. You will note from the reading of this resolution that our conference feels very strongly about suggestions recently made to increase the Federal gasoline tax.

In addition to the reasons set forth in the resolution for opposition to any increase in the Federal gasoline tax, it was brought out in discussions about the subject that any further increase in the Federal gasoline tax will raise further problems in the States affecting gasoline tax refunds of both State gasoline taxes as well as the Federal gasoline tax. The consensus of the meeting appeared to be that such Federal gasoline tax increase would bring the tax on gasoline, throughout the States represented at the meeting, to such a high level that the temptation to evade the tax would be much greater and could very possibly in the future bring about a chaotic condition in the collection of State gasoline taxes. It appeared from the discussion that any such increase might, in fact, bring about little if any additional highway revenue because of the pressure upon gasoline tax refunds.

I note that hearings will soon be had by the House Ways and Means Committee on the proposed Federal gasoline tax increase, and hope this information will be of benefit to you and properly inform you of the thinking of our conference.

Membership of our conference is composed of the motor fuel tax collectors and also tax commissioners or revenue commissioners of the following Midwestern States: Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming. Tax representatives of the oil industry are likewise participants in the conference meetings and discussions.

Very truly yours,

E. W. STEPHENS,
Secretary.

RESOLUTION NO. 3

Whereas high State and Federal gasoline taxes already are unduly penalizing the motoring public and raising the specter of gasoline tax evasion; and

Whereas Interstate Highway trust fund revenues would be sufficient if diversions of automotive excise taxes were halted; and

Whereas the recommended 50 percent increase in the Federal gasoline tax will further usurp a field of taxation which should be left to the States: Now, therefore, be it

Resolved, That the Northwest Central States Gasoline Tax Administrators Conference go on record as definitely opposed to any increase in the Federal gasoline tax.

THE HOUSE COMMITTEE LABOR REFORM BILL: A REASONABLE COMPROMISE FOR REASONABLE MEN

Mr. UDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, the House will shortly consider the labor-management reform bill completed last week after 6 weeks of intensive work by the House Education and Labor Committee. I present herewith the text of the supplementary views report which the gentleman from Alabama [Mr. ELLIOTT], the gentlewoman from Oregon [Mrs. GREEN], the gentleman from Michigan [Mr. O'HARA], the gentleman from New Jersey [Mr. THOMPSON], and I have prepared and will file with the House when this legislation is reported. As we have stated at the conclusion of our report we are deeply convinced that the bill framed by the House committee "provides a path of reasonable compromise for reasonable men." This report follows:

SUPPLEMENTARY VIEWS

We believe that the bill reported to the House by its Committee on Education and Labor is a fair and effective instrument of labor-management reform.

As is generally known, at the outset of its deliberations our committee elected to use the bill sent to us from the other body (S. 1555) as the basis of our work. It was our objective to give careful scrutiny to each of the provisions of this bill and to improve on S. 1555 wherever possible.

Our 30-member committee is in the best sense a cross-section of the House, and therefore it is understandable that this 73-page bill has many facets which in turn reflect the wide-ranging views and opinions of our membership.

This legislation was hammered out on the committee anvil after 5 weeks of intensive work, and it is quite accurate to say that it in no way reflects any particular bias or point of view—but rather in the composite it represents a committee consensus of the best solution to the problems presented to us by the complex labor-management reform question—and by S. 1555.

Legislation which has for its purpose the correction of abuses which have developed in the labor-management field is, of necessity, both complex and controversial. It must be applied to a wide variety of institutional situations, to small and large unions, to unions which have highly trained administrative staffs and to those which have only volunteer office workers. Therefore, in adopting legislative remedies, legislators must not only be aware of the fact that the abuses which have been disclosed are limited to only a few unions and a few employers, but consideration also must be given to the wide variety of fact situations which will ultimately feel the thrust of such legislation.

Plainly, the labor movement in the United States is facing a difficult period in its development as a balancing force in our free economy. The rapid growth of labor unions has not only contributed greatly to the welfare of working men and women but it also has brought with it abuses of power on the part of certain elements in the movement. In correcting these abuses we should not undermine the collective bargaining strength of unions, nor hamper them in the exercise of their proper functions. Their continued vitality and strength is essential for the protection of workers' rights and as a means of insuring that working men and women share fully in the prosperity of our Nation. We believe that the bill reported by the House committee steers a sound course in correcting abuses and guaranteeing new rights to individual union members on the one hand, while protecting the legitimate operations of labor unions on the other.

It is our considered judgment that the bill reported by our committee is a more workable, effective instrument of reform than S. 1555. We have painstakingly treated all of the problems presented by S. 1555, and have made a conscientious attempt to redraft, or to eliminate, unworkable provisions and to tighten up vague and obscure language. We believe our committee successfully hammered out the rough spots in S. 1555, and it is our conviction that the members of both parties on the committee can take pride in the contribution they made to the rewriting of this vital legislation.

Our deliberations were marked by sharp controversy and intense discussion. Shifting majorities within the committee adopted—or rejected—amendments proposed to S. 1555, and the bill we have reported represents a group judgment on each of the specific amendments presented by our committee colleagues. Obviously it would be humanly impossible to draft a bill that would fully satisfy all of those who will be affected by this legislation. There are some who wanted no bill at all. There are others who sought legislation having punitive features. This will not win the support of

either group—and this fact is itself a powerful argument for the enactment of legislation in the public interest.

With the exception of the codes of ethical practices section, our bill contains the same titles and general subject matter as S. 1555. It has a bill of rights title which enumerates the rights of individual union members; it provides full financial and administrative reporting by unions; and it vests the Secretary of Labor with power to make investigations and prosecute or restrain those who violate its substantive provisions. It protects union members from arbitrary and unjustified imposition of trusteeships; and it insures free and democratic elections through which members can control the policymaking of their unions. Certain amendments are also made to the Taft-Hartley Act which, if enacted, will go far to modify longstanding inequities in the law. These amendments would also remove certain obstacles to sound labor-management relations which have led to abuses by both labor and management in an effort to seek solutions to common problems.

Certain crucial amendments made by the committee with our support deserve further comment because we feel it important that our colleagues in the House fully understand the signficance of these changes and our reason for supporting them.

UNION MEMBER RIGHTS

First, the bill seeks to protect the basic rights of union members within their unions. It guarantees the right of a member to speak freely at union meetings, to voice his sentiments about union policy, to assemble freely with other union members, to control membership and other fees charged by the union, to have safeguards against improper disciplinary action, and to use the legal processes available to all citizens to insure that union officers faithfully execute their duties.

The civil remedies provided in the committee bill parallel those provided by S. 1555, as do the other text changes.

THE POWERS OF THE SECRETARY OF LABOR

Although our bill wisely confines the wide-ranging authority vested in the Secretary by S. 1555 to promulgate rules and regulations, the essential administrative and investigatory powers of the Secretary have been preserved and more sharply defined. The really vital enforcement powers of the Secretary were kept intact, and only in the election regulation title was the Secretary's function curtailed—and in this instance a remedy was substituted which, in our view, will be more efficacious than that provided by S. 1555.

Section 601 of our bill (which was taken from the Barden bill) confers broad powers on the Secretary in the following language:

"The Secretary shall, when he has probable cause to believe that any person has violated any provision of this act, other than a provision of title I, make an investigation, and in connection therewith he may inspect such records and accounts as may be necessary to enable him to determine the facts relative thereto."

Section 210 authorizes the Secretary to secure injunctive relief against any person who "has violated or is about to violate" any of the provisions of title II (reporting).

Section 204 gives the Secretary power to investigate complaints that trusteeship violations have occurred and authorizes him to carry the ball for the individual union member by bringing civil actions to restrain violations and secure other appropriate relief.

S. 1555 authorized the Secretary of Labor to investigate complaints involving violations of the elections title and to bring civil actions (as plaintiff) to secure judicial decrees setting aside invalid elections and providing for new elections. Our committee saw fit to preserve all of the substantive tests on honest secret elections provided in S. 1555, but substituted a remedy which is better adapted to the realities of an election contest within a union. Our bill authorizes a union member, or members (which, as a practical matter, would be persons representing the "losing" or "out" faction in a particular union), to file an action directly in a local Federal district court. If the member, or members, prevail in such action, our bill authorizes the court to award the plaintiffs "a reasonable attorney's fee * * * and costs of the action in court." We strongly feel that, remedy for remedy, relief accorded by the committee bill is the more efficacious. A paramount consideration in these situations is that the prompt settlement of election disputes is important to the stability of a union and the welfare of its members, and we consider it more likely that the losing faction in an election could conduct its contest more expeditiously by hiring aggressive local counsel than by undertaking a trek to Washington to secure the services of the Secretary as plaintiff and moving party.

AFFIDAVITS, EXEMPTIONS, AND NO MAN'S LAND

In three instances our committee provided creative solutions for problems which were dealt with in cursory or oblique fashion in S. 1555.

First, confronted with the one-sided provision of the Taft-Hartley Act which requires non-Communist affidavits from union officers, the drafters of S. 1555 extended this unwieldly oath requirement to every employer in the United States. Our committee faced up to this dilemma and by unanimous action canceled such oaths and provided a more appropriate remedy against Communist infiltration into the councils of labor or management (see sec. 504).

Secondly, whereas the hot potato on the issue of exempting small unions from the detailed financial reporting of section 205 (b) was passed to the Secretary of Labor by S. 1555, our committee decided this policy question and granted a revocable exemption to such unions. We believe this action is fully justified on two grounds: (1) the degree of internal democracy is highest in the smaller unions with the result that the limited financial resources of such unions are already jealously guarded; and (2) for the most part such unions have unpaid officers and reporting would entail an undue burden on these officials. Indeed, the philosophy of this exemption is similar in tenor to that advocated by our committee when it exempted small employers from the reporting requirements of the welfare and pension fund legislation last year.

And lastly, our committee cast aside the ineffectual solution of the no man's land problem embodied in S. 1555, and adopted a provision from the Kearns bill which will require the NLRB to do its own work and give it more manpower and decentralized machinery to make that possible.

SECONDARY BOYCOTTS

The reported bill retains in toto the provisions of S. 1555 which banned all forms of "hot cargo" clauses in contracts negotiated by employers and unions subject to part II of the Interstate Commerce Act (i.e., common carriers). Thus one of the largest loopholes in the protections already afforded by the law which prohibits secondary boycotts has been closed. Outlawing this form of secondary boycott will remove a most oppressive device which has been abused by some Teamster Union officials in their grab for power.

Under the Taft-Hartley Act it is an unfair labor practice to induce or encourage the employees of an employer not engaged in a labor dispute to engage in a strike or concerted refusal to perform services where an object is to force the neutral employer to cease doing business with another employer who is involved in a dispute. In other words, one cannot bring pressure on an employer who is involved in a labor dispute by causing a strike at one of his suppliers or customers.

The "hot cargo" clause which this bill would ban has exactly the same effect both on the public and on the neutral employer. Under the "hot cargo" clauses the union negotiates a contract with a carrier-employer not to handle struck goods or goods which the union considers have been produced under unfair conditions. Thus, without inducing or encouraging the employees of a neutral employer—an act now proscribed by the law—the unions by labeling the goods "hot" can bring about exactly the same effect. By simply telling the neutral employer not to handle the goods of a struck primary employer, the same effect is produced as would result from the type of strike which is now illegal. This bill would close the loophole.

It is settled law that the National Labor Relations Act does not require any employee to cross a primary picket line and that pickets may request him not to cross the picket line (*NLRB* v. *International Rice Milling Company* 341 U.S. 665). The language of the "hot cargo" ban in S. 1555—which your committee adopted—did not impinge in any way on existing law concerning the crossing, or not crossing, of primary picket lines by employees. However, in order to set at rest false apprehensions on this score, the committee appended the disclaimer proviso which appears in section 705(a)(2) of the bill.

FIDUCIARY RESPONSIBILITY

Union officials occupy positions of trust. They hold property of the union and manage its affairs on behalf of the members. It is the duty of union officers, just as it is the duty of all similar trustees, to put their obligations to the union and its members ahead of any personal interest.

The committee bill sets forth this principle unequivocally and declares that union officers and agents occupy positions of trust in relationship to labor organizations and their members. It then sets forth their duties in terms which the common law applies to all persons who undertake to act on behalf of others:

"To hold its money and property solely for the benefit of the organization and its members and to manage, invest, and expend the same in accordance with its constitution and bylaws and any resolutions of the governing bodies adopted thereunder, to refrain from dealing with such organization as an adverse party in any matter connected with his duties and from holding or acquiring any pecuniary or personal interest which conflicts with the interests of such organization, and to account to the organization for any profit received by him in whatever capacity in connection with transactions conducted by him or under his direction on behalf of the organization."

We affirm that the committee bill is broader and stronger than the provisions of S. 1555 which relate to fiduciary responsibilities. S. 1555 applied the fiduciary principle to union officials only in their handling of "money or other property" (see S. 1555, sec. 610), apparently leaving other questions to the common law of the several States. Although the common law covers the matter, we considered it important to write the fiduciary principle explicitly into Federal labor legislation. Accordingly the committee bill extends the fiduciary principle to all the activities of union officials and other union agents or representatives.

The general principles stated in the bill are familiar to the courts, both State and Federal, and therefore incorporate a large body of existing law applicable to trustees, and a wide variety of agents. The detailed application of these fiduciary principles to a particular trustee, officer or agent has always depended upon the character of the

activity in which he was engaged. They bear upon a family trustee somewhat differently than a corporate director, upon an attorney quite differently than a real estate agent. The bill wisely takes note of the need to consider "the special problems and functions of a labor organization" in applying fiduciary principles to their officers and agents.

Our language does not purport to regulate the expenditures or investments of a labor organization. Such decisions should be made by the members in accordance with the constitution and by-laws of their union. Union officers will not be guilty of breach of trust when their expenditures are within the authority conferred upon them either by the constitution and bylaws or by a resolution of the executive board, convention or other appropriate governing body (including a general meeting of the members) not in conflict with the constitution and by-laws.

However, the committee bill also explicitly invalidates any general provision in a union constitution or bylaws purporting to excuse union officials from breaches of trust. The bill follows the well-established distinction between conferring authority upon an agent or trustee, which is permissible and protects him against liability, and attempting to excuse breaches of trust, which is here made void as against public policy. See Scott, Trusts (second edition) S. 222.1.

The bill also authorizes a union member to bring an action against any official or agent who violates his fiduciary obligations, if the union refuses to sue—and again such member may recover counsel fees and costs if he prevails.

PICKETING

The committee bill retains the exact language of S. 1555 which forbade organizational picketing by a minority union after a Labor Board election or while the employees are being represented by another bona fide union under a collective bargaining agreement which is a bar to an election. These provisions make organizational picketing an unfair labor practice in these two situations where it is unfair to the employer and employees, without curtailing the traditional right of a union to otherwise use peaceful picketing to persuade employees in a nonunion shop to designate the union as their bargaining representative in a Labor Board election.

Although this solution to the problems of organizational picketing may seem too strict to some extremists and too lenient to others, we submit that it is a constructive solution which all moderate men can sincerely support.

The foregoing provisions of the committee bill would amend section 8(b) of the National Labor Relations Act by adding a seventh union unfair labor practice. Subdivision (A) would forbid picketing to secure recognition from an employer or to organize the employees when two conditions are satisfied: (i) the employer has recognized another labor organization as the bargaining representative in accordance with the National Labor Relations Act and (ii) the Labor Board would not permit a change in the bargaining representative.

The first requirement prevents recognition of paper locals or under sweetheart agreements from becoming a bar to picketing by a bona fide union. The incumbent union must have been designated by a majority of the employees without the assistance of an unfair labor practice.

Subdivision (B) forbids organizational picketing for 9 months after a majority of the employees have, by free choice in a Labor Board election, failed to designate a union as their bargaining representative at such election. This 9-months period is a time in which organizational picketing is inappropriate because the employees have expressed their wishes and the organizational activity cannot in any event lead to a prompt election.

As a result of our work on this bill we are deeply convinced that it provides a path of reasonable compromise for reasonable men. It is our hope that it will win the favor of the House—and thus ensure that labor management reform legislation will become law this year.

CARL ELLIOTT,
EDITH GREEN,
JAMES G. O'HARA,
FRANK THOMPSON, JR.,
STEWART L. UDALL,
Members of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOUNTAIN (at the request of Mr. FORAND), for today, July 27, 1959, on account of official business.

Mr. ALFORD (at the request of Mr. GATHINGS), for today, July 27, 1959.

Mr. THOMPSON of New Jersey (at the request of Mr. FRIEDEL), for Monday, July 27, 1959, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 45 minutes, on Monday, August 3.

Mr. RHODES of Pennsylvania, for 1 hour, tomorrow.

Mr. BAILEY, for 45 minutes, on Thursday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. EVERETT and include extraneous matter.

Mr. HOGAN.

Mr. LANGEN.

Mr. JUDD in two instances.

Mrs. KEE.

Mr. PELLY.

Mr. REUSS.

SENATE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTIONS REFERRED

Bills, joint resolutions, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 36. An act for the relief of Page A. Wilson; to the Committee on the Judiciary.

S. 281. An act to authorize the Secretary of the Interior to construct, operate, and maintain a regulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular affairs.

S. 464. An act for the relief of Julia Mydlak; to the Committee on the Judiciary.

S. 669. An act to authorize the Secretary of Agriculture to convey certain lands to the Bethel Baptist Church of Henderson, Tenn.; to the Committee on Agriculture.

S. 906. An act to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section; to the Committee on Veterans' Affairs.

S. 1038. An act for the relief of Wong Gar Wah; to the Committee on the Judiciary.

S. 1049. An act for the relief of Rachel Borenstein; to the Committee on the Judiciary.

S. 1392. An act for the relief of Isabel M. Menz; to the Committee on the Judiciary.

S. 1436. An act to amend section 1 of the act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869); to the Committee on Interior and Insular Affair.

S. 1453. An act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa to the city of Keosauqua; to the Committee on Agriculture.

S. 1627. An act for the relief of Mrs. Paula Deml; to the Committee on the Judiciary.

S. 1650. An act for the relief of Edmund A. Hannay; to the Committee on the Judiciary.

S. 1694. An act to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities; to the Committee on Veterans' Affairs.

S. 1945. An act for the relief of Josef Jan Loukotka; to the Committee on the Judiciary.

S. 2208. An act to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act; to the Committee on Interstate and Foreign Commerce.

S. 2220. An act to strengthen the Commissioned Corps of the Public Health Service through revision and extension of some of the provisions relating to retirement, appointment of personnel, and other related personnel matters, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2334. An act to transfer from the Department of Commerce to the Department of Labor certain functions in respect of insurance benefits and disability payments to seamen for World War II service-connected injuries, death, or disability, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S.J. Res. 24. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand; to the Committee on Armed Services.

S.J. Res. 106. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium; to the Committee on Armed Services.

S. Con. Res. 46. Concurrent resolution authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy for Economic Growth and Stability"; to the Committee on House Administration.

S. Con. Res. 47. Concurrent resolution authorizing the printing of additional copies of the hearings on automation and technological change; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 306. An act to amend the Federal Crop Insurance Act;

H.R. 1219. An act to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers);

H.R. 1631. An act for the relief of Joseph B. Kane, Jr.;

H.R. 2594. An act for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N.C., on March 7, 1942;

H.R. 2846. An act for the relief of Dorman William Whittom;

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act;

H.R. 3117. An act for the relief of Albert J. Hicks;

H.R. 3249. An act for the relief of William S. Scott;

H.R. 3460. An act to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes;

H.R. 4060. An act to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run;

H.R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work;

H.R. 4538. An act authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.;

H.R. 5927. An act to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base;

H.R. 6955. An act for the relief of Sallie B. Dickens; and

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On July 22, 1959:

H.R. 322. An act for the relief of Monmouth County, N.J.;

H.R. 1605. An act for the relief of Harry F. Lindall;

H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H.J. Res. 353. Joint resolution to facilitate the admission into the United States of certain aliens.

On July 27, 1959:

H.R. 836. An act to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; and

H.R. 3460. An act to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

ADJOURNMENT

Mr. MILLS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p.m.) the House adjourned until tomorrow, Tuesday, July 28, 1959, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

JULY 14, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John J. Heimburger	Counsel	$8,160.00
Mabel C. Downey	Clerk (January and February).	2,720.00
Francis M. LeMay	Staff consultant	7,489.74
Christine S. Gallagher	Clerk (March, April, May, and June).	4,066.76
Hyde H. Murray	Assistant clerk	4,957.37
Lydia Vacin	Staff assistant	4,397.46
Pauline E. Graves	do	4,171.44
Betty M. Prezioso	do	3,719.28
Alicia F. Shoemaker	do	3,691.02
Gladys N. Ondarcho	do	3,483.78
Haywood W. Taylor	do	2,645.40

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	None
Amount expended from January 1 to June 30, 1959	1,787.49
Total amount expended from January 1 to June 30, 1959	1,787.49
Balance unexpended as of June 30, 1959	48,212.51

HAROLD D. COOLEY,
Chairman.

COMMITTEE ON APPROPRIATIONS

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Kenneth Sprankle	Clerk and staff director.	$8,209.08
Paul M. Wilson	do	8,209.08
Samuel W. Crosby	Staff assistant	8,143.68
Carson W. Culp	do	8,143.68
Jay B. Howe	do	7,980.18
Ross P. Pope	do	7,980.18
Robert M. Moyer	do	7,980.18
Frank Sanders	do	7,489.74
Eugene B. Wilhelm	do	7,489.74
Robert P. Williams	Editor	6,754.08
Aubrey A. Gunnels	Staff assistant	6,427.08
Robert L. Michaels	do	6,263.58
Kelly Campbell	do	5,854.86
James D. Burris	do	5,691.42
G. Homer Skarin	do	5,527.92
Earl C. Silsby	do	5,241.84
Lawrence C. Miller	Assistant editor	4,284.42
Francis G. Merrill	Staff assistant	4,190.22
Samuel R. Preston	do	3,577.98
Donald F. Berens	Clerical assistant	3,012.78
Kenneth A. Meade	do	2,918.58
Randolph Thomas	Messenger	1,976.58
George S. Green	Clerk to minority	7,489.74
Lucille K. Brand	Clerk-stenographer	2,871.48
Julia M. Elliott	do	2,871.48
Phyllis N. Troy	do	2,871.48
June R. Austin	Clerk-stenographer	$2,392.90
William J. Neary	do	2,871.48
Jeanne C. Smith	do	2,871.48
Catherine D. Norrell	do	2,871.48
Viola W. Grubbs	do	2,871.48
Donald L. Bernard	do	2,871.48
Rosalind E. McGovern.	do	2,871.48
Mary M. Bourbon	do	2,121.71
Rose Marie Kline	do	2,871.48
Mary Lucy Walker	do	2,871.48
Sharon Wells	do	685.96
Silas Taber	do	2,871.48
Phyllis Jeanne Stevens.	do	2,360.99
Margie H. Trew	do	2,871.48
Josephine Birdsall	do	2,871.48
Frank Mentillo	do	2,588.88
Alice Beach	do	2,871.48
Maxine E. Koch	do	2,727.79
Sarah Rutz	do	2,683.08
Elinor L. Malaney	do	2,392.90
Rose M. Sanko	do	1,435.74
Mary A. Vaughan	do	1,563.36
O. Lynne Bradley	do	494.53
Mary Louise Schwarzmann.	do	478.58
John G. Clevenger	do	31.91
Lenore Cummings	do	28.77
Alfred E. Andersen	do	431.48

Funds authorized or appropriated for committee expenditures	
Amount of expenditures previously reported	$208,894.16
Amount expended from Jan. 1 to June 30, 1959	206,327.40
Total amount expended from July 1, 1958, to June 30, 1959	415,221.56
Balance unexpended as of	

CLARENCE CANNON,
Chairman.

COMMITTEE ON APPROPRIATIONS
(INVESTIGATIONS STAFF)

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Jenkins	Director, surveys and investigations staff.	$6,492.46
Joseph K. Ponder	Assistant director, surveys and investigations staff.	2,224.10
Lillian M. Mackie	Stenographer	2,902.88
Helen C. Parrish	do	862.96
Robert E. Rightmyer	Director, surveys and investigations staff.	4,625.32
M. Alice Ruml	Stenographer	1,627.17
John J. Donnelly	Consultant	7,500.00

REIMBURSEMENTS TO GOVERNMENT AGENCIES

Agriculture, Department of:		
Hall, George R., Jr.	Editorial Assistant	$2,843.34
Knapp, George C.	do	2,570.47
McVicker, Dwight S.	Investigator	2,991.33
Air Force, Department of the:		
Catterton, Conn D.	do	4,880.40
Zipp, John E.	do	4,648.00

REIMBURSEMENTS TO GOVERNMENT AGENCIES—continued

Name of employee	Profession	Total gross salary during 6-month period
Atomic Energy Commission:		
Ohnstad, Lawrence R.	Investigator	$1,322.10
Federal Bureau of Investigation:		
Bennett, Carl L.	do	1,267.84
Bolz, Charles	do	5,603.76
Bowers, Hollis W.	do	4,618.56
Chisholm, Leslie B., Jr.	do	5,473.92
Delavigne, Kenneth T.	do	1,017.28
Junay, John M., Jr.	do	1,248.48
Emery, Thomas J.	do	71.20
Hagan, Paul V.	do	1,198.80
Hair, Harold H.	do	1,979.04
Hayden, Albert C., Jr.	do	94.24
Haynes, Robert H.	do	5,192.32
Hetherington, Karl V.	do	181.12
Horner, James William.	do	127.68
Hutchison, Louis S.	do	316.96
Kieffer, Ernest F.	do	4,995.92
Light, Myron E.	do	936.32
Love, Warren L.	do	5,841.12
Magee, E. Huyett	do	2,037.60
Nugent, James E.	do	6,935.04
Ponder, Joseph K.	do	4,096.64
Reamy, W. Wallace	do	1,448.96
Reiser, Robert E.	do	4,315.60
Retirement fund	do	4,061.14
Rose, Don R.	do	1,355.20
Ruhl, John A.	do	4,618.56
Ryan, John J., Jr.	do	769.76
Snyder, Milton L.	do	90.56
Tucker, George R.	do	92.48
Williams, P. Dennis	do	310.80
Wood, H. Branch	do	92.48
Young, Paul C.	do	1,201.68
General Services Administration:		
Abramson, Nathan	do	1,207.21
Barker, Robert B.	do	1,952.00
Chapman, Howard K., Jr.	do	1,880.58
Rickey, Robert J.	do	468.48
Vaughan, Joseph E.	do	468.48
Health, Education, and Welfare, Department of:		
Bersano, Peter J.	do	2,051.41
Interior, Department of the:		
Baker, Charles C.	do	973.32
National Bureau of Standards	do	23,841.14
Post Office Department:		
Clark, Franklin M.	Editorial assistant	1,724.06
Travel and miscellaneous expenses		38,221.85

Funds authorized or appropriated for committee expenditures	$500,000.00
Amount of expenditures previously reported	224,329.96
Amount expended from Jan. 1 to June 30, 1959	189,870.12
Total amount expended from July 1, 1958 to June 30, 1959	414,200.08
Balance unexpended as of June 30, 1959	85,799.92

CLARENCE CANNON,
Chairman.

COMMITTEE ON ARMED SERVICES

JULY 1, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Smart	Chief counsel	$8,209.08
John R. Blandford	Counsel	8,184.54
Charles F. Ducander	Counsel (to Jan. 22)	954.86
Philip W. Kelleher	Counsel	8,184.54
Frank M. Slatinshek	Counsel (from Feb. 1).	5,293.24
Oneta L. Stockstill	Committee secretary.	3,860.58
Berniece Kalinowski	Secretary	3,860.58
L. Louise Ellis	do	3,530.88
Marie M. Abbott	do	3,092.82
M. Jane Binger	do	2,763.38
James A. Deakins	Bill clerk	3,092.82

OFFICE OF SPECIAL COUNSEL OPERATING PURSUANT TO HOUSE RESOLUTIONS 19 AND 20, 86TH CONGRESS

John J. Courtney	Special counsel	$8,209.08
Lloyd Kuhn	Staff assistant	4,416.31
Dorothy Britton	Secretary	3,564.66
Jane Wheelahan	do	2,965.46
Adeline Tolerton	Clerk	2,871.48
William H. Sandweg	Assistant counsel (from May 14).	1,403.92

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	
Amount expended from January to June 1959	25,776.60
Total amount expended from January to June 1959	25,776.60
Balance unexpended as of July 1, 1959	124,223.40

PAUL VINSON,
Chairman.

COMMITTEE ON BANKING AND CURRENCY

JULY 1, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert L Cardon	Clerk and general counsel	$8,209.08
John E Barriere	Majority staff member	8,209.08
Orman S Fink	Minority staff member	8,209.08
Robert R Poston	Counsel	8,209.08
Helen E Long	Deputy clerk	4,841.10
Mary W Layton	Assistant clerk	4,841.10
John M Devlin	Editor	6,672.30
Marguerite Bean	Secretary to chairman (appointed Mar 1, 1959)	3,739.76
Ferrol Davis	Stenographer to minority member (Feb 20, 1959)	2,569.70

EMPLOYEES PURSUANT TO HOUSE RESOLUTION 81, SUBCOMMITTEE ON HOUSING

Kenneth W. Burrows	Economist (Apr 1, 1959)	$3,377.04
Eleanor N. Hamilton	Research assistant	3,300.06
John J McEwan, Jr.	Housing economist	8,214.08
Alberta Masumian	Secretary	3,747.90
Grady Perry, Jr.	Clerk	5,017.18
Betty B. Ridgell	Secretary (Jan. 1-3, 1959).	64.34
Margaret E Tucker	Secretary (Mar. 2, 1959).	2,480.63

Funds authorized or appropriated for committee expenditures	$105,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1959	29,859.40
Total amount expended from Jan. 1 to June 30, 1959	29,859.40
Balance unexpended as of June 30, 1959	75,140.60

BRENT SPENCE,
Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

JULY 1, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Hayden S. Garber	Counsel	$7,489.74
Leonard O. Hilder	Investigator	5,527.92
George W. McCown	Assistant clerk and research analyst.	4,472.82
W. N. McLeod, Jr.	Clerk	8,143.68
Dixon D. Davis	Assistant clerk	3,147.06
Wendell E. Cable	Minority clerk, taken off rolls Mar. 31, 1959.	3,744.87
Donald J. Tubridy	Minority clerk, effective Jan. 15, 1959.	4,630.40
Ruth Butterworth	Assistant clerk	4,435.14
Ann L. Puryear	do	3,625.08
Total		45,216.71

Funds authorized or appropriated for committee expenditures	$10,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1959	174.00
Total amount expended from Jan. 1 to June 30, 1959	174.00
Balance unexpended as of June 30, 1959	9,826.00

JOHN L. MCMILLAN,
Chairman.

COMMITTEE ON EDUCATION AND LABOR

JULY 13, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Fred G. Hussey	Chief clerk (Jan. 1 to Mar. 31, 1959).	$4,080.00
Russell C. Derrickson	Acting clerk	8,160.00
Charles M. Ryan	General counsel	8,160.00
Charles T. Lane	Assistant general counsel.	8,160.00
Melvin W. Sneed	Minority clerk	8,160.00
Kathryn Kivett	Assistant clerk	3,565.42
Brenda George	Assistant clerk (Apr. 1 to June 15, 1959).	1,479.05

Name of employee	Profession	Total gross salary during 6-month period
Elizabeth M. Myers	Assistant clerk (Jan. 1 to Mar. 12, 1959).	$1,419.89
Ida S. Miller	Assistant clerk (June 1 to June 30, 1959).	607.32
Katherine L. Ferebee	Assistant clerk	3,565.42
Jeanne E. Thomson	Assistant clerk (minority).	3,565.42
Gladys M. Rafter	Assistant clerk (Mar. 23 to June 30, 1959).	1,948.33
John D. Bell	Editor (Mar. 16 to June 30, 1959).	2,918.37
Mary P. Allen	Subcommittee clerk	3,499.24
Charles H. Backstrom	Research assistant (subcommittee).	4,085.03
Reva Beck Bosone	Legal counsel for subcommittee.	6,250.85
Ruth P. Ebersole	Assistant subcommittee clerk.	1,250.73
Robert E. McCord	Subcommittee clerk	4,944.53
Yvonne S. McCormick	Subcommittee clerk (Jan. 1 to May 31, 1959).	2,927.08
W. Wilson Young	Legal counsel for subcommittee.	6,283.20
Russell Riggs	Subcommittee clerk (June 4 to June 30, 1959).	546.59
Harry V. Barnard	Research assistant (subcommittee) (June 1 to June 30, 1959).	666.97
Olive M. Gibbons	Stenographer (subcommittee) (June 6 to June 30, 1959).	367.08
John T. Hallahan	Assistant director for administration (subcommittee) (June 16 to June 30, 1959).	458.61

Funds authorized or appropriated for committee expenditures	$160,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1959	40,569.98
Total amount expended from Jan. 1 to June 30, 1959	40,569.98
Balance unexpended as of June 30, 1959	119,430.02

GRAHAM A. BARDEN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS

JULY 6, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator	$8,209.07
Roy J. Bullock	Senior staff consultant.	8,115.07
Albert C. F. Westphal.	Staff consultant	8,115.07
Dumond Peck Hill	do	7,812.62
Franklin J. Schupp	do	7,538.78
June Nigh	Senior staff assistant.	5,854.88
Winifred G. Osborne	Staff assistant	5,527.92
Helen C. Mattas	do	5,142.30
Myrtie M. Melvin	do	5,020.90
Helen L. Hashagen	do	5,020.90
Mary Louise O'Brien	do	4,930.98
Robert J. Bowen	Clerical assistant	3,612.73

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	
Amount expended from January 1 to June 30, 1959	2,169.26
Total amount expended from January 1 to June 30, 1959	2,169.26
Balance unexpended as of June 30, 1959	147,830.74

THOMAS E. MORGAN,
Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Expenses Jan. 4 to June 30, 1959:	
Full committee	$1,770.68
Executive and Legislative Reorganization Subcommittee	41,028.88
Military Operations Subcommittee	42,221.41
Government Activities Subcommittee	24,280.31
Intergovernmental Relations Subcommittee	18,831.61
Foreign Operations and Monetary Affairs Subcommittee	31,359.22
Special Donable Property Subcommittee	15,992.00
Special Government Information Subcommittee	31,509.06
Special Subcommittee on Reno Highways, Feb. 1 to Apr. 30 1959	11,218.06
Public Works and Resources Subcommittee, Jan. 4–31, 1959	3,934.62
Legal and Monetary Affairs Subcommittee, Jan. 4–31, 1959	4,960.80
Salaries, full committee, Jan. 1 to June 30, 1959:	
Christine Ray Davis, staff director	8,200.90
Orville S. Poland, general counsel	7,600.90
James A. Lanigan, associate general counsel	8,041.50
Martha C. Roland, staff member	6,602.82
J. Robert Brown, staff member	6,263.58
Dolores Fel'Dotto, staff member	4,397.46
Ann E. McLachlan, staff member	3,728.70
Patricia Maheux, staff member	3,603.88
Helen M. Boyer, minority professional staff	7,489.74
J. P. Carlson, minority counsel	6,884.82
Expenses Jan. 4 to June 30, 1959:	
Full committee, travel, publications, telephone, stationery supplies—full committee and subcommittees	1,770.68

Executive and Legislative Reorganization Subcommittee, Hon. WILLIAM L. DAWSON, chairman:

Elmer W. Henderson, counsel	6,561.09
Phineas Indritz, counsel, Feb. 1 to June 30, 1959	5,502.35
Orville J. Montgomery, associate counsel	6,492.77
David Glick, associate counsel	5,355.43
Arthur Perlman, investigator, May 1 to June 30, 1959	2,083.78
Lawrence P. Redmond, clerk	4,074.13
Earle J. Wade, statistical clerk	4,074.13
William A. Young, professional staff member, Jan. 4 to Mar. 31, 1959	3,027.40
Irene Manning, clerk-stenographer, Feb. 1 to June 30, 1959	2,824.65
Clara K. Armstrong, minority clerk-stenographer, Jan. 4–31, 1959	503.49
Expenses	529.66
Total	41,028.88

Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman:

Herbert Roback, staff administrator	8,154.01
Carey Brewer, senior defense specialist	6,159.19
Earl J. Morgan, chief investigator	6,159.19
John Paul Ridgely, investigator	4,884.20
Robert J. McElroy, investigator	4,120.38
Douglas G. Dahlin, legal analyst, Mar. 1 to June 30, 1959	2,605.12
Richard Ravitch, legal analyst, Mar. 1 to June 30, 1959	2,404.16
Mollie Jo Hughes, clerk-stenographer	3,657.29
Catherine L. Koeberlein, clerk-stenographer	3,537.97
Expenses	539.90
Total	42,221.41

Government Activities Subcommittee, Hon. JACK BROOKS, chairman:

Edward C. Brooks, Jr., staff administrator	$7,043.36
James McInnes Henderson, counsel	6,438.28
John E. Moore, investigator	5,145.87
L. Russell Harding II, investigator, Apr. 1 to June 30, 1959	1,501.68
Irma Reel, clerk	3,245.06
Expenses	906.06
Total	24,280.31

Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman:

James R. Naughton, counsel	6,239.60
Delphis C. Goldberg, professional staff member	6,199.43
Eileen M. Anderson, clerk-stenographer	3,352.53
Bebe B. Terry, clerk-stenographer	2,916.25
Expenses	123.80
Total	18,831.61

Foreign Operations and Monetary Affairs Subcommittee, Hon. PORTER HARDY, JR., chairman:

John T. M. Reddan, chief counsel	6,500.00
Richard P. Bray, Jr., counsel	6,319.94
Walton Woods, investigator	5,918.05
Miles Q. Romney, counsel, Feb. 1 to June 30, 1959	4,606.60
Phyllis Seymour, clerk	3,657.29
Yvonne J. Kurtak, stenographer	2,730.99
Expenses	1,626.35
Total	31,359.22

Special Donable Property Subcommittee, Hon. JOHN W. MCCORMACK, chairman:

Ray Ward, staff administrator	7,364.91
John Warren McGarry, counsel, Jan. 4–31, 1959	825.51
Margaret B. O'Connor, clerk-stenographer	3,286.77
Barbara McLaughlin, clerk-typist	1,702.16
Clara K. Armstrong, minority clerk-stenographer, Feb. 1 to June 30, 1959	2,797.15
Expenses	15.50
Total	15,992.00

Special Government Information Subcommittee, Hon. JOHN E. MOSS, chairman:

Samuel J. Archibald, staff administrator	7,364.91
John J. Mitchell, chief counsel	7,244.31
Paul Southwick, professional staff member	5,958.23
Harry S. Weidberg, assistant counsel, Mar. 1 to June 30, 1959	3,335.28
Helen Beasley, stenographer	3,657.29
Catherine Hartke, stenographer	3,657.29
Expenses	291.75
Total	31,509.06

Special Subcommittee on Reno Highways, Hon. JOHN A. BLATNIK, chairman:

Arthur Perlman, investigator, Feb. 1 to Apr. 30, 1959	3,125.67
Jerome S. Plapinger, counsel, Feb. 1 to Apr. 22, 1959	3,412.00
Expenses	4,680.39
Total	11,218.06

Public Works and Resources Subcommittee, Hon. ROBERT E. JONES, chairman:

Arthur Perlman, staff administrator, Jan. 4–31, 1959	1,206.23
Phineas Indritz, counsel, Jan. 4–31, 1959	990.42
Miles Q. Romney, professional staff member, Jan. 4–31, 1959	829.19
Irene Manning, clerk-stenographer, Jan. 4–31, 1959	508.44
Joan D. Alexander, stenographer, Jan. 4–31, 1959	400.34
Total	3,934.62

Legal and Monetary Affairs Subcommittee, Hon. JOHN A. BLATNIK, chairman:

Curtis E. Johnson, staff administrator, Jan. 4–31, 1959	829.19
Jerome S. Plapinger, counsel, Jan. 4–31, 1959	1,123.46
Eric W. Weinman, associate counsel, Jan. 4–31, 1959	990.42
Jerome N. Sonosky, associate counsel, Jan. 4–31, 1959	685.05
John L. Anderson, investigator, Jan. 4–31, 1959	816.93
Ann Dominek, stenographer, Jan. 4–31, 1959	488.65
Expenses	27.10
Total	4,960.80

Funds authorized or appropriated for committee expenditures	640,000.00
Amount of expenditures previously reported	None

Amount expended from Jan. 4 to June 30, 1959	$227,106.65
Total amount expended from Jan. 4 to June 30, 1959	227,106.65
Balance unexpended as of July 1, 1959	412,893.35

WILLIAM L. DAWSON,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

JUNE 30, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Julian P. Langston	Chief clerk	$8,209.08
Marjorie Savage	Assistant clerk	7,081.02
John F. Haley	do	5,048.45
Mary F. Stolle	do	1,095.59
Jack Watson	do	1,951.62

Funds authorized or appropriated for committee expenditures	$10,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 29 to June 30, 1959	5,080.68
Total amount expended from Jan. 29 to June 30, 1959	5,080.68
Balance unexpended as of June 30, 1959	4,919.32

OMAR BURLESON,
Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

JULY 7, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Professional Staff:		
Sidney L. McFarland.	Engineering consultant and professional staff director.	$7,530.60
T. Richard Witmer.	Counsel	7,185.25
John L. Taylor	Territorial and Indian consultant.	7,185.25
George H. Soule, Jr.	Minerals and lands consultant (to Jan. 31, 1959).	1,148.15
Karl S. Landstrom	Minerals and lands consultant (from Feb. 12, 1959).	5,319.76
Clerical Staff:		
Nancy J. Arnold	Chief clerk	6,100.14
Laura A. Moran	Assistant chief clerk	4,190.30
Dixie S. Duncan	Clerk (from Jan. 3, 1959).	3,445.07
Marion J. Gummelt	Clerk	3,036.30
Virginia E. Bedsole	do	3,002.56
Penelope P. Harvison.	Clerk (from Jan. 3, 1959).	2,832.76
Gertrude S. Harris	Clerk (to Jan. 2, 1959)	50.74
Pauline B. Davis	do	30.86

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	----------
Amount expended from Jan. 1 to June 30, 1959	[1] 3,928.08
Total amount expended from Jan. 1 to June 30, 1959	3,928.08
Balance unexpended as of June 30, 1959	56,071.92

[1] Includes $976.99 paid Paul M. Tyler, special consultant, and $880.25 paid Robert J. Hunter, special consultant.

WAYNE N. ASPINALL,
Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

JULY 1, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
W. E. Williamson	Clerk	$8,160.00
Kenneth J. Painter	First assistant clerk	6,508.80
Marcella M. Fencl	Assistant clerk	3,954.78
Glenn L. Johnson	Printing editor	5,773.14
Georgia G. Glasmann.	Assistant clerk-stenographer (to Jan. 31, 1959).	604.18
Edward F. Jones	Staff assistant (to June 15, 1959).	5,516.83
Joanne Neuland	Clerical assistant	3,389.58
Mildred H. Lang	do	3,389.58
Mary Ryan	do	3,389.58
Roy P. Wilkinson	Assistant clerk	3,342.48
Professional staff:		
Andrew Stevenson	Expert	8,160.00
Kurt Borchardt	Legal counsel	8,160.00
Sam G. Spal	Research specialist	8,160.00
Martin W. Cunningham.	Aviation consultant	8,160.00
Additional temporary employees under House Resolution 56, amended and House Resolution 136, amended:		
Gladys Johnson	Clerical assistant	3,295.38
Angus L. MacLean	Staff assistant (from Feb. 15, 1959).	4,513.77
Elsie M. Karpowich	Clerical assistant	3,295.38

Funds authorized or appropriated for committee expenditures	$475,000.00
Amount of expenditures previously reported	----------
Amount expended from Jan. 4 to June 30, 1959	72,977.20
Total amount expended from Jan. 4 to June 30, 1959	72,977.20
Balance unexpended as of June 30, 1959	402,022.80

OREN HARRIS,
Chairman.

Name of employee	Profession	Total gross salary during 6-month period
Special Subcommittee on Legislative Oversight:		
Robert W. Lishman.	Consultant (contract to Mar. 31, 1959); chief counsel (from Apr. 1, 1959).	$7,080.00
Beverly M. Coleman.	Principal attorney (from Apr. 6, 1959).	3,542.56
Special Subcommittee on Legislative Oversight—Con.		
Julius Eanet	Attorney (from Apr. 1, 1959).	$3,332.07
Oliver Eastland	Attorney	7,162.74
Charles P. Howze, Jr.	Attorney (from Apr. 15, 1959).	2,125.77
Mary Louise Ramsey.	Attorney (from Apr. 27, 1959).	2,445.02
Hugh M. Hall, Jr.	Research specialist (from June 1, 1959).	725.07
Stuart C. Ross	Consultant (from Apr. 19, 1959).	3,000.70
Raymond W. Martin.	Special assistant	4,056.28
Lurlene Wilbert	Executive secretary (from Mar. 16, 1959).	2,114.63
Dolores K. Dougherty.	Stenographer clerk (from Apr. 6, 1959).	1,556.16
Jane Peigler	Stenographer clerk (from Apr. 10 1959).	1,464.62
Blanche R. Plant	Stenographer clerk (from Apr. 1, 1959).	1,647.69
Herman Clay Beasley.	Chief clerk	6,463.86
Inge H. Barton	Clerical assistant (from Feb. 1, 1959).	2,432.15
Jack Marshall Stark.	Minority counsel (from June 1, 1959).	1,250.33
Dorothy B. Hass	Secretary to minority counsel (from June 23, 1959).	146.48

COMMITTEE ON THE JUDICIARY

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bess E. Dick	Staff director	$8,209.08
William R. Foley	General counsel	8,209.08
Walter M. Besterman.	Legislative assistant	8,209.08
Walter R. Lee	do	8,209.08
Murray Drabkin	Counsel	5,854.90
William H. Crabtree	Associate counsel (from Mar. 1, 1959).	3,903.24
Carrie Lou Allen	Clerical staff (from Apr. 1, 1959).	1,765.44
Anne J. Berger	Clerical Staff	5,020.92
Frances Christy	do	4,841.10
Garner J. Cline	Assistant counsel	5,020.92
Mary Dematteis	Clerical staff	3,813.48
Helen Goldsmith	do	4,378.62
Velma Smedley	do	5,020.92
Lola Oberman	Clerical staff (to Mar. 21, 1959).	2,055.16

SALARIES PAID JANUARY 1 THROUGH JUNE 30, 1959, PURSUANT TO HOUSE RESOLUTION 27 AND HOUSE RESOLUTION 92, 86TH CONGRESS

Carrie Lou Allen	Clerk-stenographer	$1,527.61
Leonard Appel	Assistant counsel, Antitrust Subcommittee.	6,159.19
Robert E. Bauman	Messenger	32.19
David G. Berger	Assistant counsel	1,338.91
Gertrude C. Burak	Clerk-stenographer	4,120.38
Jane C. Caldwell	Clerk-typist	891.73
Roberta E. Eisenberg.	Clerk-stenographer	3,472.03

SALARIES PAID JANUARY 1 THROUGH JUNE 30, 1959, PURSUANT TO HOUSE RESOLUTION 27 AND HOUSE RESOLUTION 92, 86TH CONGRESS—continued

Name of employee	Profession	Total gross salary during 6-month period
Alexander E. Finger	Assistant counsel	$3,022.97
Herbert Fuchs	do	5,918.05
Constance E. Glagola	Clerk-typist	248.48
Kenneth R. Harkins	Counsel	7,847.18
R. Frederick Jett	Assistant counsel	5,757.28
Michael Kelemonick	Clerk	3,101.51
Herbert N. Maletz	Counsel	7,847.18
Elizabeth G. Meekins	Clerk-stenographer	3,472.03
Howard A. Nanes	Clerk	501.35
Richard C. Peet	Assistant counsel	4,606.60
Mary P. Shea	Clerk-stenographer	1,773.99
Regina H. Simms	do	1,086.40
Julian H. Singman	Assistant counsel	5,918.05
Agnes Sue Sullivan	Clerk-stenographer	1,974.95
Stephen L. Williams	Messenger	1,598.82

Funds authorized or appropriated for committee expenditures	$200,000.00
Amount of expenditures for period Jan. 1 to July 1, 1959	78,299.89
Balance unexpended as of July 1, 1959	121,700.11
H. Res. 92, adopted Jan. 29, 1959	200,000.00

Funds for preparation of United States Code, District of Columbia Code, and revision of the laws:

A. Preparation of new edition of United States Code (no year):

Unexpended balance Dec. 31, 1958	$46,403.12
Expended, Jan. 1 to June 30, 1959	28,280.82
Balance, June 30, 1959	18,122.30

B. Preparation of new edition of District of Columbia Code (no year):

Unexpended balance Dec. 31, 1958	92,436.69
Expended, Jan. 1 to June 30, 1959	149.11
Balance, June 30, 1959	92,287.58

C. Revision of the laws 1959:

Unexpended balance Dec. 31, 1958	8,147.44
Expended, Jan. 1 to June 30, 1959	8,045.71
Balance, June 30, 1959	101.73

EMANUEL CELLER,
Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Drewry	Chief counsel	$8,160.00
Bernard J. Zincke	Counsel	7,653.24
Robert H. Cowen	do	7,653.24
William B. Winfield	Chief clerk	7,081.02
Frances Still	Assistant clerk	4,679.22
Ruth E. Brookshire	do	3,719.28
Vera A. Barker	Secretary	3,719.28
Edith W. Gordon	do	3,719.28
E. M. Tollefson	Minority clerk	4,253.03

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 3 to June 30, 1959	$15,571.40
Total amount expended from Jan. 3 to June 30, 1959	15,571.40
Balance unexpended as of June 30, 1959	59,428.60

HERBERT C. BONNER,
Chairman.

POST OFFICE AND CIVIL SERVICE COMMITTEE

JULY 13, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel	$8,209.08
Charles E. Johnson	Counsel	7,857.60
Henry C. Cassell	Clerk	7,489.74
Bun Benton Bray, Jr.	Professional staff member.	7,101.48
Clarence R. Jauchem	do	7,101.48
John B. Price	Assistant clerk	4,190.22
Lillian L. Hopkins	do	4,096.08
Lucy K. Daley	do	3,907.68
Elsie E. Thornton	Secretary	3,106.98
Blanche M. Simons	do	3,106.98

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 29 to June 30, 1959	12,353.81
Total amount expended from Jan. 29 to June 30, 1959	12,353.81
Balance unexpended as of June 30, 1959	62,646.19

TOM MURRAY,
Chairman.

COMMITTEE ON PUBLIC WORKS

JULY 13, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Margaret R. Beiter	Staff director	$8,209.08
Richard J. Sullivan	Chief counsel	8,209.08
Robert F. McConnell	Counsel	8,160.00
Joseph R. Brennan	Engineer-consultant.	8,209.08
Helen M. Dooley	Staff assistant	6,536.06
S. Philip Cohen	do	4,190.22
Helen A. Thompson	do	4,679.22
Dorothy Beam	do	4,190.22
Ester M. Saunders	Clerk-messenger	2,306.28
Anna McHale	Staff assistant (Jan. 1 to Apr. 39).	1,104.36
Stephen V. Feeley	Subcommittee clerk (appointed June 1).	975.81
Investigating Staff:		
Sterlyn B. Carroll	Clerk-messenger	$1,572.96
Gerry C. Corcoran	Clerk-stenographer (Jan. 1 to Apr. 30).	2,215.76
Stephen V. Feeley	Professional staff member (Jan. 1 to May 31).	4,449.77
Agnes M. GaNun	Clerk-stenographer	3,223.64
Marshall Gerber	Subcommittee clerk	4,490.90
Mary W. Porter	Clerk-stenographer	3,719.28
John A. O'Connor, Jr.	Subcommittee clerk (appointed Mar. 1).	3,044.68
Jerome N. Sonosky	Subcommittee clerk (appointed Feb. 1).	3,805.85
Jack D. Warren	Subcommittee clerk (appointed June 1).	478.58
Perry House	Staff assistant (Jan. 1-3).	76.12
Vern Munger	Professional staff member (Jan. 1-3).	76.12
Florence I. Porter	Clerk-stenographer (Jan. 1-3).	46.29
Benjamin F. Nolan	Professional staff member (Feb. 15-28).	333.95

Funds authorized or appropriated for committee expenditures	$125,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30	22,779.80
Total amount expended from Jan. 1 to June 30	22,779.80
Balance unexpended as of June 30, 1959	102,220.20

CHARLES A. BUCKLEY,
Chairman.

COMMITTEE ON RULES

JULY 14, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession (Standing or Select Committee)	Total gross salary during 6-month period
T. M. Carruthers	Clerk, standing committee.	$6,263.58
Barbara M. Thornton.	Assistant clerk (Jan. 1-31, 1959).	682.68
Sarah G. Billingsley	Assistant clerk (Jan. 21, 1959 forward).	3,907.68
Jane W. Snader	Minority clerk	4,567.02

HOWARD W. SMITH,
Chairman.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

JULY 6, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1959, inclusive, together

with total funds authorized or appropriated and expended by it:

Name of employee	Profession (Standing or Select Committee)	Total gross salary during 6-month period
Joseph Anthony Moran.	Legal consultant (Jan. 4 to Feb. 3, inclusive).	$1,221.76
Janice G. Angell	Secretary (Feb. 6 to 23, inclusive).	450.11
Harney S. Bogan, Jr.	Legal consultant	6,664.14
John A. Carstarphen, Jr.	Counsel (Mar. 1 to June 30, inclusive).	4,502.72
C. Otis Finch	Assistant (Apr. 1 to June 30, inclusive).	2,683.08
Richard P. Hines	Staff consultant	6,664.14
Eva F. Lopez	Secretary (Mar. 19 to June 30, inclusive).	2,283.37
Eunice A. Walker	Secretary (Apr. 16 to June 30, inclusive).	1,210.17
Raymond Wilcove	Staff consultant	7,714.56
Charles F. Ducander	Executive director and Chief Counsel (Jan. 22 to June 30, inclusive).	7,251.35
Charles S. Sheldon II	Technical director	8,117.87
Spencer M. Beresford	Special counsel	8,117.87
Philip B. Yeager	Special consultant	8,117.87
Jean Cameron	Secretary	3,472.03
Mary L. Myron	do	2,730.99
Jane J. Zetty	Secretary (Mar. 1 to June 30, inclusive).	2,253.44
Mary A. Robert	Secretary (Feb. 24 to June 30, inclusive).	2,049.23
Emily Dodson	Secretary (Mar. 23 to June 30, inclusive).	1,853.11

Funds authorized or appropriated for committee expenditures	$300,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 4 to June 30, 1959	39,381.02
Total amount expended from Jan. 4 to June 30, 1959	39,381.02
Balance unexpended as of July 1, 1959	260,618.98

OVERTON BROOKS,
Chairman.

COMMITTEE ON UN-AMERICAN ACTIVITIES

JULY 10, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Donald T. Appell	Investigator	$6,754.08
Richard Arens	Staff director	8,200.90
Juliette P. Joray	Recording clerk	5,282.70
Thelma S. Michalowski.	Secretary to investigators.	4,359.78
Isabel B. Nagel	Clerk-stenographer	3,625.08
Rosella A. Purdy	Secretary to counsel	4,359.78
Frank S. Tavenner, Jr.	Counsel	8,200.90
Anne D. Turner	Chief of reference service.	5,323.56
Lorraine Veley	Clerk-stenographer	3,436.68
William A. Wheeler	Investigator	6,590.58
Investigating committee:		
June D. Allen	Clerk-stenographer (resigned May 31).	$1,843.40
Margaret Bentz Attinello.	Information specialist (resigned Mar. 31).	2,000.91
Beatrice P. Baldwin	Clerk-typist	2,494.68
Patrice Mahon Baurkot.	Clerk-stenographer	2,337.68
Frank J. Bonora	Investigator	4,661.22
Jeanne M. Cassebaum.	Clerk-stenographer (resigned February 28).	665.14
Raymond T. Collins	Investigator	4,661.22
William Cook	Clerk-typist (appointed June 9).	247.34
Patricia R. Crovato	Research clerk	2,099.04
Jonna Lynne Cullen	Clerk-typist (appointed June 15).	179.88
Anniel Cunningham.	Information analyst	3,460.20
Barbara Harriet Edelschein.	Editor	2,965.68
Elizabeth L. Edineer.	do	3,436.68
Emily R. Francis	Information analyst	2,306.28
Paul C. Gerhart	Investigator	4,472.82
Helen M. Gittings	Research analyst	4,284.42
Lillian E. Howard	do	4,048.98
Walter B. Huber	Consultant (appointed Jan. 4).	6,561.09
Lois Marion Kahl	Clerk-typist (appointed Mar. 2).	1,490.44
Maura Patricia Kelly.	Research analyst	2,758.44
Leo A. Kirk	Consultant (resigned Feb. 28).	129.12
Olive M. King	Editor	4,143.18
Stephen V. Kopunek.	Clerk-typist	2,584.14
Gwendolyn L. Lewis.	Administrative assistant.	5,282.70
Judith D. Livingstone.	Clerk-typist (appointed June 15).	179.88
William Margetich	Investigator	3,012.78
Lewis MaGouirk	Clerk-typist (June 3-30).	314.79
Francis J. McNamara.	Research consultant	6,100.14
Vincent J. Messina	Research clerk (appointed June 15).	196.63
Jane S. Muller	Information analyst (appointed June 15).	223.42
Maureen P. Ontrich	Clerk-stenographer	2,814.96
Alma T. Pfaff	Research clerk	2,306.28
Katharine Phillips	Switchboard operator.	2,376.91
Josephine S. Randolph.	Research clerk	2,683.08
Louis J. Russell	Investigator	5,446.20
Doris P. Shaw	Information analyst (appointed Feb. 1).	2,094.60
Regina H. Simms	Clerk-stenographer (resigned Feb. 22).	796.88
Lawrence S. Stepelevich.	Clerk-typist (resigned Feb. 28).	601.00
Lela Mae Stiles	Information analyst	2,814.96
William J. Tate, Jr.	Clerk-typist (resigned Feb. 8).	427.22
Joseph T. Timony	Clerk-typist (appointed Feb. 10).	1,585.22
Eleanor Ann Tehan	Clerk-stenographer	2,758.44
Vera L. Watts	do	3,191.76
Billie Wheeler	do	1,845.84
George C. Williams	Investigator	6,141.00
Jeanni O. Winston	Information anlayst (resigned Feb. 28).	1,051.36

Funds authorized or appropriated for committee expenditures	$327,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 4 to July 1, 1959	147,334.18
Total amount expended from Jan. 4 to July 1, 1959	147,334.18
Balance unexpended as of July 1, 1959	179,665.82

FRANCIS E. WALTER,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Oliver E. Meadows	Staff director (P)	$8,160.00
Harold A. L. Lawrence.	Professional aide (minority).	8,160.00
Edwin B. Patterson	Counsel (P)	5,440.00
J. Buford Jenkins	Professional aide	7,162.74
George W. Fisher	Clerk	8,160.00
Ida Rowan	Administrative aide (minority).	7,489.74
Paul K. Jones	Assistant clerk	5,854.86
Helen A. Biondi	do	4,761.67
Alice V. Matthews	Clerk-stenographer	4,001.82
George J. Turner	Assistant clerk, supplies.	3,860.58
Investigative staff:		
Adin M. Downer	Staff member	5,893.28
Joanne Doyle	Clerk stenographer	2,949.57
Ann Macon Foster	Clerk-typist	144.46
Frank N. Ikard, Jr.	Supply clerk	174.86
Jean Johnson	Clerk-stenographer	2,949.57
William T. McDonald, Jr.	Clerk-typist	368.68
Paul H. Smiley	Investigator	3,480.31
John Billie Smith	do	2,594.14
Edward Lee Teer	do	2,781.96
Mark L. Davis	Clerk-messenger	337.28

Funds authorized or appropriated for committee expenditures	$110,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1959	26,446.52
Total amount expended from Jan. 1 to June 30, 1959	26,446.52
Balance unexpended as of June 30, 1959	83,553.48

OLIN E. TEAGUE,
Chairman.

JUNE 29, 1959.

COMMITTEE ON WAYS AND MEANS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Full committee:	
Irwin, Leo H., chief counsel (C)	$8,209.08
Martin, Thomas A., minority counsel (P)	8,209.08
Martin, John M., Jr., assistant chief counsel (P)	7,898.44
Brannon, Gerard M., professional assistant (P)	7,530.60
Dring, James F., professional assistant (P) (from June 16, 1959)	598.65
Rashish, Myer, professional assistant (P) (from Jan. 4 to Apr. 30, 1959)	4,655.78
Ture, Norman B., professional assistant (P) (from May 1 to June 14, 1959)	1,970.72
Brannock, Virginia, staff assistant (C)	3,978.30
Butler, Virginia, staff assistant (C)	4,077.18
Burd, Sybil, staff assistant (C)	3,978.30
Donovan, Frances, staff assistant (C)	3,978.30
Kagan, Grace, staff assistant (C)	4,077.18
Kendall, June, staff assistant (C)	4,143.18
Pestell, Margaretta, staff assistant (C)	2,810.24
Russell, Frances, staff assistant (C)	5,142.30
Ruth, Elizabeth, staff assistant (C) (from Jan. 4 to Apr. 30, 1959)	2,181.78
Taylor, Susan, staff assistant (C)	4,930.98
Wade, Irene, staff assistant (C)	4,077.18
Greene, Hughlon, clerk-messenger	2,692.50
Little, Walter B., clerk-messenger	2,692.50
Expenses	3,119.47

Subcommittee on Administration of Foreign Trade Laws and Policy:	
Hon. HALE BOGGS, chairman	
Akins, Mildred, staff assistant (C) (from Apr. 21, 1959)	$1,358.40
Rashish, Myer, economist (from May 1, 1959)	2,387.58
Expenses	28.00
Total	3,773.98
Subcommittee on Administration of the Internal Revenue Laws:	
Hon. WILBUR D. MILLS, chairman	
Ruth, Elizabeth, staff assistant (C) (from May 1, 1959)	1,286.86
Sonnett, Eileen, staff assistant (C) (from Apr. 23, 1959)	1,155.96
Expenses	
Total	2,442.82
Subcommittee on Administration of the Social Security Laws:	
Hon. BURR P. HARRISON, chairman	
Arner, Frederick B., attorney (P) (from May 18, 1959)	1,535.36
Expenses	
Total	1,535.36
Funds authorized or appropriated for committee expenditures	300,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1 to June 30, 1959	10,871.63
Total amount expended from Jan. 1 to June 30, 1959	10,871.63
Balance unexpended as of June 30, 1959	289,128.37

WILBUR D. MILLS,
Chairman.

SELECT COMMITTEE ON SMALL BUSINESS

JULY 15, 1959.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 4 to June 30, 1959, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bryan H. Jacques	Staff director	$8,143.68
Everette MacIntyre	General counsel	8,143.68
William Summers Johnson	Chief economist	7,489.74
Victor P. Dalmas	Adviser to minority members	7,489.74
Irving Maness	Assistant counsel	7,489.74
Justinus Gould	do	6,210.48
Richard L. Mitchell	do	3,900.52
J. Brooks A. Robertson	Analyst	2,501.46
Frances K. Topping	Economist	4,416.31
Marie M. Stewart	Clerk	3,907.68
Jane M. Deem	Administrative assistant	3,907.68
Clarence D. Everett	Investigator	3,907.68
Katherine C. Blackburn	Research analyst	3,766.38
Emma Jane Hicks	do	2,322.60
Ann Gibson	do	795.12
Margaret Fallon Palmer	do	3,625.08
Judith Lazarus	Research assistant	2,965.68
Florence B. Brown	Secretary for minority	3,352.94
Dorothy F. Councill	Stenographer	3,267.12
Anna A. Holovach	do	2,911.50
Ruth I. Matthews	do	2,751.36
Barbara W. McConnell	do	2,723.10
Frances F. Crane	do	2,094.36
Jean Fender	do	1,346.94
Funds authorized or appropriated for committee expenditures		$260,000.00
Amount of expenditures previously reported		
Amount expended from Jan. 4 to June 30, 1959		$101,550.55
Total amount expended from Jan. 4 to June 30, 1959		101,550.55
Balance unexpended as of June 30, 1959		158,449.45

WRIGHT PATMAN,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1238. A communication from the President of the United States, transmitting an amendment to the proposed appropriation for the fiscal year 1960 for the Development Loan Fund, previously transmitted in his letter of June 26, 1959. This amendment will provide funds for both the fiscal year 1960 and the fiscal year 1961 (H. Doc. No. 205); to the Committee on Appropriations and ordered to be printed.

1239. A letter from the Director of the Bureau of the Budget, Executive Office of the President, relative to plans for works of improvement relating to the Boggs Creek watershed, Indiana; Gilbert Run watershed, Maryland; Marsh Run watershed, Ohio; and the Martinez Creek watershed, Texas, pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1240. A letter from the Administrator, General Services Administration, relative to a proposed disposition of approximately 6,000 short tons of calcined alumina now held in the national stockpile, pursuant to the Strategic and Critical Materials Stock Piling Act (53 Stat. 811), as amended (50 U.S.C. 98b (e)); to the Committee on Armed Services.

1241. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the 45th Annual Report of the Board of Governors of the Federal Reserve System covering operations for the year 1958; to the Committee on Banking and Currency.

1242. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of proposed legislation entitled "A bill to authorize the establishment of a Junior College Division within the District of Columbia Teachers College, and for other purposes"; to the Committee on the District of Columbia.

1243. A letter from the Director, International Cooperation Administration, transmitting a copy of my reply to the Comptroller General of the United States on the General Accounting Office report on its "Review of Mutual Security Program Presentation to the Congress for Fiscal Year 1959 Economic Assistance to China, Korea, and Vietnam"; to the Committee on Government Operations.

1244. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Jan Frantisek Sevcik"; to the Committee on the Judiciary.

1245. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Mieczyslaw J. Piorkowski"; to the Committee on the Judiciary.

1246. A letter from the Acting Secretary of Commerce, relative to war risk insurance and certain marine and liability insurance for the American public as of June 30, 1959, pursuant to the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

1247. A letter from the Director of the Bureau of the Budget, Executive Office of the President, relative to plans for works of improvement relating to the Flat Creek watershed, Arkansas, Second Creek watershed, Mississippi, and the Tehuacana Creek watershed, Texas, pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 23, 1959, the following bill was reported on July 24, 1959:

Mr. PASSMAN: Committee on Appropriations. H.R. 8385. A bill making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes; without amendment (Rept. No. 712). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted July 27, 1959*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRIEDEL: Committee on House Administration. House Resolution 314. Resolution authorizing an increase in the allowance for stationery for each Member of the House of Representatives, Delegate, and Resident Commissioner; without amendment (Rept. No. 713). Ordered to be printed.

Mr. PATMAN: Select Committee on Small Business. Interim report on small-business problem in the dairy industry; without amendment (Rept. No. 714). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Interstate and Foreign Commerce. H.R. 1341. A bill to require passenger-carrying motor vehicles purchased for use by the Federal Government to meet certain safety standards; with amendment (Rept. No. 715). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of July 23, 1959, the following bill was introduced July 24, 1959:

By Mr. PASSMAN:

H.R. 8385. A bill making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes.

[*Introduced and referred July 27, 1959*]

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H.R. 8386. A bill to provide that the spouse and minor children of certain permanent resident aliens shall be nonquota immigrants; to the Committee on the Judiciary.

H.R. 8387. A bill to amend the act of June 5, 1952, so as to remove certain restrictions on the real property conveyed to the Territory of Hawaii by the United States under authority of such act; to the Committee on Armed Services.

By Mr. BONNER:

H.R. 8388. A bill to amend the Merchant Marine Act, 1936, to provide further require-

ments for applicants for and contractors under operating-differential subsidy contracts; to the Committee on Merchant Marine and Fisheries.

By Mr. CURTIS of Missouri:

H.R. 8389. A bill to limit the power of the States to impose income taxes on income derived exclusively from the conduct of interstate commerce; to the Committee on the Judiciary.

By Mr. FASCELL:

H.R. 8390. A bill to provide for the participation of the United States in the Inter-American Development Bank; to the Committee on Banking and Currency.

By Mr. FOLEY:

H.R. 8391. A bill to authorize the establishment of a Junior College Division within the District of Columbia Teachers College, and for other purposes; to the Committee on the District of Columbia.

By Mr. HARRIS:

H.R. 8392. A bill to amend the District of Columbia Stadium Act of 1957 with respect to motor vehicle parking areas, and for other purposes; to the Committee on the District of Columbia.

By Mr. HENDERSON:

H.R. 8393. A bill to amend title 38 of the United States Code to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; to the Committee on Veterans' Affairs.

By Mr. HOGAN:

H.R. 8394. A bill to assure orderly marketing of an adequate supply of hogs and pork products; to encourage increased domestic consumption of pork and pork products; to maintain the productive capacity of the hog-farming industry; to avoid the feeding of hogs to less desirable weights; and to stop further declines in liveweight prices received by hog producers; to the Committee on Agriculture.

By Mr. HOLLAND:

H.R. 8395. A bill to provide a 1-year moratorium on principal payments under FHA-insured and VA-guaranteed mortgages for mortgagors who are unemployed and unable to make such payments through no fault of their own, and for other purposes; to the Committee on Banking and Currency.

By Mr. JONES of Alabama:

H.R. 8396. A bill to provide for the holding of a term of court for the northeastern division of the northern district of Alabama at Decatur; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H.R. 8397. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts; to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 8398. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of foreign excess property to medical institutions, hospitals, clinics, health centers, schools, colleges, and universities; to the Committee on Government Operations.

By Mr. NORBLAD:

H.R. 8399. A bill to designate the Green Peter Dam and Reservoir on Middle Santiam River, Oreg., as the Douglas McKay Dam and Reservoir; to the Committee on Public Works.

By Mr. LANDRUM:

H.R. 8400. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. GRIFFIN:

H.R. 8401. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. METCALF:

H.R. 8402. A bill to amend the Fish and Wildlife Coordination Act to provide more adequate protection of the fish and wildlife habitat; to the Committee on Merchant Marine and Fisheries.

By Mr. PELLY:

H.R. 8403. A bill to provide additional compensation for employees in the postal field service required to qualify on scheme examinations; to the Committee on Post Office and Civil Service.

By Mr. PERKINS:

H.R. 8404. A bill to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; to the Committee on Education and Labor.

By Mr. PORTER:

H.R. 8405. A bill to designate the Green Peter Dam and Reservoir on Middle Santiam River, Oreg., as the Douglas McKay Dam and Reservoir; to the Committee on Public Works.

By Mr. RAINS:

H.R. 8406. A bill to amend the Internal Revenue Code of 1954 with respect to the priority and effect of Federal tax liens and levies, and for other purposes; to the Committee on Ways and Means.

By Mr. REUSS:

H.R. 8407. A bill to amend title II of the Social Security Act to change the composition of the Board of Trustees of the social security trust funds, and to require a comprehensive report to the Congress with respect to the investment of such funds; to the Committee on Ways and Means.

By Mr. RIVERS of Alaska:

H.R. 8408. A bill to provide for the disposition of surplus personal property to the government of Alaska; to the Committee on Government Operations.

By Mr. SPENCE:

H.R. 8409. A bill to extend the International Wheat Agreement Act of 1949; to the Committee on Banking and Currency.

By Mr. YOUNGER:

H.R. 8410. A bill to prohibit the introduction of merchandise into interstate commerce if a guarantee is made with respect to such merchandise unless the merchandise bears a complete return address; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL:

H.R. 8411. A bill to amend the Civil Service Retirement Act to include as military service for purposes of such act certain service in the armed forces of governments allied with the United States in World War II; to the Committee on Post Office and Civil Service.

By Mr. CARTER:

H.R. 8412. A bill to repeal the dual employment laws insofar as they are applicable to retired members of the Armed Forces; to the Committee on Post Office and Civil Service.

By Mr. FERNÓS-ISERN:

H.R. 8413. A bill to provide for the construction of a new Veterans' Administration hospital in Puerto Rico; to the Committee on Veterans' Affairs.

By Mr. McFALL:

H.R. 8414. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H.R. 8415. A bill to provide for the admission of the District of Columbia as a nonsovereign State into the Union; to the Committee on the District of Columbia.

By Mr. UDALL:

H.R. 8416. A bill to amend the act of April 19, 1950 (64 Stat. 44, 25 U.S.C. 635, 636), to better promote the rehabilitation of the Navajo and Hopi Tribes of Indians; to the Committee on Interior and Insular Affairs.

By Mr. FULTON:

H. Con. Res. 364. Concurrent resolution expressing the sense of the Congress with respect to the adoption in the United States of the metric system of weights and measures; to the Committee on Science and Astronautics.

By Mr. WILSON:

H. Con. Res. 365. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. WALTER:

H. Res. 330. Resolution providing for the printing of additional copies of the consultation entitled "Communist Persecution of Churches in Red China and Northern Korea"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States to proceed at once to investigate rumors concerning a national organization of criminals of Italian descent known as the Mafia, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H.R. 8417. A bill for the relief of Grand Lodge of North Dakota, Ancient Free and Accepted Masons; to the Committee on the Judiciary.

By Mr. LIBONATI:

H.R. 8418. A bill for the relief of Luigi Piludu; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 8419. A bill for the relief of Krste Angeloff; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 8420. A bill for the relief of Max Bleier; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

247. The SPEAKER presented a petition of the chairman, the Coordinating Committee of the Nations Under the Communist Yoke, Cleveland, Ohio, petitioning consideration of their resolution with reference to acknowledging the dedication of Captive Nations Week by the President of the United States of America, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address of Hon. Gale W. McGee, of Wyoming, Before the National Association of State Agencies for Surplus Properties Convention

EXTENSION OF REMARKS
OF
HON. JOSEPH S. CLARK
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, July 27, 1959

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of a speech given by my colleague, the Honorable GALE W. MCGEE, junior Senator from Wyoming, on June 24, before the National Association of State Agencies, meeting in Grand Teton National Park, Wyo.

Senator MCGEE has shown, in his short time as a Member of this body, intelligence, foresight, and the ability to cut to the heart of a problem. Perhaps the beauty of the Tetons has inspired him further—for this speech on the vital need for truth and new ideas shows breadth of vision. He brings into perspective the image America must present to the underdeveloped countries of the world.

I hope my colleagues will all find time to read his remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE GALE W. MCGEE, SENATOR FROM WYOMING, BEFORE THE NATIONAL ASSOCIATION OF STATE AGENCIES FOR SURPLUS PROPERTIES CONVENTION, JACKSON LAKE LODGE, GRAND TETON NATIONAL PARK, WYO., JUNE 24, 1959

I didn't realize that you had been in session so long this afternoon that you had to stand for relief. Believe me, I appreciate that. You know that does a freshman's heart a world of good because a freshman doesn't receive great respect back there in this new game in which I am now a participant; and so when I can come out here and live it up and then be accorded a standing ovation, it's great for one's morale.

Indeed I am proud of all the States that you have associated me with, although I began to suspect that you were talking about a sort of interstate bum who was just one step ahead of a dissatisfied employer from time to time. Anybody who is entitled to claim so many States for residence is automatically suspected. We had to leave Nebraska because we couldn't find a climate of opinion there that was receptive to mine. They still don't receive some of my ideas well, although my mother maintains a beachhead there in the interest of the family. But she has to be a Republican committeewoman in order to do that.

Colorado—Loraine and I did spend our honeymoon in Colorado. It's a very wonderful place. They have beauty but it's commercialized beauty. They don't have the naked, raw, rugged beauty such as you look out upon from the window of this hotel and enjoy.

Unfortunately, the commercialists have invaded our lands in Wyoming, too, and we who truly love the West and love it for its native beauty secretly resent this intrusion of civilization which is changing the face of our country. As a public official, of course, I have a moral obligation to becken to all to come on because the more tourists we can attract in the summertime, the more prosperity we can enjoy. But the hard truth of the matter is that really down inside, where it counts, we wish you'd all stay home and leave our fishing alone.

We have long since, now these last few weeks, discovered the real definition of capital punishment. Capital punishment can be defined as that necessity which calls for some of us to have to live in Washington in the summertime—and it is real capital punishment. You don't know what the contrast is until you make that overnight jump from the hot, steamy streets of Washington, where the humidity is always high, where the thermometer is in the nineties, out here to God's open spaces where the sky is blue and the space is unlimited and the air is fresh. We never come home to this without wondering why in the world we should go back. Yet there is something that draws us back, that electric something which I guess, infects many of us. It has nothing to do with the time spent; it has to do with the commitment to participate in decisionmaking. That, whatever else you may say about it, does make a difference, and I think it is that which buoys you up and keeps you going in the U.S. Senate.

When I was in the teaching business, as I was for 22 years until a year ago just about now, there existed in that profession a sense of rank and seniority. I remember when I was in the graduate school in Colorado and then at the University of Chicago really resenting a little bit the instructors on the staff because I thought they were snobs and looked down their noses at us poor graduate students trying to struggle along. I was determined then and there to get into the professoring business and see what it was like to look down upon the unfortunates below me. I got to be an instructor at Nebraska Wesleyan University and then discovered, only too late, that instructors didn't amount to anything because there were assistant professors, associate professors, and, finally, full professors who towered over them. After a dedicated career of suffering and sacrifice and by outliving some others, I rose through the ranks and got clear to the top as a full professor. I thought that we had it made then, only to discover that in the educational profession, in which many of us here are interested, there has not emerged a hierarchy over all that we call administration and administrators. That seemed so hopelessly frustrating to me that I thought it was time to get out of the business. I wanted some simple employment that would be a little easier going in which rank played a lesser part, and I applied for a job with the Senate of the United States. For reasons beyond my control and due to the rationale of the citizens of Wyoming, I got the job. Now, as a result, I have gotten into the worst kind of rank situation. I don't suppose there's any institution in the world which is so rank conscious or where seniority plays such a tremendous part in the thinking of the participants.

In the group of us who did descend on Washington last November, there were 18 new Senators, all of them with my political faith. We thought we were so numerous that we'd take the place by storm and that all these fetishes about seniority—who was the oldest and who represented what in what order down the line—would be destroyed by numbers, by mass impact. But we didn't reckon with the Senate of the United States and its traditions, and, upon arrival there, we discovered our best intentions were stymied by the depth of the tradition and the inveterate dedication to seniority. The result was that they had a rule for every one of us. The Senate is sacred in its belief that no two Senators—I don't care which two Senators they are—can ever be absolute equals. There is a niche for each, 98 of them, and each takes his place beneath those who outrank him.

Well, it was then I learned the hard way that in order to break up this gang of 18 new freshmen, they were going to allot us our places, and they had a special place—a special precedence—for all former members of the House of Representatives. That involved 9 or 10 of our gang—quite a portion. And then they had a second order of precedence for anybody who had been a former Governor of his State. That took three or four more, but it still left four of us who stood shoulder to shoulder, exactly the same height, and that's when the resourcefulness of the Senate, naturally, came into play. They resurrected a couple of old precedents which had not been used since before the Civil War which dictated the separation of the remaining four who thought they were equal. They decided they could separate us according to the year in which our State had been admitted to the Union. Well, the passengers aboard the *Mayflower* didn't quite make it to Wyoming. Very little of the sea washed the shores of this wonderful State. In fact, we didn't come into the Union until 1890, and so we were way, way down that list. Even with this ruling, however, the final status of two of us was not resolved. Two States came into the Union in 1890 and that created a tie they couldn't break until they found another old beat-up rule which said that in such a case seniority would be determined by alphabetical order of States. Well, consult the list of States and you'll see that Wyoming is quite a ways down. In fact, there is no "whicher" than Wyoming in the alphabet. So, ladies and gentlemen, today you are looking at No. 98. One consolation about it is that it leaves us no direction to go but up and that's hopeful. And they assure me back there that the longer I'm around, the better I will think of seniority and that I will temper my views as the years pass.

It is genuinely refreshing to me, under all of these circumstances, to come here and talk to you. You have been having your seminars; you have had your old pros batting away at each other; you are going to have them some more. I don't know anything about surplus property problems except I am for you. I was told to say that so that you'd know I was dedicating my efforts in your behalf and, rest assured, if you tell me what those efforts are, I will. I happen to believe in the people who brought me out here. That's the only reason I'm here. And I firmly believe in the line that you're trying to hold—making available some of the surplus materials for schools and in the educational field. It would be dishonest for me not to say that very bluntly and forthrightly.

I want to talk to you today about an area quite far removed in one way from the professional concern which has collected you here this week and particularly this afternoon—a topic that's quite far removed from the minds of all too many Americans today. It is the parts of the world which we have for generations taken for granted and continually ignore. I am speaking of the so-called underdeveloped regions of the globe. They are not totally unrelated with the problem that you are, on the domestic front, concerned with here—surplus properties. If I

were to say to you that tomorrow, not the day after tomorrow, not the 21st century, but tomorrow, the whole vibrance of the world will be coming from the heartbeat of Asia and Africa; not from Washington; not from London; not from Paris or Rome, but from Asia and Africa, it would be sufficient to suggest the new focus which we are very slow to make a part of American thinking.

Take a cross section of the people of tomorrow, the people now that are between adolescence and middle age—that is 10 years older than I am, I always say—take a cross section of all the people of the world who lie between the ages of 12 or 13 and 50 and who make up tomorrow's world. They will be determining our future policies. Take such a cross section and it's made up something like this. On the basis of a sampling of 100 to reflect that cross section, 6 of them would be from the United States and Canada; another 5 or 6 of them would be from Latin America—our neighbors to the south; 7 or 8 of them would come from the Soviet Union—Russia; perhaps 9 from Africa; 15 or 16 of them would come from Western Europe and non-Russian Europe; and 56 of them—56, I repeat—would come from Asia. There is your world of tomorrow. Yet, in our own concept, we don't go much beyond the shores of the Atlantic, and might I say to you very frankly, as a former student of history, that the Atlantic age of history is already on the downgrade. And we pretend to be the leaders of the world. We are talking about a world that we are still fighting over—the world of World War II. That's what got us down in the 1930's when we were still trying to stay out of World War I, wasn't it? Now we are trying to correct some of the mistakes of World War II. All too few of us are asking about tomorrow and worrying about where we are going.

Now, I want to talk to you for the next few minutes about some aspects of the American concept toward the rest of the world which I think are fundamental if we are to create a sound American policy position that will lead not only to our survival but to our survival under circumstances that are amenable to the kind of life which we associate with a free society.

I will say to you then, first of all, that above all the other concepts Americans must learn to believe in and to understand is the fact that people are different. We have undergone a number of exercises in which it has been our apparent intention to make little Americans out of everybody around the world. As President Eisenhower once reminded us, we not only can't make little Americans out of the world, but it would be a bad idea even if we could. Because of the impact of World War II and, more important, because of some of the problems—if I may drag it in by the heels—caused by surplus property left over in some strange corners of the world after that conflict, we began to try to make little Americans out of everyone.

In reality, however, I am talking about people's thinking, about their cultural habits, about their standards of value, about the things they believe are important, the things which make a difference. Not everybody believes in skyscrapers, in jets, or in a bank account. People have different standards.

I always remember the story that James Michener of South Pacific fame still tells. It happened when he was in Seoul during the Korean war, at the time of the second siege of the city of Seoul when the Communists had moved down from the north very rapidly and threatened to trap not only the garrisons but the people of the city. In that emergency, the American commander called in the city officials and said: "We have very little evacuating material or means of evacuation available. We are caught unready. There is only one barge and it will accommodate about 100 people. Pick the 100 most important people of the city of Seoul, get them on the barge, and we will get them out so that they can save the city when it comes time to rebuild. But pick your key people." The city government, the city officials of Seoul, quickly convened and made their decision, and they put on that barge for the evacuation the 100 members of the Seoul Symphony Orchestra. The American commander cussed a blue streak and called them "blankety-blank so and so illiterates."

But people are different. People have contrasting sets of values and we must understand that.

I once heard the then General Eisenhower describe a similar experience in Africa during the north African campaign. When it was about finished, and there was a light weekend ahead, General Eisenhower was flown into the interior of Africa to view a special housing project that one American group had promoted. It was in a tribal area where the tribes had formerly been living in grass huts. General Eisenhower found there in a beautiful clearing in a corner of the Belgian Congo, neat rows of little, white Cape Cod cottages that the American benefactors had set up for them, and which had all of the plumbing conveniences that you could desire.

There was only one thing missing—people. The houses were all empty. The general asked the chief escorting him around. "Where are the people?" The chief, a little bit embarrassed said, "Well, General, I think I can show them to you." He then escorted him some distance down to the bank of the nearby river, and there were the people. They were building grass huts and the babble of their talk made quite a din. The chief said, "You know, General, they very much appreciated those wonderful, wonderful houses, but they just didn't think they could live in them, because with all of the conveniences—running water and the like—my people felt that it would deprive them of their one reason for living, the one joy they had every day, and that is the daily trip down to the bank of the river to get water to wash their clothes and to commune with their neighbors."

Well, people are different: They are different in as many ways as there are people. That's why we have sometimes gotten into trouble in America. We haven't been willing to allow for those differences.

At the University of Wyoming, while I was teaching there, we had a great many students from Afghanistan. We had these students from Afghanistan because we had opened a sort of branch of the University of Wyoming over in Afghanistan. We had an exchange program. We kept this program very much alive because Afghanistan was a high-altitude country with agricultural and soil problems similar to our own. I had many of these Afghan boys in class and would talk to them at every opportunity about their experiences here. They had a wonderful time in Wyoming.

One of them told me he spent a weekend over near Torrington—which is as far as you can go from here and still be in Wyoming. He had been riding a cornpicker all afternoon. He said it was an exciting thing and he would like to have one to play with. But he said, "You know, Professor, it is no good to me back in Afghanistan. I have wasted my time. In many parts of my country, people are still planting seeds with pointed sticks."

We fail to allow for the fact that some of the world's peoples don't care to use anything else but a pointed stick.

When Loraine and I were in Moscow—and it's nearly 3 years ago now—we got trapped one afternoon in a rainstorm. I should say I got trapped. The women didn't. They were out looking for bargains which they never found. But I stayed in the hotel. I sat in the lobby of the Leningradskoya Hotel until the rain stopped. In that 3 hours, I witnessed the arrival in Moscow of whole delegations from a dozen Asian countries which had been flown there at the expense of the Russians. One of the delegations was from Communist China, and I struck up a conversation with them. I did so because the Chinese speak English very fluently although they can't understand Chinese. This is literally true because there are over a thousand dialects. They speak the English language better than I do. We got along very well in understanding what we were saying to each other. I said to the Chinese, "I suppose you are excited about Moscow." They said, "Very much excited. It's an exciting city." I tried to imagine, in my own mind, why Moscow was exciting to the Chinese because by our standards it is a dreary city, a sort of sprawling slum with the exception of a few showplaces which they display to tourists and the party faithful from Siberia. With those exceptions, Moscow is a very, very dull city. But these Chinese were excited. Then I thought I could understand why they were because, compared to some of the hills of China, this would indeed be a refreshing and new place to them, and I made allowance for that.

So I said to the Chinese, "Gentlemen, you know, I think I can understand why you find Moscow as exciting as you do, but I wish you'd visit my country some day. We have some exciting things, too, which might open your eyes." He said, "I have been to your country. I have visited it four times. I have been in New York, Washington, Chicago, Detroit, New Orleans, San Francisco, and Seattle." Then I did scratch my head. I said, "You have been to all those places and you tell me you find Moscow exciting. Why?" He said, "You know, we in China think you have gone so far and reached so high, and achieved such marvels that we don't even dare dream about them, we are so far behind you. It has no meaning for our people; they couldn't understand it. But here in Moscow we know where these people were 40 years ago. They were just like us and we can see with our own eyes where they have come in less than a generation. And if the Russians can do it," he said, "China can do it. That's why we admire Moscow."

That's something for every American to ponder. There are different ways of reaching people and you can overshoot your target; you can aim too high by trying to make little Americans out of everybody. That's the basic, fundamental concept that all of us have to acquire, have to understand, have to believe. We have to make allowance for the differences of people and do it in ways that they can understand through their insight instead of ours.

The second thing that I would leave with you is the suggestion that we have some surplus property, so to speak, that's surplus property only because we are not using it, surplus property that is begging to be used in meeting this precise problem which I have posed for you here today. That surplus property is of two forms: It is a surplus of ideas and a surplus of truth—ideas and truth. It is strange that we could speak of having a surplus of either one. We happen to have a surplus only because nobody's interested in either one. The people are not demanding either ideas or truth. They don't care. Thus, these commodities exist in bountiful quantities at the present time.

Some few years ago, I was with a private group in New York directing a little study on Soviet intentions. In the course of those long deliberations, we were entertaining, for the purpose of picking her brains, a lady from Asia. I will never forget the very plush banquet which was thrown in her honor. We

invited her to the banquet along with 50 very affluent, industrial, and banking leaders of America. They were grouped around the lone lady, and I was included in the group only because I was directing the study.

The chairman for that meeting said: "Madam, before we get underway, I thought you might be interested in knowing something about the men who are here doing you honor tonight." He said, "These 50 men, I suspect, between them and among them, in their own personal wealth, have something in excess of $10 billion." Well I remember the warm glow coming over my face. Fifty divided into $10 billion meant that we were worth $250 million apiece. I never had it so good.

I will never forget her reply. She said, "Mr. Chairman, you know I do appreciate these very, very wealthy men taking time out from their accumulation of great wealth to dine with me tonight. But I hope you won't be offended if I suggest to you that this isn't a new experience for me, that this isn't the first time I have dined with men of great wealth. Just before I left my country on this trip, I had breakfast with eight maharajas whose total wealth was probably that of these men. But you know in India," she said, "we don't brag about that." (Leave it to a woman to put a man in his place.) She went on in a very, very rich way and she said, "May I say to you very fine Americans something that's very blunt but which I hope you will appreciate?" She said, "Let me tell you why the people of the world respect you, why they look to you for leadership, why they revere your history." She said, "It is not because of your skyscrapers; it is not because of your bank accounts; it is not because of your automobiles." She said, "We admire America because of your ideas. We admire America because you stand for truth wherever it may lead. And, gentlemen," she said, "why don't you put your great strength to work as you seek to lead the world?"

Ideas and truth—and I have never forgotten that memorable little occasion. The history of our own time bears out the validity of her observation. Look at our ideas. We have forgotten them long since. The ideas of free government, of the dignity of the individual, of the respectability of ordinary society, of the equality of all peoples, these are the magical, electric ideas that fire men even in this nuclear age.

When the troops moved into what is now Jakarta, Indonesia, but which was called the Dutch East Indies at the time, at the end of the war the Japanese had seized the area and they put up a very fanatical resistance. They destroyed most of the material assets of the region. But the troops which had entered Jakarta reported finding on the bombed-out walls of that ruined city inscriptions scrawled there by these resisting natives who were driving the Japs back out—inscriptions of little quotations from Ben Franklin, from Thomas Payne's "Common Sense," from Abraham Lincoln's second inaugural address, and from Thomas Jefferson's first. Most Americans don't remember these inspiring words.

These are the ideas of America and they have been carried into even the most backward areas. These areas are backward, my friends, only in the American materialistic sense, and that's the basis upon which we have been judging them.

I talked to a diplomat from Ceylon once. He said, "You know the thing that put my country so strongly on the path toward freedom was that we copied your Constitution. It was our inspiration." I heard Nehru say that what kept India from going to pieces, what prevented her from passing through the radicalism that sweeps through any new area during periods of political experimentation was the examples afforded by the American and British systems. Ideas. The Indian Constitution begins how? "We, the people of the United India, in order to form a more perfect union * * *." Word for word. There's the American inspiration; the American idea.

My friends, 1778 is the most electrically inspiring date in human history and everyone knows it except Americans. We have forgotten its significance. The rest of the world knows about it, but we are failing to use the dynamic influence it still exerts. It is one of our surplus commodities. It is stored in the attic collecting cobwebs with the other relics of our Nation's history.

Ideas, and ideas that we invented, not Karl Marx—that we invented, not Mr. Lenin or Mr. Stalin or Mr. Khrushchev. This is what is inspiring the people of Latin America and Africa and Asia. We did it. Yet, with the rest of the world trying to follow us, what do we do? We look down our noses as if there were some foul smell at the other end that offended us. We want nothing to do with it because it might be radical. These people, my friends, would be on the paths of change, they would be in the throes of revolution, if there had never been a Communist on God's earth because all they are craving is human dignity; the integrity of the individual; national independence and national pride. And what else is there in the Declaration of Independence? We don't have to go out and plant revolutionary fires, but we can certainly recognize them for what they are and understand them instead of trying to hold up our hands as though we could stop this floodtide that's sweeping the world. If it be our decision to stop it, to dam it up, to hold it back, what happened to us in China is going to happen to us all around the globe. It will simply pour over us. We will be inundated and we will literally drown in our own ideas because we were too stupid to use them.

But with that surplus of ideas, we have also a surplus of truth. What I am trying to say to you is this, that the search for truth must be eternal. It is the guidelight of any historian and it must be the constant goal of every citizen. It sometimes will lead you into unpleasant paths; it sometimes requires unpopular conclusions. But, ladies and gentlemen, our Republic has been founded on the willingness to risk the truth. It is the Communist who doesn't dare to face the truth. That's why they have censorship; that's why they have the Iron Curtain; that's why they use brutality to impose falsehood. But we are afraid of truth. Oh? We are afraid of it. Go to the Rotary Club some noon, or to the Lions Club, the chamber of commerce, the women's club—you pick it—and you will discover that they go along talking to each other week after week, saying the things that they like to hear from each other because if they say something different it rocks the boat. It is easier to conform and we are demanding conformity because it is easier to control. I don't mind saying that, as a Senator, I wish all the constituents of Wyoming would conform to one man's ideas—McGee's. It would be a lot easier. There isn't an administrator here or one who was ever an administrator who would not encourage conformity among those beneath him because it would mean an end to his problems. We are afraid of truth.

The truth is unpleasant and uncomfortable and inconvenient. And we have reached the point in this country where we are encouraging half-truth or untruth in government in order to be comfortable, to have time to play golf, or better still, to fish. We have so surrendered our eternal quest for truth that those who merely raise the ugly questions in pursuit of truths are belabored and smeared and twisted and tortured by the public mind and by public pressure because they aren't willing to say what people like to hear or they aren't willing to surrender by leaving well enough alone.

Now this is not what made Americans strong in the past and yet it is this pressure to which we are forfeiting our heritage now.

We have just passed through an extremely painful ordeal in the Senate involving one of the strangest and most difficult personalities, I suppose, in this century—Mr. Strauss—a difficult and strange personality because when he was good there was never a man in all history who was so good. But when he was bad there were some extremely serious complications. He is a man who has perfected a technique that he didn't invent. Democrats and Republicans, long before him, hammered out the perfections of the gobbledygook of words, words without meaning, words of evasion, honeyed words, big words, little three-letter words. These words were aimed at covering up, at hiding, at concealing unpleasantries or mistakes in human judgment; and the mushrooming of the bureaucracy in Washington has aided and abetted this whole practice. Mr. Strauss was not the inventor of this at all. He may have been its victim. Some of us felt very deeply that in the search for truths the time for a reckoning had long since passed. When this man, in a very tortuous process, was stripped of almost a million words; when he stood naked before his committee, he was revealed as a liar.

My friends, these are people living in fear. You live in fear of dictatorship. That's what was wrong with Hitler and Naziism; that's what's wrong with the Communists in Moscow. Yet, under the guise of leaving well enough alone and not disturbing placid waters, we were surrendering to the very dictatorship we feared.

I was personally tortured that my President was very much embittered about the ugliness of this decision because the President's wishes rank very high in my scale of values. But there's one thing that ranks higher than his wishes in my book, and that one thing is the right of the people in a democracy to know, the right to go behind the veil of the so-called executive privilege and secrecy, to strip away from the mistakes that humans are entitled to always make in a democracy the veil of nondisclosure or the camouflage of words. And I say this in the context of my opening remarks for this reason. The one appeal that we have to the rest of the world lies in our willingness to pursue truth, wherever it might lead; and in a record which has stood the test of truth and which can in the future stand repeated reexamination in the light of truth.

I don't know whether or not you have read the little volume "The Ugly American"; but if you do, you will find we are in trouble because people, for whatever reasons, chose to distort the truth, to perpetuate a false front, to assume a mistaken level of power and prestige.

We are all right if we'll trust in the truth, if we will abide by its revelations, if we will conduct ourselves within the limits of its disclosures. This is not alone a problem for Americans overseas or a problem of trying to get foreigners to understand us. It comes right down to the hearts of our understanding of ourselves; what we believe and why we believe it.

If we would only utilize these two surpluses, we would readily discover that they are not surpluses at all, but that they are in short supply. We would discover we haven't enough of either. But if we use what we have, we can hold out to the rest of the world the kind of appeal, the kind of human inspiration that alone should guide the history of man. It is our strength, more so than our scientists, our military might, or our satellites in outer space.

Asia and Africa and other areas are on the move, and they are in the throes of deep change. Let's face it. Let's not only learn

to live with it; let's seek to guide it constructively.

I have often thought in this context of the old legend of Rip Van Winkle. You know old Rip got a bit in his cups and fell asleep in 1769; he slept for 20 years. What happened in that 20 years? When old Rip fell asleep, George III was his King. When he wakened 20 years later, George Washington was his President. Old Rip Van Winkle had slept through a revolution. God help us, my friends, if we sleep through this one.

President Eisenhower to the People of the Soviet Union

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 27, 1959

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the splendid message sent by President Eisenhower to the Russian people transmitted by Vice President NIXON.

MESSAGE OF THE PRESIDENT OF THE UNITED STATES, DWIGHT D. EISENHOWER, ON THE OCCASION OF THE OPENING OF THE AMERICAN NATIONAL EXHIBITION IN MOSCOW SOKOLNIKI PARK, JULY 24, 1959

Because of my inability to be present at the opening of the American exhibition in the Soviet capital city, I have requested the Vice President of the United States to convey to you and to the Soviet people my personal greetings. I consider this exhibition at Sokolniki a symbol of the United States itself, and in this spirit, I wish to welcome you to visit it as guests of the people of the United States. In the same spirit, I also wish on all occasions to seek the friendship of the people of the Soviet Union. Indeed, I would be most happy if many of you could eventually come to our land and see the reality behind the pictures and displays of this exhibition.

I would like, moreover, to go beyond these words of official greeting and add some personal sentiments. The fact that the Soviet and American peoples were comrades in arms during the great war concluded 14 years ago remains fresh in my memory. At that time, as the Commander of the Western Allied Expeditionary Force, I was afforded the opportunity to meet with your valiant soldiers and to learn firsthand of their bravery. At the end of that war, in August of 1945, I had the privilege of visiting the Soviet Union itself. On that visit I was struck by the devotion and dedication of the people of the Soviet Union to the defense of Mother Russia. The exploits and courage of the Soviet people in that defense are matters of record for all to see.

Nothing that has happened during the interval has dimmed my admiration for the great people of the Soviet Union. Indeed, I have been further impressed by the strides taken by you in science and industry. Last month I greatly enjoyed my visit to the Soviet exhibition in New York and was impressed by the vigor and the progress which was evidenced everywhere. I returned to Washington with a better understanding of the achievements of the Soviet people and the proud traditions of their land. Let me assure you that I speak for all Americans when I say that we desire nothing but friendship with this dynamic people.

But we must acknowledge that differences in governmental policies have created rifts in our wartime alliance. This fact has saddened me greatly, particularly because it is so unnecessary. Our nations have such a great common interest in world peace that every effort must be made to bring us closer together. I therefore hope that this exchange of exhibitions will be a first step toward a restoration of the trust and unity that we felt during the recent World War.

I wish that I could have been here to open this exhibition in person. It has long been my hope to return to the Soviet Union to see, not only my wartime friends, but also the great progress you have made in rebuilding your ruined cities and factories. Perhaps the time may come when this desire will be realized.

Until that time, my concluding greeting is this: It is never too late to build a peace with honor and justice. May this exchange of greetings contribute to success in that effort.

Special Pay for Extra Skill

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 27, 1959

Mr. PELLY. Mr. Speaker, I am today introducing a bill to provide additional compensation for employees in the postal field service who are required to qualify on scheme examinations.

The purpose of the proposed legislation is to provide remuneration to those loyal and dedicated postal employees who have for years been required to spend their own time learning complex schemes or systems for the distribution of mail.

These schemes change frequently, and postal clerical employees, members of the National Federation of Post Office Clerks, for example, are forced to engage in a constant effort to keep current with changes necessitated by a growing city and consequent expanded delivery service or by changing train or plane schedules.

Every time there is a change in an arrival or departure time for a train or plane, post office schemes are changed to reflect the new schedules. To give some idea of just how difficult it is to learn a post office scheme, I suggest anyone try to memorize any 10 pages of the Washington, D.C. telephone directory. That will embrace some 4,000 items, an approximation of an average postal scheme. Add to this the daily and weekly changes that occur then you have a vague idea of what a post office clerk has to remember for a single scheme period. Many clerks have to know two, three, and even four such schemes.

I believe these schemes are necessary to the prompt and efficient dispatch of mail, but I do not believe we have any right or justification to demand these loyal employees devote their own time to learning such schemes without compensation.

For that reason, I am introducing legislation which I feel will at least provide a token recognition on the problem and furnish a small recompense for the effort and time necessarily devoted by these loyal and faithful employees.

I hope the Committee on Post Office and Civil Service will move promptly to the consideration of this very important legislation.

Cultural Exchange Program

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 27, 1959

Mrs. KEE. Mr. Speaker, the U.S. and Soviet academies of science have announced agreement on an extensive exchange of scientists between the two nations.

This is the latest development in the cultural exchange program between the world's two mightiest nations. Personally, I hope that this approach will do much to lead to a better understanding with the Russians.

The Russians are extremely difficult people to negotiate with. Certainly the developments at Geneva bring this point home. And it points up once more just how little the Russians really understand the people in the United States.

Mr. Speaker, all of us know that one of the great dangers facing the world today is that the Russians, because of this ignorance, will seriously miscalculate and touch off another war. Anything that will lead to a better understanding is certainly a step in the right direction.

Under this new agreement, Mr. Speaker, scientists of the two countries will deliver lectures, carry out research and observe scientific progress. The leading scentists of the two nations will learn to know each other and understand each other better. I am sure that the Russians will be impressed by the peaceful intent of the U.S. scientists.

It is appalling to think that very few of the Russian leaders have ever been outside the Iron Curtain. How can we expect them to understand the West as long as they live in such complete isolation?

Under the cultural exchange program, it is hoped to bring citizens of the two nations together. Last weekend, for example, United States and Russian track teams engaged in a dual meet in Philadelphia. These Russian athletes are bound to have a better appreciation and understanding of this country after they return home. We have sent artists of all kinds to Russia. We plan to send businessmen and representatives of other groups to tour Russia. In return, people from that country will visit the United States.

Vice President NIXON is now in Russia. He will have an opportunity to visit many parts of the country and talk with top officials.

The Russians are a suspicious people, particularly on an official level. But surely the Russian people, just like people everywhere, detest war. I am sure they want to live in peace just as we do.

Because of tight censorship and government control of the daily lives of the people of Russia, it is difficult to reach the people. But every contact we can make will be helpful. For example, the Harlem Globetrotters, a very fine basketball team, recently visited Russia for a series of exhibits with Russian teams. About 350,000 Russians saw three games in Leningrad.

Exchanges on these unofficial levels are good things. People with common interests can help bridge the vast gulf separating the two nations much easier than can diplomats.

We have no aggressive intentions in the world. If the Russians could be made to understand this, perhaps much of the tension between the two countries could be wiped out. It is certainly worth the effort to bring this home to Russians on every level whenever we have the chance.

Dedication of the National FFA Building

EXTENSION OF REMARKS
OF
HON. FRANK CARLSON
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Monday, July 27, 1959

Mr. CARLSON. Mr. President, last Friday a very impressive ceremony was held near Mount Vernon on a tract of land that was formerly owned by George Washington, at which time the National Future Farmers of America Building was dedicated.

The Future Farmers of America is an organization composed of 381,621 members in every State in the Union, Hawaii, and Puerto Rico and is a part of the vocational education program under the Department of Health, Education, and Welfare.

The national officers of this organization are Adin Hester, Oregon, president; Bryan Hafen, Nevada; Thomas E. Stine, Missouri, Lee Todd, Tennessee, Richard Van Auken, New Jersey, vice presidents; and Norman A. Brown, Michigan, student secretary.

The chairman of the board is Dr. W. T. Spanton, Director of the Agricultural Education Branch of the Office of Education. Dr. Spanton's many years of dedicated service to this organization has built it to one of the leading youth organizations of the Nation.

I ask unanimous consent that the program and the dedicatory speech I delivered be printed in the CONGRESSIONAL RECORD.

There being no objection, the program and address were ordered to be printed in the RECORD, as follows:

PROGRAM AT DEDICATION OF THE FUTURE FARMERS OF AMERICA BUILDING

Music: U.S. Air Force Headquarters Band, Harold Hoyt, captain, USAF, Director.

Flag-raising ceremony: Norman Brown, national student secretary.

National anthem: U.S. Air Force Headquarters Band.

Invocation: Richard Van Auken, national vice president.

Opening remarks: Adin Hester, national president.

Introduction of guests.

Greetings from new farmers of America: Martin Luther Goodson, national president.

Historical background: W. T. Spanton, Director, Agricultural Education Branch, Office of Education, Washington, D.C.

Greetings: Arthur S. Flemming, Secretary, Department of Health, Education, and Welfare, Washington, D.C.

Gathering and spreading of State soil: Tom Stine, national FFA vice president.

Acceptance of State stones: Bryan Hafen, national FFA vice president.

Dedication address: The Honorable FRANK CARLSON, U.S. Senator from Kansas.

Acceptance of FFA Building: Lee Todd, national FFA vice president.

FFA march: U.S. Air Force Headquarters Band.

ADDRESS BY SENATOR FRANK CARLSON AT DEDICATION OF FUTURE FARMERS OF AMERICA HEADQUARTERS, WASHINGTON, D.C., FRIDAY, JULY 24, 1959.

I regard it a distinct honor to be invited to participate in a program dedicating—or setting apart for service—this new headquarters building for the Future Farmers of America supply service and national magazine.

This building will stand as a serviceable monument to the Future Farmers of today who will be the successful farmers of tomorrow.

It is most fitting that this modern structure be located near Mount Vernon, the home of George Washington, and on land formerly owned by him. He was considered first as a great general—our first President—an engineer—but George Washington's first love was the farm he called Mount Vernon. He was one of the first in the Nation to practice contour planting, crop rotation, and other soil conservation methods. It has been stated he might be truly considered as America's first "scientific farmer."

It is also my understanding that he is one of the patron saints of the Future Farmers of America and that his name has a prominent place in the opening ceremonies of the FFA.

Vocational agriculture and the Future Farmers of America constitute a most successful program for training boys to be good farmers and helping them become established in the farming occupation of their choice.

In view of the Nation's need for new farmers it is most fitting that we set apart a new modern building for their headquarters.

It was our third President, Thomas Jefferson, who said, "Those who labor in the earth are the chosen people of God."

It was Gifford Pinchot, the great conservationist, who said, "As the farmer prospers, so prospers the Nation."

Leaders in the field of agriculture, both men and women, are receiving further well-deserved recognition in the establishment of the Agricultural Hall of Fame.

I am delighted that this agricultural shrine is to be located in my home State of Kansas—just a few miles from Kansas City where thousands of FFA members will have the opportunity to see it each year at the time of their national convention.

Agriculture today is undergoing a drastic change. Capital investment on farms and the cost of production items are at record levels.

Agriculture as a whole is confronted with some very different problems that must be resolved and I know of no one better qualified to tackle these problems than our young farmers who will soon be dominant in agriculture. Your background, your training, give you the qualifications that are going to be needed as we go through this difficult period.

I am not here to paint a dark picture of our situation. As a matter of fact, I am an optimist and I have great faith in the future. I have great hopes for the members of your organization.

I am here to talk about opportunity—about change—about ideals and about making peace in a world that sorely needs it. I want to say to you that I cannot think of a more exciting time to be alive.

Certainly the challenge is more difficult today than it has ever been before in history. But never before in history do we stand to win so much, and when I use the word "we," I am not thinking of Americans alone—I am thinking of the human race.

No previous generation in human history has had finer or more abundant means at its disposal for making this planet serve the ends of man.

For the first time in human history, we have as much potential power as we need to irrigate dry lands—operate the machines that man needs to carry on his work and give man shelter. There seems to be no limit to the new and fascinating discoveries being made in the field of agriculture.

For the first time in human history, we can tap the basic energy of the sun. We can derive new minerals from the oceans. Nuclear energy, properly used, can even help to control weather.

We are on the verge of discovering the answers to the incurable diseases that have blighted the life of man on earth.

I believe we have it within our means to extend the average life of a human being to more than a century—not in some distant age, but within your lifetime.

But one thing is clear, we are not going to get this better world by just wishing it into being. We are going to have to work for it the hard way.

Now, I don't have to be reminded of all the obstacles. I don't have to be reminded that we have to make this planet a lot safer for human life than it is now before we can talk about making it more attractive.

Indeed, it is precisely because I am aware of the problems that I say to you that the only thing that is greater than the difficulty is the opportunity.

It is true that the human race has been able to invent war, but has yet to invent peace. This has been true in the past, but it need not be true today or tomorrow. It is within the means and the power of our own generation—and I am thinking mainly of the young people of this country—to do what has never been done before—to find a way to outlaw war and establish peace on the basis of justice in the world.

Is this impossible? The fact that it has not been done before doesn't mean that it is beyond our reach.

They have said for centuries that man is a warring animal and that he will keep at it until he devises the means to exterminate himself.

But I believe in our time we will succeed in doing the seemingly impossible. I believe it is within our power to make the greatest contribution to human progress and safety in history by creating the design of a workable world peace.

This, I believe, is the big opportunity for youth in an atomic age to help create such a design and to put an end to the era of human slaughter on earth.

We want a peace that guarantees the independence and integrity of all nations large and small, a peace in which progress and freedom are possible, a peace which doesn't mean human decay or dry rot, but the growth and betterment of individual human beings throughout the world.

This is the kind of peace we want. This is the kind of peace, God willing, we are going to get.

This kind of peace is not going to be handed on a silver platter to the American people, or to anyone else.

You and I, particularly the young people of this Nation, must dedicate ourselves to working and praying for a program of peace. No greater challenge—no greater opportunity—was ever presented to our youth.

As we build a better world, a better Nation, we must also build a better man, based on the lines of the great poet, Edwin Markham, who wrote:

"We are all blind, until we see
That in the human plan
Nothing is worth the making if
It does not make the man.
Why build the cities glorious
If man unbuilded goes?
In vain we build the work, unless
The builder also grows."

I dedicate this building in behalf of the Future Farmers of America and their successors, and pray that they, too, will grow and build a better farm economy, which is so important to the future of our Nation.

Vice President Nixon's Speech at Opening of American Exhibition in Moscow

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 27, 1959

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech given by Vice President NIXON at the opening of the American national exhibition in Moscow July 24, 1959. Surely this is one of the finest expositions anyone has ever given anywhere of the true heart and soul and mind of our beloved America. What a pity that the Soviet rulers refused to let it be broadcast in Russian to their people. Our gratitude and commendation go to the Vice President for a splendid job well done.

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES, RICHARD NIXON, ON THE OCCASION OF THE OPENING OF THE AMERICAN NATIONAL EXHIBITION IN MOSCOW, SOKOLNIKI PARK, JULY 24, 1959

I am honored on behalf of President Eisenhower to open this American exhibition in Moscow.

Mrs. Nixon and I were among the many thousands of Americans who were privileged to visit the splendid Soviet exhibition in New York, and we want to take this opportunity to congratulate the people of the U.S.S.R. for the great achievements and progress so magnificently portrayed by your exhibition.

We, in turn, hope that many thousands of soviet citizens will take advantage of this opportunity to learn about life in the United States by visiting our exhibition.

Of course, we both realize that no exhibition can portray a complete picture of all aspects of life in great nations like the U.S.S.R. and the United States.

Among the questions which some might raise with regard to our exhibition are these: To what extent does this exhibition accurately present life in the United States as it really is? Can only the wealthy people afford the things exhibited here? What about the inequality, the injustice, the other weaknesses which are supposed to be inevitable in a capitalist society?

As Mr. Khrushchev often says: "You can't leave a word out of a song." Consequently, in the limited time I have, I would like to try to answer some of these questions so that you may get an accurate picture of what America is really like.

Let us start with some of the things in this exhibit. You will see a house, a car, a television set—each the newest and most modern of its type we can produce. But can only the rich in the United States afford such things? If this were the case we would have to include in our definition of rich the millions of America's wage earners.

Let us take, for example, our 16 million factory workers. The average weekly wage of a factory worker in America is $90.54. With this income he can buy and afford to own a house, a television set, and a car in the price range of those you will see in this exhibit. What is more, the great majority of American wage earners have done exactly that.

Putting it another way, there are 44 million families in the United States. Twenty-five million of these families live in houses or apartments that have as much or more floor space than the one you see in this exhibit. Thirty-one million families own their own homes and the land on which they are built. America's 44 million families own a total of 56 million cars, 50 million television sets and 143 million radio sets. And they buy an average of 9 dresses and suits and 14 pairs of shoes per family per year.

Why do I cite these figures? Not because they indicate that the American people have more automobiles, TV sets, or houses than the people of the U.S.S.R.

In fairness we must recognize that our country industrialized sooner than the Soviet Union. And Americans are happy to note that Mr. Khrushchev has set a goal for the Soviet economy of catching up in the production of consumer goods.

We welcome this kind of competition because when we engage in it, no one loses—everyone wins as the living standards of people throughout the world are raised to higher levels. It also should be pointed out that while we may be ahead of you as far as these items are concerned, you are ahead of use in other fields—for example, in the size of the rockets you have developed for the exploration of outer space.

But what these statistics do dramatically demonstrate is this: That the United States, the world's largest capitalist country, has from the standpoint of distribution of wealth come closest to the ideal of prosperity for all in a classless society.

As our revered Abraham Lincoln said "We do not propose any war upon capital; we do wish to allow the humblest man an equal chance to get rich with everybody else."

The 67 million American wage earners are not the downtrodden masses depicted by the critics of capitalism in the latter part of the 19th and early part of the 20th centuries. They hold their heads high as they proudly enjoy the highest standard of living of any people in the world's history.

The caricature of capitalism as a predatory, monopolist dominated society, is as hopelessly out of date, as far as the United States is concerned, as a wooden plow.

This does not mean that we have solved all of our problems. Many of you have heard about the problem of unemployment in the United States. What is not so well known is that the average period that these unemployed were out of work even during our recent recession was less than three months. And during that period the unemployed had an average income from unemployment insurance funds of $131.49 per month. The day has passed in the United States when the unemployed were left to shift for themselves.

The same can be said for the aged, the sick, and others who are unable to earn enough to provide an adequate standard of living. An expanded program of Social Security combined with other government and private programs provides aid and assistance for those who are unable to care for themselves. For example, the average retired couple on social security in the United States receives an income of $116 per month apart from the additional amounts they receive from private pensions and savings accounts.

What about the strikes which take place in our economy, the latest example of which is the steel strike which is going on? The answer is that here we have a firsthand example of how a free economy works. The workers right to join with other workers in a union and to bargain collectively with management is recognized and protected by law. No man or woman in the United States can be forced to work for wages he considers to be inadequate or under conditions he believes are unsatisfactory.

Another problem which causes us concern is that of racial discrimination in our country. We are making great progress in solving this problem but we shall never be satisfied until we make the American ideal of equality of opportunity a reality for every citizen regardless of his race, creed, or color.

We have other problems in our society but we are confident that for us our system of government provides the best means for solving them. But the primary reason we believe this is not because we have an economy which builds more than 1 million houses, produces 6 million cars and 6 million television sets per year.

Material progress is important but the very heart of the American ideal is that "man does not live by bread alone." To us, progress without freedom, to use a common expression, is like "potatoes without fat."

Let me give you some examples of what freedom means to us.

President Eisenhower is one of the most popular men ever to hold that high office in our country. Yet never an hour or a day goes by in which critcism of him and his policies cannot be read in our newspapers, heard on our radio and television, or in the Halls of Congress.

And he would not have it any other way. The fact that our people can and do say anything they want about a Government official, the fact that in our elections, as this voting machine in our exhibit illustrates, every voter has a free choice between those who hold public office and those who oppose them makes ours a true people's Government.

We trust the people. We constantly submit big decisions to the people. Our history convinces us that over the years the people have been right much more often than they have been wrong.

As an indication of the extent of this freedom and of our faith in our own system, 40 hours of radio broadcasts from the Soviet Union can be heard without jamming in the United States each day, and over a million and a half copies of Soviet publications are purchased in our country each year.

Let us turn now to freedom of religion. Under our Constitution no church or religion can be supported by the state. An American can either worship in the church of his choice or choose to go to no church at all if he wishes. Acting with this complete freedom of choice, 103 million of our citizens are members of 308,000 American churches.

We also cherish the freedom to travel, both within our country and outside the United States. Within our country we live and travel where we please without travel permits, internal passports, or police registration. We also travel freely abroad. For example, 11 million Americans will travel to other countries during this year, including 10,000 to the Soviet Union. We look forward to the day when millions of Soviet

citizens will travel to ours and other countries in this way.

Time will not permit me to tell you of all the features of American life, but in summary I think these conclusions can objectively be stated.

The great majority of Americans like our system of government. Much as we like it, however, we would not impose it on anyone else. We believe that people everywhere should have a right to choose the form of government they want.

There is another characteristic of the American people which I know impresses itself on any visitor to our country. As Mr. Mikoyan and Mr. Kozlov both pointed out after their visits to the United States, the American people are a peace-loving people. There are a number of reasons for this attitude: As this exhibition so eloquently demonstrates, we Americans enjoy an extraordinarily high standard of living.

There is nothing we want from any other people except the right to live in peace and friendship with them.

After fighting two world wars we did not ask for or receive an acre of land from any other people. We have no desire to impose our rule on other lands today.

Our hearts go out to Mr. Khrushchev who lost a son, to Mr. Kozlov who lost two brothers, and to the millions of other Soviet mothers and fathers, brothers and sisters, sons and daughters who mourn for their loved ones lost in defending their homeland.

But while it is generally recognized that the American people want peace, I realize that it has sometimes been charged that our Government does not share the attitude of our people. Nothing could be further from the truth.

For 7 years I have sat in the high councils of our Government and I can tell you that the primary aim of our discussions has been to find ways that we could use our strength in behalf of peace throughout the world.

Let me tell you of the background of some of those who participate in our policy discussions. The Secretary of State lost his brother in World War I. I saw boys as close to me as brothers die on barren islands 4,000 miles from home in World War II. No man in the world today has more knowledge of war and is more dedicated to peace than President Eisenhower.

Those who claim that the policies of the American Government do not represent and are not supported by the American people are engaging in a completely inaccurate and dangerous form of self-deception. Any administration which follows policies which do not reflect the views of our people on major issues runs the risk of defeat at the next election. When our elected officials cease to represent the people, the people have the power to replace them with others who do. The reason the leaders of both our major political parties are united in supporting President Eisenhower's foreign policy is that they are reflecting the views of a people who are united behind these policies.

The Government and people of the United States are as one in their devotion to the cause of peace.

But dedication to peace, good will, and human brotherhood should never be mistaken for weakness, softness, and fear.

Much as we want peace we will fight to defend our country and our way of life just as you have fought so courageously to defend your homeland throughout your history.

The peace we want and the peace the world needs is not the peace of surrender but the peace of justice, not peace by ultimatum but peace by negotiation.

The leaders of our two great nations have such tremendous responsibilities if peace is to be maintained in our time.

We cannot and should not gloss over the fact that we have some great and basic differences between us. What we must constantly strive to do is to see that those differences are discussed and settled at the conference table and not on the battlefield.

And until such settlements are agreed to, our leaders must exercise the greatest restraint, patience, and understanding in their actions and their statements. They must do nothing which might provoke a war no one wants.

The fact that one of us may have a bigger bomb, a faster plane, or a more powerful rocket than the other at any particular time no longer adds up to an advantage. Because we have reached the point in world history where the Bibical injunction "they that take the sword shall perish with the sword" is literally true today.

The nation which starts a war today will destroy itself. Completely apart from any retaliatory action which might be taken by a nation which is attacked, the deadly dust from radioactive bombs used in an attack will be carried by the winds back to the homeland of the aggressor.

With both of our great nations holding this terrible power in our hands neither must ever put the other in a position where he has no choice but to fight or surrender. No nation in the world today is strong enough to issue an ultimatum to another without running the risk of self-destruction.

The Soviet exhibition in New York and the American exhibition which we open tonight are dramatic examples of what a great future lies in store for all of us if we can devote the tremendous energies of our peoples and the resources of our countries to the ways of peace rather than the ways of war.

The last half of the 20th century can be the darkest or the brightest page in the history of civilization. The decision is in our hands to make. The genius of the men who produced the magnificent achievements represented by these two exhibitions can be directed either to the destruction of civilization or to the creation of the best life that men have ever enjoyed on this earth.

As I have said on previous occasions, let us expand the idea of peaceful competition which Mr. Khrushchev has often enunciated. Let us extend this competition to include the spiritual as well as the material aspects of our civilization. Let us compete not in how to take lives but in how to save them. Let us work for victory not in war but for the victory of plenty over poverty, of health over disease, of understanding over ignorance wherever they exist in the world.

Above all, let us find more and more areas where we can substitute cooperation for competition in achieving our goal of a fuller, freer, richer life for every man, woman, and child on this earth.

Our Bank Reserves

EXTENSION OF REMARKS

OF

HON. WILLIAM PROXMIRE

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, July 27, 1959

Mr. PROXMIRE. Mr. President, I ask unanimous consent that a letter from Congressman HENRY REUSS, of Milwaukee, to the Sunday New York Times of yesterday be printed in the RECORD.

Mr. President, Congressman HENRY REUSS is a brilliant Congressman with a particular competence in monetary policy. He is generally reputed to be the author of the current sense-of-Congress proposal before the House Ways and Means Committee that would tie a directive on Federal Reserve policy into any change in the 4¼ percent interest ceiling on Government bonds.

The general charge against the Reuss proposal is that it is inflationary. As Congressman REUSS drives home convincingly in his letter, the "sense" amendment is not inflationary because it would not require or direct or even suggest that the Federal Reserve create one nickle of additional reserves or money supply.

It simply provides that should the Federal Reserve in its good judgment decide to expand the supply of money—as it has said it intends to do at a rate of about 3 percent a year, it should do so—when feasible—by buying Government obligations—and thus supporting the Government bond market instead of increasing reserves.

This letter of yesterday, incidentally, constitutes an excellent answer to the attacks on the Reuss resolution by the Chairman of the Board of Governors of the Federal Reserve Board and the Secretary of the Treasury—reported in this morning's papers.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OUR BANK RESERVES—AMENDMENT DEFENDED AS ATTEMPT TO GUIDE FEDERAL RESERVE

(The writer of the following letter is a Representative to Congress from Wisconsin.)

To the EDITOR OF THE NEW YORK TIMES:

In your editorial of July 15, "The Treasury's Problem," you ask the question: "Are there devices by which the Federal Reserve System, without pumping up the Nation's bank reserves and money supply to inflationary proportions, could help solve the Treasury's problem?"

You then look at the "sense-of-Congress" amendment to the interest-ceiling bill approved by the House Ways and Means Committee and conclude that it will not help solve the Treasury's problem without being inflationary.

The "sense-of-Congress" amendment which I proposed to the Ways and Means Committee, and which was adopted, states:

"It is the sense of Congress that the Federal Reserve System, while pursuing its primary mission of administering a sound monetary policy, should to the maximum extent consistent therewith utilize such means as will assist in the economical and efficient management of the public debt; and that the system, where practicable, should bring about future needed monetary expansion by purchasing U.S. securities of varying maturities."

MONEY SUPPLY

This amendment, it will be noted, does not require the Federal Reserve to create one nickel's worth more of banking reserves—and thus the money supply—than the Federal Reserve thinks wise. Reasonable men may differ on what the supply of money ought to be, but the amendment does not attempt to sway the Federal Reserve in any way on this. The Federal Reserve has recently testified that it envisages an average annual increase of 3 percent in the money supply. For the 2-year duration of the Ways and Means Committee bill, therefore, the amount of new reserves to be created would be on the order of $2 billion.

The question is: Should the Federal Reserve create these reserves by further lowering bank-reserve requirements, as it has been doing during the last 6 years and as it

threatens to continue to do, rather than by purchasing U.S. securities, as the sense amendment envisages.

Using the securities-purchasing method rather than the reserve requirements-lowering method would assist in the economical and efficient management of the public debt in these three ways:

Assuming purchase by the Federal Reserve of $2 billion of U.S. securities in the next 2 years, it would result in a saving to the taxpayers of the interest charge on that amount, since the Federal Reserve earnings substantially revert to the Treasury.

PRICE FLUCTUATIONS

The purchase by the Federal Reserve of these securities would at least moderate somewhat downward fluctuations in the prices of U.S. securities, and thus make them more attractive to investors.

The lodging in the Federal Reserve of a higher proportion of the debt would make Treasury financing more orderly by reducing the amount of attrition—where security-holders refuse to accept exchanges and demand cash repayment.

The sense amendment does not purport to be a universal panacea. But I believe it to be a sincere attempt by the Congress to give some needed guidance to the Federal Reserve, the agency to which the Congress has delegated some of its monetary powers.

It is not inflationary, and it does help solve the Treasury's problem.

HENRY S. REUSS.

WASHINGTON, *July 23, 1959.*

Sugar Beets in the Red River Valley

EXTENSION OF REMARKS

OF

HON. ODIN LANGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1959

Mr. LANGEN. Mr. Speaker, because of the great volume of mail that has come to my office expressing concern for the development and progress of the production of beets and the sugar beet industry throughout the Red River Valley, I take this means of conveying to Congress the significant part that the production of sugar beets plays in the economic stability and opportunity for the Red River Valley.

All of us, of course, are greatly concerned with the agricultural problem that confronts this Nation. In my humble opinion, there is not any crop which has as great a future potential for an improved agricultural economy as that of the production of sugar beets to the Red River Valley. The very fertile soil, climatic conditions and available labor necessary in the production of beets, are all available in abundant quantities. Possibly just as important is the fact that sugar beets is a crop that is raised as a row crop and for this reason, has a real importance to this area in the control of weeds and adds a great deal to the diversity of farming throughout the valley. These are facts that have certainly been well established during the last decade as the sugar beet industry and production have grown and prospered.

The valley now has three processing plants located at East Grand Forks, Moorhead, and Crookston, that accommodate the production of over 90,000 acres. These 90,000 acres, located in northwestern Minnesota and northeastern North Dakota, mean a gross average annual income of well over $13 million. However, this is only a small part of the potential for expanded production of sugar beets, as is so clearly indicated by the continuous desire on the part of farm people in the area to raise additional beets. During the last year there were 3,517 actual signed applications requesting beet acreages totaling 44,916 acres. Of these requests, under present limitations, it was only possible to grant an acreage of 460 acres to 18 new growers. This means that 99 out of every 100 applications had to be turned down. There might well have been requests for an additional 30,000 acres but for the fact that so many of the farmers felt that it would be only a futile effort to complete the applications. There is, as well, a great desire on the part of farmers now producing beets that they might be permitted to expand their acres. For, during the past years they have experienced reductions in their sugar beet acreage allotments. It is somewhat difficult for the farmers to understand this curtailment in the production of a crop in which we, as a Nation, produce only 30 percent of our needs.

May I take just a moment to further point to the significance that this implies to the agricultural and economic future of the Red River Valley. The production, or the growing of an additional 70,000 acres of beets would mean an additional gross income to that area of over $10 million annually. Just as significant is the fact that the production of sugar beets, which has grown to be highly mechanized in the past years, requires a great deal of machinery. The sale of these necessary implements and equipment would be of substantial benefit to the welfare of implement dealers and business enterprises throughout the many small towns. These small towns are presently having a difficult time surviving with the reduced farm income. The job opportunities that would be provided would, of course, add to the strengthening of the entire economy. Surely these are points to which we would want to give our most sincere consideration as we ponder the possible solution to the agricultural problem and the economic future of our States and Nation.

It is my hope that Congress, in its wisdom, may give adequate consideration to the potential of production of sugar beets in the Red River Valley as we direct our attention to the controversy that presently exists regarding the renewal of the Sugar Act. Not only will expanded production of sugar beets improve the gross income of farms in the Red River Valley, but it has the further potential of reducing the production of other crops which presently are in surplus and are depressing the markets.

The Department of Agriculture has just announced an 8 percent reduction in farm income for the first 6 months of 1959. This is a further indication of the need for Congress to consider every possible avenue of approach to deal in a realistic manner with the agricultural problem.

Each of these points have been substantially emphasized by the mail that I have received from so many farm people throughout the Red River Valley.

Using Farm Products in International Farm Programs

EXTENSION OF REMARKS

OF

HON. GEORGE D. AIKEN

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Monday, July 27, 1959

Mr. AIKEN. Mr. President, on June 30, our distinguished colleague and agricultural specialist, the junior Senator from Kansas [Mr. CARLSON], delivered before the International Economic Policy Association, at the Mayflower Hotel, an address entitled "Using Farm Products in International Farm Programs." I ask unanimous consent that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

USING FARM PRODUCTS IN INTERNATIONAL FARM PROGRAMS

(Speech by Senator FRANK CARLSON,[1] before the International Economic Policy Association, Mayflower Hotel, June 30, 1959)

The American farmer is the world's largest exporter of food and fiber and for this reason plays an important part in our international economic programs.

The export of these farm commodities means only dollars for farmers, but it has been—and will continue to be—an important part of a program of bringing closer relationships with countries that do not have an abundant food supply. Food for Peace must be more than just a slogan—it can and must be a reality.

Our Nation must continue to expand its export market of farm products. We exported the crops from 50 million acres of cropland last year.

I do not like to delve into statistics, but it is interesting to note that slightly less than 20 percent of the total volume of all farm products similar to those produced in the United States entered into world trade.

We exported about one-half of our cotton produced—two-fifths of our wheat and rice—one-third of our soybeans and tobacco—one-third of the tallow produced in this country and one-sixth of our lard output.

At the present time we have a number of surplus disposal programs. Under Public Law 480, the Agriculture Trade Development Act, we have had programs under which we

[1] Senator FRANK CARLSON, of Kansas, is a member of the Senate Foreign Relations Committee, and has a distinguished record of public service, including six terms in the House of Representatives, two terms as Governor of Kansas, and three sessions of the Kansas State Legislature. Noted as an expert in the fields of farm and tax legislation, Senator CARLSON also serves on the Senate Finance Committee and the Post Office and Civil Service Committee. Outside the Senate, he also acts as international president of the International Council for Christian Leadership. First elected to the Senate in 1950, he was reelected in 1956.

could sell our surpluses for foreign currency—donate them to foreign countries for emergency relief—distribute them to private agencies—to hungry people at home and abroad and barter them for strategic materials.

Thirty-eight countries have participated in the Public Law 480 programs. Under title I, which allows surplus sales for local currencies, India has received $544 million, Yugoslavia $341 million, Spain $276 million, Pakistan $240 million, and Brazil $155 million from U.S. surplus stocks.

Through our mutual security program we are distributing our agricultural commodities at the rate of $175 million per year. This $175 million was continued for another year in the authorization bill which is before Congress.

Many are asking why it has not been possible to make greater use of the ever-increasing surpluses, particularly wheat. I think it should be mentioned that there are three principal reasons:

1. The most important is the problem of competition. This makes a real problem in dealing, particularly, with our Canadian neighbors to the north who also have great surpluses of wheat.

Only last month the Canadian Chamber of Commerce complained that the United States was using subsidized flour as an economic weapon to displace Canada from second place as a supplier to the new West Indies Federation.

2. Another problem we have in moving this food to foreign countries is the inability of many of the underdeveloped countries to handle incoming shipments.

For instance, we send a shipload of American wheat to India every day, but India's ports are so congested that it is impossible to secure immediate handling of our shipments.

Many suggestions have been made that improved unloading and handling facilities at the docks be arranged, but these suggestions have met opposition from the Indian Government because of the great surplus of labor, and therefore, the unloading is done mostly by hand.

In addition to this problem, we have the problem of inadequate storage and distribution facilities in most of the underdeveloped countries.

3. Congress must appropriate money to reimburse the Commodity Credit Corporation for stocks that are removed and distributed for food in needy countries.

Many of us on the Senate Foreign Relations Committee had hoped that we might increase substantially the amount of money available for food through the mutual aid program, but evidence was presented to our committee which indicated that the present authorization of $175 million was about all that could be used, based on the facilities that the underdeveloped countries had for receiving and distributing this food.

From a humanitarian standpoint, I know of nothing we can do as a Nation that will win friends faster and more permanently than getting food and fiber into the hands of the needy.

We had evidence and testimony showing that these gifts through our mutual aid program prevented millions of people from starving to death.

The distribution of this food to underdeveloped countries where there are millions of needy and undernourished people is more than a commodity disposal operation—it has important psychological value. In my opinion, it is one of the most effective forms of foreign aid.

The possibilities of this program have been amply demonstrated in India. Since 1956 the United States has shipped the following farm products to India out of our surplus production: 230 million bushels of wheat, 8 million bushels of corn and sorghum, 4.3 million bags of rice, 235,000 bales of cotton, 5 million pounds of tobacco, and 25 million pounds of dried milk.

These millions of tons of American agricultural products are vital to India for more than purely humanitarian reasons.

This successful experience in India with the constructive uses to which our farm surplus has been put illustrated why the Congress must reenact legislation dealing with this problem. It is a program that we can use to great advantage in other underdeveloped countries.

I, personally, had an opportunity to see the result of these programs in Pakistan, India, Thailand, and Formosa.

While it is essential that we maintain programs of military assistance, defense support, and economic aid, it is, in my opinion, equally important that we continue to build good will and friendship, based on our Nation's Christian teachings and background that we are "our brother's keeper."

Our military strength—our great national production through the private enterprise system—and the humanitarian aspects of our people, by giving aid to those who are less fortunate, have placed us in an enviable position among the nations.

A Bill To Insure an Adequate Return on Social Security Trust Funds

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 27, 1959

Mr. REUSS. Mr. Speaker, I have today introduced H.R. 8407, a bill to remove the Secretary of the Treasury as managing trustee of the social security trust funds, and to substitute for him a person without conflicting interests; and to require a return on the social security trust funds as near as possible to the return being realized by regular investors in U.S. Government securities.

The old age and survivors insurance trust, and the Federal disability insurance trust, have been built up over the years since 1936 by the contributors of employees and their employers. As of May 31, 1959, the funds had assets of $20.4 billion, all of it invested, by law, in U.S. securities. Of this $20.4 billion, $3.2 billion are in assorted notes and bonds of public issues, whereas $17.2 billion are in so-called "special obligations."

The $17.2 billion of special obligations earned an average interest rate of only 2.556 percent as of May 1959. On the other hand, the average yield on marketable U.S. bonds for May 1959, was 4.08 percent. This means that the social security funds were and are being forced to accept a return of 1.53 percent less than they would have received if their investing trustees had been obtaining in the long-term U.S. securities market the going rate of return. At this rate, the participants in the social security funds will lose more than $260 million worth of interest in this year alone. In some degree this has been going on since 1953, when money first started to get tight, and the interest rate on U.S. securities began to climb. Unless checked by Congress, this shortchanging of the old folks will continue.

The interest yield is an important part of the total of the social security funds. The official publication, "Social Security Financing," by Ida C. Merriam, published by the Social Security Administration in 1952, assumed that "ultimately roughly one-third of benefit outlays will be met by interest earnings"—page 41.

This interest, compounded, is what keeps the fund actuarially sound. Together with current contributions, it is necessary to pay retirement benefits, aids to widows and dependents, and disability benefits. To the extent that the fund is depleted because its managers accept less than the going rate of interest for U.S. securities, extensions of benefits, both in amounts and in coverage, that would otherwise be possible consistent with actuarial soundness, are prevented.

The history of social security legislation reveals how this shortchanging of participants has come about. Under the original Social Security Act of 1935, the social security funds drew interest at the rate of not less than 3 percent a year, which was perfectly fair to the participants, since 3 percent was above the going long-term rate of interest.

In 1939, the present trust fund management agreement was set up, consisting of the Secretary of the Treasury as managing trustee, together with the Secretary of the Labor and the Chairman of the Social Security Board—later the Secretary of Health, Education, and Welfare. The 1939 act also authorized the investment of the social security funds in any U.S. marketable securities, and also in special obligations, which were to bear interest at a rate equal to the average coupon rate of interest on the entire national debt. In 1956 came a slight amendment, changing the rate on special obligations to the average coupon rate on obligations of 5 years and over. This result in the inadequate 2.556-percent yield, now that yields of old outstanding U.S. bonds greatly exceed their coupon rate.

The present $17.2 billion holdings, of special obligations is almost three-fourths concentrated in certificates or notes callable in this year, 1959—a total of $12,374,300,000. $4,825 million are in bonds callable in 1963. The average return on the entire $17.2 billion, as I have indicated, is 2.556 percent.

To make the Secretary of the Treasury managing trustee of the social security funds as Congress has done, is to place him, as trustee, in an impossible conflict-of-interest situation. He is being made to serve two masters, which no man, particularly a trustee, can do.

As guardian of the social security trust funds, he and his cotrustee are duty bound to invest that money in U.S. securities so as to yield the highest possible return consistent with sensible administration. There is nothing in the law which requires the trustees to buy 2.556 percent special obligations, rather than outstanding U.S. securities yielding 4½ percent or more.

As Secretary of the Treasury, his duty is to administer the national debt at the least possible cost to the taxpayer. Here

arises a square conflict—in this year a $260-million conflict.

Under the Treasury-Federal Reserve debt-management policies of the last few years, most holders of the national debt have never had it so good. Banks have made record-breaking profits out of their holdings of U.S. securities. Institutional and individual investors have likewise profited very substantially. For example, within the last few weeks the Treasury had to pay investors 4.728 percent for 1-year money.

But the joke—and it is a wry one—is on the old folks. While other money lenders were getting 4.728 percent for a 1-year loan to the Treasury, the social security funds were compelled to struggle along on 2.556 percent.

Last January the Treasury issued a 21-year 4-percent bond. If you or I, Mr. Speaker, had been trustees of the social security funds, surveying our portfolio yielding only 2.556 percent, we would have jumped to invest hundreds of millions in this 4-percent issue. Instead, the Treasury allowed the funds to purchase only $18 million.

The law of trusts is clear that a trustee must use the utmost care to invest trust property in the most productive manner possible without risking the loss of principal—Scott, "The Law of Trusts," 22d edition, volume III, section 277. Where trustees permitted money owing them by a corporation of which they were directors and officers to remain unpaid, they were held personally chargeable with the loss to the trust—*Matter of Keane* (95 Misc. 25, 160 N.Y. Supp. 200 (1916)).

Where the trustee lent trust funds to a corporation of which he was president, which later failed, he was held liable for the resulting loss. *Humpa* v. *Hedstrom* (345 Ill. App. 289, 102 N.E. 2d 686 (1951)). See also *In Sparks Estate* (328 Pa. 384, 196 Atl. 48); *In Matter of Whitmore* (172 Misc. 277, 15 N.Y.S. 2d (1930)); *Parsons* v. *Wysor* (180 Va. 84, 21 S.E. 2d 753 (1942)); *Carrier* v. *Carrier* (226 N.Y. 114, 712, 123 N.E. 135, 858 (1919)).

I am not suggesting that Secretary Anderson should have to restore to the social security funds the $260 million or so which will be lost this year to participants because of his failure to obtain for his beneficiaries the same yield on U.S. securities which other trustees are obtaining for their beneficiaries. I am suggesting that the Secretary of the Treasury should be removed from his conflict-of-interest situation. To this end, H.R. 8407 removes the Secretary of the Treasury as managing trustee of the fund, and instead provides for the selection of the managing trustee by the two other trustees, the Secretary of Labor and the Secretary of Health, Education, and Welfare.

The bill further provides that the reconstituted Board of Trustees shall within 4 months submit to Congress a comprehensive report, including recommendations for changes in the law, whereby the interest yield on social security funds "can be made most nearly equal to the yield earned by private investors of insurance funds from investments in securities of or guaranteed by the United States." Last January the Advisory Council on Social Security financing recommended that special obligations should have a yield equal to that of outstanding U.S. 5-year obligations—currently above 4 percent. This would be a vast improvement over the present yield on special obligations. Even this new rate, however, may be inadequate in view of the callable character of special obligations. And the Treasury, it should be noted, opposes the advisory council's recommendations.

To permit Congress to act intelligently we need this advice of a managing trustee without a conflict of interest.

H.R. 8407 specifies that the managing trustee, in addition to not having any conflicting interests, shall be a person of recognized integrity, and shall have a thorough knowledge of the insurance program established by this title and its problems. Surely there are numerous able Americans who could act as managing trustee.

The text of HR. 8407 follows:

A bill to amend title II of the Social Security Act to change the composition of the Board of Trustees of the Social Security Trust Funds, and to require a comprehensive report to the Congress with respect to the investment of such Funds

Be it enacted by the Senate and House of Representatives of the United States of America assembled, That (a) section 201(c) of the Social Security Act is amended by striking out the first two sentences and inserting in lieu thereof the following: "With respect to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund (hereinafter in this title called the 'Trust Funds') there is hereby created a body to be known as the Board of Trustees of the Trust Funds (hereinafter in this title called the 'Board of Trustees'), which Board of Trustees shall be composed of the Secretary of Labor, ex officio, the Secretary of Health, Education, and Welfare, ex officio, and a third member who shall be selected jointly by such two Secretaries in the manner provided in subsection (i) and shall be the Managing Trustee of the Board of Trustees (hereinafter in this title called the 'Managing Trustee')."

(b) Section 201 of such Act is further amended by adding at the end thereof the following new subsection:

"(i)(1) the Managing Trustee shall be selected from among individuals in private life who are persons of recognized integrity, and shall have a thorough knowledge of the insurance program established by this title and its problems, with no conflicting interests which would hinder the performance of disinterested public service either in the investment of the Trust Funds or in the other functions and duties vested in the Managing Trustee.

"(2) The term of office of the Managing Trustee shall be four years.

"(3) The Managing Trustee shall receive compensation at the rate of $100 a day for each day he is actually engaged in the performance of his functions under this Act, and shall in addition be reimbursed for the actual and necessary expenses incurred by him in the performance of his duties.

"(4) The Secretary of Health, Education, and Welfare shall make available to the Managing Trustee, from the personnel, facilities, and services of his Department, such secretarial, clerical, technical, and other assistance, and such information and data, as may be necessary or appropriate to the performance of the duties of the Managing Trustee."

SEC. 2. (a) The first sentence of section 201(g)(1) of the Social Security Act is amended by striking out "estimated by him and the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "estimated and certified to him by the Secretary of Health, Education, and Welfare and the Secretary of the Treasury".

(b) The first sentence of section 201(g)(2) of such Act is amended by striking out "estimated by him" and inserting in lieu thereof "estimated and certified to him by the Secretary of the Treasury".

(c) Section 205(i) of such Act is amended by striking out "through the Fiscal Service of the Treasury Department," and inserting in lieu thereof "in such manner as may be appropriate".

(d) Section 218(h)(3) of such Act is amended by striking out "through the Fiscal Service of the Treasury Department" and inserting in lieu thereof "in such manner as may be appropriate".

SEC. 3. Upon the selection of the Managing Trustee of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Trust Fund under section 201(c) of the Social Security Act as amended by the first section of this Act which shall be accomplished within thirty days after the date of the enactment of this Act, the Board of Trustees as constituted under such section as so amended shall assume, continue, and carry out all of the functions and duties which were being performed by the Board of Trustees as constituted before such amendment, and the Managing Trustee so selected shall assume, continue, and carry out all of the functions and duties which were being performed by the Managing Trustee provided for by such section as in effect before such amendment.

SEC. 4. Within four months after the date of the enactment of this Act, the Board of Trustees provided for by section 201(c) of the Social Security Act as amended by the first section of this Act shall submit to the Congress a comprehensive report, including its recommendations for changes in the law, with respect to the investment of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, with particular reference to the ways in which the interest yield to such Funds can be made most nearly equal to the yield earned by private investors of insurance funds from investments in securities of or guaranteed by the United States. Such report shall include recommendations on the maturity of obligations subscribed by or issued to such Trust Funds; the proportion of such Funds which should be held in short-term obligations; the relative desirability of subscription to public issues of securities to the Trust Funds or to special issues of such securities; the desirability of establishing a statutory minimum interest rate on special issues of obligations to such Trust Funds; and any other matters deemed by the Board of Trustees to be appropriate or relevant.

Twenty-third Annual Conference of National Association of County Officials

EXTENSION OF REMARKS

OF

HON. ROBERT A. EVERETT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1959

Mr. EVERETT. Mr. Speaker, I have just returned from Detroit, Mich., where

the National Association of County Officials is holding its annual convention. This association has as its officers and directors: W. H. "Pat" Johnston, president, Georgia; William E. Dennison, first vice president, Michigan; Dan Gray, second vice president, Alabama; William O. Druffel, third vice president, Washington; Lawrence M. Lear, fourth vice president, New Jersey; G. A. Treakle, treasurer, Virginia; Bernard F. Hillenbrand, executive director, Maryland.

Board of directors: Norman A. Peil, chairman, Pennsylvania; Mark Johnson, Utah; Francis J. Pritchard, Connecticut; C. Arthur Elliott, Iowa; James H. Aldredge, Georgia; Marion Fogleman, Louisiana; Lester R. Gopp, Wyoming; Donald M. Neff, New York; Lloyd Rea, Oregon; Lemuel R. Johnson, North Carolina; Merle K. Anderson, Illinois; Herman C. Kersteen, Pennsylvania; C. L. Swenson, Idaho; David Bird, California; Keith McBurney, Colorado; Hurshel Jacobs, Indiana; Judge C. Beverly Briley, Tennessee; Earl W. Simmons, Florida.

Western regional district: Lester Gopp, president, Laramie County, Wyo.; M. James Gleason, vice president, Multnomah County, Oreg.; William R. MacDougall, secretary treasurer, Sacramento County, Calif.; Keith McBurney, national director, Colorado; Cleo Swenson, national director, Idaho.

National Association of County Recorders and Clerks: William P. Gable, Jr., Tulsa, Okla., president; Thomas P. Chapman, Jr., Fairfax, Va., first vice president; Hazel T. Chase, Salt Lake City, second vice president; D. H. Sloan, Jr., Bartow, Fla., third vice president; Mrs. Gertrude McCain, Celina, Ohio, secretary-treasurer; Mrs. Lucille Dunn, Hutchinson, Kans., historian.

National Association of County Engineers: Leighton O. Hester, Florida, president; Donald L. Smith, Alabama, regional vice president, southeast; Rufus Kirk, Kansas, regional vice president, south-central; C. Arthur Elliott, Iowa, regional vice president, north-central; Walter E. Rusk, Ohio, regional vice president, northeast; John A. Lambie, California, first vice president; L. T. DeBardeleben, Alabama, secretary-treasurer.

National Association of County Treasurers and Finance officers: Sharp M. Larsen, Salt Lake City, Utah, president; William A. Bell, Girard, Kans., first vice president; Howard L. Dietrick, Rock Island, Ill., second vice president; Lucille Woofendale, Indianapolis, Ind., third vice president; Robert Fitzsimmons, Minneapolis, Minn., secretary.

Conference of State Association Executives: C. L. Chamberlain, New York, chairman; William B. Speck, Virginia, immediate past chairman; Jack Lamping, New Jersey, secretary.

The staff of this association is composed of: Staff of National Association of County Officials: Bernard F. Hillenbrand, executive director; Alastair McArthur, assistant director for research and field operations; Jack Merelman, assistant director for Federal affairs; Philip B. Warren, Jr., assistant director for publications; Sally Ann Johnson, office manager; Elizabeth Loughlin, production manager; Sue Skillcorn; director of finances; Jacquelyn Pritner, administrative assistant.

More than 2,000 elective and appointed county officials are attending this 23d annual conference of the National Association of County Officials.

This meeting is one of the largest and most important national assemblies ever held on local government. The theme is "The Rebirth of the American County," and plays up the tremendous strides made by these local government units within the past few years. Counties are now assuming an everbroadening list of municipal-type services and are taking over many area-wide functions either alone or in conjunction with other agencies. Among these projects in key metropolitan areas are sewage, water, air pollution control, and airports.

Seven panel sessions are being presented during the conference, three are running simultaneously today and three more the following morning. These are: "How To Save Your County Money," "Improve County Administration," "A Successful Bond Sale," "Counties and the Press," "Massive Cooperation," and "How To Conduct Studies of Local Government." Each will feature a board of knowledgeable and nationally known experts in the fields under discussion.

The third general session, that same afternoon, will be devoted to adoption of resolutions, changes in the association's policy statement, the American county platform, and the election of officers and directors.

Following a custom started last year at the association's 22d annual conference in Portland, Oreg., Federal officials responsible for administering grants-in-aid and other U.S. programs of direct concern to localities are at the conference. They are answering questions concerning their programs and are giving personal advice and afford personal contact, for the county officials have from year to year to meet with the Federal officials responsible for many of these programs.

During the meeting the three affiliated functional groups, the National Association of County Recorders and Clerks, the National Association of Engineers, and the National Association of County Treasurers and Finance Officers, as well as the State Association Executives, are holding separate programs within the framework of the NACO meeting. Another fast-growing group within the national organization, the County Executives, will be informally organized during the conference. Some State associations are holding breakfasts and other functions on their own.

Each of NACO's nine standing committees are meeting during the conference. They are hearing leading Federal and other authorities within their areas of concern and are passing on policy statements for consideration by the membership.

I know that Members of the Congress will be pleased to know that these county officials, their constituents from over this great Nation of ours, are holding this meeting to help improve county government, exchange ideas, and to render a greater service to their people.

Hog Marketing Premium Payments Bill

EXTENSION OF REMARKS

OF

HON. EARL HOGAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 1959

Mr. HOGAN. Mr. Speaker, I am introducing for appropriate reference a bill to prevent any further drastic drop in the price of hogs. The average price received by farmers for hogs over the United States has dropped by over $6 during the past year. This is a drop of about one-third. In terms of parity, the price of hogs in June of this year had dropped below 70 percent.

Forecasts published in private trade journals as well as in U.S. Department of Agriculture bulletins indicate that unless something is done soon the prices received by farmers for hogs will continue to drop throughout the rest of this year and most of 1960.

The bill I am introducing today is an attempt to stop further decline in hog prices by working directly upon the cause for the weakness in the market, an oversupply of pork. The proposal provided in my bill is designed to slow the rapid buildup in hog numbers and bring about a quick adjustment in pork production before farmers' income from hogs becomes critically low. My bill seeks to reduce the total production of pork by making marketing premium incentive payments on lightweight hogs. The small payment involved would help directly, of course, to make up for some of the lowness in price. But the major effect of the payment on lightweight hogs is not the direct income effect but rather its supply-reducing effect which should help prevent the prices of hogs from dropping to an extremely low level as they did at the bottom of the cycle in 1955 and 1956.

Various methods could be used to help bring about more orderly marketing and managed bargaining on the part of hog producers. But as a short-run program to stop the hog price decline that is already upon us, it is felt that direct payments to farmers would have more success in bringing about rapid adjustment than any other type of Government action.

Following is the program designed to deal with the short-run problem as provided in my bill:

First. The marketing premium payment would be applicable to all slaughter hogs marketed at live weights between 180 and 200 pounds.

Second. Producers presenting invoices of sales of lightweight butcher hogs could collect their marketing incentive payment at the county office.

Third. The payment would vary in accordance with how low the price of hogs

should become. My object is to make the incentive large enough so that the market supply of pork will be reduced.

The program proposed in my bill is not a longrun solution to the hog marketing problem. It is frankly a stopgap program to meet an emergency situation. It is aimed at encouraging a more orderly adjustment of volume of hogs slaughtered and to supplement hog farmers' income for a short period until the hog cycle can right itself. The program would remain in effect for a maximum of 1 year at a time. It should be extended for greater periods. Its purpose is to prevent the bottom of the hog price cycle from becoming so low.

The cost of the program can be estimated only approximately since no one knows for sure how low the price of hogs might go in the absence of the program. But in no event may the program provided in my bill require payments of more than $150 million in any one year. The program provided by my bill is self-limiting. If the price goes down owing to large marketings, the value of the premium payment on sale of lightweight hogs becomes more important relative to total return, this encourages larger numbers of farmers to sell at the lighter weights and qualify for the premium payment. This means that hogs would be marketed at 190 pounds, instead of at, say, 240 pounds per head. This would be a reduction per head of as much as 50 pounds less pork being placed on the market. This reduction in market supply would cause the market price to rise, thus reducing the volume of payments that would actually have to be made.

Mr. Speaker, it is an old saying that great minds often run in the same channels.

I have been working on this proposal for some time. I had been waiting to introduce it until it seemed like the proper time to catch hog prices before they drop too far.

I was surprised and gratified to note in the newspaper the other day that others had been working on a similar proposal. Among others who have been giving thought to this proposal has been the agriculture committee on the National Planning Association, which just recently put out a policy statement advocating premium payments on sale for slaughter of lightweight hogs.

I should like to read excerpts from the policy statement of the National Planning Association. While the specific mechanics of the proposal they have recommended is slightly different from that provided in my bill, the proposals are very similar:

TOO MANY HOGS

Heavy hog supplies in 1960, and resulting low prices, are likely to create a problem which will seem all the more acute because 1960 is a presidential year. Under these circumstances, there will be many pressures for Government intervention. There are likely to be proposals submitted which will not stem from a thorough analysis of conditions but from political expediency and which, if put into effect, might be detrimental to hog producers.

In this situation it is desirable that prompt attention be given to the problems before they become acute, in the hope that conditions can be carefully appraised and the best course of action determined. * * *

It should be emphasized that the type of Government action which we believe would be most appropriate and which is set forth below is designed to slow the rapid buildup in hog numbers and bring about a quick adjustment in production before farmers' income from hogs becomes critically low.

PRESENT FEED GRAIN SITUATION

For 7 consecutive years, the stocks of feed grain have increased and by October 1, 1959, will be nearly four times the level of 1952 which was considered to be about a normal carryover. This has occurred during a period when the number of grain consuming animal units was relatively large and the quantity of feed per animal unit was at an alltime high. It has occurred during a period when the population of the country was expanding at the rate of nearly 3 million persons per year, and the consumption of meat and poultry, per capita, averaged above any other 7-year period since the turn of the century. Yet, surplus stocks of feed grain have accumulated at a rate of about 8 million tons per year.

The present feed grain carryover will amount to about 75 million tons by October 1, 1959. Practically all of this carryover is owned or under loan by the Commodity Credit Corporation. The annual excess production of feed grains and the magnitude of present storage stocks have become major problems.

The production of feed grains for each year from 1955 through 1958 was higher than for any previous year except 1948 (and the last 2 years were alltime records). Despite the fact that the Government, through its price-support programs, has accumulated record surpluses, prices of grains have fallen rapidly. The price of corn fell from about $1.72 per bushel before the new crop was available in 1952 to about $1.16 during the same period of the year in 1958. The price of oats fell from about 80 cents per bushel in the summer of 1952 to 56 cents in 1958. The price of sorghum grain fell from $1.61 per bushel to 97 cents during the same time.

OUTLETS FOR FEED GRAIN

Over 80 percent of domestic feed grains are used for feeding livestock. The demands for feed grains for food, seed and industry normally account for about a tenth of total utilization. Exports which account for the remainder have varied from 0 to 7 percent. * * *

Cattle feeding is at an alltime high. However, the current buildup in cattle numbers will mean that there will soon be a greater supply of lower grade cattle on the market to compete with fed cattle. Under free market conditions, it is unlikely that cattle feeding will increase very fast in the face of rising pork output and later, rising total beef output. Cattle feeding remained practically constant from the end of 1952 (5,762,000 head), when large marketings of lower grade cattle began, until the end of 1957 (5,867,000 head), after the cattle and hog cycles had turned downward, despite the fact that the supply of feed grains was large and increasing during this period.

Poultry production is also at an alltime high after a rapid increase during the last 4 years. However, with increasing red meat production, it is unlikely that the rate of expansion in poultry will be maintained over the next few years. * * *

One of the most probable outlets for part of the present large feed grain supply is the hog industry. This industry is already a big user of feed grains. About 80 million hogs are produced for sale in this country each year. Usually about 450 pounds of feed concentrate are fed for each 100 pounds of live hogs, or about one-half ton per hog marketed. This amounts to about 40 million tons of feed grain per year.

During the past year, under conditions which favored an expansion in hog production, numbers have increased rapidly. It is almost inevitable that the increase in hog production will result in an even larger percentage decrease in hog prices.

Large price reductions at retail are necessary to stimulate consumers to purchase the increased production. These price reductions are so large that the farmers actually receive less total dollars from the marketing of a large crop of hogs than they do from a small one.

Recent estimates indicate that a 10-percent increase in hog production is associated with about a 25-percent decrease in hog prices. The likely income depression resulting from the current increase in production is one of the big problems currently facing the hog industry.

NO QUICK SOLUTION FOR GRAIN PROBLEM THROUGH HOG EXPANSION

However, any sharp buildup in hog numbers could give consolation in one respect: it would mean larger disappearance of feed grains. The thought might be entertained that at a reasonable cost, a hog program could be established with the object of using up the surplus feeds within a short period of time. But there is little hope of this, even if production of feed grains were held in close check.

The two problems, one of huge grain surpluses, the other of low and cyclical incomes to hog producers, are diametrically opposed. Any attempt to quickly feed a substantial amount of the grain surplus through hogs would severely depress the hog industry, disrupt resources in the industry, and would likely be very costly to the Government because of political pressures to assist the distressed producers. On the other hand, any attempt to reduce hog production to raise prices in the short run would add to the grain surplus.

The carryover on feed grains on October 1, 1959, will be about 75 million tons or 55 million tons more than a normal carryover. The approximately 80 million hogs which are now produced each year consume about 40 million tons of feed. This rate of production has grossed the farmer an average of about $17 per hundredweight during the last cycle.

If hog production were increased an average of 25 percent to about 100 million hogs per year, usage of feed would be increased about 10 million tons per year. But if the recent relationship between hog production and prices continued, prices of hogs on a free market basis would fall approximately 60 to 65 percent to average about $7 per hundredweight. This would reduce annual gross farm income from hog marketings on the free market from the $3.2 billion which it has averaged recently to about $1.6 billion, a reduction of about $1.6 billion per year. And even at this rate of hog production, it would take about 5½ years to reduce the present feed surplus to a level of 20 million tons, assuming that the production of feed grains, beginning with the 1959 crop, were successfully adjusted to other demands so that there were no new additions to surplus. During these 5½ years, gross income to hog farmers from the free market would be reduced about $9 billion relative to the average hog income over the past few years.

To look at the problem from another angle, suppose the current surplus grain stocks were insulated from the market, that is, frozen at their present size of 75 million tons. If this were done and if production continued to outrun utilization by about 8 million tons a year, what would be the effects if the excess output were fed through hogs? This excess production would feed about 16 million more hogs per year, increasing hog

output 20 percent. Prices of hogs would probably drop about 50 percent, or from $17 to $8.50 per hundredweight, and cause gross farm receipts from hogs to decline from about $3.2 billion to about $1.9 billion per year.

THE HOG PROBLEM

From the year ending June 1954 to the year ending October 1956, federally inspected hog slaughter increased from 50.3 million to 67.6 million hogs. This was a 34-percent increase in 28 months and occurred under peacetime conditions. It occurred with a feed grain carryover less than half the present size, during years of average feed grain production with grain prices above present levels and during years of relatively high beef production which furnished strong competition against pork. Under present conditions of record large stocks of grains, record large current grain production, record hog-corn ratios in 1958 (average 18.6; previous record was 17 in 1926), and less competition from beef, the ingredients for a rapid buildup in numbers exist.

Production changes of the magnitude indicated above can bring violent changes in the free market prices for hogs. The annual average price received by farmers for hogs dropped from about $23 during the year ending May 1954 to about $13 during the year ending July 1956. Thus the price was nearly halved in 26 months. When the cyclical effects are compounded by the seasonality of production, even more fluctuation is observed. The farm price of hogs varied from a monthly average of $26.40 in April 1954 to only $10.60 20 months later. Cash receipts from sales of hogs fell from an annual level of $3,455 million in 1954 to $2,628 million in 1956.

LIKELY EVENTS WITH NO GOVERNMENT INTERVENTION

Under free market conditions, the present expansion in hog breeding which began about January 1958 will likely continue through at least part of 1960. Under conditions which did not appear to be any more favorable, if as favorable, to increasing hog numbers, the expansion in breeding during the last cycle continued for 26 months.

Marketings will likely peak during the winter and spring of 1960–61 and prices are likely to be near, and could slip below, prices of the 1955–56 winter low. A more level seasonal pattern of marketings may help keep prices from going extremely low during any particular month. But it is also possible that such a pattern could result in prolonged low prices for several successive months. At the bottom of the previous price cycle, the farm price of hogs was below $12 only in December 1955 and January 1956. It is possible that in the current cycle prices will be below $12 for several months. * * *

The instability of production which tends toward cyclicality not only has adverse effects on farm incomes, but it creates problems for market agencies, packers, and consumers. Fluctuations in hog production undoubtedly cause the establishment of excess marketing and processing facilities. It probably results in such facilities being operated at other than optimum levels of efficiency much, if not most, of the time. It tends to cause earnings of packers and marketing agencies to vary rather widely, as they are presented with problems in trying to merchandise a perishable product with resources which cannot be made as flexible as pork production. A highly variable supply for retail distribution is also undesirable because of the possible effects it has on the demand for pork. The high prices which tend to follow unduly low prices cause consumers to turn to alternative foods with the probable result that pork has to again fall to unduly low price levels to attract back some of its former consumers.

Even though the outlook for hogs during the next 18 months is not bright, there will be strong and well-reasoned arguments to let the situation run its course without Government interference: "The cure for 10-cent hogs is 10-cent hogs." Nevertheless, as numbers build up and prices decline, pressures for Government action will probably intensify. The peak of production is likely to come during the 1960 election campaign and it is only realistic to expect wide discussion of the problem. Careful thought needs to be given now to the question of what the objectives of Government action should be, and to the program which might best accomplish these objectives.

Governmental buying and surplus disposal programs are almost certain to be proposed as hog prices skid. These are essentially transfer payments from taxpayers and consumers to hog producers. However, it is difficult to find outlets for such purchases. Any large amount of disposal in the domestic market would probably have some adverse effect on the normal demand for pork. It is difficult to dispose of any large amounts in foreign markets without creating diplomatic problems. Such a program would not be effective in bringing about an adjustment in hog production; nor could it likely be of such magnitude as to have any material effect on producers' incomes. However, it should be used to the extent that it is feasible. * * *

DIRECT PAYMENTS

If governmental action is to be taken, it would appear that direct payments to farmers offer the best promise of dealing with the currently developing short-run hog problem. A direct payments program on lightweight hogs, properly conceived and administered, could accomplish the primary objectives. It would supplement producers' incomes; and by being applicable to only lightweight hogs, it would reduce the total potential pork which would normally be marketed from the available hogs, and thus of itself tend to raise prices and reduce the amount of subsidy. It would allow the free market forces of price differentials for quality, location and such factors to operate. It would reduce lard production, and provide leaner pork to consumers which could result in an increased demand for pork. It could be set up and be put into effect in a relatively short time, and would be readily understood by those involved. While it would lower the utilization of feeds in the short run, by tending to smooth the fluctuation in production, the amount of grains consumed over the entire cycle should be as high as if the free market were allowed to run its course. * * *

It is our thought, however, that this would be a stopgap program to meet an emergency situation. It is aimed at encouraging a more orderly adjustment in hog numbers and supplementing hog income over a short period. It would not appear that a seasonally adjusted base price or restriction of payments to meat-type hogs would aid in either of these objectives in the short run, but would only complicate the administration of the payments. It might be argued also that the payment should be triggered by the hog-corn ratio rather than by a fixed base price; or at least, that the hog-corn ratio should be used in conjunction with a base price in determining when payments should be made. However, most of the corn fed to hogs is fed on the farms where the corn is produced, and if the price of hogs goes to a low level, hog farmers would probably need assistance even if the hog-corn ratio were above a prescribed level. Also it appears that at the turning point of the last cycle, the adjustment in numbers was more closely tied to the prive level of hogs than to the level of the hog-corn ratio.

The cost of the direct subsidy program can only be roughly estimated. If 90 million hogs are marketed and this causes hog prices to decline to $11 per hundredweight, the total gross income to hog producers on a free market basis would be about $2.1 billion. Assuming that the cost of raising hogs, exclusive of the cost of labor and management, was $10 per hundredweight, the net return to farmers would then be $200 million. If hogs were supported at $12.50 and two-thirds of the hogs were marketed under 200 pounds so as to be eligible for the subsidy, nearly $200 million would be spent during the year in direct support of hog producers' incomes. This would about double the next return to producers.

SENATE

TUESDAY, JULY 28, 1959

The Senate met at 11 o'clock a.m.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of our salvation, to Thee, whose mercy is like the wideness of the sea, we lift our hearts in this morning prayer bringing nothing but our need and the adoration of our contrite hearts.

From Thy hands we have received the gift of life, the blessings of home and of friendship and the sacrament of nature's beauty.

Thou hast given us demanding work to do and the strength wherewith to do it.

We pray that in our appointed tasks we may be preserved from impatience and depression. Grant us in our brief working day some part in the fulfillment of Thy mighty purpose for the world.

Amid all the distraction of this complicated modern life, with its hectic events, keep our hearts childlike and trustful, free from corroding cynicism, that the gates of the kingdom closed to the merely clever and conceited may be open to us as we come in the sincerity and simplicity of the Holy One in whose name we pray. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 27, 1959, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, July 28, 1959, the President had approved and signed the following acts:

S. 602. An act authorizing the Boy Scouts of America to erect a memorial on public grounds in the District of Columbia to honor the members and leaders of such organization, and for other purposes; and

S. 1120. An act to amend the National Bank Act and the Federal Reserve Act with respect to the reserves required to be maintained by member banks of the Federal Reserve System against deposits and to eliminate the classification "central Reserve city."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which is requested the concurrence of the Senate:

H.R. 7244. An act to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies; and

H.R. 8189. An act to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Foreign Relations Committee;

The Subcommittee on Housing of the Committee on Banking and Currency;

The Committee on Post Office and Civil Service;

The Antitrust and Monopoly Subcommittee of the Committee on the Judiciary; and

The Committee on Finance.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COLLAPSE OF THE STEEL STRIKE NEGOTIATIONS

Mr. JOHNSON of Texas. Mr. President, the collapse of the steel talks yesterday was to be expected. Nevertheless, it is still disappointing, and bodes no good for the future.

We shall soon be in the stage where the stoppage will be costing our Treasury $45 million a week, according to the best evidence we have been able to obtain.

When to this is added the strong possibility of a shutdown in the aluminum industry and the copper industry, our country faces a very serious situation.

Some way must be found to assure genuine collective bargaining. The alternative is a loss of productivity and widespread suffering for our people as the economic pinch begins to be felt.

Mr. President——

The PRESIDENT pro tempore. The Senator from Texas.

APPROVAL OF THE INTER-AMERICAN DEVELOPMENT BANK

Mr. JOHNSON of Texas. Mr. President, final approval of the Inter-American Bank yesterday marks one of the major achievements of this Congress.

Congratulations are due the distinguished chairman of the Senate Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT], and the other members of the committee, for the action taken, which led to the passage of the bank development bill by this body. I also wish to congratulate the House of Representatives for passing the Senate bill and sending it directly to the White House.

American participation in this enterprise is a step of far-reaching consequences. It represents a manner in which we can help our friends and neighbors to the south in helping themselves.

The Western Hemisphere is a part of the world which has tremendous resources and great potentialities, as has been pointed out time and time again by various Members of the Senate, particularly the very able Senator from Florida [Mr. SMATHERS].

At the present time, the development of the Western Hemisphere to the south is being hampered by a lack of capital.

This Congress has many achievements to its credit, but I believe that history will mark this achievement as one of the most outstanding.

Mr. President——

The PRESIDENT pro tempore. The Senator from Texas.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to call the attention of the Senate to the fact that the unfinished business is Calendar No. 425, Senate bill 107, to amend the Merchant Marine Act of 1936 in order to include floating drydocks under the definition of the term "vessel." There is in effect a unanimous-consent agreement to limit debate on amendments to that bill to 30 minutes, and to limit debate on the bill itself to 3 hours.

Thereafter, we expect to have the Senate proceed, as announced yesterday by the distinguished acting majority leader, to the consideration of Calendar No. 560, Senate bill 2424, to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs.

Thereafter, we expect the Senate to proceed to the consideration of Calendar No. 446, Senate bill 716, to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws; Calendar No. 485, Senate bill 1845, to amend title 35 of the United States Code relating to patents; Calendar No. 464, Senate bill 1965, to establish certain provisions with respect to the removal and the terms of office of the members of certain regulatory agencies; Calendar No. 428, Senate bill 1958, to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen; Calendar No. 337, House bill 6319, to amend chapter 55, title 38, United Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans; and Calendar No. 562, House Joint Resolution 280, consenting to the interstate compact to conserve oil and gas.

We want all Members to be on notice that the bills just listed will be taken up by the Senate.

It may be that we shall be able to bring up other bills, now on the calendar, if we are able to have expeditious action taken on the bills I have just listed. If so, I shall make an announcement to the Senate later in the day, in that connection.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letter, which were referred as indicated:

PROPOSED APPROPRIATION FOR LEGISLATIVE BRANCH, AND PROPOSED AUTHORIZATION FOR DEPARTMENT OF COMMERCE (S. DOC. NO. 43)

A communication from the President of the United States, transmitting a proposed appropriation in the amount of $100,000 for the legislative branch and a proposed authorization for the Department of Commerce, for the fiscal year 1960 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROGRAM OF ECONOMIC ASSISTANCE FOR CHINA, KOREA, AND VIETNAM

A letter from the Director, International Cooperation Administration, Washington, D.C., transmitting, for the information of the Senate, a copy of his letter to the Comptroller General of the United States, relating to the General Accounting Office report on its review of mutual security program presentation to the Congress for fiscal year 1959, economic assistance for China, Korea, and Vietnam (with an accompanying paper); to the Committee on Government Operations.

JOINT RESOLUTION OF WISCONSIN STATE LEGISLATURE

Mr. WILEY. Mr. President, we recall that last session the Congress passed a law, Public Law 488, providing for the termination of Federal supervision over the property and members of the Menominee Tribe of Wisconsin.

At the time the legislation was enacted, I stated that I felt the measure did not allow sufficient time for the Menominee Indians to develop a severance plan, and for the Wisconsin State Legislature to enact needed legislation.

Despite these very serious problems involved, however, Public Law 488 was the best that could be obtained at that time.

Since the enactment of the law, the tribe and the Wisconsin State Legislature—faced with a deadline—have been striving diligently to develop plans and take the appropriate legislative action to assure adequate protection of the Indians and their property, now and in the future.

Recently, the State legislature adopted a bill that would, among other things, create a 72d county in Wisconsin for the Menominee tribal property. As yet, the Governor has not signed it into law, although it is expected that this will be done soon.

Recognizing that hastily drawn plans may have deficiencies, however, the legislature wishes to be on record in the Congress as urging (a) the repeal of the legislation pertaining to termination of Federal control over the Menominee Tribe; or (b) if this is not possible, the date for final agreement on a termination plan between the Menominee Tribe and the Secretary of Interior be extended from August 1, 1959, to December 31, 1959. Particularly, I call this measure to the attention of members of the Senate Interior Committee.

I request unanimous consent to have the joint resolution adopted by the Wisconsin State Legislature printed in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

SENATE JOINT RESOLUTION 79

Joint resolution memorializing the Congress of the United States to repeal the law providing for termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin

Whereas, heretofore the United States of America has been and now is legally responsible to the Menominee Indian Tribe for control and supervision of tribal property and service functions, including, but not limited to, services in the fields of health, education, welfare, credit, roads and law and order; and

Whereas, Public Law 83-399 (H.R. 2828), as last amended by Public Law 85-488 (H.R. 6322), an act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Indian Tribe from Federal jurisdiction, provides, as the title implies: for terminating Federal supervision and control over, and Federal responsibility for, the property and members of the Menominee Indian Tribe; for distributing to members of the tribe of a share of the funds deposited to the credit of the tribe in the U.S. Treasury; for giving the members of the tribe complete independence; for making the tribe dependent on its own resources; for making the tribe responsible for its own services in all fields, including the fields of health, education, welfare, credit, roads, and law and order, subject to their rights, obligation and privileges as free citizens; and for terminating the sovereignty of the Menominee Indian Tribe; and

Whereas it clearly appears from evidence and statements of competent persons in joint hearings before the subcommittees of the committees on Interior and Insular Affairs during the second session of the 83d Congress on section 2813, H.R. 2828 and H.R. 7135, that the delegates of the tribe committed themselves to a program for withdrawal of Federal supervision on which they were not in accord because they were told by the chairman of the Senate subcommittee that if they did not so commit themselves there would be no action on their pending per capita bill providing for a per capita payment of $1,500 to each member of the tribe, to which they were already legally entitled and for which there was approximately $10 million of tribe money on deposit in the U.S. Treasury; hence, such commitment from tribe delegates was obtained by duress, was not voluntary and was against the wishes of both the tribe and its delegates (see p. 594 of printed transcript); and

Whereas, this was done contrary to the expressed wishes of the Menominee Indian Tribe that the per capita payment be dropped if it required such withdrawal; and

Whereas the tribe itself and the members of the Wisconsin Legislature are of the opinion that the proposed termination of Federal supervision is premature and requires more time in order that the general educational level and experience of the tribe can be further developed so that the tribe can be ready to assume such responsibilities; and

Whereas past experiences of independent and unprotected American Indians losing their goods, lands and resources by the device or artifice of the unscrupulous are legend and furnish a shameful pattern for what can be expected and what might happen to the possessions of the Menominee Indians if Federal supervision and control over their persons and property is unconditionally relinquished on or before December 31, 1960, as provided by said act of the Congress: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin requests the Congress of the United States to repeal or amend Public Law 399 of the 83d Congress (ch. 303-2d sess.; H.R. 2828), as amended, so as to retain and continue indefinitely Federal supervision over the Menominee Indian Tribe, continue tribe sovereignty pursuant to the treaty with the tribe which places on the Federal Government a legal responsibility which should not be lightly disregarded and revoke the provisions of said law authorizing the withdrawal of the Menominee Indian Tribe from Federal jurisdiction and terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin until such time as the Menominee Indian Tribe has achieved a status comparable and equal to the average citizen of the environs in which they live and until the tribe has initiated a request for the termination of the tribal status and such request has been approved by an official vote of the enrolled members of the tribe; and, be it further

Resolved, That if the Federal Government declines to honor the above request for the repeal of existing termination legislation, the legislature requests that the final date for agreement between the Secretary of the Interior and the tribe be extended from August 1, 1959, to December 31, 1959, in order that the termination plan may be given more careful consideration to provide maximum protection of the interests of the Menominee Indians; and, be it further

Resolved, That properly attested copies of this resolution be sent to the presiding officer of each house of the Congress, to each Wisconsin Member of the Congress, to the Honorable Dwight D. Eisenhower, President of the United States, and to the Honorable Fred A. Seaton, Secretary of the Interior.

PHILLEO NASH,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
GEORGE MOLINARO,
Speaker of the Assembly.
NORMAN C. ANDERSON.
Chief Clerk of the Assembly.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 1849. A bill to amend the act of August 10, 1939, authorizing the Postmaster General to contract for certain powerboat service in Alaska (Rept. No. 592).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 1590. A bill for the relief of the Government of the Republic of Iceland (Rept. No. 593).

By Mr. KENNEDY, from the Committee on Foreign Relations, with amendments:

S. Con. Res. 11. Concurrent resolution to invite friendly and democratic nations to consult with India (Rept. No. 594).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, without amendment:

S. 1412. A bill to amend the act of July 7, 1958, providing for the admission of the State of Alaska into the Union, relating to selection by the State of Alaska of certain lands made subject to lease, permit, license, or contract (Rept. No. 595).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, with amendments:

S. 1723. A bill to amend the act providing for the leasing of coal lands in Alaska in order to increase the acreage limitation in such act (Rept. No. 596).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARTLETT (by request):

S. 2451. A bill to establish a joint board and to require mandatory through routes and joint rates for carriers serving Alaska, Hawaii, and the other States; and

S. 2452. A bill to establish a joint board and to permit the filing of through routes and joint rates for carriers serving Alaska, Hawaii, and the other States; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BARTLETT when he introduced the above bills, which appear under a separate heading.)

By Mr. HUMPHREY (for himself and Mr. MCCARTHY):

S. 2453. A bill to assure orderly marketing of an adequate supply of hogs and pork products; to encourage increased domestic consumption of pork and pork products; to maintain the productive capacity of the hog-farming industry; to avoid the feeding of hogs to less desirable weights; and to stop further declines in liveweight prices received by hog producers; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT (for himself, Mr. ALLOTT, Mr. CANNON, Mr. BIBLE, Mr. MOSS, Mr. HRUSKA, Mr. MCGEE, Mr. SYMINGTON, Mr. HENNINGS, Mr. CARLSON, Mr. CURTIS, and Mr. ENGLE):

S. 2454. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the Pony Express; to the Committee on Banking and Currency.

By Mr. McGEE (for Mr. O'MAHONEY):

S. 2455. A bill for the relief of certain small independent oil refineries; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2456. A bill to amend the act of April 19, 1950 (64 Stat. 44; 25 U.S.C. 635), to better promote the rehabilitation of the Navajo and Hopi Tribes of Indians; to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN (for himself and Mr. CAPEHART):

S.J. Res. 124. Joint resolution to extend the voluntary home mortgage credit program; passed.

(See the remarks of Mr. SPARKMAN when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION

Mr. FULBRIGHT submitted a concurrent resolution (S. Con. Res. 67) authorizing a change in the enrollment of the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. FULBRIGHT, which appears under a separate heading.)

PROPOSED LEGISLATION RELATING TO ALASKA TRANSPORTATION

Mr. BARTLETT. Mr. President, earlier in this session of Congress hearings were held on several bills to regulate Alaska transportation. Among them was S. 1507, introduced at the request of the Interstate Commerce Commission and designed to bring water carriers operating between Alaska and the ports in the other States under the jurisdiction of the Interstate Commerce Commission. It should be noted that section 27(b) of the Alaska Statehood Act retained such carriers under jurisdiction of the Federal Maritime Board. Without this provision in the Statehood Act, these coastwise carriers would have automatically come within the Interstate Commerce Commission.

After hearings and careful consideration, the Interstate and Foreign Commerce Committee, of which I am a member, did not see fit to report favorably on S. 1507. During the course of the hearings, it was suggested by the chairman of the committee, and concurred in by others, that consideration be given to establishing a joint board, consisting of a representative each of the Federal Maritime Board, the Interstate Commerce Commission, and the Civil Aeronautics Board, to exercise jurisdiction over the services and rates of carriers operating between Alaska and the other States.

For the convenience of the shipping public, it is necessary that a single shipping document from point of origin to point of destination be made available. It is highly unsatisfactory for shippers to be required to make separate contracts with the various modes of transportation that cover segments of transportation between Alaska and the other States. The shippers are entitled to make their contracts with the original carrier on a single factor rate covering the entire movement with legal liability firmly fixed on the participating carriers.

Of the two bills I am introducing, by request, one is proposed by the Federal Maritime Board, providing for mandatory through routes and joint rates, and the other, proposed by certain western transportation groups, provides for through routes and joint rates on a permissive basis.

It is my belief that both of these proposals should be submitted for the consideration of the entire Senate. I hope that early hearings can be held on these bills so that shippers and receivers in the Alaska trade may have the benefit of making a single transportation contract.

The PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. BARTLETT, by request, were received, read twice by their titles, and referred to the Committee on Interstate and Foreign Commerce, as follows:

S. 2451. A bill to establish a joint board and to require mandatory through routes and joint rates for carriers serving Alaska, Hawaii, and the other States; and

S. 2452. A bill to establish a joint board and to permit the filing of through routes and joint rates for carriers serving Alaska, Hawaii, and the other States.

ORDERLY MARKETING AND ENCOURAGEMENT OF INCREASED DOMESTIC CONSUMPTION OF PORK AND PORK PRODUCTS

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, on behalf of myself, and my colleague, the junior Senator from Minnesota [Mr. MCCARTHY], I introduce, for appropriate reference, a bill which proposes immediate governmental action designed to slow the present rapid build up in hog numbers and to bring about an adjustment in pork production before farmers' incomes from hogs becomes critically low.

This bill would reduce the total production of pork through the use of marketing incentive payments for lightweight hogs. While the payments themselves would, of course, increase directly the income to farmers, its larger effect would be to sustain the market price of hogs through a reduction in the supply reaching the market. In this manner, the income received by producers from the marketings of hogs would be improved by many times more than the cost of the program.

In brief, this bill presents the following short-run program designed to halt the hog price decline which is now under way:

First. A marketing premium payment to apply to all slaughter hogs marketed at live weights between 180 and 200 pounds.

Second. Producers would present invoices of sales of lightweight butcher hogs and collect their marketing payments at the county office.

Third. The payment would vary in relationship to the market price of hogs, but would be placed high enough to provide a positve incentive to bring sufficient hogs to market at light weights so that the total supply of pork would be reduced enough to strengthen the market price.

The bill provides that no more than $150 million may be spent in any one year on the program, and further provides for a termination date early in the year 1961. The program is self-limiting. If the market price goes down due to large marketings, the amount of the premium payment on the sale of lightweight hogs becomes more important relative to total return. This then encourages larger numbers of farmers to sell at lighter weights and qualify for the premium payment. Therefore, hogs would be marketed at 190 pounds instead of at, say, 240 pounds per head. This would be a reduction per head of as much as 50 pounds less pork reaching the market. Such a reduction in market supply would cause the market price to rise, thus reducing the volume of payments that would actually be made.

I ask unanimous consent that the bill be printed in its entirety at this point in my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2453) to assure orderly marketing of an adequate supply of hogs and pork products; to encourage increased domestic consumption of pork and pork products; to maintain the productive capacity of the hog-farming industry; to avoid the feeding of hogs to less desirable weights; and to stop further declines in live-weight prices received by hog producers, introduced by Mr. HUMPHREY (for himself and Mr. MCCARTHY), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

INCENTIVE PAYMENTS

SECTION 1. The Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") shall, in accordance with the provisions of this Act, make incentive payments to producers of hogs with respect to the marketing of hogs at liveweights of not less than 180 or more than 200 pounds.

RATE OF PAYMENT

SEC. 2. The Secretary shall not later than 10 days before the first day of the next ensuing month fix the rate of incentive payments to be made under this Act for such ensuing month at such level as he determines necessary to assure that the live-weight price

to be received by producers of hogs during such ensuing month shall be not less than $14 per hundredweight, but no such incentive payment under this Act shall be less than $1 nor more than $3 per hundredweight.

TIME OF PAYMENT

SEC. 3. The Secretary shall make incentive payments at the rate which he fixed under section 2 as soon as practicable after the end of each month.

METHOD OF PAYMENT

SEC. 4. Incentive payments under this Act shall be made directly to the producers of hogs who present evidence satisfactory to the Secretary of bona fide sales of hogs at liveweights within the limits established in section 1 of this Act. In the administration of this Act, the Secretary shall utilize the services of the local, county, and State committees provided for in section 8(b) of the Soil Conservation and Domestic Allotment Act.

FUNDS AVAILABLE FOR INCENTIVE PAYMENTS

SEC. 5. In carrying out the provisions of clause (3) of section 32 of Public Law Numbered 320, Seventy-fourth Congress (7 U.S.C. sec. 712c), the Secretary shall use funds available to him under such section to make incentive payments to hog producers under this Act, but the total of such payments shall not exceed $150,000,000 in any calendar year.

ELIGIBILITY FOR PAYMENTS

SEC. 6. No producer shall be eligible to receive incentive payments under this Act if, during the calendar year immediately preceding the calendar year in which such payment are requested—

(1) such producer had a total income of more than $5,000 from off-farm sources (including any such income received by any member of his dependent family); or

(2) such producer entered into a contract with a prospective purchaser of hogs, or a supplier of feed for hogs, under which such purchaser or supplier contributed in any manner to the financing of all or any part of the cost of producing the hogs with respect to which incentive payments are requested.

MAXIMUM PAYMENT

SEC. 7. No producer of hogs shall be eligible to receive incentive payments under this Act in excess of $3,500 in any calendar year.

REGULATIONS

SEC. 8. The Secretary is authorized to prescribe such regulations as he may deem necessary to enable him to carry out the provisions of this Act.

TERMINATION OF ACT

SEC. 9. This Act shall cease to be in effect on March 15, 1961.

Mr. HUMPHREY. Mr. President, the financial crisis which is approaching for farmers in the Corn Belt comes as no surprise to anyone who has watched the manipulation of the feed-grain programs by the Secretary of Agriculture. The keystone of this impending hog price disaster was laid a year ago when the administration succeeded in getting Congress to pass a bill to "take care of corn."

Through successive price-depressing, production-increasing measures—including price support loans to farmers without a requirement that they comply with their corn allotments—the effectiveness of the corn program was crippled and the stage set for its complete destruction. This was accomplished by a referendum, held last December, which offered farmers alternative roads to disaster—short-term or long-term. Farmers walked into the short-term trap which was baited by a guaranteed support price on every bushel of corn that they could produce—this was offered to all comers. Farmers picked up their pencils and figured their fixed costs—their mortgage payments, their bank loans, their production expenses, their taxes—the cost-price squeeze is not an abstract figure of speech to working farmers. Then in the referendum enough of them voted for full production short-term disaster to put the scheme over.

Let me just put in here a word about wheat since wheat has been in the spotlight in this Congress ever since the beginning of the session. The destruction of the wheat program was Secretary Benson's No. 1 target for 1959. Day in and day out, week in and week out, administration spokesmen have insisted that the wheat program must follow corn down the road to destruction. Congress, I am happy to say, resisted. President Eisenhower and Secretary Benson said they wanted to improve the wheat program so that additional stocks would not be added to the Commodity Credit Corporation's inventory. They said they wanted to save the taxpayers' money. And they chanted their monotonous litany about freedom to plant, freedom to market, freedom to meet competition. Congress passed a good wheat bill, a bill that would have prevented the continuation of CCC inventory, a bill that would have saved the taxpayers' money, and a bill that gave the wheatgrower the freedom to decide whether he wanted to abide by a program that demanded income sacrifice in return for a decent support price.

The bill that we passed here accomplished the avowed administration aims—but it did not accomplish them in the only way acceptable to the administration, by destruction of the wheat program. Therefore, the bill was vetoed. Therefore, all of us are being threatened by the Secretary of Agriculture—he says that he intends "to take the matter to the country" in next year's elections. This threat is a hollow one—what he really means is he will take the matter to the cities. He never has taken anything to the "country." Benson's big farm speeches are strictly for city consumption, delivered before groups of businessmen, processors, food wholesalers, and retailers, restaurant men, and all of the people who stand to profit by low prices to farmers. This threat does not make me tremble at all. Nor am I moved by the minority leader's insistence that there is still time to take care of wheat. Last year this insistence led the Congress to take care of corn. Let us look now at what this led to.

The official statistics show that the 1959 corn crop will beat all records. We can look forward to harvesting 4,224,450,000 bushels of corn this year. This is approximately 1 billion more bushels than the 1948 to 1957 annual average harvest. This is 400 million bushels more than was harvested last year when the administration pointed with alarm at that record crop and said, "See, allotments just do not do any good. We have got to scrap that program." So without allotments, we had more than 10 million additional acres planted to corn.

This means that the 7-year buildup of feed grain stocks—7 years of Benson low-price policies—will result in a feed grain carryover four times what it was in 1952.

And tremendous stocks of price-depressed feed grains leads to just one thing—tremendous supplies of price-depressed livestock going to market. The livestock producers' never-ceasing treadmill keeps going round and round.

Now is the time for Congress to take definite steps to head off the price disaster that is imminent for hog producers. They will be hit first and hit hardest. The 1959 total pig crop is estimated at 104.5 million head, 10 percent above 1958 and 16 percent above the 1948 to 1957 average. With the mountain of 1959 feed grains in prospect, the 1960 production is expected to be even higher. And this means the downward spiraling of the market price of hogs will once again put the hog producers through the wringer, once again shoot packer profits skyward. And remember, the consumer will not be the beneficiary of this price debacle—he never is. Under this strange administered price economy the only place that food prices can go is up.

There is only one group of people in this country that can do anything at this stage to lighten the grim outlook for hog producers. They cannot do it themselves, because they could do so only with the aid of a fair Government program that would lend stability to all phases of crop production. Certainly there is nobody in the Department of Agriculture that will do anything to forestall this disaster. I will tell you just how bad the situation looks—the Secretary of Agriculture himself is a little shaken by the end result of his mismanagement, so much so that he has publicly said that this year he would permit the purchase of more pork for use in the school lunch program. We here who in the past have had to prod him to put any surplus commodity into the school lunch or welfare programs may well stand amazed. When this administrator states beforehand that he is actually going to do something that will benefit somebody, it is time for the applause card to be waved high. But what he is saying is that he will pour a very little water on a raging fire.

What I am asking is that we take immediate steps to build a backfire that will lessen the destruction. The bill I am introducing asks that we set up a program that will cut back on the total amount of pork going into the market and at the same time improve the quality of the meat.

I have introduced similar legislation before, but never at a time when it was so crucial that it be passed. I am not alone in considering this the only correct action to be taken at this time. No less a group than the National Planning Association, a nonprofit, nonpolitical organization, has given the impending price break in the hog market its careful attention. Their comprehensive and detailed research has resulted in the recommendation of a Government payment

plan to provide an incentive to market hogs at lighter weights.

I should like to quote pertinent paragraphs from the report of the National Planning Association because this report sets out in clear concise language exactly what the situation is and what should be done about it. The report is aptly titled "Too Many Hogs."

It reviews the present feed-grain situation in these words:

For 7 consecutive years, the stocks of feed grain have increased and by October 1, 1959, will be nearly four times the level of 1952 which was considered to be about a normal carryover. This has occurred during a period when the number of grain consuming animal units was relatively large and the quantity of feed per animal unit was at an alltime high. It has occurred during a period when the population of the country was expanding at the rate of nearly 3 million persons per year, and the consumption of meat and poultry, per capita, averaged above any other 7-year period since the turn of the century. Yet, surplus stocks of feed grain have accumulated at a rate of about 8 million tons per year.

The present feed grain carryover will amount to about 75 million tons by October 1, 1959. Practically all of this carryover is owned or under loan by the Commodity Credit Corporation. The annual excess production of feed grains and the magnitude of present storage stocks have become major problems.

The production of feed grains for each year from 1955 through 1958 was higher than for any previous year except 1948 (and the last 2 years were alltime records). Despite the fact that the Government, through its price-support programs, has accumulated record surpluses, prices of grains have fallen rapidly. The price of corn fell from about $1.72 per bushel before the new crop was available in 1952 to about $1.16 during the same period of the year in 1958. The price of oats fell from about 80 cents per bushel in the summer of 1952 to 56 cents in 1958. The price of sorghum grain fell from $1.61 per bushel to 97 cents during the same time.

The report then analyzes the outlets for feed grain:

Over 80 percent of domestic feed grains are used for feeding livestock. The demands for feed grains for food, seed and industry normally account for about a tenth of total utilization. Exports which account for the remainder have varied from 0 to 7 percent.

In 1958, utilization of feed grains for livestock feeding was at an alltime high. Net exports of feed grains were also a record. Usage for food, seed and industry was as high as any year since 1950 and only 1.8 million tons below the record high in 1944. Total utilization was nearly 6 million tons above 1957, the previous record year, and over 14 million tons more than any year before 1957.

It is apparent that the rate of utilization of feed grain is at a record level. It also appears that livestock feeding offers the most likely outlet for any large increase in feed grains. All other uses combined seldom vary their utilization more than 2 or 3 million tons per year. Unless many new uses are found in the food or other domestic industries, or much more can be exported, any large changes in total utilization are likely to come from livestock feeding.

Cattle feeding is at an all-time high. However, the current buildup in cattle numbers will mean that there will soon be a greater supply of lower grade cattle on the market to compete with fed cattle. Under free market conditions, it is unlikely that cattle feeding will increase very fast in the face of rising pork output and later, rising total beef output. Cattle feeding remained practically constant from the end of 1952 (5,762,000 head), when large marketings of lower grade cattle began, until the end of 1957 (5,867,000 head), after the cattle and hog cycles had turned downward, despite the fact that the supply of feed grains was large and increasing during this period.

Poultry production is also at an alltime high after a rapid increase during the last 4 years. However, with increasing red-meat production, it is unlikely that the rate of expansion in poultry will be maintained over the next few years. Poultry consumption per capita in 1959 is estimated to be 35 percent over the 1955 rate. However, during that time, red-meat consumption per capita dropped 3 percent. During the preceding 4 years from 1951 to 1955 the trends were quite different: Red-meat consumption per capita rose 18 percent and poultry consumption per capita increased only 1 percent.

One of the most probable outlets for part of the present large feed grain supply is the hog industry. This industry is already a big user of feed grains. About 80 million hogs are produced for sale in this country each year. Usually about 450 pounds of feed concentrate are fed for each 100 pounds of live hogs, or about one-half ton per hog marketed. This amounts to about 40 million tons of feed grain per year.

During the past year, under conditions which favored an expansion on hog production, numbers have increased rapidly. It is almost inevitable that the increase in hog production will result in an even larger percentage decrease in hog prices.

Large price reductions at retail are necessary to stimulate consumers to purchase the increased production. These price reductions are so large that the farmers actually receive less total dollars from the marketing of a large crop of hogs than they do from a small one.

Recent estimates indicate that a 10-percent increase in hog production is associated with about a 25-percent decrease in hog prices. The likely income depression resulting from the current increase in production is one of the big problems currently facing the hog industry.

Many people might be inclined to think that the greatly increased hog production provides a built-in solution to the problem of using the Benson feed grain stocks. The National Planning Association experts explain why this is a blind-alley type of solution:

However, any sharp buildup in hog numbers could give consolation in one respect: It would mean larger disappearance of feed grains. The thought might be entertained that at a reasonable cost, a hog program could be established with the object of using up the surplus feeds within a short period of time. But there is little hope of this, even if production of feed grains were held in close check.

The two problems, one of huge grain surpluses, the other of low and cyclical incomes to hog producers, are diametrically opposed. Any attempt to quickly feed a substantial amount of the grain surplus through hogs would severely depress the hog industry, disrupt resources in the industry, and would likely be very costly to the Government because of political pressure to assist the distressed producers. On the other hand, any attempt to reduce hog production to raise prices in the short run would add to the grain surplus.

The carryover on feed grains on October 1, 1959, will be about 75 million tons or 55 million tons more than a normal carryover. The approximately 80 million hogs which are now produced each year consume about 40 million tons of feed. This rate of production has grossed the farmer an average of about $17 per hundredweight during the last cycle.

If hog production through a high support price were increased an average of 25 percent to about 100 million hogs per year, usage of feed would be increased about 10 million tons per year. But if the recent relationship between hog production and prices continued, prices of hogs on a free market basis would fall approximately 60 to 65 percent to average about $7 per hundredweight. This would reduce annual gross farm income from hog marketings on the free market from the $3.2 billion which it has averaged recently to about $1.6 billion, a reduction of about $1.6 billion per year. And even at this rate of hog production, it would take about 5½ years to reduce the present feed surplus to a level of 20 million tons, assuming that the production of feed grains, beginning with the 1959 crop, were successfully adjusted to other demands so that there were no new additions to surplus. During these 5½ years, gross income to hog farmers from the free market would be reduced about $9 billion relative to the average hog income over the past few years.

To look at the problem from another angle, suppose the current surplus grain stocks were insulated from the market, that is, frozen at their present size of 75 million tons. If these were done and if production continued to outrun utilization by about 8 million tons a year, what would be the effects if the excess output were fed through hogs? This excess production would feed about 16 million more hogs per year, increasing hog output 20 percent. Prices of hogs would probably drop about 50 percent or from $17 to $8.50 per hundredweight, and cause gross farm receipts from hogs to decline from about $3.2 billion to about $1.9 billion per year.

The report carefully outlines the exact situation regarding the hog production picture:

Although it does not seem feasible to support hog prices at a level which would insure a large reduction in feed grain surpluses or even hold surpluses at their current level, it should be recognized that a critical problem in hog production is developing. This problem may need to be dealt with without attempting at the same time to solve the problem of feed surpluses. As mentioned earlier, nearly 2 million hog producers who make up the industry are now building up numbers rapidly under the incentive of favorable price relationships. Last fall's pig crop was 17 percent greater than in 1957; the 1959 spring pig crop in nine Midwestern States is estimated at 10 percent over a year earlier; and the 1959 fall crop seems certain to exceed the year earlier crop. Almost certainly the production will be carried past the point of satisfactory prices, and farm income from sales of hogs on the free market is likely to drop sharply.

That hog production can increase very rapidly is evident. Under wartime conditions, federally inspected hog slaughter increased from 40 million for the year ending May 1942 to about 75 million for the year ending June 1944, an increase of over 50 percent in 25 months. This occurred with a carryover of feed grains of only about 20 million tons, instead of the present 75 million tons, and with feed grain production of about 110 to 120 million tons per year instead of the present 140 to 150 million tons per year.

From the year ending June 1954 to the year ending October 1956, federally inspected hog slaughter increased from 50.3 million to 67.6 million hogs. This was a 34 percent increase in 28 months and occurred under peacetime conditions. It occurred with a feed grain carryover less than half the present size, during years of average feed grain production with grain prices above present levels and during years of relatively high beef production which furnished strong competition against pork.

Under present conditions of record large stocks of grains, record large current grain production, record hog-corn ratios in 1958 (average 18.6; previous record was 17 in 1926), and less competition from beef, the ingredients for a rapid buildup in numbers exist.

Production changes of the magnitude indicated above can bring violent changes in the free market prices for hogs. The annual average price received by farmers for hogs dropped from about $23 during the year ending May 1954 to about $13 during the year ending July 1956. Thus the price was nearly halved in 26 months. When the cyclical effects are compounded by the seasonality of production, even more fluctuation is observed. The farm price of hogs varied from a monthly average of $26.40 in April 1954 to only $10.60 12 months later. Cash receipts from sales of hogs fell from an annual level of $3,455 million in 1954 to $2,628 million in 1956.

The researchers looked into what would most likely happen to prices received by farmers if the Government did not take responsible and timely action:

Under free market conditions, the present expansion in hog breeding which began about January 1958 will likely continue through at least part of 1960. Under conditions which did not appear to be any more favorable, if as favorable, to increasing hog numbers, the expansion in breeding during the last cycle continued for 26 months.

Marketings will likely peak during the winter and spring of 1960–61 and prices are likely to be near, and could slip below, prices of the 1955–56 winter low. A more level seasonal pattern of marketings may help keep prices from going extremely low during any particular month. But it is also possible that such a pattern could result in prolonged low prices for several successive months. At the bottom of the previous price cycle, the farm price of hogs was below $12 only in December 1955 and January 1956. It is possible that in the current cycle prices will be below $12 for several months. The low prices will precipitate liquidation of breeding stock and subsequent low production and high prices, and the cycle will proceed unabated.

The instability of production which tends toward cyclicality not only has adverse effects on farm incomes, but it creates problems for market agencies, packers, and consumers. Fluctuations in hog production undoubtedly cause the establishment of excess marketing and processing facilities. It probably results in such facilities being operated at other than optimum levels of efficiency much, if not most, of the time. It tends to cause earnings of packers and marketing agencies to vary rather widely, as they are presented with problems in trying to merchandise a perishable product with resources which cannot be made as flexible as pork production. A highly variable supply for retail distribution is also undesirable because of the possible effects it has on the demand for pork. The high prices which tend to follow unduly low prices cause consumers to turn to alternative foods with the probable result that pork has to again fall to unduly low price levels to attract back some of its former consumers.

Even though the outlook for hogs during the next 18 months is not bright, there will be strong and well reasoned arguments to let the situation run its course without Government interference: "The cure for 10-cent hogs is 10-cent hogs." Nevertheless, as numbers build up and prices decline, pressures for Government action will probably intensify. The peak of production is likely to come during the 1960 election campaign and it is only realistic to expect wide discussion of the problem. Careful thought needs to be given now to the question of what the objectives of Government action should be, and to the program which might best accomplish these objectives.

The report then discusses in some detail the possible types of Government action that might be taken in order to "(a) encourage an adjustment in production before free market prices go as low as they would in the absence of Government action, and (b) supplement hog farmers' incomes during a period of unduly low prices." These types included production control through the use of negotiable marketing certificates, the control of feed grain production—and of course it is way past midnight on that proposal which should have been adopted in order to prevent the present problem—and governmental buying. Regarding the last, the report says:

Governmental buying and surplus disposal programs are almost certain to be proposed as hog prices skid. These are essentially transfer payments from taxpayers and consumers to hog producers. However, it is difficult to find outlets for such purchases. Any large amount of disposal in the domestic market would probably have some adverse effect on the normal demand for pork. It is difficult to dispose of any large amounts in foreign markets without creating diplomatic problems. Such a program would not be effective in bringing about an adjustment in hog production; nor could it likely be of such magnitude as to have any material effect on producers' income. However, it should be used to the extent that it is feasible.

Let me repeat that last sentence:

However, it should be used to the extent that it is feasible.

The program which I am introducing today in no way lessens the responsibility of our Government to see that the schoolchildren and the needy in this country share in the benefits possible from full and abundant agricultural production.

The report then discusses various types of direct government payments to hog producers and concludes that a direct payment program for lightweight hogs offered the best program to meet the existing situation. The National Planning Association recommends such a program in these words:

If governmental action is to be taken, it would appear that direct payments to farmers offer the best promise of dealing with the currently developing short-run hog problem. A direct payments program on light weight hogs, properly conceived and administered, could accomplish the primary objectives set forth above. It would supplement producers' incomes; and by being applicable to only light weight hogs, it would reduce the total potential pork which would normally be marketed from the available hogs, and thus of itself tend to raise prices and reduce the amount of subsidy. It would allow the free market forces of price differentials for quality, location, and such factors to operate. It would reduce lard production, and provide leaner pork to consumers which could result in an increased demand for pork. It could be set up and be put into effect in a relatively short time, and would be readily understood by those involved. While it would lower the utilization of feeds in the short run, by tending to smooth the fluctuation in production, the amount of grains consumed over the entire cycle should be as high as if the free market were allowed to run its course.

The report emphasizes the emergency nature of this measure. It is our thought, however, that this would be a stopgap program to meet an emergency situation. It is aimed at encouraging a more orderly adjustment in hog numbers and supplementing hog income over a short period. It would not appear that a seasonally adjusted base price or restriction of payments to meat-type hogs would aid in either of these objectives in the short run, but would only complicate the administration of the payments. It might be argued also that the payment should be triggered by the hog-corn ratio rather than by a fixed base price; or at least, that the hog-corn ratio should be used in conjunction with a base price in determining when payments should be made. However, most of the corn fed to hogs is fed on the farms where the corn is produced, and if the price of hogs goes to a low level, hog farmers would probably need assistance even if the hog-corn ratio were above a prescribed level. Also it appears that at the turning point of the last cycle, the adjustment in numbers was more closely tied to the price level of hogs than to the level of the hog-corn ratio:

The cost of the direct subsidy program can only be roughly estimated. If 90 million hogs are marketed and this causes hog prices to decline to $11 per hundredweight, the total gross income to hog producers on a free market basis would be about $2.1 billion. Assuming that the cost of raising hogs, exclusive of the cost of labor and management, was $10 per hundredweight, the net return to farmers would then be $200 million. If hogs were supported at $12.50 and two-thirds of the hogs were marketed under 200 pounds so as to be eligible for the subsidy, nearly $200 million would be spent during the year in direct support of hog producers' incomes. This would about double the net return to producers.

I ask unanimous consent to have printed as part of my remarks the list of members of the National Planning Association who signed this report, and I ask unanimous consent to have it printed at this point.

There being no objection, the list of members was ordered to be printed in the RECORD, as follows:

MEMBERS OF THE NPA AGRICULTURAL COMMITTEE SIGNING THE STATEMENT

Lauren K. Soth (chairman), the Des Moines Register and Tribune.

Donald R. Murphy (vice chairman), director, editorial research, Wallaces' Farmer.

A. C. Hoffman (vice chairman), vice president, Kraft Foods Co.

Frank App, Seabrook Farming Corp.

John A. Baker, director, legislative services, National Farmers Union.

Murray R. Benedict, professor of agricultural economics, University of California.

John D. Black, professor of agricultural economics, Harvard University.

Robert K. Buck, Waukee, Iowa.

Harry W. Culbreth, vice president, Nationwide Insurance.

August Dahme, Aberdeen, S. Dak.

Arval L. Erickson, economic adviser, Oscar Mayer & Co.

Joseph W. Fichter, farm consultant, Oxford, Ohio.

W. E. Hamilton, director of research, American Farm Bureau Federation.

Oscar Heline, Marcus, Iowa.

Roy Hendrickson, National Federation of Grain Cooperatives.

Frank W. Hussey, vice president, Maine Potato Council.

E. W. Kieckhefer, farm editor, the Courier-Journal.

Arthur Moore, the Washington bureau, McGraw-Hill Publications.

Herschel D. Newsom, master, National Grange.

William H. Nichols, chairman, Department of Economics and Business Administration. Vanderbilt University.

R. J. Odegard, O. J. Odegard Potato Co.

Theodore W. Schultz, chairman, Department of Economics, University of Chicago.

Frank J. Welch, dean, College of Agriculture, University of Kentucky.

Obed A. Wyum, Rutland, N. Dak.

Ralph S. Yohe, editor, Wisconsin Agriculture.

Gordon K. Zimmerman, executive secretary, National Association of Soil Conservation Districts.

Mr. HUMPHREY. Mr. President, in all fairness, I should point out that not all of those who signed the report were in complete agreement with all of the recommendations made, but a preponderance of the signators did not qualify in any way their approval.

I feel that this organization has done the country a real benefit in preparing and releasing this careful study.

I ask unanimous consent that a newspaper article regarding the National Planning Association report, written by the veterans agriculture reporter of the New York Times, be printed as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. PROPS URGED TO AID HOG PRICES—STOPGAP PROGRAM OFFERED BY PRIVATE GROUP TO AVERT CRITICALLY LOW LEVELS

(By William M. Blair)

WASHINGTON, July 12.—Another warning that politically explosive hog prices were headed for critically low levels was issued today. With the warnings came a stopgap program proposing direct Government subsidies to head off the slide.

In a statement entitled "Too Many Hogs," the Agriculture Committee of the National Planning Association recommended a 1-year only program to slow the rapid increase in the number of hogs that could send prices downward.

The plan is to induce producers to market live hogs at lighter weights (180–200 pounds) and prevent the predicted glut and low prices next year. There are no Government supports on livestock.

In foreseeing a slide in hog prices unless measures are taken soon, the committee estimated roughly that its 1-year program would cost nearly $200 million. This was based on an assumption that the support price would be $12.50 a 100 pounds for lightweight hogs only.

HOGS INCREASING RAPIDLY

Under the impact of surplus feed supplies, including the major feed commodity, corn, hog numbers have been increasing rapidly. Politicians, particularly Republicans, are already afflicted with all the usual worries over the hog situation because the increases indicate a slide of sizable proportions in hog prices in the fall of 1960. That is the time of the presidential and congressional elections.

The corn crop estimate issued on Friday by the Department of Agriculture already has some midwestern Republicans shuddering. The forecast is for a crop of 4,224,500,000 bushels. That would be the largest crop in history, 10 percent above last year's record production and 21 percent above the average yearly production between 1948 and 1957.

This is the first year of a program of no acreage controls for corn, which is still given a support price.

The proposed program would about double the net return to producers, the committee estimated. However, total income including the subsidy, would probably not be so large that it would prevent the adjustment we are seeking.

The subsidy would be the difference between the market price and the $12.50 guarantee. For example, if the market price was $10, farmers could collect $2.50 for each 100 pounds of hog.

This approach has been suggested many times in and out of Congress. It received its last major support in 1955 when hog prices fell to a longtime low of $10 and under and sent Republican farm leaders hurrying to the White House for aid. They were turned down on all counts, but the Secretary of Agriculture, Ezra Taft Benson, reluctantly agreed to buy pork. This pork was channeled into school lunches and relief programs.

PLAN'S AIM EMPHASIZED

"It should be emphasized," the planning association's statement said, "that the type of Government action which we believe would be most appropriate is designed to slow the rapid build-up of hog numbers and bring about a quick adjustment in production before farmers' income from hogs becomes critically low."

"It is not," the statement went on, "advocated as a substitute for the free-market price determination in the long run.

"Unless the program is carefully administered and operated only as a short-run measure, it is possible that Government intervention in this area could create problems more numerous and severe than those which it is designed to alleviate."

It said that recent estimates indicated that a 10-percent increase in hog production would result in a 25-percent decrease in hog prices.

There were some conflicts within the committee on the approach suggested. For example, August Dahme, a farmer from Aberdeen, S. Dak., asserted that "the free market concept is a thing of the past, except for those few who still want to apply it to the marketing of farm products only."

He also contended the $12.50 guarantee was "far too low," and "could not possibly give farm families enough to operate their farms, let alone a chance to live decently and be members of an active, progressive community."

He suggested a $19.50 guarantee and a limit on payments of $2,000 a year on not more than 200 hogs for a person, a farm or a farm corporation.

A contrary opinion was expressed by W. A. Hamilton, director of research for the American Farm Bureau Federation, the country's largest general farm organization.

Mr. HUMPHREY. Mr. President, this bill really proposes emergency legislation. The administration's corn program, the one I fought against a year ago, is exacting economic ruin out of American agriculture. I predicted a year ago in this Chamber that if the administration's program on corn for taking off controls and reducing prices to farmers went into effect, there would be a minimum of 4 billion bushels of corn produced in 1959.

Mr. President, I claim no prophetic vision, but the truth is that there are going to be over 4 billion bushels of corn. The U.S. Government—more particularly, the Department of Agriculture—will come before Congress asking for another half billion dollars in funds for corn price support loans—another $500 million in corn price support loans.

Mr. President, here is the same administration that talks about fiscal responsibility being guilty of the grossest irresponsibility. I gather the American people still do not believe this administration had a peacetime deficit of $12½ billion for fiscal 1959. It may seem to them inconceivable, in light of the propaganda that is put out by the press, television, and radio, through the good offices of the Republican National Committee, that this administration could have the largest peacetime deficit in history. Generally speaking, people are ready to believe—are propagandized into believing—it is the Republicans who believe in a sound fiscal position, and therefore, it is inconceivable that their President, a Republican President, could end up with a liability or a debt of $12½ billion.

Mr. President, that $12½ billion deficit is either the result of a terrible tailspin in the economy, which the Republicans deny, or it is the result of poor calculations on the part of the Bureau of the Budget or the Treasury. Anyone who cannot come within $12 billion of estimating what the deficit will be should either be flunked in arithmetic or taken out of office.

In view of the fact that present conditions in the pork market will result in greater expenditures by the Department of Agriculture, with less return to farmers, with a heavier load on the taxpayers, and with no relief to the consumers, I have introduced a bill which will provide some relief, which is sensible in application, and which will lend itself to a better balance of market price and production.

U.S. PARTICIPATION IN INTER-AMERICAN DEVELOPMENT BANK—CHANGE IN ENROLLMENT OF BILL

Mr. FULBRIGHT. Mr. President, on July 15, 1959, the Senate passed the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank. On yesterday, July 27, 1959, the House also passed Senate bill 1928. I submit a concurrent resolution and ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. The concurrent resolution will be read, for the information of the Senate.

The legislative clerk read the concurrent resolution (S. Con. Res. 67), as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank, the Secretary of the Senate be, and he is hereby, authorized and directed to make the following change, namely: On page 8, lines 11 and 12, of the engrossed bill, in the phrase "section 4(a)(6) of the Bretton Woods

Agreements Act", strike out "(a)" and insert "(b)".

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

CIVIL RIGHTS ACT OF 1959—AMENDMENTS

Mr. HENNINGS. Mr. President, I submit, for appropriate reference, three amendments to Senate bill 2391, the Senate civil-rights bill, reported from the Senate Constitutional Rights Subcommittee and now pending in the Senate Judiciary Committee. I ask that these three amendments be ordered printed, and I ask unanimous consent that the texts of each of the three amendments be printed in the RECORD at the conclusion of my remarks.

The first amendment would include the two present provisions of S. 2391, plus all the provisions of S. 810, a bill I have sponsored with the junior Senator from Colorado [Mr. CARROLL], the senior Senator from Illinois [Mr. DOUGLAS], and others to provide Federal programs for accomplishing desegregation in public schools, with ultimate civil court enforcement powers.

The second amendment is the same as the first, without the enforcement authorization.

The third amendment is a separate statement of the enforcement authorization, popularly called part III.

The PRESIDENT pro tempore. The amendments will be received, appropriately referred, and printed; and, without objection, the amendments will be printed in the RECORD.

The amendments were referred to the Committee on the Judiciary, as follows:

At the end of the bill insert the following:

"TITLE III—AMENDMENT OF PART III OF THE CIVIL RIGHTS ACT OF 1957

"SEC. 301. Part III of the Civil Rights Act of 1957 (71 Stat. 637) is amended by adding at the end thereof the following new section:

"'SEC. 123. (a) The Attorney General is authorized, upon written complaint or information on oath or affirmation of any person who is subject to or threatened with the loss of his right to equal protection of the laws by reason of race, color, religion, or national origin, and who is unable because of financial inability or other reason effectively to prosecute a Federal civil proceeding on his own behalf, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any person or persons acting under color of any statute, ordinance, regulation, custom, or usage of any State or Territory, or subdivision or instrumentality thereof, or who conspires with such person or persons, to deprive or threaten to deprive any person of his rights to equal protection of the laws by reason of his race, color, religion, or national origin.

"'(b) The Attorney General is hereby authorized, upon written request of the duly constituted authorities of any State or Territory, or municipality, subdivision, or instrumentality thereof, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any two or more persons who conspire through violence, threats, or otherwise to prevent or hinder such duly constituted authorities from giving or securing to any person his right to equal protection of the laws.

"'(c) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether any administrative or other remedies that may be provided by law shall have been exhausted. In any proceeding hereunder the United States shall be liable for costs the same as a private person.

"'(d) Nothing in this section shall impair any right secured by the Constitution and laws of the United States, or any remedies already existing for their protection and enforcement.'

"Amend the title so as to read: 'A bill to extend the Commission on Civil Rights; to provide further means of securing and protecting the right to vote; and to provide means of protecting the right to equal protection of the laws.'"

Strike out all after the enacting clause and in lieu thereof insert the following:

"TITLE I

"Short title and findings

"SEC. 101. This Act may be cited as the 'Civil Rights Act of 1959'.

"SEC. 102. (a) The Congress hereby finds that—

"(1) recent decisions of the Supreme Court of the United States holding racial segregation unlawful in public education, public transportation, and public recreational facilities (hereinafter referred to as the antisegregation decisions) as a denial of the constitutional right to the equal protection of the laws express the moral ideals of the Nation and the world and point the way to a nation enhanced in strength and dignity at home and enhanced in honor and prestige throughout the world,

"(2) these antisegregation decisions are being resisted in many areas of the Nation most directly affected by them and indirectly evaded in other areas, thereby denying to millions of Americans within our borders the constitutional right to the equal protection of the laws,

"(3) many States, municipalities, school districts, and other local governmental units have failed to make a prompt and reasonable start toward full compliance with the Supreme Court's decisions in the field of public education despite the substantial time which has already elapsed since the promulgation of those decisions in 1954 and 1955,

"(4) the constitutional right to the equal protection of the laws is being denied to many persons because of race, color, religion, or national origin in fields other than education, transportation, and recreation.

"(5) these denials of the constitutional right to the equal protection of the laws restrict millions of Americans to second-class citizenship and deprive the Nation of the maximum development and maximum benefits that can be contributed by such persons, and

"(6) legislative and executive action (A) is necessary to safeguard and guarantee to all Americans the constitutional right to equal protection of the laws and (B) will aid in expediting universal compliance with the antisegregation decisions of the Supreme Court.

"(b) The Congress further finds that the rights protected by the Constitution, as declared by the antisegregation decisions, will be more widely accepted and more fully enjoyed in all areas of the Nation, and particularly in those areas of the Nation most directly affected by the decisions, when it is generally recognized and understood that—

"(1) the Constitution, as declared by the antisegregation decisions, is the supreme law of the land,

"(2) all Federal and State officials are bound by their oaths or affirmations to support the Constitution, and

"(3) the legislative and executive branches of the Federal Government are acting and will continue to act, with such Federal authority as is found necessary, to protect the constitutional rights upheld by those decisions of the judicial branch of the Government.

"(c) The Congress further finds that—

"(1) the present system whereby individual plaintiffs in the Federal courts bear the burden of protecting constitutional rights, as declared by the antisegregation decisions, is neither the exclusive nor the most effective means of protecting those constitutional rights and the public interest in safeguarding those constitutional rights, and has resulted in local restrictive and punitive measures against the individuals and organizations engaging in, and supporting, efforts in the courts to assert those constitutional rights, and

"(2) specific authorization to the executive branch of the Federal Government to act in support of the constitutional rights upheld by the antisegregation decisions (A) will provide a more rational, uniform, just, and effective system of protecting constitutional rights than the present procedure under which the safeguarding of constitutional rights is determined by the varying resources and courage of individuals and organizations and by the varying State statutory restrictions placed upon them, and (B) will render less effective, and hence tend to reduce, hostile community pressures upon individuals and organizations seeking to safeguard constitutional rights.

"(d) The Congress hereby recognizes it to be the initial responsibility of all States, municipalities, school districts, and other local governmental units to safeguard the constitutional right to the equal protection of the laws as declared by the antisegregation decisions of the Supreme Court and to administer their systems of public education, public transportation, and public recreational facilities in accordance with the Constitution of the United States, but the Federal Government, to maintain a more perfect union, to extend justice, to promote the common defense, and to secure the blessings of liberty to all persons, has a coordinate responsibility to guarantee the constitutional right to the equal protection of the laws, to prevent denials of the right when State or local authorities cannot or will not do so, and thus to enhance the Nation's internal strength and its position throughout the world.

"(e) Recognizing its authority and responsibility under the fifth section of the fourteenth amendment to the Constitution of the United States and its obligation to uphold the coordinate authority and responsibility of the judicial branch of the Government, the Congress hereby declares its intention that the right to the equal protection of the laws guaranteed by the Constitution against deprivation by reason of race, color, religion, or national origin and affirmed by the antisegregation decisions of the Supreme Court, shall be protected by all due and reasonable means, and to that end enacts the following provisions of this Act.

"TITLE II

"Technical assistance by Secretary of Health, Education, and Welfare

"SEC. 201. The Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') is hereby authorized to render technical assistance to States, municipalities, school districts, and

other local governmental units to eliminate denials of constitutional rights in the field of public education by reason of race, color, religion, or national origin and to come into compliance with the decisions of the Supreme Court in the field of public education by—

"(a) assembling, publishing, and distributing information which, in his judgment, will prove helpful in obtaining public understanding of, and compliance with, the Constitution and decisions of the Supreme Court in the field of public education;

"(b) surveying the progress made in eliminating segregation in public education in various parts of the country and making available to public agencies, private organizations, private individuals, and the general public the results of such surveys, including wherever possible successful case histories of desegregation and the ways and means utilized to bring about desegregation in such instances;

"(c) planning, calling, and holding local, State, regional, and national conferences attended by State and local officials, representatives of private organizations, and private citizens, to discuss ways and means of eliminating segregation in public education generally or in any particular State, municipality, school district, or other local governmental unit;

"(d) appointing local, State, regional, and national advisory councils to assist the Secretary in carrying out his duties under this Act and to offer their assistance to any State, municipality, school district, or other local governmental unit to come into compliance with the Constitution and the decisions of the Supreme Court in the field of public education;

"(e) reporting to the Congress, at least semiannually, concerning the progress being made in eliminating segregation in public education in various parts of the country; and

"(f) assisting, by such other related means as he deems appropriate, States, municipalities, school districts, and other local governmental units to eliminate segregation in public education.

"SEC. 202. The Secretary shall recruit, employ, and train specialists in preparing, putting into effect, and carrying out plans for eliminating segregation in public education and shall offer the services of the specialists to States, municipalities, school districts, and other local governmental units. Upon request of any State, municipality, school district, or other local governmental unit, the Secretary shall make available to the requesting governmental unit the services of one or more specialists for such periods of time and in such numbers as the Secretary deems necessary and appropriate in the light of the particular needs of the requesting governmental unit.

"SEC. 203. (a) The Secretary is authorized to reimburse any State or local official, representative of a private organization, or private citizen who is invited by him to attend any local, State, regional, or national conference held under the authority of section 201 (c), and any member of an advisory council appointed under the authority of section 201 (d) who is carrying out authorized functions, for travel expenses incurred, and to pay any such person per diem in lieu of subsistence, in the same amounts as authorized by law (5 U. S. C. 73b–2) for persons in the Government service serving without compensation.

"(b) The Secretary is authorized to reimburse any State or local official who, with the approval of the Secretary, is invited to confer with one or more specialists employed by the Secretary under section 202 for travel expenses incurred in attending such conference, and to pay to any such official per diem in lieu of subsistence, in the same amounts as authorized by law (5 U. S. C. 73b–2) for persons in the Government service serving without compensation.

"SEC. 204. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such amounts not to exceed $2,500,000 in any fiscal year as may be necessary for carrying out the purposes of this title.

"TITLE III

"Grants to areas where desegregation in public education is being carried out

"SEC. 301. (a) The Secretary is authorized to make grants to States, municipalities, school districts, and other local governmental units which maintained racial segregation in their public schools on May 17, 1954, and which make application for such grants, to assist in meeting the costs of additional educational measures undertaken or to be undertaken to further the process of eliminating segregation in the public schools of the applicant State, municipality, school district, or local governmental unit, while at the same time assuring that existing educational standards will not be lowered.

"(b) Grants may be made under this section for—

"(1) the cost of employing additional schoolteachers,

"(2) the cost of giving to teachers and other school personnel in-service training in dealing with problems incident to desegregation,

"(3) the cost of employing specialists in problems incident to desegregation and of providing other assistance to develop understanding by parents, schoolchildren, and the general public of plans and efforts for eliminating segregation in the schools in order to reduce the possibility of community hostility or unlawful resistance to such plans and efforts, and

"(4) other costs directly related to the process of eliminating segregation in public schools, including the replacement of State payments to a school district or other political subdivision withdrawn because the applicant district or subdivision is eliminating, or is starting to eliminate segregation.

"(c) Grants may also be made under this section for the construction, enlargement, or alteration of school facilities when the Secretary finds that lack or inadequacy of existing facilities makes the carrying out of any reasonable plan for desegregation without lowering existing educational standards impracticable or materially more difficult.

"(d) Each application made for a grant under this section shall provide such detailed breakdown of the additional educational measures for which financial assistance is sought as the Secretary may by regulations prescribe.

"(e) Each grant under this section shall be made in such amounts and on such terms and conditions as the Secretary shall prescribe, which may include a condition that the applicant expend funds in specified amounts for the purpose for which the grant is made. In determiinng whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Secretary shall take into consideration—

"(1) the amount available for grants under this section and the other applications which are pending before him,

"(2) the financial condition of the applicant and the other resources available to it,

"(3) the nature, extent, and gravity of its problems incident to desegregation,

"(4) whether the additional educational measures undertaken or to be undertaken are reasonably and effectively designed to further the process of eliminating racial segregation, while at the same time assuring that existing educational standards will not be lowered, and

"(5) such other factors as he finds relevant.

"SEC. 302. The Secretary is further authorized to make grants to public or other nonprofit educational institutions of higher learning to meet or assist in meeting the cost of short-term training courses or institutes, not to exceed four weeks in duration, for personnel of public schools or of educational agencies engaged in or about to undertake desegregation, designed to enable such personnel to deal more effectively with problems incident to desegregation. Such grants may also be used by such institutions to establish and maintain fellowships for such training courses or institutes, covering tuition, fees, and such stipends and allowances (including travel and subsistence expenses) as may be determined by the Secretary.

"SEC. 303. Payments of grants under sections 301 and 302 may be made in advance or by way of reimbursement, and at such intervals and on such conditions as the Secretary may determine.

"SEC. 304. (a) There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such sums, not exceeding $40,000,000 for any fiscal year, as may be necessary to carry out the provisions of this title.

"(b) In making grants from funds appropriated for any fiscal year for the purposes specified in section 301(b), the Secretary may disregard applications received after August 31 in that fiscal year, or may subordinate such applications to applications received before that date. In the event that he receives, either before or after that date, applications which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

"(c) In the event that the Secretary receives applications for grants for the purpose specified in section 301(c) which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

"TITLE IV

"Administrative action directed toward eliminating segregation in public education

"SEC. 401. The Secretary shall make every effort to persuade States, municipalities, school districts, and other local governmental units to make a start toward eliminating segregation in public education and to carry out in full such programs as they may start, and to this end he shall utilize the authority provided in titles II and III.

"SEC. 402. Whenever the Secretary shall find that all efforts under titles II and III and under section 401 of this title have failed, and continue to fail, in bringing about a start toward the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, the Secretary is authorized to prepare a tentative plan for the elimination of segregation in public education in such State, municipality, school district, or other local governmental unit. In preparing such a tentative plan, the Secretary shall seek the advice and assistance of public officials, private organizations, and private citizens in the area and of any local, State, regional, or national advisory council appointed pursuant to section 201(d); and he shall carefully consider such advice and assistance

wherever available. Tentative plans prepared by the Secretary under the authority of this section shall take into account the need of the particular area for time to make an orderly adjustment and transition from segregated to desegrated schools.

"SEC. 403. (a) Whenever the Secretary has prepared a tentative plan for the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, he shall forward the plan to the governor, mayor, or other appropriate official, as the case may be. If the State, municipality, school district, or other local governmental unit agrees to put into effect the tentative plan as proposed by the Secretary or as modified by the State, municipality, school district, or other local governmental unit with the consent of the Secretary, the Secretary shall utilize the authority granted in titles II and III to assist the State, municipality, school district, or other local governmental unit in putting into effect the tentative plan.

"(b) If the State, municipality, school district, or other local governmental unit (1) does not agree to put into effect the tentative plan as proposed by the Secretary or as modified with his consent, or (2) after agreeing to the tentative plan as so proposed or modified, does not, in the judgment of the Secretary, carry out such tentative plan, the Secretary shall hold a public hearing upon the tentative plan. Notice of such hearing shall be given to the local authorities concerned by registered mail and notice shall be given to private organizations and private citizens within the area by publication in one or more newspapers. Local authorities, private organizations, and private citizens shall be permitted to participate in the hearing and present evidence and argument in favor of the tentative plan, in favor of amendments to the tentative plan, or in opposition to the plan or to any plan, but cumulative evidence may be excluded in the discretion of the Secretary. Anyone shall be permitted to file a written statement with the Secretary in addition to, or in lieu of, personal appearance at the public hearing.

"(c) After the hearing provided in subsection (b) has been concluded, the Secretary shall prepare and issue an approved plan for eliminating segregation in public education in the State, municipality, school district, or other local governmental unit. He shall publish the approved plan in the Federal Register and in one or more newspapers in the area affected thereby and shall transmit a certified copy thereof to the appropriate official of the State, municipality, school district, or other local governmental unit involved.

"(d) In order that the proceedings under this title shall expedite the elimination of segregation in any State, municipality, school district, or other local governmental unit, the Secretary shall handle all proceedings under this title as expeditiously as possible. The Secretary shall complete any proceedings hereunder within one year from the time that a tentative plan is forwarded to the governor, mayor, or other appropriate official under section 403 (a), or, in case a State, municipality, school district, or other local governmental unit agrees to a tentative plan but does not carry it out, within six months from the time the Secretary determines that such State, municipality, school district, or other local governmental unit is not carrying out such tentative plan.

"SEC. 404. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such amounts as may be necessary for carrying out the purposes of this title.

"SEC. 405. The Secretary is authorized to carry out his responsibilities and exercise his authority under this title and under titles II and III through designated personnel in his own office or through any existing bureau, division, or agency of the Department of Health, Education, and Welfare or through a new office created by him for the special purpose of exercising the Secretary's responsibilities hereunder, except that the Secretary shall personally review and sign any approved plan issued under section 403(c).

"TITLE V—EXTENSION OF COMMISSION ON CIVIL RIGHTS

"SEC. 501. Section 104(b) of the Civil Rights Act of 1957 is amended by striking out 'two years from the date of the enactment of this Act' and inserting in lieu thereof 'January 31, 1961'.

"TITLE VI—RETENTION, PRESERVATION, AND PRODUCTION OF FEDERAL ELECTION RECORDS, PAPERS, AND BALLOTS

"SEC. 601. Every officer of election shall retain and preserve, for a period of three years from the date of any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate or Member of the House of Representatives are voted for, all records and papers which come into his possession relating to any application, registration, payment of poll tax or other act requisite to voting in such election, except that, when required by law, such records and papers may be delivered to another officer of election and except that if a State designates a custodian to retain and preserve these records and papers at a specified place, then such records and papers may be deposited with such custodian, and the duty to retain and preserve any record or paper so deposited shall devolve upon such custodian: *Provided, however,* That nothing contained herein shall require the retention and preservation of ballots for a period of more than eighteen months from the date of any such election. Any officer of election or custodian who wilfully fails to comply with this section shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 602. Any person, whether or not an officer of election or custodian, who willfully steals, destroys, conceals, mutilates, or alters any record or paper required by section 601 to be retained and preserved shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 603. Any record or paper required by section 601 to be retained and preserved shall, upon demand in writing by the Attorney General or his representative directed to the person having custody, possession, or control of such record or paper, be made available for inspection, reproduction, and copying by the Attorney General or his representative.

"SEC. 604. Any record or paper demanded pursuant to section 603 shall be produced for inspection, reproduction, and copying at the principal office of the person upon whom such demand is made or at any other location mutually agreed upon by such person and the Attorney General or his representative.

"SEC. 605. Unless otherwise ordered by a court of the United States, neither the Attorney General nor any employee of the Department of Justice, nor any other representative of the Attorney General, shall disclose any record or paper produced pursuant to this title, or any reproduction or copy, except as is necessary in the performance of his official duties, including presentation of any case or proceeding before any court or grand jury.

"SEC. 606. The United States district court for the district in which a demand is made pursuant to section 603, or in which a record or paper so demanded is located, shall have jurisdiction by appropriate process to compel the production of such record or paper.

"SEC. 607. As used in this title, the term "officer of election" means any person who, under color of any Federal, State, or local law, statute, ordinance, regulation, authority, custom, or usage, performs or is authorized to perform any function, duty, or task in connection with any application, registration, payment of poll tax, or other act requisite to voting in any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate or Member of the House of Representatives are voted for.

"Amend the title so as to read: 'A bill to effectuate and enforce the constitutional right to the equal protection of the laws; to extend the Commission on Civil Rights; and to provide further means of securing and protecting the right to vote'."

Strike out all after the enacting clause and in lieu thereof insert the following:

"TITLE I

"Short title and findings

"SEC. 101. This Act may be cited as the 'Civil Rights Act of 1959'.

"SEC. 102. (a) The Congress hereby finds that—

"(1) recent decisions of the Supreme Court of the United States holding racial segregation unlawful in public education, public transportation, and public recreational facilities (hereinafter referred to as the antisegregation decisions) as a denial of the constitutional right to the equal protection of the laws express the moral ideals of the Nation and the world and point the way to a nation enhanced in strength and dignity at home and enhanced in honor and prestige throughout the world,

"(2) these antisegregation decisions are being resisted in many areas of the Nation most directly affected by them and indirectly evaded in other areas, thereby denying to millions of Americans within our borders the constitutional right to the equal protection of the laws,

"(3) many States, municipalities, school districts, and other local governmental units have failed to make a prompt and reasonable start toward full compliance with the Supreme Court's decisions in the field of public education despite the substantial time which has already elapsed since the promulgation of those decisions in 1954 and 1955,

"(4) the constitutional right to the equal protection of the laws is being denied to many persons because of race, color, religion, or national origin in fields other than education, transportation, and recreation,

"(5) these denials of the constitutional right to the equal protection of the laws restrict millions of Americans to second-class citizenship and deprive the Nation of the maximum development and maximum benefits that can be contributed by such persons, and

"(6) legislative and executive action (A) is necessary to safeguard and guarantee to all Americans the constitutional right to equal protection of the laws and (B) will aid in expediting universal compliance with the antisegregation decisions of the Supreme Court.

"(b) The Congress further finds that the rights protected by the Constitution, as declared by the antisegregation decisions, will be more widely accepted and more fully enjoyed in all areas of the Nation, and particularly in those areas of the Nation most directly affected by the decisions, when it is generally recognized and understood that—

"(1) the Constitution, as declared by the antisegregation decisions, is the supreme law of the land,

"(2) all Federal and State officials are bound by their oaths or affirmations to support the Constitution, and

"(3) the legislative and executive branches of the Federal Government are acting and will continue to act, with such Federal authority as is found necessary, to

protect the constitutional rights upheld by those decisions of the judicial branch of the Government.

"(c) The Congress further finds that—

"(1) the present system whereby individual plaintiffs in the Federal courts bear the burden of protecting constitutional rights, as declared by the antisegregation decisions, is neither the exclusive nor the most effective means of protecting those constitutional rights and the public interest in safeguarding those constitutional rights, and has resulted in local restrictive and punitive measures against the individuals and organizations engaging in, and supporting, efforts in the courts to assert those constitutional rights, and

"(2) specific authorization to the executive branch of the Federal Government to act in support of the constitutional rights upheld by the antisegregation decisions (A) will provide a more rational, uniform, just, and effective system of protecting constitutional rights than the present procedure under which the safeguarding of constitutional rights is determined by the varying resources and courage of individuals and organizations and by the varying State statutory restrictions placed upon them, and (B) will render less effective, and hence tend to reduce, hostile community pressures upon individuals and organizations seeking to safeguard constitutional rights.

"(d) The Congress hereby recognizes it to be the initial responsibility of all States, municipalities, school districts, and other local governmental units to safeguard the constitutional right to the equal protection of the laws as declared by the antisegregation decisions of the Supreme Court and to administer their systems of public education, public transportation, and public recreational facilities in accordance with the Constitution of the United States, but the Federal Government, to maintain a more perfect union, to extend justice, to promote the common defense, and to secure the blessings of liberty to all persons, has a coordinate responsibility to guarantee the constitutional right to the equal protection of the laws, to prevent denials of the right when State or local authorities cannot or will not do so, and thus to enhance the Nation's internal strength and its position throughout the world.

"(e) Recognizing its authority and responsibility under the fifth section of the fourteenth amendment to the Constitution of the United States and its obligation to uphold the coordinate authority and responsibility of the judicial branch of the Government, the Congress hereby declares its intention that the right to the equal protection of the laws guaranteed by the Constitution against deprivation by reason of race, color, religion, or national origin and affirmed by the antisegregation decisions of the Supreme Court, shall be protected by all due and reasonable means, and to that end enacts the following provisions of this Act.

"TITLE II

"Technical asistance by Secretary of Health, Education, and Welfare

"SEC. 201. The Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') is hereby authorized to render technical assistance to States, municipalities, school districts, and other local governmental units to eliminate denials of constitutional rights in the field of public education by reason of race, color, religion, or national origin and to come into compliance with the decisions of the Supreme Court in the field of public education by—

"(a) assembling, publishing, and distributing information which, in his judgment, will prove helpful in obtaining public understanding of, and compliance with, the Constitution and decisions of the Supreme Court in the field of public education;

"(b) surveying the progress made in eliminating segregation in public education in various parts of the country and making available to public agencies, private organizations, private individuals, and the general public the results of such surveys, including wherever possible successful case histories of desegregation and the ways and means utilized to bring about desegregation in such instances;

"(c) planning, calling, and holding local, State, regional, and national conferences attended by State and local officials, representatives of private organizations, and private citizens, to discuss ways and means of eliminating segregation in public education generally or in any particular State, municipality, school district, or other local governmental unit;

"(d) appointing local, State, regional, and national advisory councils to assist the Secretary in carrying out his duties under this Act and to offer their assistance to any State, municipality, school district, or other local governmental unit to come into compliance with the Constitution and the decisions of the Supreme Court in the field of public education;

"(e) reporting to the Congress, at least semiannually, concerning the progress being made in eliminating segregation in public education in various parts of the country; and

"(f) assisting, by such other related means as he deems appropriate, States, municipalities, school districts, and other local governmental units to eliminate segregation in public education.

"SEC. 202. The Secretary shall recruit, employ, and train specialists in preparing, putting into effect, and carrying out plans for eliminating segregation in public education and shall offer the services of the specialists to States, municipalities, school districts, and other local governmental units. Upon request of any State, municipality, school district, or other local governmental unit, the Secretary shall make available to the requesting governmental unit the services of one or more specialists for such periods of time and in such numbers as the Secretary deems necessary and appropriate in the light of the particular needs of the requesting governmental unit.

"SEC. 203. (a) The Secretary is authorized to reimburse any State or local official, representative of a private organization, or private citizen who is invited by him to attend any local, State, regional, or national conference held under the authority of section 201(c), and any member of an advisory council appointed under the authority of section 201(d) who is carrying out authorized functions, for travel expenses incurred, and to pay to any such person per diem in lieu of subsistence, in the same amounts as authorized by law (5 U.S.C. 73b–2) for persons in the Government service serving without compensation.

"(b) The Secretary is authorized to reimburse any State or local official who, with the approval of the Secretary, is invited to confer with one or more specialists employed by the Secretary under section 202 for travel expenses incurred in attending such conference, and to pay to any such official per diem in lieu of subsistence, in the same amounts as authorized by law (5 U.S.C. 73b–2) for persons in the Government service serving without compensation.

"SEC. 204. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such amounts not to exceed $2,500,000 in any fiscal year as may be necessary for carrying out the purposes of this title.

"TITLE III

"Grants to areas where desegregation in public education is being carried out

"SEC. 301. (a) The Secretary is authorized to make grants to States, municipalities, school districts, and other local governmental units which maintained racial segregation in their public schools on May 17, 1954, and which make application for such grants, to assist in meeting the costs of additional educational measures undertaken or to be undertaken to further the process of eliminating segregation in the public schools of the applicant State, municipality, school district, or local governmental unit, while at the same time assuring that existing educational standards will not be lowered.

"(b) Grants may be made under this section for—

"(1) the cost of employing additional schoolteachers,

"(2) the cost of giving to teachers and other school personnel in-service training in dealing with problems incident to desegregation,

"(3) the cost of employing specialists in problems incident to desegregation and of providing other assistance to develop understanding by parents, schoolchildren, and the general public of plans and efforts for eliminating segregation in the schools in order to reduce the possibility of community hostility or unlawful resistance to such plans and efforts, and

"(4) other costs directly related to the process of eliminating segregation in public schools, including the replacement of State payments to a school district or other political subdivision withdrawn because the applicant district or subdivision is eliminating or is starting to eliminate segregation.

"(c) Grants may also be made under this section for the construction, enlargement, or alteration of school facilities when the Secretary finds that lack of inadequacy of existing facilities makes the carrying out of any reasonable plan for desegregation without lowering existing educational standards impracticable or materially more difficult.

"(d) Each application made for a grant under this section shall provide such detailed breakdown of the additional educational measures for which financial assistance is sought as the Secretary may by regulations prescribe.

"(e) Each grant under this section shall be made in such amounts and on such terms and conditions as the Secretary shall prescribe, which may include a condition that the applicant expend funds in specified amounts for the purpose for which the grant is made. In determining whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Secretary shall take into consideration—

"(1) the amount available for grants under this section and the other applications which are pending before him,

"(2) the financial condition of the applicant and the other resources available to it,

"(3) the nature, extent, and gravity of its problems incident to desegregation,

"(4) whether the additional educational measures undertaken or to be undertaken are reasonably and effectively designed to further the process of eliminating racial segregation, while at the same time assuring that existing educational standards will not be lowered, and

"(5) such other factors as he finds relevant.

"SEC. 302. The Secretary is further authorized to make grants to public or other nonprofit educational institutions of higher learning to meet or assist in meeting the cost of short-term training courses or institutes, not to exceed four weeks in duration, for personnel of public schools or of

educational agencies engaged in or about to undertake desegregation, designed to enable such personnel to deal more effectively with problems incident to desegregation. Such grants may also be used by such institutions to establish and maintain fellowships for such training courses or institutes, covering tuition, fees, and such stipends and allowances (including travel and subsistence expenses) as may be determined by the Secretary.

"SEC. 303. Payments of grants under sections 301 and 302 may be made in advance or by way of reimbursement, and at such intervals and on such conditions as the Secretary may determine.

"SEC. 304. (a) There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such sums, not exceeding $40,000,000 for any fiscal year, as may be necessary to carry out the provisions of this title.

"(b) In making grants from funds appropriated for any fiscal year for the purposes specified in section 301(b), the Secretary may disregard applications received after August 31 in that fiscal year, or may subordinate such applications to applications received before that date. In the event that he receives, either before or after that date, applications which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

"(c) In the event that the Secretary receives applications for grants for the purpose specified in section 301(c) which he considers would materially contribute to carrying out the purposes of this title, but which he cannot grant because of lack or inadequacy of available funds, he shall forthwith report this fact to the Congress and to the President, together with his recommendation with respect to the appropriation of additional funds.

"TITLE IV

"Administrative action directed toward eliminating segregation in public education

"SEC. 401. The Secretary shall make every effort to persuade States, municipalities, school districts, and other local governmental units to make a start toward eliminating segregation in public education and to carry out in full such programs as they may start, and to this end he shall utilize the authority provided in titles II and III.

"SEC. 402. Whenever the Secretary shall find that all efforts under titles II and III and under section 401 of this title have failed, and continue to fail, in bringing about a start toward the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, the Secretary is authorized to prepare a tentative plan for the elimination of segregation in public education in such State, municipality, school district, or other local governmental unit. In preparing such a tentative plan, the Secretary shall seek the advice and assistance of public officials, private organizations, and private citizens in the area and of any local, State, regional, or national advisory council appointed pursuant to section 201(d); and he shall carefully consider such advice and assistance wherever available. Tentative plans prepared by the Secretary under the authority of this section shall take into account the need of the particular area for time to make an orderly adjustment and transition from segregated to desegregated schools.

"SEC. 403. (a) Whenever the Secretary has prepared a tentative plan for the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit, he shall forward the plan to the Governor, mayor, or other appropriate official, as the case may be. If the State, municipality, school district, or other local governmental unit agrees to put into effect the tentative plan as proposed by the Secretary or as modified by the State, municipality, school district, or other local governmental unit with the consent of the Secretary, the Secretary shall utilize the authority granted in titles II and III to assist the State, municipality, school district, or other local governmental unit in putting into effect the tentative plan.

"(b) If the State, municipality, school district, or other local governmental unit (1) does not agree to put into effect the tentative plan as proposed by the Secretary or as modified with his consent, or (2) after agreeing to the tentative plan as so proposed or modified, does not, in the judgment of the Secretary, carry out such tentative plan, the Secretary shall hold a public hearing upon the tentative plan. Notice of such hearing shall be given to the local authorities concerned by registered mail and notice shall be given to private organizations and private citizens within the area by publication in one or more newspapers. Local authorities, private organizations, and private citizens shall be permitted to participate in the hearing and present evidence and argument in favor of the tentative plan, in favor of amendments to the tentative plan, or in opposition to the plan or to any plan, but cumulative evidence may be excluded in the discretion of the Secretary. Anyone shall be permitted to file a written statement with the Secretary in addition to, or in lieu of, personal appearance at the public hearing.

"(c) After the hearing provided in subsection (b) has been concluded, the Secretary shall prepare and issue an approved plan for eliminating segregation in public education in the State, municipality, school district, or other local governmental unit. He shall publish the approved plan in the Federal Register and in one or more newspapers in the area affected thereby and shall transmit a certified copy thereof to the appropriate official of the State, municipality, school district, or other local governmental unit involved.

"(d) In order that the proceedings under this title shall expedite the elimination of segregation in any State, municipality, school district, or other local governmental unit, the Secretary shall handle all proceedings under this title as expeditiously as possible. The Secretary shall complete any proceedings hereunder within one year from the time that a tentative plan is forwarded to the governor, mayor, or other appropriate official under section 403 (a), or, in case a State, municipality, school district, or other local governmental unit agrees to a tentative plan but does not carry it out, within six months from the time that the Secretary determines that such State, municipality, school district, or other local governmental unit is not carrying out such tentative plan.

"SEC. 404. There are hereby authorized to be appropriated for the fiscal year beginning July 1, 1959, and for each of the four succeeding fiscal years, such amounts as may be necessary for carrying out the purposes of this title.

"SEC. 405. The Secretary is authorized to carry out his responsibilities and exercise his authority under this title and under titles II and III through designated personnel in his own office or through any existing bureau, division, or agency of the Department of Health, Education, and Welfare or through a new office created by him for the special purpose of exercising the Secretary's responsibilities hereunder, except that the Secretary shall personally review and sign any approved plan issued under section 403 (c).

"TITLE V

"Authorization to the Attorney General in the field of public education

"SEC. 501. (a) Whenever (1) the Secretary has published in the Federal Register an approved plan for the elimination of segregation in public education in any State, municipality, school district, or other local governmental unit pursuant to section 403 (c), (2) the State, municipality, school district, or other local governmental unit has rejected the plan or has refused or failed to act in accordance therewith, and (3) the Secretary has certified to the Attorney General that all efforts to secure compliance with the Constitution and the Supreme Court's decisions by conciliation, persuasion, education, and assistance under titles II, III, and IV have failed, the Attorney General of the United States is authorized to institute for or in the name of the United States a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against the appropriate officials of the State, municipality, school district, or other local governmental unit, and any individual or individuals acting in concert with such officials to enforce compliance with the approved plan.

"(b) The Attorney General is authorized to move to dismiss or discontinue any action brought under subsection (a), or to propose or to agree to a decree adopting a plan for elimination of segregation in public education which is different from the approved plan, whenever he determines that the State, municipality, school district, or other local governmental unit is making, or is prepared to make, a prompt and reasonable start toward full compliance with the Constitution and the Supreme Court's decisions in the field of education and to work toward full compliance with all deliberate speed.

"(c) Any interested party may, with the leave of the court, intervene in any action brought under subsection (a), and the court shall consider any proposals by the intervenors, as well as by the defendant or defendants, in determining its final decree.

"TITLE VI

"Other authorizations to the Attorney General

"SEC. 601. (a) Whenever the Attorney General receives a signed complaint that any person or group of persons is being deprived of, or is being threatened with the loss of, the right to the equal protection of the laws by reason of race, color, religion, or national origin and whenever the Attorney General certifies that, in his judgment, such person or group of persons is unable for any reason to seek effective legal protection for the right to the equal protection of the laws, the Attorney General is authorized to institute for or in the name of the United States a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any individual or individuals who, under color of any statute, ordinance, regulation custom, or usage, of any State or Territory or subdivision or instrumentality thereof, deprives or threatens to deprive such person or group of persons of the right to equal protection of the laws by reason of race, color, religion, or national origin and against any individual or individuals acting in concert with them.

"(b) A person or group of persons shall be deemed unable to seek effective legal protection for the right to the equal protection of the laws within the meaning of subsection (a) not only when such person or group of persons is financially unable to bear the expenses of the litigation, but also when there

is reason to believe that the institution of such litigation would jeopardize the employment or other economic activity of, or might result in physical harm or economic damage to, such person or group of persons or their families.

"(c) Nothing contained in titles IV and V shall limit the authority of the Attorney General to institute and maintain an action under subsection (a).

"SEC. 602. The Attorney General is authorized to institute for or in the name of the United States a civil action or other proceeding for preventive relief, including an application for injunction or other order, (1) against any person or persons preventing or hindering, or threatening to prevent or hinder, or conspiring to prevent or hinder, any Federal, State, or local official from according any person or group of persons the right to the equal protection of the laws without regard to race, color, religion, or national origin, or (2) against any person or persons preventing or hindering, or threatening to prevent or hinder, or conspiring to prevent or hinder the execution of any court order protecting the right to the equal protection of the laws without regard to race, color, religion, or national origin.

"SEC. 603. The Attorney General is authorized, upon receipt of a signed complaint, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for injunction or other order, against any individual or individuals who, under color of any statute, ordinance, regulation, custom, or usage, of any State or territory or subdivision or instrumentality thereof, deprives or threatens to deprive any person or group of persons or association of persons of any right guaranteed by the fourteenth amendment of the Constitution because such person or group of persons or association of persons has opposed or opposes the denial of the equal protection of the laws to others because of race, color, religion, or national origin.

"SEC. 604. Whenever a suit is brought in any district court of the United States seeking relief from the deprivation of the right of equal protection of the laws because of race, color, religion, or national origin, the Attorney General is authorized to intervene in such action with all the rights of a party thereto and to seek compliance with any lawful order issued by such district court.

"TITLE VII

"Miscellaneous provisions

"SEC. 701. The district courts of the United States shall have jurisdiction of proceedings instituted under sections 501, 601, 602, and 603 of this Act and shall exercise the same without regard to whether any administrative or other remedies that may be provided by law shall have been exhausted and, in the case of proceedings instituted under sections 601 and 602, without regard to whether any administrative proceeding is pending or contemplated under title IV, it being the purpose of title IV to expedite, not delay, the elimination of segregation in public education throughout the Nation. In any proceeding hereunder, the United States shall be liable for costs the same as a private person.

"SEC. 702. Nothing in this Act or in any administrative proceeding hereunder shall be construed to impair any right guaranteed by the Constitution or laws of the United States or any remedies already existing for their protection or enforcement, nor to prevent any private individual or organization from acting to enforce or safeguard any constitutional right in any manner now permitted by law.

"SEC. 703. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

"TITLE VIII—EXTENSION OF COMMISSION ON CIVIL RIGHTS

"SEC. 801. Section 104(b) of the Civil Rights Act of 1957 is amended by striking out 'two years from the date of the enactment of this Act' and inserting in lieu thereof 'January 31, 1961'.

"TITLE IX—RETENTION, PRESERVATION, AND PRODUCTION OF FEDERAL ELECTION RECORDS, PAPERS, AND BALLOTS

"SEC. 901. Every officer of election shall retain and preserve, for a period of three years from the date of any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate or Member of the House of Representatives are voted for, all records and papers which come into his possession relating to any application, registration, payment of poll tax or other act requisite to voting in such election, except that, when required by law, such records and papers may be delivered to another officer of election and except that if a State designates a custodian to retain and preserve these records and papers at a specified place, then such records and papers may be deposited with such custodian, and the duty to retain and preserve any record or paper so deposited shall devolve upon such custodian: *Provided, however,* That nothing contained herein shall require the retention and preservation of ballots for a period of more than eighteen months from the date of any such election. Any officer of election or custodian who willfully fails to comply with this section shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 902. Any person, whether or not an officer of election or custodian, who willfully steals, destroys, conceals, mutilates, or alters any record or paper required by section 901 to be retained and preserved shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 903. Any record or paper required by section 901 to be retained and preserved shall, upon demand in writing by the Attorney General or his representative directed to the person having custody, possession, or control of such record or paper, be made available for inspection, reproduction, and copying by the Attorney General or his representative.

"SEC. 904. Any record or paper demanded pursuant to section 903 shall be produced for inspection, reproduction, and copying at the principal office of the person upon whom such demand is made or at any other location mutually agreed upon by such person and the Attorney General or his representative.

"SEC. 905. Unless otherwise ordered by a court of the United States, neither the Attorney General nor any employee of the Department of Justice, nor any other representative of the Attorney General, shall disclose any record or paper produced pursuant to this title, or any reproduction or copy, except as is necessary in the performance of his official duties, including presentation of any case or proceeding before any court or grand jury.

"SEC. 906. The United States district court for the district in which a demand is made pursuant to section 903, or in which a record or paper so demanded is located, shall have jurisdiction by appropriate process to compel the production of such record or paper.

"SEC. 907. As used in this title, the term "officer of election" means any person who, under color of any Federal, State, or local law, statute, ordinance, regulation, authority, custom, or usage, performs or is authorized to perform any function, duty, or task in connection with any application, registration, payment of poll tax, or other act requisite to voting in any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate or Member of the House of Representatives are voted for."

Amend the title so as to read: "A bill to effectuate and enforce the constitutional right to the equal protection of the laws; to extend the Commission on Civil Rights; and to provide further means of securing and protecting the right to vote."

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the RECORD three memoranda which I have had brought up to date on the work of the Senate Constitutional Rights Subcommittee on Federal civil rights legislation.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

MEMORANDUM A—STATUS OF LEGISLATION CONCERNING CIVIL RIGHTS INTRODUCED IN THE U.S. SENATE, 86TH CONGRESS, 1ST SESSION (1959)

I. PENDING IN SENATE JUDICIARY COMMITTEE OR ITS SUBCOMMITTEES

A. In Senate Judiciary Subcommittee on Constitutional Rights:

The subcommittee conducted public hearings, commencing on March 18, 1959, concluding on May 28, 1959, meeting on 21 separate days, hearing 21 proponents and 39 opponents of civil rights proposals before the subcommittee. Many witnesses also commented about bills which were not technically before the subcommittee. The subcommittee met the following days in executive session considering the legislation: June 17, July 10, and July 15, 1959. The subcommittee voted, 4 to 3, to report favorably a clean bill, S. 2391, to the Senate Judiciary Committee. The subcommittee voted, 4 to 2, to postpone indefinitely the following bills which had been referred to the Constitutional Rights Subcommittee.

(1) S. 435: Sponsored by Senators KEATING, JAVITS, CASE of New Jersey, COOPER, and SCOTT. Introduced in Senate January 17, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959. Extends Civil Rights Commission to January 2, 1961.

(2) S. 456: Sponsored by Senators JAVITS, KEATING, CASE of New Jersey, COOPER, SCOTT, and ALLOTT. Introduced in Senate January 17, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959.

At a meeting in executive session, June 17, 1959, the subcommittee voted, 5 to 3, to table this bill.

Amends Civil Rights Act of 1957, authorizing Attorney General to use civil action to secure equal protection of the laws.

(3) S. 499: Sponsored by Senators JOHNSON and HENNINGS. Introduced in Senate January 20, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959. Establishes community relations service to assist communities in resolving disagreements and solving problems connected with integration; extends life of Civil Rights Commission; grants Attorney General subpena power in voting rights cases; prohibits importation, transportation, and possession of explosives to be used for destruction of certain properties.

(4) S. 810: Sponsored by Senators DOUGLAS, HUMPHREY, HENNINGS, CASE of New Jersey, MORSE, CLARK, ALLOTT, NEUBERGER, MCNAMARA, JAVITS, PROXMIRE, BEALL, PASTORE, CARROLL, HART, MCCARTHY, and DODD. Introduced in

Senate January 29, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959.

At a meeting in executive session, June 17, 1959, the subcommittee voted, 5 to 3, not to include the substance of titles V and VI of this bill in any legislation the subcommittee may report favorably this year. This is the popularly called part III proposal to authorize the Attorney General to seek civil court remedies to protect individuals' civil rights.

Authorizes Health, Education, and Welfare Department to give technical assistance to areas to eliminate denials of constitutional rights in the field of public education; provides grants for localities carrying out desegregation order; authorizes HEW to establish plans for communities to proceed with and expedite elimination of segregation in education; gives Attorney General power to institute civil action and other proceedings to enforce compliance with HEW approved plans; authorizes Attorney General to institute civil actions and other proceedings for equitable relief in cases of conspiracy against rights of individuals.

(5) S. 957: Sponsored by Senators DIRKSEN, KEATING, JAVITS, SALTONSTALL, BUSH, ALLOTT, BEALL, CARLSON, CASE of New Jersey, SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959. Compels election officials to retain all election records for 3 years; gives Attorney General authorization to compel production of election records and provides penalties for violations.

(6) S. 958: Sponsored by Senators KEATING, DIRKSEN, SALTONSTALL, JAVITS, BUSH, ALLOTT, BEALL CARLSON, CASE of New Jersey, SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to Committee on Labor and Public Welfare February 5, 1959. Re-referred to Senate Judiciary Committee April 10, 1959. Referred to Constitutional Rights Subcommittee May 13, 1959. Gives States and local agencies financial and technical assistance for adjustments required by school desegregation decision.

(7) S. 959: Sponsored by Senators DIRKSEN, KEATING, JAVITS, SALTONSTALL, BUSH ALLOTT, BEALL, CARLSON, CASE of New Jersay, SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to Committee on Labor and Public Welfare February 5, 1959. Re-referred to Senate Judiciary Committee April 10, 1959. Referred to Constitutional Rights Subcommittee May 13, 1959. Provides for education of children of members of Armed Forces in communities where schools have been closed due to desegregation.

(8) S. 960: Sponsored by Senators DIRKSEN, KEATING, SALTONSTALL, JAVITS, BUSH ALLOTT, BEALL, CARLSON, CASE of New Jersey, SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959. Extends life of Civil Rights Commission for additional 2 years.

(9) S. 1084: Sponsored by Senator MCNAMARA. Introduced in Senate February 17, 1959. Referred to Constitutional Rights Subcommittee February 17, 1959. Establishes Joint Congressional Committee to check each State following congressional elections to determine if the inhabitants have been denied the right to vote and if so to reduce representation in proportion thereto.

(10) S. 1199: Sponsored by Senator LANGER. Introduced in Senate February 26, 1959. Referred to Constitutional Rights Subcommittee March 19. To prevent discrimination against members of Armed Forces in public or semipublic places and/or transportation, because of race, creed, or color.

(11) S. 1277: Sponsored by Senators HENNINGS, LANGER, and O'MAHONEY. Introduced in Senate March 5, 1959. Referred to Constitutional Rights Subcommittee May 13, 1959. Protects uniformed members of the Armed Forces against bodily attack.

(12) S. 1848: Sponsored by Senators HART, DOUGLAS, MCCARTHY, PROXMIRE, CLARK, NEUBERGER, CASE of New Jersey, HENNINGS, ALLOTT, HUMPHREY, KENNEDY, and MORSE. Introduced in Senate April 30, 1959. Referred to Constitutional Rights Subcommittee March 13. Makes lynching a Federal crime.

(13) S. 1998: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAGNUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Referred to Constitutional Rights Subcommittee May 26, 1959. Protects uniformed members of the Armed Forces against bodily attack.

(14) S. 2001: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, PASTORE, and MAGNUSON. Introduced in Senate May 19, 1959. Referred to Constitutional Rights Subcommittee May 26, 1959. Implements existing civil rights laws by providing additional penalties against conspiracy against the rights of citizens and deprivation of rights under color of law.

(15) S. 2002: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAGNUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Referred to Constitutional Rights Subcommittee May 26, 1959. Imposes a fine and/or imprisonment for attempts to commit peonage, enticement into slavery, or involuntary servitude.

(16) S. 2003: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAGNUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Referred to Constitutional Rights Subcommittee May 26, 1959. Incorporates features of S. 1997, S. 1998, S. 1999, S. 2000, S. 2001, and S. 2002.

(17) S. 2041. Sponsored by Senators HUMPHREY, MAGNUSON, MCNAMARA, MORSE, MURRAY, and PASTORE. Introduced in Senate May 22, 1959. Referred to Constitutional Rights Subcommittee May 26, 1959. Makes lynching a Federal crime.

B. In Senate Judiciary Subcommittee on Constitutional Amendments:

(1) S.J. Res. 32: Sponsored by Senators TALMADGE, BYRD, ROBERTSON, JOHNSTON of South Carolina, HILL, SPARKMAN, EASTLAND, STENNIS, and LONG. Introduced in Senate January 27, 1959. Referred to Constitutional Amendments Subcommittee February 17, 1959. Amends the Constitution giving exclusive control of public schools to the States.

(2) S.J. Res. 51: Sponsored by Senator MCNAMARA. Introduced in Senate February 17, 1959. Referred to Constitutional Amendments Subcommittee February 17, 1959. Amends the Constitution to permit all persons to vote in Federal, general, primary, or special elections who are citizens of the United States, 21 years of age, and residing in the State for 1 year with exception of persons who have been adjudged mentally incompetent or convicted of a crime.

(3) S.J. Res. 57: Sponsored by Senators JAVITS, CLARK, and HENNINGS. Introduced in Senate February 26, 1959. Referred to Constitutional Amendments Subcommittee March 2, 1959. Removes from the Congress the power to deprive the Supreme Court of appellate jurisdiction in constitutional cases (which power Congress now has under the Constitution).

C. In Senate Judiciary Subcommittee on Improvements in the Federal Criminal Code:

(1) S. 73: Sponsored by Senators KEATING, JAVITS, SCOTT, ALLOTT, BEALL, BENNETT, BRIDGES, BUSH, CASE of New Jersey, COOPER, KUCHEL, LANGER, MARTIN, PROUTY, and Mrs. SMITH. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Prohibits importation, transportation, possession, or use of explosives to commit certain acts.

(2) S. 120: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Makes unlawful the transmission in interstate commerce of communications intended to interfere with the execution of Federal or State statutes or court decrees.

(3) S. 121: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Makes unlawful the mailing of threatening communications with intent to interfere with the execution of Federal or State statutes or court decrees.

(4) S. 122: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Makes it a criminal offense to use the mails to transmit matter tending to incite crimes of violence.

(5) S. 123: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Imposes a fine or imprisonment for injuring or threatening to injure officers of the United States in the performance of their duties.

(6) S. 124: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to subcommittee March 24, 1959. Makes unlawful interstate travel to avoid prosecution for willful destruction or damaging of any building.

(7) S. 188: Sponsored by Senators KENNEDY, ERVIN, ALLOTT, ANDERSON, BIBLE, BUSH, BYRD, CANNON, CARROLL, CASE (New Jersey), CHAVEZ, CHURCH, CLARK, DODD, DOUGLAS, MAGNUSON, MANSFIELD, MARTIN, MCCARTHY, MOSS, MURRAY, PASTORE, RANDOLPH, SYMINGTON, YARBOROUGH, YOUNG (Ohio), and YOUNG (North Dakota). Introduced in Senate January 12, 1959. Referred to subcommittee March 24, 1959. Makes it a crime to import, transport, etc., in interstate commerce or to possess any explosive with the knowledge or intent to use the explosives to damage or destroy property for the purpose of interfering with the use of such property for certain purposes.

(8) S. 955: Sponsored by Senators DIRKSEN, KEATING, SALTONSTALL, JAVITS, BUSH, ALLOTT, BEALL, CARLSON, CASE (New Jersey), SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to subcommittee March 24, 1959. Provides that whoever, corruptly, by threats, force, threatening letter or communication, willfully endeavors to prevent, obstruct, impede, or interfere with the carrying out of any order, judgment, or decree of a Federal court in regard to certain acts concerning school integration, shall be fined or imprisoned.

(9) S. 956: Sponsored by Senators DIRKSEN, KEATING, SALTONSTALL, JAVITS, BUSH, ALLOTT, BEALL, CARLSON, CASE (New Jersey), SCOTT, and COOPER. Introduced in Senate February 5, 1959. Referred to subcommittee March 24, 1959. Provides for punishment for flight in interstate commerce to avoid prosecution for destruction of educational or religious structures.

II. PENDING IN SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE OR ITS SUBCOMMITTEES

A. In Interstate and Foreign Commerce Subcommittee on Surface Transportation:

(1) S. 1997: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAG-

NUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Referred to Surface Transportation Subcommittee May 22, 1959. Provides relief against certain forms of discrimination in interstate transportation and facilities furnished or connected therewith.

III. PENDING IN SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE OR ITS SUBCOMMITTEES

(1) S. 942: Sponsored by Senators GOLDWATER, CASE of New Jersey, JAVITS, CAPEHART, SCOTT, KEATING, CURTIS, and ALLOTT. Introduced in Senate February 5, 1959. Not referred to a subcommittee. Creates a statutory Federal Commission on Equal Job Opportunities.

(2) S. 1999: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAGNUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Not referred to a subcommittee. Prohibits discrimination in employment because of race, religion, color, national origin, or ancestry.

IV. PENDING IN SENATE COMMITTEE ON RULES AND ADMINISTRATION OR ITS SUBCOMMITTEES

(1) S. 2000: Sponsored by Senators HUMPHREY, CLARK, DOUGLAS, HART, JAVITS, MAGNUSON, MCCARTHY, MCNAMARA, MORSE, MURRAY, NEUBERGER, and PASTORE. Introduced in Senate May 19, 1959. Not referred to a subcommittee. Outlaws payment of poll tax as a condition for voting.

V. PENDING IN SENATE COMMITTEE ON POST OFFICE AND CIVIL SERVICE OR ITS SUBCOMMITTEES

A. Pending in Post Office and Civil Service Subcommittee on Post Offices:

(1) S. 125: Sponsored by Senators JAVITS, KEATING, ALLOTT, BEALL, BENNETT, COOPER, KUCHEL, LANGER, and MARTIN. Introduced in Senate January 9, 1959. Referred to Post Office Subcommittee March 3, 1959. Excludes from mails, matter relating to solicitation of funds for and distribution of information relating to certain unlawful activities.

(2) S. 544: Sponsored by Senator JAVITS. Introduced in Senate January 20, 1959. Referred to Post Office Subcommittee March 3, 1959. Provides for posting information in post offices relating to registration and voting.

MEMORANDUM B—CIVIL RIGHTS, 1959, THE PUBLIC HEARINGS CONDUCTED THIS YEAR BY THE SENATE CONSTITUTIONAL RIGHTS SUBCOMMITTEE ON FEDERAL CIVIL RIGHTS LEGISLATION

I. NUMBER OF WITNESSES

During the public hearings on civil rights legislation which commenced on March 18, 1959, and ended on May 28, 1959, the Senate Constitutional Rights Subcommittee heard a total of 60 witnesses:

(a) Twenty-one proponents of civil rights legislation; and

(b) Thirty-nine opponents of such legislation.

II. TIME CONSUMED

The testimony of the witnesses, including cross-examination, consumed a total of 57½ hours:

(a) Twenty-one and one-half hours by proponents of civil rights legislation; and

(b) Thirty-six hours by opponents of such legislation.

III. WITNESSES LISTED BY DATES

(Volume numbers are of the typewritten transcripts)

Volume 1, March 18, 1959: U.S. Senator JACOB K. JAVITS, of New York; U.S. Senator STROM THURMOND, of South Carolina.

Volume 2, March 19: U.S. Senator PAUL DOUGLAS, of Illinois; U.S. Senator HUBERT HUMPHREY, of Minnesota (filed statement); U.S. Senator JOSEPH S. CLARK, of Pennsylvania.

Volume 3, March 20: U.S. Attorney General William P. Rogers; Robert G. Storey, vice chairman, Commission on Civil Rights; Gordon M. Tiffany, staff director, Commission on Civil Rights; U.S. Senator Kenneth B. Keating, of New York.

Volume 4, April 8: Roy Wilkins, executive secretary, National Association for the Advancement of Colored People; Joseph L. Rauh, Jr., counsel, Leadership Conference on Civil Rights; Will Maslow, general counsel, American Jewish Congress, Industrial Union Department (AFL-CIO) (filed statement).

Volume 5, April 10: U.S. Senator John J. Sparkman, of Alabama; Herman Edelsberg, director, Washington office, Anti-Defamation League of B'nai B'rith; Irving Ferman, director, Washington office, American Civil Liberties Union; Irving Lechliter, national executive director, American Veterans Committee; Mrs. Annalee Stewart, legislative secretary, Women's International League for Peace and Freedom (filed statement); Rev. Robert E. Van Deusen, National Lutheran Council; Mrs. Paul Blanshard, executive director, Unitarian Fellowship for Social Justice (filed statement); B. Tartt Bell, Friends Committee on National Legislation (filed statement); Harry J. Carman, chairman, American Liberal Association (filed statement); Rev. C. Stanley Lowell, associate director, Protestants and Other Americans United for Separation of Church and State.

Volume 6, April 14: Gov. Ernest F. Hollings, of South Carolina; Daniel R. McLeod, attorney general of South Carolina; L. Marion Gresette, chairman, South Carolina Senate Judiciary Committee; Robert E. McNair, chairman, South Carolina House Judiciary Committee; Edgar A. Brown, president pro tempore, South Carolina State Senate; U.S. Senator Spessard L. Holland, of Florida; Ralph E. Odum, assistant attorney general of Florida; Thomas R. Waring, editor, News and Courier, Charleston, S.C. (filed statement).

Volume 7, April 16: U.S. Senator Clifford P. Case, of New Jersey; Rev. I. DeQuincy Newman, president, South Carolina State Conference NAACP Branches; Billie S. Fleming, president, Clarendon County, S.C., Improvement Association; John H. McCray, State chairman, South Carolina Progressive Democratic Organization; Mrs. Dorothy Tilly, director of women's work, southern regional council; Theodore Leskes, director legal division, American Jewish Committee (filed statement).

Volume 8, April 22: Gov. John Patterson, of Alabama; George K. Hunton, secretary, Catholic Interracial Council.

Volume 9, May 12, 1959: U.S. Representative Harold B. McSween, Louisiana; Boyd Campbell, past presdent, U.S. Chamber of Commerce, Jackson, Miss.

Volume 10, May 13, 1959: U.S. Representative William M. Tuck, Virginia; Judge Williams Olds, 13th circuit of Virginia; U.S. Representative William J. B. Dorn, South Carolina.

Volume 11, May 14, 1959: U.S. Representative GEORGE HUDDLESTON, JR., Alabama.

Volume 12, May 15, 1959: Judge Leander H. Perez, Plaquemines Parish, La.

Volume 13, May 18, 1959: John Bradley Minnick, Arlington, Va.

Volume 14, May 19, 1959: Charles J. Bloch, attorney, Macon, Ga.

Volume 15, May 20, 1959: Malcolm B. Seawell, attorney general, North Carolina; Ralph Moody, assistant attorney general, North Carolina.

Volume 16, May 21, 1959: U.S. Representative L. Mendel Rivers, South Carolina; Bruce Bennett, attorney general, Arkansas; U.S. Representative Jamie L. Whitten, Mississippi.

Volume 17, May 22, 1959: Jerome Hafter, Greenville, Miss.

Volume 18, May 25, 1959; U.S. Representative ARMISTEAD L. SELDEN, JR., Alabama; U.S. Representative JOHN BELL WILLIAMS, Mississippi.

Volume 19, May, 26, 1959: U.S. Senator JOHN C. STENNIS of Mississippi.

Volume 20, May 27, 1959: U.S. Representative Robert W. Hemphill, South Carolina; Breed O. Mounger, president, Mississippi Bar Association; George F. McCanless, attorney general, Tennessee; Hugh G. Grant, Augusta, Ga.

Volume 21, May 28, 1959: Mrs. Sue Renfro, Organized Women Voters of Arlington, Va.; U.S. Senator John Stennis, of Mississippi; Gov. James P. Coleman, of Mississippi; U.S. Representative Dale Alford, Arkansas; Griffin B. Bell, Atlanta, Ga.; Joe T. Patterson, attorney general, Mississippi; W. B. Alexander, Cleveland, Miss.; Percy Greene, Jackson, Miss.

IV. STATEMENTS SUBMITTED FOR THE RECORD

Following is a list of organizations and individuals submitting statements for inclusion in the record of the civil rights hearings conducted by the Senate Constitutional Rights Subcommittee from March 18, 1959, to May 28, 1959, and prior to the announced closing date of June 2, 1959:

Industrial union department, AFL-CIO, 815 16th Street NW., Washington, D.C., Mrs. Esther Peterson, legislative representative; statement by Albert Whitehouse, director.

United States section, Women's International League for Peace and Freedom, 120 Maryland Avenue NE., Washington, D.C.; Mrs. Annalee Stewart, secretary.

Unitarian Fellowship for Social Justice, 408 A Street NE., Washington, D.C.; Mrs. Paul Blanshard, executive director.

Friends Committee on National Legislation, 104 C Street NE., Washington, D.C.; Edward F. Snyder, legislative secretary.

American Liberal Association, 241 East 48th Street, New York, N.Y.; Harry J. Carman, chairman.

Ralph E. Odum, Assistant Attorney General, Tallahassee, Fla.

Thomas R. Waring, editor, News and Courier, Charleston, S.C.

The American Jewish Committee, 386 Fourth Avenue, New York, N.Y.; Theodore Leskes, director legal division.

International Union, United Automobile, Aircraft & Agricultural Implement Workers of America, 1126 16th Street NW., Washington, D.C.; Paul Sifton, national legislative representative.

National Association of Social Workers, 1346 Connecticut Avenue NW., Washington, D.C.; submitted by Rudolph Dansted, director, Washington branch; statement by Nelson Jackson, 95 Madison Avenue, New York.

United States National Students Association, 3457 Chestnut Street, Philadelphia, Pa.; Robert R. Kiley, president, University of Notre Dame; Reginald H. Green, Whitman College, Harvard University.

International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francsico, Calif.; Louis Goldblatt, secretary-treasurer.

Hon. PHILIP A. HART, U.S. Senate, Washington, D.C.

Emergency Civil Liberties Committee, 421 Seventh Avenue, New York, N.Y.; Clark Foreman, national director.

National Lawyers Guild, 154 Nassau Street, New York, N.Y.; Royal W. France, executive secretary.

Jewish War Veterans, 1712 New Hampshire Avenue NW., Washington, D.C.; Bernard Weitzer, director, national legislation.

Japanese American Citizens League, 919 18th Street NW., Washington, D.C.; Mike M. Masaoka, Washington representative.

Hon. LISTER HILL, U.S. Senate.

American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.; Andrew J. Biemiller, director, department of legislation.

Hon. ALBERT RAINS, U.S. Representative.

Miss Lilace Reid Barnes, president, national board, YWCA.

C. N. Denson, farmer, Shaw, Miss.; submitted for record at the request of Senator JAMES O. EASTLAND.

Marion A. Wright, attorney, Linville Falls, N.C.; submitted for record at the request of Senator PAUL H. DOUGLAS.

Chester C. Travelstead, dean, College of Education, University of New Mexico.

R. Carter Pittman, attorney, Dalton, Ga.; submitted for record at the request of Senator HERMAN TALMADGE.

Hon. Arthur S. Flemming, Secretary, Department of Health, Education, and Welfare.

American Jewish Congress, Jewish Labor Committee, and a number of other organizations affiliated in the National Community Relations Advisory Council (NCRAC did not itself submit a statement); transmitted by David L. Ullman, chairman, NCRAC, 55 West 42d Street, New York, N.Y.

MEMORANDUM C—CHRONOLOGICAL SUMMARY OF WORK OF THE SENATE CONSTITUTIONAL RIGHTS SUBCOMMITTEE THIS YEAR CONCERNING SCHEDULES OF HEARINGS AND MEETINGS ON FEDERAL CIVIL RIGHTS LEGISLATION

1. Opening date for current civil rights hearings of Wednesday morning, March 18, 1959; agreed to at subcommittee meeting, February 3, 1959.

2. Public announcement, urging interested individuals and groups to communicate with office of subcommittee, if they wish to file statements for the record or testify in person, February 3, 1959.

3. Public announcement, concerning the appearance of Attorney General, February 5, 1959.

4. Notice in the CONGRESSIONAL RECORD, March 5, 1959.

5. Notice in Daily Digest of CONGRESSIONAL RECORD that hearings would be resumed on April 8, March 26, 1959.

6. Notice in the CONGRESSIONAL RECORD concerning hearings to be resumed following the Senate's Easter recess, April 7, 1959.

7. Attempts to set date for appearance of certain State officials; suggested date 2 weeks ahead, Friday, April 24, 1959. (Not accepted.)

8. Attempts to set date for appearance of certain other southern witnesses; suggested date, Wednesday, April 29, 1959. (Not accepted.)

9. Days held open, for opposition witnesses, which went begging, Thursday and Friday, April 23 and 24, 1959, and subsequent days through Saturday, May 9, 1959.

10. Attempts to hold subcommittee meetings:

(a) Monday, April 20, 1959: Letters and official cards sent to each subcommittee member, April 16, 1959; but a quorum was not available.

(b) Monday, April 27, 1959: Letters and official cards sent to each subcommittee member, April 23, 1959; meeting held but a quorum was not present to transact business; present: Senators HENNINGS, ERVIN, JOHNSTON, and MCCLELLAN; Senator O'MAHONEY was out of town, and Senator CARROLL was home ill.

(c) Monday, May 4, 1959: Communications by telephone; Senator CARROLL is only one who said he would be able to be present.

(d) Thursday, May 7, 1959: Letters and official cards sent to each subcommittee member, May 5, 1959; date changed to accommodate Senator ERVIN who was to be out of town.

(e) Friday, May 8, 1959: Official cards sent to each subcommittee member notifying him of the changed date from yesterday.

(f) Meeting, Friday morning, May 8, 1959: No quorum; present, Senators HENNINGS, ERVIN, and LANGER.

11. Consequently, the chairman set a termination date of May 15, 1959, to give opposition witnesses opportunity to present their views, and permit the subcommittee to proceed to vote on specific legislation to be reported.

12. Monday, May 11, 1959: A majority of subcommittee members asked the chairman to postpone termination of hearings until the end of the day, May 28, 1959, to hear several people who have indicated preferences to be heard on dates between May 15, 1959, and May 28, 1959. Chairman agreed to this termination date.

13. A meeting was scheduled for Friday morning, May 29, 1959, the day immediately following the conclusion of subcommittee hearings, but this meeting had to be canceled because no quorum was available.

14. An attempt was made to schedule a meeting for Wednesday morning, June 3, 1959, but the attempt had to be abandoned because no quorum was available.

15. A meeting was scheduled for Friday morning, June 5, 1959, but had to be canceled because a quorum was not available.

16. A meeting was held Wednesday, June 17, 1959, at 10:30 a.m. Eight of the nine subcommittee members were present; the only absentee was Senator WILEY. By a vote of 5 to 3, the subcommittee decided to eliminate "part 3" provisions from any civil rights bill to be reported by the subcommittee this year.

17. A meeting was scheduled for Tuesday morning, June 23, 1959, at 10:30 a.m., but no business could be transacted because a quorum was not present. The only Senators present were HENNINGS, LANGER, and CARROLL.

18. A meeting was scheduled for Thursday morning at 10:30 a.m. on June 25, 1959. This meeting could not be held because the Senate went into session at 9:30 a.m. and an objection was registered to permitting the subcommittee to meet at the same time.

19. A meeting was scheduled for Tuesday morning at 10:30 a.m., June 30, 1959. This meeting could not be held because the Senate went into session at 10 a.m. and an objection was registered to permitting the subcommittee to meet at the same time.

20. July 1, 1959: Senator HENNINGS told the Senate of the difficulties experienced in attempts to obtain a quorum for subcommittee meetings to vote on pending Federal civil rights legislation.

21. July 10, 1959: The subcommittee met in executive session; seven of the nine subcommittee members were present; absent, Senators O'MAHONEY (in hospital) and WILEY (out of town).

22. July 15, 1959: The subcommittee met in executive session, voting to report a clean bill, S. 2391, and to postpone indefinitely the other bills. Seven of the nine subcommittee members were present; absent, Senators O'MAHONEY and LANGER.

Mr. HENNINGS. Mr. President, I ask unanimous consent that two statements on civil rights be included in the RECORD as a part of my remarks.

The first is a statement of American Governors sent to me by the Honorable Orville L. Freeman, Governor of the State of Minnesota, who is chairman of the Committee of Governors on Civil Rights.

The second is a short statement on civil rights legislation sent to me by Miss Fern M. Colborn, secretary for social education and action of the National Federation of Settlements and Neighborhood Centers.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
St. Paul, Minn., July 21, 1959.

Senator THOMAS HENNINGS,
Chairman, Subcommittee on Constitutional Rights, Senate Judiciary Committee, Senate Office Building, Washington, D.C.

DEAR SENATOR HENNINGS: At the second conference of Governors on civil rights at which the Governors or their representatives of 18 States were present, unanimously adopted was a statement in support of Federal legislation in the civil rights field. We are enclosing a copy of the pertinent portions of the statement.

Based on the successful experience of our several member States, we believe this statement is of significance to your subcommittee in evaluating the proposals for Federal legislation now before it.

In this critical period of our Nation's development, we urge favorable consideration by the subcommittee and the ultimate passage of effective legislation in this field by the present Congress of the United States.

Sincerely yours,

ORVILLE L. FREEMAN,
Governor, Chairman, Committee of Governors on Civil Rights.

STATEMENT ADOPTED AT SECOND CONFERENCE OF GOVERNORS ON CIVIL RIGHTS

The Second Conference of Governors on Civil Rights emphasizes the fact that more than two-thirds of this Nation's population now has the protection of statutory civil rights safeguards through their State governments. The manifestations of discrimination which mar the unity of our Nation in its effort to assure equal rights to all are regrettable but fortunately are not general in our society.

Our conference finds that special programs to fight this inequity are now in effect in 25 States, and is encouraged to observe that progress is being made in other States.

We are encouraged by this positive and affirmative experience reported by the 18 States represented at this conference. We affirm our acceptance of public responsibility to protect the civil rights of our citizens in matters of employment, public accommodations, housing, and education regardless of race, religion, or ancestry.

To do this we believe, first, that our States, individually and jointly, need to strengthen the body of law and procedure that has enabled us to make such progress as they have. The processes of conciliation and education, when backed by enforcement powers, have broken the bonds of fear and ignorance. They are a light for the whole Nation to follow. We support this proven principle of conciliation and education procedures, backed by reasonable civil enforcement, and look forward to their extension.

The conference considers the problem of civil rights a mutual problem of the States and Federal Government. Progress on this front, it is recognized, rests ultimately on understanding, tolerance, and democratic acceptance. Our experience demonstrates that a framework of law is necessary to bring about this understanding.

If we are to live up to the American ideal of equal opportunity, we must work at both State and Federal levels to build this workable framework.

At the Federal level, we call upon the executive branch and the Congress to match the commitment of these States. We call upon the Chief Executive to use his prestige and power to give guidance and leadership that will help create a positive climate of public opinion. We call upon the Congress to enact and extend vitally needed Federal legislation. We are heartened by the vigor

and leadership of our courts in redefining and reasserting our moral concern with the issues of human rights. But we can no longer leave to the courts alone the responsibility for effecting and achieving the civil and human rights of all our people. We call for strict Executive enforcement of existing laws and Executive orders. We pledge compliance ourselves and call upon all States to do likewise.

We specifically call upon Congress to authorize broader Federal action with regard to voting rights, to facilitate the orderly desegregation of schools, to curb violence and intimidation, and to enact Federal fair employment practices legislation. We endorse the creation of an effective Federal service on community relations problems.

Finally, we pledge and call upon all America to reemphasize our heritage of morality and brotherhood to the end that all men may live in dignity, peace, and security.

The foregoing statement was unanimously endorsed by members of the Committee of Governors on Civil Rights from the following States: California, Connecticut, Illinois, Indiana, Iowa, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Washington, and Wisconsin.

NATIONAL FEDERATION OF SETTLEMENTS AND NEIGHBORHOOD CENTERS,
New York, N.Y., July 22, 1959.

Hon. T. C. HENNINGS, Jr.,
Chairman, Subcommittee on Constitutional Rights, Senate Judiciary Committee, Washington, D.C.

DEAR SIR: I am enclosing a statement on the civil rights legislation currently before you. We would appreciate it if you place this in the RECORD.

Sincerely yours,

FERN M. COLBORN,
Secretary for Social Education and Action.

STATEMENT FOR THE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS OF THE SENATE JUDICIARY COMMITTEE, SUBMITTED BY FERN M. COLBORN, SECRETARY FOR SOCIAL EDUCATION AND ACTION

The National Federation of Settlements and Neighborhood Centers recommends legislation:

1. To authorize the Secretary of Health, Education, and Welfare to—

(a) provide technical aid and financial grants if necessary to localities trying to eliminate school segregation; and

(b) prepare desegregation plans for districts which are not complying with court decisions.

2. To give the Attorney General authority to—

(a) enforce these plans; and

(b) ask for injunctions to prevent minorities from being deprived of equal protection of the laws.

3. To give the Department of Justice authority to intervene in anti-Semitic and anti-Negro bombings.

4. To extend the Civil Rights Commission beyond the fall of 1959 and provide sufficient funds for its full operation.

REVISION OF FEDERAL ELECTION LAWS—AMENDMENTS

Mr. HENNINGS submitted amendments, intended to be proposed by him, to the bill (S. 2436) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, which were ordered to lie on the table and to be printed.

AVAILABILITY OF SURPLUS PERSONAL PROPERTY TO INDIAN TRIBES—ADDITIONAL COSPONSOR OF BILL

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the name of the Senator from South Dakota [Mr. MUNDT] may be added as an additional cosponsor of the bill (S. 2244) to amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the welfare of the Indian tribes by making available to them surplus personal property, introduced by me, on behalf of myself and other Senators, on June 24, 1959.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MONRONEY:

Address delivered by Senator GORE entitled "Education in Foreign Service" before the 14th Institute of Higher Education, Board of Education, the Methodist Church, Nashville, Tenn., July 28, 1959.

NOTICE OF CHANGE OF DATE OF HEARING ON NOMINATION OF TED DALTON, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the public hearing scheduled on the nomination of Ted Dalton, of Virginia, to be U.S. district judge for the western district of Virginia, vice John Paul, retired, for 10:30 a.m., Tuesday, August 4, 1959, which was announced on July 22, 1959, has been rescheduled for 2:30 p.m., Monday, August 3, 1959, in room 2300, New Senate Office Building.

At the rescheduled time, all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

NOTIFICATION OF HEARING ON THE NOMINATION OF ELBERT G. MATHEWS, OF CALIFORNIA, TO BE AMBASSADOR TO LIBERIA

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations I wish to announce that the Senate today received the nomination of Elbert G. Mathews, of California, to be Ambassador to Liberia.

In accordance with the committee rule, the pending nomination may not be considered prior to the expiration of 6 days.

OREGON'S PRIMARY—THE ONLY VALID TEST OF GRASSROOTS SENTIMENT IN THE UNITED STATES

Mr. NEUBERGER. Mr. President the eyes of the Nation will be on Oregon on May 20, 1960, as Oregonians go to the polls in their Presidential preference primary.

The Oregon presidential primary has traditionally been a true test of strength among presidential hopefuls, and the primary has helped make or break many would-be presidential candidates. The primary in 1960 will be no exception.

OREGON, FIRST STATE TO ADOPT PRIMARY

Oregon was the first State in the Nation to adopt the principle that the voters at the grassroots should have a voice in picking party nominees for the most important elective office in the world, that of President of the United States. Our State has a closed primary with party registration, and a Republican or Democrat votes only in the primary of the party in which he has previously registered.

The Oregon tradition has been responsible for the acceptance of this basic and fundamental principle by the 14 other States who presently hold primaries. We are proud of Oregon's leadership in this vital realm of democracy. In this centennial year of Oregon statehood, it stands as one more monument to the progressive and thoughtful character of Oregon's citizens.

NEW LAW IN OREGON

This year the Oregon Legislature materially strengthened the Oregon presidential primary. Under the auspices of the first legislature controlled by the Democratic Party in over 80 years, this legislation has been passed and has been signed into law by Republican Gov. Mark O. Hatfield. According to the terms of the new law, which becomes effective in August 1959, the secretary of state of Oregon, an elected official, is authorized to place on the presidential preference ballot the names of any candidate for President when the Secretary has determined that such a candidate's candidacy is generally advocated or recognized in national news media throughout the United States, unless a candidate shall file with the secretary an affidavit stating without qualification that he is not now—and does not intend to become—a presidential candidate at the forthcoming presidential election.

I believe the framers of the new Oregon preference law were wise in providing for a specific and definite affidavit of withdrawal. I think this affidavit will make the Oregon primary the most accurate test of grassroots sentiment in any State.

An alternative method is also provided for entering names of presidential candidates on the ballot. Upon the petition of 1,000 registered voters the name of a presidential candidate will be entered in the respective party presidential primary.

The Oregon secretary of state has commented that he understands that the

affidavit for removal of the name of a presidential candidate does not apply when the candidate's name is entered through this petition method.

POSSIBLE WEAKNESS IN THE NEW LAW

Mr. President, this pioneering legislation, which was sponsored by two able Democratic State senators—Dan Dimick, of Roseburg, and Mrs. Alice Corbett, of Portland—assures Oregon residents a real choice among all Republican and Democratic presidential hopefuls. In Oregon, every bona fied aspirant will face the voters, unless he is willing to renounce his candidacy, by affidavit.

However, even under this new law there still may be a factor which could destroy the effectiveness of the Oregon primary. I am referring to the inclusion, totally against their will, of the names of men who definitely are not candidates for President. I seriously question the practice of putting the names of nationally renowned men on the Oregon ballot by petition, when they are not in any way candidates for President. This can only serve to confuse the choice among candidates who do actively seek this high honor.

THE DUTY IS ON THE ELECTORATE

In the past, there have been instances when the Oregon ballot has been muddled by the inclusion of the names of men who disavowed any desire for the Presidency. One of the most recent was in 1952, when certain groups insisted upon placing on the ballot the name of Justice William O. Douglas, of the U.S. Supreme Court, in spite of his efforts to dissuade them from doing so. The presence of Justice Douglas' name diminished the significance of the Democratic Party primary as a whole, and he himself had to pay for a page in the official Oregon Voters' Pamphlet in order to ask the electorate not to waste their votes in his behalf. Such an occurrence certainly achieved no purpose other than to dilute the truly representative nature of the preference primary process. The obligation to avoid such a happening in 1960 is upon the 1,000 people who still can place a name on the Oregon ballot.

THE BEST CHOICE

In all candor, I believe I should make clear my own preference in the 1960 presidential contest. My choice is Adlai E. Stevenson—as it has been for the past 8 years. I have known Mr. Stevenson long before his active entrance into political affairs. He and I have camped together in the woods of the Pacific Northwest and in the high Sierras of California. My friendship with him long antedates politics. To me, he is the epitome in our era of the intellectual statesmanship characterized by Jefferson, Wilson, and Franklin Roosevelt; and I believe he would bring to Government the sober thoughts and creative leadership which the free world has lacked in recent years.

Yet, despite my unbounded admiration for Governor Stevenson, I am aware of the abundant number of other qualified candidates in the Democratic Party. I hope all these aspirants for the Presidency, as well as all those in the Republican Party, will realize what a fine opportunity Oregon's primary provides for ascertaining their relative strengths.

Mr. President, I have had a study of the Oregon presidential primary prepared by Dan Gold, from Portland, Oreg., who is a senior at the Harvard University Law School. He has been working in my office, this summer, as a research assistant. I believe the study is a comprehensive survey of the antecedents and present-day practices in presidential primaries throughout the Nation. I ask that it be printed in full in the RECORD to supplement my own statement.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

OREGON'S PRESIDENTIAL PRIMARY

I. HISTORY

A. Origin: The origin of the presidential primary is usually traced to the Oregon law of 1910. But by broadening the term to include all efforts to control the action of the presidential nominating conventions, and not merely the instruction of delegates through a preference vote, the germs of the idea can be traced back as far as 1905 when the Legislature of Wisconsin passed a law providing for the direct election of all delegates to national conventions. The demand for this law was the result of a struggle in 1904 for control of the Republican Party in that State between the La Follette and anti-La Follette groups.

Also, in Pennsylvania in the primary law of 1906, provision was made for direct election of district delegates to the national conventions as well as for the direct nomination of most State officers and the election of delegates to the State conventions. The direct election of convention delegates was also provided for in the South Dakota law of 1909.

Senator Jonathan Bourne, of Oregon, may well be the father of the presidential preference idea, although the action of the Alabama Democrats in 1908 probably suggested the possibility of such action to him. As early as 1908 the editor of the Oregon Daily Journal called attention to the fact that in Alabama 2,000 Democrats had filed a petition asking the State committee to put the name of William Jennings Bryan upon the official primary ballot in order that the delegates to the Denver convention might be instructed for him.

The idea was taken up by Senator Bourne and the People's Power League of Oregon. On November 1910 a measure was drafted by W. S. U'Ren of the Peoples' Power League providing for a preference vote for President and the Vice President, as well as the direct election of all convention delegates. The bill was put on the ballot by popular initiative and was endorsed by the voters by a vote of 56,285 to 16,354.

The Oregon idea was adopted by Wisconsin, Nebraska, New Jersey, North Dakota, South Dakota, and California in 1911, and by Maryland, Massachusetts, and Illinois early in 1912. Twenty-six States in all have taken action to control their delegates in the national conventions, 22 have had compulsory laws actually in operation, 2 others have had such laws declared unconstitutional, and 2 have had experience with optional laws.

B. Present status: At the present time, 16 States and the District of Columbia have some form of presidential primary. Of those 16, 1 provides that the voter may express his preference for a presidential candidate but does not permit him to vote for delegates to his party's national convention, 7 call for popular election of delegates but do not provide for expressing a direct choice for President, and 8 permit both expression of presidential preference and popular selection of convention delegates.

Oregon thus broke the ice and other States followed, until by 1915, 24 of them had some form of presidential primary. Since then the trend has not only been checked but reversed until in 1956 only 19 States held presidential primaries. (Two States, Arkansas and Georgia provide that parties may decide if they want to hold a primary.)

It is noteworthy that as early as 1916 the progressive tide which had swept the presidential primary into prominence in those areas where public opinion favored its cause—and with it the referendum, initiative, and recall—had begun to ebb. It is true that Woodrow Wilson in his first message to Congress called for a national presidential primary and La Follette's Progressive Party platform endorsed it in 1924. But neither appeal was pressed. And if the leaders of reform lost some of their ardor, the voter's mood was even less militant.

II. THE TIME OF THE PRESIDENTIAL PRIMARY

A consideration of the time when the presidential primary is held involves not only its position in the calendar year, but its relation to the national conventions and the State primaries.

A. Calendar position: The dates of these primaries cover a period of 3 months, from the first week in March through the first week in June, but more than half of them come in the 5 weeks included in the last week of April and the month of May. The earlier primaries have proved unsatisfactory because of the inclemency of the weather and because they are too far in advance of the convention to permit such crystallization of opinion as to candidates and issues.

Insofar as any general tendency has been shown it is toward the elimination of the earliest and latest primary dates. Oregon has shifted from April to May (in 1915), and several other States have undergone similar shifts.

B. Relation to State primaries: Placing the presidential primary with relation to the State primary raises important problems. The two arguments most frequently advanced for holding the State and presidential primaries in conjunction are economy and the increased vote cast in the presidential primary. Unquestionably it is more expensive for a State to hold two statewide primaries instead of one. Where they are held in conjunction the only additional expense involved is that of the printing and counting of the extra ballots; the expense of election booths, officials and general overhead remaining practically the same. If the presidential primary is held separately the cost to the State is practically doubled.

It is true, also, that holding the two primaries in conjunction results in a greater vote being cast in the presidential primary. The advocates of separate State and presidential primaries have urged that holding them together increases the burden placed upon the voter at one time, that a confusion of issues or the eclipse of one contest by the other results, and that it necessitates too long a State campaign. It is rather difficult to assess some of these contentions. Unquestionably, the task of the voter at the joint primary is increased, but he is relieved of the necessity of going to the polls again in a short time.

If non-policy-forming State positions were eliminated from the ballot by the adoption of an even more drastic short-ballot principle than is now in effect in many States, this last objection would lose most of its force. In Oregon the two have been held in conjunction without apparently overtaxing the patience or intelligence of the voter, although the arrangement of the names on the

ballot is very poor. Although the delegates' preferences are usually indicated on the ballot, the voter must hunt through the list to find the ones who favor his presidential candidate.

III. PROPOSING CANDIDATES

A. Outside Oregon: The laws on this subject provide various means for putting the names of presidential aspirants upon the ballot, the most usual methods being by declaration of candidacy on the part of the candidate, or by a petition signed either by a fixed number of electors or by a certain percentage of those voting at the last general election. Texas tried a plan that names should be put upon the presidential preference ballot by the State central committee of the parties. But it was ruled unconstitutional before it was ever tried in the case of *Waples* v. *Marrast*, 108 Tex. 5. The most unique provision has been that of the Richards law in South Dakota where aspirants may have their name put on the ballot in three ways: by action of the majority in the proposal convention, by a protesting minority, or by an independent petition.

These are the legal provisions that have been tried outside of Oregon; in actual practice declarations of candidacy are usually initiated by local supporters within the State, rather than the candidate himself, petitions are often circulated at informal caucuses, and cases are not lacking where the State party committees have taken the initiative in filing names.

The chief problem which has arisen in this connection is whether it is possible or desirable to force unwilling and bashful candidates to permit their names to be printed upon the primary ballots.

B. Oregon: In Oregon, under the old primary law, the question whether an individual could be forced to become a candidate was litigated in the case of *McCamant* v. *Olcott*, 156 P. 1034 (1916). There the supreme court of the State granted a writ of mandamus compelling the secretary of state to put the name of Charles Evans Hughes on the ballot after it had been removed at his own request. In its decision the court laid great stress upon two points:

1. That the law provided that every qualified voter should have opportunity to vote his preference for President, either by writing in or marking a cross after a name printed on the ballot.

2. That the preferential vote cast in his favor does not nominate him for President, but is merely advisory to and morally obligatory upon the delegates chosen to represent the party at the national convention.

Of course this decision has been rendered somewhat academic due to an amendment to the Oregon primary law signed May 5, 1959, by Gov. Mark Hatfield. It requires the Secretary of State to place on the presidential or vice presidential preference poll the names of all persons he decides are "generally advocated or recognized in national news media" as candidates for those offices. Names may also be placed on the ballot by petition of 1,000 voters. A candidate entered in the primary by the secretary of state can have his name withdrawn only if he signs a formal affidavit "stating without qualification that he is not now and does not intend to become a candidate" for the Presidency or Vice Presidency. However, the old weakness of nonremovability still exists for a name placed on the ballot by petition.

IV. DELEGATES

As under the old law in Oregon, the new primary law provides that delegates will be elected separately from the preferential poll. They may or may not indicate their own preference for President, but will be bound to use their best efforts to secure the nomination for the winner of the preferential poll in their party. In the majority of other States where delegates are elected, their names must be proposed by petition, although in a few States a simple declaration of candidacy is sufficient.

These simple legal provisions as to delegates have been supplemented by much more complicated and interesting extra-legal processes. In actual practice these lists of delegates are sometimes made up at unofficial conventions, at informal caucuses of important party members, by the campaign committees of the various presidential candidates, by the party State central committees, and sometimes by the national committeeman or the chairman of the State committee.

Oregon is the only State in which there is no evidence (or at least very little) of delegates having been openly proposed in slates or groups by State committees, preprimary conventions, or conferences; in Oregon, proposing delegates has been a matter of individual initiative consistently.

V. CONTROL OF THE ACTION OF THE CONVENTION

In considering the methods of controlling the action of the national conventions, we get at the very heart of the presidential primary. For unless the members of the party can influence the action of the convention regarding candidates and platforms, thereby insuring responsibility of the party to the rank and file, and indirectly controlling the election of the President, the presidential primary fails at a vital point.

The problem of securing control of the action of the delegates in the convention may be attacked from two different angles: the popular preference for President may be expressed and that preference held binding upon the delegates, or the delegates may be selected whose preferences as to candidates and platform correspond to those of the people whom they are selected to represent. All possible variations and combinations of these methods have been used and our experience with these various laws throws much light upon the effectiveness of the different types of control. Following is a classification of the kinds of laws that exist on the subject:

1. The direct election of unpledged delegates to the national convention.

2. The direct election of a delegate who may be pledged to support a particular candidate.

3. A direct preferential vote for a candidate for the party nomination to the Presidency.

4. A combination of one, two, and three, that is, the direct election of unpledged delegates accompanied by a preferential vote. Thus the delegates will be advised as to the wishes of his constituents but may use his discretion in following them.

5. A combination of two and three—the direct election of delegates accompanied by a preferential vote with the delegates required to support the winner of the preferential vote.

The operation of the presidential primary laws indicates clearly that the personal preferences of the delegates and their instructions must harmonize if they are to carry out such instructions in spirit. Such harmony is not obtained when:

1. The delegates are elected with no statement of preferences.

2. Where there is a preference vote and a selection of delegates by a State convention.

3. Where there is a preference vote and election of delegates whose preferences are unknown at the time of the primary.

4. Where there is a preference vote coupled with the election of delegates who have expressed a willingness or unwillingness to support the popular preference in the convention.

Such harmony may be obtained by coupling a preference vote with the election of delegates whose preferences are known at the time of the primary. It is sure to be obtained by:

1. The elimination of the preference vote, the ballot containing the names of the candidates for delegate grouped under their presidential preferences.

2. By retaining the preference vote, eliminating the vote for delegates, and giving the presidential candidate or his representatives the power to select the delegates.

By selecting delegates whose personal preferences correspond to the popular preference the problem of how long the delegate shall be bound is automatically solved, because such decision may safely be left to the delegate's own feelings on the matter.

VI. SUMMARY

A. Arguments against the State presidential preferential primary:

1. As long as only part of the States have presidential primaries, all candidates do not enter and the voters are not given a real chance to choose among major candidates. This in turn sometimes gives the candidate who wins the primary a claim to popular sanction which is unmerited.

2. The favorite son candidate is frequently used to strengthen rather than weaken the bargaining power of the party leaders.

3. The presidential primary increases the expenses of the candidate and hence his potential obligations to powerful group interests. Of less importance, it lengthens an already overlong campaign and increases the burden of the already overburdened voter.

4. Primary contests frequently promote factional fights and aggravate differences within the party.

5. The small number of votes cast in most presidential primaries invalidates the claim that the winner is the people's choice.

6. The primary binds the individual delegate so securely (in some cases) that he has less influence than if uninstructed. The result is even less flexibility in the convention as a whole than if there were no direct presidential primaries. This in turn makes more difficult the job of compromise which is necessary for the preservation of the two-party system.

B. Rebuttal to the six arguments against the State presidential preferential primary:

1. Have a primary in every State; complete coverage leaves the craven candidate with no choice but to enter the primaries; furthermore, it will make a draft such as took place at the 1952 Democractic convention impossible because such a draft can occur only when a large number of uninstructed delegates are available for manipulation.

2. In the past this has been true in some cases, but only because of defective laws; a law requiring a candidate be entered in the primary only with his consent would eliminate this; the vicious practice of entering a truly unwilling candidate merely to draw votes from someone else could be taken care of by requiring the withdrawal of his name if the request is accompanied by the explicit statement that he is not a candidate. (In this regard, the newly passed Oregon law will bear watching. If it proves effective, it may well be the panacea to the problem.)

3. The problem of campaign contribution and expenditure and that of financial obligations of public officials to private groups or individuals is one which relates to our whole electoral system and cannot justly be used against any one phase such as the presidential primary.

4. If the factional strife referred to is on a national basis it could hardly be more bitter than that which occurred at the two national party conventions of 1952, while on the other hand had all or most of the States had presidential primaries the major decisions would have been made and the parties spared the bitter and damaging fights at the convention; if the fights referred to are on

a State level existing primaries for nominating candidates for State office already offer the opportunity for factional fights if such are likely; finally, the factional fight argument is used primarily by party leaders and refers to the party organization; such quarrels need be of little concern to the public at large.

5. Nonvoting is not confined to presidential primaries; more voters do not vote in presidential primaries because all the major candidates are not entered or because the law is not explicit in making the preferential vote effective; remedy these defects and the voter will respond. (The 1952 heavy vote including "write-ins" in those States where there were primary fights among major candidates gives weight to the argument.)

6. On this point the advocates of the presidential primary are divided. Some apparently feel that the national conventions in their present form serve no purpose other than to deliver the people into the hands of the bosses; they seemingly deny the value of an accommodation of interests or at least subordinate it to that of uncompromising majority rule. The weakness of this view is that it leaves unanswered certain questions: Would a plurality nominate? Would there be run-off primaries until a majority candidate emerges? Could each State declare the winner of its primary the official party candidate?

C. Arguments for the State presidential preferential primary:

1. Democratic government is at its best when the people participate to the greatest possible degree in selecting their President.

2. Under our present party nominating system, the party leaders, not the people, choose the presidential candidate.

3. This situation can be remedied by extension of the presidential primary.

4. The criticisms of the primary so far as they are valid are based on failure because of defective laws in some States, lack of coverage in all States, or concern with problems of procedure that can be worked out once the principle is accepted.

VII. ADDENDUM: PROPOSAL FOR A NATIONAL PRESIDENTIAL PRIMARY

The impossibility of regulating the proceedings of the national convention by means of State action, or of effectively controlling campaign expenditures, and the difficulty of extending the presidential primary to all of the States have led many to suggest the desirability of the enactment by Congress of a national presidential primary law.

A. History: As early as 1911 Senator Owen introduced a bill including provision for the direct nomination of the President.[1] In the following year bills providing for presidential primaries were introduced by Senator Cummins[2] and by Representatives Norris[3] and Howland.[4] The Progressive platform of 1912 declared for "nationwide preferential primaries for candidates for the Presidency." When the Democratic administration came into control in 1913, impetus was added to the movement by President Wilson's message to the first regular session of Congress, urging the passage of such a measure, and four bills covering the subject were introduced. No action was taken at that time, public interest shifted to the war, and discussion of the problem was not revived until the 1920's. In 1942 the presidential primary was again given consideration in a national party platform, the Progressives of La Follette. Since 1924 there has been periodic advocacy of a national presidential primary, but other than sporadic introduction of bills in Congress nothing more has been done.

The proposals for a national presidential primary law fall into the following classes:

1. A combination of the primary idea with the existing conventions, the sphere of action of the convention to be limited.

2. A combination of the convention and the direct primary, but with the usual order reversed, making the convention the proposal body and the primary the ratifying body.

3. The elimination of the convention with provision for a direct, nationwide primary for nominating presidential candidates.

To this writer the question of whether it is preferable to urge uniform State legislation or action by Congress is not so much a question of the desirability of one form of action as opposed to the other as a question of which is more feasible. The obstacles which must be met if a program of national action is adopted must, therefore, be given careful consideration.

B. Constitutionality: First of all there is the question of constitutionality. Whether a national presidential primary law would even be upheld by the Supreme Court is doubtful. The attitude of the Court in the case of *Newbury* v. *U.S.*, 256 U.S. 232 (1921), makes it even more improbable. According to the Constitution, presidential electors in each State are appointed "in such manner as the legislature thereof may direct"[5] and the only power given to Congress is that of determining the time when electors are to be chosen and the day on which they are to cast their votes.[6] The present party nominating process is entirely outside the plan drafted by the "Fathers," but the intention of turning over the details of the process to the State legislatures is plain enough and would seem to put the whole matter beyond the control of Congress.

In the Newberry case the Court was called upon to decide whether Congress had power to legislate regarding the amount of money which Members of the House and Senate might spend in their nominating campaigns and a divided Court held invalid that part of the act of June 25, 1910, which applied to primary expenditures. Four members of the Court held that under article I, section 4, of the Constitution the power of Congress over the choice of Representatives and Senators was limited to regulating the "manner of holding elections" and that the term "election" included only the final choice and not the nomination. Justice McKenna concurred with the majority insofar as the powers of Congress under article I were concerned, but expressly reserved the question of the power of Congress over senatorial nominations under the 17th amendment. The other four judges argued that the term "manner of holding elections" was broad enough to comprise the entire mode of procedure; also that the broad powers of the National Government to legislate through a Congress consisting of a Senate and a House of Representatives chosen by the people gave the National Government power to control the entire process of selection. If the Supreme Court would not uphold the right of Congress to regulate the nomination of Senators and Representatives when power over their election was provided for, it seems entirely beyond the pale of probability that they would concede to Congress power to regulate presidential nominations when control over the election process is expressly given to the States and when the whole process provided for would be entirely foreign to the intent of the Constitution.

C. Constitutional amendment: With such a judicial framework to overcome, it seems to this writer that any action must proceed upon the assumption that any form of national action must be preceded by a constitutional amendment. Favorable action by two-thirds of each House of Congress and ratification by three-fourths of the State legislatures is possible only if there is a very deep-seated popular demand for such action and practical unanimity as to the form it should take. The deep-seated demand is not now in evidence and the ramifications of the problem make unanimity of opinion almost impossible. A discussion of a constitutional amendment giving Congress control over presidential nominations will lead inevitably to a discussion of the advisability of direct election, lengthening the term of office to 6 years, and doing away with the 22d amendment. These problems naturally bring up the question of changing the date of the inauguration and providing that the President and the new Members of Congress shall take their seats immediately. Finally the whole question of the regulation of campaign expenditures will be brought into the discussion, and perhaps also the desirability of a uniform national primary act governing the choice of nominees for Congress as well as the Presidency. The possible ramifications of the inquiry are almost infinite.

D. Conclusion: Any movement for a national presidential primary law will be heralded in many quarters as a new and unjustifiable encroachment by the National Government upon a sphere of action which ought to be left to the States. In this country no function has been looked upon as more peculiarly a State function, perhaps, than control of the election machinery. Any step to make the control of presidential nominations a national function would be looked upon as a step toward the ultimate abandonment of the Federal principle. It is unnecessary here to argue for or against such abandonment; it is sufficient to point out that any such suggestion will meet with keen opposition from those who object to such action.

Such a movement would, of course, meet with opposition from all opponents of the primary principle as such, as well as the naturally conservative-minded who hesitate to break away from a system of such long standing. It is perhaps not without weight, too, that our national nominating convention is a picturesque, typically American political insitution that offers a peculiar variety of popular amusement very dear to the American people.

APPENDIX AND BIBLIOGRAPHY

OREGON REVISED STATUTES (1955)

248.310. In the years when a President and Vice President of the United States are to be nominated and elected, the political parties shall elect delegates to their national conventions and nominate their candidates for presidential electors. They may also express their choice for candidates for the nominations for President and for Vice President of the United States in the manner provided in Oregon Revised Statutes 249.600.

248.320. As soon as possible after the national committees of the political parties issue their official calls for national nominating conventions, the Secretary of State shall ascertain from the proper officials of the committees the number of delegates allotted to the State of Oregon. Of the number of delegates allotted, two shall be elected from each congressional district and the remainder from the State at large. In the arrangement of the official ballots for the primary election of each party, the secretary of state shall provide for the election of two delegates from each congressional district and the remainder from the State at large.

248.330. Every qualified elector of a political party, within the meaning of this chapter may vote his preference on the nominating ballot of his party for two delegates from

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[1] CONGRESSIONAL RECORD, 62d Cong., 1st sess., p. 3596, Aug. 4, 1911.

[2] Ibid. 2d sess., p. 3531, Mar. 18, 1912.

[3] Ibid., 2d sess., p. 8668, July 6, 1912.

[4] Ibid., 2d sess., p. 9445, July 22, 1912.

[5] U.S. Constitution, art. II, sec. 2.

[6] Ibid., art. II, sec. 3.

the congressional district in which he resides and for as many delegates as are to be elected at large. A plurality vote shall be sufficient to elect a delegate to any national convention; provided, the allotted number of candidates receiving the highest number of votes shall be chosen in each congressional district and in the State at large.

248.350. Candidates for the office of delegate to a national convention or for nomination for the office of presidential elector may have their names placed on the official ballots for the primary election of their party in the same manner as candidates for nomination for other State and district offices. Whenever a nominating petition is a prerequisite for the appearance of a candidate's name on the ballot of his party, existing laws providing the manner in which the names of candidates for nomination for State and district offices may be printed on the ballots shall govern, except that not more than 500 signatures shall be required on such a petition.

249.340. On the third Friday in May 1954, and biennially thereafter, there shall be held in the several election precincts of the State a general primary election at which shall be nominated or elected such U.S., State, district, county, city, town, and precinct officers as are to be elected or nominated at the general primary election or general election of that year.

249.368. (1) When candidates for the offices of President and Vice President of the United States are to be nominated, every elector of a major political party shall have the opportunity to vote his preference on his official primary election ballot for one person to be the candidate for nomination by his party for President and one person for Vice President of the United States, either by writing the names of such persons in blank spaces left on the ballot for that purpose or by marking with a cross (X) inside a voting square between the numbers and names of the persons of his choice, as in the case of nominations of candidates for State and district offices.

(2) The name of any candidate for a major political party nomination for President or for Vice President of the United States shall be printed on the ballots only: (a) By direction of the secretary of state who shall place the name of such a candidate upon the ballot when he shall have determined in his sole discretion that such candidate's candidacy is generally advocated or recognized in national news media throughout the United States, unless such candidate shall execute and file with the secretary of state an affidavit stating without qualification that he is not now and does not intend to become a candidate for said offices at the forthcoming presidential election; (b) upon the petition of 1,000 registered electors of the major political party of the candidate.

(3) The names of the candidates for major political party nominations for President and for Vice President of the United States shall be printed on the official ballots for the primary elections of their respective parties, and shall be marked, counted, canvassed, returned and proclaimed in the same manner and under the same conditions, so far as the same are applicable, as the names of candidates for nomination for State and district offices.

Stricken from 249.368: (2)(a) If the secretary of state determines that the candidate has formally announced his candidacy to the public or has become a candidate for the nomination at the primary election in any other State and has not withdrawn therefrom; or

(2)(c) Upon the written request of the candidate filed with the secretary of state within the time provided for the filing of petitions for nomination for State and district offices. Such request shall be accompanied by a statement, signed by the chairman and secretary of the State central committee of the party to which the candidate for nomination for President or for Vice President belongs, to the effect that the candidacy of the candidate is advocated generally throughout the United States.

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THE STEEL STRIKE

Mr. SYMINGTON. Mr. President, we are now in the 14th day of the nationwide steel strike.

The costs of the strike continue to mount, and its effects continue to spread throughout the country.

The Steel magazine has reported that, in the steel industry alone, $135.2 million has been lost in wages and $378 million in industry sales since the strike began.

The railroad unions have estimated that nearly 50,000 railroad workers have already been laid off as a result of the strike, and layoffs in other industries continue.

Day after day, the loss grows greater—to the parties, to the public, and to the national revenue.

Yesterday the Federal mediator, Mr. Joseph Finnegan, met with both parties together. Afterward he indicated neither had changed its essential positions from what they were when contract talks began almost 3 months ago.

Since the strike began, I have proposed that the President appoint an impartial factfinding committee to inform the public and make recommendations that could be a basis for settlement.

The President has, instead, chosen to allow the Secretary of Labor to make himself a one-man factfinding committee to report the facts to him.

All the many factfinding facilities of the Federal Government have been made available to Mr. Mitchell, and both sides to the dispute have also agreed to supply him what information he needs.

Yesterday Mr. Mitchell said he had reported to the President on the data assembled so far.

However, if Mr. Mitchell is to be the factfinder, he should reveal what he ascertains not only to the President, but to the public. The people have a right to know the facts in this matter.

The factors in this dispute are not classified. Their publication would not adversely affect the national security.

Surely, there is no basis for claiming executive privilege about the information he has obtained.

If the Secretary of Labor is to truly fulfill the responsibility he has assumed in this strike, he should make available to the public the same report he makes to the President.

The best alternative, however, is still to appoint a public factfinding committee to take up this important responsibility.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive C, 86th Congress, 1st session. Protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences, opened for signature at the Pan American Union December 1, 1958, and signed in behalf of the United States on January 7, 1959 (Ex. Rept. No. 7); and

Executive F, 86th Congress, 1st session. Protocol to the Convention on the Duties and Rights of States in the Event of Civil Strife, opened for signature at the Pan American Union on May 1, 1957, and signed in behalf of the United States on July 15, 1957 (Ex. Rept. No. 8).

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). If there be no further reports of committees, the clerk will state the first nomination on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Walter N. Walmsley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. DISTRICT JUDGES

The Chief Clerk read the nomination of John R. Bartels, of New York, to be U.S. district judge for the eastern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John F. Kilkenny, of Oregon, to be U.S. district judge for the district of Oregon.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, the nomination is confirmed.

If the temporary occupant of the chair may be indulged very briefly, the Chair would like to say that all of our citizens in Oregon are profoundly gratified over the confirmation by the Senate of the nomination of John F. Kilkenny to be U.S. district judge for the district of Oregon. The present occupant of the chair has known Mr. Kilkenny for many years as a lawyer of integrity and outstanding ability. Mr. Kilkenny is a native of our State, of Heppner, Oreg. He comes to the Federal bench at a time of a crowded docket, which he will do a great deal to relieve. We welcome his confirmation.

The Chair wishes to express personal appreciation to the chairman of the Committee on the Judiciary, and to the members of the Committee on the Judiciary for favorably reporting the nomination of Mr. Kilkenny.

U.S. ATTORNEY

The Chief Clerk read the nomination of Robert S. Rizley, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. MARSHALS

The Chief Clerk read the nomination of Curtis Clark, of Kentucky, to be U.S. marshal for the eastern district of Kentucky for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Lama A. DeMunbrun, of Kentucky, to be U.S. marshal for the western district of Kentucky for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 562, House Joint Resolution 280.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (H.J. Res. 280) consenting to an interstate compact to conserve oil and gas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have a brief statement printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF MEASURE

House Joint Resolution 280 gives the consent of the Congress to extension and renewal, for a period of 4 years from September 1, 1959, of the interstate compact to conserve oil and gas. The House resolution is identical to one introduced in the Senate by the distinguished minority leader [Mr. DIRKSEN] and myself.

The compact was first approved by the 74th Congress in 1935 (49 Stat. 939), and has been renewed and extended by successive Congresses seven times since then, most recently by Public Law 185, 84th Congress, 1st session (69 Stat. 385). The measure that became this Public Law was Senate Joint Resolution 38, which was considered and reported favorably by the Committee on Interior and Insular Affairs in May 1955.

During Senate floor consideration of the resolution in July of 1955, a provision was added requiring annual reports by the Attorney General of the United States on whether the activities of the States under the compact were consistent with article V of the compact. Article V provides:

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations."

The Attorney General has made the required reports each year, and in each has given the States a clean bill of health with respect to the observance of article V.

This provision for surveillance and report by the Attorney General has been retained in House Joint Resolution 280, despite the recommendation of the Deputy Attorney General that the Department be relieved of such responsibility. (See letter of Hon. Lawrence E. Walsh to Congressman OREN HARRIS.)

More than half the States of the Union, representing the greater part of our domestic oil production, are members of the compact, and the committee finds that in its 24 years of existence it has achieved notable success in fulfilling its avowed mission of preventing waste of oil and gas through local, State action.

THE COMPACT

The text of the provisions of the compact, and its legal history, are set forth in full in House Joint Resolution 280.

Article II provides:

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause" (lines 2–4, p. 4, of H.J. Res. 280).

Member States agree to enact and enforce State legislation to prevent waste of oil and gas, and article VI provides for each member State to appoint one representative to a commission, designated the Interstate Oil Compact Commission, the duty of which shall be "to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection."

The commission has no power of compulsion. Its sole and only purpose is to assist the States, industry, and public in general in promoting the conservation program, the compact providing, by its terms, that "the commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas."

Thus, the sole authority for carrying out the conservation program rests with the member States.

Any State may withdraw on 60 days' notice, but no State has ever exercised this privilege. Rather, membership has steadily increased from the original 6 sponsoring States to a total of 29 active States (i.e., States in which oil or gas is now produced) and 6 associate members (i.e., States in which there are excellent prospects that oil or gas will be produced).

MEMBERSHIP IN THE COMPACT

The agreement to extend and renew this compact for a period of 4 years from September 1, 1959, to September 1, 1963, has been duly executed by the representatives of Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Washington, West Virginia, and Wyoming. It will be noted that the attested signatures of the Governors of Alaska, Illinois, and Kansas do not appear in the joint resolution. The committee has been informed that the Governors of Alaska and Kansas have executed the agreement since the resolution was introduced and that enabling legislation has been enacted by the Illinois Legislature effective July 1, 1959.

At this point I should like to quote from a letter written by Acting Secretary Elmer Bennett of the Department of the Interior to the chairman of the House Committee on Interstate and Foreign Commerce, Mr. HARRIS:

"Since formation on February 16, 1935, when 6 States were members, the membership has grown to 31 States in 1958. The compact has been the leader in the spreading of sound conservation practices throughout most of the oil- and gas-producing States of this country. It has provided a forum at which State officials, representatives of regulatory bodies, representatives of the oil and gas industry, and representatives from such Federal Government agencies as the Department of Defense, the Department

of Interior, and the Federal Power Commission, could discuss conservation problems of common interest with the view toward improving and standardizing conservation practices throughout the country. It has been very successful in this effort.

"Its influence extends beyond the borders of this country and its guidance and counsel have been sought by oil-producing provinces in Canada, by Mexico, Colombia, and Venezuela. The Canadian Provinces of Alberta and Saskatchewan have made full use of the experience and advice they have been able to obtain from the compact commission. Alberta, Saskatchewan, and the countries of Venezuela and Colombia regularly send observers to meetings of the Interstate Oil Compact Commission."

BACKGROUND OF COMPACT

In 1931, when the oil industry was threatened with complete demoralization as a result of the uncontrolled and wastefully produced flood of oil from the east Texas and Oklahoma fields, the Governors of those States and of New Mexico and Kansas formed a Governors committee, which became an Oil States Advisory Committee, to find ways of meeting the critical situation. A draft of a uniform legislative act for conservation and interstate compact was presented to Congress but failed of passage. Throughout 1932–34, many meetings were held and objectionable features of the earlier compact proposals were eliminated, and in December 1934 a subcommittee of the House Interstate and Foreign Commerce Committee reported to the Congress:

"We strongly urge upon the oil-producing States the adoption of State compacts to deal with the problems of production of petroleum with which individual States are powerless to cope"; and gave its opinion that "a State compact * * * is the solution of those problems of petroleum production which cannot be solved with modification of the 'law of capture' and other legislation operating within State boundaries."

Enactment of the parent interstate oil compact law, Public Resolution 67, 74th Congress, followed.

CONGRESSIONAL APPROVAL NECESSARY

Article I, section 10, of the Constitution of the United States provides:

"No State shall, without the consent of Congress, * * * enter into any agreement or compact with another State * * *."

The committee finds that the interstate oil compact is in complete harmony with the American form of government. It preserves the rights of each of the separate States to deal with its own problems in its own way, while allowing them to work together on a sound program acceptable to all without Federal control.

Conservation of natural resources has become a fixed and well-established national policy. Our oil and gas resources are irreplaceable. The public welfare demands their proper utilization and development, in the interest of the national economy and national security.

Under our system of government, the responsibility for producing oil and gas should rest with the States in which they are produced, but because of the physical nature of oil and gas, and the economics of production and marketing, interstate cooperation is necessary. The committee find as a fact that the interstate oil compact has provided the necessary mechanism for such cooperation.

In view of the demonstrated value to the national interest of the group accomplishments resulting from this compact and its several extensions, the committee recommend favorable action on this joint resolution.

EXECUTIVE AGENCY REPORTS

The reports on H.R. 280 of all of the agencies of the executive branch of the Federal Government concerned with the operation of the interstate oil compact are favorable to the passage of the resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution (H.J. Res. 280) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Texas to reconsider.

The motion to lay on the table was agreed to.

THE INTER-AMERICAN DEVELOPMENT BANK

Mr. SMATHERS. Mr. President, I wish to take a moment of the time of the Senate to congratulate the Members of the U.S. Congress for completing action with regard to the Inter-American Development Bank. The Senate approved the Bank proposal by a vote, as I recall, of 87 to 3 some 2 week ago. Yesterday the House of Representatives passed the proposal for an Inter-American Development Bank by an overwhelming vote.

There have been some who from time to time have said that this Congress might be a do-nothing Congress. Naturally, I do not agree with that absurd and unfounded charge. I think an examination of the accomplishments of this Congress will demonstrate that we have this year, as we have in the past few years, acted responsibly and constructively and passed all meaningful legislation which was presented to us for consideration.

Particularly I wish to make reference to the fact that I know the people of the Western Hemisphere are extremely pleased because the Inter-American Development Bank is now on its way to becoming a reality, as the result of action of the executive branch and of the Congress. The people of the Western Hemisphere do not look upon this act as in any way justifying a charge of "do nothingism." As a matter of fact, the people of Latin America for over three generations have looked forward to the realization of this proposal. They believe, as do most individuals who have made some effort to study the problems of Latin America, that what is needed more than anything else for the development of the resources and for the improvement of the economic, social, and educational positions in Latin America, is private capital.

The Inter-American Development Bank will provide an additional window through which it will be possible to funnel some $1 billion into the economies of the various Latin American countries in cooperation with us. I know this is a very meaningful step forward in the improvement of our relationships with our Latin-American neighbors. I know the Members of Congress, when they voted for this particular proposal, felt the same way.

I wish to add a word of congratulations to the U.S. Congress for finally putting into effect this long-sought action for an Inter-American Development Bank, which the people of the Western Hemisphere have so long desired.

Mr. President, I congratulate the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], for his foresight and leadership particularly in connection with the Latin American field. I know every time this year and in years past that where there has been before the Senate far reaching proposed legislation with respect to Latin America, there has been no delay on his part in bringing it to the floor, giving the Senate an opportunity to take action on it, and to bring it to a successful conclusion.

I know that his experience in Mexico last year, when he was there visiting the President of Mexico, Mr. Lopez-Mateos, both were most helpful in cementing better relations between the great countries of Mexico and the United States. It is my understanding that, as a reciprocal move, President Lopez-Mateos intends to visit our able majority leader some time this summer or fall, in Texas.

I know that the distinguished majority leader has long been interested in that area of the world, and I congratulate him on recognizing its importance to the United States. I congratulate him on his leadership in getting through the Inter-American Bank proposal.

Mr. JOHNSON of Texas. I thank the Senator for his generosity.

Mr. FULBRIGHT. Mr. President, yesterday the House of Representatives passed S. 1928, a bill providing for the participation of the United States in the Inter-American Development Bank. Practically no press attention was devoted to the action of the Senate last week in passing the bill. And today the press story covering this activity is buried far in the back pages.

In view of the casual references to this Congress as a do-nothing Congress, I believe attention should be focused on the fact that the bill, requested by the President, has been passed and delivered to him for signature. I hope it will not be vetoed. It authorizes a U.S. contribution to this Bank of $450 million. We have done our best to make the bill veto-proof by authorizing the appropriation of the funds rather than authorizing them to come through the back door of the Treasury.

I might say that I believe, had it not been for the activities of many Members of this body over the past several years urging that the United States pay more attention to its Latin American relations, the administration would never have proposed such an institution as the Inter-American Development Bank.

Mr. KUCHEL. Mr. President, like other Senators who have spoken earlier, I, too, was delighted to observe that the House of Representatives, on a bipartisan basis, yesterday sent to the President a bill creating the Inter-American Development Bank. Said the President of the United States on May 11, of this year:

> The establishment of the Inter-American Development Bank and our participation in it will be a most significant step in the history of our economic relations with our Latin American neighbors. It will fulfill a long-standing desire on the part of the Latin American Republics to have an inter-American institution specifically designed to promote the financing of accelerated economic development in Latin America.

With that sentiment, I enthusiastically agree.

Mr. President, I congratulate the able Senator from Arkansas [Mr. FULBRIGHT], who several days ago led the debate in the Senate which resulted in a tremendous bipartisan approval of that which the administration had previously recommended. Now that we have the same bipartisan approach to the development of stronger ties of amity and good will among the nations of the American continents, we can look forward, I am certain, to better, stronger, and happier relations between the people and the Government of the United States and our good neighbors.

WHITE FLEET WOULD PROVIDE MESSAGE OF HOPE IN TROUBLED AND TENSE WORLD

Mr. NEUBERGER. Mr. President, I am pleased to cosponsor Senate Concurrent Resolution 66, introduced by the distinguished senior Senator from Minnesota [Mr. HUMPHREY], favoring creation of a White Fleet, which would carry surplus foods and medical personnel and supplies to disaster-stricken and underprivileged areas of the world.

Several years ago, I suggested in a number of speeches to groups in my home State of Oregon that the United States should take some of its hospital ships out of mothballs and send them on errands of cure and recovery throughout the world. The local response was immediately and overwhelmingly favorable.

Happily, Mr. President, I was not alone in offering this idea. In a newsletter to my constituents earlier this year, I was delighted to call attention to press notices that the People-to-People Foundation, Inc., is preparing the U.S. Navy ship *Consolation* to sail to underdeveloped nations in southeast Asia. Project Hope, as this is known, is implementation of an idea that can provide a meaningful symbol of American good will.

The White Fleet, suggested by Comdr. Frank Manson, of the U.S. Navy, is an extension and expansion of this idea. Our trained doctors and nurses, armed with wonder drugs and other miracles of modern medicine, could truly work needed wonders in underdeveloped countries of the world. Our vast surpluses of agricultural commodities would offer to the peoples of underprivileged lands in time of famine or flood an opportunity to share in America's abundance. The program could be a dramatic step in the advancement of an International Health Year, for which the groundwork has been so ably laid by the senior Senator from Minnesota and the senior Senator from Alabama [Mr. HILL].

I have had a close personal experience with one of the dread diseases which make of all mankind—high and low, rich and poor, titled and common—truly brothers. The White Fleet could take to persons suffering in other lands the medicines and the methods that saved my life.

I hope that the Congress will give swift and favorable consideration to Senate Concurrent Resolution 66. There could be no finer message of hope in a world troubled with tensions of war, sickness, and death than to have a fleet of vessels delivering medicines and foods where a similar fleet might have delivered bombs and bullets.

Life magazine and its editors are to be commended for launching a great nationwide crusade to promote the idea of a White Fleet of mercy, which would take modern healing methods to the peasant in his hut throughout the teeming nations of Asia and Africa. With its vast circulation, Life should accomplish much to alert and inform American opinion to this excellent idea for promoting peace throughout the world.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT, 1936

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title.

INTERNAL SECURITY DECISIONS OF SUPREME COURT

Mr. JOHNSON of Texas. Mr. President, I yield 20 minutes to the Senator from Maryland [Mr. BUTLER]. If he needs additional time, I shall be glad to yield more time.

Mr. BUTLER. Mr. President, when the Supreme Court of the United States handed down its decisions in the Barenblatt and Uphaus cases there were many who hailed these decisions as evidence that the Court had at last acquired a proper appreciation of the importance of internal security and was willing to strike a true balance between asserted rights of individuals and the right of the Government to protect itself against the world Communist conspiracy.

It is true that these two decisions did constitute a shift from the position taken by the Court in a long line of prior cases, and specifically in the Watkins and Sweezy cases.

But those who purported to see in the Barenblatt and Uphaus cases any assurance that the Court could be relied upon to protect the internal security of the United States were proven wrong by the Court itself when on June 29 a decision was handed down in the case of William L. Greene against Neil M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson.

The day after this decision, the Washington Post hailed it with the statement that "The Supreme Court yesterday struck down the internal security program covering 3 million workers in private defense plants."

In this statement the Post was absolutely correct. The Court not only struck down the industrial security program; it also devoted many pages of its opinion to language which might be expected to deter Congress from enacting legislation to reinstate the program.

Because I want to talk about this case at some length, let me take the time to outline what was involved.

William L. Greene was an officer of a firm which held classified Government contracts. He held a security clearance. He had a top job, and was drawing $18,000 a year.

On the basis of security information, some of it from confidential sources, the Army-Navy-Air Force Personnel Security Board withdrew Greene's security clearance.

So far as it has been disclosed, the adverse information respecting Mr. Greene was summarized officially as follows:

1. During 1942 subject was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and subversive.

2. Subject's first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage.

3. During the period of subject's first marriage he and his wife had many Communist publications in their home, including the Daily Worker, Soviet Russia Today, In Fact, and Karl Marx's "Das Kapital."

4. Many apparently reliable witnesses have testified that during the period of subject's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic toward Russia, followed the Communist Party line, presented fellow traveler's arguments, was apparently influenced by Jean's wild theories, etc.

5. In about 1946 subject invested approximately $1,000 in the Metropolitan Broadcasting Corp. and later became a director of its radio station WQQW. It has been reliably reported that many of the stockholders of the corporation were Communists or pro-Communists and that the news coverage and radio programs of station WQQW frequently paralleled the Communist Party line.

6. On April 7, 1947, subject and his wife, Jean, attended the third annual dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a Communist front.

7. Beginning about 1942 and continuing for several years thereafter subject maintained sympathetic association with various

officials of the Soviet Embassy, including Maj. Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Maj. Pavel N. Asseev, Col. Ilia M. Saraev, and Col. Anatoly Y. Golkovsky.

8. During 1946 and 1947 subject had frequent sympathetic association with Dr. Vaso Syrzentic, of the Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the International Communist Party.

9. During 1943 subject was in contact with Col. Alexander Hess, of the Czechoslovak Embassy, who has been identified as an agent of the Red army intelligence.

10. During 1946 and 1947 subject maintained close and sympathetic association with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman. Silvermaster and Ullman have been identified as members of a Soviet espionage apparatus active in Washington, D.C., during the 1940's.

11. Subject had a series of contacts with Laughlin Currie during the period 1945–48. Currie has also been identified as a member of the Silvermaster espionage group.

12. During the period between 1942 and 1947 subject maintained frequent and close association with many Communist Party members.

13. During substantially the same period subject maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy.

Greene gave various explanations. He said the Communists and pro-Communists with whom he associated were his former wife's friends, not his. He said he attended the dinner, joined the Book Shop Association, and had Communist publications in his home, because of his wife. He denied that he himself had ever been a Communist. He said his visits to persons in various foreign Embassies, including the Russian Embassy, were made in connection with attempts to sell his company's products to the foreign governments represented by these diplomats. He said he had invested money in the radio station because he liked classical music and considered it a good investment.

On the basis of all the information available to it, including Greene's own statements and including also information obtained from confidential sources and which was not disclosed to Greene, the Government persisted in the withdrawal of Greene's security clearance. As a result, Greene was first suspended and then discharged from his position.

It should be remembered that the Government did not ask that Greene be discharged. It did not require that he be discharged. It did not suggest that he be discharged. The Government only denied his clearance for access to classified information. The company for which he worked felt that without such clearance he could not be useful to them, and so they let him go.

Greene eventually found employment as a draftsman at $4,700 a year. He has contended that he tried without success to get employment in the aeronautics field but could not do so because of his lack of clearance.

The Supreme Court took the position that withdrawal of Greene's security clearance was a Government action depriving Greene of his job "in a proceeding in which he was not afforded the safeguards of confrontation and cross-examination" and held that this action by the Defense Department was without authorization.

Since the entire industrial security program has been carried out for many years on the same basis as the denial of Mr. Greene's clearance—that is, without confrontation and cross-examination—the effect of the Supreme Court's decision was to invalidate every denial and withdrawal of a security clearance under this program.

The Court specifically disavowed passing upon the question of whether a security program not involving confrontation and cross-examination of adverse witnesses was or would be constitutional. But the Court spent more than five pages of its opinion in discussion of this question, in such a manner as to raise the clear implication that it would rule adversely upon such a program.

In effect, the Court thus threatened both the President and the Congress with judicial reprisals if such a security program should be authorized.

The Court said the Government would have authority to operate a security program for employees of defense contractors which did provide confrontation and cross-examination. But this, Mr. President, ignores the realities of the situation. There are 3 million workers in private defense plants. There are thousands of security cases. If the Government had to disclose and uncover just one confidential informant in each security case, the Government would run out of informants long before it had dealt with even a substantial fraction of the security cases. Every knowledgeable person in the security field is aware that an effective security program cannot operate without confidential informants.

Confidential informants can be divided broadly into two classes. In one class are employees and agents of regular investigatory and security agencies of the Government. The whole security operation demands that the identities of informants in this class shall be preserved.

In the other class of confidential informants are those who may be designated casual informants—that is, persons who give information with respect to some particular case, but who have no other connection with a Government investigative or security agency. Now, what about informants in this class?

Every Senator knows that for many years it has been urged as a duty of every American to give information to the FBI respecting communism. Those who give such information have always felt safe in doing so, because they knew that their identities would not be disclosed, and they would not be subjected to reprisals. The well of information from such sources will soon dry up if the FBI is ever put in a position where such informants cannot be protected.

The Supreme Court treated the Greene case as though what was involved in withdrawal of Greene's security clearance was a criminal matter. It has applied standards of the kind which would be applicable to a criminal trial. But this was no criminal trial. What was involved here was an exercise of discretion for the protection of the internal security of this country; and where as in a criminal trial the issue is whether the evidence supports guilt beyond a reasonable doubt, in a security clearance case, the question is whether there is reasonable doubt; and if there is, it should be resolved in favor of the Government.

Mr. Justice Harlan filed a separate concurring opinion in the Greene case, in which he declared:

> There is nothing in the Court's opinion which suggests that petitioner [Greene] must be given access to classified material.

This statement is so unrealistic as to be almost laughable, if the results of the decision were not so deadly serious. Since the Supreme Court has held the denial of Greene's clearance to be invalid, it is clear that Greene must be presumed still entitled to access to classified material. And if we take the Court's opinion at face value, the only way Greene can be denied a clearance or have his clearance withdrawn is by a procedure which grants him the safeguards of confrontation and cross-examination. But there is no such procedure available, and such a procedure cannot be available without setting up a new security program. The same is true with regard to any other security case where a clearance has been withdrawn or denied. Presumably any person who has hitherto been denied access to defense secrets, as an employee of a defense contractor, can bring an action and have the withdrawal or denial of his clearance declared invalid, on the basis of the Greene decision, without regard to the nature of the evidence against him.

If the Government should set up a new security program which provides for confrontation and cross-examination, there can be no hope that it will be an effective program; for under such a program, every time there is an issue of whether to grant a security clearance, the Government will be on the horns of a dilemma: Either it will be necessary to reveal confidential information and the identities of confidential informants, or grant the clearance. Under such a program, as I have already pointed out, the Government would run out of confidential informants long before it ran out of contested security clearance cases; and this would be true even if the security standards were greatly relaxed.

As I have pointed out, Mr. President, the Supreme Court in the Greene case specifically avowed that it was not passing on the constitutional question of whether a security clearance can be withdrawn or refused without confrontation and cross-examination. But as Mr. Justice Clark said in his dissenting opinion:

> While the Court disclaims deciding this constitutional question, no one reading the opinion will doubt that the explicit language of its broad sweep speaks in prophecy. Let us hope that the winds may change. If they do not the present temporary debacle will turn into a rout of our internal security.

This is not the first time the Court has handed down an opinion which obviously has a much more far-reaching effect than the Court is willing to admit was intended. In fact, Mr. President, it has seemed that in a number of opinions in recent years, the Court has adopted a policy of striking broad blows in sweeping language, leaving the exact definition of the "damage area" to the lower courts.

This was the strategy of the Supreme Court in the Watkins case, in the Jencks case, in the Sweezy case, and in numerous other cases affecting the internal security of the United States and the question of the threat of the world Communist conspiracy.

What can a lower court do with a decision like that in the Greene case?

When he brought his suit in the district court, Greene asked for a declaration that the revocation of his security clearance was unlawful and void. He asked for an order restraining the Defense Department from acting pursuant to it. He asked that the Defense Department be ordered to tell his former employer that the revocation of his security clearance was void.

If the court now gives Greene what he has asked for, then we have a spectacle of a man whom the security agencies have deemed not entitled to security clearance, nevertheless given access to defense secrets. But what else can the lower court do in the face of the Supreme Court's order that the lower court take action "not inconsistent" with the Supreme Court's decision that the denial of Greene's security clearance was void?

Whether deliberately or not, it cannot be denied that the Supreme Court has used confusing language in its opinion in the Greene case. The precise language of the Court was that the Defense Department was "not empowered to deprive petitioner of his job in a proceeding in which he was not afforded the safeguards of confrontation and cross-examination." This appears to equate denial of security clearance with depriving Greene of his job. To put it another way, the Court appears to take the position that Greene could not have been denied security clearance without being deprived of his job, or at least, that the Defense Department was not authorized to withdraw security clearance where such withdraw would result in Greene's loss of employment. Does this mean the Court feels that security clearance can only be denied in the case of a man who is not employed in defense work, and that wherever a security clearance has been granted, it can never be withdrawn, no matter what evidence is thereafter made available? We do not know. This would be a most peculiar and indefensible position, but it would not be the first peculiar and indefensible position the Court has taken.

If an employee of a defense contractor is not to have access to defense secrets, he must either be discharged or assigned to some kind of work which does not involve access to defense secrets. In the nature of things, there is only a limited amount of such work. It seems inevitable that in some instances, a defense contractor might not be able to retain in employment a man who was denied security clearance. For that matter, it would be quite reasonable to expect that a defense contractor would not wish to retain in employment a man who had been denied security clearance or whose security clearance had been withdrawn. But does this make the Government responsible for depriving the man of his job?

As Mr. Justice Clark put it, in his dissenting opinion:

> Surely one does not have a constitutional right to have access to the Government's military secrets. But the Court says that because of the refusal to grant Greene further access, he has lost his position as vice president and general manager, a chief executive officer, of Erco, whose business was devoted wholly to defense contracts with the United States, and that his training in aeronautical engineering, together with the facts that Erco engages solely in Government work, and that the Government is the country's largest airplane customer has in some unaccountable fashion parlayed his employment with Erco into a constitutional right. What for anyone else would be considered a privilege at best has for Greene been enshrouded in constitutional protection. This sleight of hand is too much for me.

The fact remains, as I pointed out earlier, that at no time did the Government demand or even request that Greene be discharged. He was discharged because his employer had no job for him which did not involve access to security information.

The question then arises, can a Federal court order a Government contractor to rehire a discharged employee. In answering this question, does it make any difference whether the employee is put in a job where he has access to Government secrets, or whether he is put in a job where he has no such access?

I think the answer is that the court cannot make and enforce such an order. Before such an order could even be considered, the Government contractor would have to be made a party to the proceedings, and I do not see how that could properly be done.

What order can the district court issue, then, in response to the Supreme Court's remand? I am frank to say I do not know. If the court merely orders Greene's security clearance restored, that would be a vain action, because the Supreme Court already has said that the withdrawal of Greene's clearance was void. The Government cannot require the defense contractor to rehire Greene; so how can the court order the Government to demand this?

Mr. President, Greene's lawyer has said that he is going to sue for back pay—that is, for all of the amount that Greene would have earned, over and above his salary as a draftsman, if he had continued in his $18,000 job. But on what possible theory can such an action be maintained? Greene was not a Government employee, and was not dismissed from a Government job. The only theory upon which the Government could be held responsible is in tort, that is, on the theory that by its willful wrongdoing, the Government has injured Greene. But the Government cannot be sued in tort without its permission; and an action of the nature which Greene's lawyer indicates he proposes to bring is not authorized by any law presently on the statute books. It is not a claim cognizable under the Federal Tort Claims Act, but is, on the contrary, a type of claim specifically exempted from the provisions of that act. Are we to take the Supreme Court decision in the Greene case as making new law on the subject and as subjecting the Government to a tort action without any authorizing legislation? That would be judicial legislation with a vengeance.

If there is to be any such fixation of liability upon the Government to pay Greene for loss of salary, when is it to end? If Greene is not reemployed at $18,000 a year, would the Government have to go on paying, indefinitely, the difference between $18,000 a year and whatever salary Greene can actually earn? That would be a new kind of retirement, and would put a very high monetary value indeed upon a denial or withdrawal of security clearance.

Clearly Mr. Justice Clark fears that something of this nature may follow; for in his minority opinion in the Greene case he declared that the majority opinion in that case "subjects the Government to multitudinous actions, and perhaps large damages, by reason of discharges made pursuant to the present procedures."

Mr. President, a collateral feature of the decision in the Greene case, but by no means one of the least important features, is the "cloud"—as Mr. Justice Clark called it—which the decision throws over the employee loyalty program, as well as the industrial security program. Like the industrial security program, the employee loyalty program does not now include any provision for confrontation or cross-examination by informants. The Supreme Court pretty well upset the employee loyalty program by its decision in the Cole case. This further push, in the Greene decision, is going to have the practical effect of leaving the Government without a workable security program either in the field of industrial security—that is, defense contractors—or in the field of Federal employees' security, unless decisive action is taken by the Congress.

I feel strongly that such action should be taken; and I feel that in taking action, the Congress should face squarely the Supreme Court's challenge. I believe the Congress should be realistic and should authorize a security program which protects confidential information and the identities of confidential informants. Nothing less will adequately protect the internal security of this country. If the Supreme Court should then invalidate the action Congress has taken, at least the people will know where the fault lies.

Mr. President, I have already quoted to some extent from the dissenting opinion of Mr. Justice Clark in the Greene case. Let me quote one further passage from this dissenting opinion:

> In holding that the fifth amendment protects Greene the Court ignores the basic consideration in the case; namely, that no person, save the President, has a constitu-

tional right to access to governmental secrets. Even though such access is necessary for one to keep a job in private industry, he is still not entitled to the secrets. It matters not if as a consequence he is unable to secure a specific job or loses one he presently enjoys. The simple reason for this conclusion is that he has no constitutional right to the secrets. If access to its secrets is granted by the Government, it is entirely permissive and may be revoked at any time. That is all that the Cabinet officers did here. It is done every day in governmental operation. The Court seems to hold that the access granted Greene was for his benefit. It was not. Access was granted to secure for the Government the supplies or services it needed. The contract with Erco specifically provided for the action taken by the Cabinet officers. Greene as general manager of Erco knew of its provisions. If every person working on Government contracts has the rights Greene is given here the Government is indeed in a box.

Mr. President, before I leave this subject, I want to take note of a column written by Mr. C. P. Ives, of the Baltimore Sun, and published in that newspaper on July 6 of this year. In his usual cogent fashion, Mr. Ives has thrown into bold relief an aspect of the Supreme Court decision in the Greene case which starkly reveals the Court's inadequate approach to the whole problem of security. As Mr. Ives puts it, the Court seems to take the position that—

One would much rather that 20 Dr. Fuchs should escape detection as security risks than that 1 innocent person should lose a comfortable job and have to look for another one somewhere else.

I ask unanimous consent, Mr. President, that the article by Mr. C. P. Ives, from which I have quoted, may be printed in full at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. GREENE AND THE APOSTLE

(By C. P. Ives)

In deciding the Greene security-clearance case the Chief Justice and a majority of the Court went somewhat afield of the issues to find a likeness between Greene's predicament and that of the Apostle Paul before King Agrippa. But whereas Greene has been denied the right to cross-examine Government agents, the Chief Justice recalled with Festus, Paul's jailer, that "it [was] not the manner of the Romans to deliver any man to die, before that he which is accused have the accusers face to face, and have license to answer for himself concerning the crime laid against him * * *" (Acts 25: 16).

Yet as Justice Clark and Government Counsel suggested, the parallel was inexact. Greene stood to lose not his life but his job, he wasn't on trial for any crime, but was merely denied clearance as a bad security risk. Nothing in the Book of Acts suggests that a security risk could compel the Roman Government to employ him in a sensitive place unless it was willing to dismantle its intelligence services by producing its secret agents for his confrontation in open court.

The Chief Justice need not, as a matter of fact, have gone so far into history and a jurisprudence alien to his own to find the beginning of the rule he appears to have had in mind. It was stated very early in the English law by Sir John Fortescue, Chancellor (1394?–1480?), as follows:

"Who then in England can be put to death unjustly for any crime? since he is allowed so many pleas and privileges in favor of life? * * * Indeed, one would much rather that 20 guilty persons should escape the punishment of death, than that one innocent person should be condemned and suffer capitally. * * *"

Moreover, these "pleas and privileges in favor of life" characterized about all the criminal trials there were because "all crimes of any consequence were once felonies, punishable by death," as Prof. Roscoe Pound has written.

With the passage of centuries, however, there were "reform[s] that led to milder sentences and more humane punishments." These came "after the principles and even the detailed rules of [the older] criminal procedure had been well established. * * *"

But "* * * when the common law rights of the accused Englishman became the natural rights of the accused man and these rights were intrenched in State and Federal constitutions, these rules and the spirit in which they were conceived were projected into a time in which they were not merely inapplicable but downright harmful."

Or as the present Chief Justice's predecessor, William Howard Taft, once put it (before he was Chief Justice, to be sure): "We must cease to regard [the criminal safeguards] as fetishes to be worshiped without reason and simply because they are. We must follow them to their source, trace their development or elaboration or modification due to contemporaneous needs, and determine whether their existence today is due rather to a veneration of the great use they served in the past than to any present utility. * * *

"When a court of highest authority in this country * * * interposes a bare technicality between a defendant and his just conviction, it is not too much to charge [it with] some of the laxity of our administration of the criminal law. * * * The conviction of the criminal [becomes] a game which is played out under certain rules and the interests of society are lost sight of."

Now note that Professor Pound and Chief Justice Taft are discussing the criminal law—the law administered in courts for offenses punishable by fines, imprisonment or death. Many a sober American would hesitate to go all the way with their comment on the criminal safeguards, learned and compassionate as these distinguished lawyers are.

But what the present Chief Justice is suggesting is that rules like those which his predecessor called anticommunity even in the law of fines, imprisonment and death might be extended beyond the criminal law into the area of mere security procedures in spy-sensitive jobs. Formulas like those which Chief Justice Taft thought against the public interest even in cases of ordinary theft, mayhem or murder, the current Chief Justice talks of applying to those wholly noncriminal and merely administrative arrangements with which Americans are trying to fend off further espionage by the H-bomb power that stole the atom secrets from us in the forties.

What is suggested, in brief, is a modern paraphrase of Sir John Fortescue's famous maxim to read about as follows: "One would much rather that 20 Dr. Fuchs should escape detection as security risks than that one innocent person should lose a comfortable job and have to look for another one somewhere else."

There may be, as Justice Clark has suggested, one fetishist on the present court who would go for such a rule, perhaps two, or three or four. But the country is entitled to hope to the last and with very great intensity that there will never be a majority of five.

Mr. BUTLER. Mr. President, just a few words more, in conclusion. I have sponsored in several Congresses a bill designed to provide protection for defense facilities. I believe the Supreme Court's decision in the Greene case makes it of the highest importance that this bill—which in the present Congress is S. 776—should be speedily enacted. The proposed legislation which I have introduced meets the constitutional requirements for due process, as indicated in the brief of the Department of Justice. I ask unanimous consent that a copy of the brief be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUTLER. Mr. President, I am not a dog in the manger about this matter. Other Senators have introduced bills, since the Greene decision was handed down, designed to meet this problem. I stand ready to work and to vote for any legislation by which Congress may discharge its responsibility to take such action as will establish an effective industrial security program for the protection of the internal security of this country. This is not a partisan matter with me, and I hope it will not be made a partisan matter by any Member of this body. It is not enough that we should bewail the action of the Supreme Court in striking down the industrial security program. The responsibility is upon us to reestablish the program or to establish such a program as may be necessary. I hope the Internal Security Subcommittee of the Committee on the Judiciary will hold immediate hearings on the several proposals now pending before the Senate.

Mr. President, I yield back the remainder of my time.

EXHIBIT 1

DEFENSE FACILITIES PROTECTION ACT—DUE PROCESS

Due process has no single judicial definition, but is a concept which can be determined only on the facts or circumstances of a particular case.[1] Perhaps the heart of procedural due process is that the proceedings employed shall be fair, all things considered. In *Betts* v. *Brady* (1942), 316 U.S. 455, the Court said at page 462:

"Due process of law * * * formulates a concept less rigid and more fluid than those envisaged in other specific and particular provisions of the Bill of Rights. Its application is less a matter of rule. Asserted denial is to be tested by an appraisal of the totality of the facts in a given case. That which may, in one setting, constitute a denial of fundamental fairness, shocking to the universal sense of justice, may, in other circumstances, and in the light of other considerations, fall short of such denial."

Upon analysis, the idea of fairness has reference to the balance between individual interests and those of the state which appears just in our particular society. Where the national interest is very important, as in the exercise of a war power, the courts will go very far in permitting limitations on the usual procedural protections. In normal peacetime, excluding citizens from their

[1] *Betts* v. *Brady* (1942), 316 U.S. 455; *Nebbia* v. *New York* (1934), 291 U.S. 502; *Anderson* v. *Luckett* (1944), 321 U.S. 233; *Western Air Lines* v. *CAB* (C. A. 9, 1950, 184 F. 2d 545).

homes and livelihoods, as potentially disloyal, without notice, hearings or other procedural safeguards, would be held arbitrary and against due process. If such action is taken under the war power, however, in a national emergency, in order to guard the country against espionage and sabotage, the procedure is constitutional.[2] The importance of the individual interest involved and the nature of the procedures employed are also important variables in determining the amount of procedural protection. Yet the determination of fairness under the due process clause is not a mere arithmetic balancing of national security and individual rights. When a close question is involved between the Government and a citizen, the critical situation facing the Nation as a result of the Communist drive for world conquest must be taken into account, as the courts have done, particularly in areas where the national security is involved.[3] It is with these considerations in mind that the provisions of the Defense Facilities Protection Act must be considered.

The importance of the individual interest involved is a fundamental factor in determining the degree of procedural formality required by due process. If the interest is considered to have no constitutional protection at all, as in the case of an alien entering the United States, judicial review of the procedures concerned may be denied.[4] There is only a difference of degree between this situation and decisions which, in substance, deny judicial review by declaring that the protection given an individual is so trivial that the provisions of due process are not applicable.[5] The more usual situation occurs where the individual interest is given some constitutional protection, but the national interest is held more vital, and so the cases hold that the requirements of procedural due process have been met.[6] Thus, the amount of procedural requirement is determined, in effect, by the judicial balance between the individual interest and the national need. In considering the individual interest at stake in the Defense Facilities Protection Act it should be noted initially that the act is not a screening statute which would only permit employment in defense facilities to persons who have been subjected to examination and investigation and have obtained permits to work. The act is aimed only at the exclusion of "a limited number of individuals as to whom there is reasonable ground to believe they may engage in sabotage of the industrial economy and productive capabilities of the United States, espionage, or other subversive acts." [7] Consequently, the effect of the act on the individual right to employment is narrowly circumscribed.

The Government has the power to subject to reasonable regulation the right to engage in occupations affecting the public interest.[8] Even in the case of such private employment as that of a labor union leader, reasonable regulation has been upheld in the interest of internal security, *American Communications Association* v. *Douds* (1950), 339 U.S. 382. If internal security requirements under the commerce clause make regulation of a labor union constitutional, certainly minimal controls of employment in defense facilities under the war power against espionage and sabotage, are valid.

Numerous State court decisions hold that various kinds of employment are "licenses" rather than "properly rights protected by due process," and have allowed these "licenses" to be suspended or revoked without notice or hearing. This idea has been held applicable to cases involving revocation of "licenses" for liquor dealers,[9] for milk dealers,[10] for auto drivers,[11] and for lobster fishers [12] among others. If the occupation affords an opportunity to jeopardize or injure health, safety, or the morals or convenience of many people, then the courts treat the license as a mere "privilege" and subject to summary revocation in the public interest. There can be no doubt that employment in defense facilities is of vital concern to the national welfare, and provides exceptional opportunities for sabotage and espionage. Consequently the right of such employment is constitutionally subject to governmental regulation.

In other areas where individual interests subject to only limited constitutional protection were concerned, the Supreme Court has approved procedures more summary than the careful safeguards provided in the Defense Facilities Protection Act. In *U.S. ex rel. Knauff* v. *Shaughnessy* (1950), 338 U.S. 537, the Supreme Court held that a nonresident alien, although married to an American citizen, was not entitled to any procedural protections, and allowed an exclusion order to issue without any form of notice or hearing whatsoever. The Court holding in *Ludecke* v. *Watkins* (1948), 335 U.S. 160, was that the Nation was technically at war in 1948 and therefore a resident alien, as an "enemy alien," could be deported without any judicial review of the allegations in his petition for habeas corpus that he had not be afforded notice and a fair hearing to determine whether he was dangerous. In *Carlson* v. *Landon* (1952), 342 U.S. 524, the Supreme Court held that there was no abuse of discretion by the Attorney General in denying bail to a resident alien, pending deportation proceedings, where the Attorney General made an ex parte showing that confidential information was available to him indicating prior membership in the Communist Party. In this case an alien who, according to the Supreme Court, is entitled to the protection of our laws was subject to more drastic treatment (detention) on the basis of more summary procedures (no notice or hearing) and with reference to a more important constitutional right (bail) than in the instance of the limited number of individuals who would be subject to the Defense Facilities Protection Act. The Court stated in the Carlson case at page 542:

"There is no denial of the due process of the fifth amendment under circumstances where there is a reasonable apprehension of hurt from aliens charged with a philosophy of violence against this Government."

In *Bailey* v. *Richardson* (App. D.C. 1950), 182 F. 2d 46, affirmed without opinion by an equally divided Court (1951), 341 U.S. 918, where the constitutionality of the procedures employed in the Government employees' loyalty program was upheld the Circuit Court said at pages 58, 59:

"So the claim in her behalf necessarily goes farther than an abstract claim for due process of law. The claim must be that the due process clause requires, in dismissals of subordinate Government employees, specificity in charges equivalent to that of valid criminal charges, confrontation by witnesses, cross-examination of them, and hearing upon evidence openly submitted. Even if the due process clause applies, we would think it does not require so much."

The broad screening provisions established under the Magnuson Act (50 U.S.C. 191) relating to vessels, piers, and waterfront facilities were upheld as not violative of due process in *United States* v. *Gray*, 207 F. 2d 237 (C.A. 9). While the Defense Facilities Protection Act would extend the protection afforded by the Magnuson Act to facilities beyond the limitations of the Magnuson Act, the proposed legislation, as pointed out above, contains no screening provisions and hence would have even less of an impact on individual rights subject to limited protection under the due process clause. Consequently, the Gray case as well as the other cases cited, demonstrate that regulations which have been more summary and drastic than those of the Defense Facilities Protection Act have been approved as not violating limited individual rights under due process.

The procedures under the Defense Facilities Protection Act provide the maximum procedural protection possible consistent with national security, and restrict individual liberties only to a very limited degree. The provisions of the act include many of the requirements of judicial due process for an ordinary criminal trial. In a trial the individual must be given a detailed statement of the charges against him, be given an opportunity to meet those charges, be given a fair hearing at which he is confronted by the evidence and witnesses against him, with the aid of counsel and the opportunity of cross-examination. *Powell* v. *Alabama* (1932), 287 U.S. 45, 68–70; *In re Oliver* (1948), 333 U.S. 257, 273, citing authorities. The procedure to be used under the act is set out in section 3 of the bill. Subsection (b) of that section provides that, except for the summary procedures authorized in subsection (c), no measure, rule or regulation shall operate to bar an individual from access to a defense facility unless he shall have been first notified of the charges against him and given an opportunity to defend himself. He is to be given an expeditious hearing if he requests it and any charges made must be specific.

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[2] E.g., compare *Sterling* v. *Constantin* (1932), 287 U.S. 378 and *Korematsu* v. *U.S.* (1944), 323 U.S. 214.

[3] For example, compare: *Estep* v. *U.S.* (1946), 327 U.S. 114; *Saia* v. *New York* (1948), 334 U.S. 558; *W. Va. Bd. of Education* v. *Barnette* (1943), 319 U.S. 624; *Bridges* v. *Wixon* (1945), 326 U.S. 135; *Stromberg* v. *California* (1931), 283 U.S. 359; *Schneider* v. *State* (1939), 308 U.S. 147; *Schneiderman* v. *U.S.* (1943), 320 U.S. 118; *Cantwell* v. *Connecticut* (1940), 310 U.S. 296; *Thornhill* v. *Alabama* (1940), 310 U.S. 88; *Lovell* v. *Griffin* (1938), 303 U.S. 444; *Thomas* v. *Collins* (1945), 323 U.S. 516; *DeJonge* v. *Oregon* (1937), 299 U.S. 353; *Herndon* v. *Lowry* (1937), 301 U.S. 242, with:

Dennis v. *United States* (1951, 341 U.S. 494; *Carlson* v. *Landon* (1952), 342 U.S. 524; *American Communications Association* v. *Douds* (1950), 339 U.S. 382; *Bailey* v. *Richardson* (App. D.C. 1950), 182 F. 2d 46, aff'd (1951), 341 U.S. 918; *Gerende* v. *Board of Supervisors* (1951) (per curiam), 341 U.S. 56; *Ludecke* v. *Watkins* (1948), 335 U.S. 160; *Feiner* v. *New York* (1951), 340 U.S. 315; *Harisiades* v. *Shaughnessy* (1952), 342 U.S. 580; *Adler* v. *Board of Education* (1952), 342 U.S. 485; *Garner* v. *Board of Public Works* (1951), 341 U.S. 716; *Beauharnais* v. *People* (1952), 343 U.S. 250.

[4] E.g., *U.S. ex rel Knauff* v. *Shaughnessy* (1950), 338 U.S. 537.

[5] E.g., the "right" to Government employment, *Bailey* v. *Richardson* (App. D.C., 1950, 182 F. 2d 46, aff'd (1951), 341 U.S. 918, without opinion, by an equally divided Court.

[6] E.g., *Fahey* v. *Mallonee* (1947), 332 U.S. 245; *St. Joseph's Stockyards* v. *U.S.* (1936), 298 U.S. 38.

[7] S. 681, 84th Cong., 1st sess., p. 2, line 6.

[8] *In re Summers* (1946), 325 U.S. 561 (practice of law); *Hawker* v. *New York* (1898), 170 U.S. 189 (practice of medicine); *Kotch* v. *Pilot Commissioners* (1947), 330 U.S. 552 (river pilot).

[9] *State Board* v. *Superior Court* (1935), 5 Cal. App. 2d 374, 42 P. 2d 1076; *Darling Apt.* v. *Springer* (1941), 22 A. 2d 397.

[10] *People ex rel Lodes* v. *Dept. of Health* (1907), 189 N.Y. 187, 82 N.E. 187.

[11] *Commonwealth* v. *Cronin* (1939), 336 Pa. 469, 473, 9 A. 2d 408, 410; *LaPlante* v. *State Board* (1926), 47 R.I. 258, 261, 131 A. 641, 643; *Law* v. *Commonwealth* (1938), 171 Va. 449, 454, 199 S.E. 516.

[12] *State* v. *Cote* (1923), 122 Me. 450, 120 A. 538.

There is no denial of due process involved in the fact that the summary procedures outlined in subsection (c) permit an initial administrative determination prior to notice and hearing. The principle that due process requirements are met by giving an administrative hearing after administrative action is taken is firmly established. *Fahey* v. *Mallonee*, 332 U.S. 245, 253; *Inland Empire District Council* v. *Millis*, 325 U.S. 697, 710; *Yakus* v. *United States*, 321 U.S. 414, 436, 442–443; *Ewing* v. *Mytinger & Casselberry*, 339 U.S. 594, 598. As the court stated in *Bowles* v. *Willingham*, 321 U.S. 503, 521; "National security might not be able to afford the luxuries of litigation and the long delays which preliminary hearings traditionally have entailed."

Due process requirements are not violated by the provision of subsection 3(b) that no investigatory organization shall be required to disclose information which in its judgment would endanger its investigatory activity. In the *Gray* case, 207 F. 2d 237 (C.A. 9), the circuit court approved a ruling by the lower court that the bill of particulars in a Magnuson Act case need not set forth the source of the derogatory data:

"More particularly are we in accord with his [Judge Murphy's] conclusion that due process in the context of the screening program is properly definable in terms of the maximum procedural safeguards which can be afforded the individual without jeopardizing the national security.

"Permitting access to the material in the dossier of the commandant concerning the individual denied clearance, or revelation of the names of the informants would very likely tend to dry up the sources of information (207 F. 2d at 241)."

Under such circumstances due process does not require the disclosure of such information. *United States* v. *Nugent*, 346 U.S. 1. See also *Elder* v. *United States*, 202 F. 2d 465, 468 (C.A. 9); *Bailey* v. *Richardson*, 182 F. 2d, 46, 52, 57–8 (C.A.D.C.), affirmed by an equally divided court, 341 U.S. 918; *Kutcher* v. *Gray*, 199 F. 2d 783, 789 (C.A.D.C.) *Chicago & Southern Air Lines* v. *Waterman Corp.*, 333 U.S. 103, 111; *Norwegian Nitrogen Products Co.* v. *United States*, 288 U.S. 294.

Similarly, no violation of due process is involved in the closely related point that, under the provisions of subsection 3(b), no informant utilized by a Federal investigatory agency shall be disclosed. Considerations of national security make it impossible in practice to confront individuals such as those subject to the Defense Facilities Protection Act with the witnesses against them where they are confidential informants. The comment of the Supreme Court in *Chicago & Southern Air Lines* v. *Waterman Corp.* (1948), 333 U.S. 103, 111, is pertinent here:

"The President * * * has available intelligence services whose reports are not and ought not to be published to the world. It would be intolerable that courts without the relevant information should review and perhaps nullify actions of the Executive taken on information properly held secret. Nor can courts sit in camera in order to be taken into Executive confidences."

It is only the sixth amendment which in terms grants the right to confrontation of witnesses and that is applicable only to a criminal trial, not to administrative hearings. *Bailey* v. *Richardson, supra;* Justice Douglas concurring in *Joint Anti-Fascist* v. *McGrath* (1951), 341 U.S. 123, 174, 180; *Kutcher* v. *Gray*, 199 F. 2d 783, 789 (C.A. D.C.).

It is therefore the position of the Department of Justice that the judicial precedents establish that the Defense Facilities Protection Act, as incorporated in S. 681, S. 776, 86th Congress, 1st session, meets the constitutional requirements for due process.

During the delivery of Mr. BUTLER'S speech:

The PRESIDING OFFICER. The time of the Senator from Maryland has expired. Will the Senator from Florida yield additional time to the Senator from Maryland?

Mr. SMATHERS. Mr. President, I suggest that the able acting minority leader now yield time to the Senator from Maryland. I have just yielded him 20 minutes from the time of the proponents. Since the Senator from Maryland intends to use another 20 minutes later in opposition to the bill which is before the Senate, I think both sides should yield to him.

Mr. KUCHEL. Mr. President, I yield 10 additional minutes to the able senior Senator from Maryland.

But first, if there is no objection, I ask unanimous consent that I may yield a minute and a half to the chairman of the Committee on Foreign Relations, the distinguished Senator from Arkansas [Mr. FULBRIGHT].

Mr. BUTLER. Mr. President, may I ask that all the colloquy concerning the lapse of time and also the remarks of the Senator from Arkansas appear at the conclusion of my remarks?

The PRESIDING OFFICER. Without objection, it is so ordered.

THE LATE EUGENE MEYER

Mr. FULBRIGHT. Mr. President, one week ago today many of us attended the last rites of a great businessman, a distinguished publisher, and a good citizen, Eugene Meyer.

Most of us knew Mr. Meyer as chairman of the board of the Washington Post. We felt the impact of his personality through the pages of that outstanding newspaper.

It was my good fortune to know Gene Meyer and his loyal partner and wife, Agnes, as personal friends. I have shared with Gene Meyer his deep interest in education—an interest which was constant and active and which found expression in the support, moral and financial, which he has given to promoting education here and abroad. He recognized, as few in this Nation do, that for a self-governing democratic system to succeed, the electorate must be discriminating.

Gene Meyer was a democrat. He believed in the good judgment of the people. But he strove constantly to see that the people had the education and the facts upon which to base their judgment.

I can add little to the many tributes which have honored the memory of Gene Meyer. His success in life can be measured by the fact that the city of Washington, the United States, and even the world are better places in which to live because Gene Meyer was here.

Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas.

MUTUAL SECURITY APPROPRIATIONS

Mr. FULBRIGHT. Mr. President, during the debate several weeks ago in the Senate on the Mutual Security Act of 1959, the Senate rejected an amendment to put the Development Loan Fund on a long-term basis and to provide for financing such Fund by borrowing from the Treasury. It was alleged that this was "back-door financing." During the discussion of the Mutual Security Act and the Development Loan Fund in particular, I made the point that unless Congress utilizes this technique, we are in effect delegating our legislative responsibility to the Committee on Appropriations.

On July 24, Mr. President, the Committee on Appropriations reported a bill, H.R. 8385, making appropriations for the fiscal year 1960. For the enlightenment of the Senate, I should like to read this section from the report of the Committee on Appropriations of the House of Representatives. It reads as follows:

Sections 108–112, inclusive, prohibit the use of funds to initiate or expand certain programs; namely, the special education and training program, the foreign small business program, international cooperation in health, the cultural and technical interchange center, and the World Refugee Year.

In other words, despite the fact that both Houses of Congress had decided that funds should be made available for assistance to American-sponsored schools abroad, that funds should be made available to assist foreign small business concerns in utilizing surplus machine tools from the United States, that the Secretary of State should study the desirability of establishing in Hawaii a center for cultural and technical interchange between East and West, that funds should be available to provide for the logical and orderly financing of international health activities, and finally, that funds should be made available for United States participation in the World Refugee Year, the House Committee on Appropriations has decided that these are not desirable activities.

I hope, Mr. President, that the friends in the Senate of education, health, refugees, and the creation of an East-West center in Hawaii will be fully aware of the significance of the action which has been taken by the House Committee on Appropriations.

THE TREND TOWARD THE CONSTRUCTION OF FEDERAL BUILDINGS OF A CHEAP TYPE

Mr. AIKEN. Mr. President, I yield myself 6 minutes, or as much thereof as I may require.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 6 minutes.

Mr. AIKEN. Mr. President, at present there is underway in our Nation a trend which is cheapening something which should be fine in our national life. This trend is in the field of public buildings construction by the Federal Government.

There is a growing tendency toward a new synthetic, cracker box type of building. The initial cost of structures of this kind may be cheaper, but the buildings look cheap, too.

It would be erroneous to say that these new public buildings cost less in the long run. True economy results when we get full value for every dollar expended. I regret that we are not observing this standard in the construction of new Federal buildings.

Until recently, we might have blamed this trend on the lease-purchase program. Today, we must assume full responsibility, as Members of the Congress, because the General Services Administration is now erecting all of its buildings with funds obtained by direct appropriation.

For more than a century it was official Government policy to construct buildings possessing both permanency and beauty—buildings which at the same time were practical and were a source of pride to the citizens.

During the depression years, especially, the Federal Government built many beautiful public buildings in towns and cities across the country, in order to give work to the unemployed and to fill an urgent need for additional Federal office space. Made largely of marble, granite, pressed brick, or limestone, these structures were designed to fit into the communities in which they were located. In some towns and cities, colonial architecture was employed. In others, the more classical styles were used. Most important, they were built to endure.

As we all know, there is more to these buildings than the materials of which they are made. By their beauty and their appearance of permanence, they are lasting symbols of the strength and enduring stability that is so typical of the American people and their form of government.

When foreign visitors return to their homelands they tell their friends of these beautiful public structures, of our graceful civic monuments, and our extensive public parks. I wonder what they will say, a few years from now, when they go home to report on the Federal box style buildings, after these structures have had a chance to show wear and tear?

Our Capital City of Washington has gained worldwide recognition for the architectural beauties of its public buildings. The Supreme Court, which is built of Imperial Danby, Vermont marble, is an example of classical architecture at its best.

The new Senate Office Building, with its magnificient exterior of Vermont marble, is an example of a sound and sensible compromise between the old and the new in architectural design.

I also understand that the new History and Technology Building of the Smithsonian Institution, on Constitution Avenue, will be constructed of marble.

The use of granite in our public buildings is another practice which interests me, because, as in the case of marble, I know from the experience of our granite producers in Vermont that the long-range benefits accruing from the erection of granite structures far outweigh any initial savings made from the use of cheaper materials.

The General Services Administration tells me that the money limitations set by the Congress are forcing it to build the cheaper type of public buildings in large and small communities across the country.

Even in Vermont, the source of the finest marble and granite in the world, these false-economy standards limit the use of marble and granite to the first-floor post office areas which are open to the public.

This downgrading of quality is a complete reversal of the policy under which our public buildings have been built for more than a century.

If this practice actually saved taxpayers' dollars, I would not raise an objection. But it can be effectively shown that the lower maintenance costs for granite and marble structures soon offset any savings in the initial cost of the synthetic material used in public buildings.

I doubt that the taxpayers want so-called economy of this kind, which is not economy at all.

Sound construction practices, heightened by beautiful exteriors which are a source of pride to the community where the building is located, are a sound investment—not an extravagance.

Some people may think that the box-type building of synthetic material is here to stay. I doubt it. I have greater faith in the natural good taste of American architects and builders.

I agree with the architects who say that in another 20 years we shall be sick and tired of the unsightly buildings we have erected; we shall be tired of raising additional funds for excessive maintenance costs and replacement charges, and there will be a return to better construction methods and architecture enhanced by beauty of line and restrained ornamentation along classic lines.

The Congress should not wait for public revulsion to prove this point. We should insist that all Federal buildings be built with the classic good taste which has marked our public-building programs of the past.

THE DAMAGING EFFECTS OF INFLATION

Mr. BRIDGES. Mr. President, the dangers of inflation are being looked upon with increased concern by the people of this country. More than ever today, we are mindful of the fact that inflation, like the specter of an octopus, has damaging effects which can reach and envelop every single person in every single walk of life.

The damaging effects of inflation are manifold. Not only is there simply a rise in prices, and in less goods for more money; inflation has other damaging effects which can seriously jeopardize our Nation's economy, and, as a consequence, each person's own individual way of life. Price changes from one period to another can seriously hamper business decisions, thus cutting into the efficiency of industry. Speculation can become rampant, thus diverting capital from the production of goods and services. At its extreme, inflation can produce economic immobility and collapse.

I have been much impressed by an article written by Raymond Moley entitled "Inflation, a Moral Issue," appearing in Newsweek, July 27, 1959. As Mr. Moley has so well pointed out, inflation withers an individual's savings and the value of his income, and makes ordinary business ventures speculative gambles. It spawns demagogs, false promises, deceptions, hidden taxes, and worthless benefits. In the end there is ecoonmic disaster, a consummation confidently predicted and eagerly awaited by communism.

Mr. President, I ask unanimous consent that Mr. Moley's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsweek, July 27, 1959]

INFLATION, A MORAL ISSUE

(By Raymond Moley)

The President has declared that inflation is to be a major Republican issue in the 1960 campaign. The Vice President's Committee on Price Stability for Economic Growth in an interim report has stated the broad economic specifications. It makes clear that inflation, in all its consequences and implications, involves the entire life of the Nation. The virus will not only infect and kill the healthy prosperity now developing, but frustrate future growth. With inflation in prospect, the individual may not save and invest with assurance, nor can business plan with safety.

The report stands squarely on the Constitution. There must be firm Federal control of money and credit—a need which, in fact, gave rise to the movement for the Constitution itself in the 1780's. But the makers of the Constituion would have abhorred any idea of Government control of prices in the marketplace. These precepts have served us well. They have delivered the goods.

THE SEEMING TRUTH

The liberals in Congress and elsewhere would repudiate this philosophy which dominates the Constitution. They have been captured by a new economic jargon which holds that greater Government outlays for public works and private benefits, and more taxes to channel off savings and private investment, with indifference to the growth of debt, will produce more national product and thus provide more income to tax. It holds also that it is safe to cut ever more sharply the hours of those who work and produce. If, as they admit, higher prices are the result, then crack down with rigid Government controls—first, of prices; later, inevitably, of wages.

If doubt exists about this prescription for bureaucratic tyranny, read the writings of those economic seers who advise Paul Butler's Democratic National Committee. A major, perhaps a controlling, faction of that party has been entrapped by this seeming truth that cunning times put on.

But when, as the President promises, these fallacies are attacked in a political campaign, millions of voters will be either confused by or indifferent to purely economic arguments, in which the glib gush of partisan economists can drench the simple rules of common sense. A political campaign must vividly portray the moral as well as the economic consequencies and implications of inflation. These are universally understandable and challenging:

Inflation thwarts the individual's means of self-help and personal security by withering his savings and the value of his income.

It transforms the normal transactions of business into speculative gambles, especially for small businesses which lack the means of hiring high-priced economic advice; future commitments, plans, outlays, and contracts must be guided by mere guessing as to how politics may affect values.

THE DEATH OF CREDIT

It spawns demagogs who make the processes of politics and government a compound of false promises, deceptions, hidden taxes, and worthless benefits.

High taxes make swindling the Government a national habit; the rich learn how to avoid, the poor are driven to evade.

Inflationary spending rots the fabric of constitutional government when Congress, as is its growing habit, bypasses public appropriations by authorizations to tap the Treasury. As Appropriations Chairman CANNON puts it, "While we are shoveling money out the front door, the spenders are carrying it out the back door of the Treasury * * * without let or hindrance."

When inevitably prices get out of hand, slick economists promise controls, which in peacetime means a reeking mass of black marketeers, cheats, and hoarders, thus further polluting the moral atmosphere.

The Nation's credit is the final, ultimate sacrifice. This means economic disaster, a consummation confidently predicted and eagerly awaited by communism. If we thus fail, the world can have no peace.

These are understandable moral consequences of economic policies piously expounded by liberals in Congress, speculators everywhere, and by powerful pressure groups that infest Washington. Here are the specifications for a real campaign.

MR. KHRUSHCHEV'S CAPTIVES

Mr. BRIDGES. Mr. President, the Soviet Premier, Mr. Khrushchev, does not like the American proclamation of Captive Nations Week. Hiding his anger at being confronted with unpleasant facts, he has turned to the slick propaganda trick of throwing his arms around Soviet workmen and in a brotherly fashion telling Mr. NIXON, "Here are our slaves."

As a guest of the Soviet Union, Mr. NIXON cannot retort with the ugly facts of Communist subjugation. But Mr. Khrushchev cannot be blind to realities.

A short but pointed editorial in today's New York Times places the facts squarely in perspective. I offer it for all to read, and ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. KHRUSHCHEV'S CAPTIVES

Premier Khrushchev has gone to great pains to make clear his displeasure at our country's observance of Captive Nations Week. His annoyance is understandable. It has long been a prime goal of his foreign policy, as it was of Stalin's, to force the West to accept the legitimacy and permanence of the Communist territorial conquests which have so radically changed the world in the last two decades. Our continued observance of Captive Nations Week testifies to the failure of this effort.

Let us recall some of the facts which Mr. Khrushchev tries to suggest he has forgotten:

Estonia, Latvia, and Lithuania were independent nations two decades ago until the Red army occupied them and carried out farcical elections which resulted in their incorporation into the Soviet Union. The East German revolt of June 1953, and the Hungarian revolution of October-November 1956, are recent enough so that Mr. Khrushchev should remember that it required Soviet tanks and bayonets in the streets of East Berlin and Budapest to keep those peoples captive. And the Premier knows even better than we how close he and his colleagues came to ordering their armed forces to attack Poland in October 1956, when the Soviet hierarchs rushed to Warsaw, fearful that Poland was slipping out of their grasp. Throughout Eastern Europe Communist totalitarianism was imposed upon cowed peoples either directly by the Soviet armed forces, as in Rumania, or by a minority which took power—as in Czechoslovakia in February 1948—over a majority cowed by the fear of invasion by Soviet troops standing at the border.

Since he really knows all this, Premier Khrushchev has sought to twist the issue by the clumsy trick with which he has baited Vice President NIXON, the trick of pointing to Soviet citizens and asking if they are slaves. Since Mr. NIXON is prevented by realization of his responsibilities as a guest and as an official visitor from responding adequately to this maneuver, Premier Khrushchev has been able to score a cheap propaganda point.

Even the Communists themselves have sometimes admitted that the Soviet people are not free. Here, for example, is the way Pravda put the matter as recently as July 6, 1956: "As concerns our country, the Communist Party was, is and will be the only sovereign of the thoughts, spokesman of the ideas and aspirations, director and organizer of the people during the entire duration of its struggle for communism."

Are people free when they must endure, in Pravda's expressive word, a "sovereign" over their thoughts? If the Soviet people were free they would be able to think as they wish, to read what they like, to tune in to any radio broadcast they wished to hear, to choose their own rulers, and to travel abroad, without permission, as they please. They have none of these rights of free men. If Premier Khrushchev is so desirious of convincing us that his people are free, why does he not take the obvious steps? Why does he not lift the Iron Curtain? Why does he not permit the free movement of people and ideas into and out of his country? Why does he not stop jamming our broadcasts? Why does he not submit himself to the ordeal of a free election in which there is an organized opposition with freedom to urge alternative policies? Why does he not permit the American exhibition in Moscow to enjoy the same freedom in displaying our books as the Soviet exhibition has in displaying Soviet books in New York? Why does he not permit Pasternak's "Doctor-Zhivago" to be freely available to the Soviet people?

There are many kinds of slavery. But of all these kinds, enslavement of the minds of a great people is the most terrible. And that is the slavery of the Soviet people.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title.

Mr. SMATHERS. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. (Mr. SCOTT in the chair). The Senator from Florida is recognized for 7 minutes.

Mr. SMATHERS. Mr. President, the pending proposal is Senate bill 107. What it seeks to do is to amend title XI of the Merchant Marine Act of 1936, relating to Federal ship mortgage insurance in order to include floating drydocks under the definition of the term "vessel." It would make floating drydocks eligible for Federal ship mortgage insurance provided the Secretary of Commerce made a determination the project was economically sound.

With the enactment of the Federal ship mortgage provisions of this act, Congress made it possible for the Secretary of Commerce to have the authority to guarantee loans made to shipbuilders up to 87½ percent of the cost of a ship. The provisions of the act apply to the construction of passenger, cargo, and combination passenger-cargo carrying vessels, tankers, tugs, towboats, barges, and dredges, documented under the laws of the United States, as well as for fishing vessels owned by citizens of the United States.

The enactment of this legislation was necessary not only because this country was just coming out of a depression, but because our merchant marine had begun to disappear as an effective factor in competition with the merchant marines of other countries.

The able Senator from Maryland [Mr. BUTLER] and the able senior Senator from Washington [Mr. MAGNUSON] have long been interested in the merchant marine, and we have heard them, from time to time, talk on the floor of the Senate about the importance of keeping up the American merchant marine as an essential part of our transportation system, and as an essential part of our mobilization capability should this country ever be called upon again to mobilize. It certainly would be an important part of our defense effort should this country ever become involved in another world war, which I hope will not happen.

The very purpose of title XI was to facilitate private financing for those companies which did not have sufficient capital of their own to finance the desired construction.

Floating drydocks by interpretation of Maritime Commission are not included among those vessels eligible for Federal ship mortgage insurance. This was an oversight. It was principally due to the fact that at the time of the enactment of title XI, there was no apparent need for the construction of floating drydocks since there appeared to be an adequate number in existence which could meet the then requirements for repair and maintenance of not only our merchant marine fleet, but our naval vessels as well. This situation is not true today, and unless some action is taken by this Congress to include floating drydocks within the provisions of the Merchant Marine Act, the only alternative left is for these vessels to be built, repaired, and maintained by foreign facilities. This, of course, would be adverse to our own American economy.

The pending measure would amend title XI in order to include floating drydocks under the definition of the term "vessel" in such title. The bill is only designed to facilitate their construction through private financing. It has no other purpose.

It is well recognized that the trend today is toward building larger tankers and bulk carriers in our merchant fleet. The increased deadweight tonnage capacity of these vessels—ranging from 45,000 tons or more—makes it impossible for maintenance and repair requirements to be handled by presently available facilities.

Before the committee holding hearings on this measure, the Maritime Administrator stated that in the next few years the trend in building large tankers and bulk carriers—with a large number of tankers of dead weight tonnage capacity of 45,000 tons or more already under construction, or in operation—will greatly increase the proportion of ships which cannot be handled by the presently available floating drydocks.

There have been no large floating drydocks built since World War II. There are none on the west coast and there is only one on the east coast which could possibly serve the larger vessels that are coming into existence.

True—there are fixed facilities such as graving docks in the larger shipyards which are of sufficient capacity—but these are committed to new construction for many years to come to carry out the ship operators' replacement program. These facts clearly demonstrate the immediate need for the construction of floating drydocks to meet the demands of our merchant marine.

There is also a defense factor involved which should not be overlooked. In the report furnished by the Department of the Navy on the pending bill, it is stated:

> As there may be a possible mobilization deficiency of floating drydocks in a future emergency, this Department would favor legislation which would encourage the building of additional floating drydocks.

The deficiency of floating drydocks can be resolved in only one of two ways: First, either let all the repair work on these larger American vessels be performed in a foreign yard, or, second, provide some means whereby private capital will invest in these drydocks for American use. The dictates of military strategy and of economic sufficiency compel the second choice.

As demonstrated by telegrams received from members of the ship-repair industry by the Senate and House committees, the financing of this type of shipyard facility presents an immediate problem.

Floating drydocks with their single-purpose characteristic, together with their economic earning power related directly to the fluctuations in the shipping industry, are not normally attractive to banks and other financial institutions.

In a statement made before the House committee on a measure identical to the pending bill, it was pointed out by the American Merchant Marine Institute, that—

> We understand great efforts are being made by ship repairers to finance privately the construction of facilities under discussion here today. However, because the vagaries of the demand for these facilities coincides with those with which the committee is so familiar in connection with merchant vessels themselves, private financing, particularly for smaller firms, is made virtually impossible without Government mortgage guarantees. We understand this obstacle will be overcome by passage of the subject bill. We therefore hope the committee will report it favorably and help speed the addition of these vital installations to the total maritime balance and strength of our American merchant marine.

The 1936 act is specifically designed to encourage the development of our merchant marine and related facilities for the purposes of defense and the advancement of our domestic economy.

It is clear that additional incentives to attract private capital are required for the construction of floating drydocks, just as it was found necessary to the private financing of the construction of other types of vessels presently included under title XI.

Mr. President, we need floating drydocks today in order to repair the large ships now being constructed. That is the essentiality of this particular bill.

At the end of the Korean war the United States was handling about 60 percent of its foreign trade in U.S. ships; today the proportion has dropped to less than 12 percent. We are trying to recoup the loss of that carrying business. We are trying to recoup the loss of transportation business by building larger ships, particularly oil tankers and bulk cargo ships. They are being constructed in large numbers.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the trend in vessel construction.

It reflects that in 1943 the largest oil carrier built had an overall length of 547 feet and a total of 17,910 deadweight tons.

In 1948, the overall length was 628 feet, with 26,555 deadweight tons.

In 1950, the overall length was 659 feet, with 30,000 deadweight tons.

In 1953, the overall length was 775 feet, with 45,000 deadweight tons.

In 1954, the overall length was 707 feet, with 38,000 deadweight tons.

In 1955, the length was 736 feet, with 45,110 deadweight tons.

In 1955, the overall length was 790 feet, with 55,500 deadweight tons.

In 1957, the overall length was 782 feet, with a deadweight tonnage of 53,085.

There is now under construction a ship for the carriage of oil with a length of 740 feet with 46,000 deadweight tons.

There is another one being built in an American shipyard with an overall length of 940 feet with 106,000 deadweight tons.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*Trends in vessel construction*

TYPICAL OIL CARRIERS

Date	Vessel	Overall length	Breadth	Mean summer salt water draft	Speed, knots	Deadweight tonnage
		Ft. In.	Ft. In.	Ft. In.		
1906	*W. S. Porter*	399 2	49 9	24 0	9½	6,500
1908	*Texas*	413 3	52 0	24 0	12	9,232
1914	*John D. Archbold*	474 6	60 0	26 1	10¼	9,546
1916	*Charles Pratt*	516 6	68 0	27 3	10½	15,955
1918	USSB tankers	445 0	59 7	25 6	10	10,000
1941	T2 tankers (T2-SE-A1)	523 6	68 0	30 2	14½	16,500
1943	*Atlantic Sun*	547 3	70 0	30 4½	15	17,910
1948	*Esso Zurich*	628 0	82 6	31 11½	16	26,555
1950	*Atlantic Seaman*	659 6	85 0	34 3¼	17	30,155
1953	*Tina Onassis*	775 8	95 0	37 9¾	16	45,000
1953	*Petorking*	673 0	92 0	34 7¾	15	38,000
1954	*W. Alton Jones*	707 0	93 0	36 6 9/16	17½	38,000
1954	*World Glory*	736 6	102 0	37 6¾	16½	45,110
1955	*Sinclair Petrolore* (tanker and ore carrier)	790 0	106 0	40 0	15	55,500
1956	*Cities Service Baltimore*	661 0	90 0	33 11½	18½	32,650
1956	*Universe Leader*	854 9	125 0	46 1	14½	85,500
1957	*Esso Gettysburg*	715 0	93 0	36 9	18½	37,800
1957	*Tidewater*	782 0	102 0	37 6	16½	53,085
1958	Under construction in U.S. shipyards:					
	For Esso	740 0	102 0	37 10½	16	46,000
	For Niarchos	940 0	134 0	48 0	18	106,500

TYPICAL BULK ORE CARRIERS

		Ft. In.	Ft. In.	Ft. In.		
1922	*Marore*	571 6	72 0	34 1	11	22,980
1945	*Venore*	582 11	78 0	34 4	16¼	24,376
1954	*Ore Chief*	794 0	116 0	38 8	14	60,000
1955	*Leader*	680 0	88 4	34 6	12¾	34,200
1956	*C5–S–RM 20a*	609 0	77 0	33 0	16	24,000
1957	*Cosmic*	744 0	100 6	37 2	16½	46,500

Mr. SMATHERS. Mr. President, what has happened is that by virtue of the new and larger oil tankers and bulk cargo carriers, we now do not have sufficiently large floating drydocks to accommodate and repair the ships which we are letting the Government put its weight behind to have constructed. We have no place to take care of repair to those ships. There are some repair yards on land. There are some in Maryland and one or two on the west coast.

The fact of the matter is that those yards are committed to the construction of new vessels for the next 3 or 4 years, with the result we have now no facilities where the newer ships can be repaired.

Where are they going? Presently not to American yards, because they cannot be taken care of. They are going to Japanese yards, to British yards, and to other foreign yards. Once again we see the familiar pattern of foreign countries taking away our business, depreciating and destroying the American merchant marine, simply because we will not take the steps to protect ourselves in this very vital field.

Mr. President, employment in private shipyards has appreciably decreased since 1940.

In 1940 there were 97,200 persons at work in American shipyards.

In 1941, at the beginning of World War II, there were 366,000.

In 1943, there were 1,397,000.

In 1946, after the war, the number dropped back to 210,000.

In 1952, the number employed was 134,000.

In 1955 the number was down to 99,000.

According to the maritime employees group, it is expected that this year the number employed in American shipyards will be somewhere between 70,000 and 75,000.

Since 1946, 18 shipyards went out of business.

These facts demonstrate clearly the plight of our merchant marine industry and the necessity of taking action to further strengthen it as the proposed bill is designed to do.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. SMATHERS. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 additional minutes.

Mr. SMATHERS. Mr. President, the bill provides for no giveaway program, but for the same kind of guarantee program we have now for the railroads; that we have had for housing; and that we have had for a long time for the merchant marine. There cannot be a single commitment to guarantee financing for the building of a floating drydock in the United States unless and until the Secretary of Commerce looks at the particular application and decides in his own mind it will be an economically sound undertaking.

Nobody has ever yet accused any of our Secretaries of Commerce of indulging in vast, blind giveaway programs. If the bill is passed, or if we continue the provisions of the present Ship Mortgage Act, the Secretary of Commerce will be asked if he would ever agree to authorize any loan which, in his judgment, he did not think was not completely economical, not only with regard to meeting the needs of our country and the needs of our Defense Department, but also in regard to the probability that the money will be repaid by the people to whom the loan is made.

I should like to read at this time the provisions of section 1104c of the Merchant Marine Act which provides that—

> No commitment to insure a mortgage or loan shall be made by the Secretary of Commerce unless he finds, at or prior to the time such commitment is made, that the property or project with respect to which the mortgage or loan will be executed will be, in his opinion, economically sound, and no mortgage or loan, unless made pursuant to a prior commitment, shall be insured unless the Secretary of Commerce finds, at or prior to the time the insurance becomes effective, that the property or project with respect to which the mortgage or loan is executed will be in his opinion economically sound.

Mr. President, the Secretary of the Navy, in a letter submitted to the committee under date of April 15, 1959, on the pending measure, stated in part as follows: "As there may be a possible mobilization deficiency of floating drydocks in a future emergency, this Department would favor legislation which would encourage the building of additional drydocks.

We have heard testimony this year and last year from persons all up and down the seacoasts as to the desirability of this type of legislation.

Mr. BUTLER. Mr. President, will the Senator yield for a question?

Mr. SMATHERS. I am happy to yield.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. SMATHERS. Mr. President, I yield myself 2 minutes to answer the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 minutes.

Mr. BUTLER. I simply wish to invite the Senator's attention to a letter from the Secretary of the Navy dated July 15, 1959, in which he states it was not his intention to convey to the Senator the thought that S. 107 should be favorably considered in the event the Department of Commerce objected to its passage.

The Department of Commerce, as the Senator knows, has objected to the passage of the bill.

Mr. SMATHERS. I agree with that statement, but I notice that the Secretary also said, in the same letter, that there may be a possible mobilization deficiency of a floating drydock in a future emergency, and that the Department would favor legislation which would encourage the building of an additional floating drydock. The Department of the Navy expressed its views only with respect to our defense needs.

Mr. BUTLER. Yes.

Mr. SMATHERS. Mr. President, I think this is a most meritorious bill. A similar bill passed the other body on another occasion. Passage of the bill will not cost us any money. It will strengthen our merchant marine fleet in a way in which we need to have it strengthened. It is sound legislation from the standpoint of labor, management, and the general economy.

Mr. SCOTT. Mr. President, will the Senator from Maryland yield 3 minutes to me?

Mr. BUTLER. Mr. President, as the acting minority leader, I yield 3 minutes of the controlled time to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

NIXON RISES TO THE CHALLENGE

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at the conclusion of my remarks two editorials; one from the Philadelphia Inquirer and one from the New York Times.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. SCOTT. Mr. President, these editorials refer to the visit of Vice President NIXON to Russia. As the editorial in the Philadelphia Inquirer points out:

> If Mr. NIXON had lost his temper, as perhaps the wily Khrushchev hoped, the good will tour would have been foredoomed to failure.
>
> If the Vice President had taken the abuse in silence or offered only feeble response, he and the Nation he represents would have been discredited in the eyes of the entire world.
>
> NIXON handled the situation magnificently. He neither raged nor retreated. He gave Khrushchev some poignant lessons of life in America that the Soviet boss will not soon forget. * * *
>
> The Russians had become so accustomed to kicking Americans around verbally—with only mild response from official quarters—that Mr. NIXON's fighting stance caught them quite by surprise. They haven't fully recovered yet.

Mr. President, I think we are all indebted to the leadership demonstrated by the distinguished junior Senator from Montana [Mr. MANSFIELD] in his recent comments in praise of the position taken by our Vice President and in praise of the manner in which he has handled a difficult mission and the somewhat unexpected circumstances accompanying a part of it. I associate myself entirely with what the Senator from Montana has said.

I do not believe there is any partisan feeling whatever in the general rejoicing on the part of Americans that our representative in the Soviet Union has acquitted himself admirably; that he has given a good account of himself and a good reporting of the great accomplishments of the American people; that he has highlighted for us, for the Soviet Union, and for all the nations of the world the will of America toward peace and friendship. I know for this he deserves the thanks of the Nation.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

EXHIBIT 1

[From the Philadelphia Inquirer, July 27, 1959]

NIXON RISES TO THE CHALLENGE

Vice President NIXON, in the first few days of his Soviet tour, has shown great fortitude under fire and a remarkable ability to be simultaneously firm, forthright, and friendly.

Confronted with the most difficult assignment in his long experience as good will emissary, Mr. NIXON has conducted himself thus far in a most exemplary manner.

He has answered every challenge. He has evaded nothing. He has defended the honor, prestige, and principles of the United States against hostile criticism and disparaging innuendo.

The Vice President hardly had begun his tour of the U.S. exhibition in Moscow with Mr. Khrushchev when the Soviet Premier launched a tirade of derogatory remarks and thinly veiled threats.

If Mr. NIXON had lost his temper, as perhaps the wily Khrushchev hoped, the good will tour would have been foredoomed to failure.

If the Vice President had taken the abuse in silence or offered only feeble response, he and the Nation he represents would have been discredited in the eyes of the entire world.

NIXON handled the situation magnificently. He neither raged nor retreated. He gave Khrushchev some poignant lessons of life in America that the Soviet boss will not soon forget.

The Vice President—speaking to newsmen Sunday night after hours of private talk with Khrushchev in a secluded villa—stated a profound truth. "Mr. Khrushchev and I," NIXON said, "both have a practice of speaking directly and not beating around the bush."

It is precisely this trait that has won Mr. NIXON deep respect among the Russian hierarchy. Here, the Soviets found, is an American who talks back, who can take it and dish it out, who refuses to absorb abuse lying down but stands up and defends himself.

The Russians had become so accustomed to kicking Americans around verbally—with only mild response from official quarters—that Mr. NIXON's fighting stance caught them quite by surprise. They haven't fully recovered yet.

Political friends and foes of Mr. NIXON will weigh carefully the effects of his Soviet tour in terms of the Vice President's popularity in this country. Already there is speculation that NIXON's sharp answers to Khrushchev at the U.S. exhibition hall will be either helpful or harmful to the Vice President's political future, depending on one's point of view.

The inescapable fact of the matter is that NIXON went to Russia as an official representative of the U.S. Government, not as a politician.

In giving extemporaneous replies to Khrushchev's biting remarks, Mr. NIXON did not have time to weigh the effects of his answers on his own political future. He would not have done so in any event. The Vice President is first and foremost a statesman of the highest caliber, and he is proving himself in Moscow to be exactly that.

Mr. NIXON's plan to visit Poland, at the end of his tour of Russia and Siberia that was severely limited in scope by order of the Kremlin, is an excellent idea. Nowhere in the Soviet satellite Empire is the heartbeat of freedom stronger than among the Polish people.

Vice President NIXON's history-making tour is off to an auspicious start despite Soviet efforts to sabotage it. He no doubt will encounter many new difficulties in the days ahead. The American people wish him well, confident that he has the personal courage and the diplomatic skill to meet any situation.

[From the New York Times, July 28, 1959]

MR. KHRUSHCHEV'S CAPTIVES

Premier Khrushchev has gone to great pains to make clear his displeasure at our country's observance of Captive Nations Week. His annoyance is understandable. It has long been a prime goal of his foreign policy, as it was of Stalin's, to force the West to accept the legitimacy and permanence of the Communist territorial conquests which have so radically changed the world in the last two decades. Our continued observance of Captive Nations Week testifies to the failure of this effort.

Let us recall some of the facts which Mr. Khrushchev tries to suggest he has forgotten:

Estonia, Lativa, and Lithuania were independent nations two decades ago until the Red army occupied them and carried out farcical elections which resulted in their incorporation into the Soviet Union. The East German revolt of June 1953, and the Hungarian revolution of October–November 1956, are recent enough so that Mr. Khrushchev should remember that it required Soviet tanks and bayonets in the streets of East Berlin and Budapest to keep those peoples captive. And the Premier knows even better than we how close he and his colleagues came to ordering their armed forces to attack Poland in October 1956, when the Soviet hierarchs rushed to Warsaw, fearful that Poland was slipping out their grasp. Throughout Eastern Europe Communist totalitarianism was imposed upon cowed peoples either directly by the Soviet armed forces, as in Rumania, or by a minority which took power—as in Czechoslovakia in February 1948—over a majority cowed by the fear of invasion by Soviet troops standing at the border.

Since he really knows all this, Premier Khrushchev has sought to twist the issue by the clumsy trick with which he has baited Vice President NIXON, the trick of pointing to Soviet citizens and asking if they are slaves. Since Mr. NIXON is prevented by realization of his responsibilities as a guest and as an official visitor from responding adequately to this maneuver, Premier Khrushchev has been able to score a cheap propaganda point.

Even the Communists themselves have sometimes admitted that the Soviet people are not free. Here, for example, is the way Pravda put the matter as recently as July 6, 1956: "As concerns our country, the Communist Party was, is, and will be the only sovereign of the thoughts, spokesman of the ideas and aspirations, director and organizer of the people during the entire duration of its struggle for communism."

Are people free when they must endure, in Pravda's expressive word, a "sovereign" over their thoughts? If the Soviet people were free they would be able to think as they wish, to read what they like, to tune in to any radio broadcast they wished to hear, to choose their own rulers, and to travel abroad, without permission, as they please. They have none of these rights of free men. If Premier Khrushchev is so desirous of convincing us that his people are free, why does he not take the obvious steps? Why does he not lift the Iron Curtain? Why does he not permit the free movement of people and ideas into and out of his country? Why does he not stop jamming our broadcasts? Why does he not submit himself to the ordeal of a free election in which there is an organized opposition with freedom to urge alternative policies? Why does he not permit the American exhibition in Moscow to enjoy the same freedom in displaying our books as the Soviet exhibition has in displaying Soviet books in New York? Why does he not permit Pasternak's "Dr. Zhivago" to be freely available to the Soviet people?

There are many kinds of slavery. But of all these kinds, enslavement of the minds of a great people is the most terrible. And that is the slavery of the Soviet people.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUTLER. Mr. President, we are under controlled time, but I will yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. Mr. President, I should like to make some comments upon the subject just discussed by the junior Senator from Pennsylvania.

When I first read the description which was given of the supposedly recalcitrant and vituperative exchange of words which took place between Khrushchev and Vice President NIXON, I was greatly disturbed.

I felt possibly there had been an exhibition which was entirely unbefitting the high positions held by those men in government. However, when I saw the television portrayal of what took place, I found that the actual facts completely belied the reports submitted. There was an exchange of words which were firm and yet light in many respects. In my opinion, the Vice President conducted himself in a manner which was completely required by the circumstances. He kept smiling. He kept bantering. He kept exchanging humor when it was appropriate. He became exceedingly firm when the circumstances required firmness.

I am glad to join with the Senator from Montana [Mr. MANSFIELD] in the words he expressed on the subject.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE ON S. 2424, TO AMEND THE COMMUNICATIONS ACT OF 1934

Mr. MANSFIELD. Mr. President, will the Senator from Maryland yield, so that I may ask the Senator from Florida to yield 1 minute to me, so that I may make a unanimous-consent request?

Mr. BUTLER. Mr. President, I yield.

Mr. SMATHERS. Mr. President, I am happy to yield 1 minute to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 1 minute.

Mr. MANSFIELD. Mr. President, after consultation with the Senator from Rhode Island [Mr. PASTORE], the Senator from Kansas [Mr. SCHOEPPEL], and the minority leader [Mr. DIRKSEN], I ask unanimous consent that the Senate enter into a unanimous-consent agreement in regard to Calendar No. 560, S. 2424, to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, when that bill is before the Senate, following consideration of the measure now before the Senate, to provide a time limit of 2 hours on the bill and 30 minutes on each amendment, motion or appeal, except a motion to lay on the table, with the usual stipulations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I thank the Senator from Maryland and the Senator from Florida.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That during the consideration of the bill (S. 2424) to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to one-half hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

SENATE CHAMBER FLAG

Mr. GRUENING. Mr. President, I should like to address a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator from Alaska will state it.

Mr. GRUENING. My attention has been called to the fact that the U.S. flag which is attached to the standard behind the Vice President's rostrum has only 48 stars. It is my impression that a 49th star was officially placed in the flag on the last 4th of July.

I ask the honorable occupant of the chair, the distinguished Senator from Georgia [Mr. TALMADGE], what action would be proper to take, under these circumstances, to correct this grave error and omission.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Chair is sympathetic to the inquiry of the distinguished Senator from Alaska, but reluctantly rules that it is not within the nature of a parliamentary inquiry. The Chair suggests that the Senator from Alaska take up that question with the very able and efficient Sergeant at Arms of the Senate. The Chair thinks that the matter would be remedied very promptly.

Mr. GRUENING. I thank the distinguished occupant of the chair. I will follow his suggestion.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excellent article entitled "A Star Was Missing," written by Ed Koterba, columnist for the Scripps-Howard newspapers, and published in today's Washington Daily News. This astonishing discovery was made by Mr. Koterba, and he is entitled to the credit therefor.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A STAR WAS MISSING

(By Ed Koterba)

On July 4, a new star was born and it was a big day on Capitol Hill. Alaska, finally had its berth in the field of blue. Our lawmakers raised more than 1,000 of the new flags over the Capitol, 2 minutes at a time, to send to sentimental, patriotic constituents.

And across the country, our Senators made glowing speeches, telling the folks how wonderful it was to represent a finer Nation of 49 States—a flag of 49 stars.

They made speeches, too, in the Senate Chamber, saying how proud they were of that new star in Old Glory.

From the galleries of the august Chamber, visitors from all over the world have watched the Senators at work under their official flag—98 Senators, 2 to a State, 2 to a star.

Those folks must have had a feeling something was missing. And after nearly 4 weeks, I got around to believing what I saw—that a star was missing.

Alas, it is true. The official U.S. flag that hangs from its staff behind the presiding officer carries only 48 stars.

Our Senators who voted that 49th star, the same gentlemen who ordered new flags raised over the Capitol for their constituents, themselves have neglected to fly our new flag.

But on the other side of the dome, Speaker SAM RAYBURN and his House Members have a 49-star flag displayed proudly in the Chamber.

That flag was given to the Representatives by the Daughters of the American Revolution in a ceremony of tradition that started in 1901.

Each time a new star has been added to our flag, the Speaker of the House makes a formal request to the DAR, and a flag is duly presented. The 49-star flag is the fourth U.S. flag presented since 1901.

It has been traditional, too, to present the Senate with a like flag, when a request is made of the DAR.

But when I checked with the office of the Secretary of the Senate, where the requests originate, the people there sheepishly admitted they hadn't gotten around to asking for a new flag.

Thus, our two stellar Senators from Alaska, ERNEST GRUENING and E. L. BARTLETT, are serving their proud new State in the U.S. Senate Chamber without a star.

Unless something is done about it soon, I'm afraid the legislative year will end with the Senate snubbing the State they so ceremoniously voted in.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title.

Mr. BUTLER. Mr. President, for two reasons I do not relish the task of opposing S. 107, which amends the Merchant Marine Act of 1936 by making floating drydocks eligible for ship mortgage insurance. Firstly, the bill was introduced and has been ably supported by my good and distinguished colleague, the junior Senator from Florida, with whom I serve not only on the Interstate and Foreign Commerce Committee but on the Finance Committee as well. Secondly, the Messrs. Gibbs, who operate an excellent shipyard in Jacksonville and are the chief proponents of this legislation, are friends of mine, and I want them to remain so.

At the outset, Mr. President, I would like to state for the record what the bill does, who besides Senator SMATHERS and the Messrs. Gibbs are in favor and who besides Senator LAUSCHE and me are opposed. May I say at this point that no record vote was taken in the committee and that neither the Senator from Ohio nor myself have made any real effort to secure support for the views expressed in the minority report.

Section 1 of the bill would amend title I of the Merchant Marine Act of 1936 to include floating drydocks within the definition of the term "vessel" for the purpose of that title.

Section 2 of the bill would amend section 1104(a)(8) and 1104(b)(2) of title XI of the Merchant Marine Act of 1936, requiring that all vessels to which mortgage insurance is extended be designed primarily for "commercial use," to embrace the activities of a floating drydock, that is, the construction, reconstruction, reconditioning or repair of vessels, within the meaning of the term "commercial use."

The bill has the support of the AFL–CIO maritime committee; the Gibbs Corp., and Merrill-Stevens Drydock & Repair Co., both of Jacksonville, Fla.; the Savannah Machine & Foundry Co., of Savannah, Ga.; the New York Ship Corp., and the Commission of Ship Repair, in Seattle Wash. The record would indicate that the American Merchant Marine Institute favors the bill although no representatives of the institute appeared at the hearings and no statement was filed with the committee.

The bill is opposed by the Bureau of the Budget, Department of Commerce, Maritime Administration, the Bethlehem Steel Corp., and by the Newport News Shipbuilding & Drydock Co. It is also opposed by the Department of the Navy, which, while going on record in favor of legislation which would encourage the building of additional floating drydocks, made no specific recommendations regarding S. 107 and deferred to the views of the Department of Commerce. I believe it should be made absolutely clear that, far from endorsing S. 107, the Department of the Navy concurs in the unfavorable views of the Department of Commerce.

Mr. President, I believe I can promote a clearer understanding of the proposed legislation by discussing briefly titles V and XI of the 1936 Merchant Marine Act which deal respectively with construction subsidy and Federal loan and mortgage insurance. In the absence of a well-rounded understanding of these titles, it is impossible to fully appreciate the damaging effect which the enactment of S. 107 will have.

To qualify for a construction subsidy, under title V, the prospective owner of the vessel must be a citizen of the United States and must possess the proven ability to operate the vessel. The vessel must

be intended for use in the foreign commerce of the United States and its design and specifications must be reviewed and approved by the Maritime Administration. If awarded, the subsidy equals the difference between the domestic and foreign cost of construction but in no case is to exceed 50 percent of the domestic cost.

To qualify for ship mortgage insurance under title XI, both mortgagor and mortgagee must be citizens of the United States of reputable financial standing, and the transaction must be approved by the Maritime Administration. Further, in the judgment of the Maritime Administration the project must be economically feasible, which is to say that the probable earning power of the vessel must promise to be sufficient to assure payment of the interest and principal of the loan. If these qualifications are all present, any American-flag vessel whether engaged in domestic or foreign commerce and whether or not qualified for construction subsidy, is eligible for mortgage insurance.

If the construction of the vessel has been subsidized, the Government will fully insure 75 percent of total construction cost to the builder after subsidy. If no construction subsidy is involved, Government insurance will cover 87½ percent of total construction cost, provided, however, that certain conditions enumerated in section 509 of title V of the act are met. If any condition of section 509 is not met, the insurance coverage will drop to 75 percent of total construction cost.

One of the conditions set forth in section 509 is that the vessel be capable of a sustained speed of 14 knots. Since it is highly doubtful that a new floating drydock, even one built by the Gibbs Corp., would travel 14 nautical miles in a lifetime much less in a single hour, and since a floating drydock is not intended for use in foreign commerce and thus cannot qualify for construction subsidy, the insurance the issuance of which is authorized by S. 107 would cover 75 percent of the total construction cost of such a facility.

Mr. President, I will now state and discuss the reasons upon which I base my objection to this bill:

First. The bill goes far beyond the intent of title XI of the Merchant Marine Act, which makes Federal loan and mortgage insurance available for the construction of "vessel." Title XI expressly intends to limit insurance eligibility to the mobile type craft capable of engaging in commerce, but the sponsors of S. 107 would extend eligibility to stationary facilities such as floating drydocks. Such a radical expansion in the limits of title XI availability is not only beyond the contemplation of the Merchant Marine Act but would also put the Government in this position of having to extend insurance to every variety of ship construction and ship repair facility.

There are now bills in the House of Representatives which would include both floating drydocks and graving docks within the meaning of "vessel" for the purpose of title XI. Could Congress logically pass one of these bills and not the other? Could Congress pass either of these bills without adopting similar legislation to cover piers and warehouses and every other shore facility employed in the ship construction and repair industries? These questions answer themselves, Mr. President. It is clear that the enactment of S. 107 would commit the Government in principle to be an insurer of every ship construction and maintenance facility and that the wise limitations imposed by title XI will be rendered meaningless.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. LAUSCHE. Am I correct in my understanding that the bill contemplates giving to a floating drydock the definition that is ordinarily given to a vessel which travels on the high seas, carrying passengers and cargo?

Mr. BUTLER. That is correct.

Mr. LAUSCHE. That is, by legislative declaration, we are proposing to say that a drydock is a vessel, and we do that for the purpose of making the users of floating drydocks eligible for Government guarantees?

Mr. BUTLER. That is correct.

Mr. LAUSCHE. May I ask the Senator's opinion about the justification and the wisdom of saying that a floating drydock is the equivalent of a vessel which travels on the seas?

Mr. BUTLER. I do not think it can be so considered by any stretch of the imagination, especially when it has no propulsion machinery whatsoever. It is strictly a shore facility, and, as I shall point out in my remarks later, is admitted to be such by the sponsors of the bill.

Mr. LAUSCHE. The Senator stated that there are two types of drydocks in which ships are repaired.

Mr. BUTLER. Yes.

Mr. LAUSCHE. One is the land drydock.

Mr. BUTLER. The graving dock.

Mr. LAUSCHE. The other is the floating dock, which is under water.

Mr. BUTLER. That is correct.

Mr. LAUSCHE. Obviously, it is contemplated to make of operators of floating drydocks the beneficiaries of the Government guarantee, but not to include operators of graving docks.

Mr. BUTLER. That is correct.

Mr. LAUSCHE. The Senator from Maryland says that if we include one, we necessarily must include the other.

Mr. BUTLER. We cannot refuse the other.

Mr. LAUSCHE. I agree completely.

The Senator has said that if we include the floating drydock, and then have to include the graving dock, we shall have to go further and include other operations. What are those operations?

Mr. BUTLER. They include piers, warehouses, shops, and all kinds of shore facilities for handling foreign and domestic commerce.

Mr. LAUSCHE. I subscribe to the thoughts expressed by the Senator. My opinion is that before another 2 years have passed we shall have included graving docks, piers, warehouses, equipment, and everything else connected with the marine industry.

Mr. BUTLER. I concur in that view.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. WILLIAMS of Delaware. In the light of the questions asked by the Senator from Ohio, is it not well for us to begin asking ourselves the question as to how much farther we can go toward subsidizing this segment of our economy without nationalizing it?

Mr. BUTLER. I think that is a very good question.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Florida.

Mr. SMATHERS. If the Senator is interested in not subsidizing or not socializing this industry, I wonder if he or the Senator from Delaware or the Senator from Ohio would be willing to sponsor a proposal that would repeal the Ship Mortgage Act so that we will deprive the Federal Government of the power it now has to guarantee ship construction, dredge construction, towboat construction, tugboat construction. Let us be completely frank and eliminate all law for making guarantees if that is what is desired and not limit our action to just one feature.

Mr. BUTLER. I submit to the Senator from Florida that it is necessary that we have the Ship Mortgage Act so that our maritime industry will be in a position to compete with foreign shipowners. That is the only purpose of the act.

I know the Senator is going to say that perhaps a dredge is not a vessel.

Mr. SMATHERS. It does not go 40 knots, either.

Mr. BUTLER. We cannot distinguish a modern dredge from a dry-cargo vessel a hundred yards from it. It is a vessel. It is a vessel in every sense of the word. People live on it. They go all over the United States and into foreign ports. It is a vessel in every sense of the word.

Mr. SMATHERS. Does a dredge go 14 knots?

Mr. BUTLER. The dredges of the Army Engineers are very magnificent vessels, and I daresay the Senator could not tell a dredge from an ordinary dry-cargo vessel at 100 yards.

Mr. SMATHERS. But dredges, I think the Senator will agree, in the ordinary sense of the word, are not used to transport people or cargo or anything else. Barges ordinarily do not go at 14 knots.

The Senator is very much in favor of the Federal Government underwriting ship construction, and I agree with him, or we will have no ships at all.

Mr. BUTLER. That is correct.

Mr. SMATHERS. Otherwise, they would be built for much less in foreign yards, to the detriment of our own economy. Does the Senator want to provide that we shall only build them, and then send them to foreign yards to be repaired? Let us change the law so that we can have repair yards here and give our people more employment.

Mr. BUTLER. I shall answer the contention of the Senator in that respect as I proceed with my remarks.

Mr. LAUSCHE. The error of the Senator from Florida is that he wants to compound an error. If dredges were erroneously included in 1936, that is no justification for adding to the error by now including floating drydocks, and perhaps within a year or two including piers, and warehouses, and all of the other incidentals that are used in marine operations.

Mr. SMATHERS. I would like to have the Senator from Ohio, who I know is against what is now proposed, introduce a bill to repeal the Ship Mortgage Act because he does not think any of the activities therein provided for should be underwritten by the Government. I am sure he will not have the able Senator from Maryland with him on that count. So I say, if we are going to build the vessels, let us also provide the necessary means to repair them.

Mr. LAUSCHE. That is, the roots are too deeply grown to pull them out completely, but we ought not to indulge in the extravagance of committing further errors and making the condition worse.

Mr. BUTLER. Mr. President, I should like to proceed with my remarks, that the purpose of the bill is to extend loan and mortgage insurance to the construction of shore facilities rather than "vessels" within the meaning of the Merchant Marine Act as clearly demonstrated by the testimony of Mr. William Gibbs, Jr. On page 107 of the record he drops all pretense and honestly admits "the financing of this type of shipyard facility presents an immediate and enormous problem." Should any doubt remain concerning the scope and purpose of this legislation, I quote further from page 111 of the transcript where Mr. Gibbs, Jr., goes on to say:

> Now, in our yard, like any other business, it is absolutely essential that we expand many facilities, whether it be a lathe or a drill or what have you. We need a dock to bring in the work to enable us to keep our facilities in readiness for any type of emergency that might develop. If we don't expand our business, we are unable to keep abreast with it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUTLER. I yield myself an additional 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 10 minutes.

Mr. BUTLER. On the face of the record, using only the testimony of the proponents of the bill, can any reasonable man doubt that if we pass this measure we will be opening the door through which will inevitably come the extension of loan and mortgage insurance by the Government of the United States to all types and kinds of shore facilities useful or necessary in the ship construction and ship repair industries. I say today it will be a floating drydock, tomorrow a graving dock, the next day a pier or warehouse or even as Mr. Gibbs, Jr., put it, a "lathe or a drill or what have you."

Second. The legislation is not needed. I will substantiate this argument by reading into the RECORD in condensed form information I have obtained from the Secretary of the Navy and from the Bethlehem Steel Corp. I ask unanimous consent that the two letters I have received from the Navy and Bethlehem Steel be printed in the RECORD at the conclusion of my remarks.

The Navy has seven AFDB sectional floating drydocks ranging in capacity from 55,000 to 90,000 tons with a beam of from 240 to 256 feet. The dimensions of these drydocks in all cases exceed the minimum standards specified in S. 107. And where are these large capacity floating drydocks at this moment? Thay are all in mothballs. The Navy's needs are fully met by its existing 13 graving drydocks, and it will be noted that the one additional graving dock which is under construction at the Bremerton, Wash., Naval Yard is being financed by direct appropriation. Surely if there were the pressing need for floating drydocks to which the advocates of S. 107 point, the Navy would long since have authorized the removal of one or more of its seven floating drydocks from mothballs. Surely if the need existed, companies with the capital necessary for the purpose would long since have been in the field.

In other words, the Government has been asked to assume the risk of an insurer for the construction of an article for which no need has been clearly shown and from which no foreseeable benefit to the national interest could be derived.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. LAUSCHE. The Senator from Maryland identified certain departments of the Government that are against this bill. Is there any department of the Government that favors it?

Mr. BUTLER. None that I know of.

Mr. LAUSCHE. From whom did the request come that the Congress pass the bill? Does the Senator know?

Mr. BUTLER. The request came from several shipyard operators who are not able to buy their own facilities and would like to have the Government help them, and from the AFL–CIO Maritime Unions.

Mr. LAUSCHE. That is, of the governmental agencies vested with responsibility in seeing to it that we have adequate facilities on the seas, not one of them supports this bill?

Mr. BUTLER. That is correct.

Mr. LAUSCHE. The only ones that support it are the AFL–CIO and ship companies who are to have the benefit of the guarantees given?

Mr. BUTLER. That is correct.

Federal aid and guarantee is being indiscriminately made available to nonessential, indeed to unnecessary projects, with the consequence that violence is being done to the sound philosophy which underlies the Merchant Marine Act. It was the overriding purpose of this act to promote a strong and competitive American merchant marine. To this end it was deemed necessary to the national interest that ship construction volume be kept in line with ship construction capacity, and construction subsidy and mortgage insurance were devised as methods of attracting private capital into the field. Now we are asked, in the guise of a simple amendment to the Merchant Marine Act, to extend mortgage insurance to the construction of stationary ship maintenance facilities. But I say to you, Mr. President, that none of the reasons which persuaded the Congress to approve mortgage insurance in connection with vessel construction are present in connection with drydock construction. Has the national safety been jeopardized by a shortage of drydock facilities? Has there been any clear indication that present ship repair volume exceeds present ship repair capacity? The answers to these questions are in the negative, Mr. President, just as our final conclusions concerning the proposed legislation should be in the negative.

Third. It is not economically feasible to construct at this time drydocks such as those proposed in S. 107, and it certainly is not wise for the Government to insure the cost of their construction.

Drydocks charging rates have traditionally been too low to cover full drydock costs. In respect to earning power, as in every other imaginable respect aside from the fact that both float, a drydock differs widely from a vessel. It is economically much less self-sufficient and therefore much less likely to justify the insurance of a loan. In addition, Mr. Gibbs, himself, testified that the cost of building domestic a floating drydock would exceed by $2 million or $3 million the cost of building such a facility foreign. While I do not challenge the authenticity of these figures, experts in the Maritime Administration have indicated to me that no valid reason exists for believing that the domestic-foreign cost differential is any less in the case of floating drydocks than in the case of vessels. This differential has been running close to 50 percent. It follows that if the Government was obligated to guarantee a loan up to the amount of 75 percent of total construction cost of a floating drydock in a domestic yard, it would be obliged to guarantee more than the real value of the facility and thus to assume a risk which can be justified only by that clear showing of national need which is here so conspicuously lacking.

As I said in the beginning, I oppose the bill with great reluctance. I do so in view of the foregoing reasons and with a careful regard for the good of the maritime industry. Furthermore, I believe that a consideration for the precarious fiscal position in which the country finds itself cannot help sponsoring a deep conviction that the bill should not pass.

EXHIBIT 1

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., July 15, 1959.

Hon. JOHN MARSHALL BUTLER,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR BUTLER: The Secretary of the Navy has asked me to reply to your

letter of July 6, 1959, regarding the Navy's position on S. 107 and requesting the number of floating drydocks the Navy has available.

In providing the Committee on Interstate and Foreign Commerce with the views of the Department of Defense, it was indicated that the Navy would favor legislation which would encourage the building of additional floating drydocks. It was not the intention of the Department of the Navy to convey the view that S. 107 should be favorably considered in the event that the Department of Commerce objected to its passage. As stated in my letter of April 15, 1959, the Department of Defense deferred to the Department of Commerce on the desirability of S. 107 as a means of increasing the number of floating drydocks. In so doing, the Department of Defense neither endorsed nor opposed the bill but would support whatever view the Department of Commerce takes thereon. Since the Department of Commerce has opposed the bill, the Department of the Navy, of course, would not support the bill.

The Navy has under construction a graving dock at the Puget Sound Naval Shipyard, Bremerton, Wash. Your assumption is correct that the Department of the Navy has financed this construction as authorized by the military construction bill. Any further ship construction would be similarly financed by the Navy.

In response to your inquiry regarding the number of floating drydocks the Navy has available, the following is provided. The Navy has seven AFDB's which are sectional floating drydocks. They have a capacity of 55,000 to 90,000 tons and have a 240 to 256 foot beam. These are all inactivated. Four are located outside the United States (three at Pearl Harbor and one at Guam). Two are located on the east coast at Green Cove Springs, Fla. One is on the west coast at Long Beach, Calif. We have available 13 graving docks plus the one which is under construction, which are of about the same capacity as the sectional floating drydocks. Of these, six are on the east coast, four on the west coast, and three outside the continental limits. They are presently at the following locations:

East coast:	
Norfolk, Va	1
New York and Bayonne, N.J	3
Philadelphia, Pa	2
West coast:	
Long Beach	1
Puget Sound (plus new construction)	2
San Francisco	1
Outside United States:	
Pearl Harbor	2
Roosevelt Roads	1

I hope that the foregoing will satisfactorily explain the Navy's position in this matter.

Sincerely yours,

JOHN S. MCCAIN, Jr.,
Rear Admiral, U.S. Navy, Chief of Legislative Affairs.

EXHIBIT 2

BETHLEHEM STEEL CO., INC.,
SHIPBUILDING DIVISION,
New York, N.Y., August 11, 1958.

Hon. WARREN G. MAGNUSON,
Chairman, Interstate and Foreign Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR MAGNUSON: We understand that your committee on Wednesday, August 13, is considering S. 4025 which would extend the principles of ship mortgage insurance to cover drydocks. Our company, which operates 33 floating docks, graving docks, and marine railways, is opposed to this bill.

Fundamentally, a drydock is a shore facility. The mere fact that certain types of drydocks float does not alter this basic fact. There would be no more logic in extending the principle of ship mortgage insurance to drydocks than to other types of ship repair facilities such as cranes, machine tools, and the like.

There is no pressing need at the present time for more drydock capacity. If anything, the ship repair capacity in this country is considerably in excess of available ship repair volume.

As an experienced operator of drydocks, we do not believe that the usual economic yardsticks so necessary for mortgage insurance could be applied, for drydock charging rates have traditionally been too low to cover full drydock costs. Unless substantially higher rates could be charged, no single drydock could stand on its own two feet economically as could a ship. In our opinion to extend ship mortgage insurance to drydocks would be to discredit the basically sound program of ship mortgage insurance.

For the above reasons, we are opposed to S. 4025.

Yours very truly,

D. D. STROHMEIER,
Vice President.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. WILLIAMS of Delaware. Do I understand correctly that in addition to all the drydock companies which oppose the bill, the measure is also opposed by the Department of Commerce?

Mr. BUTLER. It is opposed by the Department of Commerce and by the Maritime Administration.

Mr. WILLIAMS of Delaware. Is it supported by any agency of the Government?

Mr. BUTLER. It is also opposed by the Bureau of the Budget. I do not know, as I have said to the Senator from Ohio, of any Government agency which favors the bill.

Mr. WILLIAMS of Delaware. That is my understanding also. I wanted to have that information appear in the RECORD.

Mr. BUTLER. Mr. President, how much time remains to both sides?

The PRESIDING OFFICER. The Senator from Maryland has 50 minutes remaining; the Senator from Florida [Mr. SMATHERS] has 51 minutes remaining.

Mr. BUTLER. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged equally to both sides.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUTLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUTLER. I yield 2 minutes to the distinguished Senator from New York.

REMOVAL OF BOOKS FROM U.S. EXHIBIT AT MOSCOW FAIR

Mr. JAVITS. Mr. President, it is depressing to note the action of the Soviet Union in causing its book inspectors to undertake to remove from the U.S. book exhibit at the Moscow Fair a number of volumes which are considered by the inspectors to be potentially seditious in tone or content.

This amounts to an exercise of leadership in the realm of ideas such as we have come, unhappily, to expect from the Soviet Government. It is especially dramatized by the fact that it was done almost at the same time Vice President NIXON and Premier Khrushchev were debating the virtues of freedom and communism nearby, in the same area.

I note that some of the books which have been removed by the Soviet inspectors were written by such "reactionaries" as Norman Thomas, Dean Acheson, Chester Bowles, Adlai Stevenson, and Adolph A. Berle, Jr. We Republicans have at times had some difficulty in dealing with these gentlemen ourselves, but we have not gone so far as to suppress either them or their books. We can well understand the unsettling effect that their unorthodox notions could conceivably have on public opinion in the Soviet Union if their ideas were permitted to be communicated—and we certainly want them to be communicated.

It is true that the Soviets have not yet burned these books in public ceremonies. We are aware of a very unfortunate historic experience in that respect. It is perhaps too much to expect that the passion of the Soviet Government for antisepsis in the area of political philosophy will be carried to the point of actual book burning. Yet I am certain that the Soviet Government feels that it cannot be too careful.

I note with interest that this care for the preservation of the purity of ideas has extended so far as to remove from the American Exhibit a copy of the World Almanac. As is well known—to use a phrase with which our Soviet brethren are familiar—the tables of the tides and of the phases of the moon are potentially seditious in content, even when incorporated in a volume which includes such innocuous material as information on the income status of the American family, employment and unemployment in the United States, the economic status of the population, and indices of business activity and industrial production.

I assume that the action of the inspectors will be sustained by higher authority, to whom I understand the United States officials in charge of the exhibit are now appealing. If we are going to let people learn about the turning of the tides and the phases of the moon, their interest is likely to be whetted in such exotic subjects as the Hanging Gardens of Babylon, the Custer Massacre, and the area of Pitcairn Island, with all of which the World Almanac deals. From such topics as these it is only one step to a morbid interest in statistics such as those on the fact that the people of the United States own and operate over 68 million automobiles; about 1 for every 2½ people, and why this comes to be—a topic which is manifestly forbidden to a citizen of the Soviet Union who hopes to make his way in that society.

The PRESIDING OFFICER. The time yielded to the Senator from New York has expired.

Mr. JAVITS. I should like to have 1 additional minute, if I may.

Mr. BUTLER. I yield 1 additional minute to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 more minute.

Mr. JAVITS. Mr. President, we must somehow get word to the Russian people that the moon's period of rotation is exactly equal to the time of its revolution around our planet, so that it always turns the same face toward the earth, and that the average rise and fall of the tide at Old Point Comfort, Va., is 2 feet, 6 inches.

Seriously, however, Mr. President, this story of book censorship by the Soviet regime should show clearly who believes in the challenge of ideas and who is anti-intellectual; and the story should also show the traps of censorship which we ourselves must be vigilant to avoid. The actions taken in Moscow, Mr. President, as all the world should know, continue to speak louder than Premier Khrushchev's words, no matter where uttered or to whom uttered.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIANS SCREEN BOOKS AT EXHIBIT—100 U.S. VOLUMES REMOVED FROM SHOW IN MOSCOW

(By Max Frankel)

Moscow, July 24.—At Soviet insistence, more than 100 books were removed today from the shelves of the book show at the American National Exhibition.

A prolonged dispute over the display of books, which is to be left open for browsing by the Russians, was the last major obstacle to the opening of the exhibit.

The wrangle was still not fully resolved tonight. About 30 books, including the 1959 World Almanac, were plucked out by Soviet inspectors this afternoon. They await further appraisal and, no doubt, arguments.

Three Soviet officials continued screening the more than 8,000 volumes in the show today, even as Premier Nikita S. Khrushchev and Vice President RICHARD M. NIXON were trading verbal blows nearby over the problem of free information.

The Russians have protested with increasing vigor in the last week that the book show violated the ground rules for the exchange of Soviet and United States exhibitions. They maintained that only books relating to American culture should be shown.

Accordingly, they objected not only to nearly all books dealing even slightly with the Soviet Union but also to some on foreign affairs and books about other countries, such as Israel.

All the books were sent to Moscow as the gifts of U.S. publishing houses. They were never fully screened at home but at Helsinki, on their way to Moscow, about 250 volumes were adjudged unsuitable and removed by Americans.

When the books arrived in Moscow, the Russians objected almost at once to about 80 Russian-language books, some of them plainly unfriendly to the Soviet Union and communism.

U.S. OFFICIALS AGREE

Harold C. McClellan, general manager of the exhibition, and other U.S. officials here agreed that the books should have been better screened in the United States. Mr. McClellan removed the Russian-language books and a number of others that he thought were "political" or "unfriendly" and therefore out of bounds under the agreed terms.

Soviet authorities, however, seemed unsatisfied. Thomas J. McLaughlin, a professional book exhibitor in charge of the show here, noticed a growing number of inspectors appearing, some informally dressed as workmen and others passing for interested book lovers.

Mr. Thompson left the matter entirely to the exhibit managers. Mr. McClellan, concerned over the fate of the entire show, ordered all the black-listed books removed today.

There were continued grumblings from Soviet officials and yesterday a formal protest was made to Ambassador Llewellyn E. Thompson, Jr. He was given a new list of objectionable books, all in English.

The Ambassador also was advised by Georgi Zhukov, the chairman of the State committee for cultural relations with foreign countries, that unless the books were removed the Soviet Union would have to take unspecified measures.

Among these were virtually all the remaining books dealing with the Soviet Union or aspects of its economy and culture. Only a bitter argument spared a striking collection of reproductions of ancient Russian ikons.

Among the books removed were "Anthology of Old Russian Literature" by Arthur A. D. Stender-Petersen, "Siberia and the Reforms of 1822," by Marc Raeff and "A Treasury of Great Russian Short Stories," from Pushkin, edited by Avrahm Yarmolinsky.

Other casualties, either specifically listed by the Russians or defensively removed on American initiative were such books as Dean Acheson's "Power and Diplomacy," Norman Thomas's "The Prerequisites for Peace," Chester Bowles' "Ideas, People, and Peace," Santha, Rama Rau's "Russian Journey," Adlai Stevenson's "Friends and Enemies," and Sir Bernard Pare's "A History of Russia."

But even this concession failed to placate vigilant inspectors and they returned again today to the express annoyance of McClellan and the book exhibitors. This time they removed 30 more books and left the exhibit site only after McClellan promised to review the titles when he found the time. He insisted, however, that the final choice would be his.

Among the books now awaiting his appraisal, and temporarily off the shelves, are the almanac, Barbara Ward's "Faith and Freedom," Stuart Chase's "The Tyranny of Words," "Great Ages and Ideas of the Jewish People," edited by Leo W. Schwarz; "Israel in Its Glory," a pictorial tribute edited by Abe Harnan and Yigael Yadin, "Tides of Crisis," by A. Berle, Jr., and "Journey to Poland and Yugoslavia," by John K. Galbraith.

[The Associated Press said earlier attempts to report the removal of the books from the United States exhibit had been interrupted by censorship of telephone calls from Moscow to London. Soviet censors had also delayed a dispatch reporting oral clashes between Mr. NIXON and Premier Khrushchev. It was ordered submitted in its entirety to censorship and parts of it were held up more than 2 hours.]

Despite these deletions, the book exhibit remains a rich and varied show of the publishing industry in the United States. All the remaining books are within easy reach of visitors to the exhibit. State Department officials here recalled that they had objected to, but had not demanded the removal of, several books in the Soviet exhibition in New York. These books remained on the shelves.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 607) for the relief of the estate of Sinclair G. Stanley, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. DONOHUE, and Mr. HENDERSON were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 6714) for the relief of Abraham Fye.

The message further announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes; and

H.R. 6717. An act for the relief of Robert N. Anthony.

The message also announced that the House had passed a bill (H.R. 8186) to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces, in which it requested the concurrence of the Senate.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 7244. An act to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies; to the Committee on Banking and Currency.

H.R. 8186. An act to amend titles 10 and 14, United States Code, with respect to reserve commissioned officers of the Armed Forces; and

H.R. 8189. An act to improve the active duty promotion opportunity of Air Force officers from the grade of captain to the grade of major; to the Committee on Armed Services.

AMENDMENT OF TITLE XI OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 107) to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title.

Mr. KUCHEL. Mr. President, let me inquire how much time remains to each side.

The PRESIDING OFFICER (Mr. GRUENING in the chair). The proponents have 49 minutes remaining; the opponents have 45 minutes remaining.

Mr. KUCHEL. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum,

without having the time required therefor charged to the time available to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KUCHEL. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, the acting minority leader is prepared to yield time to any Senators who desire to speak in opposition to the bill.

Mr. SMATHERS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, does the Senator want the Senate to vote, or does he want a quorum call?

Mr. SMATHERS. I am anxious to have some Senator speak on the bill. The Senator from Maryland [Mr. BUTLER] has spoken. The Senator from Minnesota [Mr. HUMPHREY] has spoken on a bill. I understand the Senator from Ohio [Mr. LAUSCHE] and the Senator from Delaware [Mr. WILLIAMS] want to make speeches in opposition to the bill. This would be the appropriate time to do so.

Mr. WILLIAMS of Delaware. The Senator from Florida said he was willing to yield back his time. Looking at the number of Senators present, I am willing that he do that, but if the Senator is going to ask later for a quorum call before a vote, I would prefer speaking then.

Mr. SMATHERS. I am delighted to yield back my time, have a quorum call, and then a vote. Is that satisfactory?

Mr. KUCHEL. Mr. President, I understand that the minority has 45 minutes available. That time is available to any Senator who wishes to speak in opposition to the bill.

Mr. WILLIAMS of Delaware. I wish to have 5 minutes.

Mr. KUCHEL. I yield 5 minutes to the able senior Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, this bill proposes to commit the Federal Government to subsidize another segment of the American merchant marine. I feel very strongly that we have already gone far afield in subsidizing this particular industry.

On previous occasions I have mentioned in the Senate the extent to which we are now subsidizing the American merchant marine. We have sold ships which cost the Government as much as $7 million or $8 million for as little as $100,000 or $200,000 each. Some of these ships were less than 4 years old, and many of them are still sailing the high seas. Other ships are sailing the high seas which were sold by the U.S. Government for as low as $17,000 in net return to the American taxpayer.

Now it is being proposed that the Government subsidize drydocks in order to build or repair ships. It was called to my attention only in the last couple of weeks by the Department of Commerce that some ships which originally cost the American taxpayers $3 million or $4 million and which were sold 10 or 12 years ago for as little as $1,300,000, are today being taken back by the Maritime Commission, under the subsidy program, at a price 30 or 40 percent higher than the price at which the Government sold them.

I come back to the original question. It is time every Member of Congress asks himself how much further we can go down the road of subsidizing the American merchant marine without nationalizing this industry. If we now underwrite drydock facilities we will soon be underwriting the cost of piers and warehouses. We are very near now to underwriting all the costs of operations of this particular segment of our economy. If we are going to underwrite all their expenses in the name of American taxpayers, the next question may well be, Why not nationalize the industry? That is what will happen if we are not very careful. I say that as one who is a very strong believer in the American free enterprise system. However, with the American free enterprise system goes some degree of responsibility. It is high time those who are connected with this industry began to accept that responsibility. I do not think the American taxpayers are going to take too much more of that which is being dished out in the name of subsidy to the American merchant marine.

I repeat—vessels which were built by the American taxpayers at a cost of $4 million or $5 million, and some as high as $7 million or $8 million have been sold under the Ship Sales Act for 30 or 40 percent of their original cost, and some of these same ships are now being bought back by a Government agency at a cost 30 to 40 percent higher than we sold them for 10 years ago. I suppose after we buy them again we will either junk them or sell them at new bargain prices. This is a perpetual motion routine which is going to bankrupt the American taxpayers if we do not stop it.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. The Senator from Delaware has spoken only about the subsidies which were granted indirectly through the sale of ships to the merchant marine owners at a price far less than their cost to the Government.

Is it not also a fact that with regard to the construction of new ships the Federal Government subsidizes the merchant marine in an amount equal to the difference between what it costs to build the ship in our country and what the estimated cost to build the ship in a foreign country is?

Mr. WILLIAMS of Delaware. That is correct. I recognize that we need an equalization of the labor scales if we are going to have any merchant marine in this country.

However, as I have said many times, we have gone too far. I think we are going too far afield under this proposal here today. As the Senator from Ohio points out, in many instances the differential payment has not been the stopping point.

Do not overlook the fact that this bill has been objected to by every agency of the Government as being an unnecessary subsidy.

When we move the Government into underwriting the cost of investment in drydock facilities, we will be starting an entirely new subsidy program.

Mr. LAUSCHE. We subsidize the companies indirectly by selling them ships at far below cost. That is the first point.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. BUTLER. Mr. President, I yield 5 additional minutes to the Senator from Delaware.

Mr. LAUSCHE. We subsidize the companies by paying the difference between what it costs to build a ship in the United States and what it would cost to build the ship in a foreign country. That is the second point.

The third point is that we also provide these companies with reimbursement for the difference in the cost of operating their ships, using American workers, as compared to what the foreign shipping companies pay to their foreign workers.

Mr. WILLIAMS of Delaware. That is correct. In addition to that, the same shipping companies can get insured mortgages on the ships which they have built at the subsidized rates. I refer to a mortgage guaranteed by the Government. It is true that the company has to advance 12½ percent of the cost of the ship, but in many instances because of inflated values which the Government allows on the trade-in of the old ships above what the ship cost, the company in reality advances nothing. Their excessive trade-in allowance is more than sufficient for their down payment. In reality the American taxpayer is paying for everything.

Mr. LAUSCHE. If the Senator will permit, I should like to include in the RECORD the fact that since the Merchant Marine Act was passed we have subsidized the merchant marine operators in the amount of $227 million for construction and $834 million in differential subsidies as to operating costs. The total subsidy has been over a billion dollars, separate and apart from the great benefaction which has gone to the companies in the selling by the Government of the ships at practically nothing, when we have paid great prices for the ships.

Mr. BUTLER. Mr. President, will the Senator yield to me for a moment?

Mr. WILLIAMS of Delaware. I yield to the Senator from Maryland.

Mr. BUTLER. I regret, Mr. President, that the entire merchant marine picture is being brought up in this discussion. The figures cited by the Senator from Ohio are accurate, but the latter figure

contains nothing that has been recovered under the Merchant Marine Act from the same ship operators. If we take the gross appropriations and then consider the amount recovered under the operations of the act, we will find that the net figure is not very large.

I feel that without an American merchant marine America would be stripped of its ability to transport its troops and material in time of national emergency. Furthermore, I feel the American merchant marine is vital to our Nation in times of peace. I do not like to observe the general theme of the industry under discussion in this way since it is so essential.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUTLER. I agree with the Senator from Ohio as to the bill before the Senate. I think we are asked to go too far in that bill, and that it will hurt the whole merchant marine picture. That is what I regret.

Mr. LAUSCHE. Mr. President, my only purpose in making the presentation is that I do not think we can intelligently pass upon this further benefaction unless we have an understanding of all the things we are already doing in trying to help the industry. I do not advocate a change in the program, but I advocate that we stop increasing it.

Mr. BUTLER. I agree with the Senator.

Mr. WILLIAMS of Delaware. I think the Senator from Ohio is correct. We must evaluate all of these factors when we consider this question of starting a new subsidy program.

Certainly we have to take into consideration the fact that the taxpayers realized very little from some of the ships which were sold under the Ship Sales Act. Those ships were sold legally under an act passed by the Congress, that is true. But the fact that this practically meant giving them away in some cases is likewise true.

I invite particular attention to the sale of two ships. They were sold to the American South African Lines. One ship was the *Deltargentino*, and the other was the *Del Brazil*. Those ships cost the American taxpayers $3,163,146 and $3,129,120, respectively, when they were built, and we sold them at a net price, after all the discounting, of $17,000 each. How much closer can you get to giving them away?

The PRESIDING OFFICER. The additional 5 minutes yielded to the Senator have expired.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield me 5 more minutes?

Mr. KUCHEL. Mr. President, I yield 5 minutes to the able Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for an additional 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I repeat—we have to take into consideration all of these factors when discussing what these subsidy programs mean once they get started. I do not think we can consider the bill before us as affecting only floating drydocks. If the bill is passed, tomorrow we will be asked to extend the program to some other type of facility. The Government will be called upon to extend its program and engage in the construction of piers and various other types of facilities.

I return to the original question. How much farther can we go in justifying this procedure in the name of the American merchant marine without nationalizing the industry? I certainly am not in favor of that. Everyone knows how strongly I believe in the free enterprise system.

However those who believe in the Amercan free enterprise system had better begin to accept some responsibility, rather than to expect the United States Government to underwrite all their risks. Do not forget the only way whereby a subsidy can be financed is with borrowed money.

This bill should be defeated.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Interstate and Foreign Commerce was, on page 1, at the beginning of line 6, to insert "which have a capacity of thirty-five thousand or more lifting tons and a beam of one hundred and twenty-five feet or more between the wing walls."

The amendment was agreed to.

The next amendment was, on page 2, line 5, after the word "of", to strike out "the subsection" and insert "paragraph (8)".

The amendment was agreed to.

The next amendment was, on page 2, line 12, after the word "of", to strike out "the subsection" and insert "paragraph (2)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1101(c) of the Merchant Marine Act, 1936, is amended by striking out "and fishing vessels" and inserting in lieu thereof "fishing vessels, and floating drydocks" which have a capacity of thirty-five thousand or more lifting tons and a beam of one hundred and twenty-five feet or more between the wing walls.

SEC. 2. Subsection (a) of section 1104 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1274), is amended by deleting the word "or" before clause (d) of paragraph (8) and adding the following new clause at the end of paragraph (8): "or (e) with respect to floating drydocks, in the construction, reconstruction, reconditioning, or repair of vessels."

SEC. 3. Subsection (b) of section 1104 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1274), is amended by deleting the word "or" before clause (d) of paragraph (2) and adding the following new clause at the end of paragraph (2): "or (e) with respect to floating drydocks, in the construction, reconstruction, reconditioning, or repair of vessels."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KUCHEL. Mr. President, I know of no further amendment to be offered.

Mr. BUTLER. Mr. President, the Senator from Ohio [Mr. LAUSCHE] would like some time.

Mr. KUCHEL. I yield 5 minutes to the able Senator from Ohio.

Mr. LAUSCHE. Mr. President, I am a member of the Committee on Interstate and Foreign Commerce. I joined the Senator from Maryland [Mr. BUTLER] in filing a dissenting opinion dealing with the passage of the bill. In my opinion it ought not to be passed; and I feel that it ought not to be passed for a number of reasons, which I should like to enumerate at this time.

The bill as now written contains provisions not in accord with the principles underlying the enactment of the Merchant Marine Act.

It establishes a precedent under which loans covering further properties, facilities, and equipment of the operators will become entitled to Government guarantees that the loans will be paid.

It constitutes an expansion of the practice of the Government guaranteeing lenders in the collection of their loans.

It does not have the support of a single Government agency vested with the responsibility of making certain that our merchant marine facilities are adequate.

It further weakens the fiscal stability of our Government.

It gives encouragement to other segments of the economy to come to the Congress asking for giveaways, loans, guarantees of loans, and other benefits.

It stimulates agencies which lend money not to make loans unless the loans are guaranteed by the U.S. Government.

It declares falsely that a floating drydock is a "vessel" within the meaning of the Merchant Marine Act.

I should like to take up separately the points I have set down as reasons why the bill should be defeated.

It does not correspond to the principle underlying the adoption of the Merchant Marine Act. The Merchant Marine Act was enacted to insure that we would have an adequate merchant marine traveling on the navigable waters of the world; and when that law was enacted it was never intended that drydocks, floating docks, warehouses, and other equipment of the merchant marine should be covered by the aids provided in the act.

This bill establishes a precedent under which loans covering further properties and facilities of the operators will become entitled to Government guarantees. I wish to comment upon the arguments made by the Senator from Delaware [Mr. WILLIAMS] and the Senator from Maryland [Mr. BUTLER]. If we include floating drydocks, how can we exclude fixed and standing drydocks? We simply cannot do it. And if we include graving docks, as the Senator from Maryland called them, how are we to exclude warehouses? And if we cannot exclude warehouses of the merchant marine, how are we to exclude warehouses of the railroads and warehouses of the air industry?

It constitutes an expansion of the practice of the Government guaranteeing lenders in the collection of their loans. Although at no time has there been testimony offered that there is growing the philosophy of the bankers and the lenders inducing borrowers to go

to the Federal Government and obtain guarantees of the loans, I am becoming convinced that that philosophy is taking hold. Lenders are saying, "Yes, we will lend to you, provided the Federal Government guarantees the loan." Let us begin to recognize that the guaranteeing of loans is practically the equivalent of making them. When we become surety, we are on the threshold of trouble.

An old sage made the statement to his son, "Young man, if your father comes to you and begs you to become surety on your borrowing, turn him down. He who becomes surety most frequently, in the long run, is called upon to pay the loan of the borrower."

The pending bill does not have the support of a single Government agency. Who is asking for its passage? If no one in the Government felt that it was necessary, who are those who are urging the Government to take on this new obligation? The answer was given by the Senator from Maryland. It is the AFL–CIO and the merchant marine. Where is there one spokesman representing the administration who is in favor of the bill?

Last year we passed a bill giving $10 million to those who constructed two ships——

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. KUCHEL. Mr. President, I yield an additional 5 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, an editorial from the Washington Post and Times Herald describing the $10 million giveaway of 1958.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A $10 MILLION GIVEAWAY?

The Senate the other day approved with little and mostly irrelevant debate a bill to lavish unwarranted subsidies upon the United States Lines Co. and the American President Lines, Ltd., for construction of two new passenger superliners. The bill would require the Government to pay 55 percent (more in one case) of the cost of the vessels outfitted for normal use and to equip them, wholly at Government cost, with "defense" features, such as high-speed engines that would be helpful to the companies even in civilian use. It would also provide for Government loans to the companies for their shares of the construction cost at 3½ percent interest, some 1½ percent below the going commercial rate.

Under existing law the subsidy could not exceed 50 percent, and the proposed Government funding of the balance, an indirect added subsidy, would be a sharp departure from the administration's announced policy of keeping the Treasury out of competition with the private money market. The bill was passed on the simple assertion of the steamship companies that they would not otherwise build the superliners. It was passed in utter disregard of Secretary of Commerce Weeks' assurance that negotiations for construction of the two ships, under existing law, were proceeding, or could be expected to proceed, satisfactorily.

Only Senators LAUSCHE and WILLIAMS rose to dissent. They were answered with much talk about maintaining American prestige on the high seas, the close operating margins of passenger vessels, the defense requirements for troop transportation in any future war, and other considerations that have nothing whatever to do with the special financing arrangements being sought. The Comptroller General has computed net profits that might be expected by the companies under the bill at around 7 and 8 percent, on the two ships. On this basis, the ships could still be operated profitably under subsidy arrangements possible within the framework of established law and policy. Since operation of a modern ship at a loss is virtually ruled out by the generous operating subsidies provided (in addition to the construction assistance), a relatively low rate of return on capital employed is all that should be required—especially since there is no problem about attracting capital with the availability of Government mortgage insurance.

The bill has already passed the House, and if a minor Senate amendment is accepted, it will go to the President. It would amount to an unjustified giveaway of at least $10 million, reminiscent of the similar deal, later investigated by Congress and partially reversed, under which the United States Lines built the steamship *United States*. On the administration's own record of opposition to the bill in both the House and Senate hearings, it ought to be vetoed. If it is not, no appropriation request to make it operative should be granted pending further negotiations, in which the Maritime Administration ought to display more tough-mindedness than it has to date.

Mr. LAUSCHE. Mr. President, the bill further weakens the fiscal stability of the Government. We have a $295 billion debt. In 1959 we had a $13 billion deficit. Our dollar is worth 47 cents, on the basis of the purchasing value of the 1940 dollar. We cannot sell our Government bonds. Our gold reserves are being drawn out and carried to various other nations throughout the world. Is that a bright and lustrous picture? I submit that it is not. We are priced out of the world market. We are begging people to buy our Government's bonds. I never thought I would see the day when the investors of our country would literally declare, "Do not sell me your Government bonds. I will buy the stocks and bonds of enterprises which promise greater security."

Yet, with the Government in that condition, we are urged to take on more and more secondary obligations. Our debt will be $295 billion. We are obligated, on the basis of secondary obligations, in the sum of $325 billion; and we rest secure, and think that secondary obligations mean nothing.

Let a crash come. Let something serious happen in the economy, and the creditor will be standing at the door saying, "My borrower has not paid. I want you, the Government, to pay." There will be a different view of the problem when that happens.

The bill gives encouragement to other segments of the economy to come to Congress asking for giveaways, loans, guarantees of loans, and other benefits, and I say those words advisedly.

If the Government cannot sell its bonds now, there has been something wrong through the years that has brought on that condition.

The enactment of the bill would stimulate agencies that lend money not to make loans unless the loans are guaranteed by the Government. I have already spoken upon that point.

Finally, it declares falsely that a floating dock is a "vessel" within the meaning of the Merchant Marine Act.

On that subject, I submit that we can never by legislative declaration, even through the great, dignified body of the U.S. Senate, declare black to be white or white to be black. The truth remains unchanged; and all that we do is fling insults to our intelligence when we proclaim that a floating drydock shall be considered as a navigating vessel.

In my opinion there is no reason for enacting this bill, having in mind the interest of our country; but there is every reason, having in mind the welfare of our citizens, to defeat it, and defeat it overwhelmingly.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KUCHEL. Mr. President, a parliamentary inquiry. How much time is available to each side?

The PRESIDING OFFICER. The proponents have 42 minutes, the opponents 20 minutes.

Mr. LAUSCHE. I think we ought to have the yeas and nays on the bill.

Mr. SMATHERS. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. KUCHEL. If no other Senator desires to speak in opposition, I am prepared to yield back the remainder of our time.

Mr. BUTLER. Mr. President, if the Senator from Florida is prepared to yield back his time, I feel that we should yield back ours.

Mr. SMATHERS. I yield back the remaining time on our side.

The PRESIDING OFFICER. All time for debate has been exhausted or yielded back.

The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

(The bill was ordered to be engrossed for a third reading and was read the third time.)

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. KUCHEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I yield 5 minutes to the able senior Senator from Maryland.

Mr. SMATHERS. Mr. President, I am prepared to yield back all except 5 minutes of the time of the proponents if the able acting minority leader and the distinguished Senator from Maryland are willing to yield back all but 5 minutes of the time of the opponents.

Mr. KUCHEL. If there is no objection on the part of any Senator who desires to speak, I will yield back the remainder of my time with the exception of 5 minutes, on condition that the Senator from Florida will do likewise.

The PRESIDING OFFICER. All time except 5 minutes on each side has been yielded back.

Mr. SMATHERS. Mr. President, so that Senators may have some idea of the purpose of the bill on which they are about to vote, S. 107 is an extension of the Ship Mortgage provisions of the Merchant Marine Act of 1936 and which provides that the Federal Government may guarantee loans made for the construction of ships, tugboats, dredges, and vessels of other descriptions.

At the time the ship mortgage law was enacted, there was no need for floating drydocks because the United States had such a small merchant marine that ship operators did not think in terms of having repairs made in this country. The question then was, could we get ships? Could the United States stay in the merchant marine business? In addition the existing facilities were considered adequate to handle the repairs of the smaller vessels.

However, today, not only has the United States begun to lose most of the cargo-carrying business of the world; it has lost most of its own cargo-carrying business. The amount of our own cargo-carrying has dropped from 60 percent in 1950 to 12 percent today.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. SMATHERS. I yield.

Mr. MORSE. It is true, is it not, that there is not a floating drydock on the entire west coast which is capable of repairing one of the large tankers; and that, therefore, it is necessary for them to go to Japan for repairs?

Mr. SMATHERS. The Senator from Oregon is absolutely correct. There are no large floating drydocks or ship repair or construction facilities large enough to handle the large tankers which are now being built. The big cargo-carriers are the only types of ships which are today being built. Therefore, it is necessary to have the guarantees afforded by the Federal Ship Mortgage Act, in order that financing may be had to construct the larger facilities which are needed to handle the big tankers.

As the Senator from Oregon has stated, the large cargo vessels which operate from the west coast today go to Japan for repairs. From the east coast, they go to Great Britain, Germany, and Sweden, where obviously the work can be done for much less. There are no facilities large enough to take care of the repairs of such ships in the United States.

This is not a giveaway program. Under the act, as I previously pointed out, a guarantee of a ship mortgage or a mortgage on a floating drydock or similar facility cannot be made unless the Secretary of Commerce first considers the application and determines, in his wisdom, that it is economical, that the money will be repaid, and that there is a need for the insurance.

Representatives of the Department of Defense stated to the committee that so far as mobilization plans are concerned such facilities are needed. But then, apparently, some pressure was brought upon them, and in their following testimony they said that they would defer to the wishes of the Department of Commerce, if the Department was against the proposal.

But on mobilization day there will be no facilities of this character in existence, under present plans, except one, and it is not now in a position to take care of any repair work. The shipyards today are tied up on new construction.

Since the Federal Government has gone so far as to say that it will guarantee the construction of large ships, then certainly it should similarly say that it will guarantee the repair facilities which are necessary to handle the same ships.

If Congress does not pass the bill now before the Senate, the ship-repair work will go more and more to foreign shipyards. Employment in private shipyards in the United States today has dropped to about 75,000, which is very close to the postwar low in 1950 of 71,000. Employment has steadily decreased. Labor would like to have the bill passed because, obviously, labor could use the jobs which would be provided in American ship-repair yards. Management, I believe, in most instances would like to have the bill passed because it is necessary for them to borrow money for ship repairs. They will not construct repair facilities in this country unless the Federal Government will guarantee the funds because of the high interest rate on private financing without such insurance. The ship operators will take their ships to Japan and other overseas ports for construction and repair.

Lastly, the bill is needed for purposes of defense. The Navy has said that in the event of mobilization floating drydock repair facilities are needed.

When the matter is considered from every angle, I think it will be found that the bill is a logical extension of the Ship Mortgage Act. I think it can be supported by economists, who like to think in terms of dollars and cents.

The measure is economically sound and good from the standpoint of labor, management and the general economy. It provides the incentive to encourage the construction of facilities in the United States to repair our own merchant marine. I sincerely trust that the Senate will act favorably on it.

Mr. BUTLER. Mr. President, the bill would extend the Federal ships mortgage insurance provisions of the Merchant Marine Act and make them applicable admittedly to shore facilities. The Merchant Marine Act has historically concerned itself with the construction of vessels engaged in the carrying of passengers and cargoes. If this measure were to be enacted into law, it would make insurance coverage available to a floating drydock, which is a vessel maintenance and construction facility rather than a vessel.

There is now pending in the House of Representatives a bill to accord similar treatment to a graving dock. Floating drydocks and graving docks do precisely the same thing. Neither one has any mobility by means of propulsion machinery of its own. Both are used for the same purpose. Both are shore facilities.

So, Mr. President, this proposal is admittedly to extend the provision of the Merchant Marine Act to a shore facility, not to a vessel engaged in commerce.

Furthermore, Mr. President, not one agency or department of the Government of the United States favors approval of this bill. As a matter of fact, every agency and department of the Government is opposed to the bill.

The Senator from Oregon [Mr. MORSE] asked whether there was a floating drydock on the west coast. I reply that there may not be a floating drydock on the west coast, but there are many graving docks on the west coast, ready and able to take the largest aircraft carrier now afloat in the U.S. Navy. I simply cannot conceive that it can seriously be contended on this floor that if there is a demand for a facility of this sort, American enterprise would be so backward as not to build it and get the business and the profits which would result from the construction of the facility.

Mr. MORSE. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER. I am sorry that I cannot yield. I have only 5 minutes at my disposal.

Furthermore, Mr. President, the Navy already has seven drydocks, some of them twice the size of the drydock proposed to be authorized by means of this bill. But all seven of those drydocks are in mothballs. The Navy has no use for them. So today every one of them is in mothballs.

Thus, no need whatever for the enactment of this proposed legislation has been shown.

In addition, Mr. President, this measure provides for the construction of a facility which is not economically feasible. Drydock charging rates do not normally cover full drydock costs. A floating drydock is not generally economically self-sufficient. Thus, extending mortgage insurance to such a project would be a bad risk. If the proposed facility were to be built in the United States, on the authority of the Maritime Administration, it is reasonable to assume that the difference between the cost of constructing it in the United States and the cost of constructing it in Europe would be approximately the same as the difference between the cost of constructing a ship in the United States and the cost of constructing the same ship in Europe. Therefore, in reality, the Government would be insuring more than the fair value of the facility, upon its completion—which is bad business, to begin with. I do not think the Government should insure more than the value of the facility the day construction is completed.

I believe that if we expand the Merchant Marine Act in the respect now

proposed, we shall have no defense whatever against the bill which a Member of the House wishes to have enacted, in order to have Federal funds used for the construction of a graving dock. The Senator from Georgia has expressed a desire to have a graving dock built in his State, if this floating drydock is authorized. Not only are there many others who would wish to have a graving dock built, but the proponent and the chief beneficiary of the pending bill admitted before the committee that he did not want to confine the application of the bill to a drydock; he said the application of the bill should be extended, so that if he needed a "lathe or a drill or what have you" for the construction of a ship, he would have the right to have the Government to get it for him.

Mr. President, this bill is simply a means of having the Government of the United States underwrite the construction of shore facilities for the repair and construction of ships, rather than the construction of vessels themselves. I am opposed to that. I do not believe any justification exists for extending and distorting the mortgage insurance program to cover shore facilities.

The PRESIDING OFFICER. The time under the control of the Senator from Maryland has expired.

Mr. MANSFIELD. Mr. President, has all available time expired?

The PRESIDING OFFICER. It has.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time available on the bill has expired.

Senate bill 107 has been read the third time. The question now is, Shall the bill pass?

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Utah [Mr. Moss], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Utah [Mr. Moss], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "yea."

The result was announced—yeas 48, nays 41, as follows:

YEAS—48

Anderson	Hennings	Magnuson
Bartlett	Hill	Mansfield
Bible	Holland	Monroney
Byrd, W. Va.	Humphrey	Morse
Cannon	Jackson	Murray
Carroll	Johnson, Tex.	Muskie
Church	Johnston, S.C.	Neuberger
Clark	Jordan	Pastore
Eastland	Kefauver	Russell
Engle	Kerr	Smathers
Ervin	Langer	Sparkman
Frear	Long	Stennis
Gruening	McCarthy	Symington
Hart	McClellan	Talmadge
Hartke	McGee	Thurmond
Hayden	McNamara	Yarborough

NAYS—41

Aiken	Curtis	Morton
Allott	Dirksen	Mundt
Beall	Douglas	Prouty
Bennett	Dworshak	Proxmire
Bridges	Ellender	Robertson
Bush	Goldwater	Saltonstall
Butler	Hickenlooper	Schoeppel
Byrd, Va.	Hruska	Scott
Capehart	Javits	Smith
Carlson	Keating	Wiley
Case, N.J.	Kennedy	Williams, Del.
Case, S. Dak.	Kuchel	Young, N. Dak.
Cooper	Lausche	Young, Ohio
Cotton	Martin	

NOT VOTING—9

Chavez	Gore	O'Mahoney
Dodd	Green	Randolph
Fulbright	Moss	Williams, N.J.

So the bill (S. 107) was passed.

Mr. SMATHERS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF COMMUNICATIONS ACT TO PROVIDE EQUAL TIME TO CANDIDATES FOR PUBLIC OFFICE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 560, S. 2424.

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2424) to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What is the status of the time limitation on this particular measure?

The PRESIDING OFFICER. There is one-half hour on each amendment, the time to be equally divided, and 2 hours on the bill.

Mr. MANSFIELD. Two hours on the bill, and a half hour on each amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. I thank the Presiding Officer.

Mr. PASTORE. Mr. President, I yield 5 minutes to the Senator from Alaska from the time on the bill.

THE FLAG IN THE SENATE CHAMBER

Mr. GRUENING. Mr. President, a few minutes ago I called attention to the astounding fact that the American flag behind the rostrum in this Senate Chamber contains only 48 stars. On the 4th of July last, following the admission of Alaska to the Union, a 49th star was added to the flag, and the 49-star flag became the official design of Old Glory.

On July 4th last the new flag was raised all over the Nation amid cheers and rejoicing. A 49-star flag was raised over each end of this Capitol. Another 49-star flag was raised at 1 minute after midnight at Fort McHenry, the scene of the heroic defense which inspired the national anthem, "The Star-Spangled Banner."

Another 49-star flag which had flown briefly over the Capitol of this Nation was carried to Philadelphia where it was raised with appropriate and solemn ceremenies at historic Independence Hall.

But here in the Senate Chamber no such ceremony—or change without ceremony—took place.

After calling attention a few minutes ago to the obsoleteness of the flag in the Senate Chamber—the only flag in this Chamber—I asked Mr. Joseph C. Duke, the excellent Sergeant at Arms of the Senate, to explain the reason for the continued presence in this Chamber of this anachronistic design of our flag.

Sergeant at Arms Duke explained to me that this flag cost $175 and that with the admission of Hawaii—there would shortly be a 50-star flag and that it would be economical to await the 50-star flag.

Mr. President, I respect and applaud the desire of Joe Duke to be economical with public funds—economy with the taxpayer's money is a most praiseworthy objective which we in the Senate not only preach, but in this Congress, in particular, have practiced.

But I must register an emphatic dissent from this particular economy. Alaska is entitled to a full year's display of the 49-star-flag which Alaska's admission to the Union brought into being.

It is true that Hawaii is voting today, is today electing its first State organization, its first State Governor, its first two U.S. Senators, and its first Representative in the House. But the 50-star flag which will signalize the admission of Hawaii, the paradise of the Pacific, into the Union will not become official till the 4th of July 1960.

Shall the Senate of the United States consent to the continuation in this Chamber for nearly a whole year of this

obsolete flag—a flag which fails to recognize the extension of the Union to America's farthest west and farthest north, a flag which fails to signalize the extension of the frontier of democracy to within naked eyeview of the totalitarian tyranny which is the antithesis of everything which our flag symbolizes—whatever its number of stars?

Mr. President, I hereby register my emphatic protest, and request that the necessary funds be made available to our able and conscientious Sergeant at Arms so that the newest Old Glory may adorn this Chamber.

If these funds are not available I shall be happy and proud myself to pay for the purchase of the 49-star flag which properly belongs here in the Senate of the United States.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. GRUENING. I am glad to yield to the Senator from Arizona.

Mr. GOLDWATER. I point out to my good friend from Alaska that there will be 48 stars in the circle above us, and I think we should add two to that number, also.

Mr. GRUENING. I thank the Senator from Arizona.

AMENDMENT OF COMMUNICATIONS ACT TO PROVIDE EQUAL TIME TO CANDIDATES FOR PUBLIC OFFICE

The Senate resumed the consideration of the bill (S. 2424) to amend the Communications Act of 1934 in order to provide that equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs.

Mr. PASTORE. Mr. President, section 315 of the Communications Act of 1934, as amended, presently provides that if a licensee permits a legally qualified candidate for public office to use his broadcast station, he shall afford equal opportunities to all other such candidates for that office. It provides further that the licensee does not have the power of censorship over the material broadcast and that no obligation is imposed by the licensee to allow the use of his station by any such candidate.

A careful examination of the legislative history of section 315 of the Communications Act and its predecessor, section 18 of the Radio Act of 1927, reveals clearly that the fundamental objective of that statute was to require any licensee who had allowed any legally qualified candidate to use his facilities to afford equal opportunity to all other candidates for that same office.

Its basic purpose was to require equal treatment by broadcasters of all candidates for a particular public office once the broadcaster made a facility available to any one of the candidates. This was a sound principle and the committee reemphasizes its belief in that objective. The equal time provision of section 315 (a) was designed to assure a legally qualified candidate that he will not be able to acquire unfair advantage over an opponent through favoritism of a station in selling or donating time or in scheduling political broadcasts. If the number of radio and television stations were not limited by available frequencies, the committee would have no hesitation in removing completely the present provision regarding equal time and urge the right of each broadcaster to follow his own conscience in the presentation of candidates on the air. However, broadcast frequencies are limited and, therefore, they have been necessarily considered a public trust.

Every licensee who is fortunate in obtaining a license is mandated to operate in the public interest and has assumed the obligation of presenting important public questions fairly and without bias.

Under the present rigid Federal Communications Commission interpretation of section 315, a broadcaster cannot devote 1 minute to a legally qualified candidate participating in any program whatever the subject, be it atomic energy, the need for adequate defense, a road or bridge ribbon-cutting event, dedicating a post office, or opening a charity drive, without being compelled to make available a minute to every other legally qualified candidate to the same office.

S. 2424 would exempt from the provisions of section 315(a) news, news interviews, news documentaries, on-the-spot coverage of news events, or panel discussion programs.

In removing these programs in which legally qualified candidates are seen or heard from the scope of section 315 it places them in the same category as all other news, news interviews, news documentaries, on-the-spot coverage of news events, and panel discussion programs.

The proposal affords the licensee freedom to exercise his judgment in the handling of this type program despite the fact that a legally qualified candidate may appear or be heard on such a broadcast.

In establishing this category of exemptions from section 315, the committee was aware of the opportunity it affords a broadcaster to feature a favorite candidate. This is a risk the committee feels that is outweighed by the substantial benefits the public will receive through the full use of this dynamic media in political campaigns. Every reasonable safeguard must and will be established to prevent any partisan broadcaster from abusing this new right.

The committee has faith in the maturity of our broadcasters and their recognition of an obligation to serve the public interest. Nevertheless to assure prompt and decisive action this legislation provides for a reexamination of the entire problem as to ascertain whether the bill herein reported has proved to be effective and practicable. The FCC is also directed to report annually all information and data used by it in determining questions arising from this legislation.

The committee feels that the proposal contained in this legislation is in the public interest and worth the risk being taken when contrasted with the alternative which is a blackout in the presentation of legally qualified candidates in the news type programs. Broadcasting journalism is a way of our life as is reporting through newspapers and magazines. The public has become dependent upon it and is entitled to it. This must be recognized.

The full use of this dynamic media should not be shackled nor should it be abused. The committee feels that the proposal set forth herein is workable and fair. The public interest should benefit from it. If not, adequate opportunity to remedy it is available.

The Congress created the FCC as an expert agency to administer the Communications Act of 1934. As experts in the field of radio and television, the Commission has gained a workable knowledge of the type of programs offered by the broadcasters in the field of news, and related fields. Based on this knowledge and other information that it is in a position to develop, the Commission can set down some definite guidelines through rules and regulations and wherever possible by interpretations.

Concern has been expressed that the proposed exemptions will result in a change in procedure on the part of the Commission in disposing of complaints that may be filed under section 315.

The committee feels that the Commission should adhere to its present procedure as closely as possible and to process every complaint as quickly and expeditiously as the facts in each situation will permit. The committee appreciates that each of a series of events widely separated may not spell out abuse but when viewed as a whole at a later date may bring a different result.

Fear has also been expressed that the adoption of legislation creating special categories of exemptions from section 315 would tend to weaken the present requirements of fair treatment of public issues. The committee desires to make it crystal clear that the discretion provided by this legislation shall not exempt licensees who broadcast such news, news interviews, news documentaries, on-the-spot coverage of news events, or panel discussion programs from objective presentation thereof in the public interest.

In recommending this legislation, the committee does not diminish or affect in any way Federal Communications Commission policy or existing law which holds that a licensee's statutory obligation to serve the public interest is to include the broad encompassing duty of providing a fair cross-section of opinion in the station's coverage of public affairs and matters of public controversy. This standard of fairness applies to political broadcasts not coming within the coverage of section 315 such as speeches by spokesmen for candidates as distinguished from the candidates themselves. The committee agrees with the views expressed in the Department of Justice letter to Senator WARREN G. MAGNUSON dated July 1, 1959, wherein it is stated that the principle of fairness—

Would automatically be applicable to any additional types of political programing which might be exempt from the coverage of section 315.

Inclusion of such language in any amendment to section 315 should not be construed as limiting the station's obligation to present conflicting views on public issues to the political situations covered in section 315 of the act—those exempted via this legislation.

Of course, the prohibitions against censorship as presently provided in section 315(a) would not apply to the exempted programs provided by this legislation. The responsibility of the broadcaster will be the same as it is for any program other than those declared to be a use of facilities under section 315(a).

The committee is not unmindful that the class of programs being exempted from the equal time requirements would offer a temptation as well as an opportunity for a broadcaster to push his favorite candidate and to exclude others. That is a danger.

The committee clearly recognizes this to be a definite obstacle but feels that the alternative to standing pat and maintaining status quo could lead to a virtual blackout in the presentation of candidates on the news-type programs. This would not, in the opinion of the committee, serve the public interest. An informed public is indispensable for the continuance of an alert and knowledgeable democratic society. The public should not be deprived of the benefits that flow from this dynamic form of communications during the critical times of a political campaign. The public benefits are so great that they outweigh the risk that may result from the favoritism that may be shown by some partisan broadcasters.

In any event, the committee is cognizant of this pitfall and has, therefore, included in this bill two provisions which serve as a warning to all broadcasters that the discretion being granted them and the manner in which they employ it will be carefully screened.

The committee has recommended that Congress reexamine this legislation at or before the end of a 3-year period in order to ascertain whether the remedy provided herein has proved to be effective and practicable. And to assist the Congress in this reexamination, the Federal Communications Commission is required to make a report annually setting forth:

First. The information and data used by it in determining questions arising from or connected with this bill; and

Second. To make such recommendations as the Federal Communications Commission deems necessary to protect the public interest and to assure equal treatment of all legally qualified candidates for public office.

The committee proposes to keep a close liaison with the Commission with regard to this problem.

It is my judgment that this legislation will serve the public interest.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. I am very glad the Senator from Rhode Island recognizes the fact that discrimination by radio and television stations could be exercised under the terms of his amendment. I should like to ask whether he proposes to do anything about it, and to reduce the possibility of such discrimination in favor of one candidate or one party.

Mr. PASTORE. We are doing several things about it.

First, we have restricted the exemption to well defined categories. Naturally there is an inherent risk, even though it may be slight, that there might be instances of abuse here and there, but the thing to bear in mind is that we have added two paragraphs to this legislation, one of which means that the committee will remain on top of the entire problem by keeping it under constant review for the next 3 years.

Also we have mandated the Commission to make an annual report to us of every instance in which complaints are made, with the added safeguard that the Commission shall make specific recommendations.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. PASTORE. I yield.

Mr. DOUGLAS. Of course, it is true that television and radio require large investments of money. The stations are generally rather profitable enterprises. The owners of radio and television stations, therefore, tend to have much the same bias that owners of newspapers have. The newspaper industry of the country is overwhelmingly a one-party industry—at least in the Northern, Eastern, and Western States; and in the Southern States it is generally overwhelmingly in favor of candidates who have the same ideas as the candidates supported by the radio and television stations in the North, East, and West. Very commonly the same group will own both the local newspaper and a radio and television station. If we give this group complete freedom to emphasize one party or the other, or one set of candidates or the other, do we not give to them exceedingly great powers over public opinion, and in effect deny to others the opportunity of being fairly heard?

Mr. PASTORE. No. We are not repealing section 315. We are merely writing into section 315 an exemption which will take care of the very ridiculous situation which is presented because of the Lar Daly decision.

Furthermore, we have retained within the structure of the exemption the panel discussion. Under existing law, without respect to section 315, we must bear in mind that licensees must come before the Commission every 3 years to have their licenses renewed, for the very reasons given by the distinguished Senator from Illinois.

Under existing law and policy it is absolutely mandatory that they shall serve the public interest because these media are in the public domain, and therefore they should be fair in their treatment in all events.

Mr. DOUGLAS. My observation of the FCC has been that it has not been a very efficient regulator of radio and television. I think its power to terminate a license every 3 years as a weapon which it has almost never used. In other words, the radio and television industry has come to control the Commission rather than that the Commission has control over the radio and television industry, and I doubt very much whether any radio or television station would have its license revoked because it supported the candidates of one political parts or because it played favorites in a local race.

Mr. PASTORE. I understand that completely, but is the distinguished Senator from Illinois telling me that he would prefer to have the industry remain under the condition that exists because of the Lar Daly decision?

Mr. DOUGLAS. No.

Mr. PASTORE. What are we to do about it?

Mr. DOUGLAS. I think we should adopt amendments which would require the stations, in return for the privilege which is being given them, at least to accord some further public service features, and to guarantee that the candidates of the major parties shall receive equal treatment.

I am not saying that every independent candidate should receive equal treatment, but I suggest the 10 percent rule, under which parties that in the previous election received 10 percent of the vote would be given equal treatment. Perhaps the percentage should be even lower.

This does not meet the problem of the primary, I know, and I know also that in the South the primaries are extremely important, but I think it does meet the problem of general elections in the two-party States. This I believe to be exceedingly important, and we on our side of the aisle, at least, feel this issue very acutely. We Democrats of the North already suffer grievously.

Mr. PASTORE. I realize that, and I am on the same side of the aisle. I wish to make it perfectly clear to the distinguished Senator from Illinois that we dealt with this matter a considerable number of days. We understand all the pitfalls involved. Our problem resolves itself basically into the framing of a law which will take into account the philosophy which all of us, I believe, have, namely, as to the objective to be accomplished, but when we came to frame the terminology and the phraseology to meet every instance, we ran into somewhat of a problem.

If the Members of the Senate, read the bill very carefully and take into account the existing law, and read the exceptions we are making, plus the fact that we are writing into the law a provision that a study is to be made of this matter for a period of 3 years in order to obviate and eliminate and obliterate the very situation the distinguished Senator from Illinois has pointed up so well, I believe they will agree with me that we have presented a measure which comes pretty close to being the best that can be submitted under the circumstances.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from Florida.

Mr. HOLLAND. I wish to say, first, that I have never attended a hearing in which the attitude of the chairman and the other members of the subcom-

mittee was more objective, more impartial, or more thorough, than I observed in the subcommittee presided over by the distinguished Senator from Rhode Island, who conducted the long and sustained hearings on the measure before the Senate, and I wish to congratulate the Senator from Rhode Island.

Mr. PASTORE. I thank the Senator.

Mr. HOLLAND. I wish also to congratulate those who are on the subcommittee.

I desire to add that in the main I am completely for the bill. I think it is a fine bill. In my opinion it is a measure necessary to assure fair treatment of candidates and of parties as well in the presidential, the senatorial, the congressional, and the gubernatorial elections, and in all the statewide and county and district elections which will take place next year. That is our first interest.

There are two elements in the bill which cause me a little concern, and it is as to them that I should like to address some questions to my distinguished friend, if I may.

Mr. PASTORE. I yield to the Senator.

Mr. HOLLAND. The first query is with reference to the words "news documentary." I have discussed this matter with the Senator from Rhode Island, and I think I now understand just what is meant by those two words, but I ask him to state for the record what he and his committee have in mind by the use of those two words, in exempting what is referred to as a news documentary from the coverage of section 315 in its requirement of equal time.

Mr. PASTORE. The best way I can describe and define "news documentary," is by taking a case where a news event of contemporary value occurs. In order to give it the graphic and dramatic appeal it deserves, the program will go into the background, giving the genesis which led to the event of the moment, and develop it from that point on.

For instance, when the St. Lawrence Seaway was opened, the chances are that in describing the cutting of the ribbon, which might be the event of the moment having news value, it might be well to show where the campaign for the Seaway started, the man who introduced the legislation, and it might show the Senator from Florida as the one who introduced the original proposal. In the event the Senator from Florida were a candidate for public office, immediately anyone who was running against him in Florida would say that he had the right to equal time.

The point is that the news documentary is merely a flashback or a development of background to make the news value of the moment clearer in the viewer's mind, or to one who is listening over the radio. It is a development of the background, the historical or chronological sequence that leads to the moment or the event of the moment, in order to describe it, and define it a little better in the eyes of the public who are watching it on television, or the hearing of those who are listening on the radio.

Mr. HOLLAND. I thank my distinguished friend. I may say that it seems to me the phrase as used here, "news documentary," does not mean a document, but, if I understand it correctly now, it does mean a documentation of the point at issue in a present news item by showing the history and the logical development that preceded the particular event or instance. Is that correct?

Mr. PASTORE. Yes. As a matter of fact, Sunday afternoon there was a television show which depicted the development of section 315, and it showed a clip of our committee proceedings. I do not know whether the Senator from Florida was caught in one of those flashes, but the fact of the matter is that it showed how this whole thing developed. That is a news documentary. The broadcasters document their story in such a way that it gives the chronological sequence which is necessary for a better and more definitive understanding.

Mr. HOLLAND. Mr. President, that description of what is meant is thoroughly satisfactory to the Senator from Florida. What I apprehended was that it might open the door rather widely to things which might deal with an individual or with a series of events that might make for trouble, but I believe that with this rather definitive illustration of what is meant we need have no further concern about the term.

Mr. ENGLE. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield to the Senator from California.

Mr. ENGLE. I very carefully read section 315(a), and it appears to me that the exemption provided is broad enough so that it would permit a television station to put Senator PASTORE or Senator MORTON on a newscast with relationship to his election and not be required to give equal time.

I can see nothing in the proposed statute which would prevent a documentary on the Senator from Kentucky or the Senator from Rhode Island as a news documentary in connection with the announcement of his candidacy, which would be an item of news. In other words, if we take a good hard look at the situation, we find that the TV stations could take the announcement of a candidacy, put it into a news documentary, and go into the background.

Let us take the time, for instance, when a very famous Republican Governor of California switched from the race for Governor to the race for the Senate. When he made his announcement it was a newsworthy statement. The TV was turned on him. Now they give him a little more latitude. They go back and produce a documentary about him, and they are exempt; they will not be required to give equal time. That is the point I desire to make.

I think we should not let the RECORD appear to show that political announcements are not included within the news. They are, and they do not require the assignment of equal time. If I am mistaken about that, I hope the Senator from Rhode Island will correct the RECORD, because as I read section 315(a), the broadcasters can put candidates on the air when the candidacies are announced, and they are not even required to give equal time to the opposition.

Mr. PASTORE. As a matter of fact, if the broadcasters were of the mind to do so, they could subvert the law. But the point is that the whole law must be read in its entirety. Being very conscious of the situation presented by the Senator from California, I call his attention to section 2 of the bill, which provides that when Congress declares its intention to amend section 315 of the Communications Act of 1934, if deliberately a station or a broadcaster uses its license as a subterfuge to subvert and to violate the clear intention of Congress and to do something which was not a fair treatment of a public issue, such a station or broadcaster could be dealt with under the renewal-of-license procedure.

I realize that a situation of abuse can be pointed out here or there. But I say to Senators that we must either do something to remedy the situation, or else remain with the very ridiculous decision in the Lar Daly case.

Mr. ENGLE. I am not implying that I am against the bill. I think we have to take action. I think the Lar Daly case presented a ridiculous situation, and in my opinion the Federal Communications Commission misconstrued and misinterpreted the law. There was no basis in law for the decision which the Commission made.

What I am trying to point out is that the matter of news documentaries does not boil down to such an innocuous matter.

Mr. PASTORE. I never said it was innocuous. I always felt that any exposure of my opponent had a fatal end, until I read the returns of the election. Then I realized how uselessly I had worried about many things which were not of such cataclysmic importance. For it sometimes happens that the exposure is not very good. Every time the viewers see the Senator from California on television, it is quite a treat.

Mr. ENGLE. I thank the Senator from Rhode Island.

Mr. PASTORE. There are other persons who are not quite so photogenic. But we cannot take care of every situation. It is necessary to do something about the Lar Daly decision. I say the measure presented represents the best decision the committee could make. If any Senator can better the bill, I am perfectly willing to accept amendments on the floor. But there are risks involved.

Mr. HOLLAND. The distinguished Senator from Minnesota [Mr. MCCARTHY] tells me he has some questions on the news documentary matter. Since we are making a legislative history on that subject at this time I will gladly yield to him.

Mr. PASTORE. I will come back to that point. The two points of contention in this matter are news documentaries and panel discussions.

Mr. HOLLAND. The latter is also something I desire to discuss a little later.

Mr. PASTORE. We will have discussions pro and con. We cannot present a perfect measure. I know all the arguments both for and against. I have heard them all. I have made them myself. But this is the best we could do. It is about as near to perfection as we can come. If any Senator can improve on the language, I shall be the first one to accept his amendment.

I yield to the Senator from Kentucky.

Mr. MORTON. Mr. President, first I commend the Senator from Rhode Island for the excellent work he did in connection with this much-needed proposal. We have the choice of having a news blackout or of doing something about the situation, as the Senator from Rhode Island has well pointed out.

Are we not in the bill really relying on the responsibility, fair-mindedness, and integrity of the broadcasting industry? If they do not meet the challenge, we will have to face up to it.

Mr. PASTORE. We do not meet them in that fashion. We subject ourselves to their judgment, insofar as procedures are concerned. But basically we have left in the law the philosophy of Congress that equal time shall be given to opposing candidates.

We have found it necessary to take this action because of the decision by the Commission in the Lar Daly case. I do not agree with the Commission's interpretation of the law. For almost 32 years we lived in a situation in which the decision in the Daly case was not operative. But last February the Commission rendered a very ridiculous decision which requires that an amendment be made to the law; otherwise there could be a complete blackout in political campaigns.

Yesterday on television we saw the pictures of Mr. NIXON in Russia. If Mr. NIXON had qualified as a candidate for the Presidency in any State of the Union, or had announced himself as a candidate, those films could not have been shown in the United States of America without equal time having been afforded to all other candidates for President of the United States.

Mr. ENGLE. Why should not all candidates be given equal time? Is there anything wrong about that? How many candidates will there be?

Mr. MORTON. I think, first, that section 315 has not been repealed; it has been expanded. If the broadcasting industry is not sufficiently responsible to give a fair measure of time or to give judicious treatment and fair treatment in this area, then I think the Senator from Rhode Island will be one of the first Members of the Senate to do something about it.

Mr. PASTORE. I certainly will. I thank the Senator from Kentucky for his complimentary remarks.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ALLOTT. I also wish to compliment the Senator from Rhode Island for the excellent work he has done on the bill. I believe he recalls that I introduced the first bill on this subject. It was based primarily on the fact that section 315(a)—and I believe the Senator from Rhode Island concurs in this statement—has been misinterpreted in a recent decision of the FCC.

Mr. PASTORE. I certainly concur in that statement, although I do not question the good conscience of the Commission in the decision which it reached.

Mr. ALLOTT. Oh, no.

Mr. PASTORE. But I differ with the Commission, and so does the Attorney General of the United States. It was never considered that when a candidate does not initiate a program himself, he is making use of the facility, especially in a routine news case. But that was how the Commission ruled, and it is the existing rule unless Congress does something to change it.

Mr. ALLOTT. I understand the remarks of Senators who are concerned about the abuse of news interviews, newscasts, and the like. I covered this ground rather thoroughly in my statement to the committee. I say again that I believe the committee did good work. I believe that not only the operators of radio stations, but also of TV facilities, have a conscience and a responsibility of their own. But I also have the feeling that when they come before the American public day after day with slanted comments or slanted interviews, which we know has happened, the public has its own way of taking care of such situations. Such statements sometimes do not have the weight which the people who make them think they have.

We know that abuses occur, but I feel that considering the reexamination of the matter and the report from the Federal Communications Commission, the committee has gone as far as it can go with a bill at this time. I hope the bill will prove to be an amendatory measure which will improve the situation.

Mr. PASTORE. I do not want to leave the impression with Senators that the teeth have been taken out of the equal time law. We certainly have not done that. Section 315 remains intact. We were confronted with the Lar Daly decision, which decision led to a very ridiculous situation. We have tried to do something about it. We also have written into the bill a provision about panel discussions.

I hope to hear from the distinguished Senator from Minnesota [Mr. MCCARTHY] on the question of panel discussions. In the committee it was argued that we should not deal with that subject, because if we did, we would be making a complete innovation, as compared with our attempts to deal with the matters involved in the Lar Daly decision. Certainly we must face the panel situation realistically, too.

In the commmittee I stated that if there was a chance that the House would be adamant and would not go along with the inclusion of panel discussions, then, rather than jeopardize the chances of the passage and enactment of the bill, I would recede on that point, after it was debated. But our best judgment, under the circumstances, was that panel discussions should be excepted; and I believe that was borne out by the recent experience of the senior Senator from Minnesota [Mr. HUMPHREY].

In other words, I believe that we would be ill-advised if we did not include such a provision. I state frankly that if the Senator from Minnesota were a candidate in a given election—and I shall not go into a discussion of the possibilities in that connection—under the law now proposed he could not be invited to participate in such a program.

I realize that some persons think he should not participate in such programs, and other people believe he should participate in them. I believe the issue should be debated fully and openly on the floor of the Senate. After that is done, of course, I shall yield to the best judgment of the Senate, because I say frankly that we are not wedded particularly to the inclusion of a provision of that type.

Mr. ENGLE. Mr. President, will the Senator from Rhode Island yield to me?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Rhode Island yield to the Senator from California?

Mr. PASTORE. I yield.

Mr. ENGLE. With reference to the Senator from Minnesota [Mr. HUMPHREY], let me state that he has been invited to participate in two panel discussions, and I frankly discussed the matter with him. I have at the desk an amendment on this point.

Now that we have opened up the matter as regards the Lar Daly broadcast, I do not believe the Senator from Minnesota would oppose striking out that provision.

But even if the allowance of equal time for all presidential candidates were insisted upon, is there anything wrong with doing so? How many candidates will there be, anyway? Today, if the Senator from Minnesota were the only announced candidate, how many other candidates would the television companies have to schedule? No one else so far as I know.

Mr. PASTORE. That would depend on what was meant by the term "legally qualified candidate." Certainly there might be 25 or 30 of them; that would not be impossible. At one time there were 18.

Mr. ALLOTT. Mr. President, at this point will the Senator from Rhode Island yield further to me?

Mr. PASTORE. I yield.

Mr. ALLOTT. I should like to refer to the further fact that the equal-time provision is not affected in this case. This provision would simply be added to section 315(a); and the equal time situation would not be affected by this measure.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. Mr. President, at this time I shall yield to the Senator from Florida. I understand that the Senator from Minnesota has a question to ask in connection with this point. So when the Senator from Florida has concluded, I shall yield next to the Senator from Minnesota [Mr. MCCARTHY].

At this time I yield to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. I thank my distinguished friend for yielding to me.

Mr. President, I repeat that I think news documentation, as defined by the Senator from Rhode Island, comes well within the group of newsworthy items which are proposed to be exempted from the application of this subsection of the Act; and I also call attention to the fact that every one of the items so exempted, except the panel discussions, has to do with news. For instance, in that connection I refer to a newscast, a news interview, a news documentary, and an on-the-spot coverage of news events.

This brings me to the only matter with which I have any serious concern—namely, the inclusion of panel discussions. It has been my observation, with reference to statewide political races—for instance, in my State, and particularly when two candidates or several candidates who have had considerable political experience are running for election to the same office—that panel discussions more frequently than not have to do with what the candidates did or did not do some years before, rather than with any newsworthy item as of the moment.

In a race which comes very clearly to my mind, because it involved me, just last year, I had a very distinguished opponent. I think I can truthfully say that in the many panel discussions on which he appeared and I appeared, the discussion most frequently had to do with what one or the other of the two candidates who were appearing on the panel said or did or how he voted in connection with some issue of the past—some of them going back 12 or 15 years.

I do not believe that from the standpoint of the wider political races it would be safe to include panel discussions, but I am particularly concerned about the local races, because in our State, at least, where generally there is one-party government, the real race is conducted in the primary, and it is a wide-open race—for instance, with 10 or more men running for election to the office of sheriff, in a large county, where the responsibility of the sheriff is very great, and where the interests of various groups which do not want strict law enforcement are large and are well known.

It seems to me that such an arrangement would result in giving the television companies the power pretty well to pick out who would be the sheriff of the county or who would be the nominee in a race of that kind; and the same might be said in regard to election to the office of tax assessor or election to the office of tax collector or election to the office of judge. In our State, county judges, circuit judges, and even the supreme court judges are elected; all of them have to run for office.

So it seems to me that such an arrangement would place in the hands of the television companies a weapon so powerful that we would not be wise to include in the bill a provision that panel discussions should be regarded as being in the same classification as these news items, which I think are all in the same general class which should be exempted from the application of the act.

Mr. PASTORE. Mr. President, the Senator from Florida makes a very valid point. I have already stated, several times, that we discussed this matter, both pro and con, in the committee; and it was the best judgment of the committee to include panel discussions as an exemption, on the basis of the committee action, and then to have the matter discussed here on the floor.

I state frankly that I shall not raise any clamor if such a provision is deleted. I do not think it is really the essence of the exemptions, at all. In executive session of the committee, I said that if in any way the retention of this provision would jeopardize the eventual enactment of the remainder of the exemptions, I would be willing to recede on this one. I have already assured the chairman of the committee, the Senator from Washington [Mr. MAGNUSON] of my position on that point.

I repeat that this issue is one which can fairly be argued either way. I realize that the problem is much more acute in the case of local elections and in the case of primary elections in one-party States. Here again, I am waiting to hear the Senator from Minnesota state what experience in his State has been.

In the meantime, the Senator from Florida [Mr. HOLLAND] has made a very fine argument.

Certainly I want to have this issue debated thoroughly. After it is debated thoroughly, it will be for the Senate to decide whether to accept or to reject this provision, either by means of a voice vote or by means of a yea-and-nay vote; I do not care which type of vote is used.

We have tried to report a bill to correct a very unfortunate and undesirable situation. I repeat that the crux of the bill does not lie in the retention of this particular provision. If this provision is deleted, certainly I shall not be unhappy in any way. But I believe the issue should be thoroughly debated, just as is now being done.

Mr. HOLLAND. Mr. President, if the Senator from Rhode Island will yield further to me, let me say that he is displaying here on the floor the good humor, the patience, and the breadth of view which I have already stated he displayed so fully in the committee hearings.

Last of all, I desire to refer especially again to the one-party State situation. In the many States of the Union which are one-party States—most of them are Democratic States, but some of them are Republican States—the real battle occurs, not in the general election, but in the primary election. In such elections, no one group has the right to say to a candidate, "You run for us"; neither does another group have the right to say to another candidate, "You run for us." In other words, it is not possible thus to narrow the issue, so that the race will be between only two candidates. On the contrary, in most one-party States, there are many candidates in the statewide elections, and particularly in the county elections. In our State it is customary to have anywhere from 5 to 15 candidates in the gubernatorial race. There were 11 in the gubernatorial race which I survived a fairly long time ago. At that time, television was not in use. But in that contest, 5 or 6 of the 11 candidates were regarded as possible winners.

It seems perfectly clear to me that the leading television stations of the State, under present conditions, in a similar race, could very easily pick out one candidate and could center their panel presentations upon him, so that he would be regarded with particular favor by the people of the State, and so that his selection in the primary and his election in the general election would be almost assured.

So I feel very strongly that to put panel discussions on the same basis as newsworthy items would be a very great mistake.

I realize that the distinguished Senator from Rhode Island and his subcommittee proceeded cautiously in a new field, in trying to correct a known abuse; and I believe they are trying to confine the bill to the field of items which are either newsworthy or are so close to news as to be properly excepted.

Certainly I hope this issue will be fully debated in all good humor by all of us.

Let me point out that I believe all of us realize that, so far as we are concerned, we would be in the preferred class, because officeholders would almost inevitably have the best "break"; they would be more newsworthy and would be more in the public eye than would newcomers in such races. But looking at it objectively, I hope we shall confine this to newscasts and those matters so closely related as to be a part of that general category.

Mr. PASTORE. Let me merely say to the distinguished Senator from Florida that I felt if there was a substantial number of Senators who, in good conscience, would resist the bill only because of the inclusion of panel discussions, the Senator from Rhode Island would accept an amendment eliminating that phrase. I would not want a controversy over that particular category, because it is a little broader than the news category or on-the-spot news coverage. We merely proposed that provision so that a fair discussion could be had. I felt that if there were enough Senators who would resist the bill because of the inclusion of that category, I would accept an amendment to eliminate it.

Mr. HOLLAND. I warmly thank the distinguished Senator.

Mr. McCARTHY. Mr. President, I should like to comment on the CBS ruling in the "Face the Nation" program, since, in my opinion, it was a ruling which was uncalled for. I do not know whether the decision by the CBS lawyers can properly be called a ruling, although it has been referred to as a ruling in the press. I hope it was not an attempt to panic the Senate into acting on this particular measure. I am sure it did not move the members of the Committee on Interstate and Foreign Commerce to take the action they have taken.

The CBS lawyers went back to section 315 as the justification for their action

in determining who is a legally qualified candidate, and for stating that the senior Senator from Minnesota had become a legally qualified candidate. Did the committee give special thought to redefining what is a "legally qualified candidate," the words contained in section 315? As the CBS's decision stands, it seems the senior Senator from Minnesota is the only one who can be considered as a legally qualified candidate.

Mr. PASTORE. I think that CBS could be wrong in its interpretation. I do not question its sincerity or honesty. Even the Lar Daly case shocks my sensibilities as to the legal implications. A person was pictured in a newscast, announcing the opening of the campaign for the March of Dimes. It was not intended to be a use. As a matter of fact, the framer of the Communications Act, former Senator Dill, stated it was not intended that such coverage would be included in the terms of the act, because the person did not initiate anything. However, I do not want to go into that question now. As to who is a legally qualified candidate is a decision which often is made in the various States.

Mr. McCARTHY. Is there a legally qualified candidate for the Presidency of the United States anywhere in this country?

Mr. PASTORE. No, but I suppose if under the law of a State a person had become active to the point where he became a candidate on the ballot, whether it was in a primary, for a convention, or what have you, it could be said he was a legally qualified candidate. It did not happen in the case of the senior Senator from Minnesota [Mr. HUMPHREY]. I do not think he was a legally qualified candidate; but, after all, the invitation was withdrawn by the same group that extended it in the first place.

I do not want to go into that question except merely to say that the decision that the senior Senator from Minnesota was a legally qualified candidate points up the ridiculous situation we have reached.

Mr. McCARTHY. The people do not elect the President of the United States; they elect the electors. It is only after the members of the electoral college meet that the President is elected. There are some problems with regard to congressional candidates.

Mr. MAGNUSON. Mr. President, I may say to the Senator from Minnesota that this is another difficult field. It is difficult to define what is meant by a "legally qualified candidate." In a senatorial or gubernatorial race, when a candidate files for office, he becomes a legally qualified candidate.

The interpretation of section 315 has drifted along for many years. Mainly, the interpretation has been determined by the individual stations themselves. For instance, in my State, the stations hold that one becomes a legally qualified candidate the day he announces he is going to run for the United States Senate, let us say. The net result is that those who wish to run for office become coy until an appropriate time, so they can get on the radio and television. That is particularly true of the incumbents.

The Senator from Rhode Island and I agree we must get at that matter, because, as the junior Senator from Minnesota has pointed out, one who seeks the Presidency actually is never legally qualified. He does not sign his name to anything. He does not say, "I want a blank form such as one fills out when he becomes a nominee for some office." This matter has caused concern. I must say the Federal Communications Commission has never met the question with a uniform ruling.

I know some of the personnel in CBS. They were a little "gun shy" on this question, because they were the ones involved in this case. They were taking the lead in having the question cleared up.

As the Senator has pointed out, the Senator from Indiana, who had an excellent proposal, gave ground because so many complications were involved. We have not attempted to repeal the philosophy of equal time. We are making exceptions. It is entirely up to a station to decide in the case of a newscast. If I were operating a station in Louisiana, and my good friend the Senator from Louisiana [Mr. LONG] were there, and was a candidate, I would want to have him appear every day, because I could make news with him every day. If there were no news, the station could create it. It would be called spot news.

There are only so many minutes that stations can devote to news. More news appears on the ticker than can be utilized. The one who decides what news coming in on the ticker is to be used is the one who is in a position to do favors. I do not say stations do that, but it is very much up to the stations to select the news to be broadcast.

The Senator from California and the Senator from Indiana agreed to section 2 of the bill. I suggested it because I thought at least we could take a look at the question. Of course, this is after the fact. Perhaps our committee ought to establish a permanent subcommittee to be a sort of watchdog in this matter, so a person could complain and get some action on his complaint.

Mr. PASTORE. If the Senator ever creates such a subcommittee, please, please do not put the junior Senator from Rhode Island on it. [Laughter.]

Mr. MAGNUSON. It is pretty much the stations that decide. They are valuable properties. They are not going to get themselves in a difficult position. As the Senator from Florida pointed out, the question of local stations and panel discussions enters into the problem. I do not know how we can find words to describe precisely what is meant.

Mr. PASTORE. It is a most difficult thing to do. We realize that. There is a much broader aspect that relates to panel discussions than to the other categories.

Mr. MAGNUSON. The committee did not attempt to destroy the philosophy of equal time; it merely made exceptions. As the Senator from Rhode Island has pointed out, it is a question of how far the Senate wants to go. Surely, it wants to permit on-the-spot news. The question of news documentaries poses another problem. I suppose all the networks will want to put together Mr. NIXON'S visit to Russia in a one-half hour documentary, as it is called. Would the senior Senator from Minnesota [Mr. HUMPHREY] be entitled to the same length documentary?

Mr. McCARTHY. Perhaps it would depend on whether or not I was supporting him for the Presidency of the United States and whether I had said that he is a candidate for the Presidency.

For the sake of CBS I now say that he is a candidate.

Mr. PASTORE. Mr. President, how much time do I have remaining?

Mr. McCARTHY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Rhode Island has 8 minutes remaining.

Mr. MAGNUSON. Mr. President, if the Senator will yield, I merely desire to point out the great difficulty of trying to find language to define these areas. I think the committee will have to do more, because for some reason the FCC has always backed away from making decisions of this kind.

Mr. PASTORE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. PASTORE. Mr. President, I do not know if all the Senators who are seeking recognition are speaking for the bill. There is some time in opposition. I do not think any Senator is really opposed to the bill.

May I have the indulgence of the Senator from Kansas [Mr. SCHOEPPEL]? May we borrow some time from the time in opposition?

Mr. SCHOEPPEL. Mr. President, I will say to the distinguished Senator from Rhode Island that certainly he may borrow some time. I know of no Senator on this side who is in opposition to the measure. An amendment may be offered. I have heard of the possibility of one, but that is not positive.

How much time does the distinguished Senator from Rhode Island desire?

Mr. PASTORE. I have only 8 minutes left, and in view of the way the debate has been proceeding, may I borrow a half hour from the other side?

Mr. SCHOEPPEL. The Senator may.

Mr. PASTORE. I will yield, then, to the Senator from Minnesota.

Mr. McCARTHY. I wish to raise a serious question with regard to the news documentaries. I believe that the possibilities of abuse in this area are certainly greater than the possibilities even in the case of the panel discussions or the interviews.

For example, I should like to relate the kind of experience I had in Minnesota, to give an example of what occurred in my State. This is a comparable situation with regard to newspapers. A newspaper may run three or four pages in the middle of the rotogravure section, in which they simply give the background of one candidate, pointing out that he had grandparents, where they came from, and what they did; that he

had parents, who they were, where they came from, and so on.

Mr. PASTORE. May we have order in the Chamber, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. McCARTHY. All of this material laid out in an expensive manner would cost $4,000 or $5,000 to duplicate.

This was done for a candidate running against me. I went to the press and said that I had grandparents, who were respectable, and rather interesting people. I said that I had parents, who were pioneers in Minnesota. I said that I had lived there all my life and had done a few things, and that my children looked good in pictures. I said, "In next week's issue, why not run the same sort of thing about me, to inform the electorate?" There were only two legally qualified candidates at that time. They said they were not interested in doing so.

The same thing can be done with the documentary newscasts. One candidate could be invited to make up a 30-minute documentary newscast, with pictures of grandparents, pictures of parents, and so on." And the people in charge could say, "We think that is newsworthy."

Under the language being proposed would there be any recourse for other candidates? Could they say, "No; this is not documentary news"?

Mr. PASTORE. It is the firm conviction of the Senator from Rhode Island that irrespective of section 315, if an act of that kind were deliberate in an effort to discriminate to the disadvantage of the cause of one candidate, in comparison to the cause of another candidate, those doing the broadcasting would be subject to a complaint and a protest being made at the time they went before the Commission for the renewal of their license, because under the law this medium is considered to be in the public domain. That is the other safeguard there would be.

Mr. McCARTHY. What would happen? That would take place 2 or 3 years afterwards.

Mr. PASTORE. That is correct. That is positively correct.

As against that situation, I suppose the Senator would recognize that there are many legitimate broadcasts in which the element of discrimination or disadvantage to an opposing candidate is not the feature.

The situation the Senator has presented today is with respect to a newspaper, as compared to television or radio. I am not saying that this abuse could not happen. I am not making that argument at all. The fact remains that there is a calculated risk involved, and we must weigh it.

Mr. McCARTHY. There is one other question I should like to raise.

Mr. PASTORE. I say that we have written into the bill section 2, which we hope will be a protective umbrella to make sure that the media is used in the public interest.

Mr. McCARTHY. The additional question which I should like to raise is with regard to the possibility of setting some limitation on particularly the documentary newscasts, so as to insist that they be within the time of the established or scheduled newscast. That would set a time limitation upon them. If the station wanted to take all the time in a news program for the broadcast, that would be all right, but it would not be possible to set up another half hour later in the evening for documentary news.

Mr. PASTORE. Would it be possible for the distinguished Senator to write out the language? I would be glad to consider it. If the language could be written out, I would be glad to take a look at it before the passage of the bill. If it meets with the satisfaction of the members of the committee, I do not see why we could not take it to conference, and perhaps discuss it there.

Mr. McCARTHY. I thank the Senator. I will attempt to draft some language.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. First, I wish to express my appreciation to the committee for having taken up this very thorny problem and having presented an opportunity to improve the situation, at least. I personally regard the Lar Daly decision as not only ridiculous, but as one which it is impossible to accept. We have to do something about it.

I shall certainly defer to the judgment of the committee members and of others who have worked on the details as to what should finally be done, but in my own thinking about the matter, I have considered that a part of the problem was created by the failure to have an accepted definition of who is a legally qualified candidate.

In regard to the reference which has been made to Vice President NIXON'S visit to Russia, I had supposed that the Vice President went to Russia as the Vice President and not as a candidate.

I had assumed that when the distinguished Senator from Minnesota [Mr. HUMPHREY] went to Russia earlier, he went there as a Senator, since Senators do go to other countries which are trouble spots, where questions arise. I had assumed the Senator from Minnesota went to Russia in that capacity, and ought not to be penalized for it.

A Member of Congress ought not to be penalized because he attempts to do his duty as an officeholder. It should not be interpreted necessarily as the action of a candidate for something else. We all have some responsibilities in the holding of public office, and we ought not to be deterred or penalized for carrying out what is our concept of our normal responsibility in that field.

I do not know that this is a final thought at all, but I have been wondering if a "legally qualified candidate" should not be defined as one who has met the requirements to be placed on an election ballot in the State of the licensee, or in his own State, obviously.

Mr. PASTORE. I would not want to agree to that hastily, for the simple reason that it might lead to many ramifications and complexities. It has already been pointed out that in some States merely by an announcement or by the filing of a paper one becomes a legally qualified candidate. The argument made further, in respect to the case of the President and the Vice President, is that we do not put their names on the ballot, but we simply put the names of the electors on the ballot.

Before I would venture to accept anything of that sort I would want to hold hearings on the matter. I will admit that is the crux of the problem. The "legally qualified candidate" is basically the language which always has existed in section 315, and we have left that untouched.

Mr. CASE of South Dakota. That is where the problem arises. A man will say, "I am a candidate for President." Is he a legally qualified candidate, or not?

Mr. PASTORE. The question is larger than that. That would settle the Humphrey situation, but many people feel that even after a man has been qualified legally as a candidate there ought not be the exemption of the panel discussion. There are some who still feel that way about it.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. PASTORE. I will say that the Senator from Indiana [Mr. HARTKE] has proposed that we write into the law a provision based on a percentage of votes cast during a national election, in order to straighten out the situation with reference to the President and Vice President.

Mr. HARTKE. Mr. President, will the Senator yield so that I may comment on the matter for a moment?

Mr. PASTORE. I yield.

Mr. HARTKE. I recede from the position the Senator has stated, because I do not think at this time it is possible to pass such a law. I do not think it is impossible to define the term, but I think it is impossible to pass such a law at this time.

Mr. CASE of South Dakota. I do not think that, federally, we could do so. I do not believe the Federal Government can set up the qualifications for candidates in the various States, or determine whether a name shall appear on the ballot in a State. That is why I made my suggestion.

Mr. PASTORE. We discussed that matter, I will say to the distinguished Senator from South Dakota, and we reached the conclusion that if we ever got into it we would never rectify this ridiculous situation, as the Senator has termed it, by the end of this session of Congress.

Mr. CASE of South Dakota. I am not suggesting we can clear up the matter in this immediate situation, but I think that sooner or later the language in the original section 315, "Any person who is a legally qualified candidate for any public office," will have to be defined.

Mr. PASTORE. I quite agree.

Mr. CASE of South Dakota. I suggest that it be defined in the terms of the State of the residence of the individual, and of the licensee. I think we must reserve that definition to the States.

Mr. PASTORE. That is what they are supposed to do; but they have gone

out to the end of the limb. I do not question their sincerity, but it is pretty farfetched to say that merely because the friends of Mr. HUMPHREY thought he was a candidate for President of the United States, and Mr. HUMPHREY did not deny it, that automatically made him a legally qualified candidate for the Presidency. But what can I do about it? The decision was made by the people who extended the invitation.

Mr. CASE of South Dakota. But, until he has taken steps to qualify in some State by placing his name on a primary or some other official ballot, I doubt whether he is a legally qualified candidate.

Mr. PASTORE. I quite agree with the Senator.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HARTKE. I was about to comment on the same point. We discussed in committee the question of definition. Frankly, we have enough trouble with newscasts and documentaries, without getting into this complicated field. We had better leave that until another day, if we are to have a law which will get us away from the tragedy of the Lar Daly decision.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. PROXMIRE. I should like to ask the Senator, in connection with the bill, if it is not true that what the bill does is to make an exception to section 315(a) in the case of an appearance by a candidate on a newscast.

Mr. PASTORE. That is correct, provided he did not initiate the newscast, provided he did nothing affirmatively to advance his own candidacy—in other words, if his appearance was a part of the information being given to the public as a newscast.

Mr. PROXMIRE. Is that language in the bill, or is that the interpretation of the Senator from Rhode Island?

Mr. PASTORE. That is the interpretation of the junior Senator from Rhode Island in making the legislative history on this amendment.

Mr. PROXMIRE. Is it not true that the committee, in its report, has said that in establishing this category of exemptions the committee was aware of the opportunity it affords a broadcaster to feature a favored candidate?

Mr. PASTORE. That is correct. I have admitted that.

Mr. PROXMIRE. The Senator has said that what the committee has done to try to protect the public interest in this case is to add section 2.

Mr. PASTORE. That is correct.

Mr. PROXMIRE. The tests here are described by the two words "effective" and "practical." There is no question about justice, equality, or fairness. The tests are effectiveness and practicality.

Mr. PASTORE. Does not the Senator from Wisconsin realize that if there were a prevalance of abuses, within moments after the Senate reconvenes in January the Senator from Rhode Island would be the first to undertake to remove the exemption from the statute?

Mr. PROXMIRE. I have the greatest faith in the judgment and integrity of the Senator from Rhode Island.

Mr. PASTORE. I certainly would not take it lying down.

Mr. PROXMIRE. I am sure of that. All I am saying is that in some instances, in some States, under some circumstances, where a particular candidate and the owner of a particular television station may be either good friends or fervent enemies, there are possibilities for abuse as the bill is drafted. The bill is very well drafted, and I know that the difficulties are tremendous.

Mr. PASTORE. We have done all we thought we could do.

I invite the attention of the distinguished Senator from Wisconsin to section 2 of the bill, beginning in line 16, dealing with recommendations by the Commission. The committee realized that we need to have some experience in this field. That will be the test as to whether we are doing the right thing or the wrong thing in asking the Commission to make recommendations:

> Such recommendations as it deems necessary to protect the public interest and to assure equal treatment of all legally qualified candidates for public office under section 315 of the Communications Act of 1934.

What more could we do?

Mr. PROXMIRE. There is something more that could be done. I should like to suggest it later, in connection with an amendment which I shall offer.

At this time I point out that reference has been made to section 2 which will only cover what happens in the coming 3 years. Suppose the television industry behaves itself for 3 years, and this bill becomes permanent legislation, except as abuses may become so great——

Mr. PASTORE. That is when the distinguished chairman will appoint a watchdog subcommittee. I make only one request: please do not place me on that subcommittee.

We are not met with a situation in which Congress is impotent. We are still the instrumentality to correct abuses if abuses occur. We propose to watch the situation very closely. We ran into one blind alley with the Lar Daly case. We feel that the situation has gone too far. The debate has indicated that there may be some question with respect to panel discussions or news documentaries. Let us add this new provision. Let it go to conference. Let us give it a trial. Let us remove this particular situation for the moment, and if there is anything wrong with that decision, it will be subject to correction. I cannot look at a crystal ball and say that everything we hope to avoid will be avoided.

There may be some who do not have the same confidence in the Commission that I have. I cannot help that. But let us give the new provision a trial. We have done all we can. We are practically in the twilight of this session of Congress. If we do not do something this session about the situation, we shall have a very chaotic situation come next election.

Mr. PROXMIRE. If I may make one further observation, my experience has been—as the Senator from Illinois has said so well earlier—that television stations and radio stations are owned, by and large, by people with money, and they have a particular economic interest which often represents a political interest. It is an interest which may or may not agree with my own. Sometimes I agree enthusiastically. Sometimes I disagree.

At any rate, my experience in my own State is that the preponderance of television and radio station owners in my judgment disagree with me rather often. The only protection I have had is the protection written into the law. I recognize the difficulty, and I recognize that the law should be changed. But I think we should do everything we can, not only to protect individual persons, but, far more important, to protect ideas which contradict the preponderant opinion of television and radio station owners throughout the country. That is why I say to the Senator from Rhode Island that later I shall offer an amendment, which I have previously shown him.

Mr. PASTORE. I shall be glad to consider it and discuss it with the Senator.

Mr. President, I yield 2 minutes to the Senator from Michigan [Mr. MCNAMARA].

Mr. MCNAMARA. Mr. President, I rise to support the recommendations of the Interstate and Foreign Commerce Committee on S. 2424, the so-called equal time amendment.

The ruling of the Federal Communications Commission in the Lar Daly case seemed harsh and restrictive. Were it to stand as is, I am convinced that effective radio and television news coverage of elections would be seriously jeopardized.

The committee recommendations, if enacted, will exempt news and related coverage from the equal time provisions of section 315 of the Communications Act of 1934.

This is a wise step. However, the companion recommendation that the FCC conduct a 3-year study of the effects of this amendment is also wise.

I want to make it clear that I do not consider this 3-year study to be an idle gesture.

We are, in effect, leaving the control of news coverage of politics in the hands of the broadcasters. But we intend to supervise their future actions by this 3-year study.

I suppose the vast majority of broadcasters will employ their usual fine sense of fair play in the future. But it should be clear that Congress has not given them unlimited freedom.

Political coverage in the news programs of radio and television is essential to a well-informed electorate. But propaganda, in the form of news coverage, is not.

Favoring of one candidate over another in news treatment by a broadcaster will defeat the goals of this amendment. I trust this will not occur.

I am sure that with the explanation which has been given, and the legislative history which is now being made, this will not occur.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MAGNUSON. I point out to Senators another facet of the problem which bears out what the Senator from Rhode Island has said, namely, that many decisions in this field must be left to the people themselves. Few persons realize that any television station can use a reasonable part of its time to editorialize. It can use any hour it wishes, or any number of minutes. It can actually put on a program about a candidate whom it favors, and discuss an issue. The stations have not done much of that.

I see that one of the local stations in Washington, WTOP, is experimenting with an editorial page on their own time, but they are limiting it to what they call community interest, which means, I suppose, District of Columbia affairs. They will not abuse this, in my opinion. They could run an editorial page an hour a day on television. On television, when they write an editorial, they have to talk about the man who is the object of the editorial. They have not used that method too much. That is probably another matter the committee will sooner or later have to take a look at, but the privilege has not been abused. It is again merely a difficult situation.

As to newscasts; in my section of the county last fall there was a very close race for district attorney. A week before the election there were two murders in the city of Seattle, and the two guilty persons were captured. The incumbent district attorney used every television station every night after the two criminals confessed the murders. The citizens forgot about the other man who was running. We encounter difficult situations like that, but that was news. That was really news, timely news.

I hope we will get on with this bill. I assure my colleagues that all of us on the committee feel that we have a host of problems left in this entire field which we will have to consider.

Mr. PROXMIRE. I think the point the Senator raised about editorials is well taken. It is too bad, in my judgment, that more radio stations do not take advantage of that.

What I am pleading for and arguing for is more controversy, not less. I think the issues should be debated on both sides far more than they are. My only contention is that there is a tendency on some issues, if it is left within the discretion of the broadcasters, to present one viewpoint and one viewpoint only.

Mr. MAGNUSON. The Senator from Florida raised the point in the committee and on the floor that most of the stations do not have enough public-service time, and that we should bring them to task for that, because the FCC, as I recall, unless fraud has been proven, will never revoke a license or refuse the renewal of a license. I think we have to jack them up on that. Consider time spent on religious broadcasts. The stations do not afford public service of that kind to a sufficient extent, and I think there ought to be more of that. I have said publicly that I think they ought to editorialize more, because if they broadcast an editorial the people who are listening or viewing will be impressed by it. They should use this great medium of expression for that purpose.

There are many different cases that could be cited. No one is more thoroughly convinced than are the Senator from Rhode Island and myself of the fact that there are many problems to face in the vast new complex field of communications.

Mr. PASTORE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 14 minutes.

Mr. PASTORE. May I ask my colleagues how much time they desire? If they have amendments to propose, I wish they would offer them.

Mr. HARTKE. I would like to have the Senator yield me about 3 minutes.

Mr. PASTORE. I yield 3 minutes to the Senator from Indiana.

Mr. HARTKE. Mr. President, it has been 25 years since the enactment of the Communications Act of 1934, and during that time it has not been amended.

At the time the act, including section 315, was adopted, few radio stations existed and the medium was more of a novelty than an effective means of communication. Television was hardly a dream. Today there are literally hundreds of licensees—millions of listeners and viewers. Campaigns today depend heavily upon coverage by radio and television to take issues and candidates into the homes of these millions of Americans. The industry has grown up. It is responsible, responsible enough to get away from hand holding and spoon feeding.

Recent events, Mr. President, indicate the necessity for an immediate change to exempt legitimate news broadcasts and similar programs from the usage category of section 315, the equal times provisions of the Communications Act. This became an absolute necessity after the Federal Communications Commission's ruling in the so-called Lar Daly case. Today Daly says he is a candidate for President of the United States and is demanding equal time at the same time against Senator HUMPHREY, our distinguished colleague, because Senator HUMPHREY was displayed upon a different program.

In the case decided by the Commission, Mr. Lar Daly, a perennial fringe candidate for many offices, was running for mayor of Chicago. He demanded time equal to that afforded Mayor Richard Daley when the mayor was shown greeting dignitaries. Under a former interpretation, Lar Daly would not have been entitled to equal time. At this time the FCC ruled that he was entitled to the equal time.

So the necessity for a ruling is now upon us. The ramifications, as the distinguished Senator from Rhode Island and the chairman of the subcommittee, has stated, are widespread. We have had testimony before the Communications Subcommittee from operators of stations and from the major networks, from the television industry, from professors, and from people who have been active in political life, to the effect that if every person who declares himself a candidate for office is to be given equal time under the present interpretation of the Federal Communications Commission, it will result in an impossible situation. The result will be that people will not learn what is going on, and that will result, in effect, in a blackout. The ruling severely restricts the opportunity of the people to know what is going on.

Frankly, I saw a retrenchment in the television industry in my home State even before this situation arose when stations were fearful they were going to be called upon to meet the requirement of equal time. Rather than comply, they were blacking out. They said, "We will forgo the whole thing. We will play some music, give the viewers some dancing, and let it go at that." The ruling is not in the interest of a candidate for public office.

We will have to impose some responsibility on the systems, and hope they will carry out their duties faithfully.

As the Senator from Washington [Mr. MAGNUSON] has said, the bill provides for a review. Under the bill the subject is to be studied and it will be kept under surveillance. If the stations misbehave themselves, then it will be necessary to take additional action.

I should like to insert in the RECORD at this time, and I ask unanimous consent that I may do so, a statement entitled "Behind the News With Howard K. Smith," produced by the public affairs department of CBS news, on July 26, 1959.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BEHIND THE NEWS WITH HOWARD K. SMITH: SECTION 315

ANNOUNCER. The CBS Television Network presents, "Behind the News With Howard K. Smith." Today's subject is "section 315."

SMITH. Good evening. Section 315 is not the name of a ward in a mental hospital. It's a section in a Federal law, a section that is giving the broadcasting industry a headache these days.

The law is the Communications Act of 1934. It sets down the general rules under which radio and television stations operate. Section 315 is the part of the act that deals with political candidates. It is known sometimes as the equal time section.

For the past few months, section 315 has been very much in the news. Congressional investigating committees have been holding hearings on it. These hearings grew out of a ruling made on section 315 by the Federal Communications Commission, dealing with a Chicago candidate named Lar Daly.

The FCC is the Government agency set up by the act to regulate the broadcasting industry. It does not make the law, it administers and interprets the law. So naturally, it has a powerful say in broadcasting.

The FCC's ruling in the Lar Daly case has the effect of making it virtually impossible for television to do a thorough job of covering political campaigns.

In the next half-hour, we're going to discuss section 315.

First, we will examine the law itself, and its application. Second, we will take a close look at that Lar Daly case in Chicago * * * the case that sparked the hearings in Washington. And third, we will discuss some of the proposals being made for changing the law. And at the end of the program, Dr. Frank Stanton, president of the Columbia Broadcasting System, will present the CBS position on section 315.

Now, the law and its application. Section 315 consists of only three brief paragraphs in the Communications Act. But it covers a lot of ground. Basically, it provides that if a station permits one candidate to use its facilities, it must give all other candidates for the same office an equal chance to use those facilities.

Last year, for example, the CBS station in New York City, WCBS–TV, arranged for a television debate on the issues in the New York governorship campaign:

"SPEAKER. We're here tonight to meet the candidates and get a factual picture of their positions on the leading issues the next Governor of New York State will face, in his 4-year term."

SMITH. The great majority of people were interested only in the two major candidates, Nelson Rockefeller and Averell Harriman. But there were two other candidates: Eric Hass of the Socialist Labor Party, and John T. McManus of the Independent Socialist Party. Under section 315 these candidates were entitled to equal time. They also participated in the debate.

The purpose of section 315 is to safeguard the democratic process by insuring that no candidate will be able to monopolize the important channels of information provided by radio and television. But section 315 has also had an unanticipated result. It has had the result of limiting coverage of political candidates during campaigns.

The basic problem is time. Time is a broadcaster's chief resource. He can sell time or he can give it away. But if he decides to sell time to one candidate, under section 315, he must allow all other candidates to purchase the same amount of time. Thus, in 1956, whenever CBS sold time to President Eisenhower:

"President EISENHOWER. You decide the future of America for 4 years this coming Election Day. We of the Republican Party pledge ourselves to continue our program of peace, security, and prosperity, that has made our party the"—

SMITH. CBS was then obligated to sell the same amount of time, at a comparable hour of the day, to Adlai Stevenson.

"STEVENSON. And may I mean that by a new America, an America which everlastingly attacks the ancient idea that men can solve their differences by killing one another."

SMITH. The network was also obligated to sell equal time to all other presidential candidates.

But a broadcaster, if he is to fulfill his role of service to the public, cannot only sell time. He must provide thorough coverage of political campaigns. He must air their opinions, encourage debate, provoke discussion among the major candidates. And here's the rub. For in providing time to cover campaigns the network must consider not only the two major political parties, but every fringe candidate who throws his hat into the ring.

For purposes of section 315, any person is a legally qualified candidate if he announces his candidacy, if he meets legal requirements for the office, and if he demonstrates that he is serious about running for office. The individual need not have the remotest chance of winning. If he meets these requirements, he qualifies under section 315 and is entitled to equal time. The trouble is, it is relatively easy to meet these requirements. Almost anyone, no matter how obscure, can qualify.

Take William R. Schneider. Do you remember him? Chances are you don't. For he is probably one of the most obscure presidential candidates in history. Yet in 1952, the FCC ruled that CBS owed Mr. Schneider equal time. Just before the presidential nominations, Mr. Schneider wrote and requested TV and radio time to expound his views. For he believed that Taft and Eisenhower were too radical and that he alone represented true conservatism. His request was refused. But, Mr. Schneider got on the air just the same. He complained to the Federal Communications Commission. He pointed out that Taft and Eisenhower had been given time, and he demanded his due. The FCC ruled that he was a candidate under 315 and he got his time:

"SCHNEIDER. * * * One hundred and thirty years of our Republic. In the past 20 years, we have been going too much into materialism. The idea of 'what do I get out of it?' When we can change that condition of thinking among the American people, we will then be able to say, 'Repeal the New Deal.' "

Mr. SMITH. Schneider had entered the new Hampshire and the Oregon primaries. He received only 230 votes in the New Hampshire primary and 350 votes in Oregon and he was unable to get admitted to the Republican convention, but he got his time.

The case has its amusing aspects but the trouble is there are hundreds of potential Mr. Schneiders. And that is not amusing.

In 1956, for example, there were at least 18 political parties with Presidential candidates. In addition to the Democratic and Republican parties they include: The Mississippi Black and Tan GOP Party; the Conservative Party; the States Rights Party; the Better Government Under the Constitution Party; the For America Party; the South Carolinians for Independent Elections Party; the Socialist Party; the Socialist Labor Party; the Socialist Workers Party; the Industrial Government Party; the Prohibition Party; the Virginia Social Democratic Party; the American Third Party; the Greenback Party; the Vegetarian Party; and the Christian Nationalist Party.

The minority party candidates got less than 1 percent of all the votes cast; one of these parties, the For America Party, got 483 votes; and one, the Christian Nationalist, was reported to have received eight votes. But no matter how obscure the candidates of these parties are, section 315 allows the broadcaster to make no distinction whatever between them. If one is permitted time, all must be permitted time. The sheer arithmetic involved makes it virtually impossible. Under section 315, a half-hour to a Democratic or a Republican candidate can mean many more half-hours to obscure and unknown opponents. No broadcasting company has that kind of time.

The result is broadcasters must forego the time that would otherwise be devoted to major candidates. In this there is a genuine loss. For television's capacity to inform is enormous. That capacity to inform, already hedged in by section 315, was even more seriously blunted by a series of events which began in Chicago just 5 months ago. They involved Lar Daly, the Chicagoan we mentioned earlier.

Let's now examine the Lar Daly case:

"DALY. Point No. 1, abolish all public school education. Public school education creates nothing but a godless child, with no knowledge of life through the Christian purpose."

SMITH. Lar Daly is a perennial—and unsuccessful—candidate for office. He has been defeated in at least a dozen elections. He likes to campaign in a red, white, and blue Uncle Sam suit. And he puts the words "America first" between his own first and second names. Last January Lar Daly decided to try again for public office. This time for the job of mayor of Chicago. He entered his name in the primary. Because he cross-filed, his name appeared on both the Democratic and Republican tickets in Chicago. Lar Daly had two opponents in the race. The incumbent mayor, Richard Daley (that's D-a-l-e-y), a Democrat, and Timothy Sheehan, a Republican.

On January 11, Mayor Daley broadcast an annual report to the people. The greatest portion of it consisted of film showing the activities of city departments and Mayor Daley narrating:

"DALEY. * * * West of Clark would be replaced by a proposed governmental center and civic classes, including beautiful"—

SMITH. It was carried on WBBM–TV, the CBS station in Chicago, and on other Chicago stations. The speech set a chain reaction in motion. Lar Daly immediately asked for equal time to answer the mayor. He got it on February 18:

"DALY. * * * Honest day's work with their back and hands. Now point No. 2, abolish all of public housing. Eventually Chicago will be cursed with a lot of New York East Side tenement flophouses. With the average $17,000 of cost per unit of public housing we can"—

SMITH. Timothy Sheehan, then the Republican candidate, asked for equal time to answer Lar Daly and he got that on February 22, just 4 days later. But now Lar Daly came back and asked for time to answer Sheehan. He argued that he was listed in the primary in both the Republican and Democratic tickets. This, he said, entitled him to equal time to answer both his Democratic and his Republican opponents. CBS refused that request.

CBS argued that equal time requirements had been met, since all three candidates had been given a half an hour. CBS also pointed out that if additional free time were given to Lar Daly, it would set in motion an endless series of claims and counterclaims for equal time among all candidates who cross-file in an election.

Meanwhile, Lar Daly had been busy on another front. He had been keeping track of the regularly scheduled television newscasts in Chicago. And here are excerpts from what he saw: On December 26, 1958, a newsfilm showing the WBBM roving reporter interviewing Timothy Sheehan, the Republican candidate. On December 28, 1958, a news interview—this time with the roving reporter, with Timothy Sheehan, and the Chairman of the Cook County Central Republican Committee. On December 31, a 46-second film showing, first, the Republican candidate and, second, the incumbent mayor filing their nominating petitions at the Board of Election. On January 19, a newsfilm showing the commencement of the annual Mothers' March of Dimes Drive in the Chicago area. The film showed Mayor Daley signing a proclamation inaugurating the drive. On January 25, a newsfilm much like this showing Mayor Daley welcoming President Frondizi, of Argentina, to Chicago.

Now Lar Daly made another demand. He wanted equal time for each of the appearances of his opponents in these five newscasts. CBS refused the request. It gave these reasons for its stand: First, it was never the congressional intention to include the regular newscasts under section 315—and until the Lar Daly case the law had never been interpreted in this way. Second, if section 315 were interpreted to include regular newscasts this would constitute an abridgement of freedom of the speech and of the press. As a practical matter, it would mean that broadcasters would be unable to cover political news during campaigns.

The case was taken to the FCC. On February 19, the Commission ruled that regular newscasts did fall under section 315, and it ordered the Chicago stations to give Lar Daly equal time. The decision was met with heavy criticism. Editorials attacking it appeared in most of the Nation's press. Magazines voiced disapproval. And President Eisenhower himself, in a press conference on March 18, denounced the effect of the FCC

decision. Press Secretary James Hagerty reported the President's views:

"HAGERTY. Without in any way criticizing the decision of the Federal Communications Commission which has to administer a law on the books, the President thinks that the situation arising out of this case is ridiculous, and this morning he asked the Attorney General of the United States to consider whether any remedial legislation could be drafted in connection with this matter, or whether any other appropriate action could be taken by the Department of Justice and the Attorney General in this connection."

SMITH. The Attorney General's office requested the Commission to reverse itself but the FCC reaffirmed its decision. Among the points it cited in its interpretation of the law, were these:

"First, since in most cases an appearance of a candidate will benefit him, any appearance is a use falling under the equal time provision. Second, that the language of section 315 is unconditional. It leaves no room for the Commission to use discretion in any case brought before it. Instead, the Commission must interpret the 'letter of the law.' And third, the ruling serves the dominant purpose of section 315 which is to make it impossible for a station to determine which other candidates shall be heard once a single candidate has been heard."

CBS refused. It has taken the case to court, and that is where the matter now stands. What is the impact of the ruling? The Lar Daly ruling leaves the broadcasting industry with two courses of action. Either the industry can decide not to show the candidates for office during regular newscasts, regardless of the importance of the news event. Or, it may do so—and thus be compelled to offer equal time on newscasts to all other candidates to use as they wish.

The first choice would mean a virtual blackout in TV and radio political coverage during campaigns. The second choice would mean that time ordinarily devoted to hard news—would be turned over to political candidates—no matter how obscure they may be. In both instances, the American public would be deprived of television's and radio's capacity to inform.

The fact that the FCC ruled the way it did in the Lar Laly case does not mean that it itself wholly approves of section 315. It has publicly recommended a change. The FCC made its recommendations for a change at congressional hearings brought about by the Lar Daly case. These hearings were conducted by Senator JOHN PASTORE for the Senate Interstate and Foreign Commerce Committee, and by Representative OREN HARRIS for the House Interstate and Foreign Commerce Committee. Several bills providing for changes in section 315 were considered.

The FCC's testimony was given before the Pastore committee. Commissioner Frederick Ford, speaking for a majority of the Commission, agreed that the law should be changed to exempt newscasts and special political events from the equal time requirement.

John C. Doerfer, the chairman of the FCC, went much further. Speaking for himself, and not for the Commission, Mr. Doerfer said that in his opinion section 315 should be repealed:

"DOERFER. In my opinion section 315 should be repealed. Programing of political candidates should be left to the judgment of the broadcast licensee. Bias or prejudice should be subject to the same sanctions as the unfair treatment of controversial matters are handled today."

SMITH. Leaders of the broadcasting industry also strongly urged liberalization of section 315 but there was opposition to change. The strongest opposition came naturally from members of minority parties. Witnesses for these parties testified that the bills under consideration would give the two dominant parties a monopoly of air time and would eliminate dissent from political life in the United States. Joseph Schafer, opposing change, spoke from recent experience:

"SCHAFER. As a recent candidate for the Republican nomination for mayor of Philadelphia in the primary election on May 19, 1959, I can testify to the desirability of continuing the requirement that radio and television stations must accord equal time to all political candidates. There is no doubt in my mind that otherwise I would not have received as much time as I did on the air during the recent campaign. It is also very desirable that newspapers be included in the provisions by which equal space could be given to all candidates in that field of communication. Newspapers should not be permitted to decide for themselves what candidates they favor and thus influence the public."

SMITH. Senator KENNETH KEATING, of New York, expressed the sentiment of those who urged caution. He urged reversal of the Lar Daly decision, but expressed hope the Commission would not lose sight of the legitimate rights of third parties:

"KEATING. I do not know what the answer to the problem is so far as the exact language is concerned. But I hope the committee will go slow in reporting legislation which while beneficial in intent, may nonetheless work an unfair hardship on an articulate and substantial segment of the political life of the State of New York. This committee will give special heed to unique situations such as that involving the Liberal Party in New York, for in our haste to reverse a restriction on the public's right to be fully informed we should not close the door on substantial groups which deserve an opportunity to be seen and heard."

SMITH. As a result of the hearings, two bills have been favorably voted on by committees. The Senate bill stipulates that newscasts, news interviews, news documentaries, on-the-spot coverage of news events and panel discussions will be exempt from section 315. The House bill stipulates that newscasts, news interviews, or any on-the-spot coverage of news events in which the appearance of the candidates is incidental to the presentation of the news, will be exempt from section 315.

The broadcasting industry has urged Congress to act quickly on these bills. For even now, the 1960 presidential campaigns are getting into gear. And already, section 315 is hampering television coverage of political candidates.

Less than 2 weeks ago, for example, CBS felt compelled to withdraw an invitation to Senator HUBERT HUMPHREY, of Minnesota, to appear on the program "Face the Nation," a weekly program from Washington, in which an important person is interviewed on an important issue of the day.

It was the opinion of CBS that there was a substantial risk. Senator HUMPHREY would be considered a legally qualified candidate under 315 and therefore if he appeared on "Face the Nation," any other candidate for the same nomination could have demanded free and equal time, and would have gotten it. With great reluctance, CBS, therefore, canceled his appearance.

Well, that is the story of section 315 up to now. I hope we have made clear to you what the controversy is about, and what the stakes are.

Liberalization of section 315 is an issue the broadcasting industry feels very strongly indeed about. Now here is Dr. Frank Stanton, the president of the Columbia Broadcasting System, who will present an editorial statement of the Columbia Broadcasting System's position on section 315:

STANTON. The most important national news story of 1960 will soon begin—the choice by the American people of a new President. No less important is the choice of Senators and Representatives. In every session, the Congress must make decisions that can condition our survival as a Nation and the survival of the whole world. Today the choice of a President and of our legislators is of critical importance. Obviously, we as citizens need the greatest help that we can get in carrying out this elective process. It cannot be made wisely unless the electorate can get to know everything about a major candidate, not just as reported by others but by seeing him, by hearing him, and by judging him for themselves. We do not want to depend on secondhand reports, on slogans, on mythmakers. Elections have become far too serious a business for that. We not only want to see and fairly judge the candidates for ourselves. But we need to and we are entitled to do so. And responsible candidates, in turn, want to be seen, to be heard, to be fairly judged.

You have seen today how a provision of law, section 315 of the Communications Act, can operate to prevent that. In a Nation of 170 million, leading presidential candidates are obviously not going to be able to present themselves in person to even a significant fraction of the electorate. In States with populations as large as 15 million, even congressional candidates are going to go unseen, unheard, and unmet in person by the vast majority of voters. Only television can bring the living presence and voice of these candidates to virtually every household in the land. Yet television has been trapped by the unrealistic and paralyzing law we have just documented from performing this most vital public service that broadcasting can offer. Television as such has been blacked out, for all practical purposes, from the most important news story in our national life. Television has been told that it can do either the impossible or nothing in bringing to you firsthand the candidates for major offices.

You have seen what President Eisenhower has called the "ridiculous" situation brought about by a law that says that even the President of the United States could not be shown in a news program welcoming a visiting head of state, if the President were a candidate for reelection.

It speaks well for the institutions and people of America that an overwhelming protest has arisen across the country to correct this law. The Nation's press has been alert and forceful in pointing out the folly and dangers inherent in section 315. Congress is now considering legislation to protect news programs, on-the-spot news coverage and panel discussions from the burdensome restrictions of section 315. Enactment of the legislation recommended by the Senate committee is a minimum essential of the freedom of television to help all of us know the candidates and issues in the critical election campaigns of 1960 and the years beyond. With the passage of such legislation, CBS can and will present the major candidates to the extent that the new legislation permits. Without it, we will have no choice but to turn our microphones and television cameras away from all candidates during campaign periods.

I assure you, the American people, that in these types of programs covered by the remedial legislation before Congress, we shall not in any way discriminate among the major parties or among the substantial candidates. All we ask for is the right to distinguish, as any sensible citizen would do, between the major parties and the splinter parties, between the significant candidates and the fringe or obscure candidates. We do not ask for the right to discriminate, only to distinguish. It is possible for the American people to be the best informed electorate the world has ever known. The problem is simply for Congress to act, and to act promptly, so that the 1960 election campaigns will be

freed from the present blackout. Otherwise, in an age when we need most to be fully informed as citizens casting our ballots responsibly, we will be deprived of a chance to see, to hear, to know the candidates who are asking us to trust them with our interests and our lives.

ANNOUNCER. The CBS Television Network has presented "Behind the News With Howard K. Smith."

You have just heard Dr. Frank Stanton, president of CBS, in an editorial statement of the Columbia Broadcasting System's position on section 315 of the Federal Communications Act.

The CBS Television Network will provide time next week for the presentation of opposing viewpoints to that taken in the CBS editorial broadcast by Dr. Frank Stanton today. The exact time will be announced later.

Mr. PASTORE. I yield to the Senator from California for the purpose of offering an amendment.

Mr. ENGLE. Mr. President, I desire to offer an amendment, and I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike out the words "or panel discussion."

Mr. ENGLE. The purpose of this amendment is very plain.

The PRESIDING OFFICER. How much time does the Senator yield himself.

Mr. ENGLE. I yield myself 5 minutes. On page 1, line 7, I propose to strike out the words "or panel discussion."

Prior to proceeding to a discussion of the amendment, I compliment the distinguished chairman of our subcommittee on his fairness and the careful attention to detail he gave to the study of this very complicated subject matter. There were several bills on the subject pending before our committee. The chairman gave them long and careful study, and he has been very fair and very generous in his presentation of the matter on the floor today.

In discussing the merits of my amendment, I wish to call the attention of the Senate to the history of section 315, which is covered on page 2 of the committee report.

I call attention to the fact that the Communications Act of 1934 repealed the Radio Act of 1927, and section 18 of the 1927 act was identical with section 315. In other words, language equivalent to the language of section 315 has been in the law since 1927. At that time, of course, it applied almost exclusively to radio. So we have had something like 32 years of experience with the law, and we have had no trouble with it at all. There has not been an amendment to this act of any consequence since it was passed in 1934 in its present form. It is correct to say that language identical with the language in section 315(a) today has been in the law all these years.

It was not until February of this year, when the FCC issued its stupid, silly decision in the Lar Daly case, that we were confronted with any trouble.

What do we propose to do now? We propose to reverse the Daly case, and we ought to do so, because it is not based upon the law. It has no legal basis whatsoever, as has been stated by the Attorney General. I invite attention to his remarks with respect to that particular decision, as they appear on page 19 of the committee report. I would not object to the reversal of the Lar Daly case. I think it has to be straightened out. That case resulted from a situation in which the mayor of Chicago appeared on a program. There were some film clips with reference to certain activities connected with his office of mayor. It was contended that because of that, and since he was a candidate for reelection, his opponents also were entitled to equal time.

In the past election, my opponent was then the incumbent Governor of the State of California. Very naturally, he had access to a great deal of TV time and radio time, since the office of Governor is a ceremonial office. Presumably, under the ridiculous Lar Daly decision, I would have been permitted to ask for equal time when the Governor welcomed the people at the Tournament of Roses or wherever else he acted in his official capacity as Governor.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. ENGLE. Not at the moment, but I will shortly, after I have completed my formal remarks.

What it boils down to is: That in order to overturn a decision which has no sense at all, which has no precedent in history, which relates to an act which has been on the books for 32 years, and under which public officials, politicians, radio stations, and TV stations have operated with no difficulty at all for more than a quarter of a century, we are now, because of this completely silly decision, and to reverse it, undertaking to write a piece of legislation. I favor reversing it. But the bill does more than reverse the decision, and that is why I complain about it.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. ENGLE. I yield myself 5 additional minutes.

I do not object to reversing the Lar Daly decision. But I think that when there is an act which has been in existence for a period of 32 years, and which has not been the subject of complaint from anybody, and about which there has been no difficulty of operation whatsoever, we must confine ourselves to the bare rudiments of legal necessity in order to overturn this decision, nothing more.

But the bill goes much further than that. I have already stated how it goes further. The bill could be honed down so that it would barely cover the Lar Daly case. Then we would be standing upon a precedent of history, and, in my opinion, be on sound ground.

The matter of documentaries goes beyond that. I have not touched that subject, because I think there is some legitimate justification for the provision as to the news documentary. But the matter of panel discussions is something else again. Let me read the language of section 315(a):

> If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate.

This is the additional language, as it appears on page 20 of the report:

> Appearance by a legally qualified candidate on any newscast, news interview, news documentary, on-the-spot coverage of news events, or panel discussion shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

As I pointed out earlier, if any Member of this body announces his candidacy for reelection, that is something which is newsworthy; he is entitled to appear on television, and that is true also of his opponent. I have no objection to that. That is a newsworthy event.

But panel discussions are something else again. News is a self-limiting factor. News must be current. It can be in the form of an interview or a news documentary. But it must be something of current interest; and thereby the very content of the broadcast limits the accessibility of the act and the abuse of it.

What about panel discussions? One can get into a panel discussion on anything. My opponent used a panel discussion which he paid for, he thought it was so good. Anyone who holds public office can start a panel discussion on something or other; and merely by exposing himself to the public he gets an advantage which he should not have.

I observe one other thing. Almost all the testimony was related to the matter of newscasts, not to other kinds of broadcasts.

For instance, the Attorney General, in his report, said:

> In the area of newscasts treating political events, the public interest, to our view, is best served, not by section 315's flat equal time stringencies, but by good-faith adherence to licensees' time-honored obligations of insuring fair and balanced presentation of programs where political or other noncontroversial issues are treated.

I agree with that; and that applies to four categories of news. But this is what the Attorney General said:

> On the other hand, the wisdom of legislation exempting more than routine newscasts from section 315—for example, panel discussion, debate, or similar-type program (S. 1585 and S. 1858) or special events (FCC proposal)—poses basic questions of public policy on which this Department has no special competence.

The Antitrust Division of the Department of Justice refused to go along with any extension into the field of panel discussions, public debates, and special news events.

So that broadens the case. If there were merely public debates, there would not be any limitation whatsoever. So the opportunities for abuse in this particular section are those which concern me the most. I call attention to what the committee said in its report—and it is an excellent report:

> The equal time provision of section 315(a) was designed to assure a legally qualified

candidate that he will not be able to acquire unfair advantage over an opponent through favoritism of a station in selling or donating time or in scheduling political broadcast.

In other words, the committee in making its report very clearly stated the purpose and the function of section 315(a). The purpose and function of section 315(a) is to prevent a candidate from acquiring an unfair advantage over an opponent through favoritism of a station.

That is what the committee was seeking to do. When we give stations the opportunity to move into the news field, with newscasts, news inventories, news documentations, and on-the-spot coverage of news, it seems to me we have gone far enough, because that even includes the announcements of candidates; or if a candidate were kicked by a horse, I suppose that might be included also.

But panel discussions go to the point where it is possible to intrude into the field of favoritism and thus violate the basic intention of the law, the purpose for which it was passed and for which it has been on the books for a period of 32 years, during which time there have been no complaints about it, and no difficulty with it, until the Lar Daly decision.

I say let us overturn, let us repeal, that decision. Do that only; do nothing more. Leave on the books as it is a law which has historically shown that it is workable, that it is good, that it is practical.

Mr. CARROLL. Mr. President, will the Senator from California yield to me?

Mr. ENGLE. I am glad to yield.

Mr. CARROLL. Will the Senator from California state what are the sanctions under section 315(a) which will be applied if the intent of the law is violated? What sanctions can be applied against a violator?

Mr. ENGLE. A violator can be required to give equal time; and if he fails to do so, his license will be jeopardized.

In many cases in the past we have had occasion to challenge a station with regard to the equal time requirement. In most instances they provide equal time. Of course, that is what is complained about in connection with the Daly decision. That decision is broad enough so that if the mayor of a city appeared at the airport, to meet a distinguished guest, and if at the same time he was a candidate for reelection, equal time would have to be provided.

Mr. CARROLL. Mr. President, will the Senator yield further to me?

Mr. PASTORE. Mr. President, I have sufficient time; and I yield 5 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The Senator from Colorado is recognized for 5 minutes.

Mr. CARROLL. Mr. President, let me ask whether the only possible sanction would be revocation of the license. If that is the only sanction, I wish to refer to the remarks of the distinguished Senator from Washington, who, as I recall, said that there has almost never been a revocation of a license.

In view of that statement, I ask my distinguished friend, the Senator from Rhode Island, to be very careful on this point. All of us should be very careful that in attempting to remedy an existing inequity, we do not create a new loophole—in this instance, as regards panel discussions.

We recognize that some inequities do exist at the grassroots. I think the record should be crystal clear as to our intent in connection with this situation. We should be very careful not to open new loopholes.

Furthermore, if this measure is enacted into law, the committee should carefully observe its operation, and if information in regard to violations comes to the attention of the committee, it should see to it that the proper sanctions are imposed.

Is there anything wrong with what I have proposed in this respect?

Mr. PASTORE. No; but let me say that the proposal is to include these exemptions under the general terms and provisions of section 315 of the act. If that is done, and if there is a violation of an exemption, it will then not be an exemption at all. Therefore the case will automatically come under the main body of the act, which will mean that the violator will be subject to the provisions of section 315. That will mean that another candidate will be entitled to the same amount of time. If the station refuses to allow the same amount of time, the station will be subject to revocation of its license or to application of the penal provisions of the act.

But I repeat that I am trying to be very realistic in my attitude regarding this matter; and we included the words "panel discussion" in order to have this issue debated thoroughly on the floor.

I am very much impressed by the view of a considerable number of Members of the Senate that possibly panel discussions should not be included in the exemptions. Other Senators believe they should be included in the exemptions. If the Senate decides by majority vote that panel discussions should be included in the exemptions, then the Senate will have expressed its view.

Mr. CARROLL. I thank the Senator from Rhode Island. It seems to me that such a provision would broaden the bill beyond its original intent.

Originally, we sought to deal with a bad situation which had developed. Certain exemptions have now been proposed. But even with those exemptions I believe we should watch the situation in our own areas; and if we observe violations of these exemptions, we can proceed, in the way the distinguished Senator from Rhode Island has described, to remedy the situation.

Certainly, adequate safeguards must be provided in connection with the operation of radio and television stations. Today, television is a most important political medium. Whereas years ago candidates would stand on street corners and speak to a few hundred people at a time, today a candidate, over television can reach thousands and even millions of people in one appearance.

In my political campaign, my opponent purchased all available television time. I said to the owner of one television station, "Put a stop to this, or I will call this situation to the attention of the authorities in Washington."

Certainly, we must watch the political aspects of this medium, which is the most important of all communication media in the field of politics.

I sincerely hope that the panel discussion amendment of the junior Senator from California will be excepted. I believe we have now gone far enough. In the future, after the law has been operative, we can determine how successfully the committee's provisions have been working. If further amendment is indicated we can do so then.

Mr. PASTORE. I thank the Senator from Colorado.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. PASTORE. I yield.

Mr. HOLLAND. I think the point I have in mind was emphasized earlier in the Senator's remarks. Certainly I believe all of us should remember that the purpose of the bill is not to benefit the politicians or the candidates or the station, but instead, to enable what probably has become the most important medium of political information to give the news concerning political races to the greatest possible number of citizens, and to make it possible to cover the political news to the fullest degree. Is that correct?

Mr. PASTORE. Certainly that is correct.

Mr. CARROLL. And to be handled in the public interest.

Mr. HOLLAND. That is also correct.

Mr. PASTORE. Mr. President, the opposition to the amendment is ready to yield back the remainder of the time under its control.

Mr. ENGLE. Then, Mr. President, I yield back the remainder of the time under my control.

Mr. PASTORE. I do the same.

The PRESIDING OFFICER. All remaining time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from California [Mr. ENGLE].

Mr. CASE of South Dakota. Mr. President, I ask that the amendment of the Senator from California be read.

The PRESIDING OFFICER. The amendment of the Senator from California will be read.

The CHIEF CLERK. On page 1, in line 7, it is proposed to strike out the words "or panel discussion."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

Mr. KEATING. Mr. President, let me say that I am not entirely satisfied that the way to meet the problem dealt with by the amendment of the Senator from California is to strike out the words "or panel discussion."

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. Is any more time available? If not, I withdraw my yielding back of the time remaining under my

control, in order that I may yield time to the junior Senator from New York.

Mr. JAVITS. Mr. President, I should like to have some time on this amendment, too.

Mr. PASTORE. Mr. President, I ask unanimous consent that the yielding back of the remaining time be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PASTORE. Now let me ask how much time remains under my control.

The PRESIDING OFFICER. Ten minutes on the amendment.

Mr. PASTORE. I yield 5 minutes to the junior Senator from New York [Mr. KEATING].

Mr. ENGLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. ENGLE. How much time remains under my control?

The PRESIDING OFFICER. One minute.

Mr. ENGLE. I thank the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island has yielded 5 minutes to the junior Senator from New York [Mr. KEATING], who is recognized at this time.

Mr. KEATING. Mr. President, I am entirely in sympathy with the attempt to remedy the rather ridiculous result achieved in the Lar Daly case. But I do not believe that in a comparable situation, if a major candidate had been taking part in a panel discussion, it would have been necessary to require that Lar Daly be allowed to participate in the same panel discussion.

I am very much concerned about a problem which exists in New York State. That problem is rather the reverse of the one which has been referred to by the distinguished Senator from Florida [Mr. HOLLAND], who spoke about the situation in one-party States. In New York, there are three significant parties—two major parties and a really significant third party, the Liberal Party.

In 1952 the third party polled 410,000 votes out of 7,300,000 votes, or approximately 5 percent. In 1956, out of 7 million, that party polled 300,000, or roughly 4 percent. In 1958, in the gubernatorial election, out of a total of 5,200,000 votes, that party polled 270,000, or approximately 6 percent. So it is certainly a significant party, whose rights should be protected.

It is my feeling that if there were a panel discussion or any other appearance which was apart from the presentation of news, a representative of the Liberty Party in an election should be included.

I have prepared, and am prepared to offer, an amendment to meet that situation, which would add on page 1, at the end of the page, the words: *"Provided, however,* That such exemption shall apply only where the appearance of the legally qualified candidate is incidental to the presentation of news."

I have submitted that proposal to the distinguished Senator from Rhode Island. He rather feels it is better not to make it a part of the pending legislation, although I understand from him that in the discussion had in the Senate, and, indeed, in the report of the committee, it is understood that the exemption which the committee has written into the bill is intended only to be applicable where the candidate's appearance is incidental to the presentation of news.

It does not seem to me, however, that we should take any step here to largely destroy the effect of the bill. It seems to me it takes a great deal out of the bill if we are going to make possible, in effect, that in every single panel discussion the appearance of every legally qualified candidate is going to be required.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KEATING. May I have 1 additional minute?

Mr. PASTORE. I yield 1 additional minute to the Senator from New York.

Mr. KEATING. I would be happy to hear the Senator from Rhode Island if he has a different view, but it appears that might be the effect of eliminating the provision. I would rather see the provision remain in the bill and language added to it, perhaps not precisely the language I have suggested, but language along those lines.

Mr. PASTORE. Mr. President, the committee labored industriously on the question. The fact of the matter is that when we begin to define or limit what a panel discussion is, we run into, as I said before, many, many ramifications. I do not think we could write such a provision on the floor of the Senate. I could say, however, that a panel discussion, as presently contained in the bill, would be exempted from the provisions of section 315, which would mean that a station would not be obliged to give equal time to opposing candidates. There are those who argue that a panel discussion is not generally what we are trying to cure because of the Lar Daly decision.

I was not wedded to this provision to the point that I would advocate and press for its adoption on the floor. I wanted a discussion of it. In executive session, I advised the committee that if the provision jeopardized passage of the bill, I would be willing not to have the panel discussion provision included in the bill, because I understand it is not included in the House bill, anyway.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 3 minutes.

Mr. PASTORE. I yield 2 minutes to the Senator from New York [Mr. JAVITS].

Mr. JAVITS. Mr. President, I think a word needs to be said about panel discussions, which are really an integral part of the American process of debate. Before we vote on the amendment, I would like to state that it should not be adopted. I think we should preserve panel discussions, and not make the requirement ridiculous. I refer to the opportunity of Americans to hear face-to-face debate by opponents. Let us not forget the right of the television viewer to turn the knob if he does not like what he sees or hears. Let us not forget that Congress is a dynamic agency, and if the broadcasting systems abuse their facilities, Congress can adopt another regulation by passing a bill to that effect.

Let us not be wearing blinkers in terms of problems we face in daily decisions, but let us realize the broad public interest which is inherent in panel discussions.

When we had the civil rights debate, I think the most important aspect in informing the American people was the debate four of us had in the old Supreme Court Room, on television, between the hours of 10:30 and 12:30 at night. It made the greatest impact on the people, and they knew what we were talking about. At that stage, if there were 8 or 10 people to discuss it, it would have been ridiculous; and Frank Stanton says they will not do it. They have a right to say "No" completely. We want them not to have to say "No." I think at this stage, when we are experimenting with this matter, we should not strike out the inclusion of panel discussion in the bill.

In this connection, I should like to introduce into the RECORD and ask unanimous consent to have printed as a part of my remarks an article concerning the observations of Mr. Stanton, president of the Columbia Broadcasting System, and also an editorial from the Buffalo Evening News, of Buffalo, N.Y., entitled "A Ridiculous Ruling."

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 27, 1959]

STANTON APPEARS ON TV TO PLEAD FOR CURB ON EQUAL-TIME RULE

Frank Stanton, president of the Columbia Broadcasting System, went on the air yesterday to plead for prompt congressional action to relieve radio and television news broadcasts from equal-time restrictions.

"If such action is not taken," he said, "we will have no choice but to turn our microphones and television cameras away from all candidates during campaign periods."

Mr. Stanton stated his network's stand on the equal-time issue at the end of a CBS "Behind the News" television program devoted to a discussion of section 315 of the Federal Communications Act of 1934. This is the so-called equal-time section, dealing with political candidates.

The effect of a recent ruling of the Federal Communications Commission is that the networks must, in their news coverage during a political campaign, give equal time not only to substantial candidates but to every fringe candidate who throws his hat into the ring.

This, according to Mr. Stanton, is impossible. Referring to the 1960 presidential campaign as the "most important story in our national life," he said television coverage had been virtually blacked out by the ruling.

"Television has been told," he continued, "that it can do either the impossible or nothing in bringing you firsthand the candidates for major offices."

Mr. Stanton reminded his listeners that remedial legislation was pending in Congress. A Senate bill stipulates that newscasts, news interviews, news documentaries, on-the-spot coverage of news events and panel discussions will be exempted from section 315.

A House bill stipulates that newscasts, news interviews on any on-the-spot coverage of news events in which the appearance of the candidates is incidental to the presentation of the news will be exempt from section 315.

Mr. Stanton described the Senate bill as a "minimum essential of the freedom of television to help all of us know the candidates and issues in the critical election campaigns of 1960 and the years beyond."

He promised that, if remedial legislation passed, the broadcasters would not discriminate among the major parties or among the substantial candidates.

"All we ask," he said, "is the right to distinguish, as any sensible citizen would do, between the major parties and the splinter parties, between the significant candidates and the fringe or obscure candidates. We do not ask for the right to discriminate—only to distinguish."

[From the Buffalo Evening News, March 21, 1959]

A RIDICULOUS RULING

A recent ruling of the Federal Communications Commission in reference to political broadcasts requires amendment, clarification or, better still, outright repeal.

As the matter now stands, no matter how fair or honest a radio or television station may be, or tries to be, in respect to political broadcasts or news reports of political events, the February 19 ruling of the Commission practically makes it impossible to conform without opening the door to all sorts of weird and wild requests for "equal time" to reply.

The ruling appears to be a new concept of section 315 of the Communications Act. Whether this is valid, or straining to stretch a point, isn't clear. It is clear, however, that it will require prompt action either by Congress or the Commission itself if freedom is to be restored to the airways.

On the one hand the Commission urges radio stations to "editorialize" on the air, and on the other it puts into effect this new requirement which would suggest that any responsible broadcaster would be out of his mind if he did so.

The ruling is so far-fetched that President Eisenhower has taken the almost unprecedented action of asking the Attorney General of the United States to see what can be done about it, whether the remedy lies in legislative action by Congress or otherwise.

Speaking for the President, and with his authority, White House Press Secretary James C. Hagerty said:

"The emphasis here is that it is ridiculous to have the law tell radio stations they have to give equal time in the coverage of news."

Dr. Frank Stanton, president of CBS, has pointed out in connection with the ruling that had the FCC ruling been in effect in 1956, that network would have been required to give equal time on regular newscasts to 24 presidential and vice presidential candidates of 12 parties, most of which wouldn't be recognized by the general public. The same requirement would have been imposed upon the News stations, which always have prided themselves in giving fair political coverage, or to any other station which carried these network programs. It imposes an impossible condition.

Chairman John C. Doerfer, of the FCC, speaking in Chicago this week, said that strict interpretation of section 315 would emasculate radio and television news coverage during campaign periods, and, he might well have added, at other times. He said if the section is not repealed or amended by Congress before the 1960 presidential campaign the public inevitably will be denied the opportunity to see and hear candidates. We don't know why he limited his remarks to 1960; a local election campaign is coming, and the ruling of the Commission could have the same effect on local campaign coverage here and elsewhere.

The courts, of course, might take a hand in the matter, but that would entail much delay, without certainty of relief. Wouldn't it, perhaps, be better for the FCC to take another look at the law, the many and long-standing previous rulings based upon it and determine whether this new and strained interpretation is in fact what Congress intended? If it had, we are inclined to think that fact would have been discovered long ere now.

Mr. JAVITS. Mr. President, I repeat, we are venturing into an area where we are trying to change a situation which has proved to be embarrassing. In the haste of trying to do something about that situation, let us not eliminate what I consider to be one of the great capabilities of the American people for having a knock-down, drag-out, face-to-face debate, to wit, a panel discussion which can do them the most good.

The PRESIDING OFFICER. All time for debate on the amendment has been exhausted. The question is on agreeing to the amendment of the Senator from California [Mr. ENGLE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG. Mr. President, I have an amendment at the desk. I believe I should like to call up my amendment No. 1.

The PRESIDING OFFICER. The amendments offered by the Senator from Louisiana will be stated.

The CHIEF CLERK. It is proposed to strike out section 2(a) on page 2, lines 1 to 7, inclusive.

On page 2, line 8, it is proposed to strike out "(b)."

On page 2, after line 19, it is proposed to insert the following: "Section 1 of this Act shall expire on June 30, 1960."

Mr. LONG. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Louisiana has 15 minutes.

Mr. LONG. I yield myself 5 minutes at this time.

Mr. President, even with the action the Senate has taken on the last amendment, which I believe to be desirable, and for which I voted, it seems to me this bill would nevertheless permit great discrimination in favor of a particular candidate if stations so desired.

I have no particular complaint about how the junior Senator from Louisiana has been treated by television stations. By and large, they have been kind to me. I would not say they have ever discriminated against me. I think Senators in general, particularly the incumbents, have been treated very favorably by television stations. But I know what tremendous power the television industry has in this Nation.

If there is an effort to amend the basic laws of this Nation with regard to television, if there is an attempt to amend those laws contrary to the wishes of CBS, NBC, ABC, and the other networks, let me tell Senators the probabilities are they are up against a hopeless task.

I recall a year or two ago when someone wanted to experiment with the issue of color television. We had a great dinner given by the Columbia Broadcasting System and its affiliates at one of the large Washington hotels. There were present a quorum of the Senate and a quorum of the House of Representatives. There was a marvelous program. It was one of the finest programs ever presented in Washington with the stars of TV performing.

I imagine most of the stations did the same thing. The next day the home State stations or some of them, invited Senators to appear on little discussion programs, to be played in the home States, discussing views on various and sundry issues. Some of us gained thereby some idea of the tremendous influence these stations have.

Once we give these television stations a broad, open exemption, I personally believe the burden will be more than any Senator can bear to prove that the Congress went too far.

Let us see what can be done under these provisions. Under the bill, as reported by the committee, a television station would have the right to use or not to use the appearance of any Senator, any Representative in Congress, any candidate for President or even for sheriff on a news program. As pointed out, a news program usually runs only 5 or 10 minutes. We can look at the ticker, or can pick up a daily newspaper, and we can see enough information to keep us busy for 1 hour, 2 hours, or 3 hours, depending upon how much time we want to devote to it.

The proposed statute provides:

Appearance by a legally qualified candidate on any newscast, news interview, news documentary, or on-the-spot coverage of news events shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

In other words, it will be construed that these persons were not even using the broadcasting station. That is a power to discriminate, as I interpret it, which is wide open. The man shall not even be regarded as having been on the air, if he is favored on a news broadcast.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. The Senator should read all of section 315, which provides that no legally qualified candidate can make use of this. The question is, Is the candidate making use of it?

For instance, if the Senator should participate in a committee hearing and if, while the Senator is present, the television cameras go on, would the Senator be making use of the facility so that the Senator's opponent in Louisiana would be entitled to equal time? That is exactly what we are talking about.

Mr. LONG. I am very limited on time. I am addressing myself at this moment not to whether the legislation is necessary. What I am saying is that the matter should be carefully studied. The committee itself recognizes this is a matter we should carefully study and watch. We should have a 3-year study and a 3-year "watchdog" proposition, to see what will happen.

All I am saying is that if the bill is passed and the law proves to be too

favorable and to give too much wide-open exemption to television stations, the burden would be almost unbearable for a Senator who wanted to change the law and to overcome the inertia, as well as the opposition, of the united television industry. The industry is going to like all of these privileges and immunities which they are being given, including the power to discriminate, under this bill.

In fact, for many years it was argued that there should be complete freedom of the air, to say anything they wanted to say and to discriminate however they wanted to, even though it favored one side completely.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. LONG. Mr. President, I yield myself 5 more minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 additional minutes.

Mr. LONG. Mr. President, I submit that we should place upon the Congress the burden of watching this matter very carefully for the next year, to see how it will work out. If it tends to work out fairly, if there is not too much discrimination one way or the other, and if we think both sides are getting an equal break when something is newsworthy, it will be all right. If the stations favor one candidate when something is newsworthy, by picking it up, but if they also pick up a news item on another candidate, favoring the other side, so that they do not single out one side and give that side all the advantage during the next 2 or 3 years, we can say it has worked out well. If it works out well we can continue it. If it does not work out well, then we will not have to overcome the tremendous inertia which will develop, to try to get a bill through the Congress to amend the Communications Act, over what might be the overwhelming opposition of NBC and CBS and all the affiliated stations.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not possible that the television and radio stations would be on their good behavior, so that if the limitation were placed for only 1 year, nothing would be accomplished? Let us assume that the year expired the 1st of September 1960. These stations could be on their good behavior during the intervening period. Then, on the basis of good behavior, if we were to put this provision into effect, in the last 2 crucial months of the presidential election of 1960 they might be able to do all they wanted to do. And that might be plenty.

Mr. LONG. Of course that is a possibility, but at least under the amendment I am suggesting we would know we had not turned this privilege loose irrevocably.

Mr. President, after all, these news programs are some of the programs which are most listened to. I know some Senators and Representatives in Congress are learning, from sending reports back home, that they are sometimes a lot better off to have 1 minute on a news program than they are to have 15 minutes on some other program, because the public tunes in the news programs.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. There is a good deal of truth in the suggestion made by the Senator from Illinois, and I wonder if the Senator from Louisiana would be willing to modify his amendment to provide that it will expire as the appropriations expire, each year. That would put the radio and television networks and stations on their good behavior from now on. It would then be necessary for the Congress to pass a bill each year. I am sure there would be no trouble in getting a bill passed, so long as the stations were behaving themselves. If they got out of line, it would be much easier for Congress to take the necessary action.

The basic point which has been made by the Senator from Louisiana is a very sound one, and excellent. It makes all the sense in the world. The Senator is very correct, it is obvious it would be very difficult to get a majority of the Senate and a majority of the House of Representatives, and the President of the United States—all three—to act against the major networks, since we know they would be against the Congress in such a case.

Mr. LONG. Mr. President, some Senators perhaps have not taken this into consideration, but let us assume that we pass a wide-open exemption to discriminate in any fashion these stations feel like discriminating in their news and interview programs. Let us assume that the television stations go all the way.

The press is often highly prejudiced on one side. Let us assume that the television stations are just as highly prejudiced. After a year we could assume that they might be so successful that the candidate for whom they discriminated would be elected. Then, if the Congress passed a bill to amend the law, if it were sent to the President, he might veto it because he had received all the benefit of that discrimination. That might be the source of a great deal of difficulty.

If we have an expiration date provided, and if we are not satisfied that the law is what it ought to be, we would at least, after a year, be in a position to do something. It would not be a wide-open discriminating provision. It would be possible to say, "Very well. Let us change the law." We would not have to go quite as far to overcome the inertia and opposition.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. Does the Senator realize that we have deleted the words "panel discussion," and that for the last 32 years we have lived almost under the situation described by these exceptions insofar as news is concerned? The only trouble is that the Commission, which had sustained the position under the Blondy case, then last February under the Lar Daly case swung completely to the other side.

The PRESIDING OFFICER (Mr. ENGLE in the chair). The time of the Senator from Louisiana has expired.

Mr. PASTORE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

Mr. PASTORE. The Commission overruled its own position, which was established in the Blondy case, and said that any exposure on a newscast, which means, in my opinion, any on-the-spot coverage of news events or a news documentary, would entitle the opposition candidate to equal time.

What the Senator is proposing is to have the exceptions expire by June 30, under the amendment. We might as well be opposed to the bill.

Mr. LONG. June 30, 1960.

Mr. PASTORE. 1960. We might as well leave everything as it is, because most candidates will qualify around June 30. We will not have much experience until then. Most of the States begin to accept the candidates who file their initial papers around the 1st of July. I will tell Senators quite frankly that what is being actually proposed is to vitiate the entire bill. The Senator is actually saying that we have wasted our time in committee. If we allow the law to expire automatically on June 30 we shall have wasted a great deal of time, and we shall not get the experience the Senator from Louisiana would like to get.

Mr. LONG. Prior to the passage of the bill, is the Senator prepared to tell me that the law is such that a television station can devote all its news to one candidate, and none of it to his opponent?

Mr. PASTORE. Provided it is a legitimate newscast, as prescribed under the rules and regulations of the Commission.

Mr. LONG. Suppose two candidates are making news, and there is plenty of it on the board about the two candidates—enough to fill up a news program with either side. Is the station permitted to select all the news involving one candidate, and no news regarding the other?

Mr. PASTORE. Absolutely. The only thing section 315 prohibits is exposure of the candidate himself. I could get on a station and talk until the cows came home about the Senator's candidacy. The station would give me free time, and I would violate no law, except the general provision that the station must be fair, in order not to jeopardize renewal of its license. There is no violation of section 315 because the station editorialized, or because it allowed a second party to speak for the candidate himself. It is only a case in which the candidate himself is exposed on a newscast or spot news item, that the opposition candidate is entitled to equal time. Therefore, when the mayor of the city of Chicago, who was a candidate for reelection to the office of mayor, was seen on a television show shaking hands

with and welcoming to Chicago Mr. Frondizi, President of the Republic of Argentina, Mr. Lar Daly, a candidate for the same office of mayor, asked for equal time, and the Commission, in spite of the well-established rule under the Blondy case, reversed itself, and said, "You are entitled to equal time."

In other words, if one happens to be a candidate, and makes a speech on any subject whatever, even on the stars in the flag of the United States, and he sends his voice over the radio or appears on television, his opponent will be entitled to equal time, if it is a news item.

The idea of automatically repealing the law on June 30, would mean that we would have wasted the time of the committee and wasted the time of the Senate. We might as well vote the bill down.

Mr. LONG. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 5 minutes remaining.

Mr. LONG. I yield myself 3 minutes.

If I can read what the bill says—and I believe I can—the bill provides—and if it does not do it, there is no use in passing it—a wide-open power and right to discriminate on the part of the television station, on its news programs; and provides a wide-open right to a station, without any qualifications whatsoever, if it desires to do so, to devote its news programs exclusively to one candidate for Representative in Congress, Senator, or county judge, and put him on a news program, without providing equal opportunity for another candidate.

The committee says, "We are very much worried about this situation. We are going to have a watchdog committee." The committee wishes to watch the situation for 3 years, and it wants the Federal Communications Commission to help watch it.

Let us set a date when the law will expire, so that we shall have another look at the situation. We do that in connection with tax bills every year. We did so within the past month, in extending excise taxes for another year. Why did we not extend them indefinitely? Because we wanted to have another look. If we can do that in the case of excise taxes involving $3 billion a year, we can do it in this case, in connection with something with respect to which we really do not know very much. We really do not know what we are doing. The committee in effect says so on page 2 of the bill. Why should we not then assure ourselves the opportunity to take a second look? The committee says, "We should take another look in 3 years." I say, "Let us look at the situation a year from now."

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield the floor for the time being.

Mr. PASTORE. Under the laws of Louisiana, what is the earliest date on which the Senator could make himself a legally qualified candidate?

Mr. LONG. For what office?

Mr. PASTORE. For the office of Senator?

Mr. LONG. The term does not expire for 3 years.

Mr. PASTORE. Let us assume that it was expiring next year.

Mr. LONG. I assume that a candidate for the office of U.S. Senator could probably qualify about March or April of next year.

Mr. PASTORE. By entering the primary?

Mr. LONG. Yes. There will be a gubernatorial race even sooner—it is starting right now, and will conclude on December 5 of this year.

Mr. PASTORE. In my State a candidate could not qualify much before July. There are many States in which a candidate could not qualify for the office of U.S. Senator before July 1960.

Mr. LONG. There will be plenty of experience in Louisiana. A number of candidates are qualifying right now for the office of Governor of Louisiana.

Mr. PASTORE. Let us be positive about this. Generally all we are doing is restoring the situation insofar as news is concerned to that which existed for 32 years, before the Lar Daly decision. News is the primary objective, now that we have eliminated panel discussion. Let us get back where we were essentially before the ridiculous decision in the Lar Daly case.

Mr. LONG. If I interpret the bill correctly, it goes far beyond the Lar Daly case.

Mr. PASTORE. In what respect?

Mr. LONG. The bill says that a candidate shall not be deemed to be using a broadcasting station within the meaning of this section when he appears on a news broadcast.

Mr. PASTORE. It merely means that a legally qualified candidate is not using the station for a purpose with respect to which his opponent would be entitled to equal time unless a certain situation exists. We must read the entire sentence. Of course the station is being used, but the legally qualified candidate is not using the station for his own advancement to the point where an opponent is entitled to equal time.

Mr. LONG. And when we say that, we are saying that if the station so desires, it can have the candidate it is favoring on the air during every news program every day of the week for the last 3 months before the election, and we cannot do anything about it.

Mr. PASTORE. Oh, yes; we can.

Mr. LONG. What can be done?

Mr. PASTORE. The Commission can say, "That is not a proper use of the exemption, and therefore the opponent is entitled to equal time."

Mr. LONG. Can the Senator tell me where that appears in the bill?

Mr. PASTORE. Read the whole law. Read section 315, along with the amendment, and no other interpretation is possible.

Mr. LONG. Will the Senator show me that language?

Mr. PASTORE. Certainly.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. PASTORE. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. PASTORE. Section 315(a)——

The PRESIDING OFFICER. Does the Senator yield himself further time?

Mr. PASTORE. I yield myself 2 minutes.

Section 315(a) reads as follows:

SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station—

That is still in the law—

Provided, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section.

Then we add this language, which is the exemption:

Appearance by a legally qualified candidate on any newscast, news interview, news documentary, on-the-spot coverage of news events, shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

If the station or facility is being used for a newscast, it is exempted. If it is not a newscast, there is no exemption; such use still comes under the body of the law.

What is a newscast? We are saying to the Commission, "Tell us what it is, and make rules and regulations, so that all may know."

What is a news documentary? We say to the Commission, "Define it by rules and regulations."

If any station deliberately and willfully features one candidate against another, under the guise of a newscast, the Commission can say, "This is not a legitimate exception or exemption. This is not a legitimate use of a newscast. The opponent is entitled to equal time, as the law provides."

How can the law be made any clearer than that?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes remaining.

Mr. LONG. Mr. President, I submit that the distinguished and able junior Senator from Rhode Island has failed to meet the burden of my argument. He is saying that if a station misuses the power he proposes to give it, if it calls something news when it is not news, and thereby favors one candidate repeatedly, every day of the week, there will be some recourse even under the law as he would seek to amend it. What I am talking about is a station which discriminates, world without end, day after day, in connection with presentation of legitimate news.

There is a gubernatorial race starting in Louisiana today. The candidates are already in the field making speeches. From now until December 5, under this statute, there will be news all the time in the newspapers. There will be stories

about all the candidates. That will all be legitimate news. A station could repeatedly favor one candidate every day of the week, so long as he was appearing on a newscast. What better evidence is there of the fact that it is news than that newspapers are playing up the subject on page 1? The station could deny all other candidates any right to appear.

All I am asking is, Why do we not give the new law a 1-year trial and see how it works for a year? Then we can determine whether we were right in granting the exemption. In Louisiana we shall have some idea within the next year as to whether or not the situation is being handled fairly, because a race for Governor is in progress. We can see how the new law works, and if it goes too far we can do something about it. The committee's own report shows that it wants the Federal Communications Commission to study the problem for 3 years before turning loose its own handiwork.

Let us follow the precedent we have followed repeatedly, a precedent which almost every committee has followed from time to time, when it brings before the Senate a bill and says "this is the best we can do for the moment." Let us establish an expiration date so that we can be sure we will get another look at it. The best way to be sure is to put such a date in the bill.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. PASTORE. How much time have I left?

The PRESIDING OFFICER. The Senator from Rhode Island has 6 minutes remaining.

Mr. PASTORE. Mr. President, I reiterate this exemption must be read in the full context of section 315. I do not know how to emphasize this any more than I already have.

The Commission is obliged under the bill to promulgate rules and regulations which will define a newscast, a news documentary, and on-the-spot news coverage.

Now that we have taken "panel discussions" out of the bill, I submit to the Senate that generally insofar as news is concerned we are in no different position than we have been for the past 32 years up until last February when the Lar Daly case was decided.

What was the Lar Daly case? What is the situation to which the distinguished Senator from Louisiana would have us revert?

Here is the mayor of Chicago, a candidate for re-election. He shakes hands with a foreign dignitary, which television shows, and his opponent came along and said, "You have got to give me equal time." He dressed himself up in a suit as Uncle Sam and made a speech over the radio or television that was absolutely unconnected with any dignitary. That is a ridiculous situation, and that is what confronts us now.

An argument might have been made that provision for a panel discussion was an extension of the old law. The Senator from Rhode Island agreed that it was, and explained his position on that point, but now that we have deleted panel discussions from the bill the Commission is duty bound under this amendment by rule and regulation to tell us exactly what is meant by a newscast, a news documentary, and on-the-spot news coverage.

If we let the new law expire as of June 30, we are wasting our time. Sufficient time would not be afforded to judge whether the law is good or bad. If there are any abuses which cannot be cured administratively, they can be cured by enacting additional legislation. We can watch the situation very closely.

What is wrong with that? Is it suggested that the committee did not know what they were doing after listening week after week to witnesses, sitting in executive session, with the purpose of making doubly sure of our objectives under section 2?

I say to my distinguished friend, the Senator from Louisiana, if he insists upon his amendment and if the Senate favors the amendment, I would rather see the Senate vote the bill down because we would be re-establishing the ridiculous situation which has been brought to the fore by the Lar Daly decision.

That is my position pure and simple.

I know the Senator from Louisiana is of good intention. I know that there have been abuses, but they can be eliminated. I know that this bill is not foolproof in every respect. It is impossible to write a law that will be completely foolproof, but I do not like the idea of letting it expire automatically by June 30, starting hearings again, and being caught again in a pinch.

If it is desired to place a blackout on the people of this country, if we want to stop all important news of political campaigns getting to the American people, let the Lar Daly decision stand. Let the Senator's amendment prevail and there will be a complete blackout.

If the President of the United States were a candidate for reelection he could not stand up in front of the American flag and report to the American people on an important subject without every other conceivable candidate standing up and saying, "I am entitled to equal time."

Mr. LONG. The hearings to which the Senator referred started on June 18. If his committee can draft proposed legislation between June 18 and now, a period of 6 weeks, does not the Senator from Rhode Island think Congress can legislate on the matter in another year, after we have had some experience with the Senator's bill?

Mr. PASTORE. That is not the point. The Senator from Louisiana by his own admission stated that the campaign will not get into operation in Louisiana until March or April.

Mr. LONG. I said that now in Louisiana there is a campaign going on.

Mr. PASTORE. No, but the law will not apply. There are no legally qualified candidates in Louisiana now.

Mr. LONG. When this bill is placed on the statute books I hope it will have some effect.

Mr. PASTORE. I hope we do not write a law for the sake of Louisiana only. I do not regard Louisiana as the only basis for determining what is a wise law and what is a foolish law.

Mr. LONG. I do not offer the amendment to apply this only to the State of Louisiana.

Mr. PASTORE. I say to my distinguished friend, please read the hearings; please read the report; please read the bill.

Mr. CARROLL. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield to the Senator from Colorado.

Mr. CARROLL. I think the Senator from Rhode Island has been eminently fair. We have knocked out "panel discussion," which I thought cured a very serious defect.

I should like to call the attention of the Senator from Louisiana, who has a right to express some fear, that by what we do today we cannot bind what the Congress may do next year, but as I read the bill the Congress is declaring its intention to reexamine the subject at or before the end of the 3-year period.

I should like to make a suggestion which, perhaps, would make some Senators more happy. We could strike that out and provide for a reexamination from time to time, and provide for a report 15 days after the first of the year, and every year thereafter.

Mr. President, is there any time remaining? Does the Senator from Rhode Island have any additional time?

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. MANSFIELD. I ask unanimous consent that an additional 2 minutes be allowed on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARROLL. I understand exactly the worry and the concern of the Senator from Louisiana. He made a very brilliant argument. But it seems to me we have got about as much protection in this bill as we can get at this time. Why? Because we are really operating, as the distinguished Senator from Rhode Island has said, under a law that has been in existence now for some 32 years.

What are we saying to the Commission? Report to the Congress on a number of occasions by telling us what the situation is. We can move next year if the information is bad. That is way I sought to make clear in the RECORD that the sanction provisions of this proposed law are to apply immediately if there is an abuse of the exemptions which we now grant by statute.

I think the able Senator from New York [Mr. JAVITS] made a very fine point about panel discussions. It may be that next year we can consider panel discussions, how to broaden their application.

Under the circumstances I think this is about as good a bill as we can have today.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG]. [Putting the question.]

The amendment was rejected.

Mr. PROXMIRE. Mr. President, I call up my amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On the first page, line 9, after the period, insert a comma and the following: "but nothing in this sentence shall be construed as changing the basic intent of Congress with respect to the provisions of this act, which recognizes that television and radio frequencies are in the public domain, that the license to operate in such frequencies requires operation in the public interest, and that in newscasts, news interviews, news documentaries, on-the-spot coverage of news events, and panel discussions, all sides of public controversies shall be given as equal an opportunity to be heard as is practically possible."

The PRESIDING OFFICER. How much time does the Senator from Wisconsin yield to himself?

Mr. PROXMIRE. I yield myself as much time as may be necessary.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Rhode Island.

Mr. PASTORE. I think I know the intent of the amendment of the Senator from Wisconsin. He is merely reiterating what we are trying to do by section 2 and also what we have done in the report, namely, that we abide by the philosophy, so far as standard of fairness is concerned.

But I do not like the use of the words "as equal an opportunity" in the last part of the Senator's amendment. I am afraid that that might be considered a repudiation of what we are trying to do by the exemptions. If the Senator will change the wording to "as fair an opportunity," with a clear understanding that this does not substantially defeat the purpose of the exemption, but merely expresses the philosophy that the media of radio and television are in the public domain, and that they must render, under the law, public service, and that wherever it is practical and possible the situations must bring to light all sides of a controversy in the public interest, I will accept the Senator's amendment and take it to conference.

In my opinion, the amendment is surplusage. I think we have already accomplished the purpose of the Senator's amendment. We have expressed it in the report. But if it will make the Senator happy to have the language in the bill, I will accept the amendment and take it to conference.

Mr. PROXMIRE. I appreciate the Senator's support in saying that he will accept the amendment under the circumstances. I am trying to protect all viewpoints in public controversies by providing them an equal opportunity.

Mr. PASTORE. A fair opportunity.

Mr. PROXMIRE. I make this point as to why I do not think the language is surplusage. While it is true that an excellect statement is made in the final four lines of section 2(b), on page 2, which read:

> Such recommendations at it deems necessary to protect the public interest and to assure equal treatment of all legally qualified candidates for public office under section 315 of the Communications Act of 1934.

I think that is excellent in the place where it occurs. But I feel very strongly that since this language will be effective for only 3 years, I therefore want it to be in the first section of the bill.

I appreciate the Senator's suggestion and further modify my amendment to eliminate the reference to panel discussions. The amendment was drafted before the amendment on panel discussions was adopted.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HARTKE. Do I correctly understand that the Senator wants to have all sides of every issue discussed?

Mr. PASTORE. No; as I understand, the purpose of the amendment is to make certain that all sides shall be given as fair an opportunity to be heard as is practicably possible.

Mr. HARTKE. If a situation developed in which Lar Daly were a candidate for President and said he wanted his side, which was a part of one side, discussed, and raised the question with the Federal Communications Commission, under the Senator's amendment would he be entitled to an equal opportunity?

Mr. PROXMIRE. I am glad the Senator has raised that point, so that I can make my position more emphatic. The whole purpose of the bill is aimed at the situation which arose with the case of Lar Daly. If lines 5 to 9 in the bill have any meaning at all, they mean that a broadcaster is not required to give an opportunity to each legally qualified candidate. What the broadcaster should do is to consider all sides of public controversies, and make certain that not only the conservative, or not only the liberal viewpoints or ideas are expressed, but that the public has a chance to hear both sides, in fact all sides, and to be more specific so that this bill cannot be construed in any way to limit the responsibility of broadcasters to present all viewpoints, including the responsibility upon the appearances of qualified candidates on TV or radio.

Mr. HARTKE. Assume that in a presidential election there are the normal number of candidates from the Democratic and Republican Parties, and that, as before, there are 14 or 16 additional candidates, depending on whether we go back to 1952 or 1956. Would each of those particular parties be entitled to an equal opportunity or a fair opportunity to have its side expressed?

Mr. PROXMIRE. Emphatically, no.

Mr. PASTORE. What the Senator from Wisconsin is doing, as I understand, is appending to the amendment a statement of the philosophy that these media are in the public domain, and that where it is practically possible all sides shall be given a fair opportunity of exposure to the public.

Mr. PROXMIRE. The Senator is correct.

Mr. PASTORE. But it in no way infringes upon the exceptions which we have spelled out?

Mr. PROXMIRE. The Senator is correct.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. I congratulate the Senator from Wisconsin for his amendment. As I see it, the wording of the amendment puts into the act the declaration which the committee itself made on page 13 of its report, but it reinforces that declaration by making it a part of the statute, and hence binding, whereas the report is merely of a persuasive nature but is not controlling.

Mr. PROXMIRE. The Senator is exactly correct. The purpose is the same as expressed on page 13 of the committee report and is for the purpose which the Senator from Illinois has expressed it.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KEATING. Mr. President, I congratulate the Senator upon the language which he has drafted. I have at the desk an amendment to come at the end of the entire section. The amendment reads as follows: *"Provided, however,* That such exemption shall apply only where the appearance of the legally qualified candidate is incidental to the presentation of news."

It strikes me that the purpose which the Senator from Wisconsin is seeking to accomplish is identical with the purpose which I intended by my amendment. My own amendment is a little shorter and has, perhaps, that merit. But I wanted to make a legislative history to indicate that the intention of the Senator from Wisconsin is similar to my previous intention in drafting this amendment.

Mr. PROXMIRE. The Senator from New York is correct. I think he is exactly right in saying that the amendment would express the purpose that it is when the appearance of a qualified candidate is incidental to the news that the exception would be maintained.

Mr. KEATING. Perhaps the Senator from Wisconsin was here when I outlined the problem of the Liberal Party in the State of New York. The Liberal Party has polled a substantial vote—4, 5, or 6 percent—in various recent elections.

Mr. PROXMIRE. I am very conscious of that particular problem. That is one of the reasons why I had this proposal in mind.

Mr. KEATING. The Senator did have that in mind?

Mr. PROXMIRE. I did, indeed.

Mr. KEATING. Does the Senator feel that the amendment which he has offered would be a protection of substantial significance to a minor party candidate?

Mr. PROXMIRE. The Senator is correct.

Mr. KEATING. I appreciate the Senator's statement. I will support his amendment and will not press further my amendment.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HARTKE. Will the Senator from Wisconsin explain whether this can be a proper interpretation of section 315, when the amendment provides that all sides of the controversy shall be presented, and when section 315 itself does not go to all sides of a controversy, but has reference only to candidates?

In my own mind, I do not think the amendment deals with the subject matter and in no way clarifies it. In my opinion, it serves only to confuse the issue even further, because it will not provide an opportunity for a Liberal Party candidate to express his views, but only for the Liberal Party to make an exposition of its views.

Mr. PROXMIRE. That is the very point of my amendment. What I am trying to accomplish by my amendment is to permit equal opportunity to have candidates or persons speak in the public interest, so that controversial ideas can be heard by the public.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. I have been a candidate of the Liberal Party. I have run on the Republican and the Liberal Party tickets.

I think the Senator from Wisconsin is exactly correct, as my colleague from New York is correct. It is a fact that the Liberal Party actually issues a statement of principles or precise policies upon specific pieces of proposed legislation. It represents a point of view or a side on a public issue.

Even though a candidate runs on two tickets, as I did, he can subscribe to that point of view.

I believe that is what the Senator from Wisconsin is trying to accomplish within a practical sense. This is experimental.

In this debate we are really laying down the ground rules; and if we tried to be more specific, we really would be lost.

So I believe all of us will be wise to go along with the amendment of the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator from New York.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER (Mr. JORDAN in the chair). Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. PROXMIRE. I yield.

Mr. CASE of South Dakota. Mr. President, the more we consider this matter, the more apparent it is that the committee has taken a wise approach to the problem.

I believe that all of us should carefully consider the public announcement which was issued by the Federal Communications Commission on October 1, 1958. It was entitled "Use of Broadcast Facilities by Candidates for Public Office." It states the law and the rules and definitions, and gives questions and answers in that connection.

Therefore, Mr. President, I ask unanimous consent that that public notice, issued by the Federal Communications Commission on October 1, 1958, be printed in full at this point in the RECORD.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

[FCC–58–936, Public Notice 63585, Oct. 1, 1958]

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C.

USE OF BROADCAST FACILITIES BY CANDIDATES FOR PUBLIC OFFICE (REVISED)

On September 8, 1954, the Commission issued a public notice (FCC–54–1155) entitled "Use of Broadcast Facilities by Candidates for Public Office." Experience has shown that this document has been of great assistance to candidates and broadcasters in understanding their rights and obligations under section 315 of the Communications Act of 1934, as amended. Since the above date, many interpretations of section 315 and of its rules have been issued by the Commission. These interpretations have been reviewed carefully; cumulative and repetitious rulings have not been reported while significant rulings have been added to this document. At the same time, a small number of editorial and other revisions have been made with respect to some of the interpretations previously issued.

The information contained herein does not purport to be a discussion of every problem that may arise in the political broadcast field. It is rather a codification of the determinations of the Commission with respect to the problems which have been presented to it and which appear likely to be involved in future campaigns. The purpose of this report is the clarification of licensee responsibility and course of action when situations discussed herein are encountered. In this way, resort to the Commission may be obviated in many instances, and time—which is of such importance in political campaigns—will be conserved. We do not mean to preclude inquiries to the Commission when there is a bona fide doubt as to a licensee's obligations under section 315. But it is believed that the following discussion will, in many instances, remove the need for such inquiries and that licensees will be able to take the necessary prompt action in these cases involving election campaigns in accordance with the interpretations and positions set forth below.

It is to be emphasized that this discussion relates solely to obligations of broadcast licensees under section 315 of the Communications Act and is not intended to treat with the wholly separate question of the treatment by broadcast licensees in the public interest of political or other controversial programs or discussions not falling within the specific provisions of that section. With respect to the responsibilities of broadcast stations for insuring fair and balanced presentation of programs not coming within section 315, but relating to important public issues of a controversial nature including political broadcasts, licensees are referred to the Commission's Report, "Editorializing by Broadcast Licensees" (vol. 1, pt. 3, R.R. 91–201) and the cases cited therein. In this respect it is particularly important that licensees recognize that the special obligations imposed upon them by the provisions of section 315 of the Communications Act with respect to certain types of political broadcasts do not in any way limit the applicability of general public interest concepts of political broadcasts not falling within the provisions of section 315 of the Communications Act. On the contrary, in view of the obvious importance of such programing to our system of representative Government it is clear that these precepts, as set forth in the report referred to above, are of particular applicability to such programing.

We have adopted a question-and-answer format as an appropriate means of delineating the section 315 problems. Wherever possible,[1] references to commission decisions or rulings are made so that the researcher may, if he desires, profit by the more thorough or expansive statement of the commission's position found in such decisions. Copies of rulings not otherwise available may be found in a "Political Broadcast" folder kept in the commission's public reference room. Citations in "R.R." refer to Pike and Fischer, Radio Regulations.

I. The statute: Section 315 of the Communications Act of 1934, as amended, provides as follows:

"SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate.

"(b) The charges made for the use of any broadcasting station for any of the purposes set forth in this section shall not exceed the charges made for comparable use of such station for other purposes.

"(c) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section."

II. The Commission's rules and regulations with respect to political broadcasts: The Commission's rules and regulations with respect to political broadcasts coming within section 315 of the Communications Act are set forth in sections 3.120 (AM), 3.290 (FM), 3.590 (noncommercial educational FM), and 3.657 (TV), respectively. These provisions are identical (except for elimination of any discussion of charges in section 3.590 relating to noncommercial educational FM stations) and read as follows:

"Broadcasts by candidates for public office—(a) Definitions: A 'legally qualified candidate' means any person who has publicly announced that he is a candidate for nomination by a convention of a political party or for nomination or election in a primary, special, or general election, municipal, county, State or National, and who meets the qualifications prescribed by the applicable laws to hold the office for which he is a candidate, so that he may be voted for by the electorate directly or by means of delegates or electors, and who

"(1) Has qualified for a place on the ballot or

"(2) Is eligible under the applicable law to be voted for by sticker, by writing in his name on the ballot, or other method, and

"(i) Has been duly nominated by a political party which is commonly known and regarded as such, or

"(ii) Makes a substantial showing that he is a bona fide candidate for nomination or office, as the case may be.

"(b) General requirements: No station licensee is required to permit the use of its facilities by any legally qualified candidate for public office, but if any licensee shall permit any such candidate to use its facilities, it shall afford equal opportunities to all such other candidates for that office to use such facilities; provided, that such licensee shall

[1] A few of the questions taken up within have been presented to the commission informally—that is, through telephone conversations or conferences with station representatives. They are set out in this report because of the likelihood of their recurrence and the fact that no extended commission discussion is necessary to dispose of them; the answer in each case is clear from the language of sec. 315.

have no power of censorship over the material broadcast by any such candidate.

"(c) Rates and practices: (1) The rates, if any, charged all such candidates for the same office shall be uniform and shall not be rebated by any means direct or indirect. A candidate shall, in each case, be charged no more than the rate the station would charge if the candidate were a commercial advertiser whose advertising was directed to promoting its business within the same area as that encompassed by the particular office for which such person is a candidate. All discount privileges otherwise offered by a station to commercial advertisers shall be available upon equal terms to all candidates for public office.

"(2) In making time available to candidates for public office no licensee shall make any discrimination between candidates in charges, practices, regulations, facilities, or services for or in connection with the service rendered pursuant to this part, or make or give any preference to any candidate for public office or subject any such candidate to any prejudice or disadvantage; nor shall any licensee make any contract or other agreement which shall have the effect of permitting any legally qualified candidate for any public office to broadcast to the exclusion of other legally qualified candidates for the same public office.

"(d) Records; inspection: Every licensee shall keep and permit public inspection of a complete record of all requests for broadcast time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the licensee of such requests, and the charges made, if any, if request is granted. Such records shall be retained for a period of two years."

In addition, the attention of licensees is directed to the provisions of sections 3.119(b), 3.289(b) and 3.654(b) which provide in identical language:

"(b) In the case of any political program or any program involving the discussion of public controversial issues for which any records, transcriptions, talent, scripts, or other material or services of any kind are furnished, either directly or indirectly, to a station as an inducement to the broadcasting of such program, an announcement shall be made both at the beginning and conclusion of such program on which such material or services are used that such records, transcriptions, talent, scripts, or other material or services have been furnished to such station in connection with the broadcasting of such program: provided, however, that only one such announcement need be made in the case of any such program of five minutes' duration or less, which announcement may be made either at the beginning or the conclusion of the program."

III. Programs coming within section 315: In general, any use of broadcast facilities by a legally qualified candidate for public office, imposes an obligation on licensees to afford "equal opportunities" to all other such candidates for the same office.

"A. Types of uses:

"1. Q. Does section 315 apply to one speaking for or on behalf of the candidate, as contrasted with the candidate himself?

"A. No. The section applies only to legally qualified candidates. Candidate A has no legal right under section 315 to demand time where B, not a candidate, has spoken against A or in behalf of another candidate. (*Felix v. Westinghouse Radio Station,* 188 F. 2d 1, cert. den. 341 U.S. 909.)

"2. Q. Does section 315 confer rights on a political party as such?

"A. No. It applies in favor of legally qualified candidates for public office, and is not concerned with the rights of political parties, as such. (Letter to National Laugh Party, dated May 8, 1957.)

"3. Q. Does section 315 require stations to afford 'equal opportunities' in the use of their facilities in support of or in opposition to a public question to be voted on in an election?

"A. No. Section 315 has no application to the discussion of political issues, as such, but is concerned with the use of broadcast stations by legally qualified candidates for public office.

"B. What constitutes a 'use' of broadcast facilities entitling opposing candidates to 'equal opportunities'?

"4. Q. If a legally qualified candidate secures air time but does not discuss matters directly related to his candidacy, is this a use of facilities under section 315?

"A. Yes. Section 315 does not distinguish between the uses of broadcast time by a candidate, and the licensee is not authorized to pass on requests for time by opposing candidates on the basis of the licensee's evaluation of whether the original use was or was not in aid of a candidacy. (WMCA, Inc., 7 R. R. 1132.)

"5. Q. Must a broadcaster give equal time to a candidate whose opponent has broadcast in some other capacity than as a candidate?

"A. Yes. For example, a weekly report of a Congressman to his constituents via radio or television is a broadcast by a legally qualified candidate for public office as soon as he becomes a candidate for reelection, and his opponent must be given 'equal opportunities' for time on the air. Any 'use' of a station by a candidate, in whatever capacity, entitles his opponent to 'equal opportunities.' (Station KNGS, 7 R.R. 1130.)

"6. Q. If a candidate appears on a variety program for a very brief bow or statement, are his opponents entitled to 'equal opportunities' on the basis of this brief appearance?

"A. Yes. All appearances of a candidate, no matter how brief or perfunctory, are a 'use' of a station's facilities within section 315.

"7. Q. If a candidate is accorded station time for a speech in connection with a ceremonial activity or other public service, is an opposing candidate entitled to equal utilization of the station's facilities?

"A. Yes. Section 315 contains no exception with respect to broadcasts by legally qualified candidates carried 'in the public interest' or as a 'public service.' It follows that the station's broadcast of the candidate's speech was a 'use' of the facilities of the station by a legally qualified candidate giving rise to an obligation by the station under section 315 to afford 'equal opportunities' to other legally qualified candidates for the same office. (Letter to CBS (WBBM), dated October 31, 1952; Letter to KFI, dated October 31, 1952.)

"8. Q. If a station arranges for a debate between the candidates of two parties, or presents the candidates of two parties in a press conference format or so-called forum program, is the station required to make equal time available to other candidates?

"A. Yes. The appearance of candidates on the above types of programs constitutes a 'use' of the licensee's facilities by legally qualified candidates and, therefore, other candidates for the same office are entitled to 'equal opportunities.' (Letter to Harold Oliver, dated October 31, 1952; Letter to Julius F. Brauner, dated October 31, 1952.)

"9. Q. Are acceptance speeches by successful candidates for nomination for the candidacy of a particular party for a given office, a use by a legally qualified candidate for election to that office?

"A. Yes. Where the successful candidate for nomination becomes legally qualified as a candidate for election as a result of the nomination. (Progressive Party, 7 R. R. 1300.)

"10. Q. Does section 315 apply to broadcasts by a legally qualified candidate where such broadcasts originate and are limited to a foreign station whose signals are received in the United States?

"A. No. Section 315 applies only to stations licensed by the FCC. (Letter to Gregory Pillon, dated July 19, 1955.)

"11. Q. If a station owner, or a station advertiser, or a person regularly employed as a station announcer were to make any appearances over a station after having qualified as a candidate for public office, would section 315 apply?

"A. Yes. Such appearances of a candidate are a 'use' under section 315. (Letters to KUGN, dated April 9, 1958; KTTV, 14 R.R. 1227; and to Kenneth Spengler, 14 R.R. 1226b, respectively.)

"12. Q. When a station, as part of a newscast, uses film clips showing a legally qualified candidate participating as one of a group in official ceremonies and the newscaster, in commenting on the ceremonies, mentions the candidate and others by name and describes their participation, has there been a 'use' under section 315?

"A. No. Since the facts clearly showed that the candidate had in no way directly or indirectly initiated either filming or presentation of the event, and that the broadcast was nothing more than a routine newscast by the station in the exercise of its judgment as to newsworthy events." (Letter to Allen Blondy, 14 R.R. 1199.)

IV. Who is a legally qualified candidate?

"13. Q. How can a station know which candidates are 'legally qualified?'

"A. The determination as to who is a legally qualified candidate for a particular public office within the meaning of section 315 and the Commission's rules must be determined by reference to the law of the State in which the election is being held. In general, a candidate is legally qualified if he can be voted for in the State or district in which the election is being held, and, if elected, is eligible to serve in the office in question.

"14. Q. Need a candidate be on the ballot to be legally qualified?

"A. Not always. The term 'legally qualified candidate' is not restricted to persons whose names appear on the printed ballot; the term may embrace persons not listed on the ballot if such persons are making a bona fide race for the office involved and the names of such persons, or their electors can, under applicable law, be written in by voters so as to result in their valid election. The Commission recognizes, however, that the mere fact that any name may be written in does not entitle all persons who may publicly announce themselves as candidates to demand time under section 315; broadcast stations may make suitable and reasonable requirements with respect to proof of the bona fide nature of any candidacy on the part of applicants for the use of facilities under section 315. (§§ 3.120, 3.290, 3.657; Socialist Labor Party, 7 R.R. 766; Columbia Broadcasting System, Inc., 7 R.R. 1189; press release of November 26, 1941 (Mimeo 55732).)

"15. Q. May a station deny a candidate 'equal opportunities' because it believes that the candidate has no possibility of being elected or nominated?

"A. No. Section 315 does not permit any such subjective determination by the station with respect to a candidate's chances of nomination or election. (Columbia Broadcasting System, Inc., 7 R.R. 1189.)

"16. Q. May a person be considered to be a legally qualified candidate where he has made only a public announcement of his candidacy and has not yet filed the required forms or paid the required fees for securing a place on the ballot in either the primary or general elections?

"A. The answer depends on applicable State law. In some States persons may be

voted for by electorate whether or not they have gone through the procedures required for getting their names placed on the ballot itself. In such a State, the announcement of a person's candidacy—if determined to be bona fide—is sufficient to bring him within the purview of section 315. In other States, however, candidates may not be 'legally qualified' until they have fulfilled certain prescribed procedures. The applicable State laws and the particular facts surrounding the announcement of the candidacy are determinatives. (Letter to Senator Earle C. Clements, dated February 2, 1954.)

"17. Q. Must a station make time available upon demand to a candidate of the Communist Party, or a candidate who is a member of the Communist Party, if it has afforded time to that candidate's opponents for the office in question?

"A. If the person involved is a legally qualified candidate for the office he is seeking, section 315 requires that equal opportunities be afforded him. It will be recognized that who is a legally qualified candidate is dependent upon Federal, State, and local law pertaining to the elective process and is not based upon provision of the Communications Act or the rules of the Commission.

"The question of the specific applicability of these principles, in the light of the enactment of the Communist Control Act of 1954, to candidates of the Communist Party or who are members of the Communist Party has not yet been determined.

"18. Q. When is a person a legally qualified candidate for nomination as the candidate of a party for President or Vice President of the United States?

"A. In view of the fact that a person may be nominated for these offices by the conventions of his party without having appeared on the ballot of any State having presidential primary elections, or having any pledged votes prior to the convention, or even announcing his willingness to be a candidate, no fixed rule can be promulgated in answer to this question. Whether a person so claiming is in fact a bona fide candidate will depend on the particular facts of each situation, including consideration of what efforts, if any, he has taken to secure delegates or preferential votes in State primaries. It cannot, however, turn on the licensee's evaluation of the claimant's chances for success. (Letter of May 28, 1952 to Julius F. Brauner.)

"19. Q. Has a claimant under section 315 sufficiently established his legal qualifications when the facts show that after qualifying for a place on the ballot for a particular office in the primary he notified state officials of his withdrawal therefrom and then later claimed he had not really intended to withdraw, and where the facts further indicated that he was supporting another candidate for the same office and was seeking the nomination for an office other than the one for which he claimed to be qualified?

"A. No. Where a question is raised concerning a claimant's legal qualification, it is incumbent on him to prove that he is in fact legally qualified. The facts here did not constitute an unequivocal showing of legal qualification. (Letter to Lar Daly, dated April 11, 1956; letter to American Vegetarian Party, dated November 6, 1956.)

"20. Q. If a candidate establishes his legal qualifications only after the date of nomination or election for the office for which he was contending, is he entitled to equal opportunities which would have been available had he timely qualified?

"A. No, for once the date of nomination or election for an office has passed it cannot be said that one who failed timely to qualify therefore is still a 'candidate.' The holding of the primary or general election terminates the possibility of affording 'equal opportunities,' thus mooting the question of what rights the claimant might have been entitled to under section 315 before the election. (Letter to Socialist Workers' Party, dated December 13, 1956; letter to Lar Daly, 14 R. R. 713, appeal sub. nom. *Daly* v. *U.S., Case No. 11,946* (C. A. 7th Cir.) dismissed as moot Mar. 7, 1957; cert. den. 355 U.S. 826.)

"21. Q. Under the circumstances stated in the preceding question, is any post-election remedy available to the candidate, before the Commission, under section 315?

"A. None, insofar as a candidate may desire retroactive 'equal opportunities.' But this is not to suggest that a station can avoid its statutory obligation under section 315 by waiting until an election has been held and only then disposing of demands for 'equal opportunities.' Idem.

"22. Q. When a state Attorney General or other appropriate state official having jurisdiction to decide a candidate's legal qualification has ruled that a candidate is not legally qualified under local election laws, can a licensee be required to afford such 'candidate' 'equal opportunities' under section 315?

"A. In such instances, the ruling of the state Attorney General or other official will prevail, absent a judicial determination. (Telegram to Ralph Muncy, November 5, 1954; letter to Socialist Workers' Party, dated November 23, 1956.)"

V. When are candidates opposing candidates?

"23. Q. What public offices are included within the meaning of section 315?

"A. Under the Commission's rules, section 315 is applicable to both primary and general elections, and public offices include all offices filled by special or general election on a municipal, county, state or national level as well as the nomination by any recognized party of a candidate for such an office.

"24. Q. May the station under section 315 make time available to all candidates for one office and refuse all candidates for another office?

"A. Yes. The 'equal opportunities' requirement of section 315 is limited to all legally qualified candidates for the same office.

"25. Q. If the station makes time available to candidates seeking the nomination of one party for a particular office, does section 315 require that it make equal time available to the candidates seeking the nomination of other parties for the same office?

"A. No, the Commission has held that while both primary elections or nominating conventions and general elections are comprehended within the terms of section 315, the primary elections or conventions held by one party are to be considered separately from the primary elections or conventions of other parties, and, therefore, insofar as section 315 is concerned, 'equal opportunities' need only be afforded legally qualified candidates for nomination for the same office at the same party's primary or nominating convention. (KWFT, Inc., 4 R.R. 885; Letter to Arnold Petersen, 11 R. R. 234; Letter to WCDL, April 3, 1953.)

"26. Q. If the station makes time available to all candidates of one party for nomination for a particular office, including the successful candidate, may candidates of other parties in the general election demand an equal amount of time under section 315?

"A. No. For the reason given above. (KWFT, Inc., 4. R. R. 885)."

VI. What constitutes equal opportunities?

"27. Q. Generally speaking, what constitutes 'equal opportunities'?

"A. Under section 315 and §§ 3.120, 3.290, and 3.657 of the Commission's rules, no licensee shall make any discrimination in charges, practices, regulations, facilities, or services rendered to candidates for a particular office.

"28. Q. Is a licensee required or allowed to give time free to one candidate where it had sold time to an opposing candidate?

"A. The licensee is not permitted to discriminate between the candidates in any way. With respect to any particular election it may adopt a policy of selling time, or of giving time to the candidates free of charge, or of giving them some time and selling them additional time. But whatever policy it adopts it must treat all candidates for the same office alike with respect to the time they may secure free and that for which they must pay.

"29. Q. Is a station's obligation under section 315 met if it offers a candidate the same amount of time an opposing candidate has received, where the time of the day or week afforded the first candidate is superior to that offered his opponent?

"A. No. The station in providing 'equal opportunities' must consider the desirability of the time segment allotted as well as its length. And while there is no requirement that a station afford candidate B exactly the same time of day on exactly the same day of the week as candidate A, the time segments offered must be comparable as to desirability.

"30. Q. If candidate A has been offered time during the early morning, noon and evening hours, does a station comply with section 315 by offering candidate B time only during early morning and noon periods?

"A. No. However, the requirements of comparable time do not require a station to make available exactly the same time periods, nor the periods requested by candidate B. (Letter to D. L. Grace, dated July 3, 1958.)

"31. Q. Is it necessary for a station to advise a candidate or a political party that time has been sold to other candidates?

"A. No. The law does not require that this be done. If a candidate inquires, however, the facts must be given him. It should be noted here that a station is required to keep a public record of all requests for time by or on behalf of political candidates, together with a record of the disposition and the charges made, if any, for each broadcast. (§§ 3.120(d), 3.290(d), 3.657(d).)

"32. Q. If a station offers free time to opposing candidates and one candidate declines to use the time given him, are other candidates for that office foreclosed from availing themselves of the offer?

"A. No. The refusal of one candidate does not foreclose other candidates wishing to use the time offered. However, whether the candidate initially declining the offer could later avail himself of 'equal opportunities' would depend on all the facts and circumstances. (Letter to Leonard Marks, 14 R.R. 65.)

"33. Q. If one political candidate buys station facilities more heavily than another, is a station required to call a halt to such sales because of the resulting imbalance?

"A. No. Section 315 requires only that all candidates be afforded 'equal opportunities' to use the facilities of the station. (Letter to Mrs. M. R. Oliver, 11 R.R. 239.)

"34. Q. If the candidate has received free time for a period of time and subsequently a second candidate announces his candidacy, is the second candidate entitled to equal facilities retroactive to the date when the first candidate announced his candidacy?

"A. Normally, yes. Once the station has made time available to one qualified candidate, its obligation to provide equal facilities to future candidates begins. A candidate cannot, however, delay his request for time and expect to use the 'equal opportunities' provision to force a station to turn over most of the last few preelection days to him in order to 'saturate' preelection broadcast time. (Letter to Congressman Hunter, dated May 28, 1952; letter to Congressman FRELINGHUYSEN, 11 R.R. 245.)

"35. Q. If a station has a policy of confining political broadcasts to sustaining time, but has so many requests for political time that it cannot handle them all within its sustaining schedule, may it refuse time to a candidate whose opponent has already been granted time, on the basis of its established policy of not canceling commercial programs in favor of political broadcasts?

"A. No. The station cannot rely upon its policy if the latter conflicts with the 'equal opportunities' requirement of section 315. (Stephens Bctg. Co., 3 R.R. 1.)

"36. Q. If one candidate has been nominated by Parties A, B, and C, while a second candidate for the same office is nominated only by Party D, how should time be allocated as between the two candidates?

"A. Section 315 has reference only to the use of facilities by persons who are candidates for public office and not to the political parties which may have nominated such candidates. Accordingly, if broadcast time is made available for the use of a candidate for public office, the provisions of section 315 require that 'equal opportunities' be afforded each person who is a candidate for the same office, without regard to the number of nominations that any particular candidate may have. (Letter to Thomas W. Wilson, dated October 31, 1946.)

"37. Q. If a station broadcasts a program sponsored by a commercial advertiser which includes one or more qualified candidates as speakers or guests, what are its obligations with respect to affording 'equal opportunities' to other candidates for the same office?

"A. If candidates are permitted to appear without cost to themselves, on programs sponsored by commercial advertisers, opposing candidates are entitled to receive comparable time, also at no cost. (Letter to Senator MONRONEY, 11 R. R. 451.)

"38. Q. Where a candidate for office in a state or local election appears on a national network program, is an opposing candidate for the same office entitled to equal facilities over stations which carried the original program and serve the area in which the election campaign is occurring?

"A. Yes. Under such circumstances an opposing candidate would be entitled to time on such stations. (Letter to Senator MONRONEY, dated October 9, 1952.)

"39. Q. Where a candidate appears on a particular program—such as a regular series of forum programs—are opposing candidates entitled on demand to appear on the same program?

"A. Not necessarily. The mechanics of the problem of 'equal opportunities' must be left to resolution of the parties. And while factors such as the size of the potential audience because of the appearance of the first candidate on an established or popular program might very well be a matter for consideration by the parties, it cannot be said, in the abstract, that 'equal opportunities' could only be provided by giving opposing parties time on the same program. (Letter to Harold Oliver, dated October 31, 1952; Letter to Julius F. Brauner, dated October 31, 1952.)

"40. Q. Where a station asks candidates A and B (opposing candidates in a primary election) to appear on a debate-type program, the format of which is determined by the station but with no restrictions as to what issues or matters might be discussed, and candidate A accepts the offer and appears on the program and candidate B declines to appear on the program, is candidate B entitled to further 'equal opportunities' in the use of the station's facilities within the meaning of section 315 of the act? If so, is any such obligation met by offering candidate B, prior to the primary, an opportunity to appear on a program of comparable format to that on which candidate A appeared, or is the station obligated to grant candidate B equal time to that used by candidate A on the program in question unrestricted as to format?

"A. Since the station's format was reasonable in structure and the station put no restrictions on what matters and issues might be discussed by candidate B and others who appeared on the program in question, it offered candidate B 'equal opportunities' in the use of its facilities within the meaning of section 315 of the act. The station's further offer to candidate B, prior to the primary, of its facilities on a 'comparable format' was reasonable under the facts of the case, consistent with any continuing obligation to afford candidate B 'equal opportunities' in the use of the station which he may have had. (Letter to Congressman BOB WILSON, dated Aug. 1, 1958.)

"41. Q. In affording 'equal opportunities', may a station limit the use of its facilities solely to the use of a microphone?

"A. A station must treat opposing candidates the same with respect to the use of its facilities and if it permits one candidate to use facilities over and beyond the microphone, it must permit a similar usage by other qualified candidates. (Letter to D. L. Grace, dated July 3, 1958.)

"42. Q. Can a station contract with the committee of a political party whereby it commits itself in advance of an election to furnish substantial blocks of time to the candidates of that party?

"A. Neither section 315 nor the Commission's rules prohibit a licensee from contracting with a party for reservation of time in advance of an election. However, substantial questions as to a possible violation of section 315 would arise if the effect of such prior commitment were to disable a licensee from meeting its 'equal opportunities' obligations under section 315." (Letter to Congressman KARSTEN, dated NOV. 25, 1955.)

VII. What limitations can be put on the use of facilities by a candidate?

"43. Q. May a station delete material in a broadcast under section 315 because it believes the material contained therein is or may be libelous?

"A. No. Any such action would entail censorship which is expressly prohibited by section 315 of the Communications Act. (Port Huron Bctg. Co., 4 R.R. 1; WDSU Bctg. Co., 7 R.R. 769.)

"44. Q. If a legally qualified candidate broadcasts libelous or slanderous remarks, is the station liable therefor?

"A. In Port Huron Bctg. Co., 4 R.R. 1, the Commission expressed an opinion that licensees not directly participating in the libel might be absolved from any liability they might otherwise incur under state law, because of the operation of section 315, which precludes them from preventing a candidate's utterances. In two recent decisions, the courts have agreed with the Commission's holding in the Port Huron case, holding that since a licensee could not censor a broadcast under section 315, Congress could not have intended to compel a station to broadcast libelous statements of a legally qualified candidate and, at the same time, subject itself to the risk of damage suits. (*Farmers Educational & Cooperative Union of America* v. *WDAY, Inc.*, — N.D. —, 89 N.W. 2d 102 (Petition for cert. filed); *Lamb* v. *Sutton*, — Fed. Supp. — (D.C. Tenn., 1958.)

"45. Q. Does the same immunity apply in a case where the Chairman of a political party's campaign committee, not himself a candidate, broadcasts a speech in support of a candidate?

"A. No. Licensees 'are, therefore, not entitled to assert the defense that they are not liable because the speeches could not have been censored without violating section 315 and that accordingly they were not at fault in permitting the speeches to be broadcast.' (*Felix* v. *Westinghouse Radio Stations*, 186 F. 2d 1, cert. den. 341 U.S. 909.)

"46. Q. If a candidate secures time under section 315, must he talk about a subject directly related to his candidacy?

"A. No. The candidate may use the time as he deems best. To deny a person time on the ground that he was not using it in furtherance of his candidacy would be an exercise of censorship prohibited by section 315 (WMCA, Inc., 7 R.R. 1132).

"47. Q. If a station makes time available to an officeholder who is also a legally qualified candidate for reelection and the officeholder limits his talks to nonpartisan and informative material, may other legally qualified candidates who obtain time be limited to the same subjects or the same type of broadcast?

"A. No. Other qualified candidates may use the facilities as they deem best in their own interest. (Letter to Congressman Allen Oakley Hunter, 11 R.R. 234.)

"48. Q. May a station require an advance script of a candidate's speech?

"A. Yes; provided that the practice is uniformly applied to all candidates for the same office using the station's facilities, and the station does not undertake to censor the candidate's talk. (Letter to H. A. Rosenberg, Louisville, Ky., 11 R.R. 236.)

"49. Q. May a station have a practice of requiring a candidate to record his proposed broadcast at his own expense?

"A. Yes. Provided again that the procedures adopted are applied without discrimination as between candidates for the same office and no censorship is attempted." (Letter to H. A. Rosenberg, Louisville, Ky., 11 R. R. 236.)

VIII. What rates can be charged candidates for programs under section 315?

"50. Q. May a station charge premium rates for political broadcasts?

"A. No. Section 315, as amended, provides that the charges made for the use of a station by a candidate 'shall not exceed the charges made for comparable use of such stations for other purposes.'

"51. Q. Does the requirement that the charges to a candidate 'shall not exceed the charges for comparable use' of a station for other purposes apply to political broadcasts by persons other than qualified candidates?

"A. No. This requirement applies only to candidates for public office. Hence, a station may adopt whatever policy it desires for political broadcasts by organizations or persons who are not candidates for office, consistent with its obligation to operate in the public interest. (Letter to Congressman DIGGS, Jr., dated March 16, 1955.)

"52. Q. May a station with both 'national' and 'local' rates charge a candidate for local office its 'national' rate?

"A. No. Under § § 3.120, 3.290 and 3.657 of the Commission's rules a station may not charge a candidate more than the rate the station would charge if the candidate were a commercial advertiser whose advertising was directed to promoting its business within the same area as that within which persons may vote for the particular office for which such person is a candidate.

"53. Q. Considering the limited geographical area which a Member of the House of Representatives serves, must candidates for the House be charged the 'local' instead of the 'national' rate?

"A. This question cannot be answered categorically. To determine the maximum rates which could be charged under section 315, the Commission would have to know the criteria a station uses in classifying 'local' versus 'national' advertisers before it could determine what are 'comparable charges.' In making this determination, the Commission does not prescribe rates but merely requires equality of treatment as between 315 broadcasts and commercial advertising. (Letter to Congressman SIMPSON, dated Feb. 27, 1957.)

"54. Q. Is a political candidate entitled to receive discounts?

"A. Yes. Under §§ 3.120, 3.290 and 3.657 of the Commission's rules political candidates are entitled to the same discounts that would be accorded persons other than candidates for public office under the conditions specified, as well as to such special discounts for programs coming within section 315 as the station may choose to give on a nondiscriminatory basis.

"55. Q. Can a station refuse to sell time at discount rates to a group of candidates for different offices who have pooled their resources to obtain a discount, even though as a matter of commercial practice, the station permits commercial advertisers to buy a block of time at discount rates for use by various businesses owned by a single advertiser?

"A. Yes. Section 315 specifically provides that a station need not permit the use of its facilities by candidates, and neither that section nor the Commission's rules require a station to sell time to a group of candidates on a pooled basis, even though such may be the practice with respect to commercial advertisers. (Letter to WKBT–WKBH, dated Oct. 14, 1954.)

"56. Q. If candidate A purchases ten time segments over a station which offers a discount rate for purchase of that amount of time, is candidate B entitled to the discount rate if he purchases less time than the minimum to which discounts are applicable?

"A. No. A station is under such circumstances only required to make available the discount privileges to each legally qualified candidate on the same basis.

"57. Q. If a station has a 'spot' rate of two dollars per 'spot' announcement, with a rate reduction to one dollar if 100 or more such 'spots' are purchased on a bulk time sales contract, and if one candidate arranges with an advertiser having such a bulk time contract to utilize five of these spots at the one dollar rate, is the station obligated to sell the candidates of other parties for the same office time at the same one dollar rate?

"A. Yes. Other legally qualified candidates are entitled to take advantage of the same reduced rate. (Letter to Senator MONRONEY, dated October 16, 1952.)

"58. Q. Where a group of candidates for different offices pool their resources to purchase a block of time at a discount, and an individual candidate opposing one of the group seeks time on the station, to what rate is he entitled?

"A. He is entitled to be charged the same rate as his opponent since the provisions of section 315 run to the candidates themselves and they are entitled to be treated equally with their individual opponents. (Report and Order, Docket 11092, 11 R.R. 1501.)

"59. Q. Is there any prohibition against the purchase by a political party of a block of time for several of its candidates, for allocation among such candidates on the basis of personal need, rather than on the amount each candidate has contributed to the party's campaign fund?

"A. There is no prohibition in section 315 or the Commission's rules against the above practices. It would be reasonable to assume that the group time used by a candidate is, for the purposes of section 315, time paid for by the candidate through the normal device of a recognized political campaign committee, even though part of the campaign funds was derived from sources other than the candidates' contributions. (Letter to Edward de Grazia, dated Oct. 14, 1954.)

"60. Q. When a candidate and his immediate family own all the stock in a corporate licensee and the candidate is the president and general manager, can he pay for time to the corporate licensee from which he derives his income and have the licensee make a similar charge to an opposing candidate?

"A. Yes. The fact that a candidate has a financial interest in a corporate licensee does not affect the licensee's obligation under section 315. Thus, the rates which the licensee may charge to other legally qualified candidates will be governed by the rate which the stockholder candidate actually pays to the licensee. If no charge is made to the stockholder candidate, it follows that other legally qualified candidates are entitled to equal time without charge." (Letter to Charles W. Stratton, dated Mar. 18, 1957.)

IX. Issuance of interpretations of section 315 by the Commission.

"61. Q. Under what circumstances will the Commission consider issuing declaratory orders, interpretive rulings or advisory opinions with respect to section 315?

"A. Section 5(d) of the Administrative Procedure Act, Title 5, U.S.C.A., provides that 'The agency is authorized in its sound discretion, with like effect as in the case of other orders, to issue a declaratory order to terminate a controversy or remove uncertainty.' However, agencies are not required to issue such orders merely because a request is made therefor. The grant of authority to agencies to issue declaratory orders is limited, and such orders are authorized only with respect to matters which are required by statute to be determined 'on the record after opportunity for an agency hearing.' See Attorney General's Manual on the Administrative Procedure Act, pp. 59, 60; also, In re Goodman, 4 Pike & Fischer R.R. 98. In general, the Commission limits its interpretive rulings or advisory opinions to situations where the critical facts are explicitly stated without the possibility that subsequent events will alter them. Rather, it prefers to issue such rulings or opinions where the specific facts of a particular case in controversy are before it for decision." (Letter to Pierson, Ball & Dowd, dated June 18, 1958.)

Mr. ENGLE. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. ENGLE. The amendment of the Senator from Wisconsin, as first submitted, included the words "and panel discussions." However, I now understand that the Senator from Wisconsin desires to strike those words from his amendment.

Mr. PROXMIRE. That is correct. I have already requested that the words "and panel discussions" be deleted from the amendment.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin will be modified accordingly.

Mr. LONG. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. LONG. I hope the pending amendment has the same purpose as that of an amendment which I have at the desk. My amendment would add the words "on a basis which is not unreasonably discriminatory." I had in mind that the news treatment by a television station should not be limited to one candidate when he was making news, as against another candidate who might also be making some news—having in mind that one event might be regarded as newsworthy and the other event might not, but that at least there should be on the television station the burden and the duty of being fair in that connection.

I take it that is the position of the Senator from Wisconsin, in connection with his amendment.

Mr. PROXMIRE. Yes; and I think the words used by the Senator from Louisiana are proper and correct, and properly express the intent of this amendment.

Mr. President, I yield the floor.

Mr. PASTORE. Mr. President, I understand the amendment to be a statement or codification of the standards of fairness. I understand that the Commission is now obliged by existing law and policy to abide by the standards of fairness.

I repeat that I consider the amendment to be rather surplusage; but I shall accept the amendment and shall take it to conference, if it means to emphasize the objective which all of us desire to accomplish.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield.

Mr. DOUGLAS. Let me say that I appreciate the fairness of the Senator from Rhode Island. I was only disconcerted by his use of the sentence "I will take it to conference," because that is a colloquialism which, when used in the Senate, frequently means that the throat of the amendment will be cut in conference. I am sure the Senator from Rhode Island did not use those words in that sense.

Mr. PASTORE. The Senator from Rhode Island will never cut the throat of anything that is against evil; and this amendment is against evil.

Mr. HARTKE. Mr. President, will the Senator from Rhode Island yield to me?

Mr. PASTORE. I yield.

Mr. HARTKE. As I understand, this amendment does not deal with candidates, but deals with the general purpose and interpretation of the Communications Act itself.

Mr. PASTORE. That is correct; the amendment has nothing to do with legally qualified candidates, but is merely a requirement that broadcasters shall live and shall abide by the rule of fairness in connection with all controversial issues, so as to bring them, insofar as possible, fairly to the attention of the public as a whole. Of course that is the law today.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield back the remainder of the time under his control?

Mr. PASTORE. I do.

Mr. PROXMIRE. Mr. President, I do likewise.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Wisconsin [Mr. PROXMIRE]. [Putting the question.]

The amendment, as modified, was agreed to, as follows:

On page 1, in line 9, after the period, insert a comma and the following: "but nothing in this sentence shall be construed as changing the basic intent of Congress with respect to the provisions of this Act, which recognizes that television and radio frequencies are in the public domain, that the license to operate in such frequencies requires operation in the public interest, and that in newscasts, news interviews, news documentaries, on-the-spot coverage of news events, all sides of public controversies shall

be given as fair an opportunity to be heard as is practically possible."

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2424) was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the proponents have 11 minutes remaining, and the opponents have 30 minutes remaining.

Mr. PASTORE. Mr. President, I yield back all time remaining under my control.

Mr. SCHOEPPEL. I do likewise, Mr. President.

The PRESIDING OFFICER. All remaining time on the bill has been yielded back.

The question is, Shall the bill pass?

The bill (S. 2424) was passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. PASTORE. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

SAFEGUARDS RELATIVE TO ACCUMULATION AND DISPOSITION OF CERTAIN BENEFITS IN THE CASE OF INCOMPETENT VETERANS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 337, House bill 6319. I wish to have the bill made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6319) to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans.

The PRESIDING OFFICER. The question is on agreeing to the request of the Senator from Montana. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

KINCHELOE AIR FORCE BASE

Mr. McNAMARA. Mr. President, today I was informed by the Air Force that Kinross Air Force Base, at Kinross, Mich., will be redesignated as Kincheloe Air Force Base.

This is in honor of the late Capt. Iven C. Kincheloe, Jr., a native of Detroit, who, at the time of his death, was one of the Nation's outstanding test pilots.

Captain Kincheloe met his death in the performance of his duties, while piloting an F–104 jet aircraft in a test operation on July 26, 1958. His service to his country can never be fully rewarded; but I am pleased that it is recognized.

Captain Kincheloe was the recipient of the Silver Star, the Distinguished Flying Cross, and the Air Medal; and he was posthumously awarded the Legion of Merit.

Now, with the redesignation of this air base as Kincheloe Air Force Base, his name will continue to live and be honored in the Air Force and in the Nation.

TWELVE NEWSMEN AT WHITE HOUSE DINNER SAY "MUM'S THEIR WORD"

Mr. MONRONEY. Mr. President, Washington, D.C., has long been the mecca of all the smart young students who have stardust in their eyes and dream of becoming future big-name newspapermen.

This morning, in the Washington Post and Times Herald, I was amazed to read that our very, very big name journalists who write the byline top news and columns from Washington, and who can rightfully claim to be the postgraduates magna cum laude in this league, flunked miserably as news sources. [Laughter.]

When we find Lyle Wilson, bureau chief of United Press International; Arthur Krock, famed columnist of the New York Times; Roscoe Drummond, columnist; William Beale, bureau chief of the Associated Press; David Lawrence, columnist and news magazine publisher; Andrew Tully, of the Scripps-Howard newspapers; and other "supermen" in covering news becoming awkwardly speechless when asked simple questions by other newsmen, something is sadly off the track in our Washington school of journalism. [Laughter.]

As news sources endeavoring to evade legitimate questions by legitimate newspapermen, they excelled the worst lieutenant colonel in the PRO section of the Pentagon. [Laughter.]

Even an alderman in Chicago could have evaded answers with more aplomb and dignity than did that old fire-eater in cross-examining politicians, Mr. Lyle Wilson. [Laughter.]

Imagine that old exposer of malfunctioning in all branches of Government using such an old dodge as "No comment." That came from Andrew Tully. And Mr. Beale, wrapping his white dinner jacket about his body like a saintly robe, was heard to say: "They told us not to talk." [Laughter.]

It remained for the erudite Mr. Krock, however, to say more and still say less than the others. The headline, if any, by Mr. Krock was "It was a dinner in a gentleman's home, that's all. Just general conversation." [Laughter.]

Perhaps the first chapter of the new Washington book on journalism will have to be rewritten as a result of the White House dinner for the "dignified dozen," as follows:

Do not tell who. Do not tell what. Do not tell why. If where and when are visible to the naked eyes, do not corroborate.

[Laughter.]

As an old alumnus of Sigma Delta Chi, professional journalistic society, which has raised sand at secrecy in government at all levels, and as a great admirer of the American Society of Newspaper Editors which has gone to court to open up the news channels even to the rank and file of newspapermen, I doff my hat to the beloved "teacher" of the Washington journalism class.

Few journalism teachers have had such privileged sanctuary from inquisitive students as has that irrepressible, beloved old mentor, Uncle Jim Hagerty, the President's press chief. [Laughter.]

It remained for the dean of student corps, David Lawrence, columnist and magazine publisher, to "break the news" of why those writers could not "break the news." Said he: "See Jim Hagerty. He is the one to see. He got together with them—the newspaper guests—afterward, and went over what they could use and what they could not use." [Laughter.]

At least the Washington Post has not been completely "sold" on all the new theories of the new Washington school of journalism. Its reporter managed to come up with 10 names of the 12 newspapermen who attended last night's commencement exercises and dinner with President Eisenhower. An 11th was mentioned, a man who gave his name as John Doe. But as an ex-newspaperman of the old school, I do not count that one. [Laughter.]

I ask unanimous consent to place in the RECORD the Washington Post account of the White House dinner and the Post's report calling it "the shyest, most taciturn band of newspapermen in the history of journalism."

I also ask that the Washington journalism class—the majority of 11—have mercy on one, reputed to be Douglas Edwards, of CBS, who broke down and actually told a fact, that the newsmen were served chicken. [Laughter.]

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 28, 1959]

IKE HAS 12 NEWSMEN AS GUESTS AT DINNER BUT MUM'S THEIR WORD

What was probably the shyest, most taciturn band of newspapermen in the history of journalism walked out of the White House at 11:20 last night.

They had been President Eisenhower's guests at a chicken dinner. They had talked to the Chief Executive about a wide range of subjects, foreign and domestic.

It had been no secret that the dinner was to take place. A partial list of the journalist-guests had been published.

Nevertheless, some of the newspapermen, interviewed as they came through the White House gate, would not acknowledge that they had been to dinner with the President. For that matter, some would not give their names—except that one of the select news disseminators said he was John Doe.

Less coy was Arthur Krock, noted columnist of the New York Times, who talked courteously to a reporter without violating any of the rules that were imposed on the guests in advance.

"Did you gentlemen have dinner with the President?" Krock was asked.

"Yes," he replied, "your paper reported it this morning."

"Who was there?"

"The President, Mr. Hagerty, the Under Secretary of the Treasury (Fred C. Scribner, Jr.), and 12 others."

"Were you with the President all this time?"

"We spent the evening with him."

"What did the President have to say?"

"It was just a dinner conversation about everything."

"Did the President say anything beyond what he told the reporters he had dinner with last week?"

"It was a dinner in a gentleman's home, that's all. Just general conversation."

Lyle C. Wilson, chief of the Washington Bureau of United Press International, was asked whether the President's remarks were for direct quotation.

"I wouldn't think so," Wilson replied. "It was just a dinner."

Correspondents like Krock, Wilson, William L. Beale, Jr., chief of the Associated Press Bureau, and Columnist Roscoe Drummond were easily identified.

It was the less well-known newspapermen who refused to identify themselves and who refused to even acknowledge that they had dined with the President.

Drummond, too, was shy.

"Did you have dinner with the President?" he was asked.

"It's off the record," Drummond said. "I don't want to talk about it."

"What did you discuss?"

"It's off the record. It will have to come from Hagerty." (James C. Hagerty, the President's press secretary.)

"What did you eat?"

"I don't want to discuss it," Drummond said.

Beale of the A.P., who like the others was wearing a white dinner jacket, explained to a reporter:

"They told us not to talk."

"Who told you not to talk?"

Beale was silent, but David Lawrence, columnist and news magazine publisher, broke in to say:

"See Jim Hagerty. He's the one to see. He got together with them (the newspaper guests) afterward and went over what they could use and what they couldn't use."

Beale and Lawrence were voluble compared to four correspondents who came through the northeast gate with Drummond.

One of them, who fancied himself a wit, was asked if he had dined with the President.

"No, I had dinner with the head of the Secret Service," he replied.

"What's your name?"

"John Doe."

Andrew F. Tully, Jr., correspondent of the Scripps-Howard Alliance, went immediately from the mansion to the White House press room to telephone. His answer to every question from a reporter was "No comment."

Douglas Edwards, CBS commentator, did disclose that chicken was served at the dinner.

"Did the President tell you anything for attribution?" Edwards was asked.

"No, nothing for attribution," he replied.

It was President Eisenhower's second dinner for newspapermen in what he has described as an "experiment."

After the dinner last week, the reporters wrote stories about what the President told them but attributed the information to a high authority, excellent authority, and unimpeachable authority.

The day after the stories appeared, President Eisenhower held a news conference for more than 200 reporters and frankly acknowledged that he was the source of the flood of information attributed to the various authorities.

Besides those mentioned, others at last night's dinner included Robert Roth of the Philadelphia Bulletin, John C. O'Brien of the Philadelphia Inquirer, and Robert W. Richards of the Copley Press.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. DOUGLAS. The very witty speech by the Senator from Oklahoma reminds me of the journalistic aphorism that when a dog bites a man, it is not news, but when a man bites a dog, it is news.

Without reflection upon the relative characters of the Senator from Oklahoma or the gentlemen to whom he refers, is it not somewhat courageous for a politician to make an unfriendly reference to the press?

Mr. MONRONEY. Perhaps it would be if it were done in a vein that was less than advisory for the curriculum of the Washington school of journalism. As a graduate of a journalism school, I have been simply amazed at the well-disciplined, well-tutored press corps that has been operating under that beloved mentor, Uncle Jim Hagerty, who seems so carefully to be able to say what the President is thinking, or what the President might intend to think in 2 or 3 weeks; but, to be sure, the very vital item, the direct news from the White House, has to go around through a completely different route and thus be revealed by Mr. Hagerty rather than the President himself.

Mr. DOUGLAS. I think it might be said that the Senator from Oklahoma can probably get by since he is a former newspaperman, and therefore liberties are permitted to him by the press which would not be accorded to an ordinary Senator; but if any ordinary Senator were to make the comments the Senator from Oklahoma has just made, he might fare very badly at the hands of the real sovereigns of the typewriters who sit up there in the gallery and who help to make public opinion as they see it.

Mr. MONRONEY. Having left the newspaper fraternity, unfortunately and with deep regret, I still believe that in the political field there is strength in a majority. I am sure there are more than 12 newspapermen who certainly should be entitled to the same open source of news as that which was extended to the dignified dozen who dined on chicken at the White House last night.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield.

Mr. McCARTHY. This silence is particularly disturbing to me, since last Monday's paper carried comments attributed to me with further observation that I had tried to get the papers not to say what I had not said. I think the Senator from Oklahoma has made a fine statement. After White House conferences, ordinarily the reporters do not tell us what the President said, or what they thought he said, but what they thought he thought he said.

SISTER MIRIAM THERESA AND OREGON'S WAGE-HOUR LAW

Mr. MORSE. Mr. President, one of the most wonderful women in my State is Sister Miriam Theresa. There recently appeared in the Oregon Labor Press a very beautiful tribute to the great pioneer work she did 46 years ago in connection with the passage of the first minimum-wage law in the United States.

Mr. President, the article starts out by stating that—

> Forty-six years ago—in 1913—Oregon became the first State to enact an enforceable wage-hour law to protect women and minors who work for a living. Oregonians are proud of this distinction. But few of them know the erect and graceful woman who, more than any other individual, was responsible for it.
>
> Her name then was Miss Caroline J. Gleason. Her name today is Sister Miriam Theresa. She is head of the department of social sciences at Marylhurst College, on the west bank of the Willamette River, near Portland.

It may be of interest to the Senate to note that in the course of this article there is this paragraph:

> The validity of her work was proved when an employer challenged the new law in the courts. (The employer was the owner of the paper box factory where Miss Gleason took her first industrial job.)

In fact, Mr. President, the article is entitled, "She Worked in Sweatshops To Win Oregon Wage Law."

The article goes on to say:

> A brilliant young lawyer named Louis Brandeis came out from the East to volunteer his services in defense of the law. Brandeis used Caroline Gleason's survey as a basis of his defense before the State supreme court. He won. The court upheld the law.
>
> Both Louis Brandeis and the Oregon wage-hour law went on up to the U.S. Supreme Court. The Court upheld the law's constitutionality. And Brandeis later became one of the great liberal Justices of the highest Court in the land.

Mr. President, as the senior Senator from Oregon, I am proud to insert in the CONGRESSIONAL RECORD this article about Sister Theresa. I do it as a way of paying my very high tribute and my sense of great obligation to this wonderful woman who recognizes that, after all, it is human values that count and great spiritual teachings are symbolized by such dedication to human values.

The article she is writing for the Oregon Historical Society on the background of Oregon's pioneer minimum-wage law is eagerly awaited by all of us who are interested in this matter.

Mr. DOUGLAS. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. DOUGLAS. I was very much impressed with the statement of the Senator from Oregon because it happened that as a young instructor, almost 43 years ago, I went to the State of Oregon and took part in the second rulings of the Minimum-Wage Commission in the State of Oregon. Miss Gleason had just left and had entered the sisterhood, of which she is now a most eminent member. They missed her very much, but her work lived after her.

At that time the chairman of the commission was the Reverend Edwin V. O'Hara, who later became a bishop in the Catholic church. Bishop O'Hara and I had a most happy relationship

together. We were successful in increasing the minimum wage for women, and it was really one of the experiences of my life which I think helped to develop me more than anything else. I am very happy to know that Sister Miriam Theresa is still living and that she is teaching. I think the whole country is indebted to this noble woman.

I thank the Senator from Oregon for paying this public tribute to her and for bringing the attention of the Nation to this patient, faithful, honest work which the then Miss Gleason did under the leadership of Father Edwin V. O'Hara.

Mr. MORSE. Mr. President, I deeply appreciate the comments of the Senator from Illinois.

I am glad the Senator from Illinois [Mr. DOUGLAS] made reference to the part he played in the development of the Oregon minimum-wage law, because one of the reasons he is beloved in the State of Oregon goes back to that work and to his work when he was at Reed College in our State. He contributed to the development of what has become known as the Oregon system or the Oregon idea.

Mr. President, this work of Sister Theresa really was the forerunner and the foundation for the development of minimum-wage laws in other States and ultimately for the development of a Federal Fair Labor Standards Act.

Mr. DOUGLAS. The Senator is correct.

Mr. MORSE. In fact, Sister Theresa is quoted in the article as saying, "Looking back to 1912, I never, never dreamed that I would live to see a Federal minimum-wage law."

I close my remarks about Sister Theresa's great work in the field of fair labor standards, more commonly known as minimum-wage laws, by saying that the best tribute which can be paid to this noble woman is for us to make sure, before adjournment this summer, that we improve the Federal minimum-wage law to which she refers in the article by the adoption of a series of much-needed amendments.

As the Senator from Michigan [Mr. MCNAMARA], who is sitting in the Chamber, well knows, we are in the process, within the Committee on Labor and Public Welfare, of seeking to reach an agreement which will make it possible for us to bring before the Senate minimum-wage amendments which are worthy of the name. I am not at all interested, as a member of that committee, Mr. President, in voting for empty gestures in the committee, because we would not be paying tribute to the noble work of Sister Theresa if we did not accomplish something in 1959, considering all the background of experience and data now existing which she did not have when she pioneered in this field. We would not be paying fitting tribute to her if we did not bring before the Senate, before we adjourn, some long-overdue minimum-wage law amendments.

I wish to say to the people of the State of Oregon and to Sister Theresa that, so far as I am concerned, I intend to continue to do what I can to bring before the Senate some minimum-wage law amendments which will apply the social justice for which Sister Theresa fought in 1913 for the women in the State of Oregon to all workers in the United States who can possibly under law qualify for Federal minimum-wage protection, because, in my judgment, as a matter of social justice we cannot justify exemptions to a Federal minimum-wage law. We cannot justify as a matter of social justice exempting from this code of social justice in 1959 any group of workers, whether they be laundry workers, hotel workers, telephone workers, or any of the other groups of workers which selfish interests in this country would have us continue to exempt.

Mr. President, we shall bring before the Senate a bill which will still continue some exemptions, because the legislative process is what it is, but I am very hopeful we will at least report to the Senate within the next few days a bill which will cut down the exemptions and which will extend coverage to many millions of workers who today are being put upon by selfish interests and who are being required to work for less than a wage of health and decency.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the article from the Oregon Labor Press of July 24, 1959, to which I have referred regarding Sister Theresa.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SISTER MIRIAM THERESA: SHE WORKED IN SWEATSHOPS TO WIN OREGON WAGE LAW

(By Emsie Howard)

Forty-six years ago—in 1913—Oregon became the first State to enact an enforcible wage-hour law to protect women and minors who work for a living. Oregonians are proud of this distinction. But few of them know the erect and graceful woman who, more than any other individual, was responsible for it.

Her name then was Miss Caroline J. Gleason. Her name today is Sister Miriam Theresa. She is head of the department of social sciences at Marylhurst College, on the west bank of the Willamette River near Portland.

Sister Miriam Theresa's eyes are full of wisdom and kindness. And these eyes twinkle with merriment when she recalls some of the methods she used almost half a century ago to achieve her goals of social justice for women workers.

Looking back to 1912 she says, "I never, never dreamed that I would live to see a Federal minimum-wage law."

It was in 1912 that Miss Gleason directed a survey of the wages and working conditions of women working in Oregon stores, factories, canneries, and industrial plants.

To assure the accuracy of the survey, she herself went to work in some of the worst factories. This took courage. The work was hard and dirty—and many employers considered her an enemy and a spy.

Miss Gleason was appointed to make the survey by the Oregon Consumers' League, a group of citizens struggling to bring some kind of social justice to women who were being cruelly exploited in factories and stores. She herself was a member of the league's board of directors. When the challenge came to make the pioneering survey, she did not refuse.

The completed survey was so devastating, so accurate, so appalling that the 1913 session of the legislature passed Oregon's first wage-hour law.

The law established the industrial welfare commission and made it unlawful to pay women wages lower than those needed to maintain decent standards of health. It gave the commission authority to set those standards and to set a maximum workweek for women.

The first weekly minimum was set by the commission at $8.25 for a 54-hour week—slightly less than 16 cents an hour.

Sister Miriam Theresa recalls that organized labor opposed the law, fearing that it would hamper the growth of unions.

The wage-hour bill was introduced on the opening day of the 1913 legislative session. Employers descended on the legislature to lobby vigorously against "this outrageous, socialistic measure."

"It will drive industry from the State. * * * It will reduce the wages of men. * * * It will throw women out of work because, if they are forced to pay higher wages, employers won't hire so many women." These were some of their arguments.

Hot on their heels to lobby just as vigorously, but more effectively, came Caroline Gleason.

Employers were claiming that the conditions revealed in her survey "simply do not exist."

Miss Gleason quietly replied: "If you would like the names and addresses of the firms where these conditions prevail, I shall be glad to give them to you."

Silence. No one asked for the names.

Miss Gleason had the facts. She got them the hard way. She had worked in the plants.

Her first job during the survey was in a paper box factory in Portland. Sister Miriam Theresa remembers:

"Our job was to paste labels on the ends of shoeboxes. We sat at a long table with a huge gluepot in the center. A gas jet burned under the pot to heat the glue. The resulting odors were something less than pleasant.

"After two or three labels our hands were covered with glue and had to be washed. But there was no hot water. We carried 5-gallon pails to another part of the plant where live steam was pouring from a pipe. We held our pails under the pipe until the steam had heated the water.

"You must remember that this was piecework and all these preparations took time. In 3 days I earned $1.52."

During her lunch hour Miss Gleason wandered casually through the plant to observe the appallingly unsanitary conditions and fire hazards.

This was the way the survey was made. This was how Oregon's pioneering wage-hour law was born.

Caroline Gleason was well equipped to direct the survey. A graduate of the University of Minnesota, she came to Oregon in 1908 to teach Latin and English. But her compelling interest in social conditions took her to the University of Chicago in 1910 for graduate work in social studies. This interest had been stimulated earlier by social work in Philadelphia, Baltimore, New York, and other large industrial centers.

She speaks with sincere modesty of the survey. "Compared to the scientific methods employed in similar studies today, our survey seems a very small effort," she says. "But we had the facts."

The validity of her work was proved when an employer challenged the new law in the courts. (The employer was the owner of the paper box factory where Miss Gleason took her first industrial job.)

A brilliant young lawyer named Louis Brandeis came out from the East to volunteer his services in defense of the law. Brandeis used Caroline Gleason's survey as a basis of his defense before the State

supreme court. He won. The court upheld the law.

Both Louis Brandeis and the Oregon wage-hour law went on up to the U.S. Supreme Court. The Court upheld the law's constitutionality. And Brandeis later became one of the great liberal Justices of the highest court in the land.

Another notable contribution made by Miss Gleason was a housing survey in Portland. Again the Oregon Consumers League called upon her to direct the survey. She trudged on foot many miles a day to inspect the living conditions of working people. The frightful conditions disclosed in her survey resulted in a new city ordinance based on the model tenement housing law of the Housing Association of New York.

Before this survey was completed, Miss Gleason became a Roman Catholic nun. "I knew from the time I was a girl that some day I would enter the church," she said. Her conviction that education of youth was one of the best means of achieving improved social conditions was decisive. In 1916 she entered the Sisters of the Holy Names of Jesus and Mary, a teaching community.

Sister Miriam Theresa's interests are by no means limited to the classroom. Of unions she has this to say: "I certainly believe in the trade union philosophy. Without unions, the conditions of working people would be almost indescribable."

The complete background of Oregon's first minimum-wage law will be available to students when Sister Miriam Theresa finishes the article she is now writing for the Oregon Historical Society.

It will be one of the proudest chapters in the history of our State.

PROPAGANDA ADVERTISING BY THE SELF-STYLED AMERICA'S INDEPENDENT ELECTRIC LIGHT AND POWER COMPANIES

Mr. MORSE. Mr. President, I want to direct the attention of all Senators to an opinion published by the Federal Power Commission on July 15 of this year relating to the propaganda advertising which has long been engaged in by the self-styled America's Independent Electric Light and Power Companies.

The opinion I refer to affirms a ruling made last January by one of FPC's presiding examiners which excluded evidence which a group of some 76 electric utility companies offered in an attempt to show why they were justified in their accounting treatment of the costs of certain advertisements as operating expenses. According to FPC, the examiner should not receive any other similar evidence that is immaterial or irrelevant to the issues in these proceedings.

As long ago as 1945 the FPC issued an accounting interpretation—E–110—which had as its basis the unacceptability of political expenditures as proper operating expenses of public utilities since they are generally incompatible with the objectives of utility regulation and have a dubious relationship to the cost of rendering utility service.

We all know the type of advertisements with which the private power companies have been flooding the country in recent years through the slick magazines and newspapers having large circulations. As Senators know, these advertisements rarely had the aim of selling more power or attracting new customers. More often the aim has been to create suspicion, yes, even hatred, in the minds of readers for TVA and for our other great multiple-purpose river basin development projects. Those advertisements discredited our Federal power program and indirectly discredited the various Congresses which made these great programs possible.

The 76 power companies had been treating the expense of these advertisements as operating costs. These costs were made a part of the rate base and were, thus, charged to the consumer of electricity.

In an order last August 1, the FPC questioned this accounting treatment of the costs of 9 of the 26 advertisements used in the electric companies advertising program—ECAP—for 1957. FPC heard the arguments of the 76 utility companies and ruled that with one exception, the nine questioned advertisements "appear on their face to involve the presentation of argument in matters of political controversy, have as their primary purpose the influencing of public opinion as to proposed legislation or the repeal of existing laws, and have a direct relationship to political matters." As such, there was no merit to the contention that these expenditures were ordinary and necessary in the operation of their businesses, the Commission held.

In reply to the companies' argument that their right of free speech would be violated, the FPC declared that there was no question of such a violation; the companies are free to make these advertising expenditures—$1,995,661 for all copy placed under the 1957 program, of which the questioned copy was estimated to be $863,130. A requirement that they be paid for by the stockholders rather than the ratepayer would not constitute any violation of the first amendment.

This is progress. The FPC has rendered an opinion which is just and equitable.

In this connection, the Senator from North Dakota [Mr. LANGER] and Representative Evins of the other body are to be congratulated for the bills they introduced in this session of Congress which would "amend the Federal Power Act so as to prohibit the Federal Power Commission, in exercising their ratemaking power with respect to the transmission and sale of electric energy subject to its jurisdiction, from treating as operating expenses those expenses incurred by electric utilities in propagandizing against Federal power policies and rural electric cooperatives."

One of these bills, S. 798 or H.R. 4698, should be enacted by this Congress to provide a legislative solution to a problem which now has only a quasi-judicial or administrative solution.

The next step should be the enactment of the bill of the Senator from North Dakota [Mr. LANGER] (S. 797) to amend the Internal Revenue Code of 1954 so as to prohibit the allowance as a business deduction of expenses incurred by electric power companies in propagandizing against Federal electric power policies and rural electric cooperatives.

I ask unanimous consent to have printed at this point in the RECORD, the press release of the Federal Power Commission dated July 15, 1959, describing the opinion.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

FPC AFFIRMS PRESIDING EXAMINER'S RULING EXCLUDING EVIDENCE OFFERED BY ELECTRIC UTILITY COMPANIES TO JUSTIFY ACCOUNTING TREATMENT OF ADVERTISING COSTS

WASHINGTON, D.C., July 15, 1959.—The Federal Power Commission today affirmed a ruling by one of its presiding examiners excluding evidence which a group of electric utility companies offered in an attempt to show they were justified in their accounting treatment of the costs of certain advertisements as operating expenses.

FPC Presiding Examiner Edward B. Marsh at a hearing last January 6 ruled that evidence offered by the companies should be excluded because it was intended to justify their charging the advertising expenditures to the operating expense account on the basis of the competition existing between publicly owned and privately owned electric power companies. He held that this was contrary to the position of the FPC staff and to decisions of the Commission generally that expenditures involving the presentation of argument in matters of political controversy should be accounted for as miscellaneous income deductions rather than as operating expenses.

The advertisements in question appeared during 1957 in national magazines as part of the electric companies advertising program under the sponsorship of America's Independent Electric Light and Power Companies. Cost of the questioned copy was estimated to be $863,130, representing 43.25 percent of the total cost ($1,995,661) of all copy placed under the 1957 electric companies' advertising program.

The FPC issued an order last August 1 questioning the treatment accorded by 76 electric utilities for the cost of 9 of the 26 advertisements involved in the 1957 ECAP program. After prehearing conferences, hearings got underway January 6 at which Examiner Marsh made his ruling excluding the evidence. The companies then appealed to the Commission, which heard oral argument February 26.

The FPC said that with one exception, the nine questioned advertisements "appear on their face to involve the presentation of argument in matters of political controversy, have as their primary purpose the influencing of public opinion as to proposed legislation or the repeal of existing laws, and have a direct relationship to political matters." The FPC added that in its judgment the evidence thus far proffered was "without probative value to show the contrary with respect to any of these advertisements." Even if the evidence was admissible because of its relevance to the issue of whether the questioned advertisements are political or nonpolitical in character, the FPC said, it is, "without weight to prove that these advertisements are in fact nonpolitical."

The Commission declared that in the light of its settled interpretation of the uniform system of accounts, the presiding examiner should not admit the evidence sought to be adduced by the companies to show that these advertising expenditures have some other additional or subsidiary aspect or purpose which in the companies' view justifies giving them an accounting treatment other than what the FPC has previously considered appropriate. The Commission also said that the examiner should not receive any other similar evidence that is immaterial or irrelevant to the issues.

The companies had argued that the expenditures were ordinary, necessary, just and

reasonable in the operation of their businesses and were intended to promote the sale of electricity and enhance their credit standing. They also contended that a requirement classifying the expenditures below the line would violate a section of the Federal Power Act providing for proceedings in which accounting entries questioned by the Commission may be justified. A further argument by the companies was that their right of free speech would be violated.

The FPC pointed out that an accounting interpretation (E–110) which it issued in 1945, had as its basis the unacceptability of political expenditures in general as proper operating expenses, since they are generally incompatible with the objectives of utility regulation "and have a dubious relationship to the cost of rendering utility service." There also is a compelling need for separate classification and disclosure of such controversial expenditures, the FPC indicated.

Declaring that there was no question of any violation of any right of free speech, the FPC said that the companies are free to make these advertising expenditures. A requirement that they be paid for by the stockholders rather than the ratepayer would not constitute any violation of the first amendment, the Commission asserted.

Noting that some of the companies have indicated that they may want to present other types of evidence which they deem material and relevant to show the nonpolitical character of the advertisement, the Commission said it was returning the case to the presiding examiner for further proceedings consistent with its ruling. The FPC's order directs the examiner to reconvene the hearing at a time "most convenient to those concerned."

Commissioner John B. Hussey and Arthur Kline each filed a separate concurring opinion.

Commissioner Hussey indicated that when there is actual competition, it is proper for the privately-owned companies to use advertising to call public attention to a tax burden borne by them from which publicly-owned companies are exempt. However, he said, some of the advertisements involved in these proceedings go beyond the function of public education and ask why something is not done about this inequity. When remedial action is called for and the only such action possible would be enactment, amendments or repeal or laws, the remedial action sought would necessarily be political in nature, he asserted. There is a serious question, he continued, as to whether this call for remedial political action would not, by its nature, render the advertisements political in character.

Testimony showing that actual and real competition exists between certain privately owned and publicly owned utilities and that advertising by the private companies seeking to establish good will or to secure patronage from other taxpayers on the grounds that the privately owned utilities bear their respective share of the country's tax burdens would be admissible, Commissioner Hussey said. However, he continued, the offer of proof indicates that the proffered evidence would reopen the private versus public power battle. The basic philosophies underlying private versus public ownership are matters which would more properly be directed to the Congress, he said, adding that its introduction into these proceedings would only serve to emphasize the political nature of the advertisements calling for remedial action.

Commissioner Hussey said he agreed with the examiner that the proffered testimony was so bound together with the basic theories of public versus private power that it should be excluded and the parties should proceed with simple proof of active present competition for specific customers or markets, and any other material matters. He said, however, that to the extent the proffered testimony would show competition between publicly owned and privately owned utilities for specific customers or markets, he believed the evidence would be admissible.

Commissioner Kline said that in view of the fact that the proceeding deals only with the classification of certain expenditures for accounting purposes, he concurred with the majority that the proffered evidence should be excluded. He said his separate statement was necessary because the majority observed that there was no merit to the companies' contention that these expenditures were ordinary and necessary in the operation of their businesses—the very issue on which it denies them the right to introduce evidence. Much of the proffered evidence is directed to the issue of whether these expenditures were proper and necessary, he added, "and if we are to decide the case on this issue, then we should first receive and consider such portions of the proffered evidence as are relevant and material to this issue as otherwise respondents would be denied due process."

THE STATE OF AMERICAN AGRICULTURE

Mr. MORSE. Mr. President, we have heard much debate during this and the preceding sessions of the Congress upon the deplorable state of American agriculture—especially that segment made up of the small or family-size farm operation. The record of constructive legislation to give sound assistance to those farmers who have been caught in the cost-price squeeze leaves much to be desired.

I have received a letter from Mrs. J. R. Carskadon, of Gervais, Oreg., who cites the difficult position in which her family finds itself as a result of catastrophic marketing conditions for broiler chickens. This sincere letter places in proper perspective, in my judgment, the human values which sometimes we tend to forget when we look only at the economic aspects.

We must never forget that our prosperous industrial civilization and suburban culture rests upon a solid agricultural foundation. Unless we maintain a system of rewards which will place our agriculture upon a sound economic base, we run the grave risk, given our increasing population, of driving from agriculture the family-size operation to the detriment of a balanced economy.

As I have said before and maintain again, the farmer at the farm gate should receive an economic return for his investment of labor and capital sufficient to secure for himself the necessities and amenities of life equivalent to the service he performs. This, in essence, is the parity concept. Consequently, with parity standing at about 81 percent, we ought not to forget this means that the farmer's buying power today is almost one-fifth less than it was in 1911 to 1913 or in 1937, neither of which periods were characterized by an exceedingly high standard of farm income.

Mr. President, there are those who express grave concern over the cost of our farm program who never exhibit concern over our stockpiling program, or the subsidy given to over-the-road transport via highway construction appropriations or merchant marine subsidies.

Mr. President, speaking about our stockpiling program, I am for it. I have voted for it. I shall continue to vote for it, on the ground that it is needed, I think, to protect the security of our country. It is also needed to do economic justice to the people engaged in the mining industry who must be encouraged to continue in that occupation for the economic benefit their work brings to our civilization.

The fact is, Mr. President, that there are more Federal dollars invested in mineral stockpiles today than in agricultural products. We seldom hear about that side of the picture, because the farmer is apparently such an easy subject of criticism.

The subsidy which the American farmer receives pales into insignificance alongside the subsidy which American industry receives. The subsidy which American industry receives as a result of the mutual security bill, hidden though it is, is a very real one.

I am for mutual security. I am for the elimination of a great deal of waste in it. But I think it is very important that the American people understand that American business is being subsidized by the mutual security program to the tune of hundreds of millions of dollars, which makes the subsidy which the American farmer receives shrink into insignificance.

Mr. President, an article which appeared in the July 2, 1959, issue of the Washington Farmer entitled "A True Picture of Agriculture," written by Mr. Edwin F. Lawrence, a wheat farmer in Columbia County, Wash., presents the other side of the picture. I appreciate having had the article called to my attention by my constituent. I recommend to my colleagues that they read it carefully.

I ask unanimous consent that the letter and article to which I have alluded be inserted in the RECORD at this point.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

GERVAIS, OREG., *July 17, 1959.*

Senator WAYNE MORSE,
Washington, D.C.

DEAR MR. MORSE: Please find enclosed an article from the Washington Farmer, hoping that in your position you may be able to use it some way in helping the small farmers in your State.

We appreciate the interest you have shown in our behalf but so far nothing concrete has become effective that will keep us in operation.

We farm 135 acres north of Salem with sidelines of hogs, sheep, and 23,000 capacity of broilers. We have lost money the past year on the broilers but feel that we cannot drop the project which has cost so much for equipment and building conversion. If something isn't done soon it looks as though we will not be able to keep up the payments on the farm plus the excessive taxes and interest. We are also sending a tear sheet of this article to Senator NEUBERGER hoping that you will combine your efforts to do something to save our farms for us. It is not only us but this whole Willamette Valley that is in danger of losing the small family farms.

May God guide you in the attempt to bring this to national attention.

Very sincerely,

Mrs. J. R. CARSKADON,
Carskadon Farms.

[From the Washington Farmer, July 2, 1959]

A TRUE PICTURE OF AGRICULTURE

(By Edwin F. Lawrence)

(NOTE.—Mr. Lawrence, a wheat farmer in Columbia County, Wash., here points out some of the mistaken ideas the general public is getting about the farming business; some of the reasons therefor; and finally what farmers can do about the poor state of their public relations. Read this carefully and send it along to your friends and relatives in the city.)

Anyone who reads the papers or takes a national magazine is aware that farmers are in ill repute with the general public. A widespread campaign is going on to expose the once proud man of the soil as a shiftless pensioner living off of the Public Treasury.

Not only is he pictured as a ward of the Government, but he is a Cadillac-driving ward of Government. The farmer is the goat who is responsible, all by himself, for high food costs and for an unbalanced national budget. Many city dwellers have read these one-sided criticisms so long they are believing them.

Many people fail to realize there is a new concept of government in America. The United States has changed from a freely competitive society to one tempered by many Government aids and controls. Congress is now a great mother hen attempting to look after the welfare of all her chicks. Whether we approve of this change or not, is not the question; it is a fact in the year 1959.

The laws Congress passes, or fails to pass, have a vital effect on all our lives. And Congress, in the long run, reflects the attitudes, even the whims, of most of the electorate. When the better than 80 percent of Americans living in cities believe the farmer is making chumps of them, we are in deep trouble.

The farmer's well being, our future status in the economic community, rests on the shifting foundation of public opinion. That is why a good, solid, public relations program is needed by farmers—and particularly, right now, by wheat farmers.

I believe we would all agree that the present farm program isn't working as well as it should. It deserves honest criticism. But it doesn't deserve the wild-eyed magnifications that are being written about it. Neither do farmers deserve the name calling they are receiving.

The classic example of this was written by an editor in one widely quoted national magazine in a piece called "The Country Slickers Take Us Again." He started out by saying, "The pampered tyrant, the American farmer"; and he continued with—"they own a minimum of two cars, usually brand new Buicks or Cadillacs." In the same editorial he wrote, "Everybody knows it's the taxpayer who keeps the farmer living in clover and Cadillacs."

And only recently, Secretary of Agriculture Benson said, in an Associated Press news story, "Agriculture faces a most paradoxical situation under which vast amounts of public funds are being spent to aid farmers, already receiving the highest per capita income in history." What our Secretary of Agriculture failed to add was that the average per capita income of farmers in 1958 was $1,027 as compared with $2,040 for nonfarm people.

A very widely circulated picture magazine constantly bays at the farmer. Here is a recent example of an editorial which appeared in it:

"Today farming is big business, highly mechanized, performed mainly by large operators and enormously efficient. There is no more reason why you should give a subsidy to this successful big business than to General Motors or any private operation. It can stand on its own feet. When it is left to find its own way in a free market you'll get cheaper meat, bread, and clothing. And the farm business will shake down to those efficient enough to survive."

The facts in such statements are both distorted and oversimplified. The constant carping about subsidies and "standing on your own feet," seem just a trifle off-base coming, in this instance, from a magazine that is costing the Post Office Department a deficit of several million dollars a year.

These are some of the typical criticisms that are going the rounds: The farm program raises the price of food as well as being fantastically costly. Farmers don't need any help because most of them are rich, anyway. The present farm program has sand in its gears, therefore the only solution is to return to the good old way of the free market.

The bombardment aimed at those of us who live out in the boondocks is bewildering when you consider that net farm income has slumped from $17 billion in 1952 to less than $14 billion in 1957. In the meantime, labor and industry are enjoying bigger and better prosperity. The prices of farm products have declined 20 percent in a few short years, and yet we're all pictured as rural tycoons.

So what is the story we want to get across to the city people to counteract the unfair criticisms and regain their good will?

First of all we might start with the changes that have taken place in agriculture in the last quarter of a century. Many of us can still remember when Paw led the old mare down to the neighbor's Percheron stallion to sire the farm's horsepower. The fuel for the horsepower came from binding hay roads around the wheatfields and the only fertilizer that was used was found by running around to the other end of the horse.

Farm machinery was simple and inexpensive and NH–3 and 2,4–D were words not in our vocabulary.

Mother canned fruit and vegetables all summer, the boys milked the Jerseys, and slopped the shoats, the neighbors got together for hog butchering and sister hunted for eggs from the wandering Rhode Island Reds.

It was a simple, hard-working, but self-sufficient, way of life. If prices went down—as they usually did—farmers read the Sears, Roebuck catalog more for pleasure than for purchasing. And they got by; it didn't take much cash to farm in that bygone era.

But now farming has changed from a way of life to a business venture. We're specialists and we are also very dependent on incoming dollars. For instance, the price of a new tractor and a combine today add up to almost $30,000. Fertilizer salesmen knock at the door once a week and the oil dealer comes so often he's almost a member of the family.

In 1959 we farmers are completely vulnerable to the prices in the marketplace. If the flow of dollars diminishes we're immediately in bad shape. But despite the talk about farmers increasingly being a minority group, it is also true that now more and more people are vulnerable along with us. When you figure that around 40 percent of the working force of our Nation is involved in the food business, in one way or another, it's still a vital part of the economy.

The last few years farmers have been buying the same tonnage of steel, in the form of machinery, building materials and fencing, as goes into the auto industry each year. We use 32 million pounds of rubber, 16,500 million gallons of crude petroleum, and 50 million tons of chemicals annually. So despite our smaller numbers we are mighty good customers of industry and labor in this delicately balanced economy we all live in.

And agriculture is still the economic basis for smalltown America. The prosperity of the merchant on Main Street is largely dependent on how the surrounding farmers make out. And this applies, too, to a large extent, to most of our smaller cities.

What are some of the other points which should be brought out?

We want to say that farmers aren't living high on the hog these days and that the corporation-type farm is a rarity. Most of our food production comes from middle-sized farms and they are feeling the pinch of lower prices and higher costs. And the future looks even worse.

We need to show that the price of food is not high to start with, for Americans are eating better for a smaller percentage of their incomes than ever before. And they're eating more T-bones than soup bones, too. Secondly, the farmer doesn't have much to do with the prices marked on the grocery shelves. Our share of the supermarket dollar has now dropped to less than 40 cents and in the case of wheat it's under a dime. The price of food may be born on the farm, but it is raised by other people.

While the cost of our present surplus-creating farm program may be more than it should be, it's not as expensive as city people are led to believe. We want to keep pointing out the many places the catchall called the budget of the U.S. Department of Agriculture goes. It is surprising how little of it actually ends up in farmers' bank accounts. We might also point out that for the first 20 years of the price support program, the annual loss averaged only $168 million. The total loss to the Commodity Credit Corporation from 1933 to 1958 was less than $6 billion.

We need to counteract the prevalent theory that whenever a farmer has his acreage restricted, he just pours on more fertilizer, and ends up with as much production as before he was restricted. I'm pretty sure that most farmers do their darndest to raise all they can on whatever acres are available for planting.

We should bring out that research, which leads to higher yields, is benefiting the consumer as much or more than the farmer. If we still farmed with the techniques of 1940 there would now be a food shortage in this country and the Nation's food bill, it is estimated, would be $8 billion higher than it is now.

It is a little difficult to understand why so many writers want the farmers to get off at economy junction while most everyone else keeps riding the so-called gravy train. I hear no "viewing with alarm" the fact that there is now an $8 billion pile of price-supported metals. This outlay involves almost as much Federal money as farm surpluses. People aren't perturbed over the Armed Forces' $50 billion stockpile of manufactured goods, which we might suspect helps labor and industry. Both of these accumulations have the advantage of coming under the handy heading of "National Defense."

By law, 500 million bushels of wheat are supposed to be reserved for national emergency, but strangely enough, no one has ever set it aside. All the wheat the Government has is called just plain surplus. It's all chalked up to the account of the farmer.

Another of our problems seems to be that we've not had very good press agents coining labels for the farmer. When farm products are shipped overseas to needy nations, it's called surplus disposal and the farmer is charged for the loss; when American industrial products are sent to underprivi-

leged countries it is called by the more glamorous phrase, "mutual security aid" and is chargeable to national defense. Perhaps we should dwell on a food-for-peace plan instead of calling it surplus disposal. Certainly food is a vital part in the fight against the spread of communism.

It is unfortunate that the word "subsidy" seems to be gaining such a poor reputation. Actually there have been subsidies given to certain groups since the founding of our Republic. Perhaps we need to point out that subsidies, in many forms, are going to a lot of other people, too. Not with the attitude of finger pointing, or "he gets one, so why shouldn't I," but by way of explaining that a reasonable subsidy that brings about a better America might be justified.

The reading public, including many farmers, are being sold on the virtues of a wonderful land of free markets that operates under the magical law of pure supply and demand.

Before you buy this idea you first might take a sober look at the past to see how well it worked then for the farmer. Perhaps we need some realistic figures to estimate where farm prices would be now if it weren't for the farm program, poor as it is. If farmers and their customers feel this is the best solution, let's at least go into it with our eyes wide open.

Possibly more Americans need to look across the countryside of our land to see the improvements that have come about on our farms in the last 25 years. Agriculture has come a long way since 1930, and it wasn't all generated by the war boom.

Last of all, we need to show that farmers are honest, everyday Americans, who just want to keep raising their crops to the best of their ability. We are reasonable in our hopes for the future and we have no desire to be tyrants or wards of the state. But we do share everyone's dream of receiving rewards in keeping with our investment, our labor and our essential contribution to society.

These are some of the many things we ought to be telling to the men and women who live in the cities. We have a good story to tell.

TRIBUTE TO SENATOR MORSE

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point as a part of my remarks four letters to the Washington Post, signed, respectively, by Robert R. Nathan, Reginald H. Zalles, Joseph L. Rauh, Jr., and Hyman H. Bookbinder.

These letters deal with the record of the senior Senator from Oregon [Mr. MORSE].

The Senator from Oregon needs no defense by the Senator from Illinois, but these letters so well express the feelings of very large numbers of the American people that I feel they should be made a part of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 25, 1959]

Having often found George Dixon's column highly amusing, I was more than shocked to read the anything-but-amusing attack on Senator WAYNE MORSE in Mr. Dixon's column of July 20. This was as intemperate and unwarranted an attack as one may ever find in a responsible newspaper. Mr. Dixon must have written it in an unrestrained heat of anger.

We who live in a democracy are often distressed by comments of responsible citizens to the effect that they would never engage in political activity and would not even think of seeking to be elected to public office. If there are readers of Mr. Dixon's column who have any leanings whatsoever in this direction, the attack on Senator MORSE would certainly discourage them completely.

Everyone in public life should properly be exposed to thorough scrutiny and should expect criticism. However, the bounds of propriety were certainly exceeded by Mr. Dixon and this kind of attack truly undermines the dignity and stature of all Senators.

As far as Senator MORSE is concerned, his record on behalf of constructive public issues needs no defense. He has certainly been a nonconformist and he has often expressed different views from those with whom he is usually in agreement. He is truly an individualist.

As one who has known Senator MORSE well for many years, I would not try to predict his position on each specific issue but I am convinced that on all principal issues he determines his stand on the basis of principles. He is an outstanding liberal and his contribution to forward-looking and constructive legislation ever since he first appeared on the Washington scene has been truly outstanding. His policies and his determined and documented fight for sound legislation warrant our indignation over such a personal attack.

History will credit Senator MORSE for a great many outstanding achievements, whereas Mr. Dixon's column will soon be forgotten. Nonetheless, those who know Senator MORSE's record cannot allow such a column to go unanswered.

ROBERT R. NATHAN.

WASHINGTON.

"Fools rush in," it is said, but George Dixon has overstepped the jester's license in his vindictive and abusive attacks on Senators PROXMIRE and MORSE. When he steps into serious political affairs, he is over his depth.

The good Senators can answer for themselves. Their records in public service are their best defense. In the finest tradition of American politics, they have not hesitated to raise their voices for what they thought was right, even when they were in the lonely minority. So did George Norris and Robert La Follette, who are now remembered with honor long after those who abused and ridiculed them are forgotten.

Senator MORSE's long battle for the public interest in Hell's Canyon will be remembered along with Norris' fight for TVA. So will his many battles on behalf of civil liberties and due process, in which he has demonstrated a devotion to constitutional rights and a skill as a constitutional lawyer which—though they may escape Mr. Dixon's notice or understanding—are rarely matched in the Senate.

No one grudges Mr. Dixon his right to quiver with indignation at anyone who criticizes Senator JOHNSON, but let him then answer the criticism on its merits and not by personal abuse.

REGINALD H. ZALLES.

BETHESDA.

[From the Washington Post, July 28, 1959]

I like to write letters to the Washington Post about issues, not about columnists, but George Dixon's incredible attack on WAYNE MORSE ought not go unanswered.

Maybe someone should recall for Mr. Dixon a scene in the Senate last summer: It was around 4 a.m., Sunday, August 24. For days a small band of Senators, sparked by WAYNE MORSE, had been waging a lonesome battle to stop the passage of a whole raft of anti-Supreme Court bills.

The uphill fight appeared to be won until a majority of the Senate conferees caved in and accepted a bill to reverse the Supreme Court's Mallory decision (the Mallory decision prevents the use in evidence of confessions obtained while Federal officers are unlawfully delaying arraignments).

One Senator, bone tired after a full session of Congress and a week's battle fighting off the attacks on the Supreme Court, longed to be home like most everyone else. But there was one more job to be done early that Sunday morning and that was to hold the line in defense of the Court and the Mallory principle. His desk was piled high with law books and periodicals and draft speeches and he was prepared to risk his health to see that the Mallory principle should not be lost forever.

That Senator, of course, was WAYNE MORSE. No columnist should be permitted to call that kind of devotion to liberalism a pose or a gimmick without having the whistle blown on him.

Mr. Dixon owes WAYNE MORSE an apology; whether he is man enough to give it remains to be seen.

JOSEPH L. RAUH, Jr.

After many years of observing and participating in the political scene, I think I've become rather thick-skinned about the verbal and written give-and-take that has become the American custom. George Dixon practices the art of plain talk with usually commendable and refreshing down-to-earthness.

But his recent column about WAYNE MORSE is completely inexcusable. It violates every standard of kindness, fairness, and just plain good taste that should guide anybody—not excluding political writers.

Dixon writes that most true liberals are embarrassed to be seen talking to MORSE. I'm not quite sure what a true liberal is these days, but I want to assure Dixon that I'm quite proud to be seen talking to WAYNE MORSE. We don't always agree when we talk, but it is always a stimulating and satisfying talk.

HYMAN H. BOOKBINDER,
Legislative Representative, AFL–CIO.

Mr. DOUGLAS. Mr. President, the Senator from Oregon did not know that I intended to insert these letters, which praise his record in the Senate, in the CONGRESSIONAL RECORD. So these words of mine are not by prearrangement, in any sense.

However, I believe that it might be appropriate if I were to make a comment about the Senator from Oregon. I regard the Senator from Oregon not only as a true liberal, but what is another version of the same quality, as a great public servant. There are all too few who will defend the general interest against the very powerful special interests which beat in upon us. Senator MORSE can always be counted on to do just that.

In the 11 years I have been in the Senate, I have admired the manner in which the senior Senator from Oregon has consistently and courageously defended what he believed to be the general interest of the country—the general interest in economic matters, in international matters, in political matters, and in judicial matters.

He has taught us many valuable lessons. One of the lessons which he has taught the Senate, and I believe to an even larger degree the country, is the emphasis upon fair methods of procedure—that any man's substantive rights are no better than his procedural rights, and that if men are accorded their procedural rights, then the process of discussion and the winnowing of evidence will ultimately result in a relatively close approximation to their substantive rights.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. I was not aware that the Senator from Illinois intended to make this very kind and much appreciated statement. I feel that what he is doing is using the soothing towel of a beautiful and true friendship to wipe a little blood from a bloody head.

If I were to be asked to define a true friend, I would have a quick definition—PAUL DOUGLAS.

I thank the Senator from Illinois very much.

Mr. DOUGLAS. Mr. President, I say all this not merely on the basis of personal friendship, but in the desire that justice be accorded.

The term "liberal" is often a disputed one, and I must admit that I have been somewhat pained, in times past as well as in the present, by the practice of many writers of placing quotation marks around the term "liberal" as though there were some secret connotation to it that was not desirable.

Liberalism can be defined in many ways, one of which is the liberation of economic, political, and intellectual life and thought. It is the belief that if the channels of economic life and political life are only opened up to freedom of choice, in the long run the processes of truth, competition, thought, and ideas will result in a better society.

I suppose the best theoretical exposition of this point of view is John Stuart Mills' classic essay on "Liberty," which I believe every American should read and study.

On the basis of that definition, the senior Senator from Oregon is one of the finest liberals I have ever known or read about.

There is another definition of liberalism, however, which is simpler, and which I think cuts to the heart of the matter, namely, the question, Are you on the side of the people or are you not on the side of the people? All of us will say that we are on the side of the people. Most of us believe that we are on the side of people, but I am afraid not all of us qualify as actually being on the side of the people. It is the issue of whether we are really for the general interest and are willing to subordinate special interests to it.

I believe that the entire record of the Senator from Oregon shows that he has always been on the side of the people. Therefore, under this elemental definition of liberalism he is indeed a liberal, and I am proud to associate with him.

FREEDOM OF WORSHIP: THE CONTRAST BETWEEN THE SOVIET UNION AND THE UNITED STATES

Mr. KEATING. Mr. President, a few days ago it was announced in the press of this country that the Soviet Government forcibly closed the historic great synagogue of Chernovtsy in the Ukraine about a month ago.

More than half of the inhabitants of the town of Chernovtsy are Jewish. It is understandable that Jews in the Soviet Union regard this action of the Soviet Government as an evil omen for their future. It is no wonder that they are reported to be in a state of near panic.

For the closing of this synagogue, which has historical and sentimental attachments for Jews on both sides of the Iron Curtain including many who emigrated to America years ago, is but the latest of a series of ominous developments in the Soviet Union's treatment of its Jewish population.

There have been constant reports of synagogues being closed, of cemeteries desecrated, of arrests for alleged Zionist activities, of bans on private prayer meetings and the baking of unleavened bread. It has even become impossible in some instances to say prayers for the dead according to the ritual of the Jewish faith.

What a contrast, Mr. President, to the announcement in our press on the same day as this announcement, that at Newport, R.I., the oldest synagogue building in the United States is being lovingly restored, with great attention to historical and architectural accuracy, so that it will look the way it did during the American Revolution.

Congregation Jeshuat Israel was founded at Newport in 1759 by the descendants of Jews who arrived in Newport from Spain 3 centuries ago. The first rabbi was Isaac Touro, a native of Holland. The synagogue today is known as Touro Synagogue, and the street on which it is located is called Touro Street.

And standing on Touro Street, one can see the houses of worship of many religions—Trinity Church, the Quaker Meeting House, the Sabbatarian Meeting House, the modern churches of the Roman Catholic, Hellenic Orthodox, Jehovah's Witnesses, Christian Science, African Methodist, Episcopal, and Mormon faiths, to mention some.

Here in this land of freedom, everyone worships as he chooses—and an ancient synagogue is restored with great pains. But in the Soviet Union, where all religions have long felt the scourge of atheism elevated to the rank of state policy, men and women worship at their peril.

Faced with the increasing closing of synagogues, Jews in Russia have gathered in one another's homes to conduct their daily prayers. But the Soviet Government has banned private prayer meetings, which amounts to a ban on prayer itself. For in the Jewish faith, a quorum of at least 10 men is needed for the recitation of prayers. Even prayers for the dead, traditionally recited by the son of the deceased in a group of at least 10 people, thus must either be conducted clandestinely at risk of prosecution, or not at all.

At the time of Passover in April of this year, the baking of matzoh, unleavened bread, was forbidden in Kiev, Kharkov, Kuibyshev, Rostov, Kishenev, Odessa, and Lvov, cities in the Ukraine and European Russia.

The synagogue and eight private prayer meetings were closed in Bobruisk, Byelorussia. In Vitebsk, Byelorussia, all 12 of the private prayer meetings that were being conducted in that town were closed down under threat of 10 years in prison for the participants if the meetings were resumed. In Minsk and Smolensk, a recent Soviet publication in Yiddish of the works of Sholem Aleichem, the Jewish author, was banned. Jews there were offered, instead, a book attacking the State of Israel.

The Sholem Aleichem book, incidentally, was offered for sale one day in Moscow, but mostly it has been distributed abroad. Synagogues in Moscow, Leningrad, and Kiev, where foreign visitors may see them, are allowed to remain open. It would appear that even the Communists are somewhat embarrassed by their anti-Jewish activities, or at least embarrassed that the world is taking note of them.

Mr. President, the conscience of the world must speak out against these outrages to the dignity of man and his status as a child of God. These melancholy events in the Soviet Union are only too reminiscent of the early days of nazism in Germany. Let us pray that the Communists will yet turn aside from this mad course, under pressure of world opinion, before the dark Nazi chapter in world history shall have fully repeated itself.

FOREIGN AID FUNDS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a very thoughtful letter by our colleague, the Senator from Alaska [Mr. GRUENING], relative to an amendment which he offered on the foreign aid bill. I think it is worthy of consideration by all Members of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 23, 1959]

VOTING FOREIGN AID FUNDS—RIGHT OF CONGRESS TO REQUIRE DATA ON EXPENDITURES IS DISCUSSED

To the EDITOR OF THE NEW YORK TIMES:

Your editorial characterization on July 9 of the amendment to the Mutual Security Act, which, together with 19 other Senators, I sponsored, as an act of congressional irresponsibility and as a move to scuttle the whole program was, to say the least, surprising.

For years now administration requests for authorizations and appropriations for the foreign aid programs made to Congress have been justified by so-called illustrative budgets. In support of the administration's request this year for $3.9 billion, seven

volumes of printed material with upward of a thousand pages of graphs, charts, and narratives were submitted to the congressional committees concerned.

I have seen these volumes—you have not, because they have been classified as secret. You are therefore not in a position to appreciate fully the fact that these volumes contain no firm commitment that any of the funds requested will be spent for any of the projects listed in these wordy yet vague documents.

You are likewise not in a position to judge the great extent to which the Congress has been asked to abdicate its appropriating power and responsibility to appropriate large sums for unspecified purposes.

CONTROLS ON SPENDING

In effect, therefore, Congress is being asked to give a blank check made out to the executive branch to spend in any way it sees fit wherever it sees fit throughout the world for loosely defined purposes.

Our amendment provided only that 90 days after the Congress appropriated the funds for these four foreign-aid programs the Federal agencies involved would be required to submit budgets showing exactly on what they intend to spend the taxpayers' money. The amendment would then require the agencies to spend the funds for the stated purposes only, or to permit the funds to go unspent.

Flexibility is provided for in that the amendment did not change present provisions which permit the President of the United States to spend over $500 million in emergency, contingency, and transferred funds.

The issue is: How much flexibility does the Executive want? Is not half a billion dollars' worth of flexibility enough? What the executive branch seems to want is flexibility to the tune of all the funds to be appropriated. To me, and to the 36 Senators who supported the amendment, that seemed like an abdication of congressional responsibility.

If on next October 1 the executive branch cannot indicate firmly to the Congress how it intends to spend 80 percent of the funds appropriated for the entire year until June 30, 1960, when will it know? Is the entire program planned on a day-to-day basis?

LAOS INCIDENT CITED

Do you not believe there is valid reason for congressional concern about blank-check appropriations when—to cite but one example—a minor official of the International Cooperation Administration stationed in Laos is able, in the face of specific instructions to the contrary from the State Department in Washington, to authorize a $1 million-a-year pay increase for the army of Laos to be paid for entirely by Federal dollars?

It is far from an act of irresponsibility for the Congress to seek to exercise its constitutional prerogatives with respect to the appropriating of the taxpayers' money.

You are no doubt aware that Congress spends considerable time in appropriating for domestic programs—in examining detailed budgets and imposing restrictions upon domestic programs both in appropriation acts and in supporting documents.

Why then is the foreign-aid program so sacrosanct?

A careful perusal of the names of those Senators who supported the proposed amendment designed to restore congressional fiscal responsibility will readily indicate that among their number are some of the strongest supporters of the mutual security program.

ERNEST GRUENING,
U.S. Senator.

WASHINGTON, *July 17, 1959.*

CV——912

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

Mr. SPARKMAN. Mr. President, I introduce a joint resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the joint resolution (S.J. Res. 124) to extend the voluntary home mortgage credit program, was read the first time by its title, and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 610(a) of the Housing Act of 1954 is amended by striking out "July 31, 1959" and inserting in lieu thereof "September 30, 1959".

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to the consideration of the joint resolution.

Mr. JOHNSON of Texas. Mr. President, the minority leader spoke to me about the joint resolution earlier in the day. I understand from the distinguished Senator from Alabama, the chairman of the subcommittee, that there is an expiration date for the program and that it is necessary that the resolution be passed by the Senate and the House before July 31. So far as the Senator from Alabama is aware, there is no opposition to the joint resolution.

Mr. SPARKMAN. That is correct.

The resolution extends until September 30, 1959, the voluntary home mortgage credit program administered by the Housing and Home Finance Agency. Unless action is taken to extend the program it will terminate on July 31.

The voluntary home mortgage credit program is a small organization intended to assist home buyers in obtaining residential mortgage loans in small communities and rural areas where mortgage money is scarce and to assist minority groups in general without regard to the size of the communities in which they live.

Since it was established by the Housing Act of 1954, the program has been successful in assisting the placement of over 37,000 FHA and VA loans with private lenders. Over 66 percent of the loans were VA-guaranteed loans. Some 23 percent of the total were for homes for minority group families. These figures indicate that the program has been helpful and justify the continuation of the program.

S. 57, the bill which was disapproved by the President, would have continued the voluntary home mortgage credit program for an additional 2 years. I am still hopeful that S. 57 will be enacted and, consequently, I believe that this program should be extended for 2 months, which should cover the period until S. 57 is enacted.

For the information of the Senate, I ask unanimous consent that some material about the program, submitted to me by the Housing and Home Finance Agency, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VOLUNTARY HOME MORTGAGE CREDIT PROGRAM—AUTHORIZED IN THE HOUSING ACT OF 1954 FOR 3 YEARS, EXTENDED FOR 2 YEARS BY THE HOUSING ACT OF 1957—AUTHORITY EXPIRES JULY 31, 1959

I. PURPOSE OF VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

(a) The VHMCP, without cost to applicants, helps make FHA and VA mortgage money available to moderate-income veterans and other home buyers in rural areas who buy low-priced homes and members of minority groups in any area.

(b) It seeks to find private lenders (life insurance companies, mutual savings banks, savings and loan associations and commercial banks) who are willing to make mortgage loans of this type.

(c) The successful operation of the program reduces the need for Congress to authorize the use of public funds for such purposes.

II. PROGRAM PROGRESS

Applications received: 114,000.

Loans placed: 38,000 (VA 22,000; FHA 16,000) (9,000 (23 percent) of total loans are minority.)

Estimated dollar amount placed: $370 million.

Placement ratio of applications processed: 40 percent.

III. THE VOLUNTARY HOME MORTGAGE CREDIT PROGRAM WAS SET UP TO REDUCE TO A MINIMUM THE NEED FOR DIRECT GOVERNMENT LENDING

(a) To the extent that the program has been successful (38,000 loans amounting to approximately $370 million), the demand for direct lending by VA and FNMA has been reduced.

(b) VHMCP lenders have pledged to provide the program with at least $150 million during fiscal year 1960.

(c) The increase in the VA interest rate to 5¼ percent will enable voluntary home mortgage credit program to reduce to a minimum the need for VA direct lending during fiscal year 1960.

(d) By relying on private lenders participating in the VHMCP to finance veterans' home loans in rural areas, there will be less need to use public funds from the Treasury for such purposes.

(e) VHMCP can play a strategic role in combating inflation in the years to come by channeling private mortgage funds into special housing problem areas and making unnecessary the use of public funds for such purposes.

IV. COST IN RELATION TO TOTAL LOANS PLACED

Total operating cost through fiscal year 1959: $1,800,000 (an average of $360,000 each fiscal year).

Total loans placed through fiscal year 1959: 38,000.

Estimated cost per loan: $45 ($24 estimated cost per loan for fiscal year 1960).

Since the average loan amount is $10,000, the cost per loan equals about four-tenths of 1 percent of the loan amount. (It is estimated that the cost per loan will equal about two-tenths of 1 percent of the loan amount for fiscal year 1960.)

V. WORKLOAD DURING LAST 3 FISCAL YEARS

	Actual 1957	Actual 1958	Actual 1959	Estimated 1960
Applications	42,000	13,000	13,000	[1] 42,000
Referrals	54,000	20,000	20,000	84,000
Loans placed, number	13,000	6,300	6,200	[2] 15,000
Estimated dollar amount	$127,000,000	$68,000,000	$70,000,000	$150,000,000

[1] VA 33,000; FHA 9,000.
[2] VA 11,000; FHA 4,000.

VI. PRESENT AND PROPOSED LOCATION OF VOLUNTARY HOME MORTGAGE CREDIT PROGRAM OFFICES AND NUMBER OF PERSONNEL IN EACH

Region	Location	Present number of personnel	Proposed number of personnel
I	Washington, D.C.	2	5
II	Atlanta, Ga.	4	6
III	Chicago, Ill.	4	6
IV	Dallas, Tex.	2	5
V	San Francisco, Calif.	2	4
National office		5	6
Total		19	
1960 budget proposes 2 additional regional offices	Nashville, Tenn.		4
	Denver, Colo.		4
Total			40

VII. 1960 BUDGET REQUIREMENTS

(a) It is estimated that the voluntary home mortgage credit program will process at least 33,000 VA applications and at least 9,000 FHA applications during fiscal year 1960. The 1960 workload will amount to over three times the fiscal year 1959 workload (1959, 13,000 applications; 1960, 42,000 applications).

(b) The present voluntary home mortgage credit program staff of 19 is inadequate to cope with this upsurge in volume.

(c) 1960 budget request, $325,000; 1959 budget, $260,000; difference, $65,000.

This amount is needed to hire 21 additional people at the field level to meet a very rapid growth of workload in connection with the referral process. It is primarily the field staff which is responsible for the direct contacts with lenders and for referring each voluntary home mortgage credit program application successively to private lenders until it is placed, or until every reasonable chance of placement is explored.

Voluntary home mortgage credit program—Number of loans placed by States and Territories, January 1955 through May 1959

State	FHA loans	VA loans	Total loans placed
Alabama	197	872	1,069
Alaska	2	0	2
Arizona	243	249	492
Arkansas	143	457	600
California	175	739	914
Colorado	104	442	546
Connecticut	0	1	1
Delaware	36	67	103
Florida	780	267	1,047
Georgia	512	759	1,271
Idaho	289	335	624
Illinois	736	853	1,589
Indiana	387	344	731
Iowa	287	546	833
Kansas	122	366	488
Kentucky	599	954	1,553
Louisiana	334	540	874
Maine	31	437	468
Maryland	366	459	825
Massachusetts	55	47	102
Michigan	276	563	839
Minnesota	30	200	230
Mississippi	173	548	721
Missouri	239	926	1,165
Montana	109	155	264
Nebraska	124	248	372
Nevada	27	65	92
New Hampshire	0	0	0
New Jersey	139	76	215
New Mexico	315	286	601
New York	200	297	497
North Carolina	985	1,756	2,741
North Dakota	2	24	26
Ohio	1,111	847	1,958
Oklahoma	179	501	680
Oregon	508	438	946
Pennsylvania	263	667	930
Rhode Island	0	0	0
South Carolina	509	620	1,129
South Dakota	69	101	170
Tennessee	693	634	1,327
Texas	908	1,514	2,422
Utah	1,067	152	1,219
Vermont	0	14	14
Virginia	362	766	1,128
Washington	605	671	1,276
West Virginia	137	493	630
Wisconsin	134	136	270
Wyoming	77	111	188
District of Columbia	28	304	332
Puerto Rico	547	142	689
Total	15,214	21,989	37,203

Voluntary home mortgage credit program—Number of loans placed by States and Territories, January 1955 through May 1959—Continued

NOTE.—While the VHMCP operates in all 49 States, there have been no requests for assistance from New Hampshire and Rhode Island.

Mr. SPARKMAN. Mr. President, this organization is a voluntary one on the part of the principal insurance companies and mortgage bankers. A program has been established for the purpose of going into remote areas and making money available which ordinarily would not be available. A very small staff is employed in the Housing Agency for this purpose—some 50 or 55 persons. In order that they may be retained, it is necessary to have a continuation of the program.

Mr. JOHNSON of Texas. Under those circumstances, and with the understanding that this action will not set a precedent, I shall not object, because of the deadline which is approaching. Ordinarily, I think it is better procedure to have such resolutions printed and referred to committee and then to be reported with a written report. However, in the light of the situation which confronts us, I see no alternative. This action is agreeable to all parties concerned, on both sides of the aisle. Therefore, I have no objection.

Mr. SPARKMAN. Mr. President, I may add this one point. Provision was made in S. 57 for an extension of this program. The committee is now holding hearings on S. 57. Whatever may be done in connection with that bill, it is our hope that this organization will be extended.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 124) was ordered to be engrossed for a third reading, read the third time, and passed.

URBAN RENEWAL

Mr. HUMPHREY. Mr. President, the housing bill, S. 57, was the subject of a spendid letter I received from the housing and redevelopment authority in and for the city of Minneapolis. The letter was addressed to me under date of July 23, 1959. It analyzes the effect of the Presidential veto of the housing bill, S. 57, upon the housing and urban renewal program of the city of Minneapolis. I feel that it is this kind of testimony which is meaningful and realistic, and, therefore, should be brought to the attention of the Senate.

Mr. Robert T. Jorvig, executive director of the housing and redevelopment authority in and for the city of Minneapolis, points out in specific detail the impact of the veto and what it will mean to the housing and urban renewal program of one of the great cities of the Nation.

Mr. President, I ask unanimous consent that Mr. Jorvig's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF MINNEAPOLIS,
Minneapolis, Minn., July 23, 1959.

Re Housing bill, S. 57.

The Honorable HUBERT H. HUMPHREY,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: The Presidential veto of housing bill S. 57 has left us without Federal housing legislation for the second year in a row. Certain carryovers from the previous legislation have enabled our programs to continue during the last year but the absence of adequate legislation by this Congress will bring to a halt any additional public housing and urban renewal programs in the city of Minneapolis.

Absence of legislation this year will not affect urban renewal programs now under way in the Glenwood, Harrison, and Gateway Center areas except insofar as additional funds may be required for these projects. Public housing now under construction in the Glenwood urban renewal area can also be completed with funds presently available. However, the lack of a continuing Federal housing and urban renewal program will prevent the city of Minneapolis from carrying out a well-planned program for the elimination of blight and the improvement of housing conditions in the city. As you know, the requirements of the Federal urban renewal and public housing programs include the adoption and maintenance of a so-called workable program for the elimination of slums and blight by the city and such a program includes a long-range program of city planning and capital improvements as well as an adequate program for financing urban renewal activities. If these requirements are to be met, the Federal housing and urban renewal program must also be carried out on a long-range basis. The city of Minneapolis has developed an excellent program of capital improvements through its Citizens' Capital Long-Range Improvements Committee (CLIC), it has revitalized its planning commission including a more than fourfold increase in its city planning budget, has employed a completely new technical staff, and there is now strong leadership on the part of the commission members. The close coordination of these two agencies and the Minneapolis Housing and Redevelopment Authority has been evidenced in the programing of the three urban renewal projects now being carried out by the authority. The results of the above activity are now being evidenced in sound long-range programs for urban renewal in the city of Minneapolis. A general urban renewal plan for the elimination of blight in the near north side of Minneapolis, including some five projects to be carried out over a 10-year period, is now pending in the regional office of the urban renewal administration and cannot be approved because of the lack of urban renewal funds. Other programs involving the improvement of housing areas adjacent to the central business district of Minneapolis will have to be abandoned if a continuing realistic Federal housing and urban renewal program is not adopted.

This authority is now completing a construction program of some 762 low-rent public housing dwelling units in the general area of the Glenwood urban renewal project. The city of Minneapolis has an additional program reservation of some 1,000 public housing dwelling units. Estimates of relocation requirements plus experience in occupying the public housing units now under construction indicate that there is a great and continuing need for additional low-rent public housing if the combined programs of housing and urban renewal, highway displacement, and other public displacements are to be effectively carried out. As you know, the authority is now constructing a special 12-story apartment building for occupancy by elderly persons. We have nearly 400 applications for the 44 efficiency dwelling units from single elderly persons over 65 years of age. This emphasizes the particular need for that type of dwelling unit in the community. The continued need for this type of housing is further emphasized by the rapid growth of the elderly population and the elimination of small economical dwelling units for single elderly persons by the clearance activities of the freeways, urban renewal programs, and by the city code enforcement activities.

Tremendous effort by leaders of business, labor, and city agencies has resulted in programs in this city that can solve the problems of slums and blight; however, these problems cannot be solved without Federal assistance on a realistic and continuing basis. Without such assistance, the efforts in our community, and in others throughout the country, will be in vain.

We know you have been most interested in these programs and have given them your continuous support. We would certainly appreciate your special assistance at this time to insure that housing bill S. 57 finally becomes law.

Sincerely yours,

ROBERT T. JORVIG,
Executive Director.

EFFECT OF NEW INTEREST RISE ON GI LOANS

Mr. HUMPHREY. Mr. President, in a recent letter from the manager of the Veterans Administration Center at Fort Snelling, St. Paul, Minn., Mr. John R. Murphy, he explained the refusal of a veteran's application for a guaranteed loan, and in so doing pointed out the effect of the new interest rise on GI loans.

I voted against this interest rise, and I am still convinced that it is a mistake to permit the rise in interest rates which is taking place on every hand. The effect of these interest raises is wholly inflationary.

Mr. Murphy points out that the veteran in question, who had applied for a guaranteed loan in the amount of $16,900, would have to pay out 50⅓ percent of his monthly take-home pay for shelter costs at the old 4¾-percent interest rate. He pointed out that at the new rate of 5¼ percent, the veteran would have to pay out 52 percent of his take-home pay for shelter costs.

In other words, Mr. President, the deceptively small interest rate rise from 4¾ percent to 5¼ percent which Congress permitted, is resulting, in the case of typical veterans, in an increase of almost 2 full percent of the veteran's take-home pay for shelter costs.

It is clear, then, that many veterans who would have been able to qualify for a home loan under the old 4¾-percent rate, will not be qualified under the new 5¼-percent rate.

I say that because when the loans are made, they are made and based upon the amount of income which the individual has, and the amount of income which will be required to meet the payments on the loan. If the percentage of income for payment on the loan is above the 50-percent level, that is a factor against granting the loan on the part of the lending agency or bank.

Mr. President, once again we see illustrated the effect of the tight-money program of the administration, a program which results in extremely high profits for the great financial institutions and severe hardship for small businessmen, home buyers, small municipalities, and indeed for every American who buys goods on the installment plan.

Mr. President, I intend to keep placing in the RECORD none of the high-powered, esoteric economic theories; I intend to place in the RECORD the reports and the letters which I am receiving from public officials in my State, from businessmen, from homebuilders, and from persons who go into the money markets to borrow money for the purpose of housing and business developments.

The report which I receive day after day is one which should cast a sense of shame and dismay over the entire Government of the United States. Consider the last interest-rate increase on veterans' housing. Has it helped the housing program? Indeed, it has made it worse. Not only is the veteran required to pay more money, but the lenders are also asking an even greater number of points—so-called points—of discount on the mortgage. Once the lenders are given the opportunity to raise their rates, they want more. Their greed is insatiable.

I repeat, there is not one scintilla of evidence that the increase in the interest rate has helped the housing program; rather, it has helped only to stall it, because someone is waiting for another big take. There can be no limit to the appetite of some people, particularly when it comes to the matter of profits.

One of the largest suburbs in my State of Minnesota, St. Louis Park, recently turned down a bid on bond issue. It was trying to sell its bonds, but it refused to make the sale because of the high rate of interest. The rate it would have had to pay was exorbitant on tax-exempt bonds. The rate of interest was a flat 1½ percent over a year ago. This is one of the finest, richest municipalities in America, having fine property and an excellent credit rating. Yet because of the fiscal policy on the part of the Federal Government, the taxpayers are being put through the wringer on tax-exempt municipal bonds.

"Tax-exempt" means nothing any more. The rate of interest goes up, up, and up. It would be one thing if the rising rate of interest facilitated the financing of projects and the housing programs which are under way, but it does not do so.

Someone is always waiting for a higher interest rate, and it seems to me that some persons must have a pretty good idea that they are going to get a higher interest rate, because to date the financing has been rather sketchy and slim.

Mr. President, my constituents do not like this, and I am here to protest against it.

I represent, in part, some three and one-quarter million citizens. I find that the people of my State—who are good, frugal, hardworking, productive, and reasonably prosperous people, because they work hard and they know how to do things—are not very happy about fiscal and monetary policies on the part of the Government which increase the cost of public projects and increase the cost of local government and increase the cost of housing for our people and increase the cost of installment buying and increase the cost of installment purchases.

This administration has planned inflation. This administration cries "wolf, wolf." It cries "inflation, inflation." But this administration itself is the wolf, and it is not in sheep's clothing, even

though every once in a while someone gets clipped. This administration itself is the wolf of inflation. It has created its own monster, and now it seeks to frighten the people by means of its own monster.

I remind the administration that public issues and the public debt were once financed at 2½ percent, and we had full employment at 3 percent.

This administration is paying the highest interest rates in 25 years. This administration has the largest peacetime deficit in the history of the Nation. Yet this administration propagandizes the public into believing that it represents fiscal responsibility.

Mr. President, never has there been a more irresponsible administration in fiscal and monetary policy—never. Yet it has the airwaves of the radio and the television and it has the newspaper columns filled with propaganda that when Republicans are in the White House and in control of the Government, the budget is balanced and there is fiscal responsibility.

Mr. President, there have been more unbalanced budgets during the present administration's years in office than Mr. Truman ever had. The public debt goes up and up, and the interest rates go up and up, and the cost to the taxpayers goes up and up.

I repeat what I said earlier today: Any administration that makes a $12½ billion mistake in calculating the revenues, flunks in any ordinary arithmetic course, and should not be entrusted with public responsibility.

Mr. President, let the record be clear: This administration has failed miserably in the management of the public debt. This administration has failed miserably in fiscal and monetary policies. This administration has failed miserably in controlling inflation. In fact, this administration has succeeded in manufacturing inflation.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to have the Senate be on notice that the policy committee has cleared the following measures, and they may be brought up by motion at any time:

Calendar No. 95, S. 1075, to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior.

Calendar No. 133, S. 91, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the operations of such act, and for other purposes; or Calendar No. 173, H.R. 4601, to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes. I believe they are identical.

Calendar No. 337, H.R. 6319, to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans.

Calendar No. 361, Senate Resolution 131, referring S. 882, a bill for the relief of the heirs of J. B. White, to the Court of Claims.

Calendar No. 378, S. 990, to authorize the use of Great Lakes vessels on the oceans.

Calendar No. 398, H.R. 6190, to direct the Secretary of the Army to convey the Army and Navy General Hospital, Hot Springs National Park, Ark., to the State of Arkansas, and for other purposes.

Calendar No. 428, S. 1958, to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen.

Calendar No. 446, S. 716, to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws and for other purposes.

Calendar No. 447, S. 1789, to amend sec. 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes.

Calendar No. 464, S. 1965, to establish certain provisions with respect to the removal and the terms of offices of the members of certain regulatory agencies.

Calendar No. 485, S. 1845, to amend title 35 of the United States Code relating to patents.

Calendar No. 518, S. 1748, to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes.

Calendar No. 524, S. 1282, relating to acreage allotments for Durum wheat.

Calendar No. 536, H.R. 4002, to authorize the use of Great Lakes vessels on the oceans.

Calendar No. 559, Senate Joint Resolution 39, to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives.

Calendar No. 563, S. 747, to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

Calendar No. 564, H.R. 3290, to amend title 10, United States Code, to eliminate the requirements that each chaplain make an annual report to the Secretary of the Navy.

Calendar No. 565, H.R. 3320, to amend the act of June 21, 1950, relating to the appointment of boards of medical officers.

Calendar No. 566, H.R. 3321, to amend title 10, United States Code, with respect to crediting certain service as a member of the Woman's Army Auxiliary Corps and for other purposes.

Calendar No. 567, H.R. 4068, to amend title 10, United States Code, by repealing section 7475 which restricts the increasing of forces at naval activities prior to national elections.

Calendar No. 568, S. 2210, to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa.

Calendar No. 573, Senate Concurrent Resolution 48, to promote peace through the reduction of armaments.

Calendar No. 574, S. 252, to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France.

Calendar No. 576, H.R. 6587, to authorize certain generals of the Army, to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments.

Calendar No. 577, S. 1855, to amend the Mineral Leasing Act of 1920 in order to increase certain average limitations with respect to the State of Alaska.

Calendar No. 578, S. 2118, to amend section 4488 of the Revised Statutes, to authorize the Secretary of the Department in which the Coast Guard is operating to prescribe regulations governing lifesaving equipment, firefighting equipment, muster lists, and for other purposes.

Calendar No. 579, H.R. 3322 to amend title 10, United States Code, and certain other laws to authorize the payment of transportation and travel allowances to escorts of dependents of members of the uniformed services under certain conditions, and for other purposes.

Calendar No. 580, H.R. 7508, to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance.

Calendar No. 581, S. 2026, to establish an Advisory Commission on Intergovernmental Relations.

Calendar No. 582, S. 1702, for the relief of Franciszek Koszkowski.

Calendar No. 583, S. 1731, for the relief of Pacifico A. Tenorio.

Calendar No. 584, H.R. 4243, for the relief of Peter Sergeevich Deryabin, also known as Theodore Stanley Orel.

Calendar No. 585, S. 1071, for the relief of Nettie Korn and Manfred Korn.

Calendar No. 586, S. 1557, for the relief of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim.

Calendar No. 587, S. 2238, for the relief of Kenzo Hachtmann, a minor.

And Calendar No. 588, S. 2021, for the relief of Irene Milios.

Mr. President——

The PRESIDING OFFICER (Mr. McGEE in the chair). The Senator from Texas.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand in adjournment until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 5 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, July 29, 1959, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 28, 1959:

INTERNATIONAL MONETARY FUND

Frank A. Southard, Jr., of New York, to be U.S. Executive Director of the International

Monetary Fund for a term of 2 years. (Reappointment.)

DIPLOMATIC AND FOREIGN SERVICE

Elbert G. Mathews, of California, a Foreign Service officer of class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia, vice Richard Lee Jones.

U.S. PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior assistant scientist

Billie E. Jones

To be senior assistant nurse officer

Patricia M. Jacobson

To be assistant nurse officers

Jennifer Boondas — Marie Herold
Kathryn G. Ames — Myra E. Payne

To be junior assistant nurse officers

Elizabeth L. Cooper
Janet M. Cormier
Sidney S. Louis

U.S. DISTRICT JUDGES

Carl A. Weinman, of Ohio, to be U.S. district judge for the southern district of Ohio, vice Lester L. Cecil, elevated.

Algernon L. Butler, of North Carolina, to be U.S. district judge for the eastern district of North Carolina, vice Don Gilliam, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28, 1959:

DIPLOMATIC AND FOREIGN SERVICE

Walter N. Walmsley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

U.S. DISTRICT JUDGES

John R. Bartels, of New York, to be U.S. district judge for the eastern district of New York.

John F. Kilkenny, of Oregon, to be U.S. district judge for the district of Oregon.

U.S. ATTORNEY

Robert S. Rizley, of Oklahoma, to be U.S. attorney for the northern district of Oklahome for the term of 4 years.

U.S. MARSHALS

Curtis Clark, of Kentucky, to be U.S. marshal for the eastern district of Kentucky for the term of 4 years.

Lama A. De Munbrun, of Kentucky, to be U.S. marshal for the western district of Kentucky for the term of 4 years.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 28, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

John 14: 27: *Let not your heart be troubled, neither let it be afraid.*

Eternal and everblessed God, who art our strength and hope, we beseech Thee to inspire our minds with Thy truth and enlarge our hearts with Thy love.

Grant that the gift of this new day may fill us with rejoicing as we contemplate the privilege and opportunity which it affords us of serving Thee and doing good unto all who come within our influence.

May we be constrained and motivated with an earnest desire to follow the way of Thy commandments and to discharge faithfully the duties which Thou dost require of us.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 280. Joint resolution consenting to an interstate compact to conserve oil and gas.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following title:

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes; and

H.R. 6596. An act to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 690. An act to provide for the increased use of agricultural products for industrial purposes;

S. 1795. An act to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the regular components of the Armed Forces; and

S. Con. Res. 67. Concurrent resolution authorizing a change in the enrollment of the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank.

ORDER OF BUSINESS—MAKING TEMPORARY APPROPRIATIONS FOR MONTH OF AUGUST

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow for the Chair to recognize me to move to suspend the rules and pass a joint resolution making temporary appropriations for the month of August.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SINCLAIR G. STANLEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 607) for the relief of the estate of Sinclair G. Stanley, and agree to the conference asked for by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LANE, DONOHUE, and HENDERSON.

ROBERT N. ANTHONY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6717) for the relief of Robert N. Anthony, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Kathrene LeTang, of Baltimore, Maryland, the sum of $3,500. Such sum represents the amount of a judgment for which Specialist Fifth Class Robert N. Anthony, RA13407928, United States Army, was held liable to the said Mrs. Kathrene LeTang on January 30, 1959, in a civil action in the Circuit Court of Baltimore County, Maryland. This civil action was the result of an accident which occurred on the Baltimore-Washington Parkway, approximately eight miles south of Baltimore, Maryland, on January 9, 1956, and which involved a United States Army ambulance being driven by the said Robert N. Anthony, acting within the scope of his military duties in the interest of the Government. Such sum shall be paid only on the condition that the said Mrs. Kathrene LeTang shall execute and file a satisfaction of judgment in full in said court and cause: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered to Mrs. Kathrene LeTang in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "An act for the relief of Mrs. Kathrene LeTang."

A motion to reconsider was laid on the table.

ABRAHAM FYE

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6714) for the relief of Abraham Fye, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That subsection (d) of section 16 of the War Claims Act of 1948 and section 105 of the War Claims Act amendments of 1954 are each hereby waived in favor of Abraham Fye, of Brooklyn, New York, and his claim for benefits under section 16 of the War Claims Act of 1948 is hereby authorized

and directed to be acted upon under the remaining provisions of the War Claims Act of 1948, if he files claim for such benefits with the Foreign Claims Settlement Commission within the six-month period which begins on the date of enactment of this Act."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PROVIDING OPPORTUNITY FOR PROMOTION FOR CERTAIN OFFICERS IN THE NAVAL SERVICE

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4413) to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes, with amendments of the Senate thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, line 8, after "list." insert:

"Of the officers considered but not recommended for continuation on the active list the board shall further report the names of any officers whose performance of duty would not warrant retention on the active list under any circumstances. Each board shall certify in its written report that in the opinion of two-thirds of the acting members of the board, based on the information available to the board, the performance of duty of each such officer whose name is so reported would not warrant retention on the active list under any circumstances."

Page 8, line 11, after "grade," insert "and whose name has not been reported in the approved report of a board in compliance with subsection 1(h) of this Act,".

Page 8, line 12, strike out all after "pay," down to and including "concerned:" in line 14 and insert "a lump-sum payment of $2,000, effective on the date of his retirement."

Page 8, strike out all after line 14 over to and including line 12 on page 9.

Page 9, line 19, strike out all after "Act." down to and including line 23.

Page 13, line 4, strike out [1970] and insert "1965".

Page 13, after line 4, insert:

"SEC. 9. (a) Chapter 561 of title 10, United States Code, is amended—

"(1) by repealing section 6150; and

"(2) by striking out the following item in the analysis:

"'6150. Higher retired grade for retired officers specially commended.'

"(b) This section becomes effective on November 1, 1959."

Page 13, after line 4, insert:

"SEC. 10. (a) Chapter 11 of title 14, United States Code, is amended—

"(1) by repealing sections 239 and 309, and

"(2) by striking out the following items in the analysis:

"'239. Retirement in case of special commendation.

"'309. Retirement in case of special commendation.'

"(b) This section becomes effective on November 1, 1959."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HALLECK. Mr. Speaker, reserving the right to object, would the gentleman explain these amendments? As I understand it, this has been cleared with the minority members of the committee.

Mr. KILDAY. That is correct.

Mr. Speaker, this is a bill which was before us a number of weeks ago under a rule and was fully debated at that time. It is legislation to enable the Navy and Marine Corps to remedy the hump of officers now existing in those two services.

The bill relates only to Regular officers of the Navy and the Marine Corps, and it relates only to commanders and captains of the Navy and lieutenant colonels and colonels of the Marine Corps. As to those two grades, a man who has completed 20 years of service and holds the grade of commander or lieutenant colonel may remain on active duty for a period of 26 years. If he has 20 years' service and holds the grade of colonel in the Marine Corps or captain in the Navy he will remain on duty for a period of 30 years. Conditions prevailing in those two services prevent the promotion of other junior officers to these higher grades.

The Senate amended the bill in three particulars. First, the House version would have had the bill expire on June 30, 1970. The Senate version causes the bill to expire on June 30, 1965. So instead of 10 years it would be for a period of 6 years.

Second, the House bill contained a provision under which the officers selected for retirement would have been paid at the rate of 2 months' base pay for each year of duty unserved with respect to the 26 and 30 years of service I mentioned. The Senate has changed that to make it a flat, lump-sum readjustment payment, to all persons retired under this provision, of $2,000, regardless of rank or years of service, if serving in the grade affected.

The third amendment has to do with a provision of law which has been in existence since shortly after World War I under which officers of the Navy and Marine Corps and Coast Guard who have combat citations or commendations in their records, when retired, would be retired at one grade higher than the grade actually held. The Senate provision repeals that whole section of law effective November 1, 1959.

In the Pay Act of 1949 the Committee on Armed Services recommended, and the Congress approved, a provision under which those officers no longer could draw maximum pay at the higher grade. In 1947 we changed the law so that the provision would phase out, in that the promotion would apply only in the event that the commendation was for an act performed prior to 1947.

Those are the amendments adopted in the Senate.

Mr. HALLECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

LETHARGY IN CONGRESS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON. Mr. Speaker, there is so much construction going on around the Capitol, I am beginning to wonder if we are going to have it finished in time for the inauguration. Also, I am concerned because there does not seem to be much progress on the major legislation that this Congress is going to have to pass if we are to get out of here before Christmas. As long as we are not asked to take action on the bills that the country is waiting for, I would like to suggest that we form a volunteer work force and pitch in to help the contractors put the Capitol back together again. Many of us in Congress are able bodied, and undoubtedly the labor unions, which are in no particular hurry to see a labor bill become law, would be glad to give us honorary or temporary union cards so we could go to work. There must be something we can do for the good of the country if we are not going to be voting on the legislation that is piling up here.

"GENE" KINNALY

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, all of us are indebted to the able, diplomatic, and hard-working members of our staffs.

I am constantly surprised by their knowledge of the intricate network of Federal agencies. With time-saving skill and tact, they are able to cut through red tape in order to be of service to our constituents.

There is no better way to recognize their key role in the functioning of our Government than to single out for special praise the veteran secretary and right-hand man for Majority Leader JOHN W. MCCORMACK, Eugene T. Kinnaly.

I have seen him handling several telephone calls at the same time, switching back and forth, and at the same time making progress on the preparation of a written statement on a complex issue, with unruffled calm.

I believe he was born with the courteous disposition and retentive memory that works best when under pressure.

Many a Member, frustrated by an importunate constituent, or by some vexing legislative problem, has found the answer to his problem and has been relieved of his anxiety, simply by calling "Gene."

He first won his spurs as secretary to the late Congressman James A. Gallivan, of Massachusetts, with whom he was associated for 10 years.

In the 31 years since then, he has been the confidant and the executive secretary for the Honorable JOHN W. MCCORMACK.

This is a remarkable record of service in point of time, but less remarkable than the enduring character of Eugene T. Kinnaly, who gets so much accomplished in the friendly manner that makes such a favorable impression on all those who seek the advice and help of our majority leader.

A sincere and devoted communicant of his religious faith, he brings to his daily work the spirit of charity and humility that have earned for him the respect and affection of the thousands who are privileged to know him.

Congratulations, "Gene" Kinnaly, on the 41st anniversary of your meritorious service to the Members of Congress, and to their staffs.

We salute you as "The All-American Congressional Secretary."

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 118]

Albert	Fogarty	Merrow
Auchincloss	Forrester	Mitchell
Blitch	Gallagher	Moorhead
Brooks, La.	Goodell	Moss
Buckley	Griffin	Pillion
Canfield	Hiestand	Powell
Celler	Hoffman, Ill.	Rabaut
Davis, Tenn.	Horan	Taylor
Dawson	Kilburn	
Dooley	Loser	

The SPEAKER. On this rollcall, 402 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY APPROPRIATIONS, 1960

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8385) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes; and, pending that motion, I ask unanimous consent that general debate be limited to not to exceed 3 hours, to be equally divided and controlled by the gentleman from New York [Mr. TABER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8385 with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement the gentleman from Louisiana [Mr. PASSMAN] will be recognized for 1½ hours and the gentleman from New York [Mr. TABER] for 1½ hours.

The Chair recognizes the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may require.

The bill before the Committee is a request for appropriations for the mutual security program for the fiscal year 1960. This bill is the culmination of long and tedious hearings, which cover 1,781 printed pages, the most comprehensive ever conducted by the subcommittee handling this bill. But if the committee could have included all the classified and secret testimony the hearings would have been considerably more detailed, informative, and voluminous. I do not agree with the policy of the Executive that many of the most pertinent parts of the justification are marked "classified" and "secret," but I shall necessarily of course, abide by the rules as they are applied.

The complexity of this huge and uncoordinated program makes it very difficult for even the most astute and dedicated members of the subcommittee to understand, much less those who have not had the time to study it carefully because of the demands of their own committee work. It is extremely difficult to become familiar with the many details, the multitude of programs within programs embodied in the complicated total program.

I should like to read from page 1 of the report accompanying the bill:

Estimates of appropriations requested to finance the mutual security program in fiscal year 1960, contained in House Document No. 188, dated June 26, 1959, total $3,929,995,000. Language was also included in the same document requesting the reappropriation of all unobligated balances remaining available on June 30, 1959. In addition, the committee considered a request of $6,282,000, to finance the costs of administration of the Ryukyu Islands, and a request of $2,500,000 as a limitation on the administrative expenses of the Export-Import Bank of Washington. The latter two items are contained in the President's budget on pages 565 and 146 respectively.

An additional estimate of $500 million for the 1961 program of the Development Loan Fund was received on July 24, 1959, in House Document No. 205.

The accompanying appropriation bill for fiscal year 1960 includes new appropriations of $3,185,500,000 for the mutual security program and $23,282,000 for the Ryukyu Islands, a total of $3,209,782,000.

Mr. Chairman, this year's request was the largest ever made for an appropriation for the mutual security program.

The total reduction made from the requests by the Appropriations Committee is $1,226,495,000. The actual appropriations reduction from the original authorization amounted to $390,585,000. In addition thereto, the committee unanimously rejected the President's request for an additional $500 million for the Development Loan program.

I want to deal briefly with some of the amounts and what will be available in the fiscal year 1960 for the mutual security program.

Let us consider the military assistance program. At the close of business on June 30, 1959, the Department had $2,576,077,801 on hand unexpended. With the $1,300 million recommended by your committee, that gives the Department $3,876,077,801 available for expenditure from new and old appropriations for this category.

In addition to the huge amount of almost $4 billion, this Department has available also $47 million that they will recover from the sale of military equipment during the fiscal year 1960. That amount should be added to the figure I just mentioned. I might also state that the committee is recommending that you reappropriate $16 million, and in addition to that amount there is another $21 million for the program from military sales receipts.

If you will refer to the report, you will find that, in addition to the items mentioned, there is available $1½ billion in local or foreign currencies that can be plowed back into this program.

This, I think, should be brought to the attention of the committee and those who feel the committee has made a cut too much below the needs of the Department for the military program: At one time there was $15,100 million unexpended in the aid program, the amount of $10,400 million in military alone. We have through the years been shipping out billions of dollars worth of equipment to these foreign nations, through this military assistance program, knowing that we were not at war and, in all probability, the equipment was accumulating in the recipient countries.

I thought it proper to get a letter from the Defense Department indicating the current usability percentage of the equipment which had been sent to the various sections of the world. I should like to read into the RECORD a letter relative to that matter, dated June 27, 1958, as follows:

DEAR MR. CHAIRMAN: You may recall that I reported to you that I had requested the military assistance advisory groups in the Near East to assist me in arriving at an estimate of the percentage of equipment delivered since the beginning of the military assistance program to Near East countries that is currently available and serviceable for combat.

I now have the information from the Military Assistance Advisory Groups and have arrived at an estimate of 92 percent. This figure was derived as a weighted average on information from Iraq, Iran, Greece, Turkey, and Pakistan. Within each country, the estimates were developed from separate data for ships, aircraft, tanks and combat vehicles, motor transport vehicles, weapons, and electronic and other equipment.

So, of all the billions of dollars of materiel we have given to the nations, it is indicated that 92 percent of it is on hand and available for use in an emergency, at least so in the Middle East. Please take that fact into account before criticizing the committee for making a relatively small reduction in the program for this year.

The next item, "Defense support," is purely and simply economic aid. It is

a misnomer to say this is for defense support. It is economic aid being given to countries which may be supporting a military unit. On June 30, the Department had $798,778,000 on hand unexpended in this category. The committee this year is recommending an additional $700 million for defense support, which will give a total of $1,498,778,000. We reduced that request by only $50 million.

If you refer to pages 940 and 941 of the hearings, you will find that, through this category, we are allowing them to spend money for defense support and projects in other countries that we would not think of letting anyone start in this country under any circumstances. There are 113 different types of these projects listed on pages 940 and 941 of the hearings.

There is, of course, a Development Loan Fund, and I should go into that item briefly. You know and I know that these are not loans at all. The title applied to this Fund is misleading to the American people.

In the Development Loan Fund as such, the total of appropriations made up to the time of the consideration of the bill before you has been $850 million. The department heads say that 80 percent of these so-called loans will be repaid in local currency and 20 percent will be repaid in dollars. Of the 20 percent to be repaid in dollars, a major portion will come back, if at all, in dollars simply because the currency of the countries to which we are making the loan is at the time of repayment on a par with the American dollar.

Let us look at the local currency feature of this development loan program. We make a so-called loan to these so-called underdeveloped countries, and enter into an agreement with the countries that the loan may be paid back in local currency. But we agree that we will not spend the local currency in that country for anything that we can bring out of the country, and that we cannot take any part of the local currency and buy something in some other country to be brought into this country. So, if we cannot spend the money for anything, how can we call it a loan?

In addition, we have on hand $2.5 billion of local currency. That is the amount already credited on the books, over and above any that we may get back under the development loan.

Here is a report on one feature of this matter by Mr. Benjamin Fairless, the President's coordinator for a study of the program only 2 or 3 years ago:

> In our view loans by the United States repayable in the inconvertible currencies of foreign nations are undesirable, and the practice of granting them should be terminated. Our relations with other countries will suffer from U.S. control of large amounts of their currencies. The soundness of the loan device should not be jeopardized by inviting repayment in foreign currencies which cannot be freely spent by the United States.
>
> Similarly, the validity of international contracts should not be undermined by the granting of loans in circumstances in which there is grave doubt as to the ability of the borrower to repay. We recognize, however, that there will be cases in which it is in the interest of the United States to make dollar loans on more liberal terms than those of the established public banks with respect to interest rates and periods of repayment.

Mr. Chairman, it is a fact that there are many types of lending agencies in this country for loans abroad. A new one was created just yesterday, notwithstanding the fact that we have $2.5 billion already on hand in foreign currencies; yet we propose now to continue building up through another agency additional billions of dollars in foreign currencies.

I repeat that money from the Development Loan Fund is not a loan; it is another scheme to get money, labeled a loan, and therefore makes it easier for the Congress and the people to go along with it.

Earlier this year there was a supplemental request of $150 million for the Development Loan. But I want to report to you now that on June 30 the Fund had $225 million on hand, unobligated, although it was claimed a substantial portion of the money was committed.

Now, I want to go into one other item, and that is development assistance. We have not had an appropriation for that item for many years. At present, however, there is on hand $96,579,000 in the development assistance category. It has been available for years, yet remains obligated but unexpended. I cannot tell you for what it is obligated.

For special assistance on June 30, $161,678,000 remained unexpended. The committee recommends an additional $200 million, which makes a total of $361,678,000, a reduction of $47.5 million from the authorization.

The President's Asian fund, on June 30, had a net of $85,986,000. We do not know for what this is obligated, but they say it is obligated.

Now, to the President's contingency fund. On June 30 the net amount in this fund was $143,426,000. The President's request this year was for $200 million. There was a difference of opinion between the two bodies as to how much the fund should receive, so a compromise was reached, with the recommendation of $155 million. Inasmuch as this is the President's contingency fund, your committee is not recommending any reduction. Rather we are recommending that you allow the President the $155 million authorized. That will total $298,426,000 of funds on hand.

The item for "Technical cooperation" is somewhat embarrassing. Last year, the Department came down and said that $142 million was needed for this category. But the Congress said, "We think you should have more money." So the appropriation was $150 million. They doubtless tried hard to obligate the additional money that Congress appropriated, and which was not requested, but they could not do it. So they came back this year and said, in effect, "Frankly, we can only obligate $146 million, and $4 million is going to lapse." But do you know what happened next? The officials of the agency came in this year said, "On account of the action of the Congress last year, we had better ask you for $179,500,000."

Your committee felt, however, that as they could not obligate the money we gave them last year, and as Mr. Dillon himself had said, in substance, "If we were presently revising this program we would have to revise it downward, and we do not need $179,500,000," and, as they could spend only $146 million last year, we should recommend $150 million and reappropriate the $4 million, in round figures, which would give them $8 million more than was available last year.

Mr. Chairman, let me indicate how some of these things come about. I am speaking here not for the committee, but only for the chairman of the subcommittee. I invite your attention to a copy of a telegram that I just sent out, which was in response to a telegram I had received from the League of Women Voters. The members of the league are outstanding citizens, but they are not necessarily especially expertly informed as to the details of the needs and the operations of this program. I respect the league and its contributions to good government. But I sent this telegram today in response to one which I had received "deploring" my stand as chairman of the subcommittee:

> JULY 28, 1959.
>
> MRS. CHARLES CRAWFORD,
> *President, League of Women Voters,*
> *New Orleans, La.:*
>
> Retel: Development Loan Fund and Technical Cooperation. Aren't you perhaps being presumptious to place your limited knowledge of this complicated program ahead of those who have studied it carefully for 12 years and held hearings this year for several weeks, with more than 1 million words of testimony? Furthermore, officials state that last year Congress appropriated more money for technical aid than was requested or could be used. This embarrassing predicament was brought about by the committee following the advice of those who had relatively meager knowledge of the program or its needs. Officials now admit that they requested too much money for the technical aid program for fiscal 1960. I respectfully suggest that you would be more effective if you would request consideration of your opinion rather than putting your recommendations in the form of a demand in a complex program such as this one.
>
> OTTO E. PASSMAN,
> *Member of Congress.*

We have been building up this "Technical aid" activity by $10 million, $15 million, $20 million each year. Therefore, I say frankly that I do not intend, personally, to be forced into unsound actions as a result of outside influences and pressures, regardless of the good intentions of those making these recommendations.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am delighted to yield to the majority leader.

Mr. McCORMACK. The Committee and the entire Congress know that I am one of the strongest supporters of the mutual security program and the bills which are brought in to support that program, both the authorization bill and the appropriation bill. I have been one

of the strongest supporters of this program that has ever served in the Congress.

I might say that years ago, when this bill first came up, some people were talking about the program lasting 1 or 2 years. I took the floor and said that this was going to be a program that would have to be continued for many years, in the world of today, with the tensions that were created by the Kremlin. As one of the strongest supporters of this type of legislation, of both the authorization and appropriation bills, I want to compliment my friend, the gentleman from Louisiana. While he has been opposed to this program, as the chairman of the Subcommittee on Appropriations, he has eliminated his personal feelings on the authorization legislation and has always discharged the trust that was his with responsibility as chairman of the Subcommittee on Appropriations. I think that he and his subcommittee have brought out a bill today with a total of about $390 million less than the authorization bill that passed the House, and I want to say frankly to my friend that I expected the reduction would be more.

I want to say to my friend that his leadership, with the cooperation of the members of his subcommittee, in reporting out the bill in the amount I have mentioned, is something that is not only refreshing, but will give an effective vehicle to the President, the Department of State, and the various other agencies charged with administering this law and spending the money to further the cause of freedom throughout the world and combat the sinister efforts of communism.

I should like to state to my friend that I thoroughly support the entire bill that has been reported out, with the amounts involved in it. I shall oppose any efforts to reduce and I shall oppose any efforts to increase.

I may say, again, that this bill, after it has passed the House, will go to the other branch of the Congress and the final result will be known when it comes out of the Congress.

Mr. Chairman, my purpose in rising particularly was to compliment the chairman of the subcommittee and the members of his subcommittee for bringing in what I consider to be a very effective bill and one that I hope the House will support as reported.

Mr. PASSMAN. I thank the distinguished majority leader for his compliment. I would state that up until such time as the Congress passes the authorization bill, I support PASSMAN'S views on this matter. Subsequent to that action, I support the views of the Committee on Appropriations. What we do is to provide what we believe to be adequate funds to carry out the program's authorized commitments, whether or not we personally agree with the soundness of those commitments. And, quite frankly, I am not in agreement with the soundness of many of them.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentlewoman.

Mrs. CHURCH. I would like to pay my own tribute to the earnest dedication of the gentleman. I am a little bit disposed, however, as a member of the League of Women Voters for over 30 years, to rise to its defense, although admittedly the members need no defense. I merely wish to say to the gentleman that I am sure that the telegrams and letters that have come have been inspired merely by zeal and from an honest consecration to a cause on which the Members hold strong convictions. I hope that the gentleman will, if he can, supply figures to prove that their estimates are wrong, and relieve them of their sincere fears.

There are many others beside league members who regret that it has been necessary to cut the appropriation for the Development Loan Fund and the technical asistance program. I shall rely on the gentleman to show why he thinks such cuts are justified. I should like to say again that the League of Women Voters is an organization dedicated to good citizenship and studious attention to Government problems. It seeks to make its recommendations always on a nondiscriminatory, fair, and sound basis.

Mr. PASSMAN. I thank the gentlewoman. I have sincere appreciation for the League of Women Voters. But, at the same time, I would be much more appreciative of counsel and suggestions, than of demands that are not based on an intimate knowledge of the detailed and complex facts. There is no denying that well intentioned organizations have had a tremendous effect in loading this bill with billions of dollars that the program did not need.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. AVERY. I thank the gentleman for yielding. I have not asked the gentleman to yield to make any further comment on the colloquy between the gentleman from Louisiana and the gentlewoman from Illinois, but I would simply ask the gentleman as he moves along section by section under the various titles, if he would tell us the amounts authorized in the various sections rather than referring to the budget request because the budget request simply confuses the issue at this point, and it would be helpful to the Members if the gentleman would tell us the amount that has been authorized in the various sections.

Mr. PASSMAN. I shall explain the bill as briefly as I can; and when I complete my remarks, I will insert a summary in the RECORD indicating the amounts of the budget request and the authorization, as well as the amounts that the authorizing committee cut and the amounts that this committee cut.

Mr. Chairman, I served under the tutorship of our colleague the gentleman from Virginia [Mr. GARY] for 2 years before I became the chairman of the Foreign Operations Appropriations Subcommittee. It was Mr. GARY'S idea, and also the idea of other Members, to reduce this bill to the actual needs, and not to continue to wastefully build it up. May I add that I concur completely with that intent and purpose.

On July 1, 1953, the mutual security program had been expanded to such a point that the total unexpended funds on hand amounted to $15,125 million.

This committee in fiscal 1956 worked that down to $6,360 million.

The following year the unexpended total was reduced to $6,124 million.

On June 30, 1956, it had been brought down to $5,256 million.

On June 30, 1959, the unexpended funds had been reduced to $4,871 million.

So we are actually bringing the program under control. We are getting it down now to a point that we can look at it and ascertain something about the expenditures and the needs.

Taking the bill before you, and using round figures, approximately $3,200 million is called for in military construction and overseas maintenance, and in the defense budget approximately $1,200 million. Under Public Law 80, there is an additional $1 billion. The interest on the $82 billion which we have given in foreign aid since World War II amounts to about $3,100 million annually. Therefore, the total cost of the foreign aid program is not the bill before you, but with all of the other segments in it, the total of the foreign aid bill now costs the American taxpayers $8,500 million annually.

Mr. Chairman, if the committee supports the recommendations of the subcommittee, then the actual reduction from the President's request for mutual security funds for the past 5 years, including fiscal year 1960, will exceed $4 billion. During the last 4 fiscal years, the Congress reduced the President's request by $2,860 million. But, nevertheless, the program was not damaged thereby; it was improved.

We are recommending a total reduction of $1,243 million below the requests for the fiscal year 1960.

Of that total, $500 million represents the additional request for the Development Loan Fund, plus the $390,185,000 reduction below the Congressional authorization.

I think this fact should now be brought to the attention of the committee: There are only 87 nations in all the world. They are putting down some other little new nations, with very small populations, so as to save face; but, of established nations, there are 87. Minus the donor nation, the United States, the total is 86. This program since World War II has reached into 76 nations.

There are only 10 nations on the face of the earth that have not received aid from this program, and I am going to insert at a later point in the RECORD a tabulation of this information.

I want also to indicate for the record that the 67 so-called free nations of the world have a total public debt of $185,526 million. Adding to that the entire Soviet bloc with a public debt of $50,971 million, the total for all the nations of the world, excluding the United States, is a public debt of $236,457 million.

Our public debt, on the other hand, using the June 30 round figures, was $285 billion. So here we are, one Nation, with a public debt exceeding the consolidated public debts of all the other nations of the world by $48,543 million.

Somebody will come back and say: "Oh, yes, but look at the gross national product." Recent figures of the gross national product of the United States placed it at $441,700 million. There were some upward adjustments only a few days ago, but that figure will suffice for our illustration.

If the same price values, the American standards, were applied to the gross national produce of the other nations of the world, their gross national product would exceed $3 trillion.

Mr. Chairman, are we actually pricing ourselves out of the world market? I quote from the U.S. News & World Report, page 29, of June 29, 1959:

> Trying to sell abroad: India wanted to buy generators for producing electricity, and preferred to buy in the United States. India found that it could buy West German generators of 75,000-kilowatt capacity for exactly the same price as 50,000-kilowatt generators in the United States. Germany got the business. India explains that it finds U.S. prices out of line.

We give them the money, but they will not spend it with us because they say our prices are too high.

I call attention to another item in the U.S. News & World Report of June 29, 1959; page 25:

> United States, generous with its gifts, has piled up $16 billion in hands of other countries. The pile grew by $3.4 billion in 1958. It's growing in 1959. Dollars owned abroad will be a problem if turned into gold and taken out of United States in a big way. United States may find that it's trying to do too much.

Mr. Chairman, I shall support the bill before the committee, but I would be remiss in my duties to this great body if I did not insert in the RECORD for the information of the membership certain pertinent data with respect to over-programing and haphazard operations with regard to our foreign aid program. The record is replete with examples of mismanagement. I shall call attention to but a few. As a matter of fact, these instances could be multiplied over and over and over again.

One country in the Middle East has 271 Americans attached to the mission, some with families, some without. The mission carries on its inventories 229 passenger automobiles. Also, 529 refrigerators. Now, mind you, 271 American personnel, and 529 refrigerators, and 650 stoves and ranges. They could have one in the kitchen and one in the living room, and still have some left over. Also, 669 air conditioning units. I refer to page 418 of our subcommittee's hearings for the documentation.

For another item, the leader of a small country took a liking to modern jet fighters. He said, in effect, "I want a dozen of them."

We said, "No."

He said, "Yes."

And he got the fighters.

The country to which I am referring has no more business with those jet fighters than a hog has for a sidesaddle, and we know it.

Another item, where the country made us look ridiculous, and the Department heads admit it: We gave them $40 million of military equipment, and this country said, figuratively: "Inasmuch as we do not accept grant aid, we want you to pay for the 40-odd-million dollars of equipment; but we believe that $2 million worth of our local currency would be an adequate payment." We bought the deal, and that is the record.

In another country it has been established that in many instances when our supplies were placed on the docks, 25 percent of the supplies were stolen before they left the dock, and another 25 percent of the supplies were stolen before they reached the depots for storage.

In another instance the head of the government ordered certain supplies for military use, and this was turned over to a public housing unit for use. The President turned down public housing in this country, but we permit them to build this public housing unit over there.

Here is an example of the technique of overpriced commodities and falsifying invoices, and this, too, is from the record: They bought commodities for $162,000—that is, the ICA did—value, $20,000. Sewing machines, ICA paid $3,500; regular price, $1,000. Sawmill equipment, ICA paid $42,000; the regular price was $12,000. So, for these three items alone, the ICA paid out $207,500 for equipment, for which the actual invoice should have been $33,000.

I want to give you another example of what trading and pressure will do in this complicated bill. In the case of the Atomic Energy Commission, Mr. Vance came before the committee and he said, substantially: "We want money for the atoms for peace project." That is another misnomer. The project is a form of economic aid through which we finance certain types of reactors. This program had $5,500,000. They came up here, and we said, "We can allow you only $5,500,000."

They came back this year and asked for $6,500,000 more. We turned to the record and discovered they had on hand for Atoms for Peace unobligated funds in the amount of $2,101,000. So your committee recommended an additional $1,500,000, plus the reappropriation of $2,101,000, which gives them more money than they had last year.

So this fine American taxpayer and executive came before our committee, and from page 1496 of the hearings I quote the following colloquy:

> Mr. PASSMAN. I hope the honorable commissioner will pardon me when I pose the same question to him that I did in 1958:
>
> "Would you approve if this committee and the Congress should appropriate money for all departments to the amount of about $74 billion a year, on the basis of the type of justification you have made this morning?
>
> "Would not you feel a bit uncertain that we did not require agencies to justify their programs?
>
> "Mr. VANCE. Yes, sir; you are very right."
>
> Would you care to comment?
>
> Mr. VANCE. The same answer as in 1958, sir.
>
> Mr. PASSMAN. I want to thank you very kindly for being just as forthright now as you were then. Your answer was: "Yes, sir; you are very right."

Mr. Chairman, your committee has worked very hard every year, and when we continue trying to bring this program under control we are accused of having wrecked it. May I state for the information of any who feel we have cut the bill too much that on June 30, 1956, they had on hand $338,000,000 unobligated. That is an indication that they had far more money than they need. The following year, on June 30, 1957, they did even better. They finished the year with $764,249,000 on hand unobligated. The next year they fortified themselves with certain new bureaucrats, and they came down with the story that we wrecked them the year before, and if they did not receive more funds they would be wrecked again.

But this calendar year, on June 30, 1959—the close of fiscal year 1959—they had $2,684,000 on hand unobligated.

The committees of Congress must continue to scrutinize very carefully these requests for new funds. We must make it the practice to appropriate funds on the basis of need and justification, rather than, for example, the threat of a special session of Congress.

May I point out that Mr. Dillon has indicated time and again that this is virtually a never-ending program. I quote here from an Associated Press story, with Mr. Dillon saying, "Aid to underdeveloped countries may be needed over the years, 20, 30, or 50 years." If you are going on with that kind of a program, do you not think we ought to know what it is about and hold it down?

The personnel employed in this program in 1948 was 450. Today in the mutual security program there are 43,600 employees; 43,600 personnel in the foreign aid program, scattered almost over the entire face of the earth, and this is excluding the Development Loan Fund. A total of 37 percent of the appropriation in the bill is to pay for personnel. The personnel is expanding so rapidly that this may well be called a payroll bill.

Can we ever control a program which has 43,600 people employed, scattered all over the face of the earth, lobbying for increases in this complex operation?

There are those who stand up in the well of the House and raise the cry that a reduction of funds would seriously damage the foreign aid operation. But each year the record has clearly refuted those erroneous arguments, because the cuts have obviously been made on the basis of facts.

I have tried to understand this bill as well as a person could. I personally have traveled all over the world checking these programs. I realize some of my friends are going to have to carry the ball for the administration. You will hear a lot of crying in all probability; but I invite the membership to please go to the record, past and present, and we can sustain every penny of cut that we

have suggested. I trust that, before final consideration of this bill, the membership will have studied our report, the facts as we have presented them, and then give your committee a vote of confidence. We have brought to you a good bill, one which you can support, one that may embarrass the people downtown, but one which will carry out every commitment we have made, whether those commitments have been made wisely or not.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the distinguished gentleman from Louisiana this question. I have before me a printed copy of the subcommittee hearings. Page 1456 contains a list of 31 countries. receiving educational aid under this program. I have been trying to check out who is responsible for the expenditure of those funds. I find that the Department of Education, our regular setup for the administration of Federal money going for education, is spending $2.6 million of the total of $46,077,000 that is going into those 31 countries. Apparently most of it is being spent by ICA and the State Department. On application for information to the regular Department of Education, I was advised that the State Department has an office in their Washington setup where there is a sign on the door reading "Department of Education" within the State Department. Can the gentleman tell the committee here some of the details of what this money is being used for?

Mr. PASSMAN. To be perfectly honest with the distinguished gentleman, I cannot tell him very much about the use of this money. It is very difficult to find out where the money is going. As I have said, 37 percent of the money is going for payroll for the 43,600 personnel. And, I might state that, in addition to the 43,600, there are 10,000 others who are drawing an average of $5,000 a year as "trainees".

But these are still under the supervision and management of the ICA. However, that is only a part of it. If you get into all parts of the program you will find there is a lot more for education. If the gentleman asks me to pin down this item specifically, then I am sorry, I must apologize; I am unable to pin it down.

Mr. BAILEY. The gentleman will remember 2 years ago when I was leading the fight for school construction legislation, I showed a total of 84 contracts that the Government had to carry out educational programs abroad. They were actually building school buildings. They were paying the faculty of an agricultural college. There were nine agricultural high schools in one particular country where they were paying the teachers' salaries in addition to building the buildings. And I understand they are still paying the salaries of those faculty members.

I just cannot help make the point, and I want my colleagues in the House to understand, that money is being used for a program of education abroad that we are denying to our own boys and girls in this country. And that has to do with our situation of a shortage of 140,000 classrooms.

Mr. PASSMAN. I might say that I voted against the bill of the distinguished gentleman; and if he brings it up again, I shall again vote against it. But it is embarrassing to vote against subsidy legislation in this country—although I oppose Federal aid to schools more particularly for other reasons—and, then, approve foreign education subsidies in this bill. But these items are in here, and I cannot take them out.

Mr. BAILEY. Mr. Chairman, I want to commend the gentleman on his committee report. I expect to support that. I shall be attempting to vote against what is left after the gentleman's recommendations.

Mr. PASSMAN. I shall not attempt to get the gentleman to change his mind.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to commend the gentleman for the statement he has made. I take the same position as that of the gentleman from West Virginia [Mr. BAILEY], that while I commend the committee for the cuts that they have made in the bill, I believe they could still cut the bill another couple billion dollars and I might be satisfied at that point.

Mr. PASSMAN. At some time in the future, I hope that we shall be able to satisfy the gentleman.

Mr. GROSS. I know that that is hard to do; I appreciate that. I wonder if the gentleman would comment briefly on the testimony of the Comptroller General before his committee, both as to his view with regard to the amount of money that is being appropriated and with respect to the Comptroller General's inability to get certain information from agencies of the Government, that he ought to be able to get.

Mr. PASSMAN. The Comptroller General stated many times that, in his opinion, the program had too much money. I have held such a position since I first became a member of the committee. I agree that in all probability the bill which is before us has more money than they can actually spend prudently. The Comptroller General is appointed by the President, the head of a Federal agency. He has said that, in his opinion, a major trouble with the program is that it has had too much money, not too little money. I wish it were possible for every Member of Congress to read the subcommittee's hearings from cover to cover.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. Mr. Chairman, I want to compliment the gentleman from Louisiana. He has put forth the greatest effort of any man I ever saw in trying to hold down these foreign aid expenditures. I believe he agrees with me that he is not for any part of it, but he is going along.

Let me say that I am against every penny of it until they put some common sense into the program. I think if you cut every nickel out of it for the next 2 years and then reappraise the whole thing, we would be in a lot better position.

Mr. PASSMAN. Whether I agree with the policy or not, I could not support elimination of the bill in its entirety, because we have entered into these commitments. We must respect the word that we have given to other countries. I believe there is a valid point, to which we should look, 4 or 5 years from now, in the matter of closing down this program. But so far as cutting it off today, I want to be honest with the gentleman. We have made these commitments. We must give them what they need, but no more. I have consistently voted against the authorization, but we must meet the commitments we have made, and we ought to do so soundly and prudently, cutting extravagance and waste and mismanagement to the absolute minimum.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Alabama.

Mr. ANDREWS. Mr. Chairman, I want to commend the gentleman for the fine job he has done on this bill. I should like to call attention of the Members of the House to a chart on page 1727 of the hearings, where they will find a list of nine pages of discontinued projects, projects started and abandoned. That corroborates the statement of the Comptroller General that they had too much money. They have had poor planning. It would open the eyes of the Members to read that list of projects, covering nine pages, projects that were started and abandoned. It supports the conclusion that the money was just poured down the drain.

Mr. PASSMAN. I might say that at one time they had more than 2,000 programs; not projects, but separate and distinct programs. Presently, in the bilateral technical aid category, which is a payroll undertaking, you will find there are still about 1,000 separate programs.

Mr. ANDREWS. Mr. Chairman, if the gentleman will yield further, I should also like to call attention to the testimony of the Comptroller General who said that at one place which his investigators visited, they found a great big mountain of truck tires. They had 40 tires for each truck that they had at that station.

Mr. PASSMAN. Without a doubt, there is too much money in this program. Many times, the evaluations of reports by the ICA, in cases where the Comptroller General has requested them, are not withheld for security reasons, but for some of the reasons I have enumerated in my remarks this afternoon. From the information that was brought out in the hearings, the program has been so mishandled and so exaggerated until it is just not safe for those people to release the reports until the pressure dies down.

Where any security question is involved, I shall never ask for release of a report; but when they are withholding reports in order to endeavor to keep the Congress and the people from knowing about how badly this program is being managed, then I do not think there is any justification for their action.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. HARDY. I want to express my appreciation to the gentleman and to his committee for the fine job that they have done and the fine statement that the gentleman is making. This question of getting information with respect to what the ICA is doing is becoming more and more important. Just yesterday, I ran across some information which should be in the ICA files, and if it is in their files and if the House knew about it, then the House would seek to cut this bill much more than the gentleman's committee has done. I appreciate the effort the committee is making and I join the committee in trying the best we can to bring some common sense into the administration of this program.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. HOFFMAN of Michigan. May I be permitted to join in the commendation of the gentleman for the wonderful service he has rendered. Then, I have another request. I would like to crawl in under the tent and share a little bit in the wonderful support the gentleman is getting from the people back home—political, you know.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished chairman of the Committee on Foreign Affairs.

Mr. MORGAN. Would the gentleman explain why the proviso was written in the section on defense support earmarking $50 million for Spain?

Mr. PASSMAN. Yes; I shall be pleased to do so. That provision has been in the bill every year, with the exception of one, during my tenure as chairman of the subcommittee. I think the gentleman will recall that we left the provision out one year, but when the bill went over to the other body, it was replaced by amendment. There is probably some justification for the amendment. At least, some of the majority and minority Members felt there had been some justification in the past for earmarking a certain amount of money for Spain, so that we might be assured of continuing our military bases there on the basis which we had them, and that these bases should be continued. So, as they had some justification, the proviso has been left in the bill. Insofar as I am aware, there has never been any objection to this on the floor of the House. Repeating, the one year that we decided to take it out, the bill went over to the other body and it was put back in. This same provision has been written into this legislation in the other years. But I state frankly that unless there is more substantial justification for this earmarking in the future, I will not be able to support it.

May I say to the distinguished gentleman, if it might be thought we are violating security by putting this item in there, that I read in the paper only 2 or 3 days ago that the State Department charged violation of security and presumption upon its prerogatives. But I picked up another newspaper and saw an article reporting the Department had committed that $40 million to Spain, and in addition there is $335 million or $375 million, more.

Mr. MORGAN. Of course, the gentleman knows that on July 20 the State Department made that release of the $40 million to Spain.

Mr. PASSMAN. Yes.

Mr. MORGAN. But, I still cannot understand why the gentleman's subcommittee in making that particular cut in defense support, then specified $50 million for Spain, which is $10 million more than the executive wants.

Mr. PASSMAN. I do not agree with the gentleman that it is a substantial cut in the Defense Support category. Out of $750 million, we took out $54 million. If I could have had my way, I would have taken out another $100 million; but, I am not the entire committee, only one member. I did the best I could, and I hope the gentleman and the Committee of the Whole will accept our bill.

Mr. MORGAN. I still feel if you are going to spell out $50 million for Spain, you should spell it out at least for other countries that are up against the Soviet border like Turkey and Korea.

Mr. PASSMAN. I am in accord with the gentleman's views. But, others have other views.

Mr. MORGAN. I think they need as much protection as does Spain.

Mr. PASSMAN. I agree with the distinguished gentleman. We do not think we ought to be pumping money into this if they blanket it with security reasons and cannot tell you where the money is going.

I wish to insert at this point in the RECORD, and incorporate as a part of my remarks, five tabulations which are of particular significance. These tables are in the following order:

First. Nations of the world and foreign aid recipients.

Second. Mutual security funds, by program and amount, available for expenditure in fiscal 1960.

Third. Mutual security new funds for fiscal 1960.

Fourth. Mutual security unexpended funds as of June 30, 1959.

Fifth. A sample of defense support projects.

In directing your attention to the tabulations indicated, may I assure you that they merit your close attention and careful study:

Nations of the world—Total number, 87

Afghanistan	*
Albania	*
Argentina	*
Australia	*
Austria	*
Belgium	*
Bolivia	*
Brazil	*
Bulgaria	**
Burma	*
Cambodia	*
Canada	*
Ceylon	**
Chile	*
China (Taiwan)	*
Colombia	*
Costa Rica	*
Cuba	*
Czechoslovakia	*
Denmark	*
Dominican Republic	*
Ecuador	*
Egypt	*
Ethiopia	*
Finland	**
France	*
Germany (Federal Republic)	*
Great Britain	*
Greece	*
Ghana	*
Guatemala	*
Haiti	*
Honduras	*
Hungary	*
Iceland	*
India	*
Indonesia	*
Iran	*
Iraq	*
Ireland	*
Israel	*
Italy	*
Japan	*
Jordan	*
Korea	*
Laos	*
Lebanon	*
Liberia	*
Libya	*
Liechtenstein	**
Luxembourg	*
Mexico	*
Monaco	**
Mongolia	**
Morocco	*
Muscat (Oman)	**
Nepal	*
Netherlands	*
New Zealand	*
Nicaragua	*
Norway	*
Pakistan	*
Panama	*
Paraguay	*
Peru	*
Philippines	*
Poland	*
Portugal	*
Rumania	*
Russia	*
Salvador	**
Saudi Arabia	*
South Africa	**
Spain	*
Sudan	*
Sweden	*
Switzerland	**
Syria	*
Thailand	*
Tunisia	*
Turkey	*
United States	DN
Uruguay	*
Venezuela	*
Vietnam	*
Yemen	*
Yugoslavia	*

Nations of the world—Total number, 87— Continued

Number of nations of the world	87
(DN) donor nation (United States)	1
Number of nations of the world excluding United States	86
*Recipient nations of U.S. aid, past and present, since end of World War II	76
**Nonrecipient nations of U.S. aid since end of World War II	10

Mutual security funds by program and amount (available for expenditure in fiscal year 1960)

		Total available for expenditure
1. Military assistance:		
Unexpended June 30, 1959	$2,576,077,801	
New funds, fiscal 1960	1,300,000,000	
		$3,876,077,801
2. Defense support:		
Unexpended June 30, 1959	798,778,000	
New funds, fiscal 1960	700,000,000	
		1,498,778,000
3. Development Loan Fund:		
Unexpended June 30, 1959	783,037,625	
New funds, fiscal 1960	550,000,000	
		1,333,037,625
4. Development assistance:		
Unexpended June 30, 1959	96,519,000	
New funds, fiscal 1960	----------	
		96,519,000
5. Special assistance:		
Unexpended June 30, 1959	161,678,000	
New funds, fiscal 1960	200,000,000	
		361,678,000
6. President's Asian Fund:		
Unexpended June 30, 1959	85,896,000	
New funds, fiscal 1960	----------	
		85,896,000
7. President's Contingency Fund:		
Unexpended June 30, 1959	143,426,000	
New funds, fiscal 1960	155,000,000	
		298,426,000
8. Technical cooperation, bilateral:		
Unexpended June 30, 1959	159,171,000	
New funds, fiscal 1960	150,000,000	
		309,171,000
9. Technical cooperation, U.N.:		
Unexpended June 30, 1959	9,587,000	
New funds, fiscal 1960	30,000,000	
		39,597,000
10. Technical cooperation, Organization of American States:		
Unexpended June 30, 1959	1,308,000	
New funds, fiscal 1960	1,500,000	
		2,808,000
11. Joint control:		
Unexpended June 30, 1959	281,000	
New funds, fiscal 1960	----------	
		281,000
12. Atoms for Peace:		
Unexpended June 30, 1959	$9,164,000	
New funds, fiscal 1960	1,500,000	
		$10,664,000
13. North Atlantic Treaty Organization:		
Unexpended June 30, 1959	968,000	
New funds, fiscal 1960	----------	
		968,000
14. Intergovernmental Committee for European Migration:		
Unexpended June 30, 1959	10,492,000	
New funds, fiscal 1960	8,000,000	
		18,492,000
15. U.N. Refugee Fund:		
Unexpended June 30, 1959	1,179,000	
New funds, fiscal 1960	1,100,000	
		2,279,000
16. Escapee program:		
Unexpended June 30, 1959	7,428,000	
New funds, fiscal 1960	5,200,000	
		12,628,000
17. U.N. Children's Fund:		
Unexpended June 30, 1959	10,088,000	
New funds, fiscal 1960	12,000,000	
		22,088,000
18. U.N. Relief and Works Agency:		
Unexpended June 30, 1959	7,107,000	
New funds, fiscal 1960	25,000,000	
		32,107,000
19. Ocean freight:		
Unexpended June 30, 1959	1,679,000	
New funds, fiscal 1960	2,300,000	
		3,979,000
20. Control Act:		
Unexpended June 30, 1959	142,000	
New funds, fiscal 1960	----------	
		142,000
21. Administrative expenses, ICA:		
Unexpended June 30, 1959	6,270,000	
New funds, fiscal 1960	37,000,000	
		43,270,000
22. Administrative expenses, State:		
Unexpended June 30, 1959	1,171,000	
New funds, fiscal 1960	7,900,000	
		9,071,000
Total		8,057,947,426

Mutual security program—New funds for fiscal 1960

	Authorization	Amount of reduction	Recommended amount
1. Military assistance	$1,400,000,000	$100,000,000	$1,300,000,000
2. Defense support	751,000,000	51,000,000	700,000,000
3. Development Loan Fund	700,000,000	150,000,000	550,000,000
4. Development assistance	----------	----------	----------
5. Special assistance	247,500,000	47,500,000	200,000,000
6. President's Asian fund	----------	----------	----------
7. President's contingency fund	155,000,000	----------	155,000,000
8. Technical cooperation, bilateral	179,500,000	29,500,000	150,000,000
9. Technical cooperation, U.N	30,000,000	----------	30,000,000
10. Technical cooperation, Organization of American States	1,500,000	----------	1,500,000
11. Joint control	----------	----------	----------
12. Atoms for peace	6,500,000	5,000,000	1,500,000
13. North Atlantic Treaty Organization	----------	----------	----------
14. Intergovernmental Committee for European Migration	$12,200,000	$4,200,000	$8,000,000
15. U.N. Refugee Fund	1,100,000	----------	1,100,000
16. Escapee program	5,200,000	----------	5,200,000
17. U.N. Children's Fund	12,000,000	----------	12,000,000
18. U.N. Relief and Works Agency	25,000,000	----------	25,000,000
19. Ocean freight	2,300,000	----------	2,300,000
20. Control Act	----------	----------	----------
21. Administrative expenses, ICA	39,500,000	2,500,000	37,000,000
22. Administrative expenses, State	8,395,000	495,000	7,900,000
Total	3,576,695,000	390,195,000	3,186,500,000

Mutual security—Unexpended funds, June 30, 1959

	Obligated, committed, or reserved	Unobligated, uncommitted, or unreserved	Total
1. Military assistance	$2,539,624,801	[1] $36,453,000	$2,576,077,801
2. Defense support	798,688,000	90,000	798,778,000
3. Development Loan Fund	769,791,625	[2] 13,246,000	783,037,625
4. Development assistance	96,519,000	----------	96,519,000
5. Special assistance	160,429,000	1,249,000	161,678,000
6. President's Asian fund	83,421,000	2,475,000	85,896,000
7. President's contingency fund	143,242,000	184,000	143,426,000
8. Technical cooperation, bilateral	155,259,000	3,912,000	159,171,000
9. Technical cooperation, U.N	9,587,000	----------	9,587,000
10. Technical cooperation, OAS	1,008,000	300,000	1,308,000
11. Joint control areas	275,000	6,000	281,000
12. Atoms for peace	7,063,000	2,101,000	9,164,000
13. North Atlantic Treaty Organization	968,000	----------	968,000
14. Intergovernmental Commission for European Migration	$5,663,000	$4,829,000	$10,492,000
15. U.N. Refugee Fund	1,179,000	----------	1,179,000
16. Escapee program	6,860,000	568,000	7,428,000
17. U.N. Children's Fund	10,088,000	----------	10,088,000
18. U.N. Relief and Works Agency	2,679,000	4,428,000	7,107,000
19. Ocean freight	1,289,000	390,000	1,679,000
20. Control act	128,000	14,000	142,000
21. Administration expenses, ICA	6,145,000	125,000	6,270,000
22. Administration expenses, State	1,107,000	64,000	1,171,000
Total	4,801,013,426	70,434,000	4,871,447,426

[1] Includes $21,000,000 proceeds from military sales available until expended under existing legislation.

[2] Total unobligated balance is as follows:

Uncommitted as above	$13,246,000
Committed but not obligated	212,250,000
Total unobligated	225,496,000

A SAMPLE OF DEFENSE SUPPORT PROJECTS

1. Irrigation and drainage systems.
2. Forestry resources development.
3. Fisheries conservation.
4. Improvement of water supplies.
5. Malaria eradication.
6. Civil police assistance.
7. Agriculture and rural improvement.
8. Land and water resources development.
9. Fisheries development.
10. Coal mine development.
11. Mineral development (other than coal).
12. Telecommunications.
13. Hydroelectric power development.
14. Thermal power development.
15. Power transmission and distribution.
16. Primary system improvement.
17. Fertilizer production.
18. Chemicals and plastics.
19. Other industrial base expansion.

A SAMPLE OF DEFENSE SUPPORT PROJECTS—Continued

20. Other industrial plant rehabilitation.
21. Food processing.
22. Water resources survey.
23. Industrial productivity.
24. Industrial survey.
25. Handicraft promotion center.
26. Highway development.
27. Expansion of railways.
28. Harbor and shipping development.
29. Air transport improvement.
30. Disease control (excluding malaria).
31. Municipal water supply.
32. Sanitarium expansion.
33. Rural health and sanitation.
34. Vocational agriculture education.
35. Science education.
36. Low-cost housing.
37. Export insurance plan.
38. Engineering services.
39. Flood control.
40. Land and water use improvement.
41. Development metals and minerals (other than coal).
42. Rehabilitation of thermal plants.
43. Rehabilitation and construction of power transmission and distribution system.
44. Thermal electric generating plant.
45. Electric plant.
46. Services and training fertilizer plant.
47. Small industry development.
48. Medium industry development.
49. Industrial operating capital loans.
50. Cement plant.
51. Waterworks rehabilitation and expansion.
52. City drainage.
53. Highway and bridge construction and rehabilitation.
54. Railway rolling stock.
55. Railway construction.
56. Railroad operations improvement.
57. Diesel locomotives and shops.
58. Port and harbor improvement.
59. Marine navigational aids.
60. Civil aviation operations improvement.
61. Environmental sanitation.
62. Public health facilities improvement.
63. Improvement teacher training.
64. Classroom construction.
65. Community assimilation and economic development.
66. Voluntary agencies support.
67. Housing construction materials.
68. General engineering services.
69. Irrigation development.
70. Industrial development and planning.
71. Development of national road system.
72. Improvement of river harbors and ferries.
73. Police training.
74. Customs service adviser.
75. Water resources planning and development.
76. Irrigation services.
77. Agriculture credit and cooperatives.
78. Strategic minerals survey.
79. Industrial research (including Forest Products Research Institute).
80. Highway improvement.
81. Health training.
82. Vocational education.
83. Improvement of curriculum, research, and laboratory equipment.
84. General education.
85. Community development.
86. Power facilities.
87. General highway improvement.
88. Road improvement.
89. Aeronautical ground services improvement.
90. Meteorological services improvement.
91. Aviation overhaul and maintenance facility.
92. Village health and sanitation project.
93. Civil police administration.
94. City planning.
95. Ground water exploration.
96. Crop development.
97. Improvement of irrigation and water control.
98. Land development.
99. Expansion of rural-urban water supply.
100. Geological survey.
101. Assistance to public service facilities.
102. Highway and bridge construction.
103. Rehabilitation of inland waterways.
104. Improvement and expansion of aeronautical ground facilities.
105. Health services development.
106. Expansion of medical education facilities.
107. Expansion and improvement of technical vocational education.
108. Expansion and improvement of elementary education.
109. Expansion and improvement of secondary education.
110. Instructional materials development.
111. Improvement of civil police.
112. Strengthening civil guard.
113. Expansion of Government information facilities.

Mr. Chairman, let us now, again, review some of the conditions relative to the nonmilitary, or economic, foreign aid program as administered by the International Cooperation Administration, even at the expense of being repetitious.

These are some of the readily evident shortcomings:

First. The absence of adequate advance planning, in the form of firm technical and financial plans and reliable cost estimates, and the failure to reach definitive understandings with the recipient countries on all essential project elements. This condition has led to overprograming, piecemeal financing, and premature obligations. It has also frequently resulted in delays in the execution of project aid and in increased costs.

Second. In several countries, the official exchange rates used by the U.S. Government have substantially overvalued the local currencies in relation to the dollar. The use of such rates has unduly increased the dollar cost of U.S. aid, particularly where its principal purpose was the generation of local currency. Also, in some of the countries, the use of these unrealistic exchange rates has resulted in windfall profits to foreign importers and provided incentives for speculation and irregular practices.

Third. ICA has not had, for several of its programs and activities, adequate information on the use of aid funds, through a satisfactory accounting from the recipient country and its agencies, and through effective end-use investigations and field audits by the ICA overseas missions.

Fourth. In individual countries there has been (a) excessive staffing with local nationals, (b) insufficient pooling of common administrative support functions with other U.S. agencies operating in the same foreign countries, (c) dispersal of assistance efforts over too wide an area and too large a number of individual projects, (d) delays in recruitment of qualified technical and administrative personnel, and (e) deficient property management.

Now, Mr. Chairman, let us take a brief look at some of the military assistance phases of the foreign aid program. I shall summarize:

First. The programing objectives established by the Department of Defense for our allies, expressed in terms of divisions of troops, squadrons of aircraft, and so forth, have not been sufficiently refined to distinguish between those forces which are justifiable on the basis of military roles and missions and those which are equipped and maintained because of political or other considerations. Furthermore, revision of program objectives in line with the force objectives which participant countries themselves have agreed to support and commit for mutual defense purposes has been unduly delayed, and as a consequence substantial quantities of material have been delivered which are, and will be, in excess of the country needs. In the lack of adequate refinement for program criteria to establish which countries and which military units shall first receive equipment and supplies, items have been programed for high-priority units which could have been filled from excess equipment in the hands of low priority units.

Second. Estimates have not been developed—and presented to the committees of the Congress—of the aggregate cost of equipping, maintaining, and modernizing allied military forces approved for support or for otherwise achieving United States objectives in the countries being supported. Without these data, it is, of course, extremely difficult to relate the annual appropriation request to the current and projected costs of the program in the recipient countries and the overall objectives of our own Nation, and it is equally as difficult to evaluate program accomplishments in relation to plans presented in earlier years.

Third. Lists of items of military equipment and supplies for recipient countries continue to be developed and used to support annual appropriation requests without sufficient knowledge, in many instances, of the real needs of the countries as determined by the gross requirements of the military units, the equipment assets on hand or of the countries' capabilities to utilize the materiel planned for delivery.

Fourth. Military equipment continues to be programed, procured, and delivered to recipient countries without adequate regard for the degree of utilization achieved in those countries. Since the Department of Defense has not developed standards to define what constitutes adequate equipment utilization, substantial quantities of material have been programed for delivery to recipient countries to be placed in storage, stockpiled, or otherwise not used in the manner intended.

Fifth. Stocks excess to the military services which should be transferred to the military assistance program without charge, stocks which should be transferred at reduced prices because of condition and market value, and other categories of military equipment have been transferred at prices which have resulted in overcharges to the mutual security program military assistance ap-

propriations. The regulations, procedures, and controls have been ineffective in preventing unauthorized reimbursements to the military services.

Sixth. Funds provided by the United States to support the military budget of many countries have not been adequately controlled to insure that the funds are utilized for the purposes for which they were given.

Mr. Chairman, for the documentation of these economic and military foreign aid general summaries which I have heretofore outlined, permit me to refer you to the record of the hearings—from page 1 through page 1781—for innumerable supporting examples. Specifically, may I call to your attention pages 193, 277, and 278 with reference to portions of statements to our subcommittee by Mr. Joseph Campbell, the Comptroller General of the United States.

With those general factors concerning the foreign aid program fixed in mind, let us move along with additional summation, pointing out some of the many deficiencies which have caused the various programs to be more costly than would be expected by reasonable standards of competence.

At page 194 of our subcommittee's hearings, the Comptroller General noted that current findings of the General Accounting Office strengthen the belief that the basic shortcomings, especially in the area of project assistance, derive from unsound programing concepts. The annual level of aid has been beyond the technical and financial capacity of the recipient, says the Comptroller General, as well as beyond the administrative ability of the United States. The fact is, ICA has dispersed its efforts over such a wide range of projects that effective administration has been difficult, if not impossible.

With reference to Pakistan, Mr. Campbell declared—and I quote a statement from page 194 of the hearings:

> Too many projects were undertaken, planning was insufficient and by reason thereof funds were obligated prematurely, action to resolve problems encountered in project implementation was slow, ICA-financed equipment was not effectively used, and Pakistan did not furnish adequate reports on its project contributions.

The report continued—and I quote from pages 194 and 195 of the hearings:

> The administration of the ICA-financed commodity import program encountered (1) malpractices of local businessmen and officials (such as unauthorized resale of import licenses and use of political influence in obtaining licenses), (2) the accumulation of unclaimed commodities in * * * port warehouses, and (3) delays in settling refund claims. * * *
>
> Field audits disclosed improper distribution procedures and blackmarket sales.
>
> The agency followed an inconsistent course in programing the use of rupees generated under the commodity import program. There were substantial unused rupee accumulations through fiscal year 1957, until in 1958 large sums were released notwithstanding inflationary conditions * * * and shortcomings in local administrative procedures. * * *
>
> Deficiencies * * * (also) included overstaffing in local personnel, a motor fleet in excess of requirements, and the purchase of excessive quantities of household goods for Government-furnished housing.

To illustrate the latter statement, I want to cite to you two of many examples of record. I refer you to page 244 of the printed record of the hearings of our subcommittee, and I quote from a statement by Mrs. George H. Staples, Associate Director, Civil Accounting and Auditing Division, GAO:

> Reading from our report, in talking about passenger-carrying vehicles, "the mission owned a fleet of 229 passenger vehicles and they operated 7 additional vehicles on loan from the local government. * * * The mission also had the use of several vehicles provided for specific projects. This fleet was excessive in relation to the number of mission and contract personnel in need of local transportation. * * * Actual (personnel) strength was 271 Americans (including contract personnel)."
>
> With respect to the purchase of household goods for Government housing, we say this: "The mission had purchased excessive quantities of household goods for use in Government-furnished quarters. The mission carried in its inventories * * * the following items, among others: 529 refrigerators at the approximate value of $105,800; 669 air conditioners at the value of $135,600; 650 stoves at $47,100, and unitemized household furniture in warehouses at $128,500."

All of this, you should keep in mind, for 271 Americans.

Now, Mr. Chairman, let us take a brief look at the economic aid programs in India—where there is irrefutable evidence, in particular, of overprograming, with resulting delays in project implementation and ineffective use of ICA-financed aid goods. There, the difficulties are aggravated by limitations imposed by the Indian Government as to the types of technical skills to be recruited from outside the country. And also, the Indian authorities have been reluctant in accepting prescribed financial control procedures and in providing information on the use of aid funds. Inadequate data on project costs and project accomplishments have hampered proper planning. There has also not been, the General Accounting Office reports, sufficient participation by ICA in the administration of local currency funds generated by U.S. dollar aid.

Furthermore, the ICA's own field audits have disclosed a number of unsatisfactory conditions in the administration of relief programs under the authority of Public Law 480.

Again, I refer you to our hearings, at many points, for detailed documentation of these facts which I have stated. And for quick, ready reference I invite your attention to statements by Comptroller General Campbell, at pages 195 and 196 of the hearings.

To the Far East now—Laos, as an example—and I shall quote from the GAO reports, at page 196 of our hearings:

> 1. With the introduction of free convertibility of the kip as a part of the monetary reform plan, the previous import controls were eliminated and ICA no longer had knowledge of the use of cash grants. The agreed "fullest possible use" of procurement authorizations, in lieu of cash grants, had not been followed by the Lao Government.
>
> 2. The mission continued to be hampered in its end-use investigations because of reluctance of Lao officials to furnish information on the arrival and disposition of imported goods and to permit ICA inspections.
>
> 3. Accomplishments in individual ICA-financed projects were unsatisfactory, in particular in road improvement and civilian police administration.

At this point, Mr. Chairman, perhaps it would be well to again make some brief factual observations relative to the operations of the so-called Development Loan Fund, with more detailed discussion to follow. For now, may I note:

First. ICA has continued to make so-called loans for economic development, thereby fragmentizing the so-called loan activities under the mutual security program between two separate agencies. This is inconsistent with the primary purposes which were advanced as underlying the creation of the DLF.

Second. All so-called loans made by the DLF in fiscal 1958 are repayable in the borrowing country's currency, which is but little, if any, use to our Nation. Of the loans subsequently negotiated, according to Secretary Dillon, about 80 percent are repayable in local currency. It cannot be successfully denied that the making of these so-called loans, which are predominantly repayable in foreign currencies, not freely convertible and tightly restricted as to their use by the United States, postpones the creation of a self-sustaining fund and will require the appropriation of substantial dollar funds in the foreseeable future. Secretary Dillon himself will not predict a length of time—maybe for 50 years, he says. This situation also adds, of course, to the growing accumulations of foreign currencies, practically entirely useless to us, owned by the United States—with the figure already being at the staggering total of about $2½ billion.

Third. DLF has also allocated its so-called loan funds to broad segments of import programs. This is certainly in conflict with the concept represented to the Congress and pronounced by the Fund that the so-called loans would be made for specific economic activities which are susceptible to careful planning and evaluation by DLF.

Fourth. DLF so-called lending policies and guidelines are not positive and clear.

Fifth. So-called loan funds have been earmarked for the benefit of individual countries prior to receipt and evaluation of specific so-called loan applications.

The record of our hearings amply substantiates these observations. The Comptroller General of the United States also emphatically states these facts and reaches these conclusions, and I refer you to page 197 of the hearings for briefs but positive documentation of the statements.

Mr. Chairman, I think the Members who do not have the opportunity to study the foreign aid program presentations in detail—as do, for example, the members of our Foreign Operations Subcommittee on Appropriations—would be interested in knowing these facts:

First. The presentations for nonproject assistance are not clear and specific as to how the proposed amounts for each country are determined; economic and

budgetary statistics are not properly correlated with the proposed amounts; and expenditures and pipeline data are inadequate with relation to actual and estimated obligations.

Second. The presentation of project assistance frequently lacks information as to the overall progress in terms of annual obligations, expenditures, and the year-end pipeline of unliquidated obligations; the basis for estimating current implementing capability is faulty and, as a result, current estimated subobligations and current estimated expenditures are not reliable; there is unsatisfactory explanation, in some cases no reasonable explanation at all, for significant increases from year to year in total anticipated U.S. financing, as well as for extension of completion dates.

The very nature and number of ICA's own internal audit findings—50 mission and Washington examinations in 3 years resulting in 1,113 audit recommendations—clearly indicate the need for more concerted efforts by ICA and the Department of State to strengthen the administration of the nonmilitary aid phase of the program and to minimize the cost of its operation. Although this need has been emphasized consistently, the same types of mismanagement, inefficiency, malpractices and waste recur year after year.

Here is a portion of one colloquy, from page 202:

Mr. PASSMAN. On page 2 of your statement, paragraph 3, you state as follows:

"The absence of adequate advance planning, in the form of firm technical and financial plans and reliable cost estimates, and the failure to reach definitive understandings with the recipient countries on all essential project elements has led to overprograming, piecemeal financing, and premature obligations. This condition has frequently resulted in delays in the execution of project aid and increased costs."

Does that constitute an indication that more money is available than actually needed, and that the money is being obligated rapidly in order to get it behind the curtain?

Mr. STAPLES (of the GAO). That is the very direct inference, Mr. Chairman.

Now, from another colloquy, at page 207 of the hearings:

Mr. PASSMAN. Also, on page 11, you state:

"DLF has allocated loan funds to broad segments of import programs. This use tends to conflict with the concept represented to the Congress and pronounced by the Fund that loans would be made for specific economic activities which are susceptible of careful planning and evaluation by DLF."

Will you comment on that?

Mr. CAMPBELL (the Comptroller General). Would you like an instance? I think that statement is pretty clear.

Mr. PASSMAN. It is very clear, but we would like for you to cite some instances.

Mr. STAPLES (of GAO). In our draft report on the Development Loan Fund we refer to instances.

Mr. PASSMAN. Will you cite an instance or two at this time?

Mr. STAPLES. There was a loan to Israel made on June 25, 1958, by the DLF in the amount of $15 million to finance the import of capital equipment, in which the DLF agreed not to insist on the submission of specific projects for which the commodities would be used.

Mr. PASSMAN. That is contrary to the intent of Congress, according to your interpretation?

Mr. STAPLES. That is right.

Mr. PASSMAN. Will you cite other instances?

Mr. STAPLES. Two loans to India totaling $75 million; $40 million was for the procurement of steel to be used in the manufacture of railroad cars and bridges; $35 million was for road transport vehicles and parts and materials to modernize plants in the cement and jute industries. * * *

Mr. RHODES. Were they dollar loans?

Mr. STAPLES. They were dollar loans, repayments to be made in local currency. * * *

Mr. ANDREWS. What would be wrong with making a loan to India for $40 million to buy steel to build railroad cars with?

Mr. STAPLES. Simply because the concept under which the Development Loan Fund was established and which they themselves represented to the Congress was that loans would be made only for specific development projects which were susceptible of careful planning and evaluation in connection with the application of these loans and not for broad general credit purposes. In other words, it is not consistent with the concept under which the Development Loan Fund was created.

Such citations as these could be continued all day, Mr. Chairman, if it would serve a useful purpose to present them. I believe, however, that for the time being those should suffice to satisfactorily support the comment I have made.

Returning at this time to some further brief discussion of the Military Assistance program, the information developed during our hearings leaves no doubt of:

First. The inadequacy of the estimates of the costs of equipping, maintaining and modernizing the forces included in the objectives for each country; therefore, there is an inadequate basis for the planning and budgeting of country needs.

Second. The costs have not been properly weighed with relation to the importance to the United States of achieving its objective for each country; consequently, no tentative ceiling for aid has been established for any given country which gives due weight to the country's capabilities for contributing to the common defense and its capabilities for self-support.

Third. There is no satisfactory framework through which the United States can conduct negotiations for obtaining maximum contributions by the aid recipients and as benchmarks of achievement to be obtained by the country as a precedent to further accomplishment in the program.

Fourth. There is no record—or maybe I should say, no adequate record—as to the total costs of supporting force objectives in each country; therefore, there is no means of determining the projected cost to the United States of equipping, maintaining and modernizing these forces worldwide.

The errors, the inaccuracies, the deficiencies and waste in the military programing process which have been disclosed through the hearings of our subcommittee, as well as otherwise, unquestionably demonstrate that the military assistance advisory group program submissions do not provide a reliable basis for developing program needs. In a number of countries, as the Comptroller General attests in his statement, the MAAG's have developed material requirements in an inaccurate and incomplete manner, without adequate supporting documentation. Program needs have been developed without valid tables of organization and equipment or stock levels on which to base needs, without reliable information as to country consumption rates, and without adequate knowledge of equipment already possessed by country forces.

As the Members are aware, the oversea MAAG's prepare program submissions of country needs—which is also the case with respect to the ICA oversea missions and the economic, or nonmilitary, aid—from which the departments here in Washington develop the programs.

The General Accounting Office comments with respect to how these responsibilities are carried out—and I quote from pages 283 and 284 of our subcommittee's hearings:

Our review disclosed that outside of the NATO area, requirements generally were not based on valid tables of organization and equipment or other standards that had been tailored to specific country needs and had been accepted by the countries concerned. In many instances, U.S. standards, which are unlikely to be appropriate in many of the underdeveloped or partially developed countries for which military equipment is being provided, were being used. Reliable information was not available as to country consumption rates or stock levels to be maintained. * * *

In many countries net program requirements had been developed without satisfactory knowledge of the quantities or condition of equipment already available to meet computed requirements. The MAAG's did not know what equipment previously delivered had been used up and was not available to meet current needs.

We do not believe the MAAG's are carrying out their responsibilities in this area (determination of country capabilities). Although the MAAG's have been made responsible for supervising the utilization of military assistance equipment, the MAAG's generally have not developed standards as to what constitutes effective utilization and have not established criteria for their field inspection teams to follow in evaluating and reporting their observations. Therefore, the MAAG's have no firm standard for determining whether a program requirement can be properly used. * * * In some cases the MAAG's include in their program submissions all the equipment necessary to meet the requirements of the supported forces, irrespective of personnel shortages and logistical deficiencies which they have reported as existing in the country forces and which would appear to adversely affect the country's ability to absorb, maintain and utilize the equipment to be furnished.

Then, Mr. Chairman, the Comptroller General added this very significant comment—with relation to which I refer you to page 284 of our subcommittee's hearings:

The MAAG program submissions, even though subject to substantial change and refinement both in Washington and abroad before becoming firm approved programs, are the basis for all program development and action, and we believe it unlikely that a final program can be much better than the basic data from which it was prepared.

During the course of our hearings, conditions such as the following were frequently found: First, vehicles which could not be used because of a shortage of drivers or lack of proper maintenance facilities; second, delivery of ammunition

and equipment which could not be properly stored; third, lack of assurance in some countries that materiel furnished to meet mobilization needs would be effectively used in the event of mobilization, since the units for which the equipment was programed might not meet mobilization manning standards; fourth, much of the materiel delivered under the program is delivered to comparatively underdeveloped countries whose logistical and technical capabilities are limited by their shortages of personnel, skill, and other resources.

I shall now quote again from a few of the colloquies during our hearings. I refer you first to page 288, as follows:

Mr. PASSMAN. Your statement to a large extent confirms my own personal findings with respect to excess military equipment going to certain countries.

As there will be much more information documented before we conclude these hearings as to practices that are almost unpardonable, I am going to read from an interim report of another congressional committee:

"Records in one motor pool showed enough tires were supplied during a period of a year to make 44 tires available for each truck. Installations equipped to rebuild and maintain military material were found to be engaged in the manufacture of airplanes for the personal use of certain officials of the national Armed Forces * * * and the United States was supplying all necessary military aircraft to the country and no military purpose was served in diverting manufacturing facilities from their intended use to produce authorized planes."

Are you familiar with that incident?

Mr. BAILEY. Yes, sir; we are.

Mr. PASSMAN. Is it verified?

Mr. BAILEY. This information is based on an inspection made by an inspection team set up after our first examination. It resulted from an initial review in which we brought out unsatisfactory conditions in this particular country. The U.S. commanding general in that country set up an ad hoc committee composed of representatives of his command as well as representatives from the country concerned, who verified the findings we have indicated in our report.

At another point, on page 289, and I quote:

Mr. PASSMAN. Matters of this kind are not the exception but, rather, fairly much the general rule in the nations you have had an opportunity to check with regard to excess equipment.

Mr. BAILEY. Some of the same conditions apply in varying degrees in many of the countries.

From the same page, and I quote:

Mr. PASSMAN. We now proceed to the underdeveloped countries. I shall quote from the report:

"He has brought in an eight-man team to make an inventory of the equipment on hand, divert surplus supplies to other countries, and throw out the junk. Receipts from the scrap will be returned to the United States. Travelers said some of the equipment lies abandoned and rusty on the roadside. A U.S. inspection team recently reported that 75 percent of the ammunition in one depot had deteriorated to a danger point and should be destroyed."

I might state that there are very many examples such as I have just quoted which could be documented and put in this record. * * *

Is that substantially correct?

Mr. CAMPBELL. I would say a great many examples.

I am continuing to excerpt from the record of the hearings, Mr. Chairman, at this point from page 290:

Mr. PASSMAN. Reading from the same report:

"The Defense Department, although not accepting in all cases the * * * interpretation of their significance, agrees that the record contains ample evidence that the events reported are not exceptional occurrences."

They themselves acknowledge that such conditions are not exceptional. Would that fact not indicate again that we are trying to force these countries to absorb more money and more equipment than they are capable of utilizing?

Mr. BAILEY. This is the situation in many countries. * * * They are receiving equipment in excess of their capabilities to absorb, utilize, and maintain.

Mr. PASSMAN. Much of the equipment is placed in storage?

Mr. BAILEY. Yes; a good part of the equipment is placed in storage.

Mr. PASSMAN. Deterioration rapidly sets in for certain types of equipment, especially in countries where there is relatively high humidity?

Mr. BAILEY. Yes; this is so.

The following is from page 291 of the hearings:

Mr. PASSMAN. I propose to be factual, and to establish beyond any doubt whatsoever that this program has had excessive financing, and that the recipient countries have not been able to utilize much of this material. Your report points out clearly that there are numerous practices which are not in keeping with the law or the intent of the Congress.

Here is one, for which I shall quote from an official document:

"Examples of poor stockkeeping were abundant, and in one instance only one carburetor for a 2½–2-ton truck engine was found to be in stock for an entire army, and none was found in the ordnance base depot. A supply of a particular ammunition item adequate for 185 years was reported in one installation."

This is from pages 294 and 295 of the hearings:

Mr. PASSMAN. Proceed, Mr. Lippman.

Mr. LIPPMAN. This is from a Department of Defense inspection report, and I will delete the classified references and try to retain the original report:

"In contrast to the critical shortages of almost all items of supply in forward areas, as the inspection team moved toward the base depots, more and more excesses were found in practically all classes of supply. For example, in the X depot situated near X city, over 4,000 tons of excess ordnance material was discovered. Although this had been reported, no action was taken to evacuate this material to the base depot. Much of the excess was improperly stored outside for a period up to 3 years. Consequently, millions of dollars' worth of needed supplies were observed that are no longer serviceable, and tremendous unexplained excesses in many classes of supply were found in some depots in the base logistical complex. In the chemical depots throughout country X over 4 million excess pounds of chemicals required for the production of rubber training shoes were found. In X command well over a million new carbine and submachine-gun clips were found in open storage. They had deteriorated to a point where the major portion was no longer repairable.

"In the same command area there was a mountain of new tire chains, estimated at 70,000 sets, left outside without maintenance and storage. The storage in this activity was deplorable. A conservative estimate of the loss due to neglect would run into the millions of dollars, and excesses ranged from insignificant in the forward areas to 20 years' supply of WAC clothing in one depot and a 45-year supply of 30-carbine ammunition in one school."

Mr. PASSMAN. Whose statement is that?

Mr. LIPPMAN. This is a report from the Department of Defense inspection team.

Mr. PASSMAN. Not your report?

Mr. LIPPMAN. That is right. * * * This team was a combination of Department of Defense officers and the recipient country military officer. This generated as a result of one of our reports.

Mr. Chairman, there is abundant documentation, throughout the 1,781 pages of the printed record of our subcommittee's hearings, with relation to innumerable deplorable conditions such as I have cited to you. For the present, however, I want to read to you only two or three more—from pages 295 and 296 of the hearings—and then I shall proceed with my remarks. I now quote:

Mr. LIPPMAN. Mr. Chairman, I am skipping around through this report to select some of the things I think would be rather interesting. This is really a summary of a report (quoting from report):

"Diversion is another story. The abundance of military goods in the hands of unauthorized civilian stores and marketplaces throughout country X is proof that this operation (of diversion) is still uncontrolled. In the large centers of population, the quantity of military goods of all types that has entered the civilian economy is beyond belief. This activity is so extensive that an adequate description is impossible. Items such as tires, handtools, clothing, flashlights, construction material, spare parts, food, wire, petroleum and oil and lubricants, and, in fact, virtually every commodity required to support a military machine, with the exception of equipment such as tanks and artillery pieces, is displayed openly for sale by private enterprise. * * *

"Diversion, pilferage and thievery have stripped the military supplies to such an extent that critical shortages exist in many categories. In fact, the military, to remain operational, has been forced into repurchasing supplies and spare parts from the open market."

Mr. PASSMAN. That is a deplorable situation. Who issued that report?

Mr. LIPPMAN. This is a Department of Defense team.

Mr. PASSMAN. After your investigation?

Mr. LIPPMAN. Yes, as a result of our initial findings.

Continuing, Mr. Chairman, with another brief colloquy from the hearings, this also being at page 296 of the printed record. I quote:

Mr. PASSMAN. You have found excess stocks to some degree or other in all 14 countries (the number of countries in which the GAO has examined the military assistance program)?

Mr. BAILEY. It is fairly general. Outside the NATO area, I think we could say in almost any country.

Mr. Chairman, all of us realize, of course, that we are now engaged in a cold war on the outcome of which our very survival might depend.

Our enemies in the Kremlin have told us—and the world—that they shall win and we will lose.

So we in the Congress surely must come to the understanding, without further undue delay, that we can no longer

afford political extravagance here in Washington—while our country bleeds with a national debt exceeding $286 billion—which is a greater amount by many billions of dollars than the combined debts of all the other countries of the world.

Such a course, I am convinced, could lead straight toward possible national bankruptcy; toward the possible repudiation of our money through inflation; toward weakening the great middle group of Americans, whose energy and self-reliance have contributed so much to making our country the envy of all people everywhere.

May I remind you of a few facts which cannot be successfully contradicted:

First. We cannot spend ourselves rich.

Second. We cannot make ourselves secure by giving ourselves away.

Third. We cannot buy friends. We have tried, but they do not stay bought.

We were once told, for example, that foreign aid would stop communism. Now we are told it is our duty to buy our way of life for countries all over the world. But we cannot, in fact, improve their living standards by as much as 1 percent, even if we should give away everything we own and treasure.

If we are to win this life-and-death struggle between the United States and Communist Russia, we must think of something else to do other than to spend money—for one reason, even if there were no others, that we are rapidly approaching the time when it is quite possible we will not have any more money to spend.

We continue to pour tens of millions into Yugoslavia, Poland, and Indonesia, despite the fact that the dictators who rule those Communist police states would likely shoot at us, and not with us, if war should come.

Demands are being made for more hundreds of millions to pour into Nehru's India. Last year India received more than a third of a billion dollars in grants and so-called loans. Here, too, strict neutrality, or worse, would likely prevail if the chips were down for us.

I should also like to point out, Mr. Chairman, that American private industry alone invests about $2 billion a year abroad, and our private charities and foundations increase this by sending some $500 million a year abroad. So, even if we had no foreign aid spending at all, the United States would be investing, through private industry, charities, and foundations, approximately 66 times as much abroad as the Soviet Union is reported to be lending—at a profit—every year.

Our monetary gold stock stood, at a recent date, at about $20 billion, the lowest since 1947. It is now becoming generally recognized that European bankers and industrialists are, in their own self-interest, increasingly concerned about the value of the American dollar.

The waste and the inefficiency of our global foreign aid, some of which I have pointed out to you today, serve as a symbol for growing and uncontrolled extravagance throughout every department and agency of our Federal establishment. This is one of its greatest evils.

Foreign aid is now one of the largest items in our Federal budget. Foreign aid expenditures since the end of World War II have cost the American taxpayer $82 billion, and amount to the equivalent of more than one-quarter of our staggering national debt. The annual interest alone for this part of our debt is in excess of $3 billion.

In 1948, about 450 people were employed to distribute foreign aid. Now, 11 years and more than $82 billion later, the global foreign aid payroll has grown to 53,600 people—if you include the 10,000 trainees now being paid an average of $5,000 annually—most of whom battle to perpetuate and enlarge the giving and to preserve their inflated and overstaffed bureaucracy.

If we—today's Members of Congress—do not want to stop this for the Nation's taxpayers, surely we owe it to those who will come after us to assure them the same type of advantages and the same type of country that we inherited. We do not have the right to mortgage American babies still in their cribs or generations yet unborn.

The time has come to cut foreign aid to fit the needs—with our national debt exceeding $286 billion.

I am convinced that we can never hope to hold our own, much less win the cold war, until we—

First. Stop the spending trend which is leading us to bankruptcy. Not only must our great deficits be reduced, but our staggering national debt must be cut down as well.

Second. That we stop inflation by practicing prudent economy throughout our Government, just as every individual American would be forced to do if faced with personal distress and possible disaster.

Third. That we stop the river of waste occasioned by the extravagance and inefficiency of our Government's insistence to perpetuate and enlarge our global aid programs.

I believe sincerely that only if we do these things can we hold our own, and eventually win the cold war.

That is harsh reality. We must so recognize it—and accept it, and deal with it accordingly.

Mr. Chairman, I should point out to this body that this year's $4 billion request for the aid program represented, as usual, what the bureaucrats would like to have to keep their machine operating according to their tastes and not, as some would have you believe, an amount of funds that is essential for our security.

It is a well-established fact that the aid estimates are grossly inflated each year.

It amounts to this: The agency bosses want, in practical effect, a blank check, to use at will, while avoiding a valid accounting for their operations. Therefore, the only real immediate solution to the very many problems involved is a cleanup, situation by situation, with the decisions on the appropriations being made item by item. That is a task which our committee has undertaken to the fullest extent of our abilities.

In connection with this comment, it is appropriate for me to mention that during the past 4 years—in the face of the same type of pressures and propaganda now being exerted and used—the Congress has cut the funds requested for the program by nearly $3 billion. The program has not been damaged thereby. It has, in fact, been improved; and there is an abundance of evidence to support this statement.

I shall quote here from one of many statements of record in our subcommittee's hearings to support that latter statement which I made. Last year. I was questioning the Honorable Mansfield D. Sprague, Assistant Secretary of Defense for International Security Affairs. I refer to pages 251 and 252 of those hearings. Here are the colloquies:

Mr. PASSMAN. Mr. Secretary, there has been a tremendous amount of publicity given to the foreign aid program * * *, indicating the great damage that has been done to this program in the past. However, using the figures that you have given to us in your forthright report * * *, and the reduced amount of obligational authority for fiscal 1959, would the data not indicate that the program has been operating on a satisfactory basis, and that our commitments are being lived up to in a reasonable manner? * * *

Mr. SPRAGUE. I feel that your statement is substantially correct. * * *

Mr. PASSMAN. I think you are very fair in stating that substantially my statements are correct in that respect.

Mr. SPRAGUE. The reductions that the Congress has effectuated in the program have assisted the executive branch in administering the program in a more efficient manner; there is no question about that.

I say to you, Mr. Chairman, that there was no evidence presented in the lengthy and detailed hearings this year which would refute that declaration made by Mr. Sprague by as much as one iota.

The bill now before the committee, a request for an appropriation for the mutual security program for fiscal 1960, is the culmination, as I have previously indicated to you, of many long, hard days, nights and weeks of hearings and careful consideration by members of the Foreign Operations Subcommittee on Appropriations.

In further discussion of the bill, I shall continue to be factual and use only the record and memory to fortify the committee's position. Reams and reams of the information on which they attempted to justify excessive amounts are marked "secret" and "classified" and, to some extent at least, this is the work of the fixers which makes it difficult to answer many questions. Nevertheless, I shall perform my prescribed duties to the fullest extent of my ability.

Even though the committee has been confronted with unprecedented pressure from without and within, our recommendations reached after tedious study have withstood the acid test, from without as well as from within.

We trust that the membership of this great body will consider the committee's recommendations upon the basis of merit, upon the basis of fact, upon the basis of admissions, and upon

the basis of need. If such an approach is taken, then you will approve the recommendations of your committee.

I should like at this time to thank the hard-working members of the Foreign Operations Appropriations Subcommittee for the cooperation and understanding they extended to me during the long and difficult period of hearings.

I want to pay particular tribute to a former chairman of the subcommittee, a man of unimpeachable integrity who is uncompromising with right. This great American has helped guide me through many dark valleys of uncertainties and offered me much sound advice. At the time I was placed under him 11 years ago on another subcommittee of which he is chairman, he suggested that if I wanted the esteem and respect of the Members of Congress I should never bow to political expediency at the expense of sacrificing principle. I have followed his advice and accepted his help with no regrets. I refer to my beloved and honored colleague, J. VAUGHAN GARY, of Virginia.

Mr. Chairman, I should like to list a few of those who enjoy substantial windfalls from the mammoth foreign-aid program:

First. Printing and publishing industry—books, newspapers, magazines, and periodicals.

Second. Motion picture industry.

Third. The great shipping industry, because the law provides that 50 percent of the shipments must move in American bottoms.

Fourth. Manufacturing interests—tens of billions of dollars is a terrific windfall for those who have something to sell.

Fifth. Export and import firms.

Sixth. Substantial profits for large commercial banking institutions.

Seventh. Colleges and universities—tens of millions of dollars annually.

Eighth. The clergy has an interest because there is an appeal in the bill that attracts their support.

Ninth. Military—because it gives them an opportunity to shift to the foreign aid program equipment and material which they wish to get rid of on account of their excessive, unmanageable, wasteful procurement procedures, usually by inexperienced personnel.

Now, Mr. Chairman, although I have already documented my remarks with factual quotations from the record of our hearings, it might be well at this time, before concluding, to add a few more. Therefore, I invite your continued attention.

For another typical reference to military assistance program operations, I refer you to page 457 of the hearings. I quote:

Mr. PASSMAN. It [the report] continues: "That apartment houses for civilians were found to be under construction using material and equipment supplied by the United States for military construction."

Has that malpractice been discontinued?

Mr. SHUFF. That has been discontinued.

Here, again, it should be noted that there is no denial of the existence of the condition.

And another item, which also clearly points up the unsoundness of the program—quoting from pages 440 to 444, inclusive, and also page 609:

Mr. PASSMAN. Although many of the incidents I have in mind are doubtless accurately reported in the press, they still remain classified as far as this subcommittee and the Congress are concerned. I am going to refer to one country in this case as country X.

"In an examination the official proposal is to send that semiprimitive country 12 saber jet fighter planes that would amount to $12 million in military aid. The program for welfare measures in that country amounts to only some $300,000. So the questions are asked: What purpose will these modern planes serve in country X, whom will they be used against, with what results, how much more money will that poverty-stricken nation have to spend for piloting, training, upkeep for airfields, facilities, etc.?"

Mr. SHUFF. These programs, these military assistance programs, are never entirely motivated by military. * * * It has the political element. * * *

Mr. PASSMAN. The distinguished Secretary did indicate that country X was probably given these plans because the leader of the country had a desire for them; that, had it been left to the judgment of our own officials, they might have preferred to give that country something else. * * *

We are programing the delivery of 12 jet aircraft. On a streamlined program, if we had convinced them that we had funds whereby we could schedule only six of the jet aircraft, do you think we could have satisfied the individual leader of this country, as the transaction is more or less political, for internal matters?

Mr. SATTERTHWAITE. They (the country team and our Ambassador there) had the feeling they could not get along with less than 12 and satisfy our political objectives there.

Mr. PASSMAN. Political objectives?

Mr. SATTERTHWAITE. Yes, sir.

Mr. Chairman, we hear about Russian gifts to one country and another, although there is no evidence that Russia has made gifts, but, rather, that it has received something of tangible value in return, usually a profit, through the deals it has made. The situation in Burma illustrates the point. So I shall now quote from a colloquy at page 1605 of the hearings:

Mr. PASSMAN. I was in Burma and saw evidence, but we found out later the Burmese had given the equivalent to Russia in rice. I believe you say now it has been their policy when Russia does something for them, they, in turn, do something for Russia, to offset the cost?

Mr. MURPHY. That is my understanding.

Continuing to another category—technical cooperation—for which Secretary Dillon says there is overprograming, I quote from page 335 of the hearings:

Mr. PASSMAN. Mr. Secretary, is it not true that top-level officials have stated the technical assistance category of aid is overprogramed this year by in excess of some $10 million?

Mr. DILLON. I do think that if we had been making up those figures now, the chances are that we would have recommended somewhat less in that particular category.

Mr. PASSMAN. By what amount less, Mr. Secretary?

Mr. DILLON. In the bilateral programs. We have not figured it out in detail * * * but I would say up to something like $10 million.

Documentation of this type, with respect to the various categories of the foreign aid program, could be continued on and on and on. However, for the present, I shall quote from only one more colloquy—referring you to page 1496 of the hearings:

Mr. PASSMAN. I hope the honorable commissioner will pardon me when I pose the same question to him that I did in 1958:

"Would you approve if the committee and the Congress should appropriate money for all departments, to the amount of about $74 billion a year, on the basis of the type of justification you have made this morning?

"Would you not feel a bit uncertain that we did not require agencies to justify their programs?

"Mr. VANCE. Yes, sir; you are very right."

Mr. PASSMAN. Would you care to comment?

Mr. VANCE. The same answer as in 1958, sir.

Mr. PASSMAN. I want to thank you very kindly for being just as forthright now as you were then. Your answer was: "Yes, sir; you are very right."

But notwithstanding the facts as they are, Mr. Chairman, the Department heads downtown continue to attempt to warp my statements, placing their own interpretations—or, rather, misinterpretations—upon the certified statistical data and other evidence.

The committee is recommending an amount abundantly adequate to accomplish the objectives of the program, even the questionable objectives and even accepting some rather weak justifications. And the committee is fully fortified in its position by clear-cut admissions by officials of the agencies involved.

It has been my privilege and high honor for 5 years to help present this bill for your consideration. This committee has not misled you. The record of the past 4 years will sustain the committee's position and will sustain with credit every Member who supports the committee's current findings and recommendations.

The committee desires your vote and support, based upon its past performance. I plead with you to support the committee's position because you will be on solid ground.

The committee has tried to do a creditable job for you. I am sure I speak for a majority of the members of our subcommittee and the full Committee on Appropriations when I repeat that our recommendations are based upon fact, and not fiction. Our case has been laid on solid rock.

The CHAIRMAN. The gentleman from Louisiana has consumed 57 minutes.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. TABER. Mr. Chairman, frankly I do not expect to offer any amendments to this bill. There are two items I wish were a little larger and two that I feel are too large, but taking the bill by and large I feel I can pretty generally support it.

There is one thing that bothers me very much and I want to explain that; that is the Development Loan Fund. The word "loan" is fictitious. That should be thoroughly understood by the public and by the Members of Congress. It is fictitious, because the loans that are made to these countries are paid back to the extent of 80 percent in local currencies, which we all know we cannot use; in fact, it creates a situation where it is not a loan at all.

I want to see everything possible done for the improvement of our relations with other people, but this thing is such an abdication of the powers of Congress presently and in the days to come that I cannot let the situation go by without giving a picture of it and going into it at least to the extent that those interested will be alerted to what is going on.

If, for instance, under this corporation that has been set up we lend $100 million to Egypt in connection with the Aswan Dam the only way we can be paid back even 80 percent, or $80 million, would be through the acceptance of local currency and that could not be used for the purchase of things that would be brought back to this country. In other words, if we get the currency and the corporation uses it to buy something, we just could not take it out of Egypt.

The payments under the Development Loan Fund are in local currencies and the payments do not go to the Treasury of the United States, but to the Development Loan Fund as a revolving fund.

Frankly, I hope the Congress will soon get to the point where it realizes what is being done in this Development Loan Fund operation and get to the point where it realizes that this is a complete delegation of the authority of Congress over the period during which these so-called repayments are to be made, and that it is not anything that we really ought to be developing and getting into.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Under the Development Loan Fund these loans are not made on the basis of 80 percent local currency and 20 percent in dollars. The loans are made to underdeveloped countries on the basis of 100 percent local currencies. The 20 percent comes in when the loan is made to countries with a currency which may be on a par with our dollar. In the remaining countries 100 percent comes back in local currencies.

Mr. TABER. That is correct, but there is a possibility that something might come into the Treasury as a result of the 20 percent; that possibility is small.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. That will assure enough money this fall so that all Members of Congress will be taken care of when they take a trip to foreign countries, will it not?

Mr. TABER. I do not believe the gentleman from Iowa or the gentleman from New York, who is presently speaking, will attempt to get in on that.

Mr. GROSS. I just wanted to be sure that there is enough money over there to take care of the exodus that will take place this fall.

Mr. TABER. I do not know anything about the exodus. If I go anywhere this fall, I am going on my own and at my own expense. I do not know anything about this exodus business.

Mr. GROSS. The gentleman from Minnesota has spoken of the genesis, that being the Development Loan Fund, the outpouring of American dollars to foreign countries through that process.

Mr. TABER. Do you really think somebody is going across there to eat up some of the local currency?

Mr. GROSS. My friend the gentleman from Minnesota [Mr. JUDD] suggested the genesis part of the thing. He helped to provide it, and I think it ought to be in the RECORD.

Mr. TABER. Maybe that is right. I do not feel that I should let this situation go by without at least mentioning the situation.

There is one cut here I do not think is deep enough, and that is for technical authorization. I am afraid that the United Nations expanded program of technical assistance is going to be something that we will rue in the days to come. The general authorization which is used in other places than through the United Nations is running into a number of places where it is being abused very much. I do not believe that we really ought to be getting into that situation the way we have been. I do not believe that they have been able to present a decent account of what they do with the money and how it was spent.

The items for military assistance and defense support are the only part of the bill that really makes much of an appeal to me, because there we do something to maintain the peace of the world and to keep the folks in the Philippines, Korea, Formosa, Vietnam, Pakistan, Turkey, Greece, and a number of these other countries in shape so that they can maintain their armies to do the things that need to be done. That is the only reason I am here supporting the bill.

I hope that we will be able to pass the bill without any substantial amendment, and I hope it will do the things that the committee has hoped it would do to help maintain the peace of the world.

Mr. Chairman, I now yield 10 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, the record is clear that over the period of 11 sessions of this Congress I have consistently supported the mutual security program whether it has been advocated by a Democratic President or a Republican President, whether it has been guided through the Congress by a Democratic or a Republican majority. I intend to support the program as long as I feel that it is justified; justified for the benefit of the United States not justified for any other purpose. And, it is my opinion that this appropriation bill which is before us today fits into that pattern. It is an appropriation bill for the benefit of the United States and the free world, with the primary emphasis on the former.

Although I subscribe to and intend to defend the recommendations of the subcommittee and the full Committee on Appropriations, I am not entirely pleased or happy with the individual recommendations within the total. As those on the subcommittee know, on the mark-up I did not vote for several item reductions, and I did not support certain specific figures that are included in the bill before you. However, when you look at the total from the point of view of the authorization request, the appropriation request from the executive branch of the Government, and the authorization bill, the reductions made are better, percentagewise, than we have done before at this stage of the ball game. And, of course, it is my hope that in conference in subsequent weeks we may make certain adjustments upward in those programs where I have strong personal feelings from the point of view of our country.

In the two or three areas that I think are adversely affected by this committee's recommendation, it is my judgment that the cut in military assistance is too deep. The President recommended a program of $1.6 billion for fiscal 1960. The authorization bill authorizes $1.4 billion. The bill before you provides $1.3 billion. These reductions in and of themselves are deep enough, too deep, as a matter of fact. However, when you view them in relationship to the recommendations of the Draper report, which came out subsequent to the submission of the budget, they are extremely serious.

These reductions will have an adverse impact on our overall U.S. military strength. We consider, in the national security program of the United States, the contributions made by our allies, those who are supported by this program. Of course, our own defense program for the Army, the Navy, and the Air Force is an integral part of the defense program of our allies. It is a mutual program. When we provide $40 billion or $41 billion for the Army, the Navy, and the Air Force of our country, it becomes a contribution to the mutual defense of the free world, and when we make an appropriation here for military assistance for our allies, that, plus the valuable contributions made by our allies, is a part of the defense program for all of us. Without saying more on this point, I categorically believe that the subcommittee should have recommended the full amount authorized in the military assistance program.

Secondly, I deplore the reductions which were made in the defense support portion of this bill. A quick review of the figures is as follows: The President recommended $835 million. The House and the Senate agreed in conference on the authorization bill that the total should be $751 million. This committee has come out with a recommendation for $700 million.

The defense support program is economic assistance. No one denies it. It is economic assistance, however, for those countries alined with us that circle the Soviet Union or its satellites. They are on the periphery of the Soviet Union and bordering the satellites of the Soviet Union. These countries have military programs well beyond their own means. In order to support this kind of a military program they have to have economic assistance including budget support.

It is my recollection that in the defense support obligations for the fiscal year 1959, something in the area of $113 million went for budget support. That is just a cold, practical need and necessity if these countries are to stand with us, with forces that are adequate for our mutual defense.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am delighted to yield to the gentleman.

Mr. BAILEY. Does the gentleman mean to say that we are assuming the responsibility of balancing the budgets of these other nations while we are having difficulty in balancing our own at home?

Mr. FORD. I say to the gentleman from West Virginia that even these contributions will not achieve the objective to which he refers. They are aimed at achieving a military strength for those countries to coincide with our own so that our mutual defense efforts will be adequate against the Soviet Union.

May I now talk about a proviso in the bill that I think is a serious one in this legislation?

There is a proviso which says that out of the $700 million of defense support no less than $50 million shall be earmarked for Spain. That results in very serious discrimination against some very important and friendly allies of the United States.

Under the figure of $835 million for defense support which the President recommended in the first instance, Spain's part was to be $40 million. I do not recall what that percentage would be, but it is easy to figure out. Now, in this bill, the committee has reduced the overall total for defense support to the figure of $700 million, a cut of about $135 million. At the same time this committee is recommending that we earmark $50 million for Spain, which is $10 million more than the President recommended as a part of the program. The net result is that you have this paradox. By this proviso we have increased the amount for Spain from $40 million to $50 million, while the total for all countries is being cut down to a dangerously low level. The final outcome is an expanded percentage for Spain. The serious point is that the percentage of funds and the dollar amounts for our other equally friendly and equally effective allies is going down.

May I point out who are some of those allies who will be suffering as a result of this rider on an appropriation bill? South Korea, Republic of China, Vietnam, Philippines, Laos, Cambodia, Thailand, Pakistan, Iran, Turkey, Greece.

The net result is that we are taking serious steps against good friends discriminating against good and stanch allies to the overgenerous benefit of another good ally, Spain.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JUDD. To put it another way, the committee cut the overall defense support 16 percent, and then out of the reduced total increased the defense support for one country by 25 percent. It amounts to about 20-percent cut for 11 countries and a 25-percent increase for 1 country. Does the gentleman know of anything in the situation that justifies such an action?

Mr. FORD. All I can say to the gentleman from Minnesota is that I did not agree to the provision in the committee and now I am trying to express my disagreement with the provision and with the policy on the floor of the House.

Mr. JUDD. And the gentleman is not opposed to aid to Spain any more than I am. It is a question of not throwing the whole program out of balance; is it not?

Mr. FORD. I thoroughly agree that Spain has been a stanch and strong ally and needs our help. I have seen the bases we have there for our Air Force and our Navy in Spain. They are an integral part of our defense program. But, I do not believe in discrimination against one friend for the benefit of another equally good friend.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. PASSMAN. Notwithstanding the gentleman's views, and I respect them, every year that we have earmarked a certain amount of money for Spain, the administration has spent much more money out of defense support funds for Spain than the amount earmarked.

Mr. FORD. I think that is true. The gentleman and I have discussed this matter at considerable length. I am hoping that we may have a more satisfactory conclusion in 1961.

There is one other part of the program which I think deserves comment. For several years now we have had submitted to us a request for funds for construction of a powerplant in the Ryukyus. After listening to the testimony, the committee did not go along with the program. However, the distinguished chairman of our subcommittee made a personal visit to Okinawa. I think it was in the fall of 1958. Others were there before. They came back convinced that now is the time to proceed with this project. The administration made a request for $10 million for the construction of a powerplant in Okinawa in the fiscal year 1960 or with funds provided in the fiscal year 1960. In the testimony presented to us, it developed that this $10 million request was only the first increment for the construction of this needed powerplant. The testimony further indicated that their best estimates today of the ultimate cost of this program would be $18 million. We went into that with the utmost care. We pinned them down and they categorically said that $18 million is the figure—period. This committee has taken a step which I think is right. Instead of giving them the $10 million that they requested for partial funding in fiscal 1960, we have said, "We believe you. We have urged you to make the most careful analysis and come up with the best engineering cost figures. You have told us the total ultimate conclusive figure will be $18 million. We believe you are right, but we are also going to pin you down to it. This is the last money you get. You build it within the $18 million." If any of the 11 or 13 members of our subcommittee are here in the future, I do not think they will get another nickel for this program.

I, for one, will never vote for it and will never authorize it. This is it. That is the total, once and for all.

Mr. PASSMAN. I support the gentleman's views.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. BOW. I wonder if the gentleman can tell us about this Okinawa powerplant—whether the power we are generating there is for the benefit of American troops or whether we are generating power which will be sold to the local Japanese power authorities and resold to the civilian population of Okinawa.

Mr. FORD. The facts are, as I recall them, that about 80 percent of the power generated goes to support the military installations of the United States. We have a Marine division there. We have a big Strategic Air Command operation there. We are intending to provide certain antiaircraft missile installations. We are intending to provide certain surface-to-air missile installations in that area. The primary need for electrical energy on Okinawa is because of the U.S. military forces. The remainder of the electrical energy is sold to a local company which, in turn, sells the power to the local people.

Mr. BOW. Will the gentleman tell us whether or not there is anything in the bill which provides the amount or rate at which the local power company can resell the power? In other words, we sell to this local agency for a certain amount. Is there any limitation as to the amount of profit the local Japanese company can make on the power they purchase from us?

Mr. FORD. I must confess I cannot give the gentleman a categorical answer.

Mr. PASSMAN. If the gentleman will yield I can answer his question.

Mr. FORD. I yield.

Mr. PASSMAN. If there should ever come a time when the military needs all of the power, then the military will have a claim on 100 percent of the power generated. Prior to that it is on a 75–25 basis.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Virginia.

Mr. GARY. Let me say to the gentleman that this is not a Japanese company; it is a company set up by the U.S. Government, and it is under the control of the U.S. Government.

Mr. FORD. I thank the gentleman from Virginia for his contribution.

In conclusion, may I say, Mr. Chairman, although I have reservations about the distribution of the total reduction, I think the chairman of this subcommittee has done a good job. Maybe he would not want praise from me in this regard, because in the past we have had some differences of opinion, but I want to say to the Members of this body that I intend to support the bill, as reported, hoping that improvements can be effectuated when we go to conference.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I am sorry that the Committee on Appropriations saw fit to deny funds for several programs that were in the authorization bill. It seems a little rough to have the Congress by substantial majorities in both Houses pass a bill on Wednesday establishing the policies to be followed in this program, and the President sign the bill on Thursday, and then this subcommittee on Friday say that much of what the Congress itself decided 2 days before should be done, shall not be done. Just why do we have the Committee on Foreign Affairs and the Committee on Foreign Relations?

Mr. Chairman, I am happy that one of the things this committee has left in is the provision, originally inserted by the House Foreign Affairs Committee and accepted by the other body and the Congress, setting up the Office of Inspector General and Comptroller in the State Department. All the bad things that the gentleman from Louisiana has told us are true. We have exposed them again and again, and more, in our Foreign Affairs Committee investigations and hearings. But we are not out to discredit or weaken the program. We know that these criticisms apply to a very small percentage of the total number of projects. What we want is to devise new control mechanisms in the administration of the program so as to prevent the abuses, or mistakes, or errors, or occasional corruption that we know have existed in some places at times.

Today I should like to confine my remarks primarily to the $100 million further cut made in the military assistance program. When this program was first started I was one of the relatively few who said then that a military assistance program by and of itself was not enough, that we had to do something for people, and therefore advocated more emphasis on economic and technical assistance. But recently I fear we have tended to go almost too far in that direction. What good will economic aid do them if they do not have the military strength to defend themselves? So I would like to reinstate the extra $100 million cut from the military assistance program.

The reduced authorization of $1.4 billion resulted from a somewhat unusual situation which was not anticipated, I think, by anybody. I am not talking out of school; everybody knows that in the foreign aid bill the House generally authorizes or appropriates a smaller amount than it thinks the figure probably ought to be, assuming that the other body will increase it, and then in conference we will split the difference and arrive at the proper amount. The Foreign Affairs Committee did that, some saying frankly that if our figure was about $1.4 billion the Senate would increase it to $1.6 billion and the final figure would be about $1.5 billion.

You know what happened. Instead of the Senate upping our figure of $1.44 billion, as it usually does, it cut it to $1.3 billion. There were several reasons for that. One was that the Senators were piqued by the repeated charge that they are the great spenders; and, second, the President vetoed the housing bill at just the time of voting on MSA. Several Members gave way to their displeasure at his veto and their determination to show the President that they were not the spenders by voting to reduce drastically their own committee's recommendations. So, instead of increasing to $1.6 billion the amount in the House bill for military assistance, they cut it to $1.3 billion, and the net result was that we could not raise our figure in conference. I might add that the first proposal of the Senate conferees was to propose our figure. And we could not accept the offer. A majority of the House conferees thought it would bring the total in the bill to more than the House would approve. It was the funniest conference I ever participated in. They did not defend their bill's figure, and we did not defend ours. So the authorization came out at $1.4 billion, below what had been intended or expected, I think, by most Members of either body. The further cut of $100 million made by the Appropriations Committee is, in my judgment, too deep and is dangerous.

I hope that the full authorization of $1.4 billion can be restored in the other body and accepted by our conferees.

The question is not what happens to prestige of the House or to that of the Senate, but what is to happen to our Nation's interests. Sometimes we act as if we were not at war—and in the most perilous situation, in which the United States has ever been—more dangerous than any other in our history, partly because it does not look like war, and, therefore, we do not go all-out to do the things necessary to win.

Let us ask first, Are the Communists a threat to us? If not, then we should cut down our own military budget by $25 billion a year. But everybody will agree that the Communist threat is more dangerous than ever. They have greater power, and boldness.

Second, if it is a dangerous threat, is it better for us to try to meet it alone? Or with allies? Surely we will agree that it is better to fight it with allies; to work with others to build a strong collective security, worldwide.

How do the two sides stack up today? The Communists undeniably lead in certain things. They lead in manpower. They lead in territory. They roughly equal us in natural resources. To be sure, we have access to greater resources than they, but only because we have loyal allies as a result of this program. They have greater resources than we under their actual control.

They lead us in land forces. They lead us in tank forces. They lead us in submarine forces, except for five or six atomic-powered submarines. They lead us in air power, with the exception of long-range bombers.

They approach equality, or at least adequacy in atomic weapons. If they have enough to cripple us in a surprise attack, they do not need any more.

They are somewhat ahead of us, most believe, in long-range missiles. That is a pretty formidable threat.

Where de we lead? We lead in about four fields. We have the largest and strongest surface Navy in the world. We lead in industrial capacity, but they are narrowing that gap year by year. They are catching up; and there is no guarantee that they cannot match us here, given time.

We also lead them in forward bases, some 250 of them close to the Communist borders, from which bases we can destroy them, even if they were to attack and cripple the United States itself. The only reason you and I have been able to sleep in safety for 5 years—and the only reason we are reasonably safe tonight—is because we have these oversea bases. And why do we have these bases? There is only one reason: we have allies. This is our fourth superiority.

And we have allies because of this program. Without it most of them could not long stay out of the Communist's grasp and continue to make their soil available to us for joint bases that protect both them and us.

Mr. Chairman, this bill is about allies. It is to enable us, we hope, to keep the one ace card we have today that the Communists cannot match. We can keep it as long as our allies have confidence in us and our steadfastness. We will lose it if they think we are growing tired or hesitant or are weakening in our basic assistance. Most of them are not strong enough to resist alone.

Mr. Chairman, it would seem to me incredibly shortsighted and recklessly foolish for us to endanger alliances which make possible the 250 bases that we would not otherwise have. To cut this program too deeply will endanger these alliances. Perhaps not right away, but it begins to shake their confidence to cut as deeply as the subcommittee has.

If any one has any doubts as to the importance of the oversea bases, and therefore of our alliances, and therefore of this bill, let him examine the words and actions of Mr. Khrushchev these very days. In about every third interchange with Vice President NIXON, he says bluntly:

> Let us not beat around the bush. The thing we are interested in is getting American bases out of other countries.

The worst thing we could do for ourselves would be to help him achieve that goal by cutting down too steeply the mutual security programs which alone enable us to keep thoses bases, and keep them strong. I do not want to help him

and I fear these reductions go a long way toward doing just that.

The mutual security program operates by seeking to assist countries to do the thing they themselves want most to do; namely to preserve their national independence, to lift their economic standard, to work toward better government, and better living conditions. To help them do these things helps us as well as them. It denies control of their manpower resources and territory to our enemies; and most of them want us to build bases on their soil, because that gives them greater security too.

We and they have formed these alliances because it is in their interest to do so, and it is in our own interest to do so. It is as simple as that.

At this point someone usually objects, "But it is not possible to buy friends." Of course, it is not possible to buy friends, either in personal or in international relations. But we are not trying by this program to buy friends; it cannot be done. What we are trying to do is to establish and maintain mutually beneficial partnerships.

They cannot defend themselves without us as partners; we can defend ourselves more easily, more surely, and more cheaply if we have them as partners. We would like also to be good friends, but that is not primary.

We are now trying to strengthen these partnerships so that they will give mutual security. They want to defend their independence; we want to defend ours. We can all do it better by working together. And for us to take any step that might shake their confidence in us and in the dependability of their alliance with us can only serve to do those very things that the Kremlin wants most of all to accomplish.

On every occasion they, or their supporters, are always urging us to give up three things: our bombs, our bases, and our allies; that is all that we have. Bombs, bases, and allies are the main things in which we have superiority. If we were to lose or give up these, they with their superiority in manpower, land forces, territory, and inside lines of communication, could take over the whole world piece by piece.

I do not want to be party to any such dangerous action by the Congress. I want the record to show that many of us in the House hope that the other body will restore the full amount authorized for military assistance, and also for defense support; and that the House conferees will go along. I do not criticize those who have made these cuts. I know they are as patriotic and as sincere as I hope they believe I am. It just seems to me, after studying this program and the world situation it deals with as long and closely as anyone, that we will be playing fast and loose with our own security if this program is weakened in any essential part. I realize how frustrating and difficult it is to keep our relations with all these countries in good repair. Napoleon once said: "Deliver me from having to fight a war with a coalition." Well, we have to fight this cold war with a coalition.

In the Soviet Union one man can make the decisions. We have to consult, to compromise, to cajole, in order to get a position. The smallest slight can upset it, however unintended. It reminds me of the old story we heard in 1927 when Lindbergh flew the ocean. A lady dashed in where her husband was reading and shouted: "He made it. Is that not wonderful?" The gentleman asked, "Who made what?" She said, "Lindbergh, he flew to Paris alone." The husband looked back into his newspaper and said, "Let him try to do it with a committee."

That is our problem—to save ourselves and the free world with a committee. We are leader of a giant coalition of 40 or 50 different countries. They have their dignity; they have their feelings; they have their aspirations and their ideas of what to do. It is harder to receive than it is to give. They must be forbearing with us and we with them. The stakes are so great for all that we must not do anything that might weaken their confidence in the determination and the strength of the United States.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may desire.

I assure the gentleman that if he believes the committee is in a position where we will not be able to reach agreement, or, either, that we shall be capitulating to the other body, then I might as well be discharged now. I certainly have no such intentions.

Mr. JUDD. I did not in the least suggest that you would. I said that I hoped your committee would go along if the Senate increases the amounts.

Mr. PASSMAN. Since this program has been in effect we have given in military aid $41 billion. I asked the Assistant Secretary of Defense to give me a letter with a statement showing how much equipment was on hand. He said that for the Middle East 92 percent was on hand, fit for combat. Warehouses all over the world are overflowing with this military equipment. In addition to the $41 billion, and with the 92 percent on hand, we have $1.5 billion in foreign currency that can be plowed back into the program. Further, we have recommended $3,860 million in new money. I will say to the gentleman also that $47 million will be coming back into the program from the sale of equipment this year. If the gentleman would study the record, he would be on better grounds in his argument.

Mr. JUDD. Did this Congress not spend $40 billion for our own Defense Establishment last year? And did we not do it again this year? And will we not have to do it next year also? The future does not depend just on how much we have done in the past. It is what we need to do now that concerns me. I do not want to delay the modernization of weapons that the forces of some of our allies need. I am sure that will happen as a result of this cut.

Mr. PASSMAN. When you keep loading the warehouses all over the world with tanks, guns, and ammunition, forcing the nations to accept more than they can utilize, and the materiel is going to waste, I say it is time to do something about it. A lot of the Members feel that this military program should have been cut at least $300 million more.

Mr. JUDD. The gentleman knows that the President set up a special committee, headed by General Draper, and including men like General Gruenther, Admiral Radford, and others. They are very dedicated men and they are not in the Government with axes to grind. They are real experts. They have studied this program throughout the world in person, and they say our military assistance ought to be $2 billion.

Mr. PASSMAN. I have a lot of respect for those men, but if this committee had not functioned the way the Executive wanted, they would have likely been fired, just as Mr. Benjamin Fairless' recommendations were rejected. The Draper Committee's recommendations were about as had been anticipated.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. May I say that I agree absolutely with my good friend and colleague, the gentleman from Minnesota [Mr. JUDD] as to the need. There never has been in our history a greater need for preparedness than today. Of course, we need our allies, and that is the reason I am supporting this bill at all. If that was not true, I would not be for any part of this bill. I believe that the bill is absolutely necessary for the mutual defense of the United States of America and our allies. However, we can go through our hearings and point out page after page where there has been extravagance and waste in the expenditure of funds, and what we have tried to do in this bill is to cut out the waste. Now, if the authorities in charge are going to continue that waste, maybe they will not have money enough to do what is necessary, but if they will cut out the waste, I will say to you that this bill will provide ample funds for an adequate mutual defense program.

Mr. PASSMAN. I thank the distinguished gentleman from Virginia.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Chairman, in order to get this matter into perspective, I wanted to ask the gentleman from Lousiana what the amount was of the defense appropriation bill for this year as compared with the $40 billion of military aid that has been given over the years up to the present time?

Mr. PASSMAN. Is the gentleman speaking of our budget?

Mr. CURTIS of Massachusetts. The defense appropriation bill this year.

Mr. PASSMAN. Our subcommittee does not handle the defense budget.

Mr. CURTIS of Massachusetts. Well, it was about $40 billion, was it not?

Mr. PASSMAN. I think it was about $40 billion.

Mr. CURTIS of Massachusetts. Does the gentleman not agree that the military experts told us that this military aid is just as important to our national defense as our own defense budget is?

Mr. PASSMAN. Personally, I have never met an expert in military procurement.

Mr. CURTIS of Massachusetts. The gentleman spoke about waste and excessive supplies. Have we not heard the same things about our own Defense Establishment?

Mr. PASSMAN. I think the Department of Defense is just as guilty.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, at the outset, I should like to congratulate the gentleman from Louisiana [Mr. PASSMAN] for the conscientious work he has performed over the 6 or 7 weeks that we heard testimony on this bill. However, Mr. Chairman, I disagree with his views and his philosophy. But I learned a long time ago in politics, when I was a member of the State senate, that we can disagree without becoming disagreeable.

Mr. Chairman, I have asked time to declare my vigorous disagreement with the action of the Appropriations Subcommittee and the full committee on this bill. I am shocked, amazed, and appalled by the arbitrary, almost capricious manner in which those in control have acted to slash the military assistance, defense support, special assistance, and technical cooperation and development loan programs entrusted to us.

I dissent from that action.

If time had permitted, I should have filed a formal dissent. I should like what I will now say to be regarded as such a dissent.

What has happened here?

The President of the United States has sent the Congress a request for $3,930 million to carry forward programs of mutual security which he has said are vital to our own security, our own welfare, our own prosperity—as well as the security and well-being of our friends in the world.

The Foreign Affairs Committee of this House held 11 weeks of hearings on this request. They reviewed not only the policies underlying the several categories of this program but also needs for funds for each such category. They concluded that the authorization could not safely be reduced more than $366 million and that, in fact, the highly important Development Loan Fund should actually be increased $100 million over the very conservative sum requested by the President.

This House in debate on the authorization bill chose to delete this recommended increase for the Development Loan Fund but turned back all efforts to cut the authorization further.

I do not think it will be a revelation to anybody when I say that many people in this House who voted for the authorization bill at a level $366 million below the President's request did so in the firm conviction, based on past experience, that the other body would restore the program to the level needed.

But what happened? A bitter issue arose in the other body over a proposal to provide forward financing of the Development Loan Fund. The issue was whether or not the Appropriations Committees, particularly the committee of the House, were to be bypassed in providing capital for the Fund. At a time when it seemed that the decision would go against the appropriations process, the President of the United States cast his support behind the Appropriations Committees and the effort to circumvent them failed.

What has been the outcome?

First, the Members of the other body, angered at the President's intervention, momentarily withdrew their support of this program and its enemies were able to make cuts totaling $383 million—which the other body would unquestionably have rejected under normal circumstances.

Second, the conferees between the two bodies, repairing the damage as best they could, set the authorization at $3,576 million—a cut of $353 million.

Third, the Appropriations Committee of this House has showed its gratitude for the President's confidence and support by arbitrarily slashing another $390 million.

What are these cuts and what are their effects?

MILITARY ASSISTANCE COST

The military assistance program was cut $100 million below the authorization, $300 million below the President's request. The President himself declared in his message to the Congress that the $1,600 million he asked was the minimum figure needed just to prevent serious deterioration of our collective security system. This full amount, he said, is far below the amount needed for our share of the cost of improving or even providing essential maintenance for the forces of our allies.

It has been argued to me that cuts have been made in past years, despite warnings from the President and high military officers, and no catastrophe has occurred. But such arguments omit one major fact: in past years there has been a pipeline of military materiel which the Congress has compelled the Executive to draw down year after year.

As the President told us in asking for the minimum figure of $1,600 million for military assistance, continuation of a sufficient flow of materiel and sufficient training for the year can be attained only by some additional cannibalizing of the pipeline. The Defense Department's proposals for fiscal year 1960 already include drawing down the level of the pipeline by another $300 million. But, as the President said, the pipeline is already reduced to a point where flexibility is difficult and the withdrawals already planned by the Pentagon are the absolute limit below which the efficiency and effectiveness of the program will deteriorate.

You may ask why, if this program is so important to our safety, the President did not ask for more funds.

The answer is, of course, that he asked for minimum funds pending a study of the program which he had commissioned by experts outside the Government. This study was made by a group of ten of the Nation's most able and respected private citizens—a bipartisan group including three distinguished military officers who had reached the highest commands in the Army, Navy and Air Force, two past directors of the Budget—one a Republican, one a Democrat—the Nation's outstanding banker, two leading businessmen, a former Democratic Under Secretary of State.

That committee of experts conducted months of study of the kind no congressional committee would undertake—or at least in my experience has undertaken. That committee heard detailed testimony from every appropriate responsible officer in Washington and in our military headquarters and diplomatic missions abroad. Finally these men concluded and reported that the request made by the President, far from being reducible, should be increased by $400 million to provide urgently needed modernization of free world forces, particularly in the NATO area.

I cannot understand how any responsible citizen, let alone any Member of the Congress, can read the report of the Draper Committee which the President formally transmitted to the Congress with his approval on April 29 of this year, and then feel he is doing his duty by his country and by his constituents in cutting the program to $1,300—$300 million below the President's initial request, $700 million below the figure this group of experts has told us is necessary.

A few days ago this House acted on the Department of Defense appropriation bill for $40 billion. There were but three dissenting votes when we passed that bill.

Yet, as the President of the United States, the Commander in Chief of our military forces, the responsible Executive Head of our world-wide collective security program said to us when he sent us this mutual security request:

> These two requests, one for our own defense forces, the other for our share in supporting the collective system, are but two elements in a single defense effort. Each is essential in the plans of the Joint Chiefs of Staff for our national security. Each is recommended by the same Joint Chiefs of Staff, the same Secretary of Defense, and the same Commander in Chief.

But when the request for our own defense forces is before us we jostle each other getting into line to support it—while when its twin element in our single defense effort is before us, the air is blue with tirades of opposition.

Surely everyone in this House must know by now that our own national security depends on our collective security program. We maintain our Strategic Air Command and our other forces to provide a massive deterrent to Communist aggression. Yet much of the essential strength of SAC itself comes from bases made available to us by our allies and friends in Europe, North Africa, and the Far East and from the early warning systems, the defensive installations and the logistic support installations on the soil of these allies and friends.

Through our mutual security program our friends make available for use of our forces some 250 bases in as many strategic locations. They support ground forces totaling more than 5 million

men—and this is important—stationed where the dangers of local attacks from Communist nations are gravest and prepared to defend their own homelands.

These allies also man 30,000 aircraft, including 14,000 jets—and 2,500 naval combat vessels—all enormously increasing the deterrent to Communist aggression and increasing the security of our own position in the world.

The President has asked only $1.6 billion, 4 percent of our own defense budget, to continue this massive collective power. I consider this to be the great military bargain of all time. But it is now endangered by our arbitrary, unwarranted slash of nearly 20 percent.

Where will the damage be done?

First in Europe—I think every member of our subcommittee was impressed by the testimony of General Norstad, our NATO commander, as to the need for further, rapid modernization of NATO forces. I have already referred to the unanimous recommendation of the Draper committee that this should be done urgently.

But this cut—piled on top of the cut in the authorization bill—will mean that instead of moving forward we will actually have to curtail modernization programs for missiles and related equipment and for certain fighter and naval patrol aircraft.

In the Near East, where Soviet pressures are continually increasing, the cuts made will virtually eliminate fiscal year 1960 programing of funds for military construction projects and will reduce programs for ammunition, medium tanks, and fighter aircraft.

In the Far East, where there are three divided nations and only a few months ago a hot war flared, we will have to cut out modern naval aircraft for antisubmarine warfare, and certain naval craft and tanks.

These reductions in the strength of our allies can only tempt the Soviet and Chinese and Korean and Viet-Minh Communists to probing attacks to uncover weaknesses in the free world's defenses.

These reductions coupled with thoughtless cries on the floor of the House for further slashes can create the false but deadly dangerous impression in the minds of Communist leaders that the United States is growing soft, that we are tiring of the cold war, that we are weakening in our support of collective security—that their victory is in sight. Such a misconception could lead to actions with the most horrible potentialities.

This is all I have to say now on the military assistance item in this bill—but I think you might be interested to hear a few sentences from the Secretary of Defense, Mr. Neil McElroy, which he wrote to the President in a memorandum of June 15, 1959:

THE SECRETARY OF DEFENSE,
Washington, June 15, 1959.

Memorandum for the President.

Subject: Appropriations for the military assistance program.

I have noted the action of the House Committee on Foreign Affairs in reducing the authorization for military assistance for fiscal year 1960 from the $1.6 billion requested by the President to $1.44 billion. It appears there may be further efforts in the Congress to reduce the amounts appropriated for the military assistance program below even this authorization.

The funds requested for fiscal year 1960 were below those the Joint Chiefs of Staff recommended as essential to carry out the indispensable military assistance programs required for our worldwide security arrangements. To support this program at a level less than that recommended in the 1960 budget can only be viewed as a real threat to our security.

Thus, if reductions are made during the course of the action in the Congress, it would appear that the militarily justifiable requirements for fiscal year 1961 would need to be substantially in excess of $2.5 billion if we are to maintain this vital portion of our total defense effort.

I have personally discussed the military assistance program today with the individual members of the Joint Chiefs of Staff and they have reaffirmed their view that the amounts recommended in the fiscal 1960 budget are the minimum required.

NEIL MCELROY.

DEFENSE SUPPORT CUT

I turn now to the cut in defense support. The President asked the Congress for $835 million for this purpose. In fiscal year 1959 Congress appropriated only $750 million for this purpose—but the absolute requirements of maintaining stability in the highly strategic nations receiving defense support required the actual use of $808 million before the year was over.

The authorization for this program for fiscal year 1960 was set at $751 million—and the committee has now reduced this to $700 million.

I regard this action as incredible. I cannot accept it in silence.

Recall for a moment the purpose of defense support and the nations it is for:

Its purpose is to help 12 key nations maintain economic and political stability while supporting heavy military forces demanded by their perilous locations under the very muzzle of Communist guns.

Each of these 12 nations is under increasing pressure from the Communist bloc. Economic penetration, political threats, infiltration—even open aggression—are being used against them as the judgment of the Communist strategists direct.

Taiwan has been compelled to engage in major defensive combat against Communist aggression in the straits.

Vietnam is the target of an intensive campaign of infiltration and subversion which has seriously threatened civil order and recently involved assassination of two Americans.

Laos has active Communist military forces within its borders and open warfare could break out at any time.

Greece is being subjected to a vitriolic political attack aimed at weakening their role in the NATO alliance.

Iran, which recently rejected Soviet security arrangements, a position they could hardly have afforded to take without assurance of continued U.S. support, faces added danger from the unstable situation in Iraq.

Many defense support recipients face not only military threats and pressures, but also acute economic problems. Turkey has recently undertaken a broad stabilization program designed to revitalize and rationalize its economy. Many free world nations have joined in assisting Turkey, and defense support has been a major element of that assistance. Sharp reductions would not only jeopardize the stabilization program itself, but would also weaken Turkey's defense capabilities, lessen her prospects for self-sufficiency, and bring U.S. concern over Turkey's longrun economic well-being into question.

Pakistan, with a new, vigorous government and heavy military obligations, is in an extremely precarious economic situation. It has suffered loss of markets and declining prices for its exports which have cut into its wherewithal for purchasing essential food and raw materials. Here is a country on the margin of privation, or even starvation, a situation which allows very little flexibility in U.S. aid levels.

Korea has made steady progress since the armistice in 1953 but is threatened by North Korean forces which are much more powerful than hers. With a heavy military burden and limited natural resources, Korea must struggle to increase production and employment apace with its growing population, much less increase its pitiable living standards which many of you have witnessed.

Cambodia is a major target of the Communist political and economic penetration in southeast Asia. Any lessening of free world support might make it increasingly difficult to resist the pressure.

Thailand and the Philippines, leading members of SEATO and strong supporters of the United States, have requirements for the construction of military facilities, financed by defense support, which are important to an effective defense of southeast Asia.

The cuts now recommended—16 percent below the President's request—will be felt in every one of these exposed and heavily burdened nations. The severity of the cuts on 11 of these nations is intensified by the fact that the committee has recommended a requirement that $50 million of defense support funds be used for Spain—a sum considerably in excess of the executive branch's estimate of need and request.

In some countries it will be possible to accommodate these reductions by postponing the day of reckoning. Inventories and foreign exchange reserves laboriously built up in recent years can be drawn down again; deficit financing can be used to meet military budget requirements at the cost of increased pressure of inflation. Such measures, however, are self-defeating for they only serve to increase the requirements in further years, delay progress toward greater self-sufficiency and postpone the hope of eventually shifting the burden of the support of these local forces from the United States to the home countries.

Some of you may be motivated to cut the program to the end of shifting the relative emphasis from military to economic assistance. However, cuts will have quite the opposite effect. Assuming for a minute that it were desirable,

still military forces cannot be reduced overnight and not without arduous negotiations with the countries involved. Military construction cannot be abruptly stopped without waste and political repercussions. For these reasons, the portion of defense support going directly to military support is relatively inflexible. The bulk of the cuts will fall on those portions which contribute to a healthy society and a stable base for the military forces. Education, health and community development projects will be decreased. Efforts at expanding markets and agricultural productivity—so essential to economic development—will be reduced.

Although details are important, we should never lose sight of the all-important basic fact.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield.

Mr. LINDSAY. I have listened with great care to the debate since the beginning and have not yet received an explanation that satisfies me for this mandatory earmarking of $50 million for Spain. The gentleman from Massachusetts is a member of the committee. Can he help me by telling me what the discussion was in the committee or what the testimony was on this particular subject?

Mr. CONTE. I would like to continue, then I will answer the gentleman's question if I have time.

The borders of 11 of these nations constitute the long frontier of the free world around the eastern and southern perimeter of the whole Sino-Soviet bloc. Together they maintain some 3 million men in their armed forces to defend this long frontier. We could not duplicate this force at any cost no matter how great and even to provide a fraction of it would cost us untold billions more than our present expenditures for our Armed Forces and a radical increase in our draft of young men and women. Yet we are now asked to deal in a cheap and parsimonious fashion with these valiant friends and to endanger the whole structure of free world security—all for a saving equal to one-fourth of 1 percent of our own military budget.

I cannot agree with this kind of self-defeating parsimony.

SPECIAL ASSISTANCE CUT

For special assistance the President asked $272 million. The Congress authorized $247.5 million in the bill just passed—a cut of less than 10 percent and yet one which will compel the sharp reduction or curtailment of valuable activities. The Appropriations Committee has now recommended an incredible and totally unfounded slash to a level of $200 million.

To understand what has been done here, we should recall that special assistance is not emergency money—it is not to be confused with the contingency fund—it is programed assistance for certain countries of great importance to us such as Morocco, Tunisia, Libya, Jordan, Ethiopia, and the Sudan—and West Berlin—all countries or areas where we want to achieve special objectives which cannot be gained from other elements of the mutual security program.

Special assistance is also for certain health programs such as malaria eradication and education programs such as aid to American schools abroad.

I guess—and it is only a guess—since no other logical reason appears—that the committee chose to cut special assistance to $200 million because that was the figure appropriated for fiscal year 1959. But—and this is the all important fact the committee chose to disregard—the amount actually obligated for special assistance in fiscal year 1959 was $276.9 million—more indeed than the President requested for fiscal year 1960.

The tragic effect of this cut will be almost to obliterate certain of the planned programs of special assistance because there is a basic group which simply cannot be reduced and others which must actually be increased over last year.

What are the facts?

Three programs must be increased. One is malaria eradication, now in the third and critical year. The effort in this peak year must be increased to prevent loss of progress already made. The second is aid to the Baghdad Pact. The third is a contribution to the United Nations Emergency Force; last year we coasted on a previous contribution.

These three items together call for $43 million—an increase of $15 million over last year.

Four items must be maintained at least at last year's level. These are:

Morocco where we have special interests of the most vital kind in four strategic airbases, naval air and communications bases and the essential Voice of America relay station.

Libya where we have our largest SAC base and whose pro-Western attitude is of immense importance to us.

Jordan whose continued existence in the face of the most intense pressure of dissident elements depends on our help.

Berlin—for reasons too obvious to mention.

These four items total $111 million and are irreducible.

This leaves $46 million of the committee's recommended appropriation to cover 14 major programs for which last year we obligated $113 million. Those programs include Bolivia and Haiti, Tunisia, Somalia, the Sudan, Ethiopia, Liberia, Afghanistan, Nepal, Burma, Indonesia, aid to American schools abroad, and Israel.

I mention Israel last because special assistance for that country was not originally proposed by the executive branch but was added at the insistence of the Congress when the authorization was above $250 million. I cannot conceive how that program can now be included—certainly in any substantial amount—unless the appropriation is returned to the authorized figure.

Failure to restore the full appropriation authorized will also result in cuts of 50 percent or more in help to the other nations I have mentioned—nations in each of which Communist propaganda is intense, Communist efforts at infiltration are vigorous, and, in many countries Communist economic penetration is increasing.

In my judgment the proposal of the committee to save $72 million now would most assuredly lose untold millions in dollars and heartaches in the future.

TECHNICAL COOPERATION CUT

For technical cooperation the President asked $179.5 million for our own bilateral programs and $30 million for our contribution to United Nations and Organization of American States programs.

I commend the committee most highly for recommending the full contribution for international organizations but I deeply regret the cut made of $29.5 million in our bilateral program.

I know that testimony given during the hearing would justify $10 million of this cut—although later testimony indicated the value of the full request. But by no stretch of the imagination did any testimony justify a cut of $29.5.

Again the figure of $150 million seems to be based on the fiscal year 1959 appropriation. But it disregards changes in the world since a year ago.

The proposal of the President tried to take account of those changes. The increases in the proposed program were to meet the most evident and crying needs in the underdeveloped areas. A third of the increase—$9 million—was to be in Latin America where we have had mounting evidence, obvious even to the most obtuse, of the need to strengthen the manifestations of our interest in the welfare and progress of our neighbors. We are now planning increased capital assistance to Latin America through the Export-Import Bank, the Development Loan Fund, and the new Inter-American Bank. It would be foolhardy if at the same time we did not provide an adequate level of the most inexpensive, yet most effective, help of all—technical assistance to develop the human abilities and institutional organizations to use and absorb capital assistance.

About a fifth of the increase requested—$6.3 million—would have gone to expanding technical cooperation in Africa where Ghana, Guinea, Tunisia, and the Sudan have only just come on the map and Nigeria, Somalia, and others are soon to follow.

We will make a historic mistake if we do not realize now—and act on our knowledge—that this enormous, awakening area will be an intensive and strategically critical battleground for men's minds and loyalties. The Communist world shows every indication of realizing this and of exploiting its opportunities. It will be a costly and sorrowful failure for us if we do not now step forward to help these new nations who are now willing to receive our help.

The remainder of the increase requested is in the Near East, south Asia, and the Far East. These are areas where we are now making our greatest expenditures for military assistance and defense support. Technical cooperation is a means by which we may educate and stimulate these peoples to more rapid economic de-

velopment and toward self-sufficiency—thus decreasing the longrun cost to the United States. In other critical countries, such as Indonesia—the sixth most populous country in the world—technical cooperation is our major means of identifying our country with the aspirations and needs of the people themselves.

We all know that this program is the one which produces the greatest return for the least cost. The recommended cut is indeed a false economy.

DEVELOPMENT LOAN FUND

The Development Loan Fund is a special case and I think the House is entitled to a full understanding of what has happened regarding it.

You will recall that the President requested $700 million to be appropriated for fiscal year 1960; this was raised to $800 million by the Foreign Affairs Committee and brought back to $700 million on the floor of the House. Then, as I have mentioned, the Foreign Relations Committee of the other body recommended a proposal for long-term capitalization of the Fund—5 years at a billion dollars a year, to be financed by borrowing from the Treasury. The minority leader offered a counterproposal sponsored by the administration to authorize the immediate appropriation of $1.5 billion, to become available, $700 million in fiscal year 1960, $500 million in fiscal year 1961, and $300 million in fiscal year 1962. The President joined the fight in support of the Appropriation Committees against the borrowing authority proposed by the Foreign Relations Committee and the concept of borrowing authority was defeated.

I have already mentioned how this intervention of the President in support of the Appropriations Committees led to severe cuts in military assistance and defense support which would not otherwise have occurred and how his help has been repaid by the action of the Appropriations Committee on this bill.

But there is more to the story. A compromise was reached in the other body on the Development Loan Fund itself. That compromise was to authorize the immediate appropriation of $2 billion, to be made available, $750 in fiscal year 1960 and $1,250 million in fiscal year 1961. The conferees on the authorization bill agreed on $1.8 billion, to be available, $700 million in fiscal year 1960 and $1,100 million in fiscal year 1961.

The President acted at once. The very hour the authorization bill was signed he sent to the Congress a supplemental request for an appropriation of $500 million to be available in fiscal year 1961—as a portion of the $1,100 authorized for appropriation now to be available in that fiscal year.

Before the President could act—indeed before he had even received the authorization bill, the Appropriations Subcommittee on the Mutual Security Program was convened and marked up its recommendations.

The President's additional request arrived just as the full Appropriations Committee was taking up the subcommittee report.

I think it is no exaggeration to say that it got just about the same attention as a skunk at a picnic.

In fact, I have seen a proposition for $500,000 to eradicate water lilies get more attention than the written request of the President of the United States to provide $500 million auhorized by the Congress for one of the most important programs in the whole foreign relations of our Government.

What about the original request for $700 million for fiscal year 1960? The committee cut it to $550 million—again the figure appropriated for fiscal year 1959—but again in total disregard of the hard realities of the world we live in, of the urgent need of friendly peoples in the newly independent, newly developing nations for help in their desperate efforts to make economic progress—in total disregard too of the rapid increase in the rate of Soviet efforts at economic penetration of these same nations.

To a man from outer space there would perhaps be something quite laughable about all these gyrations over the Development Loan Fund. But for us earthlings, who will have to live with the fruits of our actions, I fear that the present appropriation action, if not corrected in the final action of the Congress, will be a tragedy we will live to rue.

Finally—and these are small by important items—I must protest the cuts in the administrative funds for the Department of State and ICA. Any careful examination of these requests will show that they are reasonable. The ICA request, for example, is basically exactly the same request made last year. The additions are plainly defined to meet additional needs.

In my opinion, the greatest need in this whole program is for more highly qualified personnel and more thorough management controls over the administration of the program. We will not get them by starving the administrative funds.

What I have said is only a rapid outline of my feelings about the major cuts made in the mutual security program. There is a great deal more I should like to say if it were proper to take more time in this debate.

My conclusion is that the cuts in military assistance, defense support, special assistance, technical cooperation, the Development Loan Fund, and the administrative expenses are truly indefensible. I trust that in the final action of the Congress they will be restored to the full levels authorized.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. LINDSAY. First of all, I should like to compliment the gentleman on the excellence of his remarks. Secondly, I should like to go back to the question I asked originally: Can the gentleman clarify for me the reasons of the committee for the special, mandatory earmarking of $50 million defense support for Spain?

Mr. CONTE. There is no logical reason. The only argument the gentleman will receive is that there is a precedent for it, that it has been done before. But let me elaborate on that. There are 12 countries that participate in defense support. From the original request made by the President of the United States $135 million was cut. At that time the Department of State was going to give Spain $40 million. After cutting the defense support item $135 million, this subcommittee earmarked $50 million for Spain, $10 million more than the President had allocated to Spain. There are 12 countries involved. Eleven of the countries are underneath the belly of the Sino-Soviet bloc. The only country that does not come under that belly is Spain. We do have some important air bases and naval bases in Spain which are very important to this country. But what I am arguing against here is not the $40 million or the $50 million we are going to give Spain, but the principle of it. If you are going to earmark $50 million for Spain, why not earmark $50 million for Greece, $50 million for Turkey, $50 million for South Korea, and for all our other friends that we have? There is also the fact that we are in the position now of negotiating with Spain to put some missile bases in that country. If they know that they have us over the barrel for $50 million, we are going to have to start from that figure and work upward. There will be no room for compromise, no room for discussion, because the money is already earmarked.

Mr. LINDSAY. I have been through the hearings in a limited way but I did not see even a mention of this particular subject in the testimony. Was there any discussion of that by representatives of the Department of State who came before the committee?

Mr. CONTE. Honestly, I cannot say; I do not recall.

Mr. LINDSAY. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. GROSS. I believe the gentleman mentioned Morocco as one of our allies; is that correct?

Mr. CONTE. That is right; we have air bases in Morocco.

Mr. GROSS. Does the gentleman now that on July 1 of this year the Moroccan Government levied a 35-percent or 40-percent tax upon transactions by Americans in Morocco? Apparently the first move in an attempt to drive us out of Morocco? Does the gentleman know that there are 50 to 75 automobiles, at last report, sitting on the docks there that cannot be moved, intended for American use in Morocco, because the Moroccan Government will not permit them to be moved?

Mr. CONTE. I know one thing; I admire the gentleman from Iowa for his consistent stand against this bill. But I do know that we have air bases in Morocco today and that if we are going to cut this program the way it has been cut, we will have to cut the amount for Morocco because of these great slashes and we will not have air bases there very long.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, it is difficult to buy even a little time on this foreign boondoggle.

I am always interested to hear the gentleman from Minnesota and others deny that this multibillion dollar annual spending spree, this annual giveaway program, is not to buy friends. According to the gentleman from Minnesota [Mr. JUDD] it is to establish partnerships. It has been my experience that a partnership is not worth a whoop in an empty vinegar barrel if it does not carry with it friendship. If this program is not to obtain friends, then it is nothing at all. The gentleman from Minnesota bemoaned the fact that a combination of circumstances, when the authorization bill went over to the other body, and then to conference, stopped an increase of several hundred million dollars in that bill. It then came back from conference with a lower figure than he thought it should have carried. He was bemoaning that fact. I, on the other hand, am delighted that this year, the first in the 11 years I have been here, there was a combination of circumstances that helped to hold this giveaway down. Just once, there was a combination of circumstances that worked in favor of cutting this bill. I can remember in years past the synthetic crises that were created year after year in order to get the billions for foreign aid through the House that the freewheeling spenders wanted.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JUDD. I do not recall any synthetic crises. I thought they were very real crises.

Mr. GROSS. I suggest that the gentleman read some of the things that went into the RECORD at that time.

Mr. JUDD. I should like to have the gentleman insert them in the RECORD. I do not know of any synthetic crises.

Mr. GROSS. There were plenty of them, and the gentleman knows it.

Mr. JUDD. I do not. I thought the crises were very real and I think the crisis that we face today is very real. I hope the gentleman's prediction that the amount provided in this bill is about right, and I will be grateful if it proves to be right. But I am not willing to take the responsibility of gambling with it.

Mr. GROSS. Mr. Chairman, I cannot yield further to the gentleman.

Mr. Chairman, I would suggest to the Members that they could do worse than to obtain the hearings on this bill and turn to page 888, the beginning of the testimony of a former colleague of ours, a former Member of the Congress, Sam Coon, who became an official in the foreign aid setup. His testimony is to be found in page after page in the hearings. He was subpenaed before the committee and described what happened in Peru with this boondoggle. You will find in the testimony that he was threatened by the Ambassador and the No. 2 man in the Embassy in Peru. You will find that he came to Washington at his own expense in an attempt to get something done to correct the foreign aid program in Peru. He tried to talk to the Administrator of the ICA in Washington, according to his testimony before the committee, to tell him of the situation that prevailed in Peru. The Administrator of the ICA refused to see him.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HAYS. Who was the Administrator at that time?

Mr. GROSS. I believe it was a gentleman by the name of Smith.

Mr. HAYS. Frankly, they have not had an Administrator for 6 or 7 years.

Mr. GROSS. And I will agree with the gentleman on that score with the possible exception of Mr. Hollister.

I would like to ask the chairman of the subcommittee one further question. Do I understand there is $198,700 in this bill for liquor and entertainment?

Mr. PASSMAN. I think that is placing the figures at the very minimum amount.

Mr. GROSS. Would that be included under general administrative expenses of $137 million?

Mr. PASSMAN. I should think it is in that item. I am not going to quarrel about the representation allowances and whether they entertain them with imported sardines or whisky. Personally, I do not drink whisky myself.

Mr. GROSS. I want to know where I can offer an amendment to cut it out of the bill.

Mr. PASSMAN. You would have to offer quite a number of amendments because it is in every appropriation bill that comes before the House and has been in every appropriation bill for many years.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PASSMAN. Mr. Chairman, I yield the gentleman 3 minutes and ask him if he will yield to me.

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. I think we are going to have a lot of very happy colleagues on the left side of the aisle and some on the right side. Whom are you going to believe? Here is a statement by the Comptroller General and it is in the hearings. In four or five places, the Comptroller General says the trouble with the foreign aid program is that they have too much money and not too little. The Comptroller is an appointee of President Eisenhower. If I may, I would just like to make this quotation from the remarks of Assistant Secretary of State Sprague before the subcommittee. I quote:

> The reductions that the Congress has effectuated in the program have assisted the executive branch in administering the program in a more efficient manner; there is no question about that.

And if I may, I would like to make one further statement for the benefit of the new members of this committee, and we are very happy to have them on the committee. The same old hue and cry has been raised every year when we have made reductions in this bill. We have reduced the authorizing legislation in this committee $2,866 million. And they say we have made a better program out of it and not a worse program.

Mr. GROSS. I would like to ask the gentleman another question. Is there any money in this bill for Israel?

Mr. PASSMAN. I might say to the gentleman that of the 86 nations in the world, there is money in this bill for 76 of them, past and present. I think this year there are some 70 of them who have their hand in the grab bag. I am sure Israel is in the bill in several places.

Mr. GROSS. I would hope that they are not in this bill because, as I understand it, Israel is in such condition now economically that it manufactures and sells arms to other countries.

Mr. PASSMAN. I am not quarreling with the gentleman.

Mr. GROSS. If that is the situation, then Israel ought to be out of the bill. I think they ought to be out of this bill for another reason. I picked up a newspaper and read that Israel is providing economic aid to at least one of the Middle Eastern countries. Not only is Israel able to manufacture and export arms, but is giving economic aid to other countries, according to the newspapers. If that is true, Israel and every other country so situated ought to be off our list of dependents.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. TABER. Mr. Chairman, I yield the balance of the time to the gentleman from Arizona [Mr. RHODES].

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, within the past few years the American taxpayers have been called upon to pay the tremendous costs for unnecessary, wasteful, and extravagant programs that have often created more problems than they ever solved. The taxpayers have repeatedly been sold on the need to pay for some plan to meet a so-called crisis. With each crisis, some plan has been presented as a sure solution and the plan became a heavy burden on the backs of the American people. As a result of our mishandling—sometimes misdirection—we have seen our public debt rise to a fantastic level. I maintain it is time to reexamine our position and intelligently evaluate the need for some of these schemes.

Of these crisis-solving programs which have been sold the American people, the most questionable in value and the most questionable in accomplishment, in my opinion, is the so-called mutual security, or foreign aid, program. This "International WPA" that has been conducted at the expense of the American taxpayer is a leading contender for the farce-of-the-decade award. If it is not stopped soon it will continue to press our Nation toward bankruptcy and our prestige in world affairs will continue in a negative direction.

As we all are well aware, our policy of grants to foreign countries—both mil-

itary and economic in nature—was originally agreed to by the Congress with the firm assurance that the program was to be a temporary one. Its intended purposes were noble indeed. The avowed intent of the program was to, first, provide military defense for America, and, second, combat the spread of communism.

The major deterrent to Soviet aggression following World War II was the admitted superiority of the United States over all nations of the world in military might. The basis of this power was our sole possession of the secrets surrounding the method of controlling the power of the atom. In addition to this, America's economic and industrial might was so infinitely superior to all others that the thought of Soviet equality, let alone superiority, in any field was absurd.

However, high policy planners evidently decided that small countries of varying degrees of strategic importance needed small, conventionally equipped armies at the expense of our own economic and industrial development. Money and arms were diverted from American hands and placed under the control of leaders of divergent loyalties to the American intention of world betterment. We found many leaders of countries receiving military assistance using the great gift from America to preserve their control over various internal interests.

From a peak of absolute military superiority, we have spent our way through 14 years of aid to all comers to find ourselves on the short side of a shift in the balance in power, which has left the Soviets with an advantage in the newest area for evaluating military power—the ballistic missile field.

We can see that the only thing which Russia has ever feared, of an external nature, is the military and economic superiority, not of America and her allies, but of America herself. Tragically, that sole deterrent no longer exists, for we have allowed the Soviets to surpass us in the field that was our own—the production of superweapons. We have chosen to direct our resources toward foreign aid for other nations, while as a result, our own Nation has been allowed to fall behind the Soviets in comparative strength of preparedness.

The second objective of the foreign aid program was to halt the spread of communism. One does not have to look very far to find how effectively this part of the program has been carried out. Following World War II, communism did not creep into valuable areas of Europe—it ran. Our multi-billion-dollar foreign aid program has resulted in a change in basic Soviet policy. From external aggression at their own expense, the Russians have changed to a pattern of internal subversion—but at U.S. expense. American dollars have been put to work at implementing fundamental Soviet goals. A glance at the Middle East today, and in all probability, at Latin America tomorrow, will bear out the terrible truth of this statement.

It seems a little strange to me that, under direction of a program designed to stop the spread of communism, American dollars have been poured into the Communist countries of Russia, Yugoslavia, Czechoslovakia, East Germany, Hungary, and Poland. Of the 70 nations who received the American dole from 1945 to 1958, Russia and Yugoslavia were among the top 20 countries in the amount of money received from the United States. It strikes me that this is a rather peculiar way to halt the drive of communism toward world domination.

Now that the two major objectives of the foreign aid program have been proven to be failures, we find the advocates of continuing the program resorting to the plea that a reduction in foreign aid would have a disastrous effect on the Nation's economy. Their cry is that our foreign aid program has spent funds amounting to 45 percent of the national debt. This figure represents the net of American aid to foreign countries. They maintain that a reduction in the amount spent in such a large area of our budget would leave our economy writhing from a lack of Government contracts.

But, when advocates of reducing the national debt urge reduction in the foreign aid program as the obvious starting point for such an effort, we are double-talked—through the use of figures based on the gross national product—into believing that the foreign aid program accounts for only twenty-one one-hundredths of 1 percent of the Federal debt. Now exactly, what the gross national product represents, no one seems quite sure. It is generally understood, however, that two farmer boys playing poker in a barn on a rainy afternoon could, with imaginary money used in such games, amass a tremendous gross product between themselves.

The foreign aid program has not been a failure in theory alone. Volumes of carefully documented instances are increasing daily with new cases of stupid bungling in the application of the program. Even if the long-range purposes of our foreign spending were being realized as a result of American dollars, the gross incompetence with which the administrative side of the affair is being handled would be sufficient cause to call for a reevaluation of the entire effort.

A few results of the practical application of the foreign aid program will, in being mentioned, bring to your mind other aspects of an equally frustrating nature.

We borrowed money to lend $3 billion to foreign powers so that they might reduce their national debts and balance their budgets, and all the time we were increasing our debt and unbalancing our budget. Money sent to aid foreign countries has been spent to purchase commodities and supplies from our competitors on the world market. We have not protected the American industries which were taxed to supply the aid fund.

In 1953 our Government made $745 million available for support of the French and their allies in the prosecution of the Indochina war. Only a part of this money has been spent when the French surrendered. After many months of attempted audit and negotiation, we recaptured $95 million.

We gave approximately $450 million in financial support to the British aircraft program in 1953–55 but the planes were delayed in production and were obsolete when they reached the landing strips. Part of the cash was used to subsidize the British commercial jet transports in competition with U.S. manufacturers.

In the past week, Americans have been informed of the tragic plight of our foreign aid program in Vietnam. A series of on-the-scene articles by Albert M. Colegrove of the Scripps-Howard papers, entitled "Fiasco in Vietnam," shows again the unholy mess our foreign aid "experts" seem to be able to get into while involved in their spending contest. It is a sickening thought that the millions we have poured into Vietnam have resulted in the phrase, pro-American, becoming a type of profane insult in that country.

Why is it that in the light of all of these facts we, who claim to be the most prosperous, the most educated, and the most advanced nation in the world, feel we must rely on the amount of foreign aid money we give away to bolster our national security? I suggest that if we were more concerned with our national fiscal affairs, our national preparedness, and our internal strength and security, we would not be forced to buy the support of foreign nations. They could easily recognize the real differences between the Communist regime and our traditional principles.

In the past, a strong America has attracted the strength and support of other nations. There is no reason to suspect that principle no longer has validity. Granted, the world has never been faced with the same kind of ruthlessness which the well-organized Communists have shown in achieving their goals. Nevertheless, the best way to defeat the Soviets is to maintain a healthy economy, sound fiscal policies, and display strong, courageous leadership in international affairs without seeking to gain and maintain the support of foreign countries by foreign aid handouts. Certainly, if we must rely on foreign aid to gain the support of other nations and to prove to them that our principles are superior to Soviet aims and ideologies, we have degraded and compromised our own basic principles.

Mr. Chairman, waste, inefficiency, and downright negligent handling of the foreign aid funds has weakened the economy of this Nation. We are faced with an enormous public debt and a dangerously inflated economy. We must begin to think more of our own domestic security. We must get our own house in order. We simply cannot afford to continue a program such as the one before us when we are promised little or no reward in exchange for another year of parading billions of dollars overseas at the expense of the fiscal soundness of the United States and the American individuals and businesmen who contribute the fruit of their productivity to its support.

I urge my colleagues to join with me in voting against this measure.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman.

Mr. FASCELL. Mr. Chairman, last week when the President signed into law H.R. 7500, the Mutual Security Act of 1959, he issued a statement claiming that three freedoms-of-information provisions of the bill "are not intended to and cannot alter the recognized constitutional duty and power of the Executive with respect to the disclosure of information, documents and other material." This broad claim of "Executive privilege" means that the President is insisting on the right to refuse to execute a law of the United States. For the several budget and accounting statutes granting the General Accounting Office access to information and the newly enacted provisions of the Mutual Security Act were signed by the President and constitute "the supreme law of the land."

The Constitution provides that the President "shall take care that the laws be faithfully executed." Thus, the President has the duty to execute the laws, but he is claiming power to defeat them. The President can dissent from a proposed law only by exercising his veto power. Once a congressional enactment is signed into law, it is as binding on the President as on the lowest officer of the United States.

Fundamentally, the power asserted by the President under the guise of "Executive privilege" is a power to pick and choose among the laws, to decide which laws he will respect and which he will flout and refuse to enforce. If this claimed power exists, then indeed the Congress and the people of the United States are at the mercy of an all-powerful President. Plainly, in a government of laws and not of men, the President cannot set himself above the law. The Washington Post and Times-Herald in an editorial on July 28, 1959, succinctly and clearly summarized the issue. Let me read it:

EXECUTIVE PREROGATIVE

President Eisenhower was badly advised in his statement putting his own construction on the meaning of the Hardy amendment to the Mutual Security Act. Congress is as well aware as the President that legislation cannot alter the constitutional duties of the Executive with respect to the disclosure of information, documents and other materials, and it is hardly in need of a lecture on the subject. It also is aware, however, that the Executive cannot alter the constitutional duties of Congress.

The information amendment states that upon request: All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof.

The language is similar to that in the act creating the General Accounting Office. It seems to be an appropriate exercise of the right of the legislative branch to make sure that the purposes of the legislature are carried out and that the money is wisely and honestly disbursed. Some of the information so far made available to Congress certainly justifies anxiety with reference to the handling of these moneys. Those entirely sympathetic with the objectives of the program have been rightly distressed at evidences of laxity and maladministration.

These are not matters about which Congress can be wholly indifferent, trusting blindly and implicitly in the good faith and performance of executive departments. If there is a nonreviewable, nonjusticiable power in the Executive to refuse all information it wishes to withhold, Congress might as well shut up shop.

Just where the line can be drawn has always been a matter of some political pulling and hauling. The courts never have ruled on the matter. Whatever the precise meaning of the Constitution, and whatever the exact rights of the Executive, the early Presidents, while often arguing the existence of an Executive privilege, generally gave Congress what it sought. Although President Washington was unhappy at the way in which the House sought papers on the tragic St. Clair Expedition, he sent up all the matter at hand as Douglas Freeman notes:

"Washington had learned long previously the protective value of candor in dealing with the American people and he knew that one reason for their trust in him was their belief he would tell them the whole truth."

The wisest Presidents have imitated such candor, particularly in dealing with situations in which irregularities were feared.

Let me illustrate what this broad claim of power means in terms of administration. The Inspector General of the Air Force has denied to the Comptroller General, the agent of Congress, access to a survey of the management of the ballistic missile program. The Comptroller General is entitled to this information under the terms of the Budget and Accounting Act of 1921—just as he and the Congress are entitled to all information under the new Mutual Security Act of 1959.

The Inspector General testified before the House Government Information Subcommittee recently that no one in the executive branch reviews the work of his establishment, and neither the Comptroller General nor the Congress can carry out such a review if the reports which are the end product are not made available. This agency hidden from the Congress and from the auditors of Congress in the General Accounting Office spent more than $24 million during fiscal year 1959 and nearly $23 million during fiscal year 1958. A letter from the Air Force setting forth these facts was received July 15, 1959, by the House Government Information Subcommittee. This is but one agency in the Defense Department with huge expenditures kept from the scrutiny of Congress. The Army and the Navy carry on comparable expensive functions. The mutual security program is evaluated similarly, but the Congress and its auditors are not given access to that evaluation work, even when the President signs a law making the information available. It cannot be that Congress is powerless to ascertain whether these vast sums are efficiently employed. How can Congress make appropriations without such information?

Let me remind the President and my fellow Members that, as the Supreme Court stated in 1957:

The power of the Congress to conduct investigations is inherent in the legislative processes * * *. It comprehends probes into departments of the Federal Government to expose corruption, inefficiency, or waste (*Watkins* v. *United States*, 354, U.S. 178, 187 (1957)).

Under that power, the Congress investigated the malodorous regime of Attorney General Daugherty; and the Supreme Court, in *McGrain* v. *Daugherty*, 273 U.S. 135, affirmed the right of Congress to require information from the brother of the Attorney General, Mal Daugherty. To conclude that inquiry can be blocked on the ground of "Executive privilege" when Congress seeks the root of a governmental evil is to abort the recognized congressional power to investigate the executive departments for the purpose of legislation or appropriation.

Against this combination of recognized congressional power and the necessity of obtaining information if Congress is intelligently to legislate and appropriate, stands the claim of "Executive privilege." Even the Attorney General has admitted that no court case has determined that such a privilege exists. Not a word about it is to be found in the Constitution.

There is not and cannot be an "Executive privilege" to pick and choose among the statutes to be enforced. One and all they are "the supreme law of the land" and the President cannot decide which law is binding and which he may flout. Respect for law must start with the President if his exhortations to others to obey the law are to command respect.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New York.

Mr. SANTANGELO. Mr. Chairman, I support the mutual security appropriation bill, H.R. 8385, which grants new appropriations of $3,209,782,000 and reduces the President's budget request by $1,226,495,000 plus $356,418,000 from the authorization bill. These cuts, in my opinion, eliminate the fat and the waste without affecting the muscle and sinews. In any event, the entire amount requested by the President was not entirely justified in the committee hearings and the Appropriations Committee has appropriated funds to the extent that they were justified.

Despite the breakdown in the administration of our foreign aid program, I still believe in its lofty principles and practical purposes. I still believe that it is wise and noble to aid impoverished nations to help themselves in eliminating poverty and hunger, causes of revolution and communism. Despite the financial cost to the American people, I believe that there are practical advantages in having friends throughout the world to resist with us the spread of communism and in having friendly nations and people assume their financial and manpower burden in this great worldwide struggle against communism.

I have supported the foreign aid program since I came to Congress. I did so and I do so now in the belief that it is necessary for the defense of our Nation. The Eisenhower doctrine in the Middle East promised great things and gave the President great power. Our foreign pro-

gram in the Far East, where we have spent over $6 billion, is noble in purpose and ineffectual in its administration. The story of Laos, Vietnam, Cambodia, and Thailand is ugly and sordid. What has happened there gives some credence to the fantastic story described in the novel, "The Ugly American." In that bestseller, it is told that our representatives and employees in the Far East are myopic, blundering, and incompetent. Despite the heroic deeds of several individual Americans struggling against insurmountable odds, it is told in that novel that we are losing the battle notwithstanding our noble purposes and lofty ideals. While I do not accept the story of "The Ugly American" as completely true, I recognize some warning signs.

In reading the disclosures and findings of the Committee on Government Operations in Report No. 7, House Report 546, one concludes that many ICA officials and employees are either unconcerned, incompetent, or corrupt. However, because a few police officers may be dishonest, incompetent, or lax, does not require the elimination of a police force. So with ICA and our foreign aid program. The incompetency, inefficiency, and dishonesty does not require the ending of our foreign aid program. Our task is to improve the administration and not to abandon the program. Our task is to remove the temptation of ICA officials to "feather their nest" and to assure a better administration of funds in these construction programs by stricter controls and better supervision.

Our people today are groaning under the burden of our taxes and will not tolerate waste, inefficiency, and added costs by reason of improper influences either in our military procurement programs or in our foreign aid programs.

I have introduced an amendment which the full Committee on Appropriations has unanimously accepted. This amendment is designed to do away with the "feather your nest" practices of ICA officials and employees and to eliminate unnecessary costs in the construction programs of our foreign aid. The amendment reads as follows:

> None of the funds contained in this title may be used to enter into a contract with any person, organization, company, or concern or any of its affiliates, who has offered or who offers to provide compensation to an employee of the International Cooperation Administration or who provides compensation to any former employee of the International Cooperation Administration who has left employment with ICA within two years from the date of employment with said person, organization, company or concern or any of its affiliates.

There are several instances which came to my attention which demonstrate the inefficiency and even corruption of ICA employees and officials. Undoubtedly, there are more. If we are to continue this program of foreign aid, we must place the burden on the business-opportunity of employees to "feather their nests" at the expense of the American taxpayer. At the same time, we must place the burden on the businessman who is using and abusing ICA employees with offers of premium salary employment contracts after resignation from Government service. Some contracting firms are a little careless. They even pay Government employees before departure from Government services.

In the Administration in Laos, the committee report indicates several glaring examples. Edward T. McNamara, a public works and industry officer of ICA, accepted bribes totaling $13,000 from a construction company known as the Universal Construction Co. through its officers Willis Bird and Gerald Peabody.

William Kirby, area transportation advisor, aided by one of the ICA directors, Carter dePaul, who circumvented ICA regulations, was instrumental in securing the award of a contract for the supply of ferry barges to the Hong Kong Transportation Co. Shortly thereafter, Mr. Kirby was employed by its affiliate, Pacific Island Shipbuilding Co. While the contract was being negotiated, this gentleman was the recipient of $500 from the Hong Kong Transportation Co.

Lacey V. Murrow, U.S. Army, retired, head of an engineering firm of Transportation Consultants, Inc., was under retainer to Vinnell Co. at the same time he was employed by ICA in Laos as an engineering consultant for the purpose of assisting in the selection of construction projects. During this period Vinnell Co. was seeking to obtain contracts with ICA in Laos.

Norman McKay, an employee of Transportation Consultants, Inc., acting as consultant to the USOM was instrumental in securing the award to Universal Construction Co. of a contract to construct a ferry ramp in Laos. Shortly thereafter, he went to work for Universal as project manager.

Carter dePaul, former USOM director, sold his 1947 Cadillac upon his departure from Laos to Gerald Peabody, the head of the Universal Construction Co., at an inflated price. The car, valued at approximately $600, was sold for over $3,000, and was in an inoperable condition. The story of this USOM director, Carter dePaul, is an ugly one and it shows brazenness by an ICA director and a callous disregard or unconcern by law enforcement officials.

In Thailand, other examples of "feather your nest" practices showed up. These were disclosed by the Committee on Government Operations in its 29th report.

Thomas Hill, the Public Works Chief of USOM, Thailand, and one of his subordinate engineers, Herluf Larsen, were desirous of future employment by a construction company, Sverdrup & Parcel. Mr. Hill had overall responsibility for all construction projects in Thailand and was responsible for holding Sverdrup & Parcel to a proper performance of the contract. Larsen was charged with specific responsibility of supervising the Northeast Highway. Hill was hired by Sverdrup & Parcel on July 1 1957. Larsen applied for a job with Sverdrup & Parcel in January of 1957 and continued to supervise the performance of that firm until October of 1957. Larsen was finally offered a job but, because of reasons of health, refused it. Larsen had been invited to submit his application for employment by the firm's president, General Sverdrup, while they both were attending a meeting held in ICA, Washington, the purpose of which was to consider the selection of an engineer for the Bangkok-Saraburi Highway. Sverdrup & Parcel was interested in obtaining the contract. Hill and Larsen both recommended that the contract for the Bangkok-Saraburi road be awarded to Sverdrup & Parcel without the formality of seeking competitive proposals from other firms.

In view of the fact that most of the contracts are let without competitive bidding, the dangers of improper influence are many.

I trust that this amendment will be approved by the Committee of the House and that this foreign aid program be approved with the reductions proposed by the Appropriations Committee.

Mr. RHODES of Arizona. Mr. Chairman, I want to begin by complimenting the members of the subcommittee, and particularly the chairman. I believe every member of the committee knows full well that in bringing out this bill we have started on its way a piece of legislation which is very important to the foreign policy of this country. If I could in a few words express what I believe to be the foreign policy of this country, I would do so as follows: The foreign policy of this country is to maintain peace in this world, and with that peace a climate under which our way of life will remain secure.

If this bill, Mr. Chairman, does not further this foreign policy, it is no good to the American people then the bill is bad. If it does help accomplish that result, then the bill is good. I believe, Mr. Chairman, the bill does help to advance the foreign policy of this country.

I do not think the money required to maintain the programs which have been started is more money than necessary.

When I think of our foreign policy, when I think of peace, and those who are working for it, my mind goes halfway around the world to a young American man and his lovely wife, who, in their very effective way, are doing a great job for world peace and understanding.

This bill and the program for which it stands can never be a substitute for statesmanship; it must be an adjunct of statesmanship. If this bill does not provide for the deterrent which is necessary to keep the leaders of predatory nations from pulling the trigger, then this bill will have failed. If, however, it is able to do so with the help and activities of people like the young man and young woman whom I mentioned, then the lives of you and of me will have been well lived because we will be able to pass on to our children and succeeding generations a much better world than the one we came into.

I am sure, Mr. Chairman, that the people on the right side of the aisle as well as the people on the left side of the aisle will join me in wishing to the Vice President of the United States and Mrs. Nixon Godspeed, success, and a safe return to the United States of America. The contribution they make to world peace is a great one. We are grateful to them.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Michigan.

Mr. FORD. I would like to join the gentleman in congratulating and commending the Vice President and Mrs. Nixon on the first-class job they are doing and I am sure will do in representing our country in the Soviet Union and the satellites. We should be proud of them regardless of party affiliation.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. Chairman, if I were to say that this is a perfect program I certainly should be laughed out of this Chamber. It is not a perfect program. I do not know of any program of this magnitude which is perfect. It seems that this is one which attracts more in the way of brickbats than almost any other program we legislate. Perhaps it is because of the very nature of the program itself.

In the first place, it has been called a giveaway, and few people really like to give away their substance, however good the cause.

In the second place, it has been characterized by writers many of whom are more anxious to sell their wares than they are to do a public service—by the horror cases which have been uncovered. Actually, considering the magnitude of the program it has in my opinion been quite well operated on the whole. We have heard much about horror cases, and instead of glossing over the errors and mistakes, I am going to admit that some exist. In fact, I will spend the rest of my time pointing out a few of the things which are wrong with this program and which should be corrected in the future.

In the first place, this bill covers a program which finances the refugee programs in the Middle East. Nobody wants to see those refugees suffer any more than they are suffering. However, Mr. Chairman, we have now reached the point where the nations in which the refugees reside are no longer responsible financially for their welfare. In other words, the existence of the refugee problem no longer hurts the pocketbooks of the nations which have it within their power to solve this refugee program. This is because the expenses of the refugees is paid largely out of this appropriation and others. It would be my hope that in the future we would be able to make it abundantly clear to those nations which should and could solve this problem, that we do not intend to continue to support the refugee situation forever. It will be necessary, in my opinion, to make that point abundantly clear before we are able to proceed with the type of soul-searching negotiation which is necessary for a permanent solution to be found.

Another matter requiring long-range planning is that of local currencies. Many of these programs generate local currencies. Public Law 480 generates local currencies. It was said in the committee that if this is continued we are going to be "up to our ears in rupees." Mr. Chairman, that is true. We are going to be up to our ears, not only in rupees but in the currency of many other nations. This poses a great problem, a great responsibility of this Nation. It is true that the money can be spent only in accordance with treaty, and upon negotiation between the parent country and ourselves, but the mere fact of the existence of a large sum of money in the hands of any other nation is or can be inflationary in nature. In other words, we have in the palms of our hands the responsibility for the welfare of the economies of many of the nations of this earth. If we take huge sums of money from their economy and do not spend it for projects in those countries at a rate sufficient to keep up their economy, we will be blamed. If we spend money more rapidly than we should spend it, then we will cause inflation in those countries and we will be blamed. So anyone who feels this so-called loan fund is likely to be an unmixed blessing for the people of the United States had better begin to consider the responsibility we are placing upon the shoulders of not only our generation but of future generations to come.

Another problem which must be solved in connection with this program is in the field of transfer of military equipment. When the armed services transfers equipment to the mutual security program to be used in one of our allied nations, if the material is not in excess, the armed services are reimbursed for the equipment in the amount of the cost of the original procurement of the item, and sometimes in excess thereof. The temptation is very great, Mr. Chairman, for the military to over estimate the amount that a nation can absorb in the way of military hardware. Why? Because then the military, if it gets by with this kind of operation, is able to generate credits in dollars which can be used by the military to purchase new equipment which it needs here in the United States. This has happened in the past. I do not say it has happened willfully, but it has been uncovered in the Comptroller General's inspection of the program. We should never put that kind of temptation in front of any service—to modernize itself at the expense of another service.

I think we perhaps have cut the military assistance program a little more than we should. However, I should say that not only does the military assistance program receive the $1,300 million of new money which we appropriate but it also will have available $36 million which was unobligated at the end of this fiscal year and which will remain available under the terms of this act. Also it will have $47 million more which it is supposed to receive from the sale of material in the next fiscal year. This adds up to $83 million, or to a total of $1,383 million out of a total authorization of $1,400 million.

As to the rest of the program, we may have cut a little deeper in defense support than we should have cut. Defense support is a part of the program under which we are able to maintain or help maintain the economies of the nations with which we have mutual assistance pacts. Many of the nations are nations with which we have agreements in reference to bases which are very necessary to the military program of this country.

Mr. Chairman, I again say that I think this is as good a bill as could be produced for such an indefinite and complex program. It has been a fine experience for me to serve on this subcommittee with our fine chairman, the gentleman from Louisiana, the gentleman from New York, our beloved ranking minority member, and all of the other members of this committee. It is a hard-working subcommittee. I think it came out with an answer as close to a right answer as one could expect on a problem which is very difficult to evaluate. You quite often feel that if you are going to err, you would rather err on the side of generosity in this program, because many times you cannot help but feel that the welfare of this country and of the free world rides in the balance. I hope we did not cut the program too deeply in any instance other than those I mentioned.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Minnesota.

Mr. JUDD. Illustrative of the way in which programs around the world are sometimes administered is the story in today's paper about a hospital that the Air Force built in France for $6 million and abandoned by the time it was finished. Now, we do not decide that because of this waste we should abolish or drastically cut down the Air Force. A mistake was made, a miscalculation. Those who make mistakes ought to be held responsible, whether in the Air Force or in the foreign aid program or any other program. But the program itself ought not be crippled because of it. The main thing is to get on with the job, while working constantly to reduce the mistakes or waste.

I want to commend the gentleman for the fine, reasonable and balanced statement he has made.

Mr. RHODES of Arizona. The gentleman is correct. We can find horror cases in almost any program of the magnitude of this program.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New York.

Mr. LINDSAY. Mr. Chairman, I rise in support of the mutual security program. I regret many of the cuts that were made by the committee, particularly in the area of defense support.

Mr. Chairman, in supporting the administration's foreign aid program, I share the view of the administration that the military and economic strength of the whole free world plays as vital a part in our Nation's total defense as the funds which we specifically earmark for the military. Sound economics and stable governments are the surest guarantee against further Communist encroachment. I am opposed to many of the cuts made by the Appropriations Committee for three principal reasons. First, cuts in military assistance and defense support were opposed by the overwhelming majority of those testifying before the Foreign Affairs Committee. The administration's recommendations in this area were described as "bare

minimums" by such experts as General Lauris Norstad, Commander in Chief of NATO. Secondly the increased emphasis on economic aid in both the administration's recommendations and the conference report is of vital importance in view of the economic offensive now being launched by the Soviet bloc. During the fiscal year 1958 the Soviet Union and its satellites applied more of their resources to expanding trade and credit ties with less developed countries than in any year since the start of its economic campaign in 1954. Because Soviet economic aid is little more than a means of supplementing and subsidizing Communist subversion, it poses a threat which can only be met by providing an alternative to Soviet aid. An expanded American economic aid program is such an alternative.

Finally, I oppose the significant cuts recommended in the Development Loan Fund. The administration's program sought to put economic aid on a sound footing by arranging loans rather than making direct grants wherever possible. It was the objective of this year's recommendations by the administration to expand DLF to meet the expanding capacity and needs of underdeveloped economies. If we do not fill the need, such countries have little alternative but to turn to the East.

Mr. PASSMAN. Mr. Chairman, I yield the remainder of my time to the gentleman from Virginia [Mr. GARY].

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be happy to yield.

Mr. ALEXANDER. Mr. Chairman, the time has come for us to put some "sense" into our foreign aid dollar.

Since the end of World War II we have spent some $82 billion for this program, while at the same time our own national debt has soared to over $286 billion. Inflation has taken hold here at home and we have a real problem to face.

As we study this program we find extravagance, inefficiency, and waste in many countries where the program has been in effect. In fact, the Comptroller General who was before our committee noted that the current findings of the General Accounting Office strengthen the belief that the basic shortcomings, especially in the area of project assistance, derive from unsound programing concepts. He stated that the annual level of aid has been beyond the technical and financial capacity of the recipient, as well as beyond the administrative ability of the United States.

The truth is that ICA has disbursed its efforts over such a wide range of projects that effective administration has been difficult, if not impossible.

Mr. Campbell, the Comptroller General, has stated that in many of these countries the main difficulty is that they have had too much money to spend.

Inadequate, advanced planning, such as firm plans, reliable estimates of cost, and lack of positive and definite agreement with recipient countries on all details, has led to overprograming, piecemeal financing, and premature obligations. Delays, and increased cost of projects, thus have become very common.

Irregular practices, corruption, and speculation by unscrupulous dealers have been encouraged by lack of stern, adequate supervision and by the United States recognizing unrealistic exchange rates of local currencies in relation to the American dollar. We have had loose handling of ICA funds in some countries, due to our refusal to demand satisfactory accounting and to know how the funds were being spent. In other words, funds provided by the United States have not been so controlled as to insure that the funds are actually being used for the purpose for which they were given.

Mr. Chairman, in my opinion the time has come to cut foreign aid to fit the need. It is time to be realistic. We know that the loose-knit estimates are grossly inflated. We need to clean up the waste; make appropriations only when justified and to see that the American people get a dollar value for a dollar spent in this program.

I might point out that extravagance and inefficiency in our foreign aid program serve as an incentive for uncontrolled extravagance throughout our entire government.

Growth of the ICA has been phenomenal. In 1948 it had 571 employees, while today we have more than 53,600 total, including employees, contract professors and participants in the ICA program. There, no doubt, has been excessive staffing and entirely too many people doing the same type of work except for different agencies of the ICA.

In the military field, I might say that funds provided by the United States to support the military budget of many countries have not been adequately controlled to insure that the funds are utilized for the purposes for which they were given.

Mr. George H. Staples, Associate Director of Civil Accounting and Auditing Division of GAO, stated to our committee that a mission in one country, where there were only 271 Americans, owned a fleet of 229 passenger vehicles and operated 7 additional vehicles on loan from the local government. This fleet was excessive in relation to the number of mission and contract personnel in need of local transportation. He continued, "The mission had purchased excessive quantities of household goods for use in government-furnished quarters.

"The mission carried in its inventories the following items, among others: 529 refrigerators at the approximate value of $105,800; 669 air conditioners at a value of $135,600; 650 stoves at $47,100, and unitemized household furniture in warehouses at $128,500." All of this for only 271 Americans.

Mr. Chairman, this is the type of thing that should never happen.

This program has been going on for many years. The same type of mismanagement, inefficiency, malpractices, and waste recurs year after year. It is high time that something was done about it.

Mr. Chairman, we must learn we cannot spend ourselves rich. We must stop borrowing money in order to give it away. We must learn that friendship must be earned not bought.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. The gentleman undoubtedly recalls that the Committee on Foreign Affairs agreed to eliminate language providing for waivers of section 1415 of the supplemental appropriation bill of 1953. I have particular reference to the use of foreign currencies. Would the gentleman please inform the committee just how our foreign currencies are appropriated. The bill before us does mention or provide for the appropriation of foreign currencies.

Mr. GARY. The way that is done in practically all instances is that the Committee on Appropriations appropriates dollars for the project or purpose for which the foreign currencies are desired. Then the agency uses those dollars to buy the foreign currencies. Now, it works out this way: It is practically a bookkeeping transaction and nothing more, but it is done in that manner so that the Government can keep a check on the use of foreign currencies and that none will be used without being accounted for. The gentleman will recall that several years ago there was a great deal of criticism about the use of these currencies without a proper accounting. At that time we put a provision in the law to require that foreign currencies be deposited in the Treasury and expended as other funds so that there would be a proper accounting. Now, of course, the Committee on Appropriations could appropriate and authorize the use of those currencies out of the Treasury, but it has usually been done by appropriating the money and letting the agencies purchase the foreign currencies from the Treasury. In that manner it is a complete check.

Mr. ZABLOCKI. I agree with the gentleman that there should be a check on the use of foreign currencies. However, as the gentleman will recall, in accepting his amendment, I asked the gentleman whether the Committee on Appropriations would favorably consider appropriating foreign currencies for a specific purpose. It was my understanding that my amendment to section 400(c) authorizing the use of special assistance funds for American-sponsored hospitals abroad as well as the use of foreign currencies for such hospitals could and would be appropriated by the Appropriations Committee. The amended authorization legislation intended to constitute an authorization for an appropriation to carry out the purposes of section 400(c) of the Mutual Security Act as amended. I wish the gentleman would explain whether for the purpose of carrying out this authorization the State Department would have to deposit the equivalent of requested foreign currencies in dollars into the Treasury of the United States.

Mr. GARY. Not necessarily. I think if they would come in with specific projects that the Committee on Appropriations could authorize the use of foreign currencies for those projects. I assure the gentleman—and I stand on my

promises—that if that request is made I, for one, will certainly fight as long as I can to see that it is done.

Mr. ZABLOCKI. Without the Department being charged, or having to deposit dollars into the Treasury of the United States?

Mr. GARY. They all go into the Treasury, but they have to be appropriated out of the Treasury. All local currencies go into the Treasury.

Mr. ZABLOCKI. That is true. But if a department has to purchase foreign currencies in dollars, then the department would have to obtain the authorization and appropriation of dollars.

Mr. GARY. I think they could also get the authority to use the foreign currencies out of the Treasury.

Mr. ZABLOCKI. Without the transfer of dollars?

Mr. GARY. I think that could be done. But no request of that kind has been made. I certainly was trying to be absolutely fair with the gentleman. All I wanted was a review. I shall help the gentleman in any way I can to see that these purposes are accomplished.

Mr. ZABLOCKI. The gentleman and I are in agreement that foreign currencies should be prudently and carefully utilized. I thank the gentleman for his reassurance that foreign currencies will be made available for worthy projects. I also thank the gentleman for his excellent explanation of this very complex subject.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from West Virginia.

Mr. BAILEY. With reference to the same question raised by the gentleman who is a member of the Committee on Foreign Affairs, the gentleman will recall, when the authorization bill was up some weeks ago, I tried to strike out of the bill section 205 which provided that money paid as interest and on principal for loans under the Loan Fund, would revert into a revolving fund and not be paid back into the Treasury. I notice the Senate changed that, and required that it be paid into the Treasury. That is somewhat of a subterfuge, because they will not pay us back in American money, but in their own currencies, out of this fund which at that time was in an amount of $2,700 million.

Mr. GARY. If it goes into the Treasury it will be accounted for exactly as cash and would become a part of the funds of the United States and would have to be appropriated out of the Treasury. Certainly, if the Congress follows the language of the Constitution, which says that funds shall be withdrawn from the Treasury only upon appropriations made by the Congress, that will be the case.

Mr. BAILEY. Then may I ask the question, Who will be responsible for the administration of the rest of that surplus that is built up there?

Mr. GARY. The Congress of the United States.

Mr. BAILEY. If we do it?

Mr. GARY. Yes.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman, briefly.

Mr. JUDD. I hope the gentleman and his committee will continue to work on this problem of foreign currencies. It seems to me it might be advantageous to start making appropriations in lira or yen or pesetas or zlotys, as the case may be. We ought to avoid these huge accumulations of foreign currencies which are dangerous in some cases to the economies of the affected other countries and are useless to ourselves.

Mr. GARY. I agree with the gentleman that every effort should be made to use foreign currencies wherever we can in place of American dollars. I certainly will not argue with the gentleman on that. I shall be glad to go along with any scheme that has that in mind. Our committee has been very insistent in our hearings with the department heads when they came before us, in telling them that we felt that should be done.

Mr. Chairman, I hold in my hands a copy of the printed hearings of our subcommittee held during the 6 weeks we sat in session daily from 10 in the morning until 5 in the afternoon. These were voluminous hearings. This book contains a tremendous amount of information.

Let me pay my tribute here to the Chairman of our subcommittee. I have never seen any man more dedicated to his task and more interested in digging out facts and trying to provide the House with all the information available, than the chairman of our subcommittee. He has certainly done a magnificent job. But, for my part, in order to sustain the report of our subcommittee, and it is not a very large report, in fact, it is rather small—in order to sustain the report, I would just need about 100 pages or even less than 100 pages of the record of the hearings. And that is the testimony of the Comptroller General of the United States. The Comptroller General is an officer who is supposed to represent the Congress of the United States. It is true that he is appointed by the President, but he is appointed for a 15 year term. That long term is given to him so that he will not be susceptible to the influences from the various departments. We try in the Office of the Comptroller General, as much as we can, to get a man who will be absolutely impartial, a man who will go into these various agencies and departments of government and make fair and impartial examinations and report the facts back to the Congress. That is what has been done in this case. The Comptroller General came before us and testified at length with reference to certain investigations that he had made. Mr. Chairman, we have been told in the past, and I have heard it every year, that our committee has recommended cuts that we were wrecking the program. We were told that those cuts would absolutely wreck the program. Members of the House know that I have fought for this program for many years, and I would be the last person in this body to try to wreck the mutual security program. But, what we have done is that our committee has tried throughout the years to keep the program within due bounds and to see that we do not waste the money of the American taxpayers.

The Comptroller General appeared before our subcommittee and pointed out many errors that have been made in this program. He pointed out instances of great extravagance and waste. But, he pointed out that there has been very little graft or corruption on the part of American officials, and I am very glad of that. There have been instances of graft among some of the people with whom they were dealing. I was asking him that question. I said:

Mr. GARY. Mr. Comptroller, there have been some disclosures by other committees of outright graft, corruption, dishonesty, and skulduggery in some of these programs.

I think your report shows quite a number of cases have been referred to the Justice Department for proper action.

Would you consider these isolated cases or have you seen anything bordering on a general pattern?

Mr. CAMPBELL. In other parts of the Government?

Mr. GARY. Yes, in the various activities of the ICA.

Mr. CAMPBELL. No; I do not think it follows a pattern as far as we can see. I think, as the chairman has said, there are enormous sums of money being handled here far from home with staffs, recruited probably very rapidly, and we have to expect that there will be troubles. I think where you get into other agencies of Government which are well ordered and by tradition have had procedures that are effective, we just do not hear this sort of thing. I think that some of the countries we have worked on are not as bad as others. I think the pattern of loose, lax administration runs through the entire complex.

Mr. GARY. That was my understanding.

There has been faulty administration and you found that pretty general?

Mr. CAMPBELL. That is right.

Mr. GARY. Insofar as actual dishonesty, there have been only isolated cases, as I understand?

Mr. CAMPBELL. Yes, sir.

I think that is encouraging, but I do not think we can excuse inefficiency in the program. He said the reason for that inefficiency, and mark this—when we cut the program in past years, they said we were wrecking the program—he said the reason for that inefficiency is that we have given them too much money. If you read his testimony you will see that several times he says we have given them more money than they can efficiently expend.

For example, the gentleman from Louisiana [Mr. PASSMAN] asked this question:

Does that constitute an indication that more money is available than actually needed, and that the money is being obligated rapidly in order to get it behind the curtain?

Then Mr. Staples, who is an assistant of the Comptroller General, says:

That is the very direct inference, Mr. Chairman.

Then I have another quotation:

Mr. ANDREWS. Did I understand you, General, to tell the chairman yesterday in substance that, in your opinion, one reason for the trouble that ICA is having is that they

have more money to handle in the program than they could judiciously plan and use?

Mr. CAMPBELL. I think that is fair. They have had an enormous amount of money to worry about and it is a tremendous job. If they had had a billion dollars less or a half billion dollars less, they might have been able to handle it better than they have.

There is the answer. What we have tried to do to this program is not to wreck it. I certainly would not be a party to that. Let me quote from last year's hearings, the testimony of Mr. Sprague, the Assistant Secretary of Defense, International Security Affairs, who said:

The reductions that the Congress has effectuated in the program have assisted the executive branch in administering the program in a more efficient manner. There is no question about that. On the other hand, we have had as our object to make the program efficient on our own account.

I am supporting the cuts in this bill, and I make no apologies for it, because I think it will improve the program. I think what we are doing here is cutting out the waste.

There are three items to which I would like to call your attention. Probably some of you may remember that when the conference report on the authorization bill was before the House there were several items to which I strenuously objected. One was the section dealing with the creation of a center in Hawaii for cultural and technical exchange between East and West students. The other was the section dealing with international cooperation in health. We are already spending $85 million on the international health program, and I thought this was just another program proposed for additional expenditures to provide for a coordinated program in health.

Another item to which I objected was a proposal to set up agencies in other countries to instruct them how to borrow our money. It seemed to me as though it were an idea to drum up trade for this program. I do not think the time has come when we ought to be drumming up trade for this program; I think we ought to be trying to cut it down instead of drumming up trade. But the other body put into the bill several programs of that kind. They had never been considered by the House committee; the House had not had an opportunity to review them, and I stated on the floor, as some of you will remember when the conference report was considered, that I was going to vote against the conference report just on that account.

I am happy to inform you now that the Appropriations Committee in this bill has taken care of that situation by saying that no part of the funds contained in this bill shall be used to carry out the purposes of the sections to which I have referred.

Mr. BAILEY. Mr. Chairman, will the gentleman yield for a question?

Mr. GARY. I yield to the gentleman from West Virginia.

Mr. BAILEY. In view of the economic situation in my State of West Virginia would the gentleman from Virginia advise me that I continue my efforts to have West Virginia declared foreign territory so we can get some help under this bill?

Mr. GARY. I will say to the gentleman that West Virginia made one very grave mistake when it seceded from Virginia. I think you should consider very carefully before taking another such step.

Mr. BAILEY. If I do not succeed in having it declared foreign territory I will talk with the gentleman further about it.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HARRIS. The gentleman mentioned funds being appropriated or considered for an International Health Organization.

Mr. GARY. Yes.

Mr. HARRIS. Is that included in this appropriation?

Mr. GARY. No; as a matter of fact, we already have an International Health Organization. We have been contributing for sometime to the World Health Organization of the United Nations. But this was some kind of scheme in the authorization bill for international cooperation in health. I was afraid it might lead to some scheme of socialized medicine. It was not in the authorization bill as passed by the House; it was in the conference report. We never had an opportunity to study it. I called attention to it on the floor of the House, and when the conference report was under consideration I voted against the conference report on that ground.

What we have done is to say that no part of the funds in this bill shall be used for that program. So we have knocked it out.

Mr. HARRIS. Our committee is conducting a hearing now on a resolution, Senate Joint Resolution 41 in which many Members have been interested and which would call for the spending of some $50 million a year in international health research. I wanted to find out if that program had become a part of the foreign aid program.

Mr. GARY. It is not in this bill. The bill specifically provides that no part of the funds shall be used for that purpose.

Mr. HARRIS. I thank the gentleman.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. I might say on behalf of the House conferees on the authorization bill that we came back from conference with all the things that the gentleman's committee wanted, such as maintaining the appropriation process and eliminating the back door approaches to the Treasury in the other body's bill. We sort of thought we ought to be received with mild acclaim, like Moses coming down from the mountain, but instead you folks took us to task for accepting these additional programs which could have been done anyway. We were not giving new authority, as we saw it. We were merely making formal what the President already could do with the contingency fund if he wished. We thought it was a good trade for the House. The provision which I regret most in the gentleman's bill is section 112 denying the use of funds for World Refugee Year. This is a 1-year authorization. It has to be made available now or the special year will be over before it can be used. I hope that the section denying these funds can be removed; next year it will be too late.

Mr. GARY. The gentleman will recall that I praised his committee for the work it had done in conference. I did not feel I could vote for these new projects or new programs. I think the time for authorizing new programs has passed. I may say to the gentleman with reference to the refugee year fund, this has been declared refugee year. We have a refugee program. But to step that program up with the idea of completing it at an earlier date, our committee was afraid that what we would do would be to step the program up and to get it on a continuing basis at $10 million more a year.

Mr. JUDD. This was an authorization for 1 year for World Refugee Year. It was not for a world refugee program ad infinitum. I think the United States should play its part in an effort to try to clean up this situation as far as possible.

Mr. GARY. We have more than played our part. We put up most of the money that has been used in the refugee program and I think it has been a worthwhile program. Without it we would have had a much more serious situation than we have now because it is bad enough now. One of the great problems that we are facing internationally is the refugee program, there is no question about that, but there is a limitation to our abilities, and our committee was a little afraid to do too much stepping up for fear we might step into a permanent program on a stepped-up scale.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman is very gracious. Does it not seem to the gentleman it is vitally important to us to accept the Senate amendment as appears in the conference report in the conference that is now going on between the House and the Senate on the nuclear carrier? We have heard that these countries do not want us to have airbases such as in Morocco and such as in England. They were booed over there when it was suggested that we take the airbases we were supposed to have in France out of France and take them to England. The Parliament booed that. They did not want us.

Mr. GARY. I may say to the gentlewoman I think that is one of the problems the Congress is facing now and I would prefer to leave that question to the subcommittee on defense which is now struggling with it.

Mr. EVINS. Mr. Chairman, I have been increasingly alarmed and concerned about the mounting costs and expenditures in our foreign aid programs. I know that there are some who think and believe that the mutual aid program is the only program offering assistance to our friends and allies. As a matter of

fact, there are very few departments of our Government that do not participate to some degree in our program to assist friendly nations to improve their status and defensive position.

It is instructive to note that since the end of World War II we have spent nearly $90 billion to assist our friends, allies, and to help underdeveloped nations throughout the world.

A summary of foreign aid programs and expenditures by various Government agencies for development in foreign countries follows:

Mutual aid grants and loans, $80.8 billion.

Loans by export-import banks, $5 billion.

American contribution to International Bank for reconstruction and development, $650 million.

American contribution to World Bank for economic development loans, approximately $1 billion.

American contribution to International Monetary Fund, $2 billion.

American contribution to International Finance Corporation, $35 million.

Total loans, grants, and contributions, $89.4 billion.

In addition, grants and loans in unspecified amounts have been made to foreign governments by the following agencies. I have not been able to obtain the figures for these:

Agriculture Department: Commodity Credit Corporation and Foreign Agricultural Service.

Atomic Energy Commission.

Commerce Department.

Executive Office of the President.

Interior Department.

United States Information Agency.

As a member of the Appropriations Committee, I feel that the time has come for a thorough investigation of the mutual aid program.

I think we have the clear responsibility to look into and revise our entire activities in this area with the point of view of coordinating these programs, of eliminating waste, duplication, inefficiency, and even corruption, and of even seeing to it that our funds are spent as efficiently and wisely as possible. The need for such a review was clearly pointed out by the interim report of the Subcommittee for Review of the Mutual Security Program in February of this year. Although this subcommittee was able only to scratch the surface, it developed convincing evidence that a thorough and complete study is justified and necessary.

Mr. BOSCH. Mr. Chairman, the mutual security appropriation bill for fiscal 1960 recommends $3,186,500,000 in obligational authority plus a reappropriation of $36,188,000 in unobligated balances remaining available as of June 30, 1959. In addition to the foregoing, it is only fair to point out that there is on hand in the mutual security program an unexpended balance of $4,871,448,000. Therefore, there will be on hand for this foreign aid venture the grand total of $8,057,948,000, and this does not include local currencies available for expenditures in foreign lands approximating $1,565,148,000.

What does this mean to the American taxpayer? Well, it puts foreign aid as the second largest item of our national budget. Foreign aid expenditures to date exceed $70 billion and represent one-quarter of our national debt with an interest cost of $3 billion a year. There is no need to reiterate what I originally pointed out during the debate on the mutual security authorization bill with regard to certain glaring conditions in the various parts of the world with regard to the administration of this program. Suffice it to say, that the waste and corruption of this giveaway serves to add to uncontrollable extravagance and is its greatest evil.

We must never forget that foreign aid which began as lend-lease in 1940 was proclaimed an emergency program, yet here it is still with us in 1959. True, it has been known by other names but its result, in my opinion, has been the same—an unwarranted, unsuccessful, and unproven burden on the American taxpayer. In other words, the assertion that foreign aid secures allies for us and helps save the free world from communism is not borne out by the past record of this program. As I have said time and again, one can neither buy friends or peace, and further what an odd way to save the world from communism when one looks at the record and finds that between July 1, 1945, and June 30, 1958, we had given aid to Communist or Communist-controlled nations to the tune of $2,229,869,000.

It seems to me that we are doing exactly what Lenin believed and wrote—we are spending ourselves into bankruptcy. There is no easier way to cause the downfall of our American way of life.

Mr. Chairman, in view of the foregoing, I cannot in good conscience vote to add this burden on the American taxpayer.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Military assistance: For assistance authorized by section 103(a) to carry out the purposes of chapter I (including administrative expenses as authorized by section 103(b), which shall not exceed $25,000,000 for the fiscal year 1960, and purchase for replacement only of passenger motor vehicles for use abroad), $1,300,000,000.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask questions of the chairman of the committee or any member of the committee who cares to answer them. I was not satisfied with the answers I received to my questions in reference to this powerplant for Okinawa. This matter appeared in the supplemental appropriations, and the gentleman from Ohio is a member of that subcommittee. I asked some questions. It seems to me that by this new powerplant we are providing public power for Okinawa. Part of it, it is true, is used for the troops abroad in Okinawa.

But, in the inquiry that I made at that time I found this to be a fact, that the population of the Armed Forces is about 40,000 American troops and dependents and that the indigenous population of Okinawa is 700,000. Now, I said: Will we be furnishing power to all of that population? And the answer was: We presently serve 64 percent of the population. Then I said: On the new system what would we serve? About 75 percent of the population. In other words, this powerplant we are going to put in at $18 million, which I do not think is authorized, will serve 40,000 American troops and their dependents and about 75 percent of the 700,000 people on Okinawa.

Now, at the time we had this matter before us in March of 1959 the total cost of the project was to be $13.5 million. Now, the gentleman's committee had the matter before them in May of 1959, about 6 weeks later, and it goes up to $18 million. There is an increase of $4.5 million in this public powerplant on Okinawa.

Will the gentleman tell us under what authority we are appropriating this $18 million?

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, certainly I do not wish to go into classified material, and therefore I must be very careful in this particular instance. Our committee turned this project down for 4 years, pending such time as we could make an on-the-spot investigation. We did go to Okinawa last year and we made an investigation. While we were there we ran into another Appriprations Committee investigative team. The distinguished chairman from Missouri has a rather unique and effective investigative system and conducted this investigation in accordance with that system, using FBI-trained committee investigators. Our action is the result of these investigations.

The appropriation, it should be explained, is actually made to the Army.

I quote from page 131 of our subcommittee's hearings:

Mr. PASSMAN. You told us that 75 percent of the electricity generated by this facility would be used by our own forces?

General GAILEY. Yes, sir.

Mr. PASSMAN. If the military use should go up to 85 percent, under your contract would the Ryukyu Electric Co. then have 15 percent to go into the civilian economy?

General GAILEY. That is correct.

Mr. PASSMAN. You are protected if under certain conditions, the military might need to use the entire output?

General GAILEY. Yes, sir.

Not only the Island of Okinawa is involved. There are other islands in the vicinity, for which electricity must be provided. So, if we approve these facilities, the Army will build the plant, and then the auxiliary ships that we have standing by at Okinawa will be moved to the other islands. So, I would say to the gentleman that it was my understanding, as the committee had turned this item down for 4 years, that when it went to the gentleman's committee action was deferred so that it would be referred to

our committee. Many times we appropriate money for one of these projects, and they ask for, say, $10 million for a start, and on a subsequent date they come back and request more money. As this installation will cost $18 million, we decided to recommend appropriation of the entire $18 million, and accordingly wrote into the bill language whereby they could not at some subsequent date come back for more money.

Mr. BOW. I will say to the gentleman that you have made an explanation, but I do not think you have answered my question.

Mr. PASSMAN. What is the question?

Mr. BOW. The question is, Under what authority is this $18 million being appropriated?

Mr. PASSMAN. The authority is under the treaty that we have with Japan.

Mr. BOW. Let me interrupt the gentleman, because he makes a fine statement and he uses many words. I may say to the gentleman that I have studied this treaty and I find no place in the treaty where there is any provision that we shall build powerplants for the use of the people on Okinawa. Now, it is not in the treaty, so the treaty certainly cannot be used for authorization for the building of this plant.

Mr. PASSMAN. I say to the gentleman that our investigation there, as he well knows——

Mr. BOW. Wait. You are talking about an investigation. I am talking about an authorization for $18 million to build a plant to furnish power to 75 percent of the 700,000 people on Okinawa and make this plant a private enterprise on Okinawa over which we have no control as to the amount that they shall sell that power to the people on Okinawa.

Mr. PASSMAN. Has the gentleman transposed that figure?

Mr. BOW. No; I am reading from hearings before the committee, the testimony of Mr. Wohl, on March 29, 1959, before another committee of the Committee on Appropriations. If these gentlemen who come before the gentleman's subcommittee and who came before our committee, cannot get the figures right, then what can this House do in trying to find the appropriate figure?

Mr. PASSMAN. I am sure we can satisfy the gentleman. But I do say that the gentleman is discussing the overall plant on Okinawa, and not the additional plant. For the additional plant, in the beginning, 75 percent of its power goes to our own forces.

Mr. BOW. No; I am talking about the plant on which you want to spend $18 million that they told us 6 weeks before, in March, would cost $13,500,000. It is exactly the same plant.

Mr. PASSMAN. That was a partial financing program, not for the entire cost.

Mr. BOW. Let me read the gentleman from the testimony and see whether the gentleman considers this to be a partial financing program. This says:

> Total project cost for 2 generating units, 20,000 kilowatts each, with structure for 4 units $13,500,000.

The language is the total cost. Now it jumps in a matter of 6 weeks, from $13,500,000 to $18 million. We build this and turn it over to private distributors at what it costs us. We put no limitation upon the amount that they can charge the people of Okinawa for the power that we give them at cost. It is a perfect power program for the people of Okinawa at the expense of the taxpayers of the United States.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield further?

Mr. BOW. I yield.

Mr. PASSMAN. The $13 million figure represents the actual cost of the generating plant. The difference between the $13 million and the $18 million represents the distribution system; that is, putting in the facilities, the lines, and so forth, to get the power to the places where it is going to be used.

Mr. BOW. The gentleman is not right about that. This says, as I quoted before:

> Total cost of 2 generating units, 20,000 kilowatts each, with structure for 4 units $13,500,000.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. BASS of Tennessee. Is it not rather amazing that people would vote to build a public power producing plant on Okinawa and not vote to build one in America?

Mr. BOW. Of course, I am being consistent, I will say to the gentleman.

Mr. BASS of Tennessee. I know the gentleman is. But there are other people on the floor who are very inconsistent, if they vote for this appropriation.

Mr. BOW. I quite agree with the gentleman.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Alabama.

Mr. ANDREWS. This may answer the gentleman's question. I am referring to page 153 of our hearings. Mr. Hamilton states:

> Actually, the military leases the plant from the REPC and in so doing pays for the depreciation of the plant on the 27 year straight-line basis plus a 5-percent return. That, then, becomes a cost to the military of producing power and in turn the REPC buys the power at cost as available from the military under the lease agreement to distribute to the five local Ryukyuan power companies as a wholesaler.

Mr. BOW. Yes. We give the power to them. They sell it to the people of Okinawa. We have no control over how much they will charge. We furnish the power to them at cost.

Mr. ANDREWS. But the military do have the right to take it up to 100 percent.

Mr. BOW. If there is need. But we also enter into a contract to furnish the power and we say we are doing to furnish the power to 65 percent or 75 percent of these 700,000 people.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Bow] has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes and revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, it is not always easy to take issue with the actions of one's friends, particularly when you have the high regard that I have for the members of this subcommittee and for its Chairman. I do not know anyone in the Congres who has devoted himself to a job more tirelessly than has the gentleman from Louisiana. I, too, have served on the Committee on Appropriations for a good many years. I have opposed this program for a long time because most of the funds are used ineffectually and it seems those handling the administration of the program get more wasteful each year. Merely reducing the budget requests has not brought correction.

For a number of years this bill has been going through the Congress carried by speeches made for it by those who are against it. Sponsors direct attention to budget cuts to the point that there is precious little attention paid to the more than $3 billion that is carried in the bill.

In recent years I have seen the major support of this measure shift from those who wished by disposition to improve foreign countries or who are identified in a general way in that group, to another group, whose members at least make financial profits out of the program. Now the group that is carrying this bill is the U.S. Chamber of Commerce. I wonder just how much some of the members of that organization have made.

I am proud of that organization. I feel I am conservative. Truly we find here today a continuation of an odd situation. Here today we find that this bill at this moment is being carried through the Congress by the opponents of foreign aid. Twenty-six members of the 50-man Committee on Appropriations sponsoring this bill voted against the foreign aid authorization.

I certainly do not mean anything personal in expressing my views. I simply believe to continue to appropriate billions of dollars each year, without cutting out the needless waste, is wrecking a great nation, in many directions.

It leads to inflation. It leads to waste in other fields. It unbalances budgets. It makes us look silly even to recipient countries. Believing that, I have to risk the displeasure of friends on this subcommittee, a majority of whom voted against the authorization.

Every argument made for passage has offered ample evidence of reasons to postpone passage of any appropriation, until in the handling of funds, waste and inefficiency are eliminated. Merely reducing the budget requests has proven ineffective in bringing about corrections.

We need a thorough investigation by this subcommittee. We have the mechanics for such investigation. A few

years ago I offered a motion in the Committee on Appropriations that investigations were automatic and that the subcommittee would determine the specific places wherein to investigate. I regret to inform you that this Subcommittee on Appropriations has not followed through with that. No one has worked harder than has the gentleman from Louisiana, in making personal investigations of the matters involved here. He has tried. But, it is my opinion, having had experience also in this field as chairman of another subcommittee, that working 24 hours a day, the best any individual chairman can do is to find the leads on which you have to follow up with a regular investigating system. On pages 439 and 440, you will find a list of various investigations of mutual security by various and sundry groups and committees, and so forth. But, you will not find one by the Appropriations Committee the one committee, best able to cut out this waste and extravagance. With pin-pointed findings and limitations, holding only to effective programs, the total amount of money spent would tend to reduce the amount. This has proven many times to be far more effective than merely to cut the overall amount of money recommended by the budget. To be effective we need to tie strings on the specific dollars for these things. I had a man who came to me who worked with this program for 2 or 3 years. He came to me 2 or 3 years ago. I carried him to my good friends the gentleman from New York [Mr. TABER] and the gentleman from Missouri [Mr. CANNON] and I urged my friend, the gentleman from Louisiana to hear him before his subcommittee. For a period of 2 years, he had documented pictures of wasted material that we had given to foreign countries which was out in the open and not even being used—materials such as scarce bulldozers and other equipment. Yet, all the while we were giving the same country more of the same material. Why? Because certain contractors in that country were said to be getting a rake-off or a cut of about 20 percent on each new program. Why should they make use of what we had already given them if thereby they would stop the commission they were getting. So it is said to be around the world.

Mr. Chairman, I offered the following motion in the Appropriations Committee but it failed of passage. I quote:

The committee directs its investigating staff under the direction of the chairman and the subcommittee to make a thorough investigation of all phases of the mutual security program, including but not limited to:

(1) Lack of proper planning, supervision, accounting, and effectiveness of the overall program.

(2) Names of U.S. and foreign corporations, partnerships, or individuals who receive profits from these programs, including the volume handled and profits made.

(3) Profits made by foreign governments.

(4) All amounts expended to promote production which is in competition of U.S. production.

(5) The amount of quantity of all equipment, materiel, or commodities which have not been used in each recipient country.

(6) The prices at which items furnished through these various programs have been sold by foreign countries or their agents.

(7) Rates of pay of all employees engaged in this program.

You know such information is badly needed. Except for items 1 and 7 the facts are not known to the Congress. We must have them.

On Friday last, after conferring with friends on the Legislative Committee, I offered that motion in the Committee on Appropriations directing that an investigation in line with what the Congress thought the Committee on Appropriations always did under the supervision of this subcommittee, which would determine the amount of profits that were paid to foreign organizations and to foreign corporations and individuals and partnerships in connection with the use of any of this money. That was in the regular way. That report would have been made to this regular subcommittee. When you find out who gets the profits for handling these programs, you will find why they initiate and carry on in such a wasteful manner and you will find out why new contracts are entered into when the old material has not even been used. There is case after case. One of my friends on the Committee on Foreign Affairs just referred to 130 miles of road that we built in some foreign country out in the woods, a road that went from nowhere to nowhere and we black-topped it at a cost of $32 million. Do you not think it is important that we find out who got that contract and how much money they got out of it? Then, when you find that out, you get a starting point to put an end to it. May I say again, and this is the basic difference, I feel however hard my good friend has worked, and nobody has worked harder and nobody has devoted himself as an individual to a greater job of showing what is going on, and then he defends the cuts that he makes in great detail, but then he attempts to correct these things by reducing the total amount of money requested by the Bureau of the Budget instead of tying strings on the dollars to be sure that they cannot be used for this, that or the other wasteful or ineffective purpose.

The hearings show finding by the General Accounting Office, which clearly show the past practice of merely reducing budget requests in the overall will not work. They are full of findings that come from the information that my friend, the gentleman from Louisiana who has been something of a one-man gang, so to speak, trying to find out how badly and how poorly some of these things are being handled. Now we come back to this. As long as we continue this program with the waste of funds that has been mentioned in every speech that has preceded me, and that practically fills up these hearings, do you think there is any real chance to get the majority of the Congress to hold back much on anything else in any other bill? Do you think we are going to stop inflation? And when you point out here in all these speeches how very wasteful they are but, without correction, pass new appropriations of billions of dollars each year, however much the amount may be below the budget request.

I am not here passing on the merits of this intent of this program; I am saying that if you believe we have got to have the mutual security program you should be interested in seeing that the money goes to the place where it does good. I say that today you have to tie strings on particular dollars for particular purposes; and I say again that you can never reach this problem by merely reducing the overall amount requested by the Bureau of the Budget. For years the Bureau of the Budget has doubtless been set for that.

My friend from Louisiana has made a great to-do through the years, about cutting the budget, and that is usual. I remember how many others have followed the same course; and, Mr. Chairman, you have got something like that here. These billions are not justified on what they will do or how they will be used. By pointing out cuts in the budget and creating commotion in that direction, billions get through each year while the same shoddy, wasteful, and really hurtful practices continue.

This general debate has been about a cut and what you cut was based upon the request of the very folks who have been wasting this money. Every budget is built up of requests from the field as to what they want; and I say again I do not know of anybody who could have done a better job holding the overall total down than my friend from Louisiana, if present courses are to be followed. We have gotten to where we merely point our finger at cuts while we appropriate billions of dollars with little discussion of the merits of the billions appropriated for this amazing program. It is time we found out the full facts, as I tried to do, and when those facts are ascertained we should act upon them and make our recommendations in a detailed way. I repeat:

If funds are prohibited for these wasteful practices and programs, and limited to those with merit on a sound basis, it is my firm belief, the sums required will be greatly less than any amount to which we may be able to reduce the overall amount.

I hope this subcommittee will have the detailed investigation so badly needed.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. The gentleman from Louisiana is recognized.

Mr. PASSMAN. Mr. Chairman, I listened with great interest to the distinguished gentleman from Mississippi, an especially able member of the Appropriations Committee, and chairman of one of the very important Appropriations Subcommittees. I might say to the gentleman that the same President and the same Director of the Budget send down a request for his own program, in the same budget. Does the President and

the Budget Director send down one request that cannot possibly be cut, and at the same time, another request that the gentleman expects it to be cut 30 or 40 percent?

I am sorry the gentleman did not come to me and others of our subcommittee prior to the reporting of this bill to the full committee, and discuss this matter; but he did not do it. Therefore, I did not know anything about his studies until we were reporting this bill to the floor of the House.

I do not want to enter into any lengthy debate here, but I should note that there are two types of investigators: One who investigates silently and carefully and puts together evidence that would justify a reduction in an appropriation bill, and another who investigates for the sake of fanfare and publicity and printed records.

I should be pleased to put the type of investigations we conduct on this subcommittee up against those conducted by any other subcommittee, and also to compare the cuts made in this part of the President's budget, based upon the type of investigation that we make, with the reductions made by any other subcommittee, and indicate which subcommittee makes the larger percentage of reduction in the budget.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I will yield when I conclude my statement.

I want to say that if you have not read a certain speech made by the distinguished chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON], in the House of Representatives, you should do so. I believe this entire body will stand up and applaud this distinguished man for working out a system of investigating that does not encourage fanfare or personal publicity. The end results certainly justify the actions of the committee and completely justify the committee system devised by the gentleman from Missouri. Every investigator on this committee is an FBI-trained man. The committee has working a corps of these trained men, conducting investigations throughout the United States or throughout the world, where there is need for an investigation. At the end of one year, the supervising investigator goes back again to the FBI, and his understudy takes over for an additional year. If any one should get too familiar with department heads it would do him no good, because at the end of a year he is released and another man comes in.

These people go about their business working silently and all together, and they make a report that is dependable and objective. When I was out in Okinawa last year inspecting this electric plant, I had not requested that a special investigation be made; but while I was there I ran into these two people who had been sent out there by the distinguished chairman to investigate the situation and write a report on the need for the powerplant. I have nothing but praise for the type of system we use. Maybe there will be 50 or 100 men going about this business, and writing their reports. There are no headlines. But it is a system which over a period of years has saved the American taxpayers many billions of dollars. It will be the wish of the distinguished chairman of the full committee that I go back and investigate again this year on what I find on my trips, and compare the findings with the reports of the investigators which have been, and are being, used to check into the conditions. We are not defending the program. We are putting our finger on waste. What we have to worry about is to get the House to support the position of this committee. We have careful and detailed investigations, and I prefer the chairman's system of investigating over and above any system that we have in the entire Congress, and that refers to both branches.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The gentleman is describing a system. The point I was making, while I do differ somewhat with the system, is this subcommittee has not utilized the system. There has been no request by the subcommittee, the gentleman will have to agree with that, there has been no request and there is nothing filed in the records of the committee showing that the subcommittee has made a request. My motion, which I offered in the Appropriations Committee last Friday, was to use the system of the gentleman from Missouri and that the investigators report to the gentleman from Louisiana. The gentleman from Louisiana opposed that procedure. May I say there is, to say the least, a considerable difference between the program the gentleman handles and that which I handle.

Mr. PASSMAN. Does the gentleman know how much investigating has been done? As the subcommittee chairman, I have been outside of the United States working with these people in the last 4 years. Did the gentleman ever ask me whether or not there was any investigation?

Mr. WHITTEN. Yes.

Mr. PASSMAN. When did the gentleman ask me?

Mr. WHITTEN. I have asked the gentleman.

Mr. PASSMAN. I am sorry, but I do not recall it.

Mr. WHITTEN. And I have heard other members of the gentleman's subcommittee say they wished the gentleman's subcommittee would make an investigation.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say with regard to the colloquy between the distinguished gentleman from Louisiana [Mr. PASSMAN] the chairman of the subcommittee, and my distinguished friend, the gentleman from Mississippi [Mr. WHITTEN], that I must disagree with the distinguished gentleman from Mississippi. I have served on this subcommittee since it was first formed some 11 years ago, and I can say that over all those years, both under the first chairman, the distinguished gentleman from Virginia [Mr. GARY], and under the present chairman, the distinguished gentleman from Louisiana [Mr. PASSMAN], there have been many, many fruitful investigations. The data and information and mismanagement disclosed by those investigations have been used to reduce the amounts of the annual bills with attendant substantial savings to the American taxpayers.

Mr. PASSMAN. We have three types of investigations. This subcommittee goes out and investigates in this case. We have a written report on a recent investigation and I will give it to the distinguished gentleman from Mississippi, if he so desires. Then we have the detailed reports of the Comptroller General. And, of course, the special investigators. So we have three complete types of reports—the committee's reports, the special investigators' reports, and the Comptroller General's reports. If the gentleman knows of any place where we should order an investigation, using the chairman's system which has been so successful, if he will indicate it to me, I will go to the chairman and see if I cannot get him to arrange such an investigation.

Mr. WHITTEN. I would like to say that the motion I made the other day was under the system and it is in my remarks. I think every question in it is pertinent. I rely on this subcommittee obtaining the information sought. May I say I did not talk to the gentleman prior to his reporting his bill to the full Committee on Appropriations for under the rules the bill was not available to me.

Mr. PASSMAN. The gentleman knew it was here for consideration.

Mr. WHITTEN. May I say this: I would like to urge the gentleman to read again this directive which failed in the committee. I would like to ask him now and say to him I would appreciate his getting that information. There have been many investigations by others. This committee is best able to limit use of funds.

Mr. PASSMAN. I hope that next year if the gentleman has recommendations to make he will not wait until the bill comes to the floor for consideration.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. Does the gentleman know of any program in the entire Government of the United States that has been more investigated than the mutual security program?

Mr. PASSMAN. I certainly do not.

Mr. GARY. The best evidence of that is that every magazine you pick up, and every newspaper, carries information that has been disclosed by those investigations.

Mr. PASSMAN. For the information of the gentleman from Mississippi, a very able Member of this body, as well as for the information of all who are interested, I should state that the type of investigation we have made has been responsible for a reduction of some $1,345 million in

the appropriations below the authorizing legislation.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since this question of investigation has been raised, I want to say that the method of investigation we have had during the past few years is better than none, but the facts are that just about the time these investigators begin to get their teeth into a matter of importance to Congress and the American taxpayer, they are let out and new men replace them.

In 1946, when we had the reorganization of Congress bill before us, we made some changes. Certainly those changes have not all been proven good nor all bad. At that time I had served on the House Committee on Appropriations for several years, and it did not take me and many other Members long to ascertain just exactly what was wrong with our procedure of appropriating the people's money. I appeared before the joint committee of the House and the Senate on congressional reorganization, and I said this: What the Committee of Appropriations need is an investigator, and a good one, under the jurisdiction of each subcommittee of appropriations, who is schooled in the business of the respective duties of Federal agencies to which he is assigned. That investigator to be under the jurisdiction of the subcommittee through the clerk of that subcommittee of appropriation both for the House and the Senate. There are 24 subcommittees of the House and Senate.

Mr. Chairman, may I say that we have good clerks, efficient clerks, for the Committee of Appropriations for every subcommittee. Those clerks do not change with the political complexion of Congress. They stay on and on permanently. But, they do not have the help they need, they need investigators that would stay on permanently to go right into the heart of all these departments and agencies and commissions of the Government year in and year out and report back to the subcommittee. In effect we have been appropriating in the dark to a very great degree, and until we employ a permanent investigator for each subcommittee of appropriations to work with our very efficient clerks and the subcommittees, we will have wasted money by the millions and possibly by the billions because of the lack of information which our subcommittees should have in order to appropriate properly for the American people.

Now, I have the highest regard for the members of the Federal Bureau of Investigation. They are great and able men, and we could hire some of those men and keep them on permanently. After I made my above explained plan for effective investigators, I received a lot of letters from over the United States commending my plan, and saying they hoped my plan would be made a part of the congressional reorganization program.

I have constantly urged that my plan be adopted without success.

It is now more important than ever at this late date due to the condition of our U.S. Treasury to stop wasting our taxpayers' dollars.

Mr. CANNON. Mr. Chairman, the question of information upon which to base legislation is one of old standing. The gentleman from Iowa [Mr. JENSEN] says the solution is to have a permanent investigator who would be under the jurisdiction of the committee. That is the old-fashioned way. We tried that out 20 years ago and found it would not work. The chairman usually made the appointment from his own district and the chief qualification was that the candidate had been able to carry his ward in the last election.

The men we get under the committee system are schooled by the FBI, or the Secret Service or other substantial agencies. They are effectively trained; they are the most efficient investigators that could be secured, the most carefully screened operators in the entire Government service.

They are career men. They have no political ambitions or affiliations.

Nobody knows who they are. They walk in unannounced. No one in the agency has ever seen them before. They know where to go. They secure the information and make their report and are dismissed and go back to their own office without change of status or salary.

Under the discredited system suggested by the gentleman from Iowa [Mr. JENSEN], some fellow would be hanging around whether we had an investigation or not, and in the interim spending his time lobbying the members of the committee to get his salary increased. When he entered the door of any department the word would be immediately passed back, "Here comes that fellow from the Appropriations Committee," and he would have a lot of cronies and no information.

The statement that we are operating in the dark and losing millions and billions every year through lack of information such a fellow could collect is one I am certain no one gives any serious credence. Never before in the history of the Committee on Appropriations have we been so well staffed and implemented and in a position to be so thoroughly informed.

Our investigation service is impersonal and nonpartisan. I have made the appointments for years and have never appointed a man from my district or my State and cannot say positively that I have appointed a man from my party.

There can be no party axes to grind as the requisitions must be approved by the ranking majority and minority men of the committee and the subcommittee. And the assignments are so fair and unbiased that I do not recall a single instance in which any of those four men have failed to approve an investigation, or have questioned it on party grounds when reported.

We do not send out smelling committees or fishing expeditions. We do not send out men to dig up dirt or brew political medicine. We send out trained, experienced men to bring in the facts. And our bills are based on those facts.

We do not confine our investigators to the Government service but in the last Congress enlisted some of the most eminent men of the Nation, scientists, engineers, physicians and captains of industry. I am glad to say that without exception we have found some of the busiest men in the Nation ready to patriotically contribute their time and interest. They have frequently served without pay except for expenses.

Here is the ultimate test of our system of investigation.

Never in the last 10 years has any member of the committee—or Member of the House—asked for any legitimate facts on which our appropriation bills were based without getting the information. If any member of the committee or of the House has ever asked for information on which our bills were based without getting it let him stand now and say so.

Mr. Chairman, no one stands.

Mr. Chairman, by way of résumé—to epitomize:

First. Our system of investigation is economical. We pay the salary paid by the agency from which selected and the operator is not on the rolls a day longer than needed.

Second. We use only men especially qualified. If an auditor is needed we have several agencies including the General Accounting Office to select from. If a chemist, the Bureau of Standards. If a lawyer, the Department of Justice. If a detective, the Federal Bureau of Investigation or the Secret Service of the Treasury Department. And if the matter be of sufficient importance we do not hesitate to invite the heads of the greatest corporations or most important business executives in the country to serve as consultants.

Third. The system is elastic. It supplies 2 men or 50 men on shortest notice. At times no subcommittee may have a requisition. If so, no investigators are on our rolls. At times all our subcommittees may be working and we may have a hundred men in service. The system supplies instantly as many men as are needed when they are needed. And dismisses them just as promptly.

Fourth. Under this system we have fresh men for each new investigation. They have never been seen before in the agency which is being investigated. They have no acquaintances and no associations. Their service is wholly impersonal. And new brooms sweep clean.

Fifth. The investigator has no interest in prolonging the investigation. His only interest is to secure the information as quickly and quietly as possible.

Sixth. The system cannot be used for the purpose of publicizing or the aggrandizement of the chairman or any member of the committee or the House. Results are not released to the newspapers and the reports are executive and confidential and open only to the members of the subcommittee. There is no opportunity for headlines.

Seventh. On the other hand, the system cannot be used as an instrument of persecution. The fact that an agency or department has been investigated is

in no way to its discredit. Investigations are routine and are expected and as a rule are welcomed. While in many instances reports have justified heavy retrenchments, there are numerous occasions when on the basis of reports submitted by investigators appropriations have been increased over the estimates—and in which men under charges have been completely exonerated and promoted.

Eighth. The system is effective even when not in use. It is like the proverbial shotgun behind the door. The very knowledge that it is there is a deterrent. The very fact that the committee has the machinery and uses it when occasion requires exerts a salutary influence, whether applied to a specific set of circumstances or not.

Mr. Chairman, the system has proven remarkably efficient and successful. It is today meeting every requirement. Through information supplied under this system the subcommittees and the Committee on Appropriations as a whole have effected material savings at every session.

Mr. CURTIS of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to try to get some information about the funds available, which appears on page 2 and page 3 of the committee report. As I read page 3, it says:

> This balance plus the new appropriation recommended in the bill will provide a total of $8,057,948,000, exclusive of local currencies, available for expenditure.

Then on the preceding page there are listed four items under "Local currency" with a total of $1,565,148,000. Those, I presume, are the local currencies available for expenditure. If that is so, then, according to this, we have about $9.6 billion of money available for expenditure. Can the chairman tell me if I am correct?

Mr. PASSMAN. Is the gentleman speaking of the local currencies?

Mr. CURTIS of Missouri. Yes; and whether or not the figure of $1,565 million which appears on page 2 can be added to the $8 billion total on page 3 to give us a figure, roughly, of $9,600 million of funds available.

Mr. PASSMAN. That is correct. But we should not confuse this. In many instances the local currency is not applied against the money that you are appropriating in this country in this program. It is available, and in very, very few instances it can be used for this program. It is available.

Mr. CURTIS of Missouri. Yes. Are these the local currencies that are subject to the Committee on Appropriations, your committee, in order to be spent?

Mr. PASSMAN. Under the basic legislation, let us discuss the military, for example, which sells military hardware to certain nations. Under the basic act, any amount they recover from the sale, they have the right to spend without any additional legislation.

Mr. CURTIS of Missouri. Yes; just like the Public Law 480 funds listed here, a total of $600 million. I presume that is not subject to the Committee on Appropriations either?

Mr. PASSMAN. No, that is correct; it is not.

Mr. CURTIS of Missouri. And yet these funds are available for identical programs that the Committee on Appropriations does have to authorize or appropriate money for in this program; am I correct?

Mr. PASSMAN. That is correct. I think it should be indicated that there has been quite a bit of argument about not having sufficient funds for the military. But I will answer the question now, and state that there is a great deal of military equipment made available to certain nations without any charge whatsoever. There are certain types of equipment for which the only charge is to cover the reconditioning of that equipment.

Mr. CURTIS of Missouri. Yes; I might add, too, in the previous bill before the House, in the report, I believe, a bill coming out of the Committee on Armed Services or it may have been the Committee on Appropriations, for Armed Services, there is $26 billion estimated of surplus military equipment, not necessarily military in nature, but owned by the Department of Defense, that is surplus and in excess and under the law, apparently, certain portions of that equipment can be just given to the countries abroad, some of it, of course, can be charged, but some of it can be given to them; is that correct?

Mr. PASSMAN. Yes; certain types of it can be given. No appropriation is made for that purpose. That is in addition to the program for which we are now providing money.

Mr. CURTIS of Missouri. I want to commend the committee for setting this out in the report. I want to add this further statement. This is not the whole picture by any manner of means because under Public Law 480 we are going to be generating several billions of dollars in addition to a mere $600 million because we know we have these surplus commodities available, and that, too, can be used for this same purpose. What I am taking the floor to call attention to is the fact that we still have not gotten this whole thing under one roof so that we know what we are doing. Twenty-six million dollars of military surplus can be channeled in certain operations. Some several billions of dollars, I think about $3 billion to $4 billion of Public Law 480 funds plus these additional traditional counterpart funds that can be generated through this other area—all of them for this same type of program that this Committee on Appropriation comes before us with an authorization of some $3 billion, when you have funds way in excess of that which can be and are being utilized for the same program.

Mr. COFFIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. COFFIN. Mr. Chairman, the committee has been working hard this afternoon listening to arguments pro and con, mostly con, on foreign aid. I, therefore, propose that we take a few minutes of recess from this arduous job. I propose that we back away and look at how the mythical land of Lilliput handled this matter. Let us hope that there may be some instruction gained from a visit to the land of fable.

Mr. Chairman, many years after Gulliver departed from Lilliput, he found occasion to return to its shores once again.

He found things vastly changed. This time he had no difficulty in landing unmolested and walking around the country at will. There was, unlike the occasion of his first landing, no unpleasant banding together and binding him down. This was partly to be explained by the fact that there were few people to be seen, and partly by the fact that the legend of the helpful giant from outer regions had been passed down through the generations. He had no difficulty in striking up a friendly conversation with the solitary policeman he saw patrolling outside the palace.

From the tiny gendarme he learned that the palace was no longer the home of the king, but the parliament buildings—Lilliput having become a constitutional monarchy.

"Where is everybody?" asked Gulliver.

"Oh," replied the policeman, "this is the opening day of the lottery and everyone is over at parliament. You're just in time."

His curiosity whetted, Gulliver strode carefully over the capital and got as near parliament as he could. This was not very close, since the area surrounding the buildings was crowded with minuscule humanity, one person to the square inch. A carnival atmosphere prevailed. Some vendors were hawking a program, saying, "Names and numbers of all the countries." He noticed that every few inches there was a tiny television set which formed the center of a subgroup of the crowd. To the little TV screens all eyes were riveted.

Gulliver took out his magnifying glass, lay gingerly down in the main avenue of the city, and observed the following amazing events:

As soon as parliament had been called to order, the prime minister began to talk. It seemed to Gulliver a sensible message. It told of the continuing threat to Lilliput of the Brobdingnagians, who had, since Gulliver's first trip, apparently changed their tactics, relying on subtle economic wooing of Lilliput's allies rather than direct conflict. The prime minister called for assistance to these allies in the form of both military help and economic assistance. Gulliver, hearing that all of this would cost less than 1 percent of Lilliput's output of goods and services, and remembering how costly were the earlier wars in which he had participated, felt sure that the speech would be warmly received.

Instead of this, he noted that most of the people, both outside and within parliament, seemed quite bored and inattentive. An immediate hush fell, however,

as the prime minister announced that his administration was requesting some 400 million kropels for this program. At this everybody, inside and outside, took out a pencil and noted the figure.

Gulliver, more curious than ever, asked one of the group nearest him what this activity meant. "Oh," said his informant, "this is where the real fun begins. Now that the prime minister has announced his figure, the lottery bureau will soon publish the odds for various cuts. In the meantime, all of us are trying to pick our own figure."

"You mean," Gulliver said incredulously, "that there is no chance of parliament giving the figure asked by the prime minister and that the government not only permits betting on this matter but actually sponsors it?"

"Of course," said the Lilliputian. "It took us quite a while to wake up. You see, this is the one area of government where all of us know as much as the prime minister or members of parliament. Hence our guess is as good as theirs. It's a natural money raiser. For one kropel I can enter the lottery with as good a chance as the next man to guess the cut and win a fortune. We finance half our budget in this way."

By this time, various figures, ranging from 10 million to 100 million kropels appeared on huge electrically wired boards on the parliament grounds. Figures showing betting odds appeared beside them.

The crowd at this moment dispersed, spending the rest of the day in reveling. The chairman of the committee on external affairs announced that extensive hearings would begin the next day. This announcement, however, did not deter many members from spending the afternoon in delivering long and animated speeches against the prime minister's request. Gulliver reflected that these members must be unusually well informed to have such definite opinions even before the hearings had been held. As for the prime minister, it was generally understood that, having delivered himself of his message, he would take a needed rest. Gulliver saw him whirling past in a tiny helicopter, like a fatigued mosquito.

During what was a short time to Gulliver, but many weeks in Lilliput, the committee on external affairs heard all kinds of officials, high and low, ambassadors of Lilliput to many countries, and many citizens, since this matter was one where every citizen had read an article or had talked with someone who had been overseas. What impressed Gulliver was not merely that such an intensive hearing was being held, but that very much the same hearing would be held four times, twice in the house of commons and twice in the house of lords. Indeed, Gulliver found to his amazement that almost half of the people administering the program really had to spend most of their time preparing testimony, tables, charts, and even books for these hearings. The books were monstrous collections of data. Gulliver was told that no one had ever admitted having read them, but their very bulk made all the hearings so much more impressive.

Finally, the committee, many weeks and thousands of pages later, reported its conclusions to the house. It had cut the prime minister's request from 400 million kropels to 370, although the reasons for this amount did not seem to be precisely given. Instantly there was renewed betting by the populace.

Gulliver thoroughly enjoyed the fiery debate in parliament on this action of the committee. The house cut the committee's figure to 350 million kropels, and the lottery, as one could tell by the cheers from the bettors, was really underway. Gulliver's enthusiasm over the debate was cooled when he learned that nothing had been settled by it. While the House had been working on the bill, the peers in the house of lords had been working on a bill of their own. The peers, of course, could not very well have started with the bill passed by the house. That would have been undignified. Moreover, this gave useful employment to many people when the time came to match one bill against the other and locate all the differences that needed to be reconciled. This was finally done and the house came to life when it voted on the report of the conference committee. Once more the figure changed and the betting increased.

Gulliver thought the lottery was over and that on the whole the prime minister, although hurt, had not been mortally wounded. His sense of wonder can be imagined, therefore, when he awoke one morning to find a far larger crowd outside the parliament buildings. They seemed to him to have a glint in their eyes very much as must the old Romans who gathered at the coliseum to watch similarly unequal contests.

A bystander explained the heightened interest. "Now the real show starts," he said. "Everything up to now has been window dressing. Talk about cuts. Watch these professionals."

Gulliver for some days remained glued to his TV. What he saw intrigued him greatly. He saw a subcommittee of the committee on estimates. It seemed that despite everything that had gone on before, this was the group which actually decided how many kropels Lilliput would actually spend. When he asked why the other hearings and debates had been held, he was told that without them the lottery season would be entirely too short. Moreover, he learned, there was much to be said for building up interest gradually.

The subcommittee went through many of the same witnesses as had appeared before. Gulliver thought he could detect signs of age and frayed nerves on the part of the witnesses. On the whole he thought they performed nearly as well as on their two prior appearances. One of the witnesses, however, had been elevated to stardom in these hearings. He was the auditor general, whose task it was to check on the accounts in the various countries. He had done such a good job that he was informally promoted to the position of foreign policy expert, having far more influence in this field than the diplomats themselves.

Again, as had happened before with the other groups, after many weeks and more thousands of pages, the group met to deliberate on its findings. Gulliver concluded that these people must have been abler than the others. He understood now why they were called professionals. They consumed only a few hours during part of 1 day. It was during these hours that the lottery bureau had to hire extra personnel to handle the high volume of betting. During this time the subcommittee, working smoothly and efficiently, was able to translate all the data of the hearings into figures by a process so subtle that it eluded Gulliver's understanding. Gulliver marveled at the skill with which the findings were compressed into 12 pages of text. Apparently all of Lilliput had such confidence in these men that detailed explanation of their findings was neither required nor given.

The results, however, were crystal clear. When the figures were announced, a cut of almost 100 million kropels, or almost 20 percent, the crowd of Lilliputians around the parliament buildings rang out with cheer after cheer. The cuts had exceeded their wildest expectations. Indeed, the lottery bureau officials expressed concern for a time that no bets had been received for such large reductions.

Of course the show went on. The parliament went through the formality of a debate. The only interesting part of the debate was the attempt of some members to deepen the cuts of the committee on estimates. The people were attracted to this event, Gulliver thought, just as they would watch a high jumper at a track meet try to break a new world's record he had just set.

Finally, however, the grand prize of the lottery was awarded to an aged and penniless prospector who had for years been unsuccessfully panning for gold in the remote barren lands of Lilliput. He was the only one who had guessed right.

Lilliput, Gulliver concluded, must be clearly winning the cold war against the Brobdingnagians. They apparently had less need for allies, and were able to reduce sharply their economic assistance. Gulliver was told that a new loaning mechanism had been set up only a few years earlier to help other countries in their need for economic growth. Hailed at the time as a vast improvement over outright gifts, the Lilliputians had apparently felt it had served its purpose. Everyone seemed confident that the Brobdingnagians could not be very active in this field.

And yet Gulliver reflected on the speech of the prime minister. If what he had said was right, parliament was wrong. If parliament was right, the prime minister thought about all this. would have wished to know what the prime minister thought about all this. But, although the prime minister had returned from his rest, he was so occupied that he could give very little attention to this.

Gulliver therefore departed, rejoicing that all was well in Lilliput.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, there is a constantly growing evidence disclosing foreign countries in which we have large airbases, desire to control and limit our land-based air operations. Some of these governments of these countries want us to leave. Our country has expended billions to build these airbases on foreign soil and in spite of this fact our country has no authority except what these governments permit us to have. This is indeed a serious matter and enormously important to the security of America. Suppose we must leave Morocco, as we did France. Suppose we are forced out of Rota, Spain. Suppose our land-based airfields are denied us. It seems to me this possibility, this serious consideration points up the necessity for approval of the nuclear aircraft carriers. This is a sea-based aircraft carrier over which the United States has complete jurisdiction.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. This is the place to get it. Just offer an amendment. There is plenty of money for everybody and everything.

Mrs. ROGERS of Massachusetts. I do not think this is the place to offer an amendment in connection with this particular bill. I hope that the gentleman will agree, however, that it is vital to the security of America for the conference on the national defense bill to approve the nuclear-powered aircraft carrier. The conferees are now trying to reach an agreement, and I say to the distinguished gentleman from Iowa a frightful mistake it will be if the conferees fail to approve this vitally needed nuclear carrier.

At this time I should like the Congress to know I have devoted great study and many hours of discussion to the necessity and the enormous need for the nuclear aircraft carrier. The denial of highly costly land airbases, constructed at the cost of billions, suddenly being denied to the United States certainly emphasizes and underscores the necessity for the nuclear-powered carriers.

THE CASE FOR THE NUCLEAR AIRCRAFT CARRIER

A. THE PROBLEM WE FACE AS A NATION

Mr. Chairman, because of its tremendous importance not only to the security of the United States of America but to the welfare of the entire free world, it is my purpose here to outline as briefly and as precisely as I can the reasons why the Congress should approve the construction of another nuclear-powered aircraft carrier.

1. U.S. SOVEREIGNTY OVER FOREIGN AIRBASES

Throughout the world the United States possesses rights in foreign countries that have been agreed upon for the use of certain areas within those countries as airbases. In none of these agreements are there any sovereign rights given to this country. In other words, the use of these airbases by the United States is entirely dependent upon the will of the government of the country in which the airbase is located.

America has spent millions, yes, billions of dollars in the construction of these bases on foreign soil. In view of our agreements and also in view of the uncertainty of the development of international relations there is no reason to prevent the governments of any of these nations in which these airbases are located to deny the use of these bases to the United States at any particular time. Recently France informed the United States that our airbases in France could not be used unless the French Government had some authority over American air operations taking place from these bases. As a result we were forced to transfer all of our land based aircraft to airbases in England.

When this move was announced on the floor of the House of Commons certain members of the House of Commons booed the announcement. In other words, they did not look with favor upon the United States transferring these air operations from bases in France to bases in England.

It is important that we take note of the fact, and this is an extremely serious matter, American air operations from foreign bases are dependent upon the authority of the government of the country in which the airbases are located.

There is no such problem involved in regard to our airbases on the high seas; namely, our aircraft carriers. Our aircraft carriers are mobile airbases over which the United States of America has complete sovereignty. Our aircraft carriers are part of our great defense system and are completely subject to our own jurisdiction. In view of this fact the aircraft carrier can be depended upon at any time and in particular in times of emergency as compared to the airbases on foreign soil which cannot be depended upon.

2. ABILITY TO STRIKE THE ENEMY

Certainly the United States of America will never start a war. Our Nation is not aggressive; in fact, we are opposed to aggression. If war should take place, everyone certainly is informed of the complete devastation which would occur as a result of nuclear bombing. In a future war without a doubt the United States will be attacked first and our country will experience a very hard and tragic blow. In view of this fact it is necessary that the United States has a means which can be depended upon to strike back and devastate the enemy. It is necessary for our country to have dependable means already in being and capable of doing the job. It is necessary for our country to have the power to annihilate any enemy which dares to strike our Nation first.

The nuclear powered aircraft carriers provide this dependable power. With their tremendous mobility, their speed and their capability, our nuclear aircraft carriers are able to break the back of any enemy which is so foolish as to initiate a strike against the United States.

3. CAN TRANSFER OPERATIONS TO ANY AREA

The nuclear-powered aircraft carrier is not a fixed airbase. Instead it is an airbase at sea which because of the vastness of the oceans can be moved anywhere over seven-tenths of the earth's entire surface. This flexibility represents great power. This mobility not only provides our country with the ability to control the seas but it also provides for our ability to meet any challenge. And most important, our enemies know and fear this power.

4. ALWAYS THE NEW MUST REPLACE THE OLD

An aircraft carrier being a great air base at sea is a ship; it is machinery, it is material, it is subject to wear and obsolescence. The life of a great aircraft carrier is probably somewhere between 20 and 25 years. In view of this fact our carriers must be constantly replaced, improved, and modernized. We cannot go to sleep. We cannot become satisfied. We must rebuild constantly. We must replace the old with the new.

5. CARRIERS MUST BE IN BEING TO BE EFFECTIVE

Because of the fact modern war may be of very short duration there is no time to build aircraft carriers after the enemy has decided to strike America. If war should come to America, and I hope it never does, the entire survival of our country, the survival of every human being in America is dependent upon the weapons we possess at that time with which to fight back. There will be no time to build weapons after the war has started. It is for this reason, and this is a very sobering reason, that this Congress cannot under any consideration, financial or otherwise, fail to approve the nuclear aircraft carrier now under consideration. Now is the time to build the power needed to meet a future challenge. Now is the time to build the nuclear carrier which can devastate the enemy if the need arises. Tomorrow or next year may be too late.

6. INSURANCE FOR PEACE

Possessing a sufficient number of nuclear aircraft carriers together with their supporting ships is without a question the greatest insurance for peace existing in the world today. Certainly no enemy nation can ever hope to strike America without reaping devastation from these aircraft carriers, and because of this fact an enemy nation will think long and hard before attempting anything so foolish. Knowing they can be annihilated, a wise enemy will not strike first. In these times seapower sufficient to control the seas and meet any challenge is a guarantee of peace. I repeat, the aircraft carrier is the most valuable insurance for peace in existence.

B. WHY A NUCLEAR POWERED CARRIER IS NECESSARY

There has been some question from time to time as to why a nuclear-powered carrier as compared to a conventional-powered carrier is necessary. The nuclear-powered carrier is necessary for the following reasons:

First. Refueling: After so many hours of continuous operation at sea a conventional-powered carrier must be refueled with black oil. In time of war or strategic emergency it is possible that a conventional-powered carrier will need

to be refueled at a strategic moment. In the case of a nuclear-powered carrier this risk does not take place. The nuclear-powered carrier can operate at sea for a long, long time and need have no consideration whatsoever regarding a replenishment of its source of power. In an emergency it will not have to engage in time consuming refueling operations.

Second. Flexibility: The nuclear-powered carrier can cover enormous distances at sea at a higher speed without regard to plans for refueling operations.

Third. Nuclear power saves space: In a nuclear-powered aircraft carrier much of the space used for the storage of black oil for power purposes can be saved and devoted to other uses.

Fourth. Aircraft landing hazards: In the case of a conventional-powered carrier during emergency operations at sea it is possible for the landing mirror to be blinded from the pilot in landing his plane, by the black smoke from the stack caused by the black oil being burned under pressure because of the necessary speed required by the ship for landing purposes. The blacking out of the landing mirror by this black oil smoke is indeed a hazard our naval flyers should not be subjected to in view of the fact this is no longer necessary. It is no longer necessary because in a nuclear-powered aircraft carrier there is no such thing as a black oil smoke hazard. In view of the high cost of airplanes and the great need for protecting the lives of our pilots, certainly the nuclear-powered carrier is a necessity compared to the conventional-powered carrier from this point of view.

C. DIFFERENCE IN COST

In peacetime there are many who try to measure the security of the United States in terms of cost. In wartime survival must be achieved and victory must be won regardless of the cost. A future war, however, can be won only in these times, if the weapons of victory are already in being. There will be no time for construction expenditures after the war has started.

First. Original cost: Compared to the conventional carrier, of course, the original cost of a nuclear-powered carrier is greater.

Second. Long-term cost: If a comparative cost, however, is considered over the entire life of the ship, the cost of the nuclear-powered carrier is less than the cost of the conventional-powered carrier. From the viewpoint of the total life operation of the ship the nuclear-powered carrier will cost less than a conventional-powered ship.

Third. Nuclear-powered carrier constitutes a preventive weapon of war: It is far cheaper to spend to prevent a war than it is to finance an actual war. After war breaks out expenditures are unlimited because victory must be achieved. If the building of nuclear carriers can prevent a war, certainly their cost constitutes a fraction of what might be expended if war in fact should take place.

It is to be remembered that the costs of war do not end with the war, but they continue on and on for many years after the war is over. These costs are represented by vastly increased numbers of veterans and our responsibilities to them and by the enormously required reconstruction of devastated areas. If war should come to America within the near future, our veteran responsibilities would be increased by 25 million veterans and the cost to this Nation would be tripled for many years to come over what they are at this time.

In view of this fact the nuclear-powered aircraft carrier which from many points of view is an expenditure or a cost which operates to prevent war must be approved. It is an invitation to disaster to fail to approve the nuclear carrier because of its initial cost.

D. THE ISSUE FACING CONGRESS

First. Failure to approve nuclear-powered carrier represents a sign of weakness.

Ever since World War II the free world and the Communist world have been engaged in a cold war testing whether or not the free way of life is to prevail in this world. At this very moment the Secretary of State of the United States, the Honorable Christian Herter, is striving to achieve some workable agreement with Communist Russia in order that war might be averted. A failure on the part of the Congress to approve the nuclear-powered aircraft carrier would be interpreted by Communist Russia as well as the nations of the free world as a sign of weakness on the part of the United States. Immediately any efforts of the Secretary of State would become useless. If we fail to approve this carrier, Communist Russia will move in to take advantage of this weakness. Certainly the Geneva conference will end in failure and the world will be on the threshold of a very grave situation. The gravity of this situation might be far too great even for the solution of a summit conference.

Second. The effect of approval of the nuclear aircraft carrier on American respect abroad.

If this nuclear aircraft carrier is approved by the Congress at this time, this action will inform Communist Russia and our Communist enemies that America intends to remain strong and powerful. Approval will inform the free-world nations that the United States is worthy of their confidence and their dependence. Approval will tell the dominated and controlled nations of the Communist world that they still have cause for hope. On the other hand, failure to approve will cause despair among these captive nations. Approval of the nuclear aircraft carrier will provide courage and strength to the American people in the knowledge that the security of America is being greatly increased.

These are reasons which should command every Member of Congress to support and approve the nuclear aircraft carrier.

E. LONG EXPERIENCE IN THE CONGRESS AND THE GOVERNMENT

There are some of us here in the Congress who have been here a long time. This time has extended away back in the years before World War I. This long service in the Government of the United States has provided invaluable experience. If this experience means anything, it has disclosed to me that many great problems and great difficulties arise out of national weakness. This experience has shown me that war comes when a nation is unprepared. This experience has shown me that if a nation is to survive, that nation must stand on its own feet and depend upon its own resources.

At this strategic hour in the history of America it is possible to make a wrong decision. Either our Nation can proceed from this cold war into the sunlight of a great future or our country because of a wrong decision can start on its way to a second-class power and on down the road to decay as a great Nation. I say to you that if my experience means anything it means that a vote to increase the strength of this Nation is a vote to preserve and to protect the Nation's future.

It is most important and very fitting at this moment, Mr. Speaker, for the Congress to pause and focus attention upon the future which holds our destiny. Regardless of knowledge is it possible for anyone to determine in advance the great events which might occur which would change all of our lives? The next months, yes, the immediate years ahead will undoubtedly contain move after move of the most critical and vital significance. It is possible for the next terrific series of events to shake the entire foundation and tear the fabric of the entire free world. Today we hear much of our responsibilities for Berlin. Our attention is focused upon Berlin and it is a main issue in these present-day conferences. If the Berlin issue should be settled, is there anyone here who believes the cold war would be ended and be but a memory for historians to write about? If you believe this, you are lulling yourself to sleep and a tragic and fearful shock is in store for you.

There is no question but what Berlin is important, not only to the free world but to many human beings. It is not this importance, however, which should command our attention; it is the far more vital issues that lay behind Berlin that we should concentrate upon. Is it not possible for the whole Middle East to burst into flame? Is it not possible for our country to be confronted with tragic developments in the Caribbean, Central and South America which must command our attention and responsibility? There is China and India and Tibet, all of which vitally concern us and our future. The problems involved are gigantic. Any of them can lead to this war of annihilation we so greatly fear.

In view of these possibilities which can take place in the future is it sensible, is it good judgment to quibble over the comparatively small cost of a nuclear-powered aircraft carrier so necessary to meet the challenge that we might have to face up to in the perilous days ahead? To quibble over such costs is ridiculous. Does anyone think of the cost of water when his house is on fire? Because of this tremendous uncertainty of the fu-

ture I urge and I plead with the Congress to approve this nuclear-powered aircraft carrier. It could be very well our last chance to have this opportunity.

F. CONCLUSION

Because of the reasons I have outlined above, Mr. Speaker, it is my view that this nuclear-powered aircraft carrier which is now before the Congress for a decision is extremely important to the future of this Nation and to the free world. It is my view that the Congress has no choice. The Congress must approve this nuclear-powered aircraft carrier. The future of our country, the future of the free world, the future of civilization as we know it depends upon this approval.

Mr. WALTER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I wish to invite the attention of the House to a case of misleading propaganda appearing in the RECORD of July 27, 1959, on pages 14286 to 14287. The American Automobile Association, interested in the promotion of a campaign designed to stimulate visits to the United States, has sent around as an "atrocity exhibit," an application form described as a questionnaire which every foreign visitor must allegedly fill out before he can obtain a nonimmigrant visa which will permit him to come to this country as a tourist.

The application printed in the RECORD looks very impressive except for the fact that it is not what it purports to be.

Plainly it is not an application or a questionnaire which a tourist coming to the United States for pleasure or for business is required to fill out. The application is one that is used by only some of the consular offices in more difficult immigrant cases and is designed to be executed by aliens who intend to come to the United States as immigrants, to reside here permanently, and to become, eventually, citizens of the United States. Contrary to what the AAA says, no tourist is required to fill that application.

The truth is that a tourist is required to fill out a small card containing nothing besides basic identifying data required by law. A sample of this card is as follows:

Family name	Given name	Middle name	Travel document

Home address

Place and date of birth — Day Mo. Year — Complexion

Hair	Eyes	Height	Weight	Nationality	Marks

Marital Status	Sex	Race	Length and purpose of stay in U.S.
☐ M ☐ S ☐ W ☐ D	☐ M ☐ F	Ethnic class	

Possession of a visa does not entitle bearer to enter the U.S. if upon arrival at a port of entry he is found inadmissible.

Signature of applicant

Subscribed and sworn to before me on:

At:

(over)

Form FS-257 (1-2-59) GPO: 1959 OF—494398

The Immigration and Nationality Act has greatly facilitated the free movement of tourists to the United States. The number of tourists admitted to the United States has risen from 353,754 in the fiscal year 1954, to 471,969 in 1956, and to 596,004 in the fiscal year 1958. The current rate of admission of foreign tourists, students, businessmen, newspapermen, and other categories of nonimmigrants is rising steadily and of course, no complaints whatsoever are raised by anyone who is required to fill out the very simple form.

I sincerely regret that the American Automobile Association did not check their information by making a simple inquiry in the Department of State before they misled the chairman of one of the most important committees of the other body.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words, and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. There has been an understanding, and as far as I know there is no opposition, that we are going to complete consideration of this bill today.

Mr. GROSS. Mr. Chairman, we have heard a great deal this afternoon about investigations of this global baloney program. There have been a good many investigations and a lot of evidence in these hearings and in the hearings before the subcommittee handling the State Department appropriations bill, chairmaned by the gentleman from New York [Mr. ROONEY]; a lot of evidence of skulduggery, but what happens when this skulduggery is revealed?

On page 239 of the present hearings I find a report from the Comptroller General's Office concerning an irrigation project in Pakistan. It seems—and I hope that some of the members of the committee will correct me if I am wrong in any of these details—that this project was originally estimated to cost $15 million. Included in the cost of the project was the building of $850,000 worth of irrigation pumps in Japan. It developed—and again I ask to be corrected if I am wrong in any of these details—that the pumphouse was not adequate according to the engineering data that had been supplied; that the pumphouse was not adequate to house the pumps. Where the pumps are now I do not know, but apparently at one time they were loaded on a ship in Japan to be sent to Pakistan. Then somebody discovered that the pumphouse was not adequate to house the pumps and so they unloaded them in Japan at a cost of a good many thousand dollars to the American taxpayers.

Then somebody came up with the idea that they ought to have another engineering survey, so the handout artists apparently hired two engineering companies, the Tudor Engineering Co. of Washington, D.C., and the Jenks & Ballou Engineering Co., of Providence, R.I., to go to Pakistan to make a study of this irrigation project. And, lo and behold, these engineers apparently came up with a report that the irrigation project would cost not $15 million but $56.7 million, almost $57 million. In other words, somebody made a mighty expensive mistake. Who made the mistake I do not know, or what it is costing the taxpayers of this country I do not know. But somebody ought to be held to account, and if there is any serious wrongdoing, they ought to be prosecuted and not promoted to another good job as is often the case.

Again, in the case of our esteemed colleague of other days, Sam Coon of the State of Oregon, I point out again that he was threatened, according to the testimony, by the Ambassador in Peru, and the No. 2 man in the Embassy there. They threatened him if he disclosed any of the information concerning the activities of the then director of the ICA program in Peru.

Now, there cannot be any question about the activities of the former director and the fact that he was a coowner of a 17,000-acre ranch in Peru. There can be no question about wrongdoing down there. The question is: What action has been taken with respect to the individual who headed up the mission in Peru?

Is there any evidence that the Ambassador and the No. 2 man in Peru are going to be lifted?

Mr. BASS of Tennessee. They will be transferred and given a raise.

Mr. GROSS. Of course. They will get a reward of some kind.

Here is the case in Laos of Carter dePaul, the mission director, who had a $600 used Cadillac shipped to that country at Government expense; a 1947 Cadillac, and sold it, according to the testimony before the Hardy subcommittee and the report issued by the committee, for, as I remember it, approximately $2,000, to a representative of a roadbuilding outfit operating on taxpayers' dollars over in Laos.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What better job did they give him? They usually give them a better job if they are good spenders and wasters.

Mr. GROSS. I intend to get to that. Eventually they got the automobile out of sight when they started blowing down the back of dePaul's neck. They cut

this Cadillac up with torches and dropped it down a well to get rid of it. Then he came back to this country and, according to the Hardy committee report, this same mission director, Carter dePaul, was then assigned by the ICA to be deputy assistant to the director on matters concerning national security and foreign economic policy.

That is the reward for a man who had carried on those manipulations and maneuvers in Laos or wherever it was.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. I was asking what reward he got.

Mr. GROSS. That is his reward.

Mr. HOFFMAN of Michigan. When our Democratic friends were in office, I recall they had a fellow who was a good spender abroad. They had sent him to Korea, then they moved him down to Brazil, and later on they gave him a really good job, where there were millions to spend. He was an expert over there, a waster and a spender both. What are you going to do with this fellow? Are you not going to reward him?

Mr. GROSS. He was probably rewarded with a better job long ago.

Mr. HOFFMAN of Michigan. Oh, I cannot agree with that. This is a Republican administration. I could not go along with that.

Mr. GROSS. You can investigate and complain until you are black in the face, but unless you jail some of these people and make them pay some kind of penalty for their misdeeds, you are not going to accomplish anything. You can spend hundreds of thousands of dollars and millions of dollars on investigations. But what we need is somebody with starch and backbone enough to prosecute some of these crooks.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HAYS. The acting director down there issued a statement saying that this man had committed a technical violation of the law. Can the gentleman tell me what a technical violation of the law is?

Mr. GROSS. What man is the gentleman talking about?

Mr. HAYS. The one the gentleman is talking about that had done away with a little money out in Vietnam.

Mr. GROSS. I do not know what he could mean by a technical violation.

Mr. HAYS. He said they were not going to prosecute him because it was just a technical violation.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. He is probably talking about Drew Pearson, who rode along with him back from Europe. This fellow that I was talking about got Pat Brown in California to appoint him to some State office. He has taken care of him.

Mr. GROSS. The gentleman is referring to that junket over to London several Members of Congress took not long ago?

Mr. HOFFMAN. Does the gentleman mean that Drew Pearson business?

Mr. GROSS. Yes.

Mr. HOFFMAN of Michigan. Well, ask him; he is on his feet.

Mr. GROSS. Would the gentleman care to respond?

Mr. HAYS. I did not hear what the gentleman said. I would be happy to respond to an Abbott and Costello movie, and I would be happy to respond to what the gentleman said if the gentleman from Iowa can tell me what he did say.

Mr. GROSS. The gentleman was referring to Drew Pearson's ride with the gentleman from Ohio back from London on that junket that several Members of Congress took a few months ago.

Mr. HAYS. The gentleman is a little bit in error in that, because Mr. Pearson, while he rode back in the plane, gave his ticket to a member of the staff to come back on another plane, so it was a fair exchange. The member of the Senate staff was not able to come that day, and had to come back on some other plane. He had to stay until the conference was finished. We came back a couple of days ahead, so they exchanged tickets. He gave him his ticket and rode back in the gentleman's place. I was very happy to do it, because it did not cost the Government any money. And that is the explanation.

Mr. GROSS. Was that paid for out of counterpart funds?

Mr. HAYS. No; does the gentleman mean Mr. Pearson's ticket? It was paid for in dollars.

Mr. GROSS. Does that curbstone brokerage go on all the time?

Mr. HAYS. The other plane was a MATS plane, as the gentleman knows. And he knows how that was paid for.

Mr. GROSS. Yes, by the taxpayers.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

The Clerk will read.

The Clerk read as follows:

Defense support: For assistance authorized by section 131(b), $700,000,000: *Provided*, That not less than $50,000,000 thereof shall be available for Spain exclusive of technical cooperation.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, line 14, strike out the colon, insert a period, and strike the remainder of lines 14, 15, and 16.

Mr. GROSS. Mr. Chairman, I shall not take 5 minutes.

This amendment would strike out the language on page 2 of the bill which earmarks $50 million for Spain. I can see no reason why $50 million should be earmarked for the use of the Spanish Government to the exclusion of all other governments. So far as I am concerned, the whole appropriation could be cut out. I know that is impossible, but I see no reason why there should be discrimination and perhaps inequity as between countries in the allocation of these funds.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. JUDD. Mr. Chairman, I rise in support of this amendment. I think a provision like the one to be stricken out was needed and in order several years ago, and I voted for one several times, when we were first getting the Spanish program started. There was great misunderstanding in our country of the importance to ourselves, in fact the necessity of an assistance program in Spain. There was opposition to it, even in parts of our Government. I supported amendments of this sort earmarking funds for Spain, in committee and on the floor. But such a provision is not necessary now.

As the gentleman from Louisiana said a few moments ago, the administration has in recent years spent more in Spain than the amounts that were programed for it. There is now full recognition everywhere of the essentiality to our own defense of full support to Spain.

It is bad for the worldwide program of defense support for 12 countries, all of which are important, to cut down by almost 20 percent aid for the other 11 countries and then by this provision increase aid 25 percent for one country. The provision does not accomplish anything that is needed for Spain. It could injure 11 other countries that are also very essential to the security of the United States. It throws the overall program out of balance and only a balanced worldwide program can give us security. I hope the gentleman's amendment will be adopted.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. LINDSAY. I rise in support of the amendment also. On two different occasions during the debate this afternoon, since 12:30 o'clock, I have asked the question as to what logic was behind this particular proviso calling for the mandatory earmarking of $50 million, and we have not yet gotten a sensible reply.

Mr. GROSS. If we are going to continue this foreign boondoggle, let us do it as equally as possible.

Mr. PASSMAN. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. ROONEY and Mr. PASSMAN), there were—ayes 88, noes 38.

So the amendment was agreed to.

The Clerk read as follows:

Development Loan Fund: For advances to the Development Loan Fund as authorized by section 203, $550,000,000, to remain available until expended.

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: On page 2, lines 18 and 19, strike out "$550,000,000" and insert "$500,000,000".

Mr. ALEXANDER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ALEXANDER. Mr. Chairman, in regard to this small amendment which I have offered here in regard to the Development Loan Fund, let me just say this. I have listened very intently and very carefully to our distinguished chairman who has worked very diligently on this bill and also to our distinguished minority leader as he spoke in regard to the Development Loan Fund. From the arguments presented by both of these distinguished gentlemen, I was convinced, certainly, a cut ought to be made at this particular point. I might say to you that the Development Loan Fund is a fund, as we all know, that is a soft loan which has to do with about the same thing as defense support. I listened very intently during all of the hearings of this subcommittee, and I do not think there is a member of the subcommittee who can tell you with any degree of assurance what they intend or how they intend to spend the money that is appropriated in this request. As the distinguished minority member of this committee said, this is a phony loan and certainly I agree with him. Why do we have the Development Loan Fund and why is it brought to us with such vigor as we have seen today and from the time that it was started? First of all, when any portion of the program begins to get into a little trouble and we have to sell it to the American people, this is the easiest way to do it because a loan looks to them like it might have some merit. Actually, in order to sell our economic aid program to many of the countries that we were dealing with, in view of the fact that they were proud people, people who just did not want to accept gifts, and since it was just in a little bit better taste if we made the medicine in this form, we made it in the form of a loan. There is no question but that this is economic aid. If you will look at the bill and look at the programs that have economic aid in them, you will see in this particular bill there is more than $4 billion out of the $8 billion available for this fiscal year that comes under economic aid.

If you reduce this bill by $50 million you will have reduced it just a little bit over 1 percent of the amount available. It would be a vital thing to reduce one of our own domestic bills and appropriations by 1 percent, but here we are dealing with funds that go to 76 countries of the world in which we have got defense support, we have development assistance, special assistance, the President's Asian fund, the President's contingency fund, any one of which can be shifted around; not only that, but also the justification for the Development Loan does not tell us anything about what it is going to be used for. Why is not the figure $500 million just as good and just as valid as the figure $550 million?

Let me remind you that Mr. Campbell, the Comptroller General, in his appearance before our committee said that a pattern of loose lax administration runs through the entire complex foreign aid program and he agreed on numerous occasions that they had too much money. If they had too much money is it not logical that the best way to make a better program here is to cut down a little bit on our spending and bring it into line and make it feasible? I might say to you that 2 years ago when Mr. Benjamin Fairless, the Coordinator of the President's Citizens Advisers on the mutual security program, reported to the President he had this to say:

> In our view loans by the United States repayable in the converted currencies of foreign nations are undesirable, and the practice of granting them should be terminated. Our relationships with other countries will suffer from the United States controlling large amounts of these currencies. The soundness of our own program should not be jeopardized by inviting repayment of foreign currencies which cannot be freely spent by the United States.

There is no question but what we have some $2,500 million of these currencies today, and the program has been going only a very short time, currencies that we cannot spend.

Certainly I think we ought to give serious consideration to the fact that this program is growing by leaps and bounds. The subcommittee has just had another request for another half billion dollars to come out of the authorization for 1961 for the development loan program. The boys from downtown say to us that while they do not want to spend it they want to be able to promise some of it to these people who come to them asking this, that, or the other. I believe that certainly we ought to think about this. I might point out to you also, that in this Development Loan Fund a large percentage will go to three nations. Let me show you how it was spent last year. Take the case of India. Last year they were granted loans: For railroads, $40 million; India again, $35 million; India again, $18 million; India again for $22 million; India, for $35 million; India for $10 million; India for $15 million.

Take Pakistan: $5,500,000; Pakistan, $4,200,000; Pakistan, $14,700,000; Pakistan, $17,500,000; Pakistan, $9,100,000; Pakistan, $4 million; Pakistan, $15,-200,000.

I could go on and on. Here are nine places in which they have given to Taiwan. Actually about 80 percent of all the total development loan funds went to those three countries last year. Not only that, but in spite of the fact that out of all other economic aid these countries had received a great portion of our economic aid.

Why do the people downtown want this? They want it because they can control it and spend it in any country they want to. They can spend it as they see fit. I say to you that this little amendment I have offered, involving $50 million, has merit. The amendment, if it is adopted, will make this program a much better one.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina [Mr. ALEXANDER].

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. If Members are going to keep on asking for 5 additional minutes, I am going to begin to talk pretty quickly about Hoffa and Reuther.

Mr. PASSMAN. I thank the gentleman.

Mr. Chairman, the gentleman who offered the pending amendment is a very able member of the subcommittee handling this bill. I mentioned in my remarks prior to the adoption of the authorization my support in this matter. But I wish you would listen carefully while I give you an explanation of what we are up against in connection with this amendment.

The Committee on Foreign Affairs recommended $800 million. An amendment was adopted on the floor of the House reducing this amount to $700 million. A majority of the House said that is the bare minimum with which it can operate. The bill goes to the other body and they raise it to $750 million. Then in conference an agreement was reached on $700 million.

We gave a lot of attention to this particular item. The committee decided, as the Congress approved a supplemental for $150 million earlier in the year, although all the fund's obligations were met, we should take that into account, and therefore the committee is recommending $550 million. Whether I agree or disagree with the program, I hope the membership understands that we gave careful consideration to each and every item in this bill.

I trust, therefore, that the Committee will support the Committee on Appropriations.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. TABER. I want to say that I am opposed to the pending amendment, and I hope it will not be adopted.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. FORD. I join the chairman of the subcommittee and the distinguished ranking minority member of the Committee on Appropriations in urging rejection of this amendment. I hope and trust that the Committee of the Whole will support the Committee on Appropriations in this matter.

Mr. PASSMAN. Mr. Chairman, I hope the Committee will vote down the pending amendment.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I support the pending amendment. I only wish it was a much deeper cut than the gentleman from North Carolina is urging.

I have here a list of so-called loans made under the Development Loan Fund, which is nothing more nor less than a subterfuge for the outright grants in the foreign-aid program.

How are we doing in Indonesia these days, where they have a newly created dictator? We have some so-called development loans over there.

How are we doing in Malaya? Singapore just went Communist. We have some development loans in Malaya.

Of course, I want to remind you again of this loan of $3 million to resettle Dutch farmers in Australia.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Well, my man, Yankus, left my district to go over there, and I lost four votes when he did.

Mr. GROSS. I thought the gentleman would be interested in this.

Mr. HOFFMAN of Michigan. Is he going to get some of this money?

Mr. GROSS. He will have to ask those who advocate and administer it. I cannot tell the gentleman, but there is $3 million for that purpose.

Mr. HOFFMAN of Michigan. It does not get to me.

Mr. GROSS. There is $3 million to resettle Dutch farmers down in Australia.

Mr. HOFFMAN of Michigan. He is not Dutch.

Mr. GROSS. Perhaps he can change his nationality.

Mr. HOFFMAN of Michigan. Do you think we can work it out?

Mr. GROSS. I do not know. We can try.

Mr. Chairman, I support the pending amendment, and I only wish it was for a deeper cut than it is.

Mr. McDOWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in spite of my disagreement with the severe cuts in the program, I will vote for the bill because I will have no other choice. I am going to support the mutual security program. I view it as unfortunate that cuts have been made and it is my hope that the Senate will restore them in accordance with the President's strong appeal for bipartisanship in our foreign policy.

The cuts are many millions of dollars below the figure recommended by the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate. Lengthy hearings were held by each of these committees and the amounts they recommended were what the members of these committees considered to be the absolute minimum.

The point has been made that we cannot make ourselves secure by giving ourselves away.

But it is a fact that our country is the richest and most affluent Nation in history and it remains to be proved that we are in any real sense giving ourselves away.

Let us look at this matter calmly and objectively. The mutual security program has wrought some of the miracles of this era. It has helped restore, through the Marshall plan and related programs, our European allies who suffered unspeakable devastation. It has built a clear and secure dike against the onrushing floods of communism and turned them back.

Can this kind of spending really be classified accurately as making ourselves secure by giving ourselves away?

Without the mutual security program we would probably by now be an island fortress in a sea of communism—and the Red tide would have grown to such proportions that it would by now be practically irresistible.

Would this have been desirable?

The history of this period would have been immeasurably different without the mutual security program.

There is the parable of the Good Samaritan who stopped to succor the man who had fallen among robbers and had been left to die.

Our country was acting in the great tradition of the Good Samaritan when it extended aid and assistance to those nations which had suffered so grievously in World War II.

We could have kept our wealth, and our goods, hoarding them.

We could have kept them then, and we could keep them now, during this cold-war period.

Yet we are in a contest with the Soviet Union and its satellite nations which will decide the course of history for a thousand years.

We can look at misery and starvation and be unmoved.

We can look at the underprivileged nations of the world and counsel them, as the rich and well-fed throughout history have done, to stand on their own feet and especially, to be gone and to leave us alone.

Or we can be the good neighbor, the Good Samaritan, sharing his wealth and helping to succor the less fortunate.

There are many things which need to be done to strengthen the mutual security program. It isn't perfect, far from it.

The Foreign Affairs Committee of the House, and the Foreign Relations Committee of the Senate came up with some splendid suggestions for improving the program.

I was delighted that some few of these excellent recommendations were included in the bill which finally went to the President.

They were not all included but some of them were.

I speak of the Development Loan Fund, particularly, which provides for long-term, low-interest-rate loans.

Here is the direction in which we must move.

I am surprised that many of those who are prepared to cut and cut and cut the mutual security program were not among the supporters of the amendment to increase the amount of the Development Loan Fund and to give it a 4-year authorization.

We must give greater emphasis to economic aid, as opposed to military assistance. The Development Loan Fund is the sound way of doing it.

The Development Loan Fund and the technical assistance program must be continued and strengthened.

Both of these programs must be increased in order that we may place our foreign policy on a sounder economic basis.

The House Foreign Affairs Committee clearly expressed its desire to change the emphasis of our foreign aid from one of giveaway and handouts to one of repayable loans.

It might be important to point out here to the skeptics that no country which has received aid through the Development Loan Fund has ever reneged on its repayments.

These loans are made only on a sound basis, and the history of this program to date commends it in every respect.

Certainly, I do not mean to say that there is no gamble involved in making such loans. However, it is extremely pertinent to mention here that the risk in making a loan through the highly developed and well administered Development Fund, is much less than the risk incurred by American banks in making loans to the citizens of this country. The office of the Development Loan Fund downtown would, I am sure, confirm this assumption.

We must remember one thing when we are dealing with our foreign aid program and when we are more specifically dealing with the Development Loan Fund. We need the program. It is certainly more than an expression of American nobility and friendship. We are competing today in a struggle which very well may determine whether we, as a nation, will survive. This competition is carried on every minute of every day, and in many areas of the world, we have not demonstrated that democracy and capitalism, that free-thinking peoples who may spend the fruits of their labor as they see fit, are desirable. The only way we can give substance to our fine abstract theories and our way of life is to assist the underdeveloped countries of the world, particularly in southeast Asia, in reaching a level of economic conditions which is conducive to happiness. We all know that hungry people do not have the desire nor the ability to sit back and debate the intellectual differences between communism and capitalism. And sadly enough, communism may be much more effective in filling the empty stomach than democracy. It has been said by many, that democracy as a concept, has little meaning to a starving people. The mind cannot be filled until the rice bowl is.

We can help these people fill their own rice bowls and this has been the main objective of the Development Loan Fund.

To cut off this program, or drastically limit it at this time, would certainly be weakening one of our major weapons in the war for survival.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. ALEXANDER].

The amendment was rejected.

The Clerk read as follows:

Ocean freight charges, United States voluntary relief agencies: For payments authorized by section 409(c), $2,300,000.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the distinguished gentleman from Louisiana, the Chairman of the subcommittee, Mr. PASSMAN, is conscious of how deeply he is embedded in my admiration and affection. He is a devoted public servant, one of the hardest workers in this body, and as sincere a man as I have known.

I do not think my good friend, ever courteous and gallant, sought in his remarks in general debate to reflect in any way upon the good and patriotic women who compose the membership of the League of Women Voters. Rather he was doing them the honor of recognition as participants on an equal basis in the debate on foreign policy and mutual security that has been going on a long time, not only in this body, but also in most American homes.

The League of Women Voters has made a tremendously valuable contribution to the functioning of our democracy. It has carried into the homes a better understanding of the great public problems with which we are confronted. If reading and study and discussion makes for a better informed citizenry, and if good government is measured by the number of well-informed citizens, then surely the League of Women Voters has earned the appreciation and the commendation of us in the Congress who must depend on an enlightened citizenry at home in the doing of the tasks assigned us as agents of our constituents.

It was perfectly proper that the League of Women Voters got into today's debate. In fact, there would have been something wrong with the debate if a group of women who are as well versed in the subject as any other group in the country and who are making the study of public questions as important in a woman's life as balancing the household budget, should have been left out. I am confident that my good friend from Louisiana will join me in this sentiment. When he disagrees, he debates with eloquence and the vigor of his convictions and takes on the opposition, no holds barred. But I have never known OTTO PASSMAN to take on anyone whom he did not appraise worthy of the fray.

The Clerk read as follows:

General administrative expenses: For expenses authorized by section 411(b), $37,000,000.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 4, line 2, strike out "$37,000,000" and insert "$36,801,300."

Mr. GROSS. Mr. Chairman, this is an amendment to take out $198,700 worth of entertainment and liquor. That is all the amendment does. Now, I do not think we need to dig into the pockets of the taxpayers of this country for $198,000, almost $200,000, to provide liquor and entertainment to give away money. I just do not think it is necessary. Maybe I am wrong and old-fashioned, I do not know, but I think it is a pretty good place to stop.

I probably have not covered all of the entertainment and liquor in the bill, but I have read the hearings of the gentleman from New York [Mr. ROONEY] who handles the State Department appropriation bill, and I understand there is about $800,000 of liquor and entertainment in that bill this year. That ought to be adequate. They ought to be able to work this thing out with the State Department in these various foreign countries.

I urge the adoption of my amendment, Mr. Chairman.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, we have already extracted the representation, that is, the whisky part of the bill. You have to work pretty hard to find any whisky in this bill. And, if you want good administration, you have to give them a sufficient amount to conduct their affairs.

Mr. GROSS. Does the gentleman mean that all of that money is out that they asked for?

Mr. PASSMAN. Well, they will always find the money. You take it out of one place, and they will get it in in another. But, we squeezed out everything that we possibly could.

Mr. GROSS. This will squeeze out a little more, then.

Mr. PASSMAN. I think you ought to give them this administrative allowance.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, one of my colleagues just told me that a few moments ago as I was walking off the floor the gentleman from Ohio [Mr. HAYS] wanted to know something about my sending one of my secretaries around the world at Government expense. Well, now, that is a fair illustration of how much the gentleman knows about what has happened. I am saying here and now that I never sent any secretary around the world either at my expense or at Government expense.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.

Well, I do not profess to know everything, but I happened to be on that trip and the gentleman's appointee was on it, and I know that she went. She did not get quite around the world, just as far as the Near East and back. And, I know why she went. I do not yield.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk read as follows:

President's Special Authority and Contingency Fund: For assistance authorized by section 451(b), $155,000,000.

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: On page 4, line 6, strike out "$155,000,000" and insert "$100,000,000."

Mr. ALEXANDER. Mr. Chairman, this amendment would just reduce from $155 million to $100 million the President's contingency fund. This is the exact figure that was authorized in the House bill. This is not the figure that was authorized in the conference report of the Senate and the House, but this was the amount that was adopted by the House as sufficient for the President's contingency fund.

What is the purpose of the contingency fund? When it was first started it was intended that it should take care of any emergency that might come up; the President would have the money and the authority to use the fund for the particular purpose. The only strings that were tied to this fund were that the President could not use it for the Development Loan Fund, nor can he use it for any domestic program. He may use it for anything he desires anywhere in the world for people outside of the United States.

Let us be practical about this. We are going to leave here and then we will be back in January. If any emergency arose, we could be called back here in special session. I think if we give the President the authority to use, in any way he sees fit, $100 million, it seems to me we are being pretty liberal.

Mr. Chairman, I am certainly not being partisan about this matter. It would make no difference to me whether our President were a Republican or a Democrat, so far as this contingency fund is concerned. But I say to you very honestly and frankly that I think $100 million is sufficient to take care of this matter.

I have here a statement of exactly how the President's contingency fund was spent last year. I am going to be candid and honest with you and say that this particular fund has been used to thwart the will of Congress, in this respect, that when we set a limit on certain economic aid bills, they come along and use the President's contingency fund to supplement that. When we in the committee or the subcommittee feel that we have given them an amount that is sufficient to be used for a particular purpose, then they come along and supplement it by this fund, whether it is for special assistance, defense support, technical cooperation, or other programs such as the exhibit in Moscow, or world relief.

The only argument that I have heard for this is that the President has asked for it. Let me say this, Mr. Chairman, that we, as Members of Congress have a duty to perform here in the working of our mutual security program. I do not think we ought to abdicate our authority and just give blanket authority to the Chief Executive irrespective of who he may be. I think we ought to exercise our prerogatives and our judgment in these programs.

I think that giving the Chief Executive $100 million to use is providing him

with sufficient funds. Why do they want this? Because there are no strings attached to it. They can shift it, they can do anything they want to with it. I think that if we in the Congress want to make this program more effective and better for the people of this country we have got to begin to put strings on it, to set out guidelines as to how the money will be spent. This is one way to do that.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. How many years we have been on this worthy and charitable program I do not recall. How many billions we have given away I have not the slightest idea. But as has been pointed out by the gentleman from Virginia [Mr. HARDY] time and time again, there has been waste and you might say corruption in connection with its operation. The gentleman from Iowa [Mr. GROSS] has more frequently called attention to similar situations. So that sometime, as has been so earnestly said by the chairman of the subcommittee, the gentleman from Louisiana [Mr. PASSMAN], before we go bankrupt ourselves, we ought to begin to revise the program. Now I have no objections—it is a wonderful thing to help people in other countries, aiding other people or nations in any reasonable way or amount, and America always has been the first to extend aid to others. But help or aid is one thing and building up competition for our own workers and for our own industry is something else again. So, in my judgment, that is why I offer this motion. That is one reason why I offered it. It is time we cut down on one of these bills and force—you get that?—force a reevaluation of the whole program.

In reply to the gentleman from Ohio [Mr. HAYS] who made the statement or asked the question or said something about my sending a secretary around the world, that is an illustration of how loose some folks get in their thinking and their talking. Twice, when I was ranking member of the Committee on Government Operations, a minority staff member accompanied members of the committee on an investigation trip overseas; and once when I was chairman of that committee, at my direction a member of the majority staff accompanied an investigating subcommittee of the committee overseas.

But never, at any time—and I repeat that word "never"—has anyone on my office staff, while they were on the staff, gone around the world or anywhere else at Government expense.

What the gentleman apparently does not know is that they were employees of the committee and went as such and as committee representatives. I hope the gentleman corrects his statement, for it is not in accord with the fact.

Mr. FORD. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I, of course, feel that the bill should not be sent back to committee. One of the reasons why the bill should not be sent back to the committee is because the contingency funds are a very important item in the overall total of this proposal before us today. The President recommended $200 million for the contingency fund for the fiscal year 1960, but the authorizing legislation makes in order only $155 million. The Subcommittee on Mutual Security as well as the Committee on Appropriations, has recommended the full authorized figure.

The gentleman from North Carolina has made the point that this contingency fund is something that has not been utilized to the fullest extent. In the fiscal year 1959, out of the total of $155 million, only about $184,000 was unobligated. The total obligated was for good and sufficient purposes directly connected with this program overall. It is anticipated that if the amount of $155 million is made available to this program in fiscal 1960, it will be utilized to implement the basic objectives of the program as emergencies arise. I think it would be foolhardy, it would be a gamble with the security of this country if we should not leave with the President, after we adjourn, sufficient funds to meet emergencies of any and all categories. If we cut this program, the contingency fund, by $55 million, in my judgment, we are taking an unnecessary gamble and one that might seriously place in jeopardy our own security.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JUDD. Having spoken a moment ago in favor of removing the provision earmarking certain funds for Spain, I want to point out again, as I did previously, that the administration gave more to Spain last year than was programed and it came from the contingency fund. It was able to take care of certain economic difficulties that arose in Spain, and also the crises in Lebanon, Jordan, Iran, and various other emergencies, only because there was adequate money in the contingency fund. So having earlier removed the provision earmarking defense support funds for Spain, there is all the more reason to keep the full amount in the bill for the contingency fund. Therefore, we should vote against this amendment to cut the contingency fund.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment offered by the distinguished gentleman from North Carolina. I am certainly pleased to observe the enthusiasm in this Chamber for getting this foreign aid bill under control. Some of us have fought for many years to provide in this bill funds on the basis of reasonable need rather than the inflated amounts requested by the department. I call to your attention the fact that this particular item has already been reduced by $45 million. The budget request was for $200 million. This is the President's contingency fund. It will place in the hands of the President $80 billion. We should not tie his hands in this item. From the days of Woodrow Wilson the President has had, I think, a certain contingency fund—of course, not as large as this one. But President Truman and President Roosevelt had the use of a certain contingency fund, and we did not touch them in the past. Similarly we have been somewhat reluctant to cut the President's contingency fund in this bill. We have made a reduction of $390 million in the regular authorizing legislation. We took out an additional $500 million in cuts made in the committee when we reported the bill. So we have reduced the bill before you by $890 million. If you cut it further, then when the bill goes to the other body and all of the money is put back in, it will be rather difficult to control it in conference.

This is the President's contingency fund, and I am willing to trust the President to use it prudently and wisely.

It is my hope that you vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. ALEXANDER].

The amendment was rejected.

The Clerk read as follows:

DEPARTMENT OF STATE

Administrative expenses: For expenses of the Department of State as authorized by section 411(c) of the Mutual Security Act of 1954, as amended, $7,900,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the gentleman if this provides any furniture or sculpture for the new State Department Building.

Mr. PASSMAN. That will be carried in another appropriation. This is for administrative expenses only.

Mr. GROSS. Administrative expenses only?

Mr. PASSMAN. Yes.

Mr. GROSS. And not for any of these gewgaws and doodads they want to put on and in this new State Department Building?

Mr. PASSMAN. No; I can assure the gentleman on that.

The Clerk read as follows:

LIMITATION ON ADMINISTRATIVE EXPENSES, DEVELOPMENT LOAN FUND

Not to exceed $1,750,000 of the funds of the Development Loan Fund shall be available during the fiscal year 1960 for administrative expenses of the Fund covering the categories set forth in the fiscal year 1960 budget estimates for such expenses.

Mr. FLYNT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLYNT: On page 5, after line 21, insert the following:

"SEC. 101. None of the funds appropriated by this title shall be available for expenditure until the Congress has adopted a concurrent resolution (1) which states in substance that the Congress finds that the aggregate of the estimated net budget receipts of the Government of the United

States for the fiscal year 1960 will exceed the aggregate of the estimated expenditures for that fiscal year which will be made by the Government of the United States for purposes other than those contained in the Mutual Security Act of 1954, as amended, and (2) which specifies the amount of such excess. Upon the adoption of such a concurrent resolution, then each item of appropriation contained in this title is automatically reduced to an amount which bears the same ratio to such item as the excess specified in such concurrent resolution bears to $3,186,500,000."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. FLYNT. Mr. Chairman, this amendment is proposed and offered for two purposes:

First. To write into law that the mutual security program shall not be paid for by deficit financing; and

Second. To make another genuine attempt to balance our national budget, bring an end to deficit financing and make some payments on the existing national debt.

Let me in the very beginning emphasize that I fully realize that the mutual security program is not, per se, responsible for all deficit spending. The deficit for fiscal year 1959 alone was several times the amount contained in the mutual security appropriation bill for that same fiscal year.

However, I believe very strongly that the mutual program often is the excuse for reckless spending in other bills which, over a period of time, may be directly or indirectly responsible for at least one-third to one-half of the total of the present national debt.

When the House of Representatives considered the authorization bill, H.R. 7500, I offered a similar amendment to that bill. I stated then, and I now repeat, that this is not a crippling amendment. It is not offered to cripple or destroy this appropriation bill or the program.

It is, however, offered as a solemn and realistic approach, which I am confident will do much to correct abuses and misadministration in this entire program. If certain abuses and instances of both misadministration and maladministration can be corrected and prevented, the mutual security program might more nearly achieve its goal and accomplish its objective.

I realize the importance of the overall program of mutual security. Properly and adequately administered, it could perform a magnificent part of our whole foreign policy, achieve a modicum of lasting security and freedom for our Nation and our allies. But I cannot believe or acquiesce in the belief, expressed or implied, that we can ever accomplish this goal while we continue full speed down the road of deficit spending which can lead only to a total repudiation of all Government bonds and obligations by either outright repudiation or by ruinous inflation. Our Nation, our constitutional form of Government and our very way of life can be destroyed by economic attrition as well as by the armed might of a hostile aggressor.

Let us assume for a moment that the overall mutual security program is good, that its objective is high and noble, and that with proper administration it can accomplish its mission of helping to achieve lasting world peace. I hope all of these things are true and that its objective will be achieved.

If that is the case, it is worth paying for with tax dollars out of a balanced budget and we should not attempt to evade true payment by using the fictitious funds of deficit financing. If it is worthwhile, it should be done properly and paid for honestly and with genuine dollars from a balanced budget.

If on the other hand it is not a worthwhile program, we should not delude ourselves and the American people with the utterly ridiculous position that it is not costing us anything anyway, because we are paying for it with borrowed money which may never be repaid anyway.

Let us review recent history very briefly. We engaged in and won World War II after the most complete military, economic, and industrial mobilization which our country has ever brought about. As a Nation and as a people, we paid dearly with the lives and bodies of thousands of young American men. Both our manpower and our economic resources were utilized to the extent of nearly 15 million men and nearly $400 billion. Everyone remembers and realizes the magnitude of those figures, but there is a tendency to forget one very important contributing factor—and that is that the gigantic economic mobilization was made possible because the Government of the United States was solvent throughout the war period. If the solvency of our Treasury had collapsed and if credit could not have been obtained by our Government, our war effort might have been seriously jeopardized because both military and industrial mobilization depend upon economic soundness and stability.

It is a recognized fact that our national debt stands at a figure greater than the combined debts of all other nations in the world, and of this we are certain: This debt must either be paid or it will be repudiated; if it is paid our position of strength will be preserved; if it is repudiated our economy may collapse.

As I have stated before, if this program is good and sound, it is worthy of being paid for by whatever sacrifice is required. If it is to be paid for, it should be paid for out of a balanced budget.

There is no better place to begin than here. There is no better time to begin than now.

I hope the amendment will be adopted.

Mr. PASSMAN. Mr. Chairman, I insist on my point of order that it is legislation on an appropriation bill.

The CHAIRMAN (Mr. MILLS). The Chair is prepared to rule.

The gentleman from Georgia [Mr. FLYNT] has offered an amendment to which the gentleman from Louisiana makes a point of order.

The Chair has had an opportunity to examine the amendment offered by the gentleman from Georgia and is of the opinion that the amendment itself is beyond the usual limitation on an appropriation bill, in that the amendment would place additional responsibility and duties on the Congress and require additional action by the Congress, which constitutes legislation.

Thus the Chair must sustain the point of order made by the gentleman from Louisiana [Mr. PASSMAN].

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: On page 5, after line 21, add a new section as follows: "No part of any appropriation contained in this Act shall be expended, in the event any such expenditure will increase, directly or indirectly, the public debt of the United States of America."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order.

Mr. TABER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. TABER. Mr. Chairman, it creates additional duties and changes existing law.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. DOWDY. Mr. Chairman, the amendment I have offered puts a limitation on an appropriation. I offered the same amendment in previous years and it has been held not to be legislation upon an appropriation bill. The fact of the matter is it follows in words section 102 of the present bill.

The CHAIRMAN (Mr. MILLS). The gentleman from Texas offers an amendment to which the gentleman from New York makes a point of order on the ground that the amendment is legislation on an appropriation bill, therefore not germane to the bill before the Committee. Though the amendment appears to be in the form of a simple limitation on an appropriation bill, the chair is of the opinion that the amendment itself will place additional duties and responsibilities and functions on someone perhaps in the executive department or in the Congress.

Mr. DOWDY. Mr. Chairman, in a previous year that very amendment has been ruled on to the contrary by the Chair.

The CHAIRMAN. If the gentleman would cite the decision, the Chair would be glad to have it.

Mr. DOWDY. I think it was 2 or 3 years ago on this bill. I do not have the decision.

The CHAIRMAN. The present occupant of the chair does not recall it. In view of the gentleman's statement, the Chair is constrained to withhold his final decision until he can look into the matter.

Mr. DOWDY. It was 2 or 3 years ago. I am not sure which it was.

The CHAIRMAN. The Chair hopes that the gentleman from New York who made the point of order will bear with the Chair and permit the Chair to recognize the gentleman for 5 minutes to discuss his amendment while this point is being determined.

The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. DOWDY. Mr. Chairman, I do not care to talk for 5 minutes on the matter. I raised the same point which the gentleman from Georgia was attempting to bring up with his proposed amendment in more words. It carries out only the effort that I made when I offered an amendment to the authorization bill a few weeks ago and which we tried to bring to the attention of the House and the American people as to what was happening in the name of charity, trying to help other countries, and in so doing what they are doing to the people of the United States. Actually, we are borrowing money and increasing our debt to give to other countries to protect them from having to have deficit spending themselves. We borrow money and increase the United States debt to give to other nations to pay off their debts. We borrow money and increase the national debt of the United States to give to other nations to permit them to reduce their own taxes.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman explain exactly what his amendment does?

Mr. DOWDY. The amendment purely and simply says that if you have got to borrow money to make these gifts to foreign nations, you cannot make the gifts. Now, if we have a surplus, you can make all the gifts that are authorized, but you cannot borrow money to give away. That is all the amendment does.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Louisiana.

Mr. WILLIS. I think there is another condition to the gentleman's amendment, that in borrowing you exceed the public debt.

Mr. DOWDY. No, no. I say that none of this money shall be given away if it will directly or indirectly have the effect of increasing the public debt.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. How could the gentleman determine until the end of the year, when the receipts are balanced against expenditures, whether you have to borrow money; whether or not you borrow money for this program or whether or not you borrow for some other program?

Mr. DOWDY. If you have to borrow any money, it is going to be voided by my amendment, if it is adopted.

Mr. PASSMAN. You pay the bills during the year, and you would have to wait until the end of the year to determine whether or not there is a deficit or a credit.

Mr. DOWDY. No. If I understand the way these foreign aid givers operate, it will be about 3 years before this amendment would take effect, anyway.

Mr. PASSMAN. Of course, the Government borrows money in years when we have a surplus, in maneuvering and handling the public debt. I do not believe this proposal actually could be administered.

Mr. DOWDY. Many, many States have constitutional limitations; that they have got to pay as they go. That is all this would be, a pay-as-you-go bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Iowa.

Mr. GROSS. There are plenty of pipelines to take care of that, anyway.

Mr. DOWDY. It would probably be 3 years before this would take effect, anyway.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield.

Mr. TABER. This amendment would require somebody to make a determination and therefore it does call for additional duties that are not now provided for.

Mr. DOWDY. I think the gentleman is wrong about that. It seems to me that back in January the administration said that in this fiscal year they were going to wind up with a deficit of around $13 billion. They already had made that determination last January. It would not necessitate additional duties, because they make the determination months ahead, anyway.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield.

Mr. PASSMAN. Would that not encourage the Executive to estimate the revenues larger than they actually would be? How are you going to control that? If they increase their estimate, certainly they would not be violating the law, if the estimates were to fall short.

Mr. DOWDY. They would be violating the faith that the people had put in them. That is one reason why I am offering this amendment. I do not want to violate the faith that the people have put in me.

Mr. PASSMAN. If you can work out a system that is workable, to control expenditures and keep them within revenues, that is one thing. But I am afraid we would be doing violence not only to this program, but to other programs, if the gentleman's amendment were adopted.

Mr. DOWDY. It is my opinion that we shall never balance the budget until we put the screws on the people who are doing the spending. They are going to spend every dollar they can get, whether it comes from taxes or is borrowed, as long as we let them have the money, or it is otherwise available to them to spend.

The CHAIRMAN (Mr. MILLS). The time of the gentleman from Texas has expired.

The Chair is now prepared to rule on the point of order.

The Chair appreciates the fact that the gentleman from Texas called the attention of the present occupant of the chair to the amendment offered in connection with the appropriation bill for mutual security in 1955. The gentleman from Texas at that time offered an amendment which is not identical with the amendment he offered today, although apparently the purpose of the amendment offered then and that of the amendment offered today are the same. The language varies slightly.

The Chairman of the Committee of the Whole, on that occasion, the gentleman from Pennsylvania [Mr. WALTER], held that the amendment offered then in 1955 was merely a limitation. The present occupant of the chair feels constrained to follow the precedent pointed out by the gentleman from Texas and therefore overrules the point of order.

The question is on the amendment offered by the gentleman from Texas [Mr. DOWDY].

The question was taken; and on a division (demanded by Mr. DOWDY) there were—ayes 53, noes 125.

So the amendment was rejected.

The Clerk read as follows:

GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

Mr. THOMSON of Wyoming. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMSON of Wyoming: Page 5, after line 25, insert a new section as follows and renumber subsequent sections:

"SEC. 103. None of the funds herein appropriated for Defense Support, the Development Loan Fund, Special Assistance, or the President's Special Authority and Contingency Fund shall be used to finance nonmilitary programs or projects which have not met the standards and criteria used in determining the feasibility of flood control, reclamation, and other water and related land resource programs and projects proposed for construction within the continental limits of the United States of America as per circular A–47 of the Bureau of the Budget, dated December 31, 1952."

Mr. CONTE. Mr. Chairman, a point of order.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman reserve his point of order?

Mr. CONTE. Mr. Chairman, I reserve my point of order.

Mr. THOMSON of Wyoming. Mr. Chairman, this is an amendment that I think is easy for every Member to understand. It does not require a great deal of explanation. All of us are familiar with the standards we set for public works projects in the United States. Almost everyone's district is affected by those programs. I have purposely selected these standards because they are the most lenient standards you could take. They merely say that costs must be determined; that benefits both direct and indirect must be determined; and that the total benefits must exceed the cost. When it comes to benefits, not only are the direct benefits and the repayment possibilities counted in but also indirect benefits such as what the project can be expected to do for the economy and so forth, and finally it gets down to

whether it makes people happy. The purpose of this would be to just require these people administering the programs to put down in black and white what we are going to do and where, and to evaluate it so that we will be able to accomplish a major portion of the investigating procedure that is followed when these bills come to the Committee on Appropriations. With the amendment we could ask for a justification sheet that would show us how they have allotted so much money to a country and how it is justified project by project. I say that not only can we understand this but the people back home can understand this. I think they will understand this whether this amendment is adopted or not. I would be hopeful that persons considering making a point of order would think if that in determining whether or not to insist on the point of order. To those who support the purposes of this bill, this amendment is not an attempt to scuttle the foreign aid program. It does not touch military assistance or the true mutual security program. Conversely, I must say in all honesty to those gentlemen who oppose the bill in its entirety, it will not, in my opinion, stop the construction of a single project.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. PASSMAN. It is my understanding that this amendment was offered in the full committee and the full committee accepted the amendment, and you asked consent to withdraw it and perfect it. This is the amendment the committee agreed to accept on the floor of the House.

Mr. THOMSON of Wyoming. I appreciate the chairman of the subcommittee pointing that out. I would like to say this. You must be asking yourself why I have offered this amendment. It is a sincere effort to improve the program and I hope it will have the support of all Members, friends and foes of the foreign aid bill. Since I came to the Congress, I have served on the Committee on Veterans' Affairs and on the Committee on Interior and Insular Affairs. I have served on four subcommittees of the Committee on Interior and Insular Affairs in addition to the Committee on Appropriations. In every one of those responsibilities, I have had people coming in to me, Americans, saying, "We want this from the Federal Government because if we can afford to give it away to foreign countries, we can afford it here." I have to agree with them although I have frequently refused to support their requests. If we could at least have some justifications along the same standards of public benefits and know the benefits to the country at least in which you are building the project will at least exceed the cost, it would help us and help Americans everywhere to understand. I think we are at least entitled to that. We are entitled to that so that we can go home and explain to our people and to our voters that we are not just throwing this money around all over the world. The striped pants boys object to this because they do not want any control and they want to throw it around.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. JENSEN. I commend the gentleman for his amendment. I hope it is adopted. Surely, these foreign countries should be willing to abide by the same rules and regulations as American people abide by in these reclamation projects and that is all the gentleman is asking.

Mr. THOMSON of Wyoming. I agree and thank the gentleman. He has always been a stalwart supporter of sound government and economy in government. I would point out to the gentleman, I think the blunders and extravagances in this program have been bipartisan and they have gone on under both this administration and the previous Democrat administration.

I am confident that this was in spite of the efforts of the Presidents and top echelon officials in both of those administrations. The underlying trouble is with bureaucrats who have run the program, regardless of the political complexion of the administration. This solution, proposed to help any administration be it Democrat or Republican, to eliminate the blunders and extravagances, is also bipartisan in nature. The standards and criteria which we seek to apply by this amendment were formulated and proposed in December of 1952, as one of the last acts of an outgoing Democrat administration. They have apparently stood the test of time very well, as they have been continued unchanged for more than 6 years of the present Republican administration's tenure in the executive branch. They have been found realistic and sufficient to determine what is good for our people.

If such programs are going to win friends for America abroad, they must also be sound, well-considered programs and good for the people. A poor project that is a lemon will win no friends.

Many of us have voted against the entire foreign aid program time and time again, because after seeing the blunders and extravagances of the striped-pants boys, we were convinced that it was doing more harm than good and that it threatened to destroy America at home by driving us to national bankruptcy. The direct cost of this program and its counterparts now exceed $80 billion. I say direct costs because I am convinced that the indirect costs in spending at home on bad projects justified on the basis that I have mentioned probably far exceeds the total national debt of $285 billion.

Most of all, though, a project that is poorly conceived and evaluated destroys the very purported purposes of these programs.

In one instance, a friend of mine working with the program, coming back from the Far East, pointed to an irrigation dam which had been constructed, only thereafter to discover that the lands proposed to be irrigated were not susceptible to irrigation. Building steel plants that a country cannot support; highways that go nowhere, and without cars or trucks to travel on them, have the same effect. As he pointed out on the irrigation project, the people of that country and surrounding countries pointed to it as a monument to stupidity. On the other hand, the Russians come in and build a mousetrap that works, and the people of the country talk about what great technicians they are.

Time does not permit my going into the hundreds of such projects. You have read of them. At page 940 of the hearings appears a long list of the different types of projects that have been constructed all over the world, ranging from forestry projects to fisheries to coal mines to fertilizer plants to mineral developments to highways, and on down to industrial developments.

The General Accounting Office has made audits and reports as required by law. I will confine myself to their conclusions. The General Accounting Office report of January 1959, at page 38 in the Index for the Department of State, refers to "need for sound obligating procedures"; "need for better program planning and administration of project type aid"; "need for adequate accounting and observation of the use of aid funds"; and "need for economy and efficiency in technical and administrative support."

I quote from page 40 of the report:

> The absence of adequate advance planning, in the form of firm technical and financial plans and reliable cost estimates, and failure to reach definitive understanding with the recipient nation on all essential project elements have led to overprograming, piecemeal financing, and premature obligations of aid funds. This condition has frequently resulted in delays in the execution of project aid and contributed to significant cost increases.

In the testimony of the Comptroller General, at page 197 of the hearings, appears the following statement:

> Also, our examination disclosed certain administrative procedures and practices, in particular relative to the evaluation and approval of loan applications, which we believe are not consistent with the criteria represented to and contemplated by the Congress, or with sound business standards.

In the committee report which is before you, at page 5, appears the following:

> An audit by the General Accounting Office of Development Loan Fund operations in fiscal year 1958 revealed that the Fund had allocated loan funds to programs rather than to specific projects in several countries. While the Fund may have the legal right to do so, as evidenced by the opinion of the General Counsel of the General Accounting Office, pages 1715–1717 of the hearings, it is the committee's opinion that such allocation of funds pending receipt of firm proposals from the borrowing country is contrary to the legislative history of the Fund and the testimony presented to various committees of the Congress.

These and other abuses have led to proposals for intensive, extensive, and expensive investigations which you have heard discussed this afternoon. I repeat, this amendment will not stop any project, but it will inform Congress, and thereby do a large part of this investigative work. Reports and testimony from the administrators of the program over the years seem to have been designed to confuse and conceal, rather than to inform Congress and the Amer-

ican people. If this amendment is adopted we will be able to call for justification sheets, presented in a manner with which we are used to dealing. We will at least know that the agency gave some thought, investigation, and evaluation to the proposal. We will at least know, in the case of a loan, what part can reasonably be expected to be repaid. We will at least know the direct benefits and how they were computed. Under indirect benefits, we will know how much has been charged off to just making people happier.

It is expected by me in offering this amendment that projects to construct industrial facilities will be included, and all other types of non-military projects which are constructed from the funds mentioned. On last year's bill, the chairman of this subcommittee had to determine through an exchange of letters between someone outside of Congress and the agency that the agency was not only interested in making funds available to anyone who would construct a cotton textile mill in the Far East, but was volunteering to help them develop markets for the finished product in the United States to make it a success. As to this type of projects, I think this bill could be well cited as an investment banker's bill. To a large measure, this explains Wall Street support. The American worker and the American businessman, though, is at least entitled to know that the payout on an enterprise constructed with their tax dollars comes from taking away their markets with a product that is produced cheaper because of low wages and lower taxes. These standards and criteria are adaptable to that and all other types of projects.

I repeat that I am convinced that this will help the program objectives. It will weed out bad projects. It will operate to inform the Congress and the American people where and for what the money is going. It is a step in the right direction to get this program under control, both as to scope and the success of undertakings initiated under the program. In a country where we have hardly had a post office building built in the past several years, in a country where we are confronted with being very selective as to our own public works projects, is it not fair to ask that projects built all over the world at least be feasible projects, by the same standards applied to proposals here in the United States. We have many feasible projects authorized and approved which are not being constructed because of limitation of funds. We are confronted with a serious problem as to our very defense highway system. On July 8, 1955, when we were considering this same appropriation bill, I had this to say:

> We are questioning our ability to finance a highway program to stop the slaughter of Americans on our roads. The program is considered essential to our national defense. Here we are, taxing ourselves at a higher rate by far than any of the countries we propose to help. It seems incredible to me that we could consider raising our own tax rates on our own people, or letting our necessary public works programs go abegging, while we rob our tax funds and add to them with borrowed money to create this tremendous slush fund for foreign aid.

The same is equally true today.

If this amendment is adopted, I am confident that it will be a real step in the right direction to eliminating the extravagances and blunders of the program and to gaining some confidence and approval of the American people for the program. I hope it will have your support.

The CHAIRMAN. Does the gentleman from Massachusetts [Mr. CONTE] insist on his point of order?

Mr. CONTE. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. Does the gentleman make the point of order against the amendment on the ground that it is not germane?

Mr. CONTE. That is right, Mr. Chairman. I make the point of order against the amendment on the ground that it is not germane, and also on the further ground that it is legislation on an appropriation bill.

The CHAIRMAN (Mr. MILLS). The gentleman from Wyoming [Mr. THOMSON] has offered an amendment to which the gentleman from Massachusetts makes a point of order on the ground that it is not germane and it is legislation on an appropriation bill. After examining the amendment offered by the gentleman from Wyoming, the Chair is of the opinion that the amendment is a limitation on an appropriation bill and the point of order is overruled.

The question is on the amendment offered by the gentleman from Wyoming [Mr. THOMSON].

The amendment was agreed to.

Mr. BENNETT of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BENNETT of Florida: On page 5, immediately below line 25, insert the following:
>
> "SEC. 103. No part of any appropriation contained in this Act shall be used to carry out any agreement for cooperation heretofore or hereafter entered into which is required to be submitted to the Joint Committee on Atomic Energy under section 123(d) of the Atomic Energy Act of 1954, as amended."
>
> And renumber the following sections accordingly.

Mr. PASSMAN. Mr. Chairman, I make a point of order against the amendment, and will reserve the point of order.

Mr. BENNETT of Florida. Mr. Chairman, there are a number of reasons why this amendment should be adopted. First, we run the risk that our own atomic know-how will be used against us, as today's friendly foreign nation may become tomorrow's enemy. American history shows the transience of national friendships and enmities. During the past century, the United States has been at war successfully with Spain, Germany, Japan, and other nations. In none of these wars was it clearly foreseeable many years in advance that these would be our future adversaries. So swiftly do the fortunes of international relations change that it is quite possible that by 1970 the United States and the Soviet Union will be allied against some nation or group of nations whom we now consider friendly. Some say that Mainland China might be an enemy of Russia by then and ours as well; or perhaps will it then be our ally alone?

Second, we run the risk that there may be a change of government in foreign countries with which we share these secrets. A good example is Czechoslovakia. Before this fine little nation fell to the Communists as a result of intrigue and strong arm methods in 1948, it was one of America's warmest friends and allies. If we had given such secrets to that nation before 1948, they would have passed to the Soviets immediately upon a change in its government. Using the same techniques, the Communists could take over one or more of the countries which are now being proposed for atomic sharing. Or, some unfriendly, fanatical, local dictator may take over some friendly ally and change its policies to oppose us.

Third, even though the governments of these nations remain friendly, their security systems may not be adequate to contain our secrets. For example, the security system of our great friend and ally, Great Britain, was inadequate to prevent Fuchs from successfully passing to the Soviets the secrets which he obtained in our country. And so different is their thinking on security from ours that they have now released Fuchs after a few years imprisonment for activity similar to that for which we executed the Rosenbergs. We cannot interfere with Britain's security system, but it is not at all unreasonable for us to tell them that until they improve their security safeguards we cannot share our secrets with them.

Fourth, even where a friendly foreign nation remains friendly and maintains an adequate security system, we run the risk of losing control over the uses to which atomic secrets will be put. A fanatically anti-Communist ally can use weapons developed with these secrets to bring about a war which we are attempting to avoid. Or such weapons may be used against other nations which are also our friends.

Fifth, the more nations possessing substantial atomic weapons, the greater danger there is that the world will be plunged into war by an unintended international incident resulting from negligence, error, or even accident.

Sixth, the more nations which become atomic powers, the more radioactive will be the atmosphere from atomic testing and the harder it will be to reach enforcible agreements against testing.

For these reasons, Mr. Chairman, I offer this amendment and urge its adoption.

Mr. PASSMAN. I can assure the gentleman there are no funds in this bill for the purpose against which he places a limitation.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

Mr. WIER. I want to associate myself with the purpose of the gentleman in

offering this amendment. It is a noble purpose.

Mr. PASSMAN. Mr. Chairman, I withdraw my point of order.

Mr. TABER. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill. It is not a limitation because it provides that it shall affect any agreement for cooperation heretofore or hereafter entered into which is required to be submitted to the Joint Committee on Atomic Energy under section 123 of the Atomic Energy Act of 1954 as amended, and it imposes additional duties upon the administrators of that act.

Mr. BENNETT of Florida. Mr. Chairman, does not the point of order come too late? The gentleman from New York did not reserve a point of order.

The CHAIRMAN. It did not.

The gentleman from Florida offers an amendment to which the gentleman from New York raises the point of order that the amendment is legislation on an appropriation bill. The Chair has had an opportunity to examine the amendment.

The Chair is of the opinion that the amendment is a simple limitation on an appropriation bill and points out the specific purposes for which funds in this bill cannot be used.

Therefore the Chair overrules the point of order.

Mr. DURHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not understand the full import of the amendment offered by the gentleman from Florida. I do not believe any Member of the House can say how far-reaching such an amendment as the pending one goes. We are considering the mutual security appropriation measure here to cooperate with our allies on the defense and security of the free people of the world, and to present an amendment such as this in the measure under consideration would, in my opinion, create misunderstanding among our allies. As far as I can determine, there are no funds in this measure which would affect the agreements. As the gentleman well knows, the President and the State Department initiate agreements with foreign countries, which are then submitted to the Senate for ratification. The House does not generally participate in any manner.

Under statutory authority, the Senate agreed to let the House participate in agreements on atomic energy exchange of information and other related matters. In that way, and in that way only, does the House have the right to participate, because the Senate has the right and authority to pass on all treaties, as the gentleman well knows, under the constitutional authority.

To get into something like this, and to get into all the agreements, including military matters—which I do not think can be fully discussed under world conditions as they exist today, is to get into an area which is not germane to the measure under discussion. This area, as most of the House Members know, is not a matter which can be fully discussed in open session.

Frankly, I do not know the reason behind the introduction of this amendment, although I am sure the gentleman from Florida feels that he has sound reason for offering the amendment.

What did we do a few weeks ago? There were some seven agreements brought before the Joint Committee on Atomic Energy. The committee considered these agreements that were sent up here by the President and also by the State Department. It was participation, of course, in the overall national defense of those countries who have acquiesced and who believed in freedom as we do by sponsoring NATO. These agreements are not treated all in the same manner, because we do not go as far with some, for security reasons, as we go with others.

Under the statutory provision any Member of the House can introduce a resolution on these agreements, which was recently done by several Members. They were referred to the Joint Committee and reported to the House adversely. Under the regular procedure the sponsors of the resolutions could follow the procedure and go to the Rules Committee and secure a rule, if that Committee wanted to act favorably.

The regular procedure was followed, and rules were not granted. The recourse available then was to put a petition on the desk, have it signed by the requisite majority, and bring it up in the same way as other pieces of legislation may be brought up. This has not been done, and, as a matter of fact, all agreements are now effective with the exception of the agreement with Greece.

I want to emphasize that this body would not have had a chance to introduce or discuss a resolution, and this body would not have participated in any manner in the consideration of the agreements, if we had not put that provision in the law. This procedure gives the House the authority to participate in these agreements in a manner which I think is sound.

I hope this amendment will be voted down. I can assure this body that the Joint Committee carefully analyzed all of these agreements on the basis of what is in the best interest and the security of the free world.

Mr. WOLF. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I rise in support of the amendment by Mr. BENNETT of Florida.

Mr. Chairman, I realize it is very late this evening, but we are not talking about a simple parliamentary maneuver here. We are talking about the survival of the human race right now, we are talking about expanding the nuclear weapons club. We are not talking about the question of whether this belongs in the bill or not, because this is the first time we have had a chance to debate this matter on the floor of the House.

Mr. Chairman, this is a tremendously vital amendment. It is not a matter simply to be passed by as something that was just introduced late one afternoon. We are all anxious to eat our supper. Not just tonight but for years to come. Yes, and I want a world for my children and yours. We have to face it as individuals. We cannot sit idly by and watch the nuclear secrets given to the world casually. We have men serving sentences in jail for giving away these secrets. Another has been put to death for giving away these secrets; one has been ostracized from society for giving away these secrets. Now, by a backdoor approach we are going to give it to the world. We are going to allow a state like Germany, whether we like it or not, that is governed by a despot, no matter how fine a man he may be, it has not a true parliamentary government. Germany has been a military power in the past. A country whose past leaders have led to the death by violence of more people than any country since the beginning of time. We are going to give it to France, a country that is ruled by De Gaulle, a fine, generous, benevolent despot. What happens, Mr. Chairman, if De Gaulle is unfortunately taken by death. France has a weak government without De Gaulle. Remember that the second largest party in France today is a Communist Party. We are going to give it to Turkey, to a military dictatorship there. We are going to give it to the low countries in Europe.

Mr. Chairman, we are not talking about a simple parliamentary maneuver here. We are talking about the question of who on this earth is going to have the secret, who on earth is going to have the power of life-and-death decision for civilization. That is the question we face.

This is the only chance that you as Members of Congress will have to vote on this matter. This is a matter that you have to dwell upon, believe me, as individuals not as members of a party or members of a geographic segment.

If you think it is only Congressman WOLF of Iowa telling you this, Mr. BENNETT of Florida and a few others, you are wrong.

Here is a statement by William C. Davidon, on behalf of the Federation of American Scientists before the Pastore subcommittee of the Joint Committee on Atomic Energy against pending nuclear arms agreements. Dr. Davidon is an associate physicist at the Argonne National Laboratory and is chairman of the Chicago chapter of the federation.

The question was this: What effect will the proposed agreements have on the more widespread reliance upon nuclear weapons by additional countries?

You are talking about civilization here. This is not a parliamentary maneuver late in the afternoon when we are hungry. Now listen to the answer.

Listen to the answer, please. I realize you people want to eat supper. I do, too, and I want to eat it 10 and 20 years from now. I want my children and my grandchildren to have the same opportunity. Listen to this:

> From considerations of manpower and cost, countries which we aid with nuclear weapons systems will be under considerable pressure to reduce their emphasis on conventional forces. Then their motivation for acquiring nuclear warheads under their own control will be intensified. Their motivation for independent manufacture is further increased by the provisions of the amendment to the Atomic Energy Act of July 3, 1958, which permits transfer of nuclear weapons and components to countries which have

made substantial progress in nuclear weapons development. In addition, other countries, whether neutral, Communist, or capitalist, will in turn be subject to pressure to acquire nuclear weapons.

Yesterday a general, who unfortunately did not have the courage to let me use his name today but nevertheless a general in our Army said that we will probably be the ones on the West launching the first nuclear bomb because the Russians have a very large military force in Europe today. They do not have to use nuclear weapons to engulf Western Europe. They can march in and take it over any time they want to. The only thing we have to throw back is a nuclear bomb. We will be in the unusual position of having to trigger off a bomb in defense of the free world. This is something we should be thinking of now. This is not a parliamentary maneuver late in the afternoon to kill time, this is the future of mankind. Whether we live or die, it is as simple as that.

Mr. Chairman, to me it is shocking that this Congress has not paid more attention to the ultimate effect that the transfer of nuclear materials and nuclear information will have on the world situation.

It is distressing that we are not considering the advice of almost all of our great independent scientists who are utterly opposed to these transfer agreements. These scientists have told us and have written extensively on the fact that the transfer of these weapons will result in greater chance of nuclear accident. Obviously, the more nations that have these weapons and are helped to join the nuclear club the more is increased the chances of war through accident.

Our keenest minds in international relations have pointed out to us that by this transfer we are promoting atomic blackmail and nuclear recklessness.

Furthermore, as Richard Lowenthal, the distinguished British foreign affairs analyst has pointed out, the transfer of this information and material does not help NATO, but, on the contrary, starts NATO on the short road to complete military dismantlement.

Is there any doubt that when each nation achieves nuclear independence that that nation will follow a foreign policy which will not be in concert with other NATO nations.

One has only to examine the French position in all of this to see that any enlargement of the nuclear club will reverse the concept of a democratic concert of nations in Europe and increase the chances for a Europe comprised of many separate nations armed to the teeth, capable of fighting only one kind of war—a nuclear war.

It is a mystery to me, as it apparently is to many of my colleagues, that we are going to arm countries such as France, where the Communist Party is the second strongest party, and where that nation's stability is dependent on the personal authoritarian-like power of General de Gaulle, and such as Germany, where neither the Social Democratic Party nor a great number of German citizens, fearful of nascent militarism and nuclear war, do not want a nuclear rearming of Germany.

It is inconceivable to me that we should be sharing nuclear arms with a nation so weak in its spirit of democracy and popular control, as evidenced by Chancellor Adenauer's flouting of parliamentary rules a few weeks ago, but strong in its militaristic tradition.

If various predictions are correct, and NATO does lose its status or real power because of this nuclear transfer, then West Germany will, by default, become the most powerful nation in Western Europe. This is not only a frightening thought to the Communists, but it is a frightening thought to millions of non-Communists in Poland, Czechoslovakia, and Hungary.

Although the deadline on which the agreements with all of these countries, with the exception of Greece, has passed, I feel it is the responsibility of this Congress to refuse to allow mutual security funds to be used to implement these agreements.

Let me state, in conclusion, that I am opposed to the implementation of these agreements for the following reasons:

First. They endanger world peace because the greater the number of countries in possession of these weapons, the less possibility exists for negotiating any international agreements to bring this extremely dangerous and terrible force under some sort of international control.

Second. Considering the destructiveness of these weapons, in addition to the fact that it is now possible to fire them from great distances by missiles, we gain the realization that in the event they are used by a country it will not always be possible to tell from which quarter a missile of this sort has come.

Third. There is greater chance of nuclear accident, and nuclear recklessness where the precondition for political responsibility does not exist.

Fourth. By this transfer we are almost completely foreclosing any possibility to having a denuclearized zone in Europe or any kind of disengagement.

Fifth. By this transfer we entrench further the Soviet's Union's domination of the Eastern European nations since the Soviets will not let these nations have nuclear weapons without controls because of the danger that these nations might use them to gain their freedom from Soviet control. Consequently, Soviet military and technical forces in each satellite will increase, the satellite governments will have even less independence than they do now, and the people of these nations will suffer an even greater loss of freedom.

Mr. Chairman, let us not take the easy way or the thoughtless way or the casual way. When we gamble with the results of what these transfer agreements will bring we are gambling for the survival of the human race. I urge the support of the Bennett amendment.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. MEYER. I object.

Mr. CLEM MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on the pending amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CUNNINGHAM. Mr. Chairman, I support the amendment by the gentleman from Florida. When the legislation authorizing these agreements to share our nuclear secrets with other nations was approved by the last Congress, I was one of the 12 Members of the House who voted no. The gentleman from Florida was also one of the 12.

I voted against the legislation permiting these agreements because I believe our greatest strength lies in our nuclear know-how. I think it is our greatest weapon for peace. I believe further that other nations who today are friendly may be our enemies tomorrow.

Under these proposed agreements we surely take the risk of handing over our nuclear secrets to a potential enemy with all of the tragic consequences which would result.

Mr. Chairman, as one of the 12 who opposed this authorizing legislation last year, I might say that I am glad to see our judgment vindicated as evidenced by the growing number of members who have now changed their position so far as this legislation is concerned.

Mrs. GREEN of Oregon. Mr. Chairman, the House has the opportunity today to discuss an amendment which I sincerely feel is directed at the most fateful decision our country has made this year. The agreements—against the implementation of which this amendment is directed—are not limited, in their importance, to their own terms. If they were, I might well have taken the judgment of the distinguished and able members of the Joint Committee on Atomic Energy and either supported them or, at best, limited my opposition to a passive one. The significance of this share-the-doom program transcends the specific materials and data being transferred. We must decide today whether or not the ability to initiate a thermonuclear war is going to be spread far and wide among the nations of the world.

There is no half-way house along the road to universal thermonuclear capability, Mr. Chairman. We are told that some of our NATO allies want these symbols of nuclear capability for their own morale. Yet, we are also told that what we are transferring is harmless, and that our friends and allies will be satisfied with nonnuclear parts of atomic weapons systems, with information on defense against atomic attack, with data on how to use these weapons but not the weapons themselves. Now, Mr. Chairman, I ask the forbearance of the House when I say that these arguments, taken together, make no sense at all. If our NATO allies want nuclear capability, they want nuclear capability. They are not going to be satisfied with parts of

weapons. If my son wants an automobile—and he does—he wants one with a motor and a gasoline tank. He would not be satisfied with a steering wheel to mount on the wall and a book about how to drive safely. To give, let us say, the West German Government information on the atomic bomb and a nice, carefully emptied bomb case, is hardly going to boost the morale of the West German people. Either these transfers will be followed by the transfer of other materials until we have equipped our allies with the full "fixin's" for a hydrogen barbecue, or they are not going to mean anything at all.

Very well, then, Mr. Chairman, what, you may ask, is wrong with equipping our friends and allies in Western Europe with the ability to engage in nuclear warfare? Would this not add to our own security position? Would it not mean that the Western alliance would be stronger and safer if it were not necessary to depend upon American and British atomic capability alone? And—and this is an argument which is perhaps seldom voiced, but which nevertheless may well be in the minds of many Members—would the presence of atomic capability in Western Europe not, just possibly, draw away from our own homes the full weight of Soviet H-bombs in the event of a war?

First, Mr. Chairman, I think it is unrealistic to think of additional members of the nuclear power club as being inherently and inevitably additional increments to our own security structure. The recent hearings by the Joint Committee on Atomic Energy on the consequences of an atomic war highlighted for all to see the complete adequacy of the atomic capability now possessed by the atomic powers for mass destruction of a kind the world has never known—of a kind, Mr. Chairman, which the world will never know unless the leaders of some nuclear power become literally insane enough to initiate an atomic war. The comforting idea, drawn by some observers at those hearings, that mankind can survive such a war, is somewhat vitiated by the fact that the data which that hearing assumed was the existence of a small-scale, limited atomic war. If anyone is mad enough to begin an atomic war, then he will be mad enough to begin one in earnest. The relatively limited effects which the Joint Committee studied in its recent hearing would be magnified many times should an all-out war begin. How many times will it be necessary to devastate the Northern Hemisphere before we have proven whatever insane point it is that a thermonuclear war will prove? How much more than too much atomic capability does the world need?

I have seen no evidence that the proliferation of nations having atomic capability will in fact add to our own security. Nor, for that matter, have I seen any evidence that atomic capability itself will in fact add to the security of the nations to whom we plan to give these devil's toys. This is a case, Mr. Chairman, which has yet to be made.

I do not suppose any Member of this House is opposed to, or even passive about, the goal of preserving peace. We are told, with some persuasiveness, that we are not building stockpiles of H-bombs and A-bombs in the hope of using them, but rather because we feel they are so horrible and capable of such immense destruction against any conceivable enemy that they will not have to be used. In a phrase which has stuck in my memory, "the deterrent capability of this Nation will have failed in its mission if it ever has to be used." Under this philosophy, it is entirely possible to defend the building up of further stock of these weapons for our own use. But logic fails to explain the utility of equipping new countries with the same capability, if the safeguarding of peace is our goal. I do not point to any of the countries with whom these agreements have been made as potential aggressors. But I do think it is criminal folly to assume that any country in Western Europe is so finally and irrevocably committed to the same security objectives; to the same policies as our own Government will follow, as to justify our assumption that these countries will never utilize their new atomic capability in ways which our own Government would find undesirable. I believe we are gambling—at odds which no amount of logic, no amount of historical precedent, no amount of anticipated advantage can justify.

If this program involved the sharing of just conventional weapons, perhaps it could be shrugged off as one of the chances which would be necessary if we were to build up the strength of the free world—a calculated risk. But these weapons are not conventional weapons. These weapons are so devastating, so deadly, that they reduce to nonsense all the calculations of the students of comparative military strength. At the beginning of the Second World War, the three members of the Axis alliance were better prepared militarily and still held the advantage in 1941, when the United States was attacked. But it was obvious that time was on the side of the Allies in that war; that the vast superiority in raw materials, in productive capacity, in population of the countries fighting against Japan and Germany and Italy worked inevitably against the aggressors.

But the atomic bomb, Mr. Chairman, is the great equalizer. Given enough atomic and thermonuclear weapons, and delivery systems, Afghanistan could pulverize the United States. Ghana could set the Soviet Union back on her heels. Greece could touch off the war that would annihilate the civilization to which Greece gave birth. Yes, certainly there would be retaliation. The country beginning the war would be annihilated too. This might be cold comfort to the dying citizens of the country attacked. It would be less than cold comfort to the dead and dying in countries which had nothing to do with the original dispute.

We are asked today, Mr. Chairman to finance the transfer of atomic know-how to our bitter enemy of 14 years ago. We are not asked to give it to our other enemy of that war, Japan. I am inclined to think that of all the nations in the world, that country which alone has felt the searing heat of a nuclear explosion would be the least likely to use one. But, Mr. Chairman, what would be the reaction in this House if it were suggested that the next nation to receive one of these weapons would be Japan?

Are we to give atomic weapons, Mr. Chairman, to Nasser's Egypt? Are we to encourage the Union of South Africa to become a member of the Nuclear Club? Are we to give atomic weapons to our good friends in Latin America? Where, Mr. Chairman, are we to draw the line? I submit, with all due respect to the distinguished and able members of the Joint Committee, and with all due respect to the persons in the executive branch who have urged the adoption of these agreements, that there is no logical stopping place. Either we refuse to finance these agreements now, or we are committed irrevocably to the indefensible position that the capability to initiate a thermonuclear war ought to be universal.

Let me, Mr. Chairman, raise one more point which this policy of transferring nuclear know-how seems inevitably to raise. In the past 14 years the atomic and hydrogen bombs have been the focus of a system of security checks which far transcends anything this Nation ever knew before. We have become supercautious lest any American citizen without a top-secret clearance learn anything which a sizable number of security agencies have not agreed he should know. In the name of secrecy and security, we have fired people from Government positions—and from positions in private industry; we have imposed a network of loyalty oaths upon people in and out of Government service, in and out of sensitive positions, in and out of uniform. Why? We have done this, Mr. Chairman, for fear some individual might pass such information unintentionally to a strategically placed Communist.

And now, Mr. Chairman, we are going to give secret data to other countries, even to countries where Communists hold positions in the Parliaments. Is it planned, Mr. Chairman, to request that these other nations require of their generals and scientists and cabinet ministers and legislators oaths that they will be loyal not only to their own countries but to the NATO alliance as well? This may seem facetious, Mr. Chairman, but I mention it to highlight the absurdity of giving to nations over whose internal politics we have—and should have—no control secrets which our own citizens can be jailed for discussing with one another.

And finally, Mr. Chairman, there is mounting evidence that the people of Western Europe do not want their respective governments to join the nuclear arms race. There is growing sentiment, even in the United Kingdom, which is a nuclear power in its own right, for the relinquishment of nuclear arms and the restriction of these weapons to the United States and the U.S.S.R. I cannot believe that the average German or Frenchman, or Turk or Greek or Hollander, is especially anxious to add his

country to the list of high-priority strategic targets in the files of the Russian high command.

These agreements, Mr. Chairman, went into effect without the opportunity for full-scale debate. If today we appropriate the funds, then we commit our Nation to a policy from which there is no turning back. I cannot endorse the principle that it will help peace and international security for more and more countries to be equipped with truly destructive weapons. The present nuclear standoff has been likened many times to the spectacle of two scorpions in a bottle. These agreements will simply increase the number of scorpions and make exit from that bottle all the more difficult.

Mr. Chairman, it is time for realism. It is time to look back gratefully upon the fact that the God who governs the destiny of mankind has, for 14 long years, spared his children the horror of a hydrogen war. It is time to realize that the road to peace does not lie in the direction of increasing the number of nations with atomic capability.

Almost at the beginning of this 14-year period of grace, the distinguished elder statesman, Bernard Baruch, spoke before the United Nations, in presenting the American plan for nuclear disarmament. He opened his statement with the words, "This is a race between the quick and the dead." We are still in that race.

I do not often view with alarm or point with apprehension, Mr. Chairman. I have great faith in the resilience and innate good sense of humanity. But the appropriation of money to finance these agreements will put a grave strain on that resilience and will seriously hamper the working of that good sense. More strongly than my words can tell, I urge my colleagues to vote for the amendment of the distinguished gentleman from Florida.

Mr. CLEM MILLER. Mr. Chairman, I know that there are many of us who would like some time to study this problem. However, this nuclear agreement question has come up so suddenly that if you want to speak you have to speak now. I believe it is important that those of us who do have strong feelings about it, as I do, should speak promptly. I realize also that we are looking at a solid wall of objection from the committees involved and from the people downtown on this crucial issue.

I am not any expert. I do not profess to be an expert. I have searched my conscience deeply to decide whether or not there is a fundamental question to decide here, which I, as a Member of the Congress, have an obligation to speak on, to speak to this Congress about. I believe there is such a principle and such a valid judgment which we can and must make, as Congressmen, as nonexperts. We have heard here this afternoon the violent controversy over whether or not one may be an expert, or whether the expert's opinion is valid. So, in this instance I believe that there is a valid, basic principle upon which we, as Congressmen, must decide.

What is this principle? The proponents say that these agreements are in some way a deterrent. They will admit that it is on a temporary basis. No member of the Atomic Energy Committee will say that it accomplishes this for more than a temporary period. It will glue up NATO for a few years.

On the other side, on the long-range side, we have great disadvantages which outweigh the advantages. It increases the nuclear stain which is spreading over the world; it brings nearer the day when a nuclear holocaust must descend upon this world, by accident or by design; and finally, it lessens the chances for peace. These are permanent, long-range disadvantages to extend these international agreements. So, I must conclude that the long-range disadvantages outweigh the temporary, short-range advantages of concluding these international agreements. At some point we must decide that we are going to call a halt, that we are going to turn back along a new road. The way we are going now leads almost certainly to a nuclear holocaust.

This choice is a most difficult decision. Everyone in this Chamber, I know, has his own private agony, and we respect him, whether we agree with him or not. Now, on this question of nuclear agreement, and, in fact, the whole problem of atomic energy, it is not going to go down. It is not going to be disposed of by sarcasm, by laughter behind the hands, or by depreciatory remarks.

I can tell that by looking into the eyes of my colleagues with whom I have talked about this problem. I have seen the fear and despair in their eyes as they look into the nuclear abyss, that they are upset by this problem.

The question will grow and grow until we solve it. We must decide whether or not we will approve these agreements and gain a temporary short-range advantage by gluing up NATO, or whether we will look at the long-range aspects and the long-range benefits to be gained by not doing so. These disadvantages steadily build up. There is no better place to start on this problem than here and now. To call a halt to the spread of conflict. To narrow our problems instead of widening them.

I hope that the amendment is adopted.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. MEYER. Mr. Chairman, I object.

Mr. PASSMAN. Mr. Chairman, I move that all debate on this amendment close in 1 minute.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I yield the 1 minute to the distinguished gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, I rose to ask for a division on the vote.

The CHAIRMAN. The gentleman's request comes too late. The gentleman is recognized.

Mr. MEYER. Mr. Chairman, I would like to answer the questions raised by the distinguished gentleman from North Carolina and say that I did try to take this matter to the Committee on Rules. I say to you that the Committee on Rules was very nice to me, but we could not even have an official hearing because no member of the Joint Committee on Atomic Energy would ask for it. That is what I was told.

I would also say that the question here—and, of course, I rise in support of the amendment—is as important as or even more so than the amendment itself. It is whether we are going to be able to discuss these issues on the floor or whether we are going to be blocked by parliamentary procedure which attempts to take away the rights of this Congress to discuss those issues which are of really vital importance to the American people and to the future of all the generations yet to come.

I, for one, am not going to stand by quietly when we cannot bring such an important issue here to the floor to discuss. And furthermore, this attempt now to shut off debate is just another method of avoiding discussion of this issue which so many want to sweep under the rug.

Mr. KOWALSKI. Mr. Chairman, I think it is most important that we examine what will happen in Poland, Czechoslovakia, and the other East European satellites when the United States turns over to West Germany the capability to employ nuclear weapons.

I have been in Poland since it has become communistic. I think I know the Polish people. A major sector of these people are emotionally tied and irrevocably committed as individuals to democracy and the United States. Some are dedicated Communists. But whether Communists or non-Communists, they all live in the dreaded, black shadow of a resurgent Germany. Germany destroyed their industries. Germany tried to destroy their culture, burned their libraries, leveled homes, dispersed families, experimented with the dead and the living. These horrible experiences have been etched into the minds and souls of the Poles and the other Eastern European peoples.

Still, these peoples turn their eyes hopefully to the West. They look for peace from the great democracy of America. But what do they see in the West. They see the frightening spectre of this great democracy placing into the as yet unreconstructed hands of the Germans the terrible power of nuclear destruction. Oh, there are technical safeguards. But these safeguards give little assurance to those who have suffered at the hands of the Germans.

By giving West Germany these nuclear secrets we inescapably force the Poles, and Czechs, and in fact all Eastern Europeans to the Soviet Union for their own protection. We gain so little and lose so much. And most significantly these agreements play into the hands of Eastern European politicians who favor rigid alliance with the Kremlin.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The question was taken; and on a division (demanded by Mr. WOLF) there were—ayes 61, noes 137.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to points of order and amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. BOW. Mr. Chairman, reserving the right to object, do I understand that those of us who have points of order against language in the bill will be able to raise the points of order?

Mr. PASSMAN. The remainder of the bill.

The CHAIRMAN. If the agreement is entered into, points of order would first be considered by the Chair to any part of the bill involved in this agreement.

Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. Are there any points of order to any parts of the bill?

Mr. BOW. Mr. Chairman, I have a point of order to the language in the bill on page 11, beginning at line 9 and running through line 20.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BOW. Mr. Chairman, I have two reasons. One is that that part of the language in line 17, providing that the funds shall remain available until expended without regard to section 355, and so forth; and the remaining language is in violation of the rules; and further, that the appropriation is not authorized.

Mr. PASSMAN. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The gentleman from Louisiana [Mr. PASSMAN] concedes the point of order and the point of order is sustained.

Mr. MORGAN. Mr. Chairman, I make a point of order against section 113, on page 8, extending from line 7 down to and including line 17.

Mr. Chairman, I make the point of order that section 113 incorporates a legislative provision in an appropriation bill. It does not retrench expenditure, but actually constitutes a new penal provision which is so broad that it could penalize innocent persons and even make it impossible for a concern to hire a janitor who had been employed by the ICA.

Mr. Chairman, I am fully in sympathy with the purpose of the Appropriations Committee in writing this section, but section 512 of the existing Mutual Security Act already contains stringent provisions against fraudulent or other improper practices by ICA employees. The proper approach to this problem is further study by the legislative committees concerned and any modification that may be found desirable in existing law.

Mr. Chairman, I believe that in spite of the beginning phrase of this section it is clearly legislation in an appropriation bill and properly subject to a point of order, because it actually legislates penal provisions which may go far beyond the intent of the Appropriations Committee itself. I recommend a study of the existing penal provisions, section 512, and I wish to renew my point of order.

Mr. SANTANGELO. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from New York.

Mr. SANTANGELO. Mr. Chairman, I rise in opposition to the point of order. The language in the bill which is the subject of the point of order is an amendment which I offered in the full committee and which the full committee accepted.

Mr. Chairman, on June 3, I offered a similar amendment to the defense appropriation bill. The language of that amendment, which appears on page 9741 of the CONGRESSIONAL RECORD, is almost exactly the same as the language of the amendment before you now.

The amendment submitted on the defense bill attempted to prevent organizations which do business with the Pentagon from creating the possibility of undue influence and favoritism by employing retired military officers. The amendment before you today attempts to prevent organizations who get large contracts under the foreign aid program from influencing the awarding of such contracts by attempting to employ ICA employees or by putting them on their payrolls within 2 years of their separation from that agency.

A point of order was also made against the limitation offered previously. At that time the Chair stated as follows, and I quote from page 9742 of the CONGRESSIONAL RECORD:

> It is obvious that the intent of this amendment is to impose a limitation on the expenditure of the funds here appropriated, and while the point might be made that imposing limitations will impose additional burdens, it is nevertheless the opinion of the Chair clearly a limitation on expenditures, and therefore the Chair overrules the point of order.

Mr. Chairman, I submit that the ruling just quoted is equally applicable here. It is the intent of this amendment to impose a limitation on the expenditure of funds here appropriated. The wording of the two amendments is almost identical, except for the agencies and people involved.

The CHAIRMAN. Does the gentleman from Louisiana [Mr. PASSMAN] desire to be heard on the point of order?

Mr. PASSMAN. No, Mr. Chairman; I do not desire to be heard on the point of order.

Mr. FULTON. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Pennsylvania.

Mr. FULTON. Mr. Chairman, the point should be made on this particular amendment that it does not refer to any time. So that the acts complained of, and which come under the purview of this amendment, can already have happened. That would be legislating on the effect of acts that have happened prior to this date. This is legislation in an appropriation bill. If the amendment had read, "after the passage of this act,"—the amendment would then apply to future acts only—this amendment is too broad because it refers to previous acts which have occurred as well as acts which can occur after the passage of this act.

The CHAIRMAN (Mr. MILLS). The Chair is ready to rule. The gentleman from Pennsylvania [Mr. MORGAN] makes a point of order to the language in the bill on page 8, line 7 through line 17, on the ground that the language is legislation in an appropriation bill. The Chair has had an opportunity to examine the language. The Chair is of the opinion that the language does constitute a valid limitation on an appropriation bill. The language does refer to the funds in this particular appropriation. In addition, the Chair is appreciative of the precedent called to the attention of the Chair by the gentleman from New York.

The Chair overrules the point of order.

Mr. MASON. Mr. Chairman, I offer a preferential motion which is at the Clerk's desk.

The CHAIRMAN. The Chair would first like to determine whether there are any other points of order to be made before entertaining a preferential motion.

Mr. PORTER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PORTER. Mr. Chairman, I make a point of order against section 105 on page 6 of the bill on the ground that it is legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Louisiana [Mr. PASSMAN] desire to be heard on the point of order? The gentleman from Oregon has made a point of order to the language in the bill on page 6, beginning on line 12 through line 3 on page 7, or all of section 105. The gentleman from Oregon makes a point of order on the ground that this particular section constitutes legislation on an appropriation bill.

The Chair will be glad to hear the gentleman from Louisiana on the point of order.

Mr. PASSMAN. I am of opinion that the gentleman from Louisiana would have to concede that it is legislation on an appropriation bill.

Mr. FULTON. I do not concede the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Pennsylvania.

Mr. FULTON. This is not legislation on an appropriation bill because it is an expression of the sense of Congress:

> The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China.

It is an expression of the sense of Congress and is not legislation as far as an appropriation bill is concerned.

The CHAIRMAN (Mr. MILLS). The gentleman from Oregon makes a point of order against section 105. The gentleman from Louisiana concedes the

point of order. The gentleman from Pennsylvania suggests that this language is not legislation on an appropriation bill and points out that it represents an expression of the sense of Congress. For that very reason, if for no other, the language would be legislation on an appropriation bill.

The Chair must sustain the point of order made by the gentleman from Oregon.

Are there points of order to any other language in the bill.

Does the gentleman from Illinois offer a preferential motion?

Mr. MASON. I do.

The Clerk read as follows:

Mr. MASON moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken from the bill.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his motion.

Mr. MASON. Mr. Chairman, I do not intend to take the 5 minutes at this time of day. In the first place, Mr. Chairman, I think it is an imposition upon those of us who get here early in the morning to do the work and then are kept all hours of the day when there is practically nothing of importance for the rest of the week.

In addition to that, Mr. Chairman, we are considering this mutual security bill which provides for aid to foreign countries in the shape of some of its going to build hard roads in foreign countries, taking money out of the General Treasury of the United States. Our committee has been struggling for 2 days to find some money to build hard roads in this country, but we are told that the administration and all those in authority object to taking any money out of our General Treasury for our own roads.

For that reason I am offering this motion to strike out the enacting clause.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the preferential motion. I am afraid that should the enacting clause be stricken we might not be able to get a foreign aid bill this session.

I take just 1 minute, Mr. Chairman, to say that if at times I have appeared to be unkind in the matter of Members wanting additional time, I want them to know I have not purposely attempted to cut off debate. Sitting here charged with the responsibility of managing the bill and listening to the amendments and the many arguments and points of order that arise, one is very much in suspense and tense. So it has not been my purpose to cut off anybody's time, and in the one instance where I did it was certainly not done in order to keep the Member from speaking.

I yield now to the distinguished gentleman from Vermont if he has something further to say.

Mr. MEYER. I thank the gentleman for his courtesy but it is now too late.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Illinois.

The motion was rejected.

Mr. HARDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARDY: On page 8, after line 17, insert the following:

"SEC. 114. None of the funds herein appropriated shall be used to carry out any provision of chapter II, III, or IV of the Mutual Security Act of 1954, as amended, during any period when more than twenty days have elapsed between the request for, and the furnishing of, any document, paper, communication, audit, review, finding, recommendation, report, or other material relating to the administration of such provision by the International Cooperation Administration, to the General Accounting Office or any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for or expenditures of the International Cooperation Administration and the Department of State."

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to my colleague from Virginia.

Mr. GARY. As I understand it, this is merely an attempt to assist the Comptroller General and the Congress in getting proper documents and papers from the ICA?

Mr. HARDY. That is exactly the purpose of it.

Mr. FORD. Mr. Chairman, I reserve a point of order. I was on my feet seeking recognition to make a point of order.

The CHAIRMAN. Had the gentleman raised his voice?

Mr. FORD. I certainly did.

The CHAIRMAN. The gentleman from Michigan says he was on his feet trying to obtain recognition to make a point of order against the amendment.

There has been confusion at times and it is possible that the Chair did not hear the gentleman. The Chair feels under the circumstances, the gentleman being on his feet seeking recognition trying to make a point of order, that the Chair will hear the gentleman. Ordinarily, the point of order would come too late, debate having occurred on the amendment, but because the gentleman was seeking the attention of the Chair, the Chair feels that he must recognize the gentleman to make the point of order.

Mr. FORD. Mr. Chairman, on reading the proposed amendment offered by the gentleman from Virginia, it is my belief this amendment does impose on the executive branch of the Government additional burdens that are not required by any existing legislation. For that reason it is legislation on an appropriation bill.

Mr. HARDY. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. HARDY. Mr. Chairman, the language of this amendment does not impose any burden on the executive branch of the Government that is not already contained in existing legislation. The amendment is merely a limitation and it presupposes there may be action under existing law but does not require action by anybody. The language in this amendment is taken directly from the language in the Mutual Security Act, which authorized these appropriations.

Mr. HAYS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I would like to point out further in support of the gentleman's argument, he says this language is in the Mutual Security Act. It is part of existing law and the gentleman's amendment is merely a limitation on expenditures until existing law is complied with.

The CHAIRMAN. Would the gentleman from Ohio advise the Chair just where this language appears in the Mutual Security Act?

Mr. HAYS. I cannot cite the exact section.

The CHAIRMAN (Mr. MILLS). The Chair is prepared to rule.

The gentleman from Virginia offers an amendment to the bill on page 8 after line 17, to which the gentleman from Michigan [Mr. FORD] makes a point of order on the ground that the language is legislation on an appropriation bill.

The Chair has had an opportunity to examine the amendment made in the act of 1959 to the Mutual Security Act amending section 534 of that act.

The Chair is of the opinion that there is legislative authorization for the furnishing of these documents and for that which is required within this amendment offered by the gentleman from Virginia.

The Chair, therefore, overrules the point of order.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is this not the amendment that you discussed with the chairman of the committee, the former chairman of the committee, and many other Members of the House? They all felt it would serve a good purpose and there was no objection to it. On that basis I agreed not to object to the amendment if it was not subject to a point of order. I think it is good legislation. Many members of the committee have had an opportunity to discuss it, and I did not know there would be objection to it. I hope the amendment will be adopted.

Mr. HARDY. I am grateful to the gentleman.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Was it not the intention of the gentleman from Virginia at all times merely to implement existing legislation? There was no attempt to legislate upon it.

Mr. HARDY. Not at all. It was purely for the purpose of implementing the legislation.

Mr. Chairman, several times during the debate this afternoon we have heard of the refusal of officials in the Department of State and the International Cooperation Administration to provide committees of the Congress, including the Appropriations Committee handling the bill here this afternoon, with the information they need to make intelligent judgments on foreign aid programs and the public funds to support them.

Mr. Chairman, my responsibility, as chairman of the Subcommittee on Foreign Operations and Monetary Affairs of the House Committee on Government Operations, has been to examine, in a post-audit way, the efficiency and economy of the expenditures under foreign aid authorizations and appropriations. We have experienced the same recalcitrance on the part of ICA officials as has been complained of by others.

Mr. Chairman, my amendment is designed to facilitate the studies and inquiries not only of committees of the Congress concerned with this program, but also of the General Accounting Office. This is the agency of the Congress charged with the responsibility of auditing Government expenditures generally and reporting to us.

Mr. Chairman, during the consideration of the mutual security authorization bill for 1959, I offered an amendment designed to break down this barrier to access by the Congress to full information about foreign aid operations. The amendment was adopted, unanimously I believe, in both the House and the Senate versions of the mutual security bill and thus was not in dispute in the conference. The language of the amendment reads as follows:

All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Administration, upon request of the General Accounting Office or such committee or subcommittee as the case may be.

Mr. Chairman, I must confess that I was somewhat dismayed when the President, upon signing the mutual security bill, prompted by advisers I know not whom, issued a three-paragraph statement aimed at nullifying the amendment solemnly adopted by the Congress. Let me read you what the White House statement says:

I have today signed H.R. 7500, a bill amending the Mutual Security Act of 1954. Three amendments made by the bill concern disclosure by the executive branch of information, documents and materials relating to the mutual security program or certain of its aspects.

I have signed this bill on the expressed premise that the three amendments relating to disclosure are not intended to alter and cannot alter the recognized constitutional duty and power of the Executive with respect to the disclosure of information, documents, and other material. Indeed, any other construction of these amendments would raise grave constitutional questions under the historic separation-of-powers doctrine.

In this connection, I am constrained to emphasize once again that it is the established policy of the executive branch to provide the Congress and the public with the fullest possible information consistent with the public interest. This policy will continue to guide the executive branch in carrying out the mutual security program so that there may be a full understanding of the program and its vital importance to the national security.

Mr. Chairman, if the White House had not issued this statement, I would not have considered it necessary to offer the amendment now pending before the committee. I had thought that the clear and unequivocal expression of Congress would be observed by the agencies charged with the carrying out of foreign aid policies prescribed by the Congress. However, in the light of the White House statement, the Congress has no alternative but to call upon its power of the purse in order to compel respect for its constitutional prerogatives.

The Congress cannot function effectively as elected representatives of the people in determining national policy if it is to be denied access to full, complete, and accurate information about the conduct of the public business. If executive officials are permitted to assert a proprietary interest in public funds, to dispense them as they see fit, free from congressional scrutiny, we have passed from the system of government through elected representatives into a bureaucratic determination of the course of our national development and progress. Mr. Chairman, I believe my amendment will provide an effective curb on bureaucratic arrogance. I believe it will enable the Congress to obtain the information which is so necessary to intelligent discussion and decision on the course of national policy.

Mr. MEADER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia [Mr. HARDY].

It has been my privilege to serve with the gentleman from Virginia on the Subcommittee on Foreign Operations and Monetary Affairs of the House Committee on Government Operations in the 84th, 85th, and 86th Congresses. It has been a pleasure to serve on the subcommittee because it has been conducted efficiently and in a nonpartisan manner. All of our actions and reports have been unanimous.

As the gentleman from Virginia [Mr. HARDY] pointed out, we have been confronted, in the discharge of our responsibility to investigate the economy and efficiency of foreign aid expenditures, by a lack of cooperation on the part of the officials administering the foreign aid program in providing the subcommittee with full and accurate information with respect to their official activities. Sometimes this obstruction has taken the form of procrastination, evasion, and doubletalk, but occasionally there have been instances of outright defiance of requests and a refusal to produce documents, not on the basis that they were classified information, but on the basis that they were internal administrative matters, and, under the alleged doctrine of "Executive privilege" to withhold information from Congress, they have been denied to our subcommittee.

Mr. Chairman, my position on the issue of the right of Congress to full and complete information about the conduct of the public business is well known. I have engaged in an exchange of correspondence with the Attorney General of the United States with respect to his assertion of the doctrine of "Executive privilege" and have sought on every occasion to uphold and advance the power of Congress to obtain the facts it needs to legislate wisely.

Mr. Chairman, at a session of our subcommittee, May 4, 1959, dealing primarily with the refusal of the International Cooperation Administration to submit to the subcommittee certain information the subcommittee had requested, this subject was discussed with representatives of the Administration, including Mr. Leonard J. Saccio, then Acting Director of the International Cooperation Administration, and Mr. Loftus Becker, legal adviser to the Department of State. I incorporate that passage from the subcommittee's record at this point in my remarks:

Mr. MEADER. Mr. Becker, I know this matter can be discussed for a long time, but you assert that the withholding of these documents requested by the committee is based upon, I think you used the word, the principle of Executive privilege.

Mr. BECKER. Yes, sir.

Mr. MEADER. Would you mind citing what authority you have for the existence of any such principle?

Mr. BECKER. Yes. I think there is a rather full description of it in the statement by the Honorable William P. Rogers, Attorney General of the United States, on the inquiry by the legislative branch concerning the decision-making process in documents of the executive branch, which was delivered before a Subcommittee on Constitutional Rights of the Senate Judiciary Committee on March 6, 1958.

Mr. MEADER. Have you examined that statement of the Attorney General?

Mr. BECKER. Yes, I have.

Mr. MEADER. And you concur in it, do you?

Mr. BECKER. I do.

Mr. MEADER. Do you have any other authority than that expressed in the Attorney General's statement?

Mr. BECKER. I can't cite offhand all of the authority, but I have read a very substantial number of authorities, many of which are cited in the Attorney General's statement.

Mr. MEADER. In the Attorney General's statement a kind of parenthetical reference is made to *McGrain* v. *Daugherty*. I wonder if you are familiar with the long history of cases cited by the Supreme Court in which congressional investigatory power was upheld?

Mr. BECKER. Yes. I know there were a number of such cases.

Mr. MEADER. Do you have any doubt about the validity of those holdings?

Mr. BECKER. No.

Mr. MEADER. In other words, you do concede that the Congress does have the power of inquiry as an inherent part of its legislative power?

Mr. BECKER. Oh, yes, indeed, sir.

Mr. MEADER. Yet you relied on the Attorney General's reasoning which seems to have some nebulous relationship to the separation of powers doctrine, as overturning a long history of decided Supreme Court cases upholding the power of inquiry of Congress?

Mr. BECKER. Not at all, sir. In my view the Attorney General's statement is in complete conformity with all of the decisions of

the Supreme Court. What he merely states is that there are limits upon the investigatory power of the Congress.

Mr. MEADER. And those limits are to be determined by the executive branch of the Government?

Mr. BECKER. Of necessity.

Mr. MEADER. Do you have any view—it did not seem to me to be very clearly expressed in the Attorney General's statement to the Constitutional Rights Subcommittee of the Senate Judiciary Committee—on just who in the executive branch of the Government possesses this rather sweeping power to deny the effectiveness of a congressional subpena?

Mr. BECKER. Ultimately the President, sir.

Mr. MEADER. You say ultimately the President. But it seems to me that the Secretary of State in this instance has exercised the power of this so-called Executive privilege to deny and thwart a congressional subpena.

Mr. BECKER. The Secretary acts, of course, under the direction of the President.

Mr. MEADER. How far down the line does that go, Mr. Becker? Do you have any opinion about that?

Mr. BECKER. Well, I think everybody who is appointed by the President certainly acts under his direction.

Mr. MEADER. So that any officer appointed by the President where confirmation by the Senate is required would possess the power to deny a request of a congressional committee?

Mr. BECKER. I have not considered that question, Mr. MEADER, but I am confident that the Secretary of States does.

Mr. MEADER. I don't know that it would be very valuable to pursue this.

I might refer, Mr. Chairman, if you will indulge me, to an exchange of correspondence I had with the Attorney General on this subject, which appears in the CONGRESSIONAL RECORD, volume 104, part 3, the beginning of it, on page 3848, and continues in volume 104, part 4, page 5857. This is an exchange of correspondence between myself and the Attorney General of the United States.

I would like also for our record to contain a reference to the insertion in the CONGRESSIONAL RECORD, volume 104, part 10, page 13744 a very scholarly article by Mr. Gerald Morgan, who at that time was the legal adviser to President Eisenhower. It was a Law Review article in the California Law Review of December 1949, entitled "Congressional Investigations—Judicial Review. *Kilburn* v. *Thompson* Revisited."

I would only like to state, if I may, Mr. Chairman, that I am very much disturbed that there seems to be an increasing inclination on the part of the executive branch of the Government to assert this so-called doctrine of Executive privilege to thwart congressional investigation.

I think there is no foundation whatever in the law for any such doctrine. I think it is imagined out of the air. There are no court cases upholding any such doctrine, and there is a long line of cases which indicates Congress has the power to get the facts it needs; and by and large, as the public is concerned with the public business, those facts are in the possession of the executive branch of the Government, and if any clerk in the executive branch of the Government can tell Congress they do not need to know about the public business and they will decide whether it is proper for the Congress to have it, it bears implications upon the very nature of our Government of self-government through elected representatives, because obviously if you don't know you can't make intelligent decisions—legislative policy decisions.

I am disturbed that there is a growing tendency on the part of the executive branch of the Government to exert this nonexistent, fanciful doctrine of Executive privilege any time they do not want to give Congress some information Congress thinks it ought to have.

Mr. HARDY. I think it is a very disturbing thing generally and it is something that could lead to all kinds of difficulties. It is something I don't think we can live with. In the instant case, actually significant parts of this inquiry have been thwarted by so-called Executive privilege. The Congress is left in the dark with implications in the testimony which reflect seriously on people who are still holding public jobs and being paid out of tax funds. There are serious implications with respect to the performance of some of the people who may have been the objects of criticism by the ones who were discharged. The charges which were made in a great many cases have been documented and adequately supported in the record of this hearing. I think that the implications are extremely serious and they are going to have to be called to the attention of the House.

Mr. Chairman, when the House accepted the amendment offered by the gentleman from Virginia to the Mutual Security Act of 1959, ordering that documents in possession of the International Cooperation Administration be made available to the General Accounting Office and to appropriate committees of the Congress, we had thought that this battle to uphold the right of Congress to full knowledge of the conduct of the public business had been won. However, as the gentleman from Virginia has pointed out, the President, in signing that act containing the Hardy amendments, which I believe were unanimously approved in both the House and the Senate, issued a formal press release asserting that the amendments were inoperative because of the so-called constitutional Executive privilege to withhold information.

There has been no Court decision on this most important constitutional question. Either the Congress or the Executive has exercised restraint or acquiescence so that the investigative power of the Congress with respect to asserted claims of privilege in the Executive to withhold documents from the Congress has never been passed upon in litigation.

I suggest, Mr. Chairman, that such a clash in the courts between the two great branches of our Government is unseemly and should be avoided if possible.

I believe the amendment offered by the gentleman from Virginia has provided an avenue for the enforcement of the power of the Congress to obtain information about the conduct of public affairs which minimizes the risk of such unseemly litigation.

As I envision it, if the International Cooperation Administration officials, after the bill presently before us becomes law, should arbitrarily and contumaciously disregard a valid request of any of the committees named in the Hardy amendment, the Comptroller General would be bound, under the Hardy amendment, to rule that expenditures to carry out provisions of the Mutual Security Act with respect to which the request for information was refused, would be illegal.

Mr. Chairman, in support of the laudable purpose of the Hardy amendment, I was very interested to read in this morning's Washington Post an excellent editorial which I incorporate at this point in my remarks:

EXECUTIVE PREROGATIVE

President Eisenhower was badly advised in his statement putting his own construction on the meaning of the Hardy amendment to the Mutual Security Act. Congress is as well aware as the President that legislation cannot alter the constitutional duties of the Executive with respect to the disclosure of information, documents and other materials, and it is hardly in need of a lecture on the subject. It also is aware, however, that the Executive cannot alter the constitutional duties of Congress.

"The information amendment states that upon request: All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof."

The language is similar to that in the act creating the General Accounting Office. It seems to be an appropriate exercise of the right of the legislative branch to make sure that the purposes of the legislature are carried out and that the money is wisely and honestly disbursed. Some of the information so far made available to Congress certainly justifies anxiety with reference to the handling of these moneys. Those entirely sympathetic with the objectives of the program have been rightly distressed at evidences of laxity and maladministration.

These are not matters about which Congress can be wholly indifferent, trusting blindly and implicitly in the good faith and performance of executive departments. If there is a nonreviewable, nonjusticiable power in the executive to refuse all information it wishes to withhold, Congress might as well shut up shop.

Just where the line can be drawn has always been a matter of some political pulling and hauling. The courts never have ruled on the matter. Whatever the precise meaning of the Constitution, and whatever the exact rights of the executive, the early Presidents, while often arguing the existence of an Executive privilege, generally gave Congress what it sought. Although President Washington was unhappy at the way in which the House sought papers on the tragic St. Clair expedition, he sent up all the matter at hand as Douglas Freeman notes:

"Washington had learned long previously the protective value of candor in dealing with the American people and he knew that one reason for their trust in him was their belief he would tell them the whole truth."

The wisest Presidents have imitated such candor, particularly in dealing with situations in which irregularities were feared.

Mr. Chairman, I congratulate the gentleman from Virginia for his persistence and for his skill in fashioning a sanction which, so far as I can see, is without flaw and which will effectively compel the production of information at the request of the Congress which is so necessary to sound and intelligent declarations of public policy in our modern complex society.

I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. HARDY].

The amendment was agreed to.

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 8, line 4, strike out section 112, lines 4, 5, and 6.

Mr. CONTE. Mr. Chairman, as the authorization bill passed the House and the Senate and was signed by the President, an item of $10 million was placed in the authorization bill for the U.S. participation in the World Refugee Year. This clause was stricken by the Committee on Appropriations.

Mr. Chairman, as you know, the United Nations last December passed a resolution calling for a speedup of the refugee program throughout the world. The United States was to participate in this program for European refugees from Red China, for the Algerian refugees in Tunis and Morocco, and other countries, and resettlement grants in the country of immigration.

Mr. Chairman, there are literally thousands of homeless souls behind the Iron Curtain all over the world and, Mr. Chairman, this is merely a contribution by the United States, with 30 other countries throughout the world, to speed up the program so as to bring the mothers together with their children once more, to bring the husbands and wives together, as well as fathers and sons. I hope, Mr. Chairman, that this amendment will pass. It will cost no more money. The money will come out of the contingency fund. I am not asking for a single extra dollar. I hope the United States will live up to its bargain and responsibility.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. JUDD. The point ought to be made also that it is not mandatory for the Executive to use this $10 million for World Refugee Year. The language provides that it shall be available for this purpose if a suitable program is developed and if the various other countries also contribute their share, and if the President decides that is the best use to make of not to exceed $10 million of the funds in the contingency fund.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would like to point out that President Eisenhower has called on the country and the citizens to participate in the World Refugee Year, and this will help implement that. I strongly support the amendment.

Mr. CONTE. In conclusion, Mr. Chairman, just about every church group in the United States has endorsed this Refugee Year program.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. Where are these refugees going?

Mr. CONTE. Some will be returned to their homelands, others will be placed in countries with their families, so that they can once again live with dignity and have opportunity to prosper.

Mr. DORN of South Carolina. I just wanted to make sure they did not come here.

Mr. PASSMAN. Mr. Chairman, I move to strike out the last word.

I certainly oppose the amendment. I thought that the committee was almost unanimous on this limitation that we placed in the bill. This is earmarking funds, of course, from the contingency fund. The House has just voted down a similar proposal. Now, there are so many of these provisions in the bill that provide for additional money, and the subcommittee and the full committee felt that this proviso should be placed in there. Therefore, I hope that the committee votes down the amendment.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. GARY. Mr. Chairman, we have had refugee programs in this bill for many years. They have been very valuable programs, and proper programs. They have accomplished a great deal in handling the refugees abroad. We still have provisions for refugee programs in this bill.

The item now under debate is a special appropriation of $10 million, with the idea of stepping up the program during the Refugee Year. What it will result in we can never know. It will be a long time before we complete the refugee program. All that this would amount to is to step up our regular program and put it on a permanent basis of $10 million a year.

Mr. PASSMAN. I might also state that there is no budget estimate submitted for this item. It is a blanket request, with no budget request. I trust the amendment will be voted down.

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, because of the resolution adopted by the United Nations designating this year as Refugee Year, I trust that the $10 million provided for will be appropriated. But let us get a true perspective of the situation. I had a nose count made of the refugees who are subject to the mandate of the United Nations. There are fewer than 29,000 in Europe. This, of course, strikes many of the Members as very strange because of the bills that have been introduced providing for the admission into the United States of 68,000 annually. But there are not that many refugees in all of Europe who are subject to the mandate of the United Nations.

Therefore, if we appropriate $10 million—and I am not objecting to it—let it be understood that this money will be used for the refugees in Palestine and for the upward of 3 million Chinese refugees in Hong Kong.

In that connection, it is very interesting to note that the British offered the resolution designating this year as Refugee Year. They were a long while in finding out that there were such things as refugees. They were a long time in finding out that the Intergovernmental Committee for European Migration was moving thousands of people every year. It was not until the problem in Hong Kong became acute that the British came along with this resolution and an appropriation of $500,000.

I am very proud of the fact that our great Republic has contributed much more than $500,000 every year in the relief of this problem. But let us go into this thing with our eyes wide open. This money cannot be used for European refugees because there just are not that many.

Mr. ALEXANDER. Mr. Chairman, I rise in opposition to the amendment.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. PASSMAN. I would like to state again that there has been no budget estimate for this item and any support for the amendment has been generated, in my opinion, today. I do not recall any support for this amendment in the committee.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. CONTE. I lost so many battles with the gentleman in the subcommittee that I was punch drunk at that point.

Mr. PASSMAN. The gentleman means that he supported my views and subsequently decided that I was wrong. Let us resolve our differences the next time.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from New York.

Mr. TABER. Mr. Chairman, I am opposed to the elimination of this language in the bill. As the gentleman from Pennsylvania [Mr. WALTER] told us, there are very few of these people. There is absolutely no excuse for permitting the $10 million that is set up in section 703, which I have in front of me. The Budget did not send up any estimate calling for anything of that character, nor did anybody else. For us to approach this problem in a sort of wild way is ridiculous to me. I think the provision the committee has in the bill is salutary and something that is necessary for everyone and especially here in the United States.

Mr COAD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had an amendment at the desk which would have done the same thing as the amendment before the House. Therefore I am rising to support this amendment which will permit the President to use up to $10 million of his $155 million contingency fund for the U.S. share of the World Refugee Year program.

I would like to point out, Mr. Chairman, that this House adopted the conference report on a rollcall vote of 257 to 153, just the other day, which included section 703, which set up and provided authority for the expenditure of $10 million by the President of the United States out of his contingency fund for the U.S. share of the World Refugee Year. I would like to point out to the subcommittee chairman, the gentleman

from Louisiana [Mr. PASSMAN], that it was only a few minutes ago that he defended the President's $155 million contingency fund against a cut even after the House of Representatives originally had passed out a contingency fund of only $100 million.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. COAD. I yield to the subcommittee chairman.

Mr. PASSMAN. Yes; I defended the contingency fund, but now I also want to defend it from being raided by these requests to earmark the funds.

Mr. COAD. This $10 million item for the World Refugee program is to be an expenditure out of the contingency fund. The House adopted this program when we adopted the Mutual Security Act of 1959 conference report just a few days ago. Then the House Committee on Appropriations, after the authorization bill was passed, reported out the appropriation bill. The committee members knew, we all knew, of the authorization of the $10 million. The House of Representatives, this Congress, the people of this Nation, have joined together and have spent millions and billions of dollars in the International Geophysical Year and in the future we will spend billions and billions of dollars more. We have entered into the International Geophysical Year and that was all right to appropriate money for that, and I have supported the IGY, but now when it comes to the world refugees and when it is to help some people who are downtrodden throughout the world, then we begin to shed crocodile tears because this is not an appropriation committee item that has come through the Bureau of the Budget.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. COAD. I yield.

Mr. HAYS. This is not mandatory; is it?

Mr. COAD. It is absolutely not mandatory.

Mr. HAYS. Then it is permissive?

Mr. COAD. It is not mandatory. It is permissive.

Mr. HAYS. Then it seems a little strange to me that the subcommittee would get so excited about a piece of permissive legislation when they just attempted to make it mandatory that we spend $50 million for Spain.

Mr. COAD. I appreciate the gentleman's comments.

Mr. Chairman, this is one time that we can get right to the people who are seriously downtrodden. We know that they may be only a few in certain sections of the world, but let us look at this whole thing in proper perspective and let us see what it really means. It means that here and now we are saying to the entire world and to the people who are at the lowest level, displaced and depressed, that we are entering into this program this year.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. COAD. I yield.

Mr. JUDD. Just so that we know exactly what the language is that the gentleman's amendment would restore, this is how it reads:

SEC. 703. Of the funds appropriated pursuant to section 451(b) of the Mutual Security Act of 1954, as amended, the sum of $10,000,000 shall be available for United States participation in World Refugee Year. Such sum shall be available for allocation by the President for assistance, either directly or through intergovernmental organizations or agencies, to the various refugee groups, and shall be used primarily in furtherance of permanent solutions of the problems of such groups and in alleviating their urgent emergency needs.

Mr. Chairman, what can be wrong with authorizing the President to use for this worthy purpose funds already in the bill? If the program of cooperation with other nations materializes, then they will enable the United States to do its share of the job. The President does not have to use all or any of the amount, and he will not use it unless he is sure it will be used to good advantage. This will not cost the taxpayers any more money. It merely makes it possible, if we adopt the amendment of the gentleman from Massachusetts, for the administration to use up to $10 million of these funds for this particular program this particular year.

Mr. COAD. I thank the gentleman. I would like also to point out as the author of the amendment the gentleman from Massachusetts has pointed out that civic groups, church groups, and other philanthropic organizations are behind this. This is a worldwide program. I urge the adoption of this amendment.

Mr. CURTIS of Massachusetts. Mr. Chairman, I rise in support of the amendment.

I think it might be helpful to remember what the conference committee said about this item, and I quote from the conference committee report:

The Senate amendment authorized an appropriation of $10 million for U.S. participation in the World Refugee Year to be used for assistance to refugee groups throughout the world. The House bill contained no provision on this subject. The managers on the part of the House accepted the Senate language with an amendment that deletes the separate authorization of an appropriation. Instead the use of $10 million from funds appropriated pursuant to section 451(b) is authorized for this purpose.

Section 451(b) relates to the President's Contingency Fund. If we do not support this amendment we are passing a provision here to the effect that none of the President's contingency funds can be used for this purpose. In other words, no funds will be available for the World Refugee Year.

Anybody who has visited the Middle East and has seen the Arab refugees on the sands of the desert there will certainly regret it if this House in its wisdom forecloses the possibility of any funds from this great country for the World Refugee Year.

All we have now in the authorization bill is a provision that the President can use some money from his contingency fund for this purpose. There is nothing wrong with that, Mr. Chairman. I am willing to trust the President to use that authorization with discretion. There is no appropriation. Yet section 112 of the bill now before us would take away that authorization. So I say that this amendment offered by the gentleman from Massachusetts to strike out said section 112 is a wise and valuable amendment. I hope it will be adopted.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I yield back my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONTE].

The question was taken, and on a division (demanded by Mr. CONTE) there were—ayes 127, noes 111.

Mr. PASSMAN. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chair appointed as tellers Mr. PASSMAN and Mr. CONTE.

The Committee again divided and the tellers reported that there were—ayes 144, noes 113.

So the amendment was agreed to.

Mr. DONOHUE. Mr. Chairman, as I see it, this debate on the reduced and reasonable continuation of our mutual security aid program should begin with a concrete demonstration of our deepest concern for our overburdened American taxpayers.

That legislative concern should be even more concentrated and emphasized because of the factual evidence in the record, by the Draper Committee, the Comptroller General, himself, and our congressional committees, "of waste and extravagance—a pattern of loose, lax administration through the entire complex of foreign aid—and refusal of the ICA to provide information."

Mr. Chairman, the only sensible way to keep people from wasting money and indulging in needless, worthless, extravagant projects is not to give them the money.

I earnestly hope that in the phases of the program where this extravagance and waste has been displayed the recommended reductions will be approved.

The divisions of this program which appear to have been operated and projected in the best interests of ourselves and the advancement of our foreign allies are the technical assistance and Development Loan Fund extensions. I hope that these features will be adequately supported as their worth has been substantially proven.

Mr. Chairman, considering our economic and financial difficulties and the fact that this program has been in existence over many years and through many billions of the hard-earned money of our American taxpayers, I submit that the end of the major aspects of it ought to be kept in sight; certainly the giveaway features should be eliminated entirely now since most of the recipient countries have made steady progress in their rehabilitation development.

As we look and work toward the conclusion of this program, in the interests of our own American people, let us strive today to conscientiously enact a measure that will provide reasonable assistance to our allies, in the fields

where such help is most needed, while we ensure elimination of those parts of the program which have been proved wasteful and worthless.

Mr. TOLL. Mr. Chairman, I am glad that the House included the item for the World Refugee Year in the mutual security appropriation bill.

Among the many supporters of this program is the American Jewish Committee. I believe the committee's statement, as adopted at its 52d annual meeting in New York on April 19, 1959, is worthy of the attention of every citizen and include it below:

STATEMENT ON WORLD REFUGEE YEAR BY THE AMERICAN JEWISH COMMITTEE AT 52D ANNUAL MEETING, APRIL 17–19, 1959

By a resolution adopted on December 5, 1958, the General Assembly of the United Nations declared the year beginning July 1, 1959, as World Refugee Year. It laid down the following as the goals of the year: (a) To focus interest in the refugee problem and to encourage additional financial contributions from governments, voluntary agencies, and the general public for its solution; (b) to encourage additional opportunities for permanent refugee solutions, through resettlement or integration, on a humanitarian basis and in accordance with the freely expressed wishes of the refugees themselves.

It asked the member states of the United Nations and the specialized agencies to cooperate, in accordance with the national wishes and needs of each country, in promoting a World Refugee Year as a practical means of securing increased assistance for refugees throughout the world.

In issuing the call for World Refugee Year, the General Assembly directed attention to the plight of all refugees throughout the world. It sought thereby to awaken the world's conscience to the need for urgent measures to solve or alleviate the problems of 30,000 in European camps, where some have spent a whole decade; 100,000 Europeans, likewise unsettled, though not in camps; a million Palestine Arab refugees; a million refugees from the Chinese mainland in Hong Kong; 60,000 or more Chinese in Macao; 170,000 Algerians in Tunisia and Morocco; 9,500 Europeans still trying to get out of Communist China; Jewish refugees from Egypt; Chinese refugees in Thailand and Laos; Tibetan refugees in India and Nepal; and displaced millions in India, Pakistan, Korea, and Vietnam.

The whole world is heartened that the United Nations has directed attention in this dramatic way to the sufferings and problems of the homeless victims of political and social dislocations and upheavals. We pledge our support toward realizing the aims of the Year, and urge that our Government and citizens organizations throughout the country do likewise.

We are pleased by the manifestation of support in the recent formation of the U.S. Committee for Refugees. That committee has called on our Government to appropriate additional funds and allocate surplus commodities for refugee aid programs, and on voluntary agencies to raise funds for their own refugee aid programs over and above their present budgets. It has also called upon our Government to admit annually 20,000 additional refugees outside existing quotas. Preliminary press reports indicate that the Government's program will be more modest than that urged.

These proposals exemplify the kind of measures governments and voluntary organizations can undertake for implementing the goals of the year. We welcome these proposals, limited though they are, but we hope that the Government and the public will make contributions that are more generous and more significant.

We feel that only if the nations introduce fundamental changes in their immigration policies will the refugee problem near solution. Therefore, we express our regret that our own Congress has failed up to now to embody in our law revisions along the lines urged by the President of the United States and by leading Members of Congress of both parties. These recommended revisions are based on the recognition that our present immigration laws reflect an attitude of distrust toward aliens, discriminate unjustly on grounds of the racial and national origins of aliens, and impose a self-defeating rigidity on efforts to promote our foreign policy and to perform effectively our role as leader of the free world.

We reaffirm our dedication to the goals of an enlightened and liberal immigration policy, and we hope that Congress will in the near future take such action as is necessary to bring this vital aspect of our policies into consonance with traditional American ideals. This would be the wisest and most dramatic contribution our country could make to the observance of the World Refugee Year.

Mr. HENDERSON. Mr. Chairman, once again the House of Representatives has before it a grave decision, one of far-reaching consequences to the American taxpayer, to the American Nation, and to the nations of the world. It is my feeling that we must, in the consideration of this as well as other legislation, give thought to the effect it will have upon America itself. Foreign aid, by whatever name it might be called, is a very expensive proposition. It does not make it less expensive to call it mutual security or mutual aid or any other of a dozen terms that have been applied to it.

It is costly to the tune of more than $3 billion. At least the $3 billion is this year's installment upon a legislative habit that America acquired quite a number of years ago. In the period from July 1, 1945, to June 30, 1958, the postwar period, our Nation has expended $57 billion for foreign aid, $20 billion of that for military aid, and the remainder for all other forms of aid. In addition to outright grants, loans to nations abroad have been made in that same period of time in the amount of about $20 billion. One can readily see that it is no inconsequential sum that we are discussing when we talk about the foreign aid program of this country.

I will concede for the purposes of argument that there is some good to be obtained in our foreign aid program, that some of the funds win friends for Americans, that the expenditures on certain projects have helped nations immeasurably, that there are nations in the world today who might have turned their thinking toward the Soviet sphere had we not come to their assistance. I can also concede that there will be some military value to the guns and ammunition that we have made available to other nations in the event there is armed conflict on a worldwide scale. It may be true that the foreign aid program has, to some extent, kept the Soviet Union off balance by providing an obstacle to the uninterrupted course of that nation's plan.

Much of the utilization of the foreign aid program is couched in secrecy. We are told that such secrecy is necessary in order to keep from tipping our hand as to some military or security plans we may have. It has also been suggested that a secrecy cloak is necessary so that other nations will not know in advance what their fellow nations are receiving from Uncle Sam's largesse. But some secrets just cannot be kept. There are revelations now and then in the press which have caused great consternation in the minds of many, that have labeled the foreign aid program in pretty somber tones. Money is being wasted. Funds are being utilized for projects that do not accomplish a useful purpose. Some of America's money finds its way into the hands of scheming gain seekers of one type or another. All the while we are increasing our own national debt and paying a high rate of interest on the money that we owe. We are not only taxing our citizens and using about 4 percent of the tax for this program, but we are also borrowing money to help pay for it. I will concede, of course, that we cannot attribute the entire national debt to the foreign aid program, nor can we attribute all of the current deficit to the foreign aid program, but if 4 percent of our expenditures in the current year is chalked up to foreign aid then, of course, we must agree that 4 percent of any deficit is also a contribution to the foreign aid program to the indebtedness of the United States. The American taxpayer could well do with a little aid himself.

Much of what I read and what I learn from my colleagues who are in close contact with this program, convinces me that America's contribution is too great. The program itself, even if administered properly and without waste, is too extravagant. To sum it all up, I have reached the conclusion that I will vote in opposition to the current mutual security appropriations bill, just as I voted against the authorization bill earlier this year and just as I have voted against each and every such bill in the years past.

The arguments which have brought me to that conclusion can be summarized as follows: The expenditure is too great. The funds are being used in part in a wasteful manner. There is too much secrecy in the administration of the program. Expenditures are not obtaining for this Nation enough benefits to justify them. The program is a drain upon the taxpayers and Treasury of the United States out of proportion to the benefit gained either by America or by the nations which receive the assistance which we foist upon them and which they have come to expect as a matter of right.

The CHAIRMAN. Are there any other amendments?

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8385) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand a reading of the engrossed copy of the bill.

The SPEAKER. Further consideration of this bill will go over until tomorrow.

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Clerk may be authorized to make any clerical corrections that may be necessary in the bill H.R. 8385.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD on the bill H.R. 8385.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CREATING A COAL RESEARCH AND DEVELOPMENT COMMISSION

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6596) to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, POWELL, EDMONDSON, SAYLOR, and WHARTON.

SELECT COMMITTEE TO CONDUCT A STUDY AND INVESTIGATION OF THE PROBLEMS OF SMALL BUSINESS

The SPEAKER laid before the House the following announcement:

Pursuant to the provisions of House Resolution 51, 86th Congress, the Chair appoints as a member of the Select Committee To Conduct a Study and Investigation of the Problems of Small Business, to fill the existing vacancy thereon, the gentleman from Illinois, Mr. DERWINSKI.

PROPOSAL TO NAME DAM FOR LATE DOUGLAS McKAY

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, yesterday I introduced a bill to change the name of the Green Peter Dam on the Middle Santiam River in my district to the Douglas McKay Dam and Reservoir. An identical bill was introduced in the other body last Friday by Senator NEUBERGER.

It is my hope that the legislation can be promptly enacted.

I have reason to believe that the Corps of Engineers will issue a favorable report. I know of no one who believes that the present name should be retained. The only question worth discussing is whether Douglas McKay deserves this honor over all other possible choices.

Douglas McKay was buried last Saturday. He was one of the original 42 members of the Willamette Basin Project Committee appointed in 1935 by Charles H. Martin, Governor of Oregon. He was clected chairman at the first meeting and held that office until he himself was elected Governor of Oregon in 1948.

The Green Peter Dam, along with many others, was authorized during the period of McKay's chairmanship. His leadership is directly connected with the progress of the project to date.

GOVERNOR M'KAY ENDORSED 308 REVIEW REPORT

Moreover, as Governor he gave Oregon's endorsement to the 308 review report of the Corps of Engineers, a report that proposed many dams in the Willamette and Columbia River basins.

These actions, coupled with the honor of his position as a member of President Eisenhower's Cabinet, seem to me to place his name in the top spot for the renaming of the Green Peter Dam.

Would not some Democrats, especially those who remember his opposition to Hells Canyon Dam, object? I suppose they will. I took part in the 1956 campaign when McKay tried to defeat WAYNE MORSE for the Senate. It was a lively campaign and one we will not forget for a long time. Many of the tactics used by the McKay forces, I do not say McKay himself, were more than questionable. However, these tactics boomeranged and Senator MORSE won by some 60,000 votes.

Should these tactics and McKay's differences of political and economic beliefs lead to opposition by Democrats in Oregon or elsewhere to the proposed legislation? I think not. The man who has the most reason to refuse to let bygones be bygones is WAYNE MORSE. How does he feel?

HOW DOES SENATOR MORSE FEEL?

On July 15 when news of McKay's illness reached Washington, but the outlook for recovery was good, Senator MORSE stated on the Senate floor that the International Joint Commission, under the chairmanship of McKay, was making great progress in trying to resolve the perplexing and troublesome difficulties which have developed between the United States and Canada over water problems.

Senator MORSE in the course of these remarks quoted his own recent newsletter where he had written that the Commission under McKay was doing a very good job.

Upon receiving word of McKay's death Senator MORSE paid him a tribute on the floor of the Senate in words where no hint of rancor could be found. He mentioned their political differences, but added:

> I have always held him, as a person, in very high regard.

If Senator MORSE can lay aside the hard feelings of a hard campaign, certainly other Democrats can do no less.

This dam, now known as the Green Peter Dam, is now in the Senate version of the public works appropriations bill for $1,500,000 in construction money. It is a new construction start added by the Senate and awaiting action by the conferees. The total cost is $60,800,000.

THE TIME IS NOW

It was added by the Senate in the 85th Congress and then eliminated in conference. Every year the costs of construction go up. Every year more precious arable land in Oregon washes downstream never to be replaced. Every year our electric power supply grows smaller relative to our needs. And there are many other good reasons why this project should be started now.

Changing the name will not make the project any better or any worse but it may help call the attention of the conferees and other Members of Congress, as well as the President, to the proven merits of this much delayed and much needed dam and reservoir.

The main purpose of the legislation, however, is to honor the memory of Douglas McKay as a man who worked hard and long for the welfare of his State and Nation. Most of us Democrats disagreed with his political beliefs but we respected him as a man just as we value the political processes of our Nation which encourage disagreement as the best road to sound policies.

SUBVERSIVES ACTIVITIES CONTROL ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I am today introducing a bill to plug a loophole in the Subversive Activities Control Act of 1950 which has become apparent in recent hearings conducted by the Committee on Un-American Activities.

In proceedings under the Subversive Activities Control Act of 1950, the Subversive Activities Control Board on June 30, 1955, found the Jefferson School of Social Science to be a Communist front organization. Under the provisions of the Act, the Jefferson School of Social Science was then obliged to register as a Communist front. Shortly after the finding by the Subversive Activities Control Board, however, the Jefferson School of Social Science was dissolved; but it was not long before there was announced in the Communist Worker the formation of a new school known as the Faculty of Social Science. The evidence developed in the course of the recent hearings by the Committee on Un-American Activities establishes that, for all intents and purposes, the Faculty of Social Sciences is merely a successor to the Jefferson School of Social Science, and that the dissolution of the Jefferson School of Social Science and the creation of the Faculty of Social Science was an evasive tactic by the Communist operation for the purpose of avoiding the impact of the Subversive Activities Control Act. The testimony before the Committee on Un-American Activities reveals that the new school is substantially under the same control and management and operates under substantially the same policies as the old school; that the new school teaches substantially the same courses with virtually the same faculty as the old school.

The effect of my bill, Mr. Speaker, is to make applicable to a successor organization the final order of the Subversive Activities Control Board made against a predecessor organization. The bill has procedural provisions governing the manner in which the Board may make a determination that a particular organization is in fact a successor organization.

I wish, Mr. Speaker, the Congress of the United States could pass a single law to completely and finally cope with the Communist operation in the United States. Unfortunately, this is not possible because the Communist operation is constantly changing its form, its strategy, and its tactics. It is in this very area that the Committee on Un-American Activities renders one of its most valuable services to the Congress and the Nation. Almost every month in our hearings and investigations we discover some new technique, some new ruse or guise of the Communist operation as it pursues its subversive activities in the interest of international communism.

The text of the bill follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Subversive Activities Control Act of 1950 (64 Stat. 989) is amended by inserting, immediately after section 13A thereof, the following new section:

"PROCEEDINGS WITH RESPECT TO SUCCESSOR ORGANIZATIONS

"SEC. 13B. (a) Any final order of the Board requiring an organization to register under section 7, or determining it to be a Communist-infiltrated organization, shall also be applicable with respect to any organization determined by the Board under this section to be the successor of such organization, regardless of the assumed name, from and after the date on which the order of the Board granting the determination that such organization is a successor organization becomes final.

"(b) Whenever the Attorney General has reason to believe than any organization is the successor to any organization required by final order of the Board to register under section 7, or determined by a final order of the Board to be a Communist-infiltrated organization, he may file with the Board and serve upon such organization a petition for a determination that such organization is such a successor organization. In any proceeding so instituted, two or more affiliated organizations may be named as joint respondents. Whenever any such petition is accompanied by a certificate of the Attorney General to the effect that the proceeding so instituted is one of exceptional public importance, such proceeding shall be set for hearing at the earliest possible time and all proceedings therein before the Board or any court shall be expedited to the greatest practicable extent.

"(c) Any organization which has been determined under this section to be a successor organization may, within six months after such determination, file with the Board and serve upon the Attorney General a petition for a determination that such organization is no longer a successor organization.

"(d) Each petition shall be verified under oath, and shall contain a statement of the facts relied upon in support thereof. Upon the filing of any such petition, the Board shall serve upon each party to such proceeding a notice specifying the time and place for hearing upon such petition. No such hearing shall be conducted within twenty days after the service of such notice.

"(e) The provisions of subsections (c) and (d) of section 13 shall apply to hearings conducted under this section, except that upon the failure of any organization named as a party in any petition filed by or duly served upon it pursuant to this section to appear at any hearing upon such petition, the Board may conduct such hearing in the absence of such organization and may enter such order under this section as the Board shall determine to be warranted by evidence presented at such hearing.

"(f) In determining whether any organization is a successor organization, the Board shall consider—

"(1) to what extent, if any, the management of the affairs of such organization is conducted by the same individuals who conducted the management of the affairs of the Communist organization alleged to be the predecessor of such successor organization;

"(2) to what extent, if any, the policies of such successor organization are the same as the policies of the Communist organization alleged to be the predecessor of such successor organization;

"(3) to what extent, if any, the assets of such successor organization are the same as the assets of the Communist organization alleged to be the predecessor of such successor organization; and

"(4) to what extent, if any, the membership of such successor organization is the same as the membership of the Communist organization alleged to be the predecessor of such successor organization.

"(g) After hearing upon any petition filed under this section, the Board shall (1) make a report in writing in which it shall state its findings as to the facts and its conclusion with respect to the issues presented by such petition, (2) enter its order granting or denying the determination sought by such petition, and (3) serve upon each party to the proceeding a copy of such order. Any order granting any determination on the question whether any organization is a successor organization shall become final as provided in section 14(b) of this Act."

SEC. 2. Subsections (a) and (b) of section 14 of such Act (50 U.S.C. 793 (a) and (b)) are amended by inserting ", or subsection (g) of section 13B," in each such subsection, immediately after "section 13A,".

THE HODGEPODGE OF AGRICULTURAL PROGRAMS

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, today I should like to talk about wheat. Of all the hodgepodge of agricultural programs that the Federal Government is presently administering, the wheat program is the most expansive, the most expensive, and probably the least effective. The Commodity Credit Corporation's present surplus wheat inventory is 1,146,972,481 bushels and this supply has been accumulated at a cost to the taxpayers of $2,925,804,858. Since the year 1933 the cumulative net realized losses of the CCC on the wheat program have amounted to $1,187,512,028. We have sent millions down the drain. We have a record wheat surplus piled and spoiling in the bins. New record surpluses are in sight, carrying with them a guaranteed continuation of this vicious cycle that saddles us with high costs of storage, unmanageable surpluses, tremendous Federal spending, and increasing tax burdens. We have farmers who are becoming mere pawns of a paternalistic Government. If we continue in our present fashion we will eventually reach a point from which we can go no further and from which we cannot return. Every year that Congress fails to come up with a workable solution, not only to the wheat problem, but also to the entire farm problem, we get a little closer to that point of no return.

Congress, the administration, the farmer, the taxpayer—everyone cries for a solution to the problem and yet we continue to struggle on, compounding our difficulties in an illogical manner for which, I gravely fear, we are becoming infamous. Congress has consistently

failed to admit the well-known biological phenomenon that wheat grows on stalks and not on acres. With one hand Congress attempts to lower the minimum acreage allotment while, with the other hand it raises price supports to such a high level that production is encouraged to the extent that the acreage reduction is more than offset.

The Government attempts to support price levels on one hand while, at the same time it establishes a resale price for its surplus commodities that tends to peg the domestic price.

When there is no market for wheat, the Government buys up the surplus and turns around and offers that surplus for sale and, in doing so, competes with the farmer for markets that are scarce to begin with, depriving the farmer of market outlets and insuring continued surplus.

The left hand tears down what the right hand tries to build. Congress has refused to deprive without giving concessions. The net result is such that we are no further along than when we began.

I am critical today of our farm program. I have always been highly critical. And, believe me, my constituents, a great many of them farmers, are highly critical. This criticism from the people is nothing new. I saw a picture in a newspaper earlier this year of a blackboard that a farmer out in Missouri had posted in his front yard back in 1938. And on the blackboard he had written this message:

> If Henry Wallace will keep his nose out, and the Lord blesses our effort, we'll raise some tomatoes.

That same feeling prevails today.

It is my belief, however, that one should not criticize without offering a better solution. I cannot claim to be a farmer, although I spent many of my younger years on the farm. I am not a member of the Agriculture Committee. I do not represent farmers whose major crop is wheat. I do represent farmers who tell me they are no better off financially for the $30 billion Uncle Sam has spent supporting farm prices. They also tell me they have lost, or are losing, the precious freedom that is always sacrificed when Washington intervenes. I represent taxpayers and consumers who have felt the strain of our farm program for too many years and who, I can assure you, are becoming increasingly vocal in their disenchantment.

I have authored, and today am introducing, a wheat bill that I feel is constructive, realistic, and reasonable. If adopted, it will mean fewer dollars paid out in Federal subsidies. It will have the effect of reducing surpluses. It will take the Government out of competition with the farmer. It will result in higher prices for the farmer. It could have the effect of complete freedom for the wheatgrower with Government supports at low, emergency levels. It would give the wheatgrower the prerogative of continuing marketing quotas, but on terms more favorable to the taxpayer. I feel my bill will go a long way toward solution of the wheat problem.

I would now like to cover the six major provisions of my bill.

First. Under existing law, the CCC is permitted to sell surplus wheat in the domestic market at 5 percent above the support level, plus reasonable carrying charges. Wheat is presently being supported at 75 percent of parity. Historically, the price-support level has set the floor and the sell-out price of CCC has set a ceiling on open-market wheat prices. In other words, the market price is pegged at roughly 5 percent above the support price, or 79 percent of parity, with only a 4-percent or 5-percent fluctuation. I think this will be borne out if we look at current market prices. Seventy-nine percent of parity for wheat is roughly $1.88. Reasonable carrying charges constitute 1 year's storage cost, which is, on the average, 15 cents. This sets the approximate price from the CCC bins at $2.03 a bushel. As of July 21, the market price of wheat in Kansas City ranged from $1.89 to $2. The market price in Chicago was $1.97. I believe these figures will serve to substantiate my contention. When wheat can be purchased from the Government for $2.03 a bushel, who is going to offer more on the open market?

As I mentioned earlier, the second bad feature of these CCC sales is the absorption of markets that would otherwise be available to growers of a current crop. Since 1954, CCC has actually sold 124,425,000 bushels of wheat in the domestic market. At a net realized loss to the taxpayers, I might add, of $74,094,000.

For these reasons, I have included in my bill a provision that prohibits CCC from selling surplus wheat in the domestic market at less than 100 percent of parity, plus reasonable carrying charges. This will have the effect of freezing the surplus, as far as domestic consumption is concerned. It will lift the ceiling on wheat prices and allow wheat to find its true level in the marketplace. It will make the Government price unattractive, which is precisely what it is designed to do. It will take the Government out of competition with the wheatgrowers.

Second. My bill allows all, and I emphasize the word "all," persons who have grown wheat that would normally have been harvested in the preceding calendar year to vote on continuation of marketing quotas for the 1961 wheat crop. If wheatgrowers elect to continue marketing quotas, they can do so and be eligible for Federal supports at 75 percent of parity. Supports would not be continued at the present 75–90 percent levels, but the maximum support level for wheat will be a rigid 75 percent of parity. If more than one-third of all wheatgrowers elect to vote out marketing quotas there will be complete freedom of production and all producers will be eligible for support at 55 percent of parity. The average present market price is roughly $1.95 a bushel. Present parity for wheat is $2.38 a bushel. Seventy-five percent of parity would be $1.79. Fifty-five percent of parity would be $1.31. Both levels are well below the market price and would not, in my opinion, provide any incentive for overproduction. The season average price received by farmers has been above $1.79 since 1945. It has been above $1.31 since 1942.

Third. If we are to continue relatively high price supports and Government controls, then those controls must be put on a realistic basis. With a minimum acreage allotment of 55 million acres, it is expected that this year's wheat crop will leave a surplus of nearly 390 million bushels. Proposals were made earlier in this session to reduce acreage allotments by as much as 25 percent. But, as I stated earlier, such proposals would have been accompanied by rigid 90-percent price supports in addition to partial payment of the farmer in wheat for taking 25 percent of his acres out of production. It is my belief that these accompanying provisions would, at best, have offset a major portion of the acreage reduction.

My bill provides a flat 15 percent reduction in acreage allotments for the 1961 crop. This would be accomplished by reducing the national minimum acreage allotment to 46,750,000 acres. It contains no repayment-in-kind and, as I have already pointed out, the highest price support level available to the wheat grower will be 75 percent of parity. This provision would, theoretically, cut about 60 percent from a surplus as large as the one estimated for this crop year. Based on an average yield of 27.3 bushels per acre, this provision would cut over 230 million bushels from estimated production. I reemphasize my relief that, if we are to continue marketing quotas and relatively high price supports, we must bring acreage allotments more in line with total consumption and we must not offset the reduction by throwing in 90-percent supports and payment-in-kind.

Fourth. My bill, effective beginning with the 1961 crop, will remove the 15-acre marketing quota exemption. This will make all growers of wheat for sale subject to Federal controls and will give all the 15-acre farmers a chance to help determine what, if any, controls are to be in effect.

Fifth. My bill restores freedom to the farmer who grows wheat for use only on his own farm. It will, effective beginning with the 1961 wheat crop, remove the 30-acre wheat-for-feed exemption and allow unlimited production for on-the-farm use. This section of the bill might well be titled "Stanley Come Home."

Sixth. My bill increases the overplanting penalty from 45 percent to 65 percent of parity, effective beginning with the 1961 crop.

It is my earnest desire that our entire agricultural system be returned to a free market economy. I want to see the farmer freed from Federal controls. I want to see the farmer get a just price for his commodity—but in the marketplace, not from the Federal Government. I share this desire with President Eisenhower, whose platform in 1952 and thereafter called for parity in the marketplace. I want to see the taxpayer relieved of the burden of supporting the farm subsidy program. I do not agree with those who feel we can never return to a free market economy. I think we

should all strive for these goals. I believe they are attainable. I believe they must be attained if the farmer is to survive at all.

My bill provides for a definite move in this direction. It provides for unlimited production, both for sale and for on-the-farm use, and it places supports at a level that would be utilized only in a dire emergency. It allows every wheat farmer to vote. It removes the Government from competition with the farmers and allows greater flexibility in open-market prices. It will allow the growers, if they so desire, to continue marketing quotas and higher price supports, but they will do so on reduced acreage. The result will be a greatly reduced surplus and hence a reduced burden on the taxpayer. I hope this approach will be applied to the entire agricultural program. I will make a continued effort to see that it is. I call upon my colleagues to do the same.

I ask you to give this bill your favorable consideration.

EQUAL TIME ON RADIO AND TELEVISION

Mr. COAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, we have heard much lately about the situation of equal time on radio and television. I recognize this to be a serious problem, and it should be dealt with by the Congress during this session.

In general, Mr. Speaker, I support the "equal time" theory as having a great deal of merit. In fact, there are times when it is probably a necessity. I have a case in point. Last week, Jack Parr had as his guest Mr. Robert Kennedy, chief counsel to the Select Committee on Labor. On this show, Mr. Kennedy requested everyone to write to his Congressman about the labor situation. Mr. Speaker, the people of my district took Mr. Kennedy seriously as they always take civic responsibilities seriously. My people have written me in an overwhelming manner about this situation. I, too, believe that good labor reform legislation should be passed. But I have a problem. My problem is that I do not have a staff sufficiently large to handle in an expeditious manner the flood of mail which is coming in.

Therefore, Mr. Speaker, I have today sent Jack Parr a telegram requesting that he grant me equal time on his show so that I may reply to the many letters which I am receiving as a result of the Kennedy appearance. I am hopeful that Mr. Paar recognizes the seriousness of my situation and grants the equal time.

The telegram follows:

Mr. JACK PAAR,
NBC-TV, New York, N.Y.:

Recently Mr. Robert Kennedy, chief counsel to the Select Committee on Labor, was a guest on your show, and the request was made for everyone to write his Congressman about the need for labor reform legislation. As a Member of the U.S. House of Representatives I agree that good labor reform legislation must be enacted this session. But as a Congressman with limited office help, I respectfully request that you grant me equal time on your show, so that I may reply to my many civic-minded constituents who have written me as per the request made on your show. I am hopeful that you recognize the seriousness of my situation and grant the request for equal time in the immediate future.

MERWIN COAD,
Member of Congress.

FEDERAL LAMB GRADING RETAINED

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, as one of Secretary of Agriculture Ezra Taft Benson's most severe critics, I am happy to take this opportunity to congratulate him on his recent decision to retain Federal grading of lamb. I believe that the best interests of the public and small businessmen in the meat industry were served by this action.

The Honorable WRIGHT PATMAN, chairman of the House Small Business Committee, was first alerted to this situation on June 17 when, after learning of the problems that suspension would present to the small meatpackers, wrote Secretary Benson asking for an extension in time before the final decision was to be made, to permit the meatpackers to present their arguments.

Secretary Benson granted an extension to July 1, with notice that the final decision would be made on September 1 of this year. On July 23 Secretary Benson announced that Federal grading will be continued.

It was during the hearings of Subcommittee No. 5 of the House Small Business Committee, of which I am chairman, that subcommittee members were informed of the effect that suspension of grading would have on the small meatpacker. Mr. L. Blaine Liljenquist, vice president of the Western States Meat Packers Association, told the subcommittee that suspension of Federal Grading of lamb would be ruinous to the small packers in the industry, as well as costly to the lamb producers. He agreed that lamb grading specifications need improving, but urged that they be retained. Federal grading permits the independent packer to compete with the nationally advertised big packer brands, permitting purchase by universal standards by telephone over long distances.

Subcommittee members were concerned over the possible loss of this Federal service to the consumer as well, and entered as exhibits into the subcommittee's hearing record current advertisements for meat which stressed the importance of the Government grading.

A representative of the Department of Agriculture was requested to appear before the subcommittee to explain the reasoning behind the proposed suspension, and was urged to notify consumer and labor groups so that they might express their opinions.

Secretary Benson's announcement of retention of the grading states that almost 1,000 communications were received:

Comments and views were received from lamb producers and feeders, farm and other organizations, State and local government officials and agencies, land-grant colleges and other university representatives, consumers, meatpackers, livestock and meat marketing agencies and institutional purchasers. The preponderance of the views received was for continuance of the Federal grading of lamb and mutton.

In fairness to the American consumer, and the small businessman, I would hope that in the future grade standards could be revised to the satisfaction of those concerned without proposing anything as drastic as the abolition as a protection as important as the Federal grading on meat.

PERSONAL ANNOUNCEMENT

Mr. CURTIS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CURTIS of Massachusetts. Mr. Speaker, on rollcall No. 117, on Monday, July 27, on the passage of the bill H.R. 7072, to provide for the participation of the United States in the Inter-American Development Bank, I was unavoidably absent. Had I been present and voting I would have voted "yea."

HAWAII

Mr. DOOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SAYLOR. Mr. Speaker, today the voters of Hawaii will go to the polls to cast their votes for their first State officials, and their first representatives in Congress. They will take the last step to bring to a final, successful conclusion the long, long struggle for equal treatment, for fair play, for a full sharing of the rights and the obligations of American citizenship as a member of the sisterhood of States.

It was a struggle in which some of us in this House gladly participated because we felt that Hawaii's cause was just. The final attainment of statehood for Hawaii will be a great day, not just for the people of Hawaii, but for many of us here also. Statehood will benefit Hawaii, but not only Hawaii. The whole Nation will gain when Hawaii is brought into full participation in the affairs of the Nation.

As Hawaii's voters go to the polls, I feel sure they will know that the eyes of the Nation are upon them. This is their first real test of their ability to govern

themselves. The choices they make in this election, the men they elect to office, will play a major part in shaping the destiny of the new State during its early years.

During the long struggle for statehood, one of the major obstacles has been the charge of Communist influence there, particularly among the leaders of the International Longshoremen's and Warehousemen's Union. We supporters of statehood have contended that communism, although it exists in Hawaii, has never and could never gain a predominant influence over the new State.

When the voters of Hawaii go to the polls today, they will have a chance to prove us right or wrong. They will have a chance to show how much influence the ILWU leadership has over their votes.

I want to read one paragraph from the most recent report of the Commission on Subversive Activities of the Territorial Government, dated February 28 of this year. This report states:

> In Hawaii the most significant number of persons who have been identified in the past as members of the Communist Party, who have participated in Communist activities, and who have pleaded the fifth amendment to questions pertaining to Communist activities are concentrated in leadership positions in the International Longshoremen's and Warehousemen's Union, Local 142, which is the most influential labor organization in the Hawaiian Islands. Like the top officials of the ILWU, headed by Harry Bridges, the Communist leaders in local 142 steadfastly have refused to deviate from their previous Communist attitudes, and have continued to cause union funds to be used to further Communist purposes, particularly in the field of propaganda. While the amount of Communist propaganda disseminated by the ILWU during the past 2 years appears to have been less than in former periods, it remains significant that still no instance has come to the attention of the Commission wherein the ILWU leadership, or the ILWU in its official publications, has taken a position opposed to that of Soviet Russia on any international issue.

Note that this is an exact quotation by a Hawaiian Territorial Commission, not by some stateside enemy of Hawaiian statehood. Note further that it casts no aspersions on the loyalty of the rank-and-file membership of the ILWU, but it does state flatly what we all know to be true—that many of the leaders of that union have followed the Communist Party line right down to the end of the road.

I do not believe the ILWU in Hawaii can control the votes of its members. It has not been able to do so in the past. Neither do I believe that an endorsement of a candidate by the ILWU leadership is necessarily helpful to that candidate. Such endorsements have failed to secure the election of candidates, many times in the past.

The voters will ask themselves, What has this candidate promised the ILWU leadership, in return for that endorsement? If he is elected to office, will he serve the people, or will he serve the ILWU leadership, who will claim credit for his election? This is the test.

If the voters will ask themselves those questions, they will systematically elect good Americans, of whatever race or creed, who have dared refuse to make commitments, open or secret, to the foreign philosophy represented by the ILWU leadership.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. DADDARIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DADDARIO. Mr. Speaker, I was happy last week when the House approved the conference report on the independent offices appropriations to note that two items of importance had been restored to the bill. I want to compliment the members of the committee on reexamining these items, both part of the budget of the National Science Foundation.

One concerned the program for translation and dissemination of scientific information. This is most important to the progress of our scientific effort, as the distinguished chairman of the House Committee on Science and Astronautics pointed out when the appropriations bill was under consideration in the House. Since the consideration of the bill in the House, our committee has taken additional information on these programs which emphasizes the need for sharing among our scientists the knowledge of research elsewhere.

The other item is one that had not been considered by the Science Committee and I should like to direct particular attention to it as I consider it vital to our national welfare. It is a provision for a planning and feasibility study for a National Institute for Atmospheric Research. When this budget was first submitted to the Appropriations Committee, I believe insufficient information was available on which to judge the need. This might have been remedied had the plan been studied by our committee, but the executive branch had approved it and the Bureau of the Budget had approved it.

Without a convincing case, the Appropriations Committee did not see fit to provide this $500,000 item. Immediately thereafter, however, many distinguished scientists who knew how important this program is, brought their views to the attention of the Senate. There also became available the report of the University Committee on Atmospheric Research, which outlined the entire plan in detailed fashion.

The problem is the insufficient basic research now carried on in atmospheric studies. These studies must be directed at the global nature of the question, using modern equipment and the best scientific talent available. They must learn more about atmospheric motion, energy exchange processes in the atmosphere, water substance in the atmosphere, and physical phenomena in the atmosphere.

Any such scientific program must follow many avenues. There is in progress, for instance, a precollege atmospheric science center at Loomis Institute, in Windsor, Conn., to acquaint some 30 gifted secondary students with the atmosphere as a subject for scientific study. Many other conferences and exchanges have been carried on.

It is remarkable how little we know about the climate and atmosphere of our universe. It is a major part of our environment. It influences the balance between plant life and animal life. Human and animal life is influenced in its evolution and progress by the actions of the atmosphere. Floods, hurricanes, tornadoes, drought, frost, and air pollution have wrought havoc and caused staggering economic losses. If we can know more, we may be able to understand them better and predict with greater certainty.

The atmospheric scientists know what areas, what mysteries they must solve. The answer is, it is believed, basic research. This is something that can best be done through the medium of a national institute, just as we have them now engaged in probing medical problems. The limits, the definitions, the work of a National Institute for Atmospheric Research is what the planning must authorize.

I want to commend the atmospheric scientists who have done the preliminary work in preparing for this work. Among their number is Dr. Thomas F. Malone of the Travelers Insurance Co. in my district, who was a member of the planning staff. I have been impressed by the conscientious way in which this committee assembled its case and I am hopeful that this appropriation item that we have approved will pay rich dividends in weather knowledge. Among the benefits that can be realized from such research are improved weather forecasting, safety of transportation, and more adequate management of fresh water resources.

While I believe that our atmospheric scientists are doing an excellent job, I would be remiss in not pointing out that the U.S.S.R. already has two atmospheric research institutions that are of comparable size to this proposed facility and several smaller ones. Again, let me say that Congress has taken a most forward step in approving this legislation.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the mutual security bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

FEDERAL RESERVE BOARD HIGH INTEREST POLICIES NO CURE FOR INFLATION

The SPEAKER pro tempore (Mr. THORNBERRY). Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 60 minutes.

Mr. ROOSEVELT. Mr. Speaker, 2 years ago the administration and the Federal Reserve Board gave the Nation

their answers to the problems of inflation. At that time, the White House let it be known unofficially that a small recession might not be too bad a cure—that a measure of joblessness was a small price to pay for price stabilization.

So obvious was this position that the New York Journal of Commerce stated editorially at the time:

> The evidence now points to the conclusion that both the administration and the Federal Reserve authorities believe that a "moderate recession now" would be a small price to pay for avoidance of another bust later on.

In this attempt to "brake the economy," the Federal Reserve with the encouragement of the administration, tightened money and restricted credit. The results are history.

The recession of 1958 saw joblessness soar to almost 7 percent of the labor force. Frightened by what it saw the FRB loosened the money reins by successively lowering the discount rate until it reached a low of 1.75 percent.

With money easier, and with the aid of emergency housing legislation, the economy began to pick up. Hardly had the recovery begun to gain momentum, however, when the administration started to yell "fire." The FRB responded to the cry almost as if it were governed by a set of conditioned reflexes. In successive steps, the money supply has been tightened with the result that interest rates are soaring into the stratosphere.

This time there was a big difference from the situation following the recovery from the 1953–54 recession. Then money was comparatively cheap and far more easily available.

During the 1958 recession, interest rates only leveled off. Even at the low point, the prime rate—interest charged to the blue chip corporate borrowers—dropped only to 3.5 percent while rates to other borrowers remained significantly higher.

Last September, the FRB raised the discount rate by a fourth of 1 percent to 2 percent. Chase National immediately fulfilled its role in the tight money game by raising the prime rate to 4 percent. Like good soldiers, other banks met the competition by raising their rate to the same level.

Since then, it has been a matter of the prime rate and the discount rate chasing each other. Today, even the blue chip borrower must pay a minimum of 4.5 percent for money. For the small businessman and the home buyer, the price of money already is almost out of sight.

Despite recovery and our newly restored prosperity the worst disease of the recession remains with us. While joblessness is not nearly so serious as it was a year ago, we can hardly be happy with the picture. Something decidedly is wrong when, in a period of prosperity, a jobless rate of almost 5 percent persists.

Obviously, the rate of economic growth is inadequate. While I do not intend to dwell on this subject, the fact is that any policies that further restrict economic growth can cause unemployment to snowball. With ever increasing numbers of our youth entering the job market, the one thing we do not need is another recession.

Yet, the administration and the Federal Reserve are back at the same old stand. Their prescription for the Nation has not altered one whit in the past 7 years although this period has been punctuated by two recessions. They seem to fear economic growth and progress almost as much as they fear depression. In this day when boldness and imagination are needed in places of high policy, they walk with trembling steps. These men of little faith would anchor the Nation to the rock of hard money regardless of the consequences. Together with the Nation's financiers, they have hoisted the solid gold standard at the masthead of the ship of state.

Although prices have remained stable for the past year, the tight money policy is being pushed harder than ever. The fact is that except for three periods, there has been reasonable price stability during the postwar period. Two of these three periods when the greatest price rises took place were directly related to wartime policies.

I would like, for just a moment, to go back to the immediate postwar period. Then, if you remember, the very same groups who now are screaming about the need for tight money and high interest rates, screamed loudest about ending price controls.

Controls were ended prematurely and all of us know the consequences. Prices zoomed and neither Federal budgets nor workers' wages had anything to do with it. All of us remember the gray markets of those days—how it was necessary to pay far above list price for an automobile, with part of the payment made under the table.

Then came Korea. All of us know what happened then. Once again prices moved sharply upward and once again none of the reasons now given the American people as the cause of inflation entered into the picture.

In 1956, prices began to inch upward. This was the start of the tight money period. Yet, the harder the money brakes were applied, the more prices seemed to rise. It was not until the recession that prices stabilized.

It would be wise to note where we stood in the way of budgets, taxes, and Government expenditures during the periods when prices rose the most.

Right after the war, Government expenditures were cut back sharply. This was a period of huge budget surpluses. In 1947, the surplus was $19.4 billions and in 1948, the surplus was $7.3 billion. Again in 1951, when prices were rising, there was a budget surplus of $7.6 billion.

By all that is holy to the administration and the Federal Reserve, these should have been times of price stability. They were, instead, the worst periods of price instability in the postwar era.

In the past year we experienced our worst peacetime budget imbalance. Yet prices remained stable. Only recently, the Commerce Department boasted that almost every bit of the rise in personal income during the past year was real because of price stability. Then, in the next breath, the Department proclaimed runaway inflation.

President Eisenhower has declared that inflation will be the big issue in 1960. I would warn the President that if present monetary policies are continued, unemployment and recession may well again be the big issues. I would also advise the President, the Vice President, the Cabinet, and the Federal Reserve Board to consult their experts before issuing further reports on inflation.

On July 13, the New York Times carried a front page article by Edwin L. Dale, Jr. I would like to quote the lead paragraph of that dispatch:

> Economists here are taking heart from a little noticed development in the price indexes—a period of stability in the industrial wholesale prices that has now lasted 3 months.

I do not know exactly which economists Mr. Dale was referring to, but I think that I can safely assume that they included Government experts.

At its recent 43d annual meeting, the National Industrial Conference Board heard a different story on inflation from that being put forward with Madison Avenue sincerity by our tight money men. The economists addressing that meeting were far more concerned with growth than with inflation.

One of those addressing the NICB was Mr. Samuel M. Cohn. Mr. Cohn came with good credentials. He is, after all, Chief of Fiscal Analysis of the Bureau of the Budget. As all of us know, this key agency is much concerned with Government financing and debt and its Chief, Maurice Stans, has often taken up the tight money cudgels.

Yet Mr. Cohn stated that while prices might go up as much as 1 percent per year through 1964, they certainly would not go up as much as 2.5 percent, the average rise since the end of World War II.

The sharp postwar price rise was attributed by Mr. Cohn largely to the "fact that we were making up for depression and war years." He declared that the conversion to a peacetime economy, then to the wartime footing of the Korean emergency and then to the cold war had more to do with past price rises than other factors.

Mr. Cohn was not alone in his view toward inflation. Prof. Albert Hart, of Columbia—President Eisenhower's domain before his present White House job—also felt that prices would probably not rise more than 1 percent per year in the next 5 years.

Professor Hart was much more concerned with growth than with inflation. The problems of inflation, he said, are "small compared with such economic problems as inducing healthy growth overseas, getting rid of armaments loans and coping with the tendency of our growth to strangle itself through congestion."

Now I am not saying that America has no problem of inflation. All of us have felt higher prices in the pocketbook nerve. But, I might add, that the past year of recession cost the American people and their economy far more dearly

than any 1-percent rise in prices. In fact, if this kind of absolute price stability can be achieved only through recession or depression, then America had better be prepared to accept other answers. Personally, I believe that with intelligent Government policies we can have both growth and reasonable price stability.

I might add, that on an overall basis, America's performance on prices has been better than that of almost any other industrial nation. I do not mean that we should be in the least satisfied with the performance, but I think that we need perspective on the whole issue before we choke ourselves with policies that we may long regret.

Part of the administration's problems seems to be one of identification. Apparently, it has identified land and stock market speculation with the condition of the economy. In its apparent anxiety to dull speculation, it has issued warning after warning about the need to halt inflation. Each pronouncement about the inevitably of further inflation has been followed by another degree of speculative fever.

When the Federal Reserve signaled its return to tight money last August, it declared that its object was to "arrest inflation." So far as the stock market is concerned, the opposite has happened. FRB policy, in fact, has been an excuse for worse excesses.

The moves, moreover—

The Wall Street Journal declared as the FRB shifted gears—

seem to have stirred up, rather than quieted down, the fears of future inflation, putting board members in the unhappy position of knowing that new credit restraining actions are likely to convince people that inflation is even more imminent and to drive people to busier steps to avoid its impact.

Obviously, today's speculation is unhealthy. And it might well pay for the Congress to take a look at where it is going. The uncontrolled land boom of the past several years has driven up housing costs more than any other single factor. Manipulation of land values is adding to inflation but I have not heard concern about this from the high places.

There is no doubt in my mind that the Federal Reserve can cause a switch from stocks to bonds with its tight money policies. All it has to do is to continue to drive up interest rates. Inevitably, it will drive up bond prices in the process and cause a transfer from stock to bond speculation. I doubt that this would be any more healthy than the present forms of speculation.

Such a policy would inevitably leave the small stock investor with losses he can ill afford. Further, the process could be exceedingly painful and might bring on another recession as the tight money noose is drawn still tighter.

The 1958 recession was accompanied by rising business failures, caused at least partially by the inability of the small businessman to get loans. The best way I know to restore this condition of Eisenhower stability is to continue on the present road of costly money and restricted credit.

Big business will not suffer greatly from tight money; it rarely does. It will resort even more to internal financing and, if necessary, it will jack up its prices to get the money it requires. All tight money does, so far as the big enterprise is concerned, is add one more incentive for higher prices.

Interest is always a cost of doing business. For the big businessman it is a cost applied before taxes and the bite of tight money really does not hurt too much even if he must resort to borrowing in the marketplace. As in the past, it will be the little businessman who will be driven to the wall and, in the driving, the big will gobble up the small at an accelerated pace.

A short time ago, the three largest "independent" finance companies announced that they would henceforth charge dealers 5 percent instead of 4.5 percent to finance their inventories of automobiles.

Such interest charges are one of the major costs to auto dealers. Inevitably, as competitive conditions permit, the higher costs brought about by higher interest charges will be passed on to auto buyers.

High interest robs the consumer in much the same way as inflation. The home buyer who now pays 1 percent or 2 percent more for money than a year ago will shell out from $2,000 to $4,000 over the period of a 20-year mortgage.

The Wall Street Journal has reported that the impact of tight money is "spreading to more and more businesses and beginning to touch more consumers." It reported that banks are increasing interest charges and that loans are becoming harder to get. Already, tight money has caused a leveling out in home construction and mortgage seekers are being forced to hunt harder for scarcer money at higher prices.

With interest rates at their highest level since the roaring twenties, interest is taking an increasingly bigger bite out of each consumer dollar. Today, the average family pays more for interest than for personal care or religion, and as much as for recreation.

The high cost of tight money can no longer be ignored. Mr. Eisenhower to the contrary, I predict that if present monetary policies are continued the high cost of money will be a chief issue a year hence.

Thanks to tight money and fiscal policies that ignored the Nation's needs, the last recession was longer and deeper than any of the postwar period. Because of the recession—rather than any Government extravagance—the Nation suffered a budget deficit of $12 billion in the last fiscal year.

As all of us know, the deficit has been used as an excuse for tight money policies although there is small proof that there is any connection between it and inflation. Now that the administration has found itself in a box of its own making, it is demanding a free hand on bond interest rates so that it can properly manage the Nation's debt.

Money has become so tight as a result of current policies that even short term Treasury bills can be sold only if they bear an interest rate of 4.75 percent. This is preposterous. Obviously when short term bills bear such an interest rate, long term financing through the sale of bonds within the present 4.25 percent ceiling becomes an impossibility.

Present financing of Government debt is without doubt inflationary. The short term bills issued by the Treasury have aptly been termed "kissin' cousins" to greenbacks.

The Treasury and Reserve have a solution to the liking of our bankers. That answer is to lift the roof from Federal bond interest, and we now have a proposition to that effect before the Congress.

The world envisioned by the administration is indeed one of fantasy. It is a world in which the U.S. Government will be forced to compete for funds in an open market where money grows increasingly tighter and where interest rates go ever upward. In such a world, the U.S. Government could conceivably pay 6, 7, or even 10 percent for the funds it must have for normal operation. Nothing could be worse for the credit of the U.S. Government.

Millions of patriotic Americans have bought savings bonds at present interest yields. Imagine what the true worth of these bonds would be in a world where a long term U.S. bond pays 7 or 8 percent. Millions of Americans would be forced to cash their savings bonds to protect themselves. Certainly, they could use the cash to better advantage elsewhere.

The United States now has a debt of $280 billion. As this debt is refinanced, each percentage point rise in the cost of Federal borrowing would cost the taxpayer an additional $2.8 billion.

Already, interest is a tremendous cost item in the U.S. budget—second only to defense. The rise in interest costs to the Government has been eightfold since 1940. This rise has been twice as great as the increase in Government debt, largely because of suicidal tight money policies.

Despite the apparent philosophy of the FRB, the people of the United States are the best guarantee of the Nation's credit. Certainly, if the people of the United States are willing to save by purchasing savings bonds, the credit of the Nation is worthy of the support even of the Federal Reserve.

Through proper use of its open market committee, the FRB can hold up bond prices and hold down interest rates. And—I might add—such action would not mean any policy of printing press money.

Certainly, the open market operation is far less inflationary than the present short-term bill operation. Further, there is ample evidence that the expansion of money supply and credit is needed now. In 1946, the money supply was half the gross national product. Today, for the first time in a full generation, the money supply is less than 30 percent of the total gross product. The FRB itself has admitted that money is tight throughout our banking system and the New York Times has reported that money is already well loaned out.

As my friend, Senator PROXMIRE, has pointed out in the other body of the Congress, these reports mean that:

The Federal Reserve Board, far from maintaining a neutral influence in a competitive money market, has been driving up the price of money—interest rates—by keeping down the supply of money as the demand has soared.

Dag Hammarskjold, the respected United Nations Secretary General, has added his voice to those who have recently warned against overemphasizing price stability at the cost of economic growth. Mr. Hammarskjold declared that he is not as optimistic about the future as he might be because of the priority being given to such stability.

Are we not—

He told the U.N.'s Economic and Social Council—

perhaps rather inclined to resolve the conflict between stability and growth too exclusively in favor of stability—to the detriment of the vigor and dynamism so characteristic of the world economy during the first postwar decade.

Today, in our own country, concern with price stability appears to have become an obsession that we drive up prices in extreme efforts to combat it. Obviously, the time has come to strike a balance. Our best hope for survival lies in growth and our best hope for long-term price stability also lies in optimum economic advance.

Instead of recognizing these economic facts of life, our present tight-money policies are reminiscent of McKinley and Mark Hanna. Certainly, we cannot hope to move forward with policies which were outmoded even at the turn of the 20th century.

I am convinced that the Federal Reserve Board is not using its powers judiciously. Its present policy has failed because this policy has not held down interest rates; has not maintained the stability of bond prices; and has not provided the Nation with the money and credit needed for expansion.

All of these objectives can be accomplished. And they can be accomplished without any undue risk of inflation. Judicious use of the Federal Reserve Board's powers need not mean reckless use. I would reemphasize that a healthy economy requires a money supply that increases in a manner consistent with that economy's growth.

Today, the Federal Reserve Board not only fails to understand this philosophy, but it even refuses to accept the possibility that its own outdated theories could be in error.

Only a short time ago, Treasury Secretary Anderson came before the Ways and Means Committee with a demand that Congress give ground on the interest rate. When the Secretary accepted a compromise that would permit the President to lift the ceiling on Federal bond interest, he failed to realize the enormous power of the Reserve Board. Since the Secretary's testimony we have witnessed the pitiful spectacle of the administration beating a full retreat from its agreement even though the committee only proposed to give the President a power which properly should remain with the Congress.

It appears that the Federal Reserve Board does not want even to be guided by the views of the Congress of the United States. It is vehement in its opposition to an amendment—proposed by the committee—which, if enacted, would make it the sense of Congress for the Federal Reserve Board to bring about needed future monetary expansion by purchase of U.S. securities of varying maturities. In this connection, may I say that our distinguished Speaker stated it aptly when he said, and I quote:

I have been forced to the conclusion that the Federal Reserve authorities have reached a point in their thinking where they consider themselves immune to any direction or suggestion by the Congress, let alone a simple expression of the sense of Congress. It appears that the fault of the suggested committee bill was not that the language itself was wrong, but that the Congress dared even to speak to the Federal Reserve, a creature of Congress.

To me, this action by the Federal Reserve indicates its complete willingness to throw the credit of the Nation to the tender mercy of the private bankers under any and all circumstances.

It is time for the Federal Reserve Board—and many other people of our country—to be reminded that our Reserve System was created by the Congress to free the United States and its people from the dominance of the private bankers, to support the credit of the Nation, and to assure an adequate supply of money and credit for an expanding economy.

It is time, too, for all of us to realize that the Federal Reserve Board is the only central banking system of any major nation that does not now support the securities of its government.

In the light of our present monetary policies, I believe that the Federal Reserve Board's much-vaunted independence has gone too far. There is such a thing as too great an independence of Congress in the case of an agency created by it.

When the needs of the people become secondary in the operation of such an agency, it is time for the Congress to take a good look at the creature that it created. Independence for the Federal Reserve, I am sure, never meant that the FRB was to further the interests of a banking community that reacts to high interest rates like a bee does to honey.

I am convinced that Congress must accept its responsibility for the Federal Reserve Board's actions. We must look at these actions and determine whether or not they are in the best interests of the people or, as I suspect, solely in the interests of the FRB's most ardent supporters—the bankers.

This Congress must take such a look at the Federal Reserve. We need to conduct—as soon as possible—a full-fledged investigation of the FRB, an investigation that will study the Board's operations and policies in relation to a promotion of the Nation's best interests.

Such an investigation must also consider the possibility of new and needed legislation. Legislation that will require the FRB to support growth policies beneficial to the Nation.

Congress, it is true, has been termed by some critics as investigation happy. Nevertheless, the far-reaching effects of the Federal Reserve Board's tight-money policy cannot be overstated. Here, indeed, is an area that plays a vital role upon our entire economy and upon each one of us as individuals.

An investigation of our Nation's present tight-money policy and those who establish, control, and administer this policy is long overdue. Only such an investigation can help us to terminate an economic argument whose final outcome has a direct bearing on our future survival and prosperity as a free nation.

POSTAL SUBSIDY LIMITATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I am today introducing a bill to place an annual limitation on publishers' second-class mail subsidies.

The bill provides that the annual postage paid by any publication be equal to the Post Office Department's annual cost of receipt, handling processing, transporting, and delivering of the publication to its subscribers by mail, subject to a 5-year sliding-scale subsidy-limitation formula.

During the first year after enactment, Department costs may not exceed by more than $5 million the actual postage paid by any individual publication. During the second year, this subsidy would be reduced to a maximum of $3 million; the third year to a maximum of $1 million; the fourth year to a $500,000 maximum; and in the fifth year and thereafter, to a $100,000 maximum subsidy per year for each publication. Once the subsidy limit is reached for any publication during any year, the full rate necessary to cover the Department's costs for that publication would go into effect.

In the last Congress the House adopted an amendment which I offered to H.R. 5836, the postal rate readjustment bill, limiting publishers' postal subsidies to $100,000 a year for each second-class mail user. Enforcement was based on revenue and cost data determined under the Department's cost ascertainment system—CONGRESSIONAL RECORD, volume 103, part 11, page 14612.

The magazine publishers' lobby conducted an intensive behind-the-scenes campaign against the subsidy-limitation amendment in the other body. They did not dare to present their views to the public through their publications, fearing that the public would react against them and demand that postal subsidy abuses be halted. Information concerning the subsidy-limitation amendment

was carefully kept from their readers as the precious freedom of the press right gave way to economic self-interest.

The amendment was subsequently eliminated from the version of the bill reported by the Senate Post Office and Civil Service Committee. A subsidy-limitation amendment was then offered during floor debate in the other body, cosponsored by the distinguished Senator from Pennsylvania [Mr. CLARK] and the distinguished Senator from Wisconsin [Mr. PROXMIRE]—CONGRESSIONAL RECORD, volume 104, part 3, page 2981. This amendment was rejected on a 57–33 rollcall vote in the other body and the House subsidy-limitation amendment was finally eliminated from the conference version of the bill.

In testimony before the committee, publishers argued that the sudden imposition of the $100,000 annual subsidy limitation would have a severe impact on some publishing houses and would penalize those publishers having more than one magazine, since the limitation applied to the mailings of each individual second-class mail user. Opponents also said that the cost-ascertainment system was not accurate enough to permit enforcement of the amendment.

Mr. Speaker, I have tried to meet these objections in the present language of the bill being introduced today. The $100,000 subsidy limitation would not be reached for 5 years, until after a gradual scaling down of the annual subsidy per publication from a maximum of $5 million during the first year to $3 million in the second, $1 million in the third, $500,000 in the fourth, and, finally, in the fifth year and thereafter, when the $100,000 limit would apply.

Moreover, the bill does not rely on the cost ascertainment system for enforcement data. Its enforcement is based on the data developed under section 105 of the Postal Policy Act of 1958—Public Law 85–426. This section reads as follows:

SEC. 105. (a) The Postmaster General is authorized and directed to initiate and conduct, through the facilities of the postal establishment, either on a continuing basis or from time to time, as he deems advisable, but not less often than every 2 years, a review of the postal-rate structure and a study and survey of the expenses incurred and the revenues received in connection with the several classes of mail, and the various classes and kinds of services and facilities provided by the postal establishment, in order to determine, on the basis of such review, study, and survey for each class and kind of service or facility provided by the postal establishment, the need for adjustment of postal rates and fees in accordance with the policy set forth in this title.

(b) The Postmaster General shall submit to the Senate and the House of Representatives not later than April 15 of each alternate fiscal year, beginning with the fiscal year ending June 30, 1960, a report of the results of the review, study, and survey conducted pursuant to subsection (a) of this section. Such report shall include—

(1) information with respect to expenses and revenues which is pertinent to the allocation of expenses and the determination and adjustment of postal rates and fees in accordance with the policy set forth in this title; and

(2) such other information as is necessary to enable the Congress, or as may be required by the Congress or an appropriate committee thereof, to carry out the purposes of this title.

Of course, in the Postal Policy Act of 1958, Congress established several new principles and standards with respect to the determination of the postal-rate structure. They included such factors as the form of preparation and presentation of mailings by mail users, the value of the mail, the value of time of delivery of mail, and the quality and character of the service rendered in terms of priority, secrecy, security, speed of transmission, and other similar considerations.

It is possible that the application of these new principles and standards will modify the earlier Department's estimates of publisher's subsidies. The study of the rate structure provided in section 105 of the act would certainly produce the accurate data necessary to enforce the subsidy-limitation provisions of my bill.

The bill would avoid possible hardship to a publisher having more than one magazine by applying the subsidy payments for each year to each individual publication. For example, during the first year of operation of the program, Time, Inc., could have up to $5 million subsidy for Life, $5 million for Time, $5 million for Sports Illustrated, and $5 million for each of its other magazines.

This is not a new or unique proposal which I offer in this bill. In the past we placed a limitation on soil-bank payments and restricted fast tax writeoffs. Only recently we voted to place a limitation on the amount of Commodity Credit loans, on tobacco price-support loans, and wheat loans. Why was this done? Simply because the program was being abused to a point where it distorted its original purpose. If we apply the principle of subsidy limitation to these farm programs and in other areas of our economy, is it not also proper that we limit subsidies to second-class mail users, where abuse is also prevalent?

Mr. Speaker, let us examine the volume, revenue, and cost of second-class mail so that we may have a better understanding of the scope of the subsidy problem. According to the latest data available from the Post Office Department, for the fiscal year ending June 30, 1958, over 7 billion pieces of second-class mail, weighing 2.6 billion pounds, were handled and delivered by the Department. Total revenue received from this type mail was $65.6 million, 0.9 cent a piece, or about 2½ cents per pound. When contrasted with first-class mail for the same fiscal year, we see that first-class mail users paid more than $1 billion in postage, 3.4 cents a piece, or about $1.19 per pound.

During the past 12 years, second-class mail has incurred a total deficit of some $2.5 billion, about two-thirds of which is attributed to newspapers, magazines, and other periodicals published for profit. Of course, some $76.5 million of the second-class deficit results from the so-called public-service items set forth in section 104(a) of the Postal Policy Act of 1958. These include free-in-county mail, reduced-rate mailings for newspapers and periodicals of nonprofit organizations, and publications for religious and classroom use.

According to the most recent cost ascertainment data from the Post Office Department, second-class mail has total adjusted revenues of $101.1 million and adjusted expenditures of $382.4 million, or a total deficit of $281.3 million resulting from rates far below the actual cost to the Department of handling and delivering second-class mail. If the "public service" deficit of $76.5 million is deducted from the total deficit, it still leaves more than $200 million in annual subsidies for profitmaking second-class publications, divided between newspapers and magazines.

The Post Office Department has been extremely reluctant in furnishing revenue and cost data of these publications. Such data was supplied to Congress several years ago, based on selected issues of the largest circulation magazines during the 1954–56 period. These figures were compiled by the Division of Cost Analysis, Bureau of Finance of the Post Office Department. Under unanimous consent I ask that they be made a part of the RECORD.

(See exhibit I.)

Mr. RHODES of Pennsylvania. Mr. Speaker, it should be noted that the 10 magazines listed in the table had a combined subsidy of some $32 million. Moreover, the circulation of these publications has increased over the past several years, thereby adding to the size of the subsidy they receive. Many other large circulation publications were not included in this survey.

As I have pointed out in the past, Mr. Speaker, these subsidies are carefully hidden in the overall bookkeeping operation of the Post Office Department as they are balanced out against the profit made in handling first-class mail. This fact and the reluctance of the Department in furnishing Congress with more recent subsidy data for individual magazines is revealed in the following exchange between our colleague, the gentleman from New York [Mr. PILLION] and the Assistant Postmaster General, Bureau of Finance, Mr. Hyde Gillette, during this year's hearings before the Subcommittee on Treasury-Post Office Department of the House Appropriations Committee:

Mr. PILLION. In that second-class mail loss could we have inserted in the RECORD the amount of loss arising from these magazines of profit organizations and the amount of loss accruing from newspapers published by profit organizations?

Mr. GILLETTE. Mr. Congressman, we do not have the loss broken down by those categories although we have attempted to provide this information for previous testimony on rate hearings, but I can give you this figure which may be helpful to you. That is that the revenues and expenditures for second-class mail, adjusted to include the final effect of rate increases and subsequent cost increases, based upon 1957 cost ascertainment figures already published, show that second-class mail has adjusted revenues of $101.1 million and adjusted expenditures of $382.4 million, or a total deficit of $281.3 million, which is the deficit re-

sulting, as I stated earlier, from postage rates far below the actual cost of handling second-class mail.

Mr. PILLION. In other words, magazines as a whole bring to the taxpayers of this country losses that may well run into a hundred million dollars or more. Is that a correct or incorrect statement? By that I mean annually.

Mr. GILLETTE. Mr. Chairman, it is true that magazines probably pay more than a hundred million dollars less than the cost of handling them, but part of that is offset by the extra amount that the first-class mail pays over and above its fully allocated cost, so that the net effect is not carried through directly to the deficit. (Hearings, p. 107.)

Mr. Speaker, let us examine the impact which the Luce publications—Time, Inc.—have on the postal establishment, since Life magazine receives the largest single postal subsidy estimated at some $9.4 million during 1956. Time, Inc., publishes three weeklies—Time, Life, Sports Illustrated—and three monthlies—Fortune, Architectural Forum, House and Home. They had a combined circulation per issue of 8.75 million copies or about 438 million copies a year, based on the 1956 circulation. About 86 percent of the total number of copies were carried through the mail to subscribers at a staggering loss to the taxpaying public. I would estimate that these subsidies, or Federal aid to the Luce publications cost the American taxpayers more than a million dollars a month.

During 1956, Life magazine had a weekly circulation of 5,714,310 copies, about 4,800,000 of which were carried through the mails. This amounts to some 249,600,000 copies having a combined weight of more than 280 million pounds.

Since mail carriers now carry a maximum of 35 pounds of mail in their mailbags, it would take 8 million carriers, each carrying the maximum weight, to deliver the annual circulation of Life magazine alone. Or, to put it another way, if these 8 million mail carriers carrying Life walked in single file they would stretch from New York to San Francisco and back. There are approximately 102,000 city mail carriers now employed by the Post Office Department, so that each one of them would have to carry 80 mailbags filled with Life magazine during the year to deliver this literally staggering load.

Yet, Life paid postage amounting to only $144,000 per issue, while the estimated cost to the Department in handling and delivering the magazine per issue was $323,000, or a subsidy of $179,000 a week. On the basis of 52 weeks, the annual subsidy to Time, Inc., on just this one magazine was about $9.4 million in 1956. Subsidy figures for the other Luce publications have never been made public, thanks to the cooperation of the Post Office Department.

In 1956 Life had an advertising revenue of $137.4 million, almost 15 percent of the total magazine advertising revenue for that year. For the year Life carried about 3,700 pages of editorial matter and 4,400 pages of advertising, or about 54 percent advertising. Its average weekly advertising revenue amounted to more than $2.6 million. Adding the subscription and newsstand revenue, the total revenue per issue of Life during 1956 totaled almost $4 million. Yet each issue was carried by the Post Office Department at a loss of $179,000.

Time, Inc., had a net profit of $13,850,000 in 1956. Earnings on a share of its stock—worth $70—were $7.10. A letter to stockholders in January 1957 said that "profits derived principally from our magazines made 1956 our best earning year" and went on to say "we believe that the level of earnings attained by Life in 1956 has never been equaled by any other magazine in the history of publishing."

Mr. Speaker, I submit that it is not unreasonable to require that the publishers of Life, Time, Reader's Digest, the Saturday Evening Post, or any other magazine receiving the large postal subsidies, pay a fair share of the cost of handling and delivering their magazines.

Actually, the subscribers to these magazines would eventually pay for the increased postage costs if the subsidy-limitation legislation were enacted. Such costs are deducted from the publishers' income taxes as legitimate business expenses. I do not feel that it is unreasonable for subscriber to pay a few cent more for a copy of Life or any other magazine in order that this costly subsidy be brought under control. This would be far more fair than to waste the tax dollars of millions of Americans who do not care to subscribe to these magazines.

There are those who will say that the three annual 10 percent increases in editorial and advertising content of publishers' second-class mail, enacted last year and effective January 1, 1959, 1960, and 1961, will correct the subsidy abuses by substantially reducting the losses to the Department in handling and delivering newspapers and magazines.

The truth is that these increases will scarcely make a dent in the subsidies when we consider the increased circulation of the publications during this 3-year period. According to the statistics contained in the Senate Post Office and Civil Service Committee Report (S. Rept. 321, 85th Cong.), publishers' second-class mail brought in $52 million during 1957. The additional revenue produced by the three annual 10 percent rate increases would be only $25.3 million, or some $8.5 million a year. This annual total increase under Public Law 85-426 is less than the deficit for Life magazine alone for a year. Even after all three incremental rate increases were effective, the second-class postal subsidy for newspapers and magazines would still be near the $200 million mark a year.

Yet, Mr. Speaker, despite the fact that these publications themselves receive such tremendous subsidy handouts, many of them continually criticize others in our economy who are assisted by programs enacted by Congress. We recall the numerous editorials in Life magazine attacking the farm program and suggesting that small marginal farmers "go to town and work at a useful job." Readers' Digest has often condemned Federal grant-in-aid programs and other newspapers and magazines have been free in their criticism of various subsidies which benefit other groups or individuals.

Certainly, any publication has the right to criticize or write whatever it wishes under the "freedom of the press" guaranty in our Constitution. The only point I am making is that it is rather inconsistent, to say the least, for them to continue to accept the tremendous postal subsidy handouts they receive from the Federal Government, while condemning subsidies which go to other segments of our economy.

Mr. Speaker, my bill offers a fair and workable solution to the subsidy problem. If the Post Office Department is genuinely concerned with reducing the tremendous postal deficit, estimated at close to $500 million for fiscal 1960, it will favor the House Post Office Committee with a prompt and favorable report on this bill so that hearings may be held in the near future.

Of course, the administration has recommended another 1 cent increase in first-class mail rates to bring in an estimated $350 million during the present fiscal year. I vigorously oppose this unwarranted increase, which is nothing more than an obvious attempt to hide the huge deficit resulting from subsidizing profit-making newspapers and magazines, as was admitted by Assistant Postmaster Gillette during the House appropriation hearings.

I wish to point out that all publications do not approve of postal subsidy payments. Among these is the Philadelphia Inquirer, which published in its June 29, 1959 issue an interesting editorial, "Don't Penalize First-Class Mail." I include the editorial as exhibit II at the conclusion of my remarks and under unanimous consent include it in the RECORD.

The editorial points out that "magazines are being offered at subscription rates so low that they are practically giveaways," and goes on to say that under these circulation policies "second-class mail will in a few years be bogged down by a perfectly stupendous load of magazines." I agree also with the writer of this editorial when he says that "with mounting quantities of magazines in the mail the postal deficit would be astronomical."

We have all received at our homes dozens of solicitations from large magazine publishers, offering these cutrate, long-term subscriptions. The envelopes are usually filled with bargain stamps, discount certificates, and other promotional gimmicks. Of course all of this material comes through the mail as bulk rate third-class mail, which, of course, is also handled at a loss by the Post Office Department and which is not figured in the subsidy data previously referred to in my remarks.

Here is one from Look magazine, offering 38 issues—17 months—subscription worth $7.60 for only $4. Or, if you send in these stamps and certificate, they offer 40 issues, an $8 value, for only $4.

Here is one from Life magazine, which warns that the price of Life is going up from 20 to 25 cents a copy on the

newsstand. Subscribe now, it says. Get 39 issues for only $3.99, a cost of only 10 cents a week; 15 cents less than the newsstand price.

Another one from Reader's Digest says that the subscription price is going up from $3 to $4 a year, an increase of 25 percent. This was mailed the month the 10-percent increase in second-class postal rates went into effect, January 1 of this year. Act now, the advertisement says, and get 15 months' subscription to Reader's Digest for only $1.89. They enclosed 2 new pennies in the envelope as an additional promotion gimmick. Since the mailing was made under the bulk rate of 16 cents a pound, the 2 cents being given away to each potential customer would have just about covered the total cost to the Post Office Department of handling the mailing.

Here is another, offering the Saturday Evening Post for 60 weeks for only $4.79, less than 8 cents a copy, or $4.21 under the newsstand price. Another offer from U.S. News & World Report offers a 39-week subscription for only $3.67, when the usual newsstand price is $9.75.

True Story magazine is offered for 28 months for only $3, or $4 under the newstand price. Time magazine is offered for 27 weeks for only $1.97, a saving of $1.66 over the regular subscription price. There are similar "giveaway" offers for virtually every large circulation magazine in the country.

As is pointed out in the Philadelphia Inquirer editorial, these magazines are encouraging mail subscriptions and discouraging newsstand sales and have been doing so for the past several years. The reason is obvious. They know a good thing when they see it. Why pay newsdealers markup profit when the magazine can be sold through the mails at a fraction of the cost because of the generous postal subsidies provided by the American taxpayers?

There is also another important reason. Publishers sell their advertising on the basis of guaranteed circulation. The more subscriptions they can sell for 1, 2, or 3 years' duration, the higher they can charge for their advertising space.

Saturday Evening Post recently announced that its advertising rate base had increased from 5,600,000 to 5,800,000 and that the cost of a black and white page of advertising under the new rates will be $25,285, without discounts, as compared with the previous rate of $23,475. Volume discounts under the new rates were raised to 22 percent.

At the same time, Curtis Publishing Co. President Robert E. MacNeal announced that the company may set a new record in gross revenues for 1959 of more than $200 million and may exceed the 1957 record of $206.5 million.

The same general upward trend in the advertising and revenue patterns for this year also holds true for most other large publishing houses which enjoy the multimillion dollar postal subsidies. The publishing business is booming in terms of circulation, advertising revenue and profits. It is not a shoestring business operation which must be subsidized to exist, as was once the case.

Mr. Speaker, postal subsidies for magazines and newspapers were first established some 80 years ago. The purpose was to disseminate news and information among our people during a period when travel was difficult, communication slow, and the geographical differences great. The public interest has benefited over the years from these subsidies and, as a result, the publishing industry has flourished.

Today, there are other mass media of news and information such as radio, television, and motion pictures. Modern transportation, greater educational opportunities, and cultural advances have also helped to bring the Nation closer together. I do not say that these publications no longer have cultural, educational, and news value to the American public. All I am saying is that there should be a limitation placed on the amount of subsidy they receive from the taxpayers as a whole.

It is not easy to advocate the elimination of any subsidy, particularly one which affects the powerful newspaper and magazine industry with its pipelines into every American city, town, village, and hamlet. But the time has come, Mr. Speaker, in fact it is long overdue, for Congress to show some courage by standing up to the publishers who reap the big profits from postal subsidies at taxpayers' expense and by voting to place a reasonable limitation on these subsidies.

EXHIBIT I

Volume, revenues, and estimated handling costs of selected 2d class publications, based on 1 issue for the year 1956

Publication	1 issue					
	Weight (pounds)	Copies	Postage at present rates	Cost of handling	Excess of costs over postage	Estimated annual loss
Life	5,410,000	4,775,000	$144,000	$323,000	$179,000	$9,310,000
Saturday Evening Post	3,095,000	3,106,000	67,000	184,000	117,000	6,087,000
Reader's Digest	3,829,000	9,163,000	90,000	438,000	348,000	4,172,000
Ladies' Home Journal	5,835,000	3,706,000	128,000	287,000	159,000	1,917,000

NOTE.—In all cases costs were based on average cost factors computed for a subgroup of publications applied to volume data for each publication, and not on individual traffic studies and cost factors attributable to each specific publication.

Source: Post Office Department, Bureau of Finance, Division of Cost Analysis, Cost Ascertainment Branch.

U.S. Post Office Department estimated annual revenues and costs of selected leading magazines

Publication	Revenue [1]	Cost [2]	Difference (cost minus revenue)	Publication	Revenue [1]	Cost [2]	Difference (cost minus revenue)
Life	$7,485,000	$16,979,000	$9,494,000	National Geographic	$486,000	$1,821,000	$1,335,000
Saturday Evening Post	3,488,000	9,557,000	6,069,000	Good Housekeeping	881,000	2,175,000	1,294,000
Reader's Digest	1,082,000	5,891,000	4,809,000	Better Homes and Gardens	758,000	1,904,000	1,146,000
Look	1,534,000	5,016,000	3,482,000	American Home magazine	623,000	1,753,000	1,130,000
Ladies' Home Journal	1,530,000	3,449,000	1,919,000				
McCall's magazine	1,097,000	2,604,000	1,507,000	Total	18,964,000	51,149,000	32,185,000

[1] In general, the revenue estimates are based on data from administrative records covering the mailings of all issues of these publications for the month of March 1956, extended to annual revenues on the basis of the number of issues per year. For Life magazine, revenue estimates were based on mailings of the 1st 3 issues in March. Revenue and cost estimates for Better Homes and Gardens and Saturday Evening Post are based on issues for the month of November 1954, and for Reader's Digest these estimates are based on the November 1955 issue.

[2] A complete cost analysis of the publications listed in this table would require detailed studies at all points of entry and of the large number of delivery offices. Such analysis would of course be very expensive and time consuming; therefore, the estimates have been developed as outlined above.

Source: Division of Cost Analysis, Bureau of Finance, U.S. Post Office Department. The column showing the difference between cost and revenue was computed by the Legislative Reference Service, Library of Congress.

EXHIBIT II

[From the Philadelphia Inquirer, June 29, 1959]

DON'T PENALIZE FIRST-CLASS MAIL

It seems to us unfortunate that the Eisenhower administration has proposed, at this time, an increase of 1 cent in the rates for first-class mail and airmail. The present 4-cent letter rate is only a few months old. The suggested rise would take it to 5 cents and airmail to 8 cents.

This projected mail-rate boost comes at a time when magazine sales at newsstands have been greatly diminished and magazine publishers are exerting strenuous efforts to raise their circulations through mailed subscriptions.

It appears decidedly unfair that an increase in postal rates should apply only to first-class and airmail while users of second- and third-class mail continue to evade their fair share of mail costs.

Why magazine sales have slumped at newsstands we don't know. There could be a number of factors—competition of television, increased outdoor activities, new and

varied pursuits and hobbies taken up by many persons. But it is not very convincing for magazine publishers to say, in explanation of reduced newsstand sales, that people prefer to buy through yearly subscriptions rather than go to the newsstand.

If this is really the preference of magazine purchasers, they should be required to pay for this service.

The fact appears to be that in a number of cases magazines are being offered at subscription rates so low that they are practically giveaways.

Now, the obvious truth is that under such openhanded circulation policies second-class mail will in a few years be bogged down by a perfectly stupendous load of magazines. At higher mailing rates? Not if the magazine publishers can help it. They would be vastly pleased to let first-class postal rates go on making up the deficit for second- and third-class mail. And it can't be doubted that with mounting quantities of magazines in the mail the postal deficit would be astronomical.

Even when first-class mail was carried with a 3-cent stamp it paid its own way. During the present 4-cent era it definitely runs in the black and helps to defray part of the Post Office Department's losses on other classes of mail.

The Government is in the business of public service, not to show a profit. To raise letter mail to 5 cents would be an additional tax on this service. Furthermore, such a 25-percent increase should imply a considerable improvement in general postal service.

But the added time, effort, and expense which this proposed penny increase is supposed to cover would not be devoted to providing faster first-class mail delivery but to the handling of a greater amount of second- and third-class matter.

The Inquirer has always believed, and has said so many times, that the publication industry—that means newspapers, too—should pay its own way; that holds, also, for third-class mail. There is no reason why these should, in effect, be subsidized by higher rates on first-class mail. Such a levy is unfair, unnecessary, and inflationary.

The administration's higher rate schedule on first-class and airmail has been introduced, through the Post Office Department, in the Senate. It has not been offered to the House. But when it is, the proposal should be given a prompt heave-ho, out, by both Chambers of Congress.

Meanwhile, we believe the magazine publishers should carefully reappraise their subscription sales policies. If they are going to rely on the post office instead of the newsstands to market their products they should face up to an equitable payment for the service and not depend on a subsidy made possible by higher rates on first-class mail.

Mr. WOLF. Mr. Speaker, the gentleman from Pennsylvania [Mr. RHODES] has performed an inestimable service to Congress by his bill and his excellent clarifying statement.

Surely the newspapers and magazines of America have done more than any group to undermine the American farm. They have fought, they have attempted to embarrass, they have attempted to discourage the farmer whose very existence as a free and independent class hinges on a national master plan. The subsidy was devised to protect these struggling groups in the national interest. Not only farmers, but the shipping industry, railroads, and yes, even these self-same newspapers and magazines who view with alarm a subsidy, only to farmers.

These magazines have grown fat and saucy because of their help—subsidy—from Uncle Sam. I believe at a time when they have been screaming in their issues "Balance the budget" and "Stop inflation," we could gain some much-needed revenue here. I hope Mr. RHODES' bill will have early and favorable consideration.

GI BENEFITS FOR VETERANS OF THE PRESENT COLD WAR

Mr. WOLF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLF. Mr. Speaker, under leave to revise and extend my remarks I wish to insert a copy of a letter I received on renewing the GI bill and granting benefits to our veterans who serve during the present cold war period. The letter is written by Dr. Sanford Katz who, I understand, will join the faculty of Catholic University Law School this fall.

The letter follows:

WASHINGTON, D.C., *July 23, 1959.*

To the EDITOR, TRANSCRIPT TELEGRAM,
Holyoke, Mass.

SIR: On July 21, the U.S. Senate passed in a 57 to 31 vote bill S. 1138. This legislation provides vocational readjustment and restores lost educational opportunities to those service men and women who were on active duty for more than 6 months and whose educational or vocational ambitions have been interrupted or impeded between January 31, 1955, and July 1, 1963. The purpose of the legislation is to aid such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country. The bill also provides for home loan benefits similar to those included in the well-known World War II and Korean GI bill. Senator KENNEDY, Democrat, of Massachusetts, voted for the bill while Senator SALTONSTALL, Republican, of Massachusetts, opposed the legislation. The bill is an important one because of its direct effect on a large number of people. It warrants the support of our community.

Essentially the legislation provides for monthly grants varying in amount according to the program pursued (e.g., full time, three-quarters time, half-time, etc.) and the number of dependents. The educational grants would provide for 1½ days of education for each day of service. There would be 3 years of education for 2 years' service under the draft.

The arguments in support of the peacetime GI bill are many. Most important is the fact that there is a need for more education for our citizens and particularly training in the technical and scientific skills. We have heard countless times that the best way to meet the threats of the Soviet Union's advancements in the field of technology is to produce a steadily increasing number of trained scientists.

We have been told also that there is a crying need for teachers. The war babies who created the crowding in the elementary schools 13 years ago are now causing serious shortages of space in colleges and professional schools. And these war babies have themselves given birth to a new generation of elementary school attendants. The demand for teachers on all levels of education is great.

The fields of science and education are only two of the many areas needing trained people. What better group is there to train than that mature group of young people who have served their Nation honorably?

The arguments used against the bill fall into two main categories: (1) The legislation will cause a drain on the treasury and would upset the budget; (2) the bill would provide benefits for those young men and women who serve not in time of war, but in peacetime, and are in some way undeserving. Both arguments are clearly without foundation.

It is estimated that the proposed bill will cost about $500 million a year. Perhaps this amount seems exorbitant in itself although it is a fractional amount compared to the $3.6 billion we allot for foreign aid and the $40 billion for military defense.

The money spent for the program of education for the peacetime veterans is in actuality a wise investment, just as it was for the veterans of World War II and the Korean conflict. In May of this year, the distinguished young Representative from Iowa, LEONARD G. WOLF, Democrat, Iowa, in speaking on the floor of the House of Representatives in behalf of his bill, H.R. 6932, entitled "The Veterans' Readjustment Assistance Act of 1959," met the inflationary argument head on and demolished it when he said:

"Those who benefit under this program (Veterans' Readjustment Assistance Act—a bill similar in scope as far as educational benefits to S. 1138) will not only aid the society because of their increased educational training, but will materially aid the coffers of the Treasury. For example, the costs of all aspects of the GI bill was $14½ billion, yet this entire amount will be repaid in full through extra income tax that these veterans pay as a result of their educational training. One Veterans' Administration spokesman has stated that because of the extra educational training veterans pay a billion dollars a year more than they ordinarily would have paid. By 1968, the old program will be paid off in full, and after that the return is pure profit. Hence, we can say that the GI bill is a smart business investment." (CONGRESSIONAL RECORD, May 6, 1959, pp. 7594–7595.)

To hold the notion that those who serve in peacetime should be less privileged than those who serve in time of war is to be blind to the fact that there are risks in military service regardless of time. Has the individual who served 2 years in the Armed Forces after the Korean conflict in Vietnam, Seoul, the Arctic, or Okinawa sacrificed any the less than a man who typed at the Pentagon, trained troops at Camp Dix, or attended military specialty schools during the years 1950–1953?

It does not necessarily follow that the money appropriated for the veterans' benefits (for those who served in the two World War or Korea) will be tapped for the proposed legislation. The funds for the peacetime GI bill supposedly will come from new revenue.

The peacetime GI bill will have widespread effects. In the long run it can provide nothing but benefits to individuals and to the society as a whole. By providing an opportunity for more people to develop their technical, scientific and education skills either on the college or graduate level, and reducing the number of unskilled, Congress would be providing for an enlightened and educated citizenry. Those who keep their eyes on the budget are the losers in the long run.

The peacetime GI bill deserves our active support. It comes before the House of Representatives soon. It deserves to be passed.

Sincerely,

SANFORD N. KATZ.

INTEREST ON GOVERNMENT OBLIGATIONS

Mr. COOK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DINGELL. Mr. Speaker, there is no reason or justification for raising the ceiling on interest on long-term Government obligations. Instead, Congress should compel the Federal Reserve System to pursue its primary mission of administering a sound monetary policy consistent with the Full Employment Act of 1946. To the maximum extent consistent with requirements of sound monetary policy, the Federal Reserve should at all times utilize the monetary means and tools which will best assist the Treasury Department in the economical and efficient management of the public debt.

The Treasury and the Federal Reserve Board should cease working one against the other and pull in double harness, so to speak, to finance and handle the national debt at the lowest rate possible.

I am sure all will remember that previous to the time when the Treasury and Federal Reserve Board reached their so-called accord of 1951 that the Federal Reserve Board used to peg the market and purchase Federal securities to assure public confidence in the obligations of the United States. It will be remembered that the readiness of the Federal Reserve to support bond prices did not require constant expansion of Federal Reserve credit for the purchase of bonds. In fact, Federal Reserve holdings of U.S. Government securities were $3 billion smaller at the end of the first 6 months of the Korean war than they had been at the end of World War II. Federal Reserve policy, without great credit expansion, gave guidance and guaranteed value to the market for Federal obligations. For comparison I insert here a table showing the tremendous discounts at which long-term Government obligations now sell, to the substantial detriment of small purchasers and marketability of these issues:

TABLE I.—*U.S. Government bonds par value and market value, July 11, 1959*

Title of loan and rate of interest	Par value of amount outstanding June 30, 1959	Market value July 13, 1959
2¼ percent 1959–62 (June 1, 1945)	$5,266,003,000	$4,943,460,316
2¼ percent 1959–62 (Nov. 15, 1945)	3,454,686,000	3,212,857,980
2⅜ percent 1960	3,806,483,000	3,713,699,977
2¾ percent 1960–65	1,485,383,100	1,444,534,968
2¾ percent 1961	2,239,262,000	2,158,088,753
2½ percent 1961	11,177,152,000	10,667,194,440
2½ percent 1962–67	2,110,974,500	1,852,380,124
2½ percent 1963	6,754,695,500	6,243,871,653
2½ percent 1963–68	2,818,936,500	2,417,238,049
3 percent 1964	3,854,181,500	3,615,704,020
2½ percent 1964–69 (Apr. 15, 1943)	3,741,944,000	3,171,297,540
2½ percent 1964–69 (Sept. 15, 1943)	3,817,032,000	3,215,849,460
2½ percent 1965	$6,896,234,000	$6,262,642,501
2½ percent 1965–70	4,697,240,500	3,951,553,571
2½ percent 1966–71	2,945,226,000	2,475,830,606
3 percent 1966	1,484,298,000	1,365,554,160
2½ percent 1967–72 (June 1, 1945)	1,829,130,500	1,539,899,240
2½ percent 1967–72 (Oct. 20, 1941)	2,715,987,250	2,255,966,910
2½ percent 1967–72 (Nov. 15, 1945)	3,689,989,500	3,106,509,910
4 percent 1969	1,276,393,000	1,258,044,851
3⅞ percent 1974	653,811,500	629,293,569
3¼ percent 1978–83	1,602,646,000	1,397,306,981
4 percent 1980	884,115,500	862,012,613
3¼ percent 1985	1,134,867,500	989,462,602
3½ percent 1990	1,726,904,500	1,536,945,005
3 percent 1995	2,739,443,000	2,304,556,424
Total	84,803,019,850	[1] 76,605,465,223

[1] ss han amount outstanding by $8,197,554,627.

Very shortly after the Eisenhower administration came in, in 1953, the Federal Reserve completely freed itself from the Treasury and moved toward what it called a free money market.

Almost immediately the Treasury, which has been financing long-term obligations and which had a ready market for such securities at rates lower than 3 percent offered a Government bond at 3¼ percent, beginning a long spiral of mounting interest which continues to today. That action wrecked not only the market for then outstanding Government bonds but also for many good corporate bond issues paying less than 3¼ percent. Now we see an administration proposal to permit the marketing of Government securities at unlimited interest rates by eliminating the present very liberal 4¼ percent ceiling on Government obligations. In the last few days the Treasury made a short-term offering, at almost 5 percent, the highest interest rate since 1921.

The spiral of increasing interest costs created by the original offering of Government bonds at 3¼ percent in a 3 percent market has raised the cost of servicing the national debt from $5.3 billion to the now budgeted $8.3 billion item in the 1960 budget. This increase in interest rates vastly exceeds the rise in the debt or the increase in interest due solely to the debt increase.

The rise in interest rates since 1950 is scandalous. In 1950 the average yield of interest rate on taxable Treasury bonds was 2.32 percent. In 1952 interest rates on such bonds was 2.68 percent. By 1958 the rate had reached 3.43 percent. In May 1959, the interest rate had risen to 4.08 percent. We are now told that the Treasury cannot sell its bonds under the 4¼ percent limit and hence the administration request for an increase in bond interest rates.

The distinguished senior Senator from the State of Michigan, the Honorable PAT MCNAMARA, recently inserted some remarks in the CONGRESSIONAL RECORD to show how much this has cost the American people. He said:

The U.S. Government now has more than $83 billion in Treasury bonds outstanding. Given the 3.43 percent average interest rate on these bonds in 1958, the total cost to the taxpayer of carrying them was about $2.8 billion. Had the interest rate remained where it was in 1952, at 2.68 percent, the taxpayers would have saved well over a half billion dollars last year. If the rate had stayed at the 1950 level of 2.32 percent these savings would have amounted to about $1 billion.

The administration would have us believe that the Treasury of the United States and the Government of the United States is merely a helpless pawn of the bond market and must blow hither and thither with every financial wind that comes across the horizon. This belief is, of course, blatantly false. However, if it is true that the Treasury is only a helpless competitor in the money market, then raising the interest rate on long-term obligations will only create another spiral of rising interest with more and more cost to the taxpayers in servicing the national debt.

During the war years and during the life of the Federal Reserve System previous to this administration, the Federal Government's bonds have constantly had the real faith of the American people and were regarded as the best form of investment available for almost everything including estates of widows and children, and for pension and retirement funds.

Stability in Government bond prices and economical servicing of the national debt can be accomplished by having the Federal Reserve Board and the Treasury work together intelligently, using all means available to maintain the public confidence and the respect of the American people for Government obligations.

The national debt reached its highest point previous to the advent of the present administration in 1946 at $268 billion. The cost of carrying the debt in that year was $5.3 billion.

With the coming of the Republican administration the debt rose and by 1954 it had risen from the average of about $255 billion under the Truman administration to something very close to the 1946 level of $268 billion. However, the cost of carrying the debt at that time, 1954, was $6.3 billion, about $1 billion higher than 1946 for the same level of debt.

In 1957 the national debt was approximately $268 billion. The cost had risen to $7.3 billion, or $2 billion more than the same debt cost to service and finance in 1946. This year $20 billion more approximately in total volume of debt will cost the country in carrying charges and interest $1 billion more than the 1957 debt.

The so-called fiscal policy of the administration has done nothing to protect people from inflation. On the contrary, it has contributed thereto by raising the cost of money to business and by raising the cost of building homes, buying automobiles, and other things for the consumer.

There are a number of reasons why the interest rates should not be raised. I have already discussed the cost to the

American people of raising the interest rates. In addition thereto:

First. No long-term bonds become due until November 1960.

Second. The administration has done the American people a substantial disservice and has scared investors away from buying bonds by talking so much both about inflation and about increasing interest payments on Federal obligations. In effect the administration has been talking against its own wares. It has literally been encouraging a buyer strike by promising a better return interestwise than is now available.

Third. The Federal Reserve has contributed to the rise in interest rates by buying bills only under its present policy. If it were to buy bonds, bond prices would rise and stabilize and the 4¼-percent ceiling would give the Secretary of the Treasury all of the protection he needs.

Fourth. The Treasury issued three bonds, in exchange operations in the first half of 1958, and issued two for cash during the same period. The cash issues were oversubscribed, I repeat, oversubscribed. During the subsequent downturn of the bond market, the Treasury has sold only one bond. The effective rate of interest on it was 4.0712 percent. It was oversubscribed, I repeat, at a time when the Treasury complained of financing difficulty, the bond issue it made was oversubscribed. This proves that the difficulty complained of was either not there, or was of a vastly smaller magnitude than the Treasury would have us believe. Some of these issues rose substantially above par.

A table of the above-mentioned issues is as follows:

TABLE II.—*Treasury bond issues, calendar year 1958 and Jan. 1 to June 30, 1959*

[Amounts in millions]

Date of issue	Description	Subscriptions tendered		Amount issued		Allotment ratio
		Cash	Exchange	Cash	Exchange	
Feb. 14, 1958	3 percent Feb. 15, 1964	----	$3,854	----	$3,854	100 percent.
Do	3½ percent Feb. 15, 1990	----	1,727	----	1,727	Do.
Feb. 28, 1958	3 percent Aug. 15, 1966	$6,715	----	$1,484	----	20 percent over $10,000, 100 percent under $10,000.
June 3, 1958	3¼ percent May 15, 1985 (issued at 100½).	2,570	----	1,135	----	25 to 100 percent.
June 15, 1958	2⅝ percent Feb. 15, 1965	----	7,388	----	7,388	100 percent.
Jan. 23, 1959	4 percent Feb. 15, 1980 (issued at 99).	1,800	----	884	----	15 to 100 percent.

The Treasury has authority right now to sell securities at less than face value and can accomplish precisely the same thing administratively which it seeks to have done by congressional action.

Moreover, the Treasury has been selling short-term obligations—under 5 years—for substantial discounts for a long while now.

Failure by the Federal Reserve and the Treasury to act in concert on this has had a devastating effect on the Government bond market, as can be seen by table I above.

The President had some interesting things to say upon this in a recent message to Congress when he said:

When I submitted my budget to you in January, interest costs on the public debt for the year 1960 were estimated at $8 billion. The increase in interest rates that has taken place since that estimate was made is now expected to add half a billion dollars to this figure.

The frightening thing about this statement is the lack of planning it reflects, so well shown in the remedy urged on us, literally unlimited interest rates on Government bonds.

If the Government will use its fiscal policy as it should it appears entirely unnecessary that the interest rates on Government bonds be raised to constitute a bonanza for the banks and big money boys.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 15 minutes, each on July 29, 30, and 31.

Mr. HOFFMAN of Michigan, for 10 minutes, every day the House is in session this week.

Mr. POWELL, for 30 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE in two instances, in each to include extraneous matter.

Mr. PHILBIN and to include extraneous matter.

Mr. WESTLAND and to include extraneous matter.

Mr. MCCORMACK and to include extraneous matter.

Mr. HARDY, to revise and extend his remarks in Committee and to include extraneous matter.

Mr. JONAS and to include a questionnaire.

Mr. ASPINALL and to include extraneous matter.

Mr. BROOKS of Louisiana and to include extraneous matter.

(At the request of Mr. DOOLEY, and to include extraneous matter, the following:)

Mr. DAGUE.

Mr. ALGER in two instances.

Mr. BRAY.

Mr. CURTIS of Missouri in two instances.

Mr. NELSEN.

(At the request of Mr. COOK, and to include extraneous matter, the following:)

Mr. PATMAN.

Mr. CARTER.

Mr. RIVERS of Alaska.

Mr. KASTENMEIER.

Mr. OLIVER.

Mr. FLYNN in three instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 690. An act to provide for the increased use of agricultural products for industrial purposes; to the Committee on Agriculture.

S. 1795. An act to amend title 10, United States Code, to revise certain provisions relating to the promotion and involuntary retirement of officers of the Regular components of the Armed Forces; to the Committee on Armed Services.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 306. An act to amend the Federal Crop Insurance Act;

H.R. 1219. An act to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers);

H.R. 1631. An act for the relief of Joseph B. Kane, Jr.;

H.R. 2594. An act for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N.C., on March 7, 1942;

H.R. 2846. An act for the relief of Dorman William Whittom;

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act;

H.R. 3117. An act for the relief of Albert J. Hicks;

H.R. 3249. An act for the relief of William S. Scott;

H.R. 4060. An act to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run;

H.R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work;

H.R. 4538. An act authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.;

H.R. 5927. An act to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base;

H.R. 6955. An act for the relief of Sallie B. Dickens; and

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes."

ADJOURNMENT

Mr. COOK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 25 minutes p.m.) the House adjourned until tomorrow, Wednesday, July 29, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1248. A letter from the Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report concerning agreements concluded during June 1959 under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.) as amended, pursuant to Public Law 128, 85th Congress; to the Committee on Agriculture.

1249. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports on Army, Navy and Air Force prime contract awards to small and other business firms, pursuant to Public Law 85-536; to the Committee on Banking and Currency.

1250. A letter from the Acting Secretary of the Treasury, transmitting a report of the purchases and contracts for property or services covering experimental, developmental, or research work, pursuant to section 2304(e) of title 10, United States Code; to the Committee on Armed Services.

1251. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States"; to the Committee on Interior and Insular Affairs.

1252. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1253. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to the case of Chow Ging Song, A-10090833, involving the provisions of section 4 of the Displaced Persons Act of 1948, as amended, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS of Alaska: Committee on Interior and Insular Affairs. H.R. 6939. A bill to amend the act providing for the leasing of coal lands in Alaska in order to increase the acreage limitation in such act; with amendment (Rept. No. 716). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 906. An act to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section; without amendment (Rept. No. 717). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 1694. An act to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities; without amendment (Rept. No. 718). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 2405. A bill to amend section 101 of title 38, United States Code, to provide that a child shall be deemed to be the adopted child of a veteran where the child was a member of the veteran's household and is adopted by the spouse of the veteran within 2 years of the veteran's death; without amendment (Rept. No. 719). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 2465. A bill to authorize the exchange of certain lands in Arlington County, Va.; with amendment (Rept. No. 720). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 2773. A bill to amend section 1701 of title 38, United States Code, to provide the same educational benefits for children of Spanish-American War veterans who died of a service-connected disability as are provided for children of veterans of World War I, World War II, and the Korean conflict; without amendment (Rept. No. 721). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 4306. A bill to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service; with amendment (Rept. No. 722). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 7211. A bill to provide additional disability compensation for certain seriously disabled veterans; without amendment (Rept. No. 723). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 7373. A bill to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing to certain veterans seriously disabled during a period of war; with amendment (Rept. No. 724). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H.R. 5849. A bill to amend the act of July 7, 1958, providing for the admission of the State of Alaska into the Union, relating to selection by the State of Alaska of certain lands made subject to lease, permit, license, or contract; without amendment (Rept. No. 725). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 7903. A bill to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years; without amendment (Rept. No. 726). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 383. A bill to authorize the annexation of certain real property of the United States by the city of Wyandotte, Mich.; with amendment (Rept. No. 727). Referred to the Committee of the Whole House on the State of the Union.

Mr. GATHINGS: Committee on Agriculture. H.R. 7740. A bill to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments; with amendment (Rept. No. 728). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 8421. A bill to provide for continuity and support of study, research, and development of programs for peaceful uses in science, commerce, and other activities related to Antarctica, which shall include, but shall not be limited to, gathering, evaluating, correlating, and dispersing of information and knowledge obtained from exploration, research, and other mediums relating to weather, communications, travel, and other areas of information; also to coordinate Antarctic activities among those agencies of the U.S. Government and private institutions interested in or concerned directly with the promotion, advancement, increase, and diffusion of knowledge of the Antarctic; and to direct and administer U.S. Antarctic programs in the national interest; to the Committee on Interior and Insular Affairs.

By Mr. BARRY:

H.R. 8422. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of foreign excess property to medical institutions, hospitals, clinics, health centers, schools, colleges, and universities; to the Committee on Government Operations.

By Mr. BENNETT of Florida:

H.R. 8423. A bill to impose certain restrictions on disposing of radioactive material by depositing it in the Atlantic Ocean, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. BURLESON:

H.R. 8424. A bill to amend section 505 of the Classification Act of 1949 with respect to positions in the Library of Congress; to the Committee on Post Office and Civil Service.

By Mr. GARMATZ:

H.R. 8425. A bill to amend the Merchant Marine Act, 1936, as amended, by inserting a new title X to authorize aid in developing, constructing, and operating privately owned nuclear-powered merchant ships; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRIS:

H.R. 8426. A bill to strengthen the procedures governing the allocation, and to provide for more efficient utilization, of the radio spectrum, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GEORGE P. MILLER:

H.R. 8427. A bill to amend section 508 of the Merchant Marine Act, 1936 with respect to the scrapping or sale of vessels of insufficient value for commercial or military operation; to the Committee on Merchant Marine and Fisheries.

By Mr. RIEHLMAN:

H.R. 8428. A bill to amend the Agricultural Act of 1949, as amended, the Agricultural Adjustment Act of 1938, as amended, and Public Law 74, 77th Congress, as amended; to the Committee on Agriculture.

By Mr. WALTER:

H.R. 8429. A bill to amend the Subversive Activities Control Act of 1950 to provide for a procedure under which certain final orders

of the Subversive Activities Control Board with respect to Communist organizations may be made applicable to successor organizations; to the Committee on Un-American Activities.

By Mr. DORN of South Carolina (by request):

H.R. 8430. A bill to establish a conclusive presumption of soundness in wartime cases; to the Committee on Veterans' Affairs.

By Mr. HALPERN:

H.R. 8431. A bill to effectuate and enforce the constitutional right to the equal protection of the laws, and for other purposes; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 8432. A bill to amend the Federal Voting Assistance Act of 1955; to the Committee on House Administration.

By Mr. RHODES of Pennsylvania:

H.R. 8433. A bill to amend the act of October 30, 1951, by placing an annual limitation on publishers' second-class mail subsidies; to the Committee on Post Office and Civil Service.

By Mr. CANNON:

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes; to the Committee on Appropriations.

By Mr. ASHMORE:

H.J. Res. 476. Joint resolution imposing an additional import duty on foreign-made automobiles and providing that the proceeds of such duty shall be used to augment the highway trust fund; to the Committee on Ways and Means.

H. Res. 331. Resolution providing that each Member of the House shall disclose certain information with respect to his employees and rental of office space, and regulating the place of performance of duties by certain House committee employees; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

Mr. LAIRD presented a memorial of the Wisconsin State Legislature memorializing the Congress of the United States to repeal the law providing for termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin, which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H.R. 8434. A bill for the relief of Mrs. Lea Albert; to the Committee on the Judiciary.

By Mr. LESINSKI:

H.R. 8435. A bill for the relief of Monika Itryna; to the Committee on the Judiciary.

By Mr. RILEY:

H.R. 8436. A bill for the relief of Teodora Ricu; to the Committee on the Judiciary.

By Mr. ROGERS of Texas:

H.R. 8437. A bill to provide for the reinstatement and validation of U.S. oil and gas lease BLM 028500; to the Committee on the Judiciary.

By Mr. WALTER:

H.J. Res. 477. Joint resolution relating to the exclusion of certain aliens; to the Committee on the Judiciary.

H.J. Res. 478. Joint resolution relating to permanent residence and deportation of certain aliens; to the Committee on the Judiciary.

H.J. Res. 479. Joint resolution relating to the entry of certain aliens; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Dixon-Yates Vindicated in Courts

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. DAGUE. Mr. Speaker, the recent action of the U.S. Court of Claims in validating the damage suit of the Mississippi Valley Generating Co. against the United States confirms our early analysis of the fragile tissue upon which certain public power proponents have based their attack on the Dixon-Yates contract.

The most significant phase of the decision upholding the Dixon-Yates proposal was the sweeping denial that there had been a conflict of interests in the action of Adolphe H. Wenzell who served as an advisor to the Government in the development of the contract at a time when he was on the payroll of the First Boston Corp., one of the financial agents for the Dixon-Yates interests. It is also extremely interesting to note that the presiding justice who handed down this decision is Judge Joseph W. Madden, an appointee of Franklin D. Roosevelt and therefore presumably without bias toward the Tennessee Valley Authority.

What we had in Dixon-Yates was an honest attempt to avoid an expansion of TVA to the detriment of the free enterprise production of public power. Most of us today are persuaded that TVA should be permitted to operate in the area now included in its network but that its operations should be wholly financed from its own revenues, subject of course to periodic review by the Congress.

In the Dixon-Yates controversy the only point at issue was the contracting for privately produced electric current necessary to compensate for that furnished the Atomic Energy Commission by TVA. Happily this matter was resolved when the city of Memphis determined to build its own municipal powerplant thereby releasing the needed extra power. Incidentally, it will be interesting to note the reaction of the citizens of Memphis when they find that they will have to pay the full cost of the electric current they may consume.

One of the weapons used in the attack on Adm. Lewis Strauss was his alleged involvement in the Dixon-Yates contract and the suggestion that he had not acted in the public interest. The Court of Claims in its decisions identifies such charges as sheer demagoguery and it is regretted that the decision had not been handed down in time to blunt the attack against this outstanding public official.

H.R. 3

EXTENSION OF REMARKS
OF
HON. ANCHER NELSEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. NELSEN. Mr. Speaker, in recent weeks there has been a good deal of debate and discussion relative to H.R. 3 as passed by the House on June 24, 1959. During this debate reference was made to the rural electrification program and some discussion took place relative to a letter from Clyde T. Ellis of the National Rural Electric Cooperative Association of June 16, 1959. This letter recommended that H.R. 3 be rejected by the Congress of the United States. As a followup of this discussion, I received on July 22, 1959, a letter from the White River Electric Cooperative in Branson, Mo., from which I quote the following:

Because of your recent direct association with rural electrification cooperatives of the United States, plus your interest over the entire life of the rural electric program, we address this correspondence and enclose an excerpt from the minutes of our regular board of directors meeting, July 16, 1959.

The board and I ask that you endeavor to get a copy of the excerpt into the CONGRESSIONAL RECORD.

In view of this request, Mr. Speaker, under unanimous consent, I ask that the following resolution be included in the RECORD.

EXCERPT FROM MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS, WHITE RIVER VALLEY ELECTRIC COOPERATIVE, INC., BRANSON, MO., JULY 16, 1959

Whereas we unanimously agree that rules of interpretation governing questions of the effect of acts of Congress on State laws should be established;

Whereas, as we understand H.R. 3, which was passed by the House, June 24, 1959, by a vote of 225 to 192, will establish such rules if enacted into law;

Whereas we believe in the following as basic relative to labor laws:

1. State jurisdiction if not preempted by the Federal Government.

2. Bill of rights for union members themselves.

3. Picketing, designed to force or coerce employees into unions against their will, should be regulated.

Now therefore, we, the board of directors of the White River Valley Electric Cooperative, Inc., do hereby

Resolve, That in the best interest of our approximately 30,000 electric consumers, request and urge that our U.S. Senators concur with the House action on H.R. 3 and

hasten the day when such bill will become a law on our Federal statutes. We unanimously feel that this is in the best interest of our members and the general welfare of the citizens of the great State of Missouri.

We strongly disassociate ourselves from the opinion voiced against the bill by Mr. Clyde Ellis, general manager of NRECA as shown by the CONGRESSIONAL RECORD. We further urge that the members of the Missouri congressional delegation disregard the statement against the bill for the reason that this entire matter had not been considered by the membership of NRECA before Mr. Ellis voiced his opinion.

Furthermore, we feel that such an expression by him without our knowledge and approval is not in the best interests of the rural electrification program.

Health Insurance Program for Federal Employees

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my statement in support of a health insurance program for Federal employees, given before the House Post Office and Civil Service Committee on July 21, 1959:

STATEMENT OF CONGRESSMAN THOMAS J. LANE BEFORE THE HOUSE POST OFFICE AND CIVIL SERVICE COMMITTEE, IN SUPPORT OF A HEALTH INSURANCE PROGRAM FOR FEDERAL EMPLOYEES, JULY 21, 1959

Mr. Chairman, the Federal Government has been backward in providing the wages, and fringe benefits that are accepted as routine obligations throughout American industry. In fact, some corporations have voluntarily provided life insurance and health insurance programs for their employees because they understand the economics right of workers to these benefits, and because they know that such consideration for the welfare of their employees promotes the mutual confidence that inspires better morale and better efficiency.

A hospitalization plan for Federal employees has been studied—and restudied—for many years. Meanwhile, private industry has been moving forward with the times. Its prosperity has been paralleled by simultaneous economic and social progress on the part of its employees. But the turnover among Government employees continues at a disturbing rate that is both wasteful and inefficient. Why?

As Government employees compare their lot with those who work for private industry, they see all too clearly that their relative position is steadily deteriorating. They are discontented because they do not believe that the Government is being fair with them. While the Government marks time on studies, private industry is gradually improving the status of its own employees. There are many companies with lesser programs, but I will simply outline four of the best ones.

B. F. Goodrich Co. provides 120 days of hospitalization in a semiprivate room, and with a $250 maximum for surgery; Minnesota Mining & Manufacturing Co., 140 days up to $15, full cost of hospital services, with a $300 maximum for surgery, Armstrong Cork Co., 180 days up to $10, with further provisions for additional care, and a $200 maximum for surgery, American Sugar Refining Co., 365 days of hospitalization at full cost, with a $300 maximum for surgery.

In each case, the company pays the full cost, not only for the employee, but for his dependents, and for retired employees and their dependents as well. The steel industry and the automobile industry have 50–50 contributory programs for their employees, and this is the formula contained in Senate bill 2162, which is called the health benefits program for Government employees.

The Federal Government is the Nation's largest employer. Under the terms of this bill, more than 2 million Federal employees, plus their dependents, would become eligible for the protection enjoyed by most of those who are employed in private industry. The Government will withhold from employees' salaries, and annuity checks, sums to be matched equally by the Government. The individual Government employee or annuitant, would pay $1.75 biweekly. The Government employee with a family would pay $4.25 biweekly.

Progress on this type of legislation has been delayed for many years due to sharp disagreements, but in S. 2162 we have a bill that has united the American Medical Association, the American Hospital Association, Blue Cross-Blue Shield, Federal Employee Unions, and group practice plans in support of it.

It is unfortunate that the bill as passed by the Senate does not cover presently retired Federal employees and it is my hope that the House will make provision for them. We are morally bound to do so because we cannot cast adrift those who gave the best years of their lives in loyal service to the Government, and have now reached the age where they have greater need of hospital, medical, and surgical protection.

Passage of this bill at this session will mark another milestone in our efforts to make employment with the Federal Government attractive and rewarding. Health insurance for Federal employees will be one of the most constructive pieces of legislation to be enacted at this session.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. ALGER. Mr. Speaker, I include the following newsletter of July 25, 1959:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

As adjournment nears, some major legislative hurdles have yet to be cleared.

HIGHWAY FUNDS

The highway financing problem is twofold: (1) How to provide the money for work already contracted to pay our bills; and (2) to analyze and permanently correct the road program itself, to prevent progressively increased costs resulting from improper estimates of the known problems. To pay our current bills, we have but two alternatives—To raise taxes (for example, the proposed 1½-cent hike in gasoline taxes) or to spend money from the Treasury's general fund. Those of us who oppose any tax increase maintain stoutly that this is the same problem we face throughout Government. If we're to make ends meet, a careful and comparative analysis of all Government expenditures is called for, so that we can eliminate the less necessary ones. On the second point, revising the road program itself, it's important to know why cost estimates have risen sharply in just 2 years—from about $25 billion to $37 billion. Some components: (1) A 12-percent increase in construction costs; (2) location of highways closer to cities and towns than originally planned, requiring more complex interchanges, additional lighting, etc.; (3) cost of relocating utility lines now figured 50 percent higher than earlier estimates; (4) wage setting by the Federal Government (Davis-Bacon Act) has added 5 to 7 percent to wage costs. Acquiring right-of-way has cost far more than anticipated, due to the 90–10 cost-sharing setup. After all, 90 percent of the dollars used by States and localities to buy right-of-way has been other people's money.

HOUSING

Once again the meritorious FHA insurance program is being held as a sort of hostage by those in Congress determined to jam through controversial spending plans for urban renewal, public housing, and the like. In an effort to escape disapproval of a budget-conscious administration, Congress lumped these programs together in an all or nothing package with the almost universally approved FHA programs. Rebuffed by a Presidential veto, which specifically called for a scaling down of urban renewal grants and no new public housing authorization (over 100,000 public housing units already authorized are as yet unbuilt), leaders in Congress are presently marking time, as FHA runs out of insuring authority. The odds are that there will be a housing act of 1959, but as in 2 of the last 3 years, it will be a rush-rush no time to argue affair presented during the closing hours before Congress adjourns. When the House last year refused to be stampeded in this manner, there was no omnibus housing bill at all. This time, however, the innocent hostage, FHA, would be out of business.

LABOR

There will undoubtedly be a labor "reform" bill of sorts, simply because few legislators can afford to return home without having voted for something in this field. Despite avowed labor opposition, just what "reforms" the Senate-passed Kennedy bill would accomplish are hard to imagine, and the bill approved by the House committee this week is a decidedly weakened version of the same thing. Floor debate, still weeks away, will see several substitute bills with some backbone offered. By "backbone," I mean at least provisions which: (1) Safeguard workers' money in union treasuries; (2) guarantee every man, worker or employer, his day in court by eliminating no man's land gap between Federal and State law; (3) protect rank-and-file members by guaranteeing democratic procedures in unions and prevent reprisals against members by union officers; and (4) outlaw the indefensible use of secondary boycotts and blackmail picketing.

FOREIGN AID

The mutual security authorization has already passed; but we have yet to appropriate the money. I can imagine few Congressmen who could be said to be for or against foreign aid, as such. Many of our military assistance programs are wholly justified, and that's true, too, of some ventures in the field of purely economic aid. In the broad ideological struggle going on today, however, I'm at a loss to know why U.S. taxpayers should have to help finance the undertakings of Communist governments (as in Yugoslavia and Poland) and to subsidize Socialist experiments of others the world over. Moreover, to assert that the requested amount is the rockbottom figure acceptable is to ignore innumerable reports by the Comptroller General and others who have pointed out appalling waste and mismanagement in the

program. Like the housing bill described earlier, it comes down to how much outrageous boondoggle one is willing to accept in order to continue other admittedly good programs. For one, I'm convinced the foreign aid appropriation can and should be pruned considerably.

CIVIL RIGHTS

Another rights bill is in prospect, though the Commission set up by the bill passed 2 years ago is still gathering information on which to proceed. The necessity for going any further now strikes me as entirely political. Balked in their drive for more free-spending Government welfare programs, many of the superliberals feel they can't go home without a liberal record of accomplishment. The papers have been full of their dissatisfaction with the majority leadership. They feel another rights bill is a minimum must. No one has yet defined or specified the rights we're supposed to be protecting, but apparently Congress is going to protect them more stringently.

Health and Hospitalization Program for Federal Employees

EXTENSION OF REMARKS
OF
HON. RALPH J. RIVERS
OF ALASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. RIVERS of Alaska. Mr. Speaker, the health and hospitalization program for Federal employees now under consideration by the House Committee on Post Office and Civil Service is particularly significant to the people of my State of Alaska. I commend S. 2162, the so-called Neuberger bill, which recently passed the Senate by an overwhelming majority, and its House counterparts introduced by Members of this body.

The fact that S. 2162 and related bills have the support of the American Medical Association, the American Hospital Association, the insurance industry, Blue Cross and Blue Shield, group practice plans, and the various Federal employee unions certainly speaks for the quality of the bill. In fact, it might be said that this bill is well worth the many years it has taken to produce it.

As I view the bill, it is a most significant piece of legislation. If enacted, Federal employees would at long last achieve the status already enjoyed by about 100 million employees of private industry who are now covered by various prepaid health insurance plans. In short, it will mean that about 2½ million American citizens, plus members of their families, will be able to have low cost effective medical insurance.

Alaska, because of its former territorial status, has long had more than the usual proportional number of Federal employees, most of whom will remain in the expanding Federal programs to be carried on in our rapidly growing new State. These people have been good for Alaska. They helped it grow in stature to the point that statehood became a reality. I am particularly glad that these fine Alaskans and their families—be they employees of the executive, judicial, or legislative branches—would be afforded the opportunity of partaking in any one of the three low-cost plans which this legislation provides.

Banks, Interest Rates, the Public Interest

EXTENSION OF REMARKS
OF
HON. GERALD T. FLYNN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. FLYNN. Mr. Speaker, in 1929 a depression that lasted 12 years started in this country. It affected the life and well-being of every American citizen. Whether bankers, stock manipulators or others would admit it or not, Federal Reserve Bank operations and the contraction of credit had much to do with the cause of that depression. These banks were free; they were independent of Government control—yet 4 years after the start of the depression, many of them lay prostrate, victims of the depression for which their own policies were to a great extent responsible. A bank holiday was declared and although they were free of Government control, they were not opposed to accepting Government help in order to continue in business. Congress hurriedly passed special laws to aid the banks. The Federal Deposit Insurance Corporation was organized in order to create confidence in the public in our banking institution and in order to protect depositors' money in the future. Many banks, even with this help, were forced out of business or operated under receiverships for a long period of time. In many cases depositors lost money.

The Chairman of the Federal Reserve bank today is pursuing the same policies, with some variation, that led up to the 1929 depression. In the June 15 issue of U.S. News & World Report, Chairman Martin, of the Federal Reserve Board, told the world that he was going to tighten the supply of money and make everyone, the U.S. Government included, compete on the money market for an insufficient supply of money. He is going to let the interst rate go up and up and up, and if as he says, this means unemployment—another word for depression—he will accept the unemployment. If it means business failures or as stated failure to the least economic businessmen, that is a result he will accept. This is another way of stating that if the small businessmen of the nation are forced into bankruptcy, that is a result he will accept. The Chairman of the Federal Reserve bank and its Board are not responsible to the will of Congress, and Congress, without the passage of legislation amending the Federal Reserve Act cannot impose its will on the policies of the Federal Reserve Board. The bank is jealous of its independence of Congress and has made this crystal clear in many ways.

The President of the United States appears to be in favor of the policies of Chairman Martin and the directors of the Federal Reserve bank and has joined the Federal Reserve bank in asking that the interest rate on long-term bonds be increased. The existing increase is already costing the taxpayers in added interest, $6 billion a year. This amount will, in all probability, be doubled if the interest rate is removed from the Federal long-term debt. Do you want this to happen? Do we represent them and are we thinking of the people back home, or do we represent those who would give in to the demands of the Federal Reserve bank?

Is it inflationary to increase the interest rate on the public debt? I believe it is the most inflationary thing that this country could do. It will carry along a corresponding interest increase on the private debt. The private interest increase is already $13 billion, meaning that on the public and private debt $19 billion additional dollars annually is being paid, over what was paid before the interest rise commenced.

Are we, as Members of Congress, going to represent the interests of the people back home or are we going to represent the interests of the bankers and moneylenders in voting for an interest increase?

Hoosier Watermelon To Be Brought to Capitol

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. BRAY. Mr. Speaker, I have the pleasure to announce to my colleagues a forthcoming treat. From the experience of the past 2 years, I know they will be glad to know that the day of the Indiana Watermelon Festival is approaching again. The best watermelon in the world is grown in southwestern Indiana. And, again, through the courtesy of the Southwestern Indiana Watermelon Growers Association, and the cooperation of the Baltimore & Ohio Railroad, we will serve Hoosier watermelon in the House dining room on August 6.

At that time I will be playing host to the Indiana Watermelon Festival Queen, who will come to Washington after her inaugural at Vincennes, Ind., on July 31. She will be my guest in the dining room that day, so we will offer you a treat for the eyes as well as the palate.

The watermelon was first grown commercially in Indiana about the turn of the century in Knox County. A typical summertime scene thereafter was wagons drawn by mule teams coming into Vincennes loaded with ripe melons to be sold house to house. In the early 1900's, one of the first melon growers began to broker the melons raised by his neighbors. The production soon outstripped local consumption and the melons were shipped by rail to Indianapolis and elsewhere.

The industry has grown in southern Indiana into a million-dollar business, encompassing 8,000 to 9,000 acres of watermelons and 3,000 to 4,000 acres of cantaloups. The production of seedless watermelons is also receiving increased attention in the State. In addition, millions and millions of melons headed for northern markets are brokered through the historic city of Vincennes.

With this special gustatory delight we will salute the third annual Indiana Watermelon Festival and the growers of this important Indiana product.

Limitation of Power of States To Impose Income Taxes on Certain Income

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. CURTIS of Missouri. Mr. Speaker, I introduced today a bill to limit the power of the States to impose income taxes on income derived exclusively from the conduct of interstate commerce.

Senators BUSH and KEATING have introduced an identical bill in the Senate. It is intended to eliminate a chaotic condition created by a recent decision of the U.S. Supreme Court which held, by a 6 to 2 vote, that the commerce clause of the Constitution of the United States does not prevent a State from taxing a foreign corporation's net income derived from sales within that State even though such transactions are exclusively in interstate commerce.

The decision, handed down February 24, 1959, in the cases of T. V. Williams against Stockham Valves & Fittings, Inc., and the Northwestern States Portland Cement Co. against Minnesota, has thrown the commercial world into confusion. Businessmen are apprehensive that they may be forced to pay income taxes in every State in which they sell their goods. It has opened up a Pandora's box of difficulties and harassment for all businesses, especially the smaller ones. It will take lengthy study to determine its full implications. There can be little doubt, however, as to the serious implications which the decision holds for firms engaged in interstate commerce who now, in each State to which they ship goods, find themselves open to possible liability for income tax levied by that State on profits derived from sales attributable in some fashion to that State. Hitherto, such firms had come to expect that such profits were not taxable by a State unless the firm was engaged in intrastate business or otherwise legally domiciled therein. Also, there is the very serious possibility of double taxation of profits from the same transactions.

In the application of the Supreme Court decision we find that the mere fact that a company sends a salesman into a particular State for the solicitation of business may subject that company to income taxes by that State.

My bill is designed to provide at least a partial remedy. It is not a total solution to the problem but it will, if enacted, afford relief to those companies engaged in interstate commerce whose only activity in other States is sales solicitation and where no stock of goods, plant, office, warehouse, or other place of business is maintained therein.

I feel that the bill is of sufficient urgency that the House make a special effort to bring it to a vote in this session of Congress.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, after the date of the enactment of this Act, no State, or political subdivision thereof, shall have the power to impose a net income tax on income derived by a person exclusively from the conduct of interstate commerce, solely by reason of the solicitation of orders in the State by such person, or by an agent or employee of such person, if such person maintains no stock of goods, plant, office, warehouse, or other place of business within the State.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. ALGER. Mr. Speaker, I include the following newsletter of July 18, 1959:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

A PREVIEW OF SOCIALIZED MEDICINE

H.R. 4700, the Forand bill, would again increase social security taxes (already scheduled to double during next 10 years) and extend hospitalization, nursing-home care, and surgical service to recipients of social security benefits. The prospect of socialized medicine is no less controversial now than before. Many arguments have been presented for and against. I find little to commend compulsory health insurance and much that condemns it. Therefore, I shall present the arguments of witnesses against the Forand bill, which, in total, comprise an overwhelming body of material to discredit such compulsory health insurance, even though any one or a combination of these arguments themselves could be eliminated from consideration, according to each individual's judgment.

Constructively, there are far more sensible alternatives, some now in effect, to provide medical care for the aged. These include the rapid growth of progressively better voluntary health insurance plans. The present State and local public assistance programs already provide free care for those unable to pay. Those on State welfare rolls and the "medically indigent," while a community problem, hardly justify a vast compulsory insurance program covering all of those over 65 on OASI. Of the 15 million people over 65 today, 6 million are excluded under this bill, since they are not eligible for social security; 9 million others are already covered under voluntary medical programs. This leaves about 3 million individuals who might benefit from H.R. 4700. True, new and better insurance plans need to be developed, not nullified and killed by Federal compulsory insurance, alongside which no private plan could survive. Better medical care is more certain to result from the normal incentives of free society than Government regimentation and compulsion.

Specific criticisms include:

1. Compulsory Federal insurance will kill voluntary insurance programs, an irreversible step.

2. The Forand bill does not cover those who need medical help, but only those over 65 now covered by OASI.

3. The cost of this program is not known, though estimated to be between $1.126 and $2.3 billion per year at the outset, then going up.

4. As the HEW report states, "The existence of a problem does not necessarily indicate that action by the Federal Government is desirable."

5. Those now over 65 immediately will receive medical care free, without any contribution, the cost charged to wage earners of the future.

6. Since no needs test is included, those not wanting this Federal insurance will be forced to accept it and pay for it.

7. Health problems of the aged are varied, while this plan would provide for but a few of them.

8. The Forand bill is a "foot in the door," its expansion necessarily will follow, only because of its own inequities; the age requirement will be removed; all those covered by OASI will be included; and finally all citizens, for complete socialization of medicine.

9. The alleged free choice of the Forand bill is a misnomer: (a) There is no choice whether or not you want this compulsory health insurance or whether you pay, and (b) there is no freedom of selection of doctors, hospital and nursing facilities, only a choice of those presented to you. This is not a free choice.

10. If medicine is socialized then other services and industries will be socialized.

11. There is no "right" to have free medical care, food, clothing or other necessities (unless the voters so choose).

12. Medical and hospital care is now available to those who need it and cannot afford to pay.

13. The story of Federal control and regimentation is this—Federal administration, certification of doctors, hospitals and nursing homes, fixing of fees and costs, promulgation of regulations, and enforcement with fines and jail sentences. These total socialized medicine without recourse.

14. The search for better insurance plans and medical care will also be discouraged by Federal regimentation.

15. Diagnostic service, internal medicine and other forms of medical aid are not covered by the Forand bill, thereby creating an inequity.

16. Where health facilities and services are provided free of cost, a tendency can be expected toward excessive utilization resulting in overcrowded facilities, malingering and indigency, the normal human reactions (the end result—poorer medical care). Britain's socialized medicine can teach us the lessons we need to know about the unhappy effects of socialized medicine on all the people, lessening the quality of medical care. Let us benefit from their experience.

17. A Government program normally follows this pattern: The cost is underestimated and the Government overcommits itself in extending service.

18. No Government program is justified until the voluntary plans have been found inadequate.

19. No Federal legislation should be forthcoming until the findings of the White House Conference on Aging in 1961 are known and studied.

20. And many others. The great overriding danger in the consideration of a compulsory Federal program is always the same. Does the recognition of a "need," in this case that sick people need medical, immediately presuppose a Federal solution. I suspect that politicians are afraid that "being against the proposed Federal legislation" will be confused in the voters' minds with "being against the need itself," in this case helping the aged getting medical care.

Increasing Textile Imports, a Threat to Domestic Cotton Producers and U.S. Textile Industry

EXTENSION OF REMARKS
OF
HON. JAMES C. OLIVER
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. OLIVER. Mr. Speaker, the Secretary of Agriculture has under consideration at present a request for administrative action which could lead to a solution of the problem besetting the Nation's textile industry.

The problem, as you know, concerns the uncontrolled imports of textile fabrics and garments that exert a depressive influence on an important but declining domestic industry.

There is no need for me to recount the statistical proof of the adverse effects of imports on the industry. That was presented last year before the Interstate and Foreign Commerce Committee of the U.S. Senate during a special inquiry. The facts of the case prompted the committee to make certain recommendations for remedial action.

One of the recommendations called for the establishment of quotas by specific categories for textile products. The purpose was to enable foreign producers of textile products to sell in our markets within limits which will not further endanger the existing capacity of the domestic textile industry.

This, in my opinion, is a realistic and reasonable position. It certainly does no violence to our national policies of stimulating world commerce, of helping our friends in the free world, and keeping our economy sound.

The quota recommendation can be implemented either legislatively or administratively. Inasmuch as Congress already has provided the machinery through which quotas can be established by administrative action, this machinery should be used.

We are reminded that when the Congress enacted the Agricultural Adjustment Act of 1933, to help the Nation's farmers attain a measure of stability, provisions were made to protect the programs and keep them effective.

One such provision enabled us to control the imports of farm commodities and products thereof. Not only was it deemed desirable, but also imperative. We were intent on supporting the earnings of our own farmers, not those of the entire world. There had to be a limitation, and the limitation was expressly provided.

Section 22 of the act was used to limit the imports of American upland type of cotton to about 29,000 bales annually. It was determined that imports in excess of that figure surely would impair the program under which the American-grown cotton crop could be supported. For more than 20 years such a quota has been in force. The raw cotton import quota arrangement serves also to protect another farm program, the one under which U.S. raw cotton may seek its traditional share of the world market.

As we all know our cotton price-support program produced a situation in which American cotton was priced out of the world market. Cotton production elsewhere in the world expanded explosively and began meeting world needs while cotton surpluses mounted here at home. We then close to subsidize cotton exports and once again American cotton began moving abroad.

Much of this cotton, however, has been returning to this country in the form of textiles, the amount last year reaching a figure more than ten times greater than the amount of raw cotton which is regarded as interference with our farm programs.

It appears crystal clear to me that if our farm programs can be imperiled by the imports of X bales of cotton, they certainly are imperiled by the imports of 10 times X, whether the cotton is in bales or in the form of textiles.

Right now, however, we are on the eve of increasing still further the amount of the subsidy on raw cotton exports. The Secretary has decreed that on August 1 the subsidy will be boosted from about 6½ to 8 cents on every pound of American cotton sold abroad.

This means that the disparity between the price American textile mills must pay for American cotton and the price to their foreign competitors is widened further.

Mr. Speaker, is it any wonder that some of us raise the issue of fairness?

It is significant that the request pending before the Secretary was initiated by the National Cotton Council, the only organization in the country which represents the cotton growers, the ginners, the merchants, the warehousemen, the cottonseed crushers, and the cotton spinners. It speaks for our cotton industry as a whole.

This organization recognizes that the domestic textile industry is the victim of an unfair situation. And the council in its petition said:

> The strong feeling which is being engendered by this unfairness will inevitably work injury to U.S. cotton. It undermines the confidence of the textile manufacturer in the integrity of cotton as a source of raw material supply, and it tilts his thinking in the direction of the synthetic fibers as he makes the long-range plans and commitments which will determine how much cotton is used in this country in future years.

Mr. Speaker, the Secretary of Agriculture is being asked only to recognize the situation as it truly is. Once he faces up to it, he is required to so advise the President. Under the law, the President can then call for the Tariff Commission to make an investigation and come forward with recommendations.

It is my feeling, and that of many of my colleagues, that a thorough investigation of the cotton import problem can lead only to recommendations for a quota arrangement on cotton textile imports.

It is my hope that the Secretary will take the first steps in this direction.

What Is Wrong With the "Double Dip"?

EXTENSION OF REMARKS
OF
HON. STEVEN V. CARTER
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. CARTER. Mr. Speaker, I have introduced in the House a bill which proposes to repeal the present provisions in our laws which prohibit a retired military man from being employed by the Federal Government if he receives retired pay. This bill is prompted in large measure, of course, by the hearings presently being conducted before the Hébert subcommittee.

There will undoubtedly be extensive information and recommendations forthcoming as a result of the Hébert hearings bearing on this matter of civilian employment of retired military personnel by military contractors. I, of course, will reserve any opinions on the propriety of this matter until such time as the subcommittee makes its report. However, I would state at this time that it seems rather unfair to be critical of retired military personnel who enter civilian employment when the Government has laws in force which prevent them from making their services available to the Government. A number of these officers, some of them who retired with the rank of general, have stated that they would have preferred Federal employment to civilian employment, had a choice been available to them. Needless to say, their services would undoubtedly have been of great value to the Government due to their broad background of knowledge and experience in all phases of the military service and governmental activity.

During this time when our Government definitely needs the very best talent it can get, it seems rather shortsighted to prevent the full utilization of the capability of some of our most able professional, technical, and managerial people after they leave the military service.

This, in brief, Mr. Speaker, is the theory that lies behind the introduction of this bill. I fully realize that amplifying legislation will probably be in order upon the conclusion of the Hébert subcommittee hearings, but I definitely feel that the repeal of present statutes prohibiting the so-called double dip will be a vital step in corrective legislation and will also make available to the Federal

Government some very capable personnel whose services would be of tremendous value.

The text of the proposed bill is as follows:

A BILL TO REPEAL THE DUAL EMPLOYMENT LAWS INSOFAR AS THEY ARE APPLICABLE TO RETIRED MEMBERS OF THE ARMED FORCES

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 212 of the Act of June 30, 1932 (47 Stat. 406; 5 U.S.C. 59a), as amended, is repealed.

SEC. 2. Section 2 of the Act of July 31, 1894 (28 Stat. 205; 5 U.S.C. 62), as amended, is amended to read as follows:

"SEC. 2. No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office to which compensation is attached unless specially authorized thereto by law. This section shall not apply to retired officers, warrant officers, or enlisted men of the Army, Navy, Air Force, Marine Corps, or Coast Guard."

SEC. 3. Section 7 of the Act of June 3, 1896 (29 Stat. 235; 5 U.S.C. 63) is repealed.

SEC. 4. The proviso in the paragraph under the center heading "Bureau of the Budget" in the Act of February 17, 1922 (42 U.S.C. 373), is repealed.

For Air Safety Stop Serving Liquor Aboard Planes in Flight

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my statement before the House Interstate and Foreign Commerce Committee on July 28 in support of my bill, H.R. 169, to prohibit serving of alcoholic beverages to passengers on aircraft in flight:

Mr. Chairman and members of the committee, to those who have never been up in a plane, and their number is diminishing daily, a visit to a major airport makes an impression that they will never forget. This is the gateway to the new world of air transportation that is developing with such speed, volume and complexity that the air is no longer free. Air traffic has already reached such proportions that strict discipline is required through inspection, regulation and control to insure the safety of planes and passengers.

Every big airport is suffering from growing pains. The crowded terminals, and the planes that are sometimes stacked in the sky waiting for room to come in, bear witness to the phenomenal expansion of the air transportation industry.

With the advent of faster jetliners, the need of further precautions for the protection of plane crews and passengers becomes urgent. It is the paradox of our times that, with the improving quality and dependability of machines and instruments and guidance systems, the incidence of human miscalculation or failure seems to increase.

In the realm of air transport where State boundaries are invisible and where an overwhelming percentage of the flights are interstate, and international, it is the responsibility of the Congress to recognize the obvious dangers (within the airspace of the United States), and to pass those laws which are required in the interest of public safety.

Aviation experts agree that, in spite of all the amazing electronic equipment presently in use, the safety of planes especially in the vicinity of airports, depends upon the eyes, the reflexes and the judgment of the human being who is not an automatic pilot. Even under the best of circumstances, this demands a high degree of concentration and a sure skill. His efficiency would suffer if his attention were divided by distractions and dangers in the passenger cabin behind him.

Air discipline is an important factor, and there are solid reasons for it. When a plane is about to take off or land, and the sign in front of the passengers lights up with the warning: "No smoking. Fasten safety belts," responsible people obey. The stewardess makes a further check to make certain that no one forgets. This is no place for anyone not in his right senses, who rebels against restrictions and insists on having his own way in defiance of all safety measures.

Even though these two requirements are not in effect when a plane is airborne and on course, except when the weather is stormy, or flying conditions are rough, the inside of a plane at 7,000, 12,000 or 20,000 feet above the earth is no place for any rock and roll conduct on the part of inebriated passengers.

As far back as August 21, 1955, I asked the airlines to discontinue the practice of selling alcoholic beverages to passengers on aircraft in flight. I thought that the airlines should be given the opportunity to abandon this dangerous custom, by voluntary agreement among the various carriers. Over 3½ years have passed since then without corrective action by the airlines or the Civil Aeronautics Board. I think that they have been given sufficient time to do something about this problem. Their failure to do so leaves us with no alternative but to pass a law that will forbid this practice.

I do not base my argument in support of this bill merely on my own observations as a patron of the commercial airlines, or on the testimony of airline officials, or members of the regulatory agencies. I consider it most important that those most directly concerned with the safety of a plane, the crew members themselves, took the initiative in requesting this legislation. It is they who must contend, not with a theoretical possibility, but with actual, disagreeable, and dangerous incidents caused by passengers whose irresponsible behavior is due to the alcoholic drinks they have been served while the plane is aloft.

The Airline Stewards and Stewardesses' Association, and the Airline Pilots' Association have called for an end to this commercial airline policy, involving the major domestic carriers, of serving liquor to the passengers. It is difficult to understand why the airlines, that are so scrupulous regarding every other safety factor, are so careless regarding this one. In fact, by serving liquor, they encourage the unpredictable behavior of drunken passengers. This could lead some day to the inevitable tragedy that would have been prevented by the legislation which I propose today.

Many old people, the children, and sometimes infants are passengers on today's airliners. Their right to every reasonable protection is paramount, as even the indulgent few (to whom the airlines cater with bartender service) would admit in their sober moments.

Liquor has its place, but it should not be served aboard public carriers up in the clouds where customers, deranged by drink, could be the cause of a major air tragedy.

I earnestly submit that Federal legislation to prohibit the serving of alcoholic beverages to passengers on aircraft in flight, as called for in H.R. 169 which I have introduced for your consideration, be recommended by this committee, for the safety of the millions who travel by air.

Blaine's Diamond Jubilee

EXTENSION OF REMARKS
OF
HON. JACK WESTLAND
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. WESTLAND. Mr. Speaker, among the communities in my district of Washington State that are celebrating key dates in their histories is Blaine, which is 75 years old. I want to take this opportunity to point out the importance of this celebration and the hard work that is being done to make it a success.

The city of Blaine is situated at the Canadian border where there is an arch bearing the words, "Children of a Common Mother." It is fitting, therefore, that Blaine is known as the Peace Arch City and that each year thousands of adults and schoolchildren from the United States and Canada meet on common ground at the arch to commemorate the 145 years this boundary has existed without border guards.

It is fitting, also, that Blaine's Diamond Jubilee will be celebrated in conjunction with the annual Peace Arch celebration. The Peace Arch parade on Sunday, August 2, will herald both the jubilee and celebration. The parade will end at the Peace Arch, where Miss Jeanne Sewell, 15, of Langley, British Columbia, and Merle Overland, who was graduated from Bellingham High School this year, will deliver the traditional student speeches.

President Eisenhower's personal representative to the Peace Arch celebration will be the Honorable Richard B. Wigglesworth, U.S. Ambassador to Canada. Following his address, the student speakers will receive Rotary Club plaques for their schools.

During the week of August 2–9, Blaine will have an historical pageant, daily program, street dancing and a spectacular fireworks display. On August 8, the diamond jubilee parade will pass through Blaine's streets. Our neighbors from British Columbia will contribute military marching units, floats and drill teams will join in the festivities.

Mr. Speaker, hundreds of Blaine residents have contributed many hours of hard work to make this week-long celebration one to remember. It would be impossible to name every person who has contributed so much, but I shall name those who have been entrusted with the leadership and administration of both the Diamond Jubilee and the Peace Arch celebration.

President of the International Peace Arch Association is Miss Nellie Browne Duff. Committee chairmen include Dr. Theodore J. Rasmussen, Clarence M.

Beal, Joe Imhof, Mario Pagano, George Marus, Walter Grant, Ted Hovde, Herbert Viereck, Roy A. Howard, C. T. Gardner, Jerry Thorne, Mrs. Marvel Smith, Mrs. Harold King, Mrs. Walter Collins, Mrs. Leila Kagey, and Capt. Walter Hunter.

Members of the Diamond Jubilee are Mel Hollinger, general chairman; Fred Kerns, Mrs. Lance W. Dillworth, Robert Bainter, and Richard A. Nelle. Division chairmen include Al Dohner, Randy Ramstead, Wayne Parrish, Gertrude Goodman, Vernon McDonald, Wynn Haws, Harold Dodd, Bill Hay, and Traverse Skallman.

Mr. Speaker, the history of Blaine is filled with stories of industry and courage. The citizens of this border community can be proud they reside and work in such a beautiful, growing city, and I predict they will continue to bring prosperity throughout the years to come.

Spending, Inflation, and Communism

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. PHILBIN. Mr. Speaker, there are definite signs of a public awakening to the realities and dangers confronting the country as a result of the dual threat of communism and governmental spending at every level.

Day by day, the American people are showing increased interest in and awareness of the menace of communism and inflation and the sad fact of increasingly excessive public spending.

While we must constantly be on guard to prevent the possibility of armed attack, and to serve the paramount need of safeguarding the national security, it would be a supreme folly indeed to ignore the possible, disastrous effects of huge spending programs, lack of economy and efficiency in Government, and the ghastly damage that could come to our free enterprise system and the well-being and prosperity of the American people from runaway, unregulated inflation.

Communism and public spending are twin specters lifting their ugly heads in the body politic threatening our way of life. They are related factors in our current national posture, since inflationary pressures further diminishing the purchasing power of the dollar, increasing the cost of living, and bringing hardship to millions of Americans could conceivably produce social conditions in this country which might easily give rise to radical theories of government and vigorous demands for revolutionary organic changes in our entire system.

The plain facts of financial, fiscal, and economic developments in the Government during the past few years give rise to great concerns. The national budget for the fiscal year just finished was unbalanced by more than $13 billion. The steadily rising cost of Government and living has produced understandable anxiety among all thoughtful people.

It is clear that current trends must be checked if we are to have any real hope whatever of stabilizing economic and social conditions, of bringing down the high cost of living and putting the fiscal affairs of government on a sound basis.

Over a period of years, annual appropriations and expenditures have been steadily rising until today, they have reached the highest peacetime peak in history. The general public has become very much disturbed and is sending a barrage of protests to Members of Congress and the executive branch, urging a return to sound principles of economics and prudent budgetary and financial policies—an end to improvident spending wherever it exists.

In recent days and weeks, I have received many communications from my constituents and other people pleading for economy, efficiency, and stability in the Federal Government. Frankly, I have believed for a long time past, and have sounded warnings on numerous occasions, that unless we found ways and means to balance the budget, reduce the national debt, decrease onerous taxes and declare war on extravagance, waste and unnecessary spending that we would be unloosing in this Nation a frightful monster that would possibly cause the most disastrous consequences for the Government, the economic system, and the people.

Many factors have been responsible for this situation and I shall not attempt to assess the blame for current conditions. For several years we have been under great national stress and strain and in the midst of one crisis after another. First, we had a great World War II, which was tumultuous and bloody, and extremely costly in terms of wealth, property, and human lives.

In the aftermath of this war, we had many extremely difficult problems to solve. We were faced at once with the machinations of world communism preying upon hundreds of millions of helpless people wracked by industrial and economic stagnation and hunger and pestilence.

It was necessary for us to try to combat these forces.

Whether we did so intelligently and wisely is a question that I have discussed on other occasions.

No doubt, many of the policies we pursued and many of the things that we did either caused or contributed to the severity of the very serious problems confronting us on the world scene.

For example, while the overall program of foreign aid was commendable and necessary at the time and could have been wisely and prudently directed, our Government over a period of years passed out huge sums of taxpayers' dollars in an imprudent, wasteful and extravagant manner. This has been an administrative nightmare.

At the same time, in our zeal to promote lasting peace, we appeased and compromised with those who were conducting Communist conspiracy, aggression, infiltration, social disturbances, violence and wars in many parts of the globe. This policy of appeasement and compromise was continued through the Korean war and even thereafter. Our spending policy overseas became more lavish and grandiose and billions and billions of dollars were spent without proper audit, checks and balances, and suitable accountability for either need or expenditure.

Consequently, it was a happy circumstance that during the period between 1947 and 1952 when this lavish spending was running at a high rate and the Korean war was on that we were able to balance our budget at any point, let alone pay off $3 billion on the national debt which we were able to do. Yet that was done during those years.

When we consider that this period covered the costly Korean war, it is all the more remarkable that we were able to make such a substantial payment of more than $3 billion on the national debt, and I think we could all agree that President Truman and his administration deserve to be commended for the fact that they were able to make such substantial reductions of the national debt during that time.

Since that time, however, for one reason or another, mostly because of the rising costs of defense and national security and the increasesd cost of General Government, the national debt has vastly increased by many billions of dollars—well over $20 billion. This at a time when Government revenues had increased over the previous period mentioned between 1949 and 1952 by more than $152 billion.

When I cite these figures, I feel a sense of frustration and helplessness before the furious pressures of superspending and improvidence which are causing budgetary deficits and alarming inflationary effects.

There is only one answer to my mind that this Congress can give to these very challenging current fiscal and financial problems and that is to make even greater efforts day by day to install in the Government that degree of prudence, economic management, and administrative efficiency which will, if diligently and vigorously pursued, promote huge annual savings for the U.S. Treasury and for the harassed and long-suffering taxpayers.

I think that the Congress has been deeply impressed by recent popular reactions demanding a balanced budget, demanding reduced taxes, demanding reduction of the national debt, and demanding war on inflation.

Of course, there are some areas in which until international tensions subside, Congress cannot safely make substantial cuts. There are, while strict economy is required, essential services of defense and General Government that must continue, some of them perhaps with even increased tempo.

Defense, of course, is basic and we cannot cut back at the expense of national security. The regular Government services must be prudently maintained to keep pace with economic, social, and cultural progress. All kinds of new developments and demands incident to growth, change and readjustment are

taking place. We cannot afford to turn our backs on the inevitable progress of the Nation nor can we ignore the needs of the fabulous space age.

But we can and must dedicate ourselves these days with all our hearts to the urgent tasks of bringing expenditures into balance with revenue, to eliminate needless, wasteful appropriations, of standing squarely and unequivocally for every possible measure of economy and efficiency in Government affairs.

We cannot always eliminate many appropriation items entirely, but we can always insist that the moneys appropriated are appropriated thoughtfully, spent judiciously, checked and accounted for wisely, and that none of the taxpayer's hard-earned money paid into the Federal Treasury is wasted or imprudently expended.

It is my deep concern that, notwithstanding the attitude of the Treasury and even some Members of Congress, that this Congress must reduce current onerous taxes on our citizens and on business. There should be reduction this year, in my opinion, to lift some of the heavy burdens from the backs of the people and to give enterprising businessmen, especially the small businessman who needs it so desperately, the fresh opportunity and new encouragement to tackle their current problems and expand their activities and try to put their business on a satisfactory income-producing basis.

I realize that there are many Members of Congress who do not favor tax reduction this year, and I highly respect their views even as I disagree with them. It is my opinion that if taxes were reduced, greater impetus and encouragement would be given to business, our cherished high American standard of living would be refortified against present crushing taxation of the people and thus, the economy and the people as a whole would be better off.

As a consequence, I believe that Government revenue would materially increase enabling the balancing of the budget. I personally do not believe that petty considerations of politics should be allowed to enter the settlement of these vitally important issues. The present situation in all its aspects, foreign, domestic, social, and economic, is far too serious to permit the presence of partisanship in matters which affect the destiny of this Nation and free mankind.

Both President Truman and President Eisenhower have shown ability, courage and patriotism in tackling the weighty and very challenging problems of their respective administrations. The problems facing the President and facing the country and the world today are truly stupendous and incalculable.

Digging up financial and political skeletons of the past and present will not provide a solution for our present plight. Only a vigilant, determined Congress and a cooperative executive department, working unitedly and wholeheartedly without regard to partisan political objectives, can effectively tackle and ultimately solve the great financial, political, and economic problems that are confronting the Nation and the world today.

I hope that we will have that kind of sincere cooperation and that kind of wholehearted jointer of effort, that wholesome collaboration between all great branches of the Government that is needed, if we are to check ruthless communism and dangerous inflationary trends and insure the unquestioned financial soundness and economic stability of the U.S. Treasury and the Nation.

The elimination of waste and extravagance and the curbing of lavish spending is one of the greatest problems before the country today. It is up to the Congress to tackle it, thus insuring a sound Government and real prosperity for the entire country.

The best defense against communism, high prices, and inflation is a sound dollar, a balanced budget, a reduced national debt, lower taxes for the American public, and efficiency and economy in the Government.

Is there any valid reason why Congress cannot work for these objectives? I think not, and I believe we must do so.

Banks—Interest Rates—The Public Interest

EXTENSION OF REMARKS
OF
HON. GERALD T. FLYNN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. FLYNN. Mr. Speaker, 5 years ago, the Government sold 1-year notes at an interest rate of 1⅛ percent; now it is paying 4¾ percent. It is predicted that the rate will go to 5 percent in the near future.

The interest rate of the Federal Reserve bank was recently increased from 3 to 3½ percent. It is said that the date has already been set for the Federal Reserve bank to raise the interest rate from 3½ to 4 percent. This is only a few months away. Interest rates for private and commercial borrowing are rising. Interest rates to municipalities are rising. The Treasury Department is paying $6 billion a year more at the present rate of interest to finance the public debt than it did a year and a half ago. The Treasury Department is asking to have the interest ceiling removed which would result in added interest of at least $6 billion more.

David Lawrence, in his column of last week, stated that the Democratic Party Members in Congress are blocking this action. I am proud to be one of those Democrats. Interest rates on mortgage money for home building now requires higher interest rates and it is going higher. This can bring the building boom to a sudden stop and cause great unemployment and a turndown in the building industry. Many banks are already charging 7 percent interest on private loans. Increases in wage rates are being demanded to meet increased costs. This Congress is being asked by our Chief Executive to feed the present inflation by authorizing an increase in the public debt interest rate.

The Chief Executive has made no patriotic call to the citizens to use their savings to purchase Government bonds. The bankers and moneylenders are benefiting from the added interest. They are giving nothing additional in services or commodities for the extra money they are receiving. The high interest dollars paid to them are inflationary dollars. The Federal Reserve Bank is increasing the interest rate to its member banks. The effect is an increase in the interest rate throughout the country. The Federal Reserve Bank is insisting that all people compete with each other, with the Federal Government and with municipalities for an insufficient supply of money in the money market. The only result can be that many people will be unable to get needed money for their business or personal needs. This may well result in business failure and bankruptcy on a wide scale and the present boom can turn into a bust. It was only a short time ago that here in Congress we were worried about a depression. Now we seem to think that prosperity is here to stay.

While we talk about prosperity, we still have many unemployed. We have depressed areas and the depressed area list continued to grow rather than get smaller. We well know that if it were not for the $40 billion defense program that there would be more depressed areas in this Nation. The income of the farmer is many billions of dollars less than it was a few years ago and many farmers are finding it impossible to continue their operations. Small farmers and businesses across the country are being forced out or are being absorbed through mergers with larger concerns.

The people back home in our districts realize these facts while we here in Washington are told about the great prosperity that exists. We here in Washington are asked to feed an inflation in the face of these facts by permitting higher rates of interest to be paid by our Government to the tune of $6 billion a year. I say that the people of this country are opposed, in overwhelming numbers, to the interest increase. It is the bankers and the moneylenders who demand this increase. If we are voting in the interests of our constituents, we should vote against an increase in the interest rate on our national debt.

Public Opinion Poll, 10th District of North Carolina

EXTENSION OF REMARKS
OF
HON. CHARLES RAPER JONAS
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. JONAS. Mr. Speaker, the following questionnaire was mailed to every

post-office boxholder, rural and urban, in my district. It was also reproduced in the Charlotte Observer, the newspaper with the widest circulation in the district.

There are six counties in the 10th district, extending from the mountains of western North Carolina to the industrial Piedmont. Interests range from mining in the mountain counties to agriculture, manufacturing, and marketing in the industrial and commercial sections of the district which include Charlotte.

Although the responsibility for any votes I cast in Congress must necessarily be my own, I feel that the views of my constituents are important and that I should know them. By this method I sought to give the voters in my district an opportunity to express their opinions on a wide variety of subjects.

The response to the questionnaire was gratifying and replies were received from every county in the district and from urban and rural communities. They came from farmers, workers, housewives, executives, merchants, and professional men and women. The results were surprising in some instances indicating that the people of the district are thinking for themselves and are giving thoughtful consideration to current problems.

I should like to share the results of this questionnaire with my colleagues and under leave to extend my remarks in the RECORD include the questions and answers on a percentage basis:

Public opinion poll tabulation from Charles Raper Jonas, Representative in Congress, 10th District, North Carolina

	Yes	No	No opinion
1. Number the following issues in the order of their importance to you:			
(a) Balanced budget	17.2		
(b) Civil defense	3.8		
(c) Farm problem	3.3		
(d) Foreign policy	7.4		
(e) Federal aid to education	3.3		
(f) Inflation	13.5		
(g) Labor union legislation	9.5		
(h) National defense	24.2		
(i) Social security	4.4		
(j) Reduction in Government spending	13.4		
2. Under existing conditions at home and abroad, do you consider a balanced budget—			
(a) Essential	40.1		
(b) Desirable	52.2		
(c) Unimportant	5.8		
(d) No opinion	1.9		
3. Would you favor increasing any taxes (income taxes, gasoline taxes, excise taxes, or postage rates) if necessary to balance the budget?	50.4	46.0	3.6
If so, please specify which you would favor increasing:			
(a) Gasoline	13.2		
(b) Excise	16.6		
(c) Postage	17.4		
(d) Income	4.9		
(e) No answer	47.9		
4. Which of the following courses do you favor?			
(a) Continued Government spending at current levels even if this results in deficit financing	11.3	51.5	37.2
(b) Reduction in appropriations to match expected revenue	80.5	5.9	13.6
5. If you answered (*b*) "Yes," where would you cut?			
(a) Defense Department funds	7.9	15.7	76.4
(b) Domestic programs other than military	51.2	2.8	46.0
(c) Mutual security programs	22.2	8.2	69.6
(d) Across the board	35.2	9.1	55.7
6. If all other efforts to halt inflation fail, would you favor wage, price, and rent controls?	65.3	28.1	6.6
7. Do you think the Federal Government should spend more than it is spending for—			
(a) National defense	27.7	50.7	21.6
(b) Welfare	12.2	67.3	20.5
(c) Schools	35.2	49.7	15.1
(d) Housing	11.6	67.2	21.2
(e) Hospitals	24.2	56.8	19.0
(f) Agriculture	9.0	70.4	20.6
(g) Veterans	14.0	66.6	19.4
8. Do you agree with those who argue that labor unions are becoming too powerful and more stringent Government controls should be imposed?	87.6	9.9	2.5
9. Do you agree with those who argue that present labor laws (Taft-Hartley) are too oppressive against unions and should be repealed or liberalized as recommended by union leaders?	7.6	87.6	4.8
10. Should proposed union reform legislation cover the problems of secondary boycotts and "blackmail" picketing?	82.2	9.1	8.7
11. Do you favor repeal of sec. 14–B of the Taft-Hartley Act which permits States to enact right-to-work laws?	26.9	64.1	9.0
12. Do you favor increasing the Federal minimum wage law above $1 per hour?	37.4	57.9	4.7
13. Do you favor extending the coverage of the Federal minimum wage law?	55.4	33.8	10.8
14. Do you favor Federal aid to education for—			
(a) School construction	42.7	47.8	9.5
(b) Teachers' salaries	31.8	55.5	12.7
(c) Other general aid	20.9	58.9	20.2
15. Do you favor hospital and surgical care for social security beneficiaries to be financed by increased social security taxes?	33.1	61.7	5.2
16. Do you favor—			
(a) The present farm program under which the Government supports prices of certain farm commodities at a percentage of parity and imposes stringent acreage controls	17.8	65.8	16.4
(b) Basing price supports more closely to market prices	38.2	29.4	32.4
(c) Elimination of price supports and production controls	57.1	22.7	20.2
17. Do you favor increasing the interest rate on Government loans to REA cooperatives from 2 percent to the average rate the Government pays on its own bonds?	80.0	12.4	7.6
18. Do you think more federally administered programs should be turned back to the States and local governments?	81.4	12.9	7.5
19. Do you favor long-term, low-interest loans by the Federal Government to local communities to finance public works projects?	49.9	42.0	8.1
20. Do you favor Federal aid to depressed areas to finance plants and public works to attract industry?	42.5	49.3	8.2
21. Do you approve our firm stand with respect to the Berlin situation?	94.2	3.0	2.8
22. Considering world tensions, should we continue our mutual security aid to friendly nations?	77.4	12.0	10.6
23. Should the emphasis be on—			
(a) Military assistance	46.4	18.8	34.8
(b) Economic aid	54.4	13.7	31.9
24. Do you favor gifts and sales (for local currencies) of surplus farm commodities to underdeveloped countries?	80.5	10.4	9.1

Representative Roosevelt Speaks on "The Key to Small Business Survival"

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. PATMAN. Mr. Speaker, under the chairmanship of Representative JAMES ROOSEVELT, Subcommittee No. 5 of the House Small Business Committee recently opened a series of hearings on the problems of small business in the food industry.

During the course of these hearings a great deal of valuable information was presented by small businessmen representing many different segments of the food industry. The nature and scope of problems that are causing serious, sometimes ruinous difficulties for small businessmen, were revealed to the members of the subcommittee by these witnesses.

In recognition of the interest shown over the problems of the independent operator in this vast industry by Representative ROOSEVELT during these hearings, the National Candy Wholesalers' Association invited him to address their convention in Chicago today on, "The Key to Small Business Survival." Representative ROOSEVELT has a record of giving constructive, positive assistance to small businessmen whenever possible, and the views and proposals presented in this speech will be noted with interest. Because of its broad implications, which go beyond the immediate problems of the day, I believe this speech will attract the attention of those concerned with the importance of protecting the small businessman in a free and competitive enterprise system.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE KEY TO SMALL BUSINESS SURVIVAL

(Address by the Hon. JAMES ROOSEVELT, Democrat, of California, before the National Candy Wholesalers' Association, Chicago, Ill., July 27, 1959)

I am very happy to be with you today to discuss the "Key to Small Business Survival." As a group of small businessmen, you are well aware of the fact that a key must be found if small business is to survive.

Last month in Washington, the Subcommittee of the House Small Business Committee, of which I am chairman, opened its investigation into the distribution problems of small business in the food industry. Your association, with many others, cooperated with the subcommittee in presenting the problems which you face.

This investigation has been hailed by some as one of the most important studies made of the food industry in a quarter of a century—and from the testimony we received, it is being made none too soon.

Much of the legislation which has been passed by Congress to aid and protect small businesses has had as its fundamental purpose the protection of the free and competitive enterprise system. It is the firm belief of those of us concerned with problems of small business that the continuance of the economic system we know in the United States is based on the existence of small business as well as large business.

The concentration of economic power in the hands of a few can lead to disaster, for the use of power often leads to its misuse. And in our country, when an economic situation is injurious to the public interest—Government steps in.

I believe strongly in the free and competitive enterprise system which has made our country great—and I want to keep it. I don't want to see State socialism. If the concentration of power in a single industry becomes an evil force, and contrary to the best interests of our people, in the end that industry will be nationalized. We must prevent this.

The facts given to the committee in Washington by many different groups of small businessmen indicated to us that there is a concentration of power developing in the hands of a few in the food industry. While there still remain many areas of competition, many have been eliminated. These are warning signs. Signs that we must heed, and we must act upon.

Today the food industry is the largest single industry in our economy. It is a $50 billion business. Many changes have taken place in the structure of this business in the last 20 years. Changes with which we are all familiar. The corner grocery store has all but disappeared from the neighborhoods and is being replaced by vast supermarkets. New products, frozen foods and different concepts of marketing have changed the food industry drastically.

In the period from 1948 through 1958, the total amount of annual sales through food stores rose from about $31 billion to more than $50 billion, but the number of merchants engaged in food retailing declined sharply. About 10 years ago more than 400,000 food stores were in business. The 1954 census showed that less than 350,000 stores were engaged primarily as food retailers.

The number of large retail food chains declined from 273 to 77 and less than 35 percent of these accounted for 77 percent of the total food chain sales.

We have seen the growth of the giants in the past 20 years. Fifteen of the largest chains accounted for 29.4 percent of total sales—and the big four (A. & P., Safeway, Kroger, and American Stores) accounted for 19.6 percent of total sales in 1957.

Since 1955, 2,657 locally owned food stores have been "acquired" by mergers. Their estimated total sales volume was almost $3 billion—equal to the current total sales of grocery stores in 14 States.

The largest chain—A. & P., has more than $4.7 billion in sales, over 4,000 stores, and is more than twice the size of its largest competitor. Sears, Roebuck had only $3.7 billion in sales in 1958.

If you accept the definition of a chain as four or more stores, they account for approximately 43 percent of the total retail food business in the country.

I believe that these facts indicate a high degree of concentration of power in the food industry. And I also believe that it is time we did something about it.

It is important that those of you in the wholesale candy business, and your colleagues who wholesale in other phases of the food industry, understand this situation and your responsibility in it.

Your executive secretary, Clarence McMillan, presented facts to the subcommittee last month which revealed that the candy wholesalers are faced with the same problems as the small meatpackers, the frozen food distributors, the preserve manufacturers, the small poultry and egg producer, the independent retail wholesale grocer and the farmers. The gigantic food chains are taking over the food industry from the crop to the shelf, and the small businessman is being squeezed out. "Grow big or die," former Gov. Ellis Arnall told the committee. "The small businessman is no longer able to compete in the marketplace."

The problems that you face as candy wholesalers are the same as those described by other small businessmen in the food industry.

Your secretary told the committee that candy is being used as a loss leader. The chains sell it at below cost prices to bring customers into the stores. The poultry industry has the same problem—and today thousands of them have gone into bankruptcy.

Chainstores, we were told, are receiving competitive buying advantages of one sort or another, which permit them to sell at very low prices—prices even lower than the wholesaler and retailer can get. A tobacco wholesaler from New Mexico testified that equal opportunity to purchase merchandise competitively is one of the most acute problems small business faces.

Mr. McMillan mentioned advertising allowances, promotional allowances, vertical integration, and mergers. Time and time again witnesses told the committee of the serious situation they are in because of the misuse of these practices in the food industry.

You as small businessmen in the wholesale candy field are feeling the results of revolutionary changes in production and distribution methods in the food industry.

You are an important part of the food picture. Thirty-five percent of the candy purchased is sold through food stores. But there are fewer food stores, for in 10 years more than 50,000 stores have disappeared.

In 1950 there were 8,500 candy wholesalers supplying independent retailers. Today there are a little over 5,000 of you.

We are told that today a food chain is the largest candy manufacturer in the country, manufacturing candy to sell in its own stores. There is no place for the wholesale candy man in this picture.

Price wars are a common occurrence in the food industry. The housewife is delighted with the cut prices on dairy products, coffee, and fruit juice, and picks up these so-called week end bargains at the chain stores. And then what happens when the small grocer gives up and goes out of business, unable to compete in these price wars? The prices of these commodities go up and stay up.

Fewer and fewer firms are buying a larger and larger percentage of the total farm commodities. And the farm income which stood at $17 billion in 1948, slipped back to less than $11 billion in 1958. While the big chains are offering lower prices to the housewife, the small farmer is thinking—"Grow Big or Die".

Today 95 percent of all the broilers consumed by the American public are raised under some kind of a contract between the farmer and a company. The farmer has made very little profit and has lost control of his own operation. One small poultry owner called it a return to serfdom.

These tragedies result from monopolies. The evils of monopoly were well known to our forefathers. Thomas Jefferson, I am told, wrote a clause in a draft of the Constitution, which would restrict monopoly. Unfortunately, it was deleted. Many of our State constitutions prohibit monopoly.

The people of Italy and Germany learned that monopoly results in a loss of not only their economic freedom, but their social and political freedom as well. Democracy and our traditional free-to-compete-fairly economic system cannot live in the same climate with monopoly. One must die.

It is this threat of monopoly which has been presented to the subcommittee by small businessmen which deeply concerns me.

What can we do?

Businessmen in the industry should meet and advise on proper actions to protect the free enterprise system. The businessmen have a responsibility which they must meet.

This is one key to survival.

If the businessman does not present proposed solutions, others will come up with the best answers they can, but they would not be the best ones they could have reached had they had the help of the industry.

We have opened our study in Washington with a presentation to the subcommittee of the problems of small businessmen in the many different fields in the food industry. It is our intention to carry our hearings into major cities throughout the country to learn first hand what is happening to small business.

There are several aids which could be offered small business soon. Mr. McMillan proposed that the Federal Trade Commission be directed to earmark certain appropriations for the specific function of keeping an eye on the food industry. I believe there is a good deal of merit in that idea.

I am wondering if legislation paralleling the stockyard and packer's consent decree, which would prohibit a retail firm from going into the processing and producing end of the business, might not help solve some problems.

It has been suggested that the Federal Trade Commission should be given injunctive powers so that a small business would not go under while waiting for its case to come up in court.

Legislation is now pending in Congress to force a seller to make known his price, discount or other terms, to all buyers. This bill is sponsored by the Honorable WRIGHT PATMAN, chairman of the House Small Business Committee.

The key to survival in any battle is to know your enemy. The enemy of the American free enterprise system is monopoly. Monopoly, which would mean the end of our American democracy, of the opportunity for a man to have his own small business, to choose independence, and the right to compete with his intelligence and energy.

This is the enemy we must fight and beat. This is the key to survival—yours and mine, and that of every American.

Banks, Interest Rates: The Public Interest

EXTENSION OF REMARKS

OF

HON. GERALD T. FLYNN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. FLYNN. Mr. Speaker, who should have the power to determine policy when the welfare of our country is at stake? The Federal Reserve bank or the Congress?

The welfare of our country is at stake when we are threatened with an inflation which can consume all of us. To pay added interest charges on the public debt is inflationary. The Federal Reserve bank refuses to support Treasury bonds at the maximum interest rate now permitted. The Federal Reserve bank

high-handedly rejects the advice of Congress when it suggests passing a resolution to the effect that it is the sense of Congress that the Federal Reserve bank support the bond market. The members of the Federal Reserve bank system were helped by Congress in 1933 and now, being beneficiaries of the fruits of the Federal Deposit Insurance Corporation, have declared their independence not only of the will of Congress but their rejection of even an expression of opinion by Congress on a money matter which has at stake not only the welfare of the banks but the welfare of the entire country and our economic system. If you believe, as I do, that fighting inflation through increased interest charges leads to a speedy and serious depression, and to an increasing spiral of inflation in other fields, then the advice and wish of Congress should be heard and heeded by agencies created by this Congress, such as the Federal Reserve bank. Yes, the private banks of this country should not be unmindful of the advice of Congress. Where the interest of the people is at stake, this Congress cannot afford to forfeit its power or influence or to compromise the people's convictions or principles. If we believe that the welfare of the people can be jeopardized through a rise in interest rates, through further inflation and by the failure of the Federal Reserve bank to support the current bond market, then I feel it is our duty, as Members of Congress, to refuse to knuckle under to those who demand increased interest rates. The well-being of the people of the country comes ahead of the well-being of the banks and money-lenders. Congress should protect the people and should not forfeit, even its right to express an opinion, to the banks who are hiding behind the sacred veil of a statement to the effect that banks should be free of the control of politicians. I say that it is our responsibility as Congressmen, politicians if you will, to protect the interests of our constituents who sent us here.

First the bankers wanted the vault cash bill—then the ceiling lifted on the national debt—then an increase in the interest rate on Government bonds and now they are bold enough to tell Congress, through the President, that Congress should not pass a simple resolution expressing its feeling that the Federal Reserve bank should support the bond market of the Treasury Department. The Federal Reserve bank has refused to buy Treasury bonds at the interest rate offered by the Secretary of the Treasury. We have, in effect, a strike by the Federal Reserve bank against the Treasury—a strike against the people of the United States.

Can any of us go home at the end of this session if we vote for an inflationary increase in interest rate and face the family farmer, the corner grocer, the white-collar worker, the laborer, the veterans, the teachers, and the pensioners living on fixed incomes? Let us forget about the hypothetical individual who states that the cause of the inflation is because Congress, or the Democrats in Congress, are spending too much. There is little difference between the spending bills of the Republicans and the Democrats. There is, however, a big difference between the policies of the Republicans and the Democrats. What we need is a balanced economy. If we have a balanced economy, a balanced budget will automatically follow. Let us vote in the interests of the people back home—let us vote against inflation by refusing to increase the interest rate on the national debt.

Domestic Surplus Property Donations for Education, Health, and Civil Defense

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. McCORMACK. Mr. Speaker, under leave to revise and extend my remarks, I am placing in the CONGRESSIONAL RECORD a recent press release of Secretary Flemming of the Department of Health, Education, and Welfare which indicates that personal property in the amount of $126,822,683, acquisition cost, was made available to the States for purposes of education, health, and civil defense during the period April 1 through June 30, 1959. During the same period real property in the amount of $3,211,895 was donated for these purposes.

This is the largest quarterly program we have had and indicates better organization at all levels and the continued declaration of surplus property by the military agencies. It is to be noted that the State of New York had the highest total of $16,065,988 for the quarter and this, with the overall increase in volume, bespeaks the added impetus given to the program by my colleagues on the Special Subcommittee on Donable Property, the gentleman from New York [Mr. BARRY], and the gentleman from Connecticut [Mr. MONAGAN].

Mr. Speaker, though the domestic donable surplus property program is large, with allocations of $361 million for the entire fiscal year 1959, it should be larger. Our eligible institutions need much more property which is being sold at small return to the taxpayer.

Unfortunately, we have not yet developed a program to utilize excess overseas property for purposes of education and health. It is expected that the volume of this excess property will amount to $1.4 billion acquisition cost in the current fiscal year.

The release of Secretary Flemming follows:

Surplus property for which the Federal Government paid $130,034,578 was made available to the States for educational, public health, and civil defense purposes during April, May, and June 1959, by the Department of Health, Education, and Welfare.

Real property accounted for $3,211,895 and personal property for $126,822,683.

Secretary Arthur S. Flemming announced the totals in making his quarterly report to Congress on the Department's surplus property program.

Property no longer needed by the Federal Government is distributed, under the provisions of the Federal Property and Administrative Services Act of 1949, to educational and public health agencies and civil defense organizations of State and local governments, and to eligible nonprofit health and educational institutions exempt from Federal taxes. Regional offices of the Department of Health, Education, and Welfare and various State agencies channel the surplus property to the institutions.

Property transferred to the States includes such items as school and hospital building sites; buildings suitable for college dormitory or faculty housing; motor vehicles; hospital, school, and office furniture; hand and machine tools; motion picture projectors; laboratory equipment; and school and office supplies.

The following is a State-by-State list of real and personal property distributed, April–June 1959. State surplus property agencies can furnish details on the operation of the program within their States.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Personal property made available for distribution to public health and educational institutions and civil defense organizations and real property disposed of to public health and educational institutions, April 1 through June 30, 1959 (acquisition cost)

[In accordance with sec. 203(o), Public Law 152, 81st Cong., as amended]

States	Personal property	Real property	Total
Total	$126,822,683	$3,211,895	$130,034,578
Alabama	4,617,794	30,565	4,648,359
Alaska	564,070	69,300	633,370
Arizona	687,302	18,904	706,206
Arkansas	884,359	11,825	896,184
California	9,779,736	225,351	10,005,087
Colorado	583,729	71,894	655,623
Connecticut	1,305,847	24,777	1,330,624
Delaware	724,427		724,427
Florida	6,765,814	24,090	6,789,904
Georgia	2,492,642		2,492,642
Idaho	684,112		684,112
Illinois	5,842,006	35,700	5,877,706
Indiana	2,835,189	1,625	2,836,814
Iowa	2,137,380	3,310	2,140,690
Kansas	1,431,046	97,625	1,528,671
Kentucky	1,725,509		1,725,509
Louisiana	1,391,063	27,000	1,418,063
Maine	803,949		803,949
Maryland	2,469,444	89,564	2,559,008
Massachusetts	5,164,538		5,164,538
Michigan	3,436,632		3,436,632
Minnesota	2,870,641		2,870,641
Mississippi	2,382,011	116,090	2,498,101
Missouri	1,908,116	89,238	1,997,354
Montana	316,027	4,557	320,584
Nebraska	706,137	29,660	735,797
Nevada	268,118		268,118
New Hampshire	544,318		544,318
New Jersey	2,398,317	3,000	2,401,317
New Mexico	1,096,801	237,155	1,333,956
New York	16,023,454	42,534	16,065,988
North Carolina	3,524,609	5,967	3,530,576
North Dakota	150,527		150,527
Ohio	4,450,696	6,600	4,457,296
Oklahoma	2,574,952	516,143	3,091,095
Oregon	1,128,987	10,000	1,138,987
Pennsylvania	7,507,606		7,507,606
Rhode Island	603,897		603,897
South Carolina	1,919,650		1,919,650
South Dakota	264,779	3,600	268,379
Tennessee	3,116,843	36,157	3,153,000
Texas	4,227,562	884,503	5,112,065
Utah	1,427,488		1,427,488
Vermont	299,587	33,756	333,343
Virginia	3,041,476	96,349	3,137,825
Washington	2,212,494	19,086	2,231,580
West Virginia	1,344,802		1,344,802
Wisconsin	2,415,031		2,415,031
Wyoming	294,642		294,642
District of Columbia	510,858		510,858
Hawaii	300,276	345,970	646,246
Puerto Rico	665,393		665,393

Space Secrecy

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1959

Mr. BROOKS of Louisiana. Mr. Speaker, recently the gentleman from California [Mr. Moss] addressed this House on the subject of executive branch secrecy in the field of space research and space programing. It was his conclusion that if this House cut the appropriations of the National Aeronautics and Space Administration, the responsibility should lie with the executive branch because the House could not be expected to grant automatically requests for funds for agencies which were not keeping the appropriate committees of the Congress fully informed of their activities and plans. He used as proof of this hampering secrecy the recent report of the Senate Subcommittee on Government Organization for Space Activities, Committee on Aeronautical and Space Sciences.

Let me say that the continuing battle which Congress fights to keep itself fully informed of what the executive branch is doing is an important one, and that the gentleman from California has made a great contribution by his efforts in this field. But at the same time, I wish to make clear that the House Committee on Science and Astronautics has insisted on being kept fully informed of the activities of the National Aeronautics and Space Administration, and that agency has been fully and frankly cooperative in its efforts to comply with the wishes of this committee.

The extensive records and material presented to this committee in the authorization hearings before this committee, and all other contacts we have had on virtually a daily basis with the NASA reflect credit on Dr. Glennan, the Administrator, Dr. Dryden, the Deputy Administrator, and Mr. Gleason, the Assistant Administrator for Congressional Relations, together with their staff. I am safe in stating that when the Committee on Science and Astronautics recommended to the House the authorization program it did, that these recommendations were on the basis of complete and thorough study. The action taken by the House on the appropriations whatever the reasons, represented the judgment of the Members by majority vote, but were not a reflection of any lack of study or gaps in information on the part of the committee of which I am chairman.

Now I also want to say that the report of the Senate subcommittee to which I have referred is an important study which deserves close attention for the thoughtful conclusions which it presents. It would be my view that the Senate report is correct in directing attention to the needs for Congress to have greater knowledge of how the detailed programs of the NASA and the Department of Defense relating to space are coordinated in the President's National Aeronautics and Space Council. Despite the similarity of name, the Space Council is separate and distinct from the Space Administration. This committee has not received a clear report of what the Council has been doing.

Because I have been well satisfied with the cooperation received from NASA, I would be greatly surprised to discover that there has been any serious gap in information supplied to this committee. If there are any such gaps known to the Members of this House. I should appreciate having them called to the attention of the chairman of the Committee on Science and Astronautics, and we shall move swiftly to fill them.

Education in Foreign Service

EXTENSION OF REMARKS
OF
HON. A. S. MIKE MONRONEY
OF OKLAHOMA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 28, 1959

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent address delivered by the distinguished junior Senator from Tennessee [Mr. GORE] before the 14th Institute of Higher Education, Board of Education, the Methodist Church, Nashville, Tenn., on July 28, on the subject "Education in Foreign Service."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EDUCATION IN FOREIGN SERVICE

(Remarks of Senator ALBERT GORE before the 14th Institute of Higher Education, Board of Education, the Methodist Church, Nashville, Tenn., July 28, 1959)

It is a privilege and honor to participate in this significant conference on higher education.

In presenting to you some views on "Education for Foreign Service" I use the term "foreign service" in its generic rather than its political sense.

The field of foreign service is broad and is broadening by leaps and bounds. Moreover the challenge and the necessity of foreign service in the political, social, the religious, the economic, and other fields surges evermore appealingly and vitally.

We see that truth, a key to the Christian concept at home and abroad and the most effective weapon of freedom anywhere, is locked in a dramatic battle with propaganda, distortions and prevarication. We see that truth needs the service of more and better trained people and improved methods of communication.

We see that in the mortal cold war challenge to our way of life the ultimate target is the minds and the hearts of mankind. The most appealing and revolutionary political ideal that the world has known is democracy, described so eloquently by Lincoln as "of the people, by the people, and for the people." I hold that it is far more appealing, and perhaps in many parts of the world more revolutionary today, than even the theoretical concept of communism, let alone the vulgar, gangster distortion current in Russia.

Yet this idea and ideal, this system, however glorious and glittering it may be in the United States, eventually loses its appeal to people who can find no reasonable basis for aspiration for attaining it or any share of its benefits and glories.

We see the Soviet efforts at economic penetration of underdeveloped areas and for political subversion, particularly among the politically unsophisticated peoples.

I say these things only by way of identifying both the scope and urgency of education for foreign service.

One of our national weaknesses is our deficiency in linguistic capabilities. This point has been made plain to me through somewhat excruciating experiences at international conferences. Within the last month, for instance, I was a member of the U.S. delegation to the conference on nuclear weapons tests suspension which invited the Russian and British delegates to dinner. Each of our Russian guests spoke English reasonably well, sufficiently to communicate intelligibly without aid of an interpreter. Not one of the American hosts could utter or understand one intelligible sentence in Russian.

American business representatives abroad are finding themselves handicapped because of the superior facility of communication by their competitors.

No longer, it seems to me, can we depend solely upon the isolated missionary to adequately an deffectively carry the message of Christian faith and ideals in competition with shrewd articulation of materialistic ideology.

In the past Americans have shown comparatively little interest in the study of foreign languages. Perhaps this was a natural consequence of our geographical position. It may be a consequence also of our complacency and self-satisfaction, which our position is world affairs will no longer permit.

This deficiency can be attached by institutions of higher education, but higher education alone cannot provide a satisfactory solution. The development of a national linguistic capability sufficient for the challenge of world leadership will require elementary language training in the primary grades and high school and supplementary study in higher education. In the field of higher education new methods of language teaching are evolving, influenced particularly by necessities for concentrated language studies by the Armed Forces during World War II and since.

Language, however, is not an end in itself. I shall never, never forget the withering experience I had when I undertook to matriculate for a public speaking course as a freshman at the University of Tennessee. The dean took one look at my matriculation card, quickly drew a line through the public speaking course, and looked at me as if to say, "You must first learn something to talk about." I am not sure that the dean was right. In fact, I was not sure then, and by some persistence persuaded him to let me take the course. Nevertheless, the facility to communicate is only a tool. Its effectiveness depends on how it is used, not merely on its possession. I would not, therefore, wish to overemphasize training in languages, necessary and important though it be.

One can be "fluently arrogant" in several languages and yet be a poor representative abroad of his country, of his business, of his mission, of his church.

Although this may be overlooked by some, it is most important that anyone going into foreign service in any field of endeavor be well informed about his own country.

Upon my daughter's return to Vanderbilt University as a student after working at the World's Fair at Brussels and completing a trip around the world, I heard someone ask her the following question: "What lesson did you learn in your travels around the

world?" Nancy answered: "I have just registered for four history courses."

Not only is knowledge of the history of our country important in education for foreign service, but a knowledge of its people, of its geography, of its industry, of its business, of its social and political institutions, its religious life, its welfare programs, its labor organizations, its social customs, its strong points and also its weaknesses.

Moreover, a faith in our system and a dedication to its causes is essential to effective foreign service. I think it is reasonable to presume this faith and dedication. The more education, the more knowledge, the more understanding that our foreign service personnel possess, the more valid will be the assumption.

The need for qualified individuals educated for foreign service in various fields is acute. This problem concerns all. With the relatively new position of free world leadership which has come to us through the inexorable march of events and our own great good fortune has come the responsibility of dealing effectively and in all fields and at all levels with peoples all around the world. We are sending more people abroad than ever before and keeping them abroad for longer periods of time. This applies, I believe, to religious undertakings, as well as to economic, business, political, and military personnel.

I must not overlook, nor indeed must I minimize, the importance of American tourists abroad as representatives of our way of life. Here, too, we could stand a little more educational preparation for foreign service.

Through education, we can solve a great many of our difficulties. There must be preparation for any service, but unfortunately we do not have the facilities for proper foreign service training. Neither do we have, at the present time, a large pool of people with an interest in foreign service from which to select people for training. I would say, along with Alfred North Whitehead, however, that "the race which does not value trained intelligence is doomed." The country which does not value trained intelligence and which does not take steps to select and train its intelligent people is doomed to failure. Perhaps this caveat is pertinent to the important field of foreign service.

Education for foreign service, as I have said, has many facets. Before such education can begin, there must be some process of selection of those to be educated. How are they to be selected? Who should select them? At what point in the educational process should specialized training for foreign service be undertaken?

When these questions can be satisfactorily answered, and it is determined that a qualified candidate for education for foreign service is in hand, one must then face the task of deciding how to educate him. What should be the specific objectives of his education, and how extensive, as a practical matter, should the curriculum be?

Finally, then, one is faced with the question of the best type of institutions for educating this candidate for Foreign Service. Should existing educational institutions be utilized, or should specialized institutions be established? In the Foreign Service of the Government, this is, and has been, a much discussed matter.

Now, I have raised a lot of questions. I don't propose to furnish easy answers. Essentially, I seek to identify the problem. Perhaps some of these questions can be resolved in the course of your further discussion and study.

It may be needless to point out that Americans abroad are subject to a great deal of criticism, much of it, I am afraid, justified. All things considered, however, the picture is probably not as bad as it has been painted. The recent bestseller, "The Ugly American," has popularized a type of American abroad who is not in my view typical of our State Department, Information Agency, or other related Government services. On the other hand, it certainly is true that our representation abroad, particularly in Government, is not what it should be.

There are three basic reasons for the criticism of Americans abroad. First is poor selection and training of personnel. This is what we are talking about now, and it is something we can correct. Second is the lack of a proper foreign policy. As educators, you cannot do too much about that right away. Third is the simple fact that unpopularity is the price of power. There is not much any of us can do about that.

Some experts in the field list another cause of friction, and that is the fact that there are just too many Americans abroad, and the mere fact of numbers will give rise to friction. This may be a factor. At the present time, almost 1 percent of our population is abroad, including members of the armed services and their dependents. But, before we draw any hasty conclusions about this, it should be mentioned that about one-fourth of all Americans abroad are living in Germany, and that country is probably the one place abroad where Americans are most appreciated and where there is a minimum of friction between our people and both government officials and private citizens.

Perhaps friction at any particular place revolves around what we are doing and how we are doing it, rather than the numbers of people involved. Certainly, whatever we have to do in various countries, and whatever numbers may be involved, the proper selection and training of our representatives will go a long way toward getting the job done in the best possible way.

In a democratic society, the selection of individuals for work, as well as the choice of avocation, is and must be on a voluntary basis. It is not possible for the Government, church, or company desiring representation abroad to designate individuals and earmark them for any particular task, except in the armed services. We must rely on incentives such as monetary income, improved status, interest, or the opportunity to be of service.

Our chief foreign competitor, Soviet Russia, has a big advantage in the matter of selection. The Soviets can and do select people at an early age and keep them in a specified program of training as long as the government feels such training is profitable. We do not desire such control. We abhor it. But we must recognize its challenge. It has been reported, for example, that the Soviets have, for several years, been training large numbers of selected individuals for service in Africa south of the Sahara and giving them intensive training in the languages and dialects of the area. We know as well as do the Russians that this is a critical area, but we are not able to mobilize our efforts so readily. I doubt that there are many people in this country who are undergoing training in Swahili or Ruanda, let alone the less well known languages and dialects of that section of the world.

As a practical matter, it appears to me that we will not be able to select young people for foreign service training at an early stage in their educational process. We will probably have to allow them to get through most of their college training before any real specialization can be undertaken. Even so, linguistic aptitudes can be discovered, encouraged, and developed at an early age.

It is often not decided by a college student that he wants to go into any given type of foreign work until he is in his junior or senior year. In such a case the bulk of the specialized training must be given at the graduate level. Our educational system, of course, does a great deal of selecting for us. A student often starts out in a liberal arts course, then shifts to prelaw or premedical studies. If he survives, he goes on into law school or medical school. What we do not have now, and what we badly need, is a large pool of undergraduates who are foreign service prone. This would give us something to work with. We could then begin the weeding out and specialized training.

Regardless of the manner in which our candidates for service service training are selected, I think there are certain characteristics which these people should have, or which they should be capable of developing.

Dean Harlan Cleveland, of the Maxwell Graduate School of Citizenship and Public Affairs of Syracuse University, recently discussed these characteristics with the Senate Foreign Relations Committee. The Maxwell Graduate School has done a good deal of work in this field, and Dean Cleveland has concluded that there are five major elements in effective overseas performance. These are technical skill, career dedication, a sense of politics, cultural empathy, and organization ability.

By technical skill is meant, simply, that a man must know his job. He must know it as if he were doing the same work at home. Career dedication will, of course, carry anyone over a great many obstacles. A sense of politics is vital when working among foreign nationals who may be more politically conscious than Americans. Cultural empathy is difficult to achieve, but likewise necessary. We must be able to put ourselves, when we are representing America abroad, into the other fellow's political, economic, and social shoes. Organization ability is necessary largely because of the fact that the American overseas has to work through an organization back home, and the long line of communications will invariably cause difficulties.

I am not sure that everyone would agree on these qualifications. Most of us would agree, however, that a person possessing, or capable of developing, all of these would certainly perform well in representing his country, his church, or his company in a foreign field.

It appears to me, however that it will be extremely difficult to test an individual for these qualifications prior to his having undergone a good part of his training. We must probably, then, merge selection and training to a great extent. We must begin to train a great many people. As I have said, one of our first tasks is to get a large number of students to become conscious of the need and the opportunities of foreign service.

Knowledge of the area in which one is to serve, its language, its customs, history, geography, and its hopes for the future is a bedrock essential, second only to a knowledge of one's own country.

Since we live in an age of change, it is important to know the movements which are underway in a given country. One must know as much about the group or government which is on the way up as he does about the group or government currently in power. We must realize that the dynamics of political and social life in other countries may now be in the process of producing changes similar to those which our own country has undergone during the past 100 years.

Having covered in a very general way some of the areas in which a candidate for Foreign Service should receive special training, let us now consider the type of institution which can best give this training.

At this point, the question of some sort of national academy for Foreign Service training arises. Is there a need for such a specialized institution, operated by the Federal Government, especially for the training of a Government Foreign Service Corps?

All together, there are some 1,800 colleges and universities offering some sort of higher education. Many of these institutions, whether they be operated by church groups or other types of public spirited and civic minded boards or trustees on the one hand, or by States or other governmental agencies on the other, could do a much better job in Foreign Service training if they had some guidance and perhaps financial assistance from the Federal Government. I think it is upon these institutions that we should principally depend for higher education. Their structure and curriculum will require strengthening. So will our elementary and high school systems.

I feel that it would be in the national interest for the Federal Government to give financial assistance and encouragement to established colleges and universities in setting up programs for Foreign Service training, especially at the graduate level. A good program at the graduate level would have some effect on the undergraduate programs of these institutions. This would assist in making available to us a large body of Foreign Service minded students. Whether such individuals ever entered Government service or not, the Federal Government would profit. Our national welfare is involved in the competency of our Foreign Service, from the tourist to the trader, from the technician to the ambassador.

I would go further and say that I also think we need a national academy to specialize in this type of training. Here I would draw a parallel with our college military training programs. Perhaps some of the educational institutions represented here have ROTC programs. Those of you who are familiar with these programs know that a large proportion of the officers serving in the Army or Air Force, and to a lesser degree in the Navy, are ROTC graduates.

At the same time, I believe most of us would agree that, over the years, West Point and Annapolis have done a pretty good job of setting standards and providing a nucleus of trained personnel around which larger forces can be organized. I believe a National Foreign Service Academy would go a long way toward leavening the whole loaf of our Foreign Service personnel.

Last year, when it was obvious to me that our science education program needed strengthening, I introduced a bill to establish a National Science Academy and to set up a program of scholarships in existing institutions for the study of the natural sciences and mathematics. Congress passed the national defense education bill but it is too modest and restricted.

I am preparing a bill to establish a National Foreign Service Academy. The Federal Government can be, as it is in other fields, a pace setter. I find it disturbing, and I believe dangerous, that we spend only about seventh-tenths of 1 percent of our gross national product on higher education. We must place greater emphasis upon intellectual achievement.

In considering specialized educational institutions, we should not overlook the advantages to be gained from giving some of our people at least a part of their education abroad. We are accumulating large amounts of local currencies in many foreign countries which could well be used for educating our students in those countries. Furthermore, in the underdeveloped areas where higher education is not flourishing, we could use some of these funds to establish American-type universities. I have introduced a bill this year to do just this, and hope very much to secure its enactment early next year.

The United States has, willingly or not, entered upon a new era of international activity. No longer can we afford to live in semi-isolation. No longer can we afford to consider the rest of the world as something separate and apart from our own national life.

Our international relations are of such importance that we need an increasingly large number of trained people who know how to get along with other peoples of the world and who know how to represent our institutions abroad, whether they be political, religious or commercial.

Statehood and Hawaii's People

EXTENSION OF REMARKS
OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. ASPINALL. Mr. Speaker, our Delegate to Congress from Hawaii describes the victory for statehood in the summer, 1959, issue of State Government. The Honorable JOHN A. BURNS explains that the achievement of statehood is both a fulfillment and a beginning. It is a fulfillment of the peoples' longstanding aspirations and efforts and the beginning of a new period of opportunity for them to release their energies to realize their full identity and deep hopes.

Delegate BURNS' article, entitled "Statehood and Hawaii's People," follows:

STATEHOOD AND HAWAII'S PEOPLE

(By JOHN A. BURNS, Delegate from Hawaii)

Like most events in human life, statehood for Hawaii's people is both a fulfillment and a beginning. In one sense the profoundest hopes and desires of Hawaii's people are, with statehood, realized; in another sense, statehood is only the first step toward realizing those hopes and desires. Statehood signifies the full emergence of Hawaii's people, and it signifies also their first real opportunity for full, genuine emergence.

Anyone who thinks, and who has bothered to give some context to his thinking—who knows history, literature, and the like—knows that the search for identity, which characterizes most of our individual lives, is one of the great problems of modern life. It has, of course, been a human problem ever since human life began, but it is so potently and primarily a modern problem that one may be excused for thinking it only a modern one. The great question—for individuals, as for larger groups—is "Who am I?" One thinks, for example, of such a book as "The Education of Henry Adams," and of such a peculiarly modern phenomenon as nationalism. It would be easy to multiply examples.

Within the political sphere—using the word "political" in its widest, almost its Aristotelian sense—we in the United States have proposed as the best answer to this problem the institutions of democracy. These institutions, we believe, insure for the human person the opportunity to develop and realize himself in whatever way he can best do this. They provide for the individual person, therefore, both incentive and milieu for his discovery of self, for his emergence. Democracy, as we understand it, is characterized principally by this kind of openness, an openness which allows for and encourages a genuine "aristocracy of talent" in Adams' and Jefferson's phrase.

A MOVEMENT OF THE PEOPLE

The movement for statehood in Hawaii has always been, first and last, a movement of its people. All of the benefits of statehood which one usually lists are certainly important, but they all point to something deeper. For Hawaii's people statehood represents at once their achievement of identity and their opportunity, finally, to achieve that identity as best they can.

Under statehood, for example, Hawaii's people can at last elect their own Governor. State government, therefore, will reside in their hands. They are now fully responsible for their own affairs. They can, by means of their government, shape their milieu in whatever fashion they think best. They can, in a real sense, create through this means their own image of themselves.

It is no accident that statehood comes at precisely the time when there is now in Hawaii—for the first time ever—a genuine two-party system. As late as 1945 the then leading figure in the Republican Party in Hawaii stated, privately, his firm belief that one would never see the day when there would be a Democratic Party worth much notice in Hawaii. In 1954 the Democratic Party won control of both houses of the Territorial legislature, and has since maintained this control, by large majorities. Whatever future political contests may determine in this respect, we now have real contests. The narrowly partisan aspects of this development are irrelevant here. What it signifies—and one could cite other events signifying in different ways the same thing—is the emergence of Hawaii's people, their discovery of their own possibilities, their own strength, their own ability to make choices, their own voice.

Hawaiian statehood is, from many points of view, a victory. It is a victory for America, for world peace, for freedom. But in the sense in which it concerns us here, it is a victory for Hawaii's own people. It comes as a climax of a long, hard struggle, not simply in the Congress, but more especially and really in Hawaii itself. The reasons why Hawaii did not achieve statehood, say, 10 years ago—and one could without much exaggeration say 60 years ago—lie not in the Congress but in Hawaii. The most effective opposition to statehood has always originated in Hawaii itself. For the most part it has remained under cover and has marched under other banners. Such opposition could not afford to disclose itself, since it was so decidedly against the interests and desires of Hawaii's people generally.

STATEHOOD VERSUS CENTRALIZATION

I cannot clarify these remarks, as I would like to by a detailed account of pertinent Hawaiian history, but perhaps I can at least adumbrate briefly and generally some relevant facts of this history. The term that best describes the situation which more recent events in Hawaii have broken through is "centralization." And one can best see the significance, in at least one important sense, of Hawaiian statehood for Hawaii's people, if he views statehood as the converse of this centralization—a centralization which the emergence of Hawaii's people, gradual at first and accelerated since World War II—has largely destroyed. Traces of it still remain but statehood will enable us to dispose of them.

TERRITORIAL FORMATIONS

In 1893 with the collusion of the American minister in Hawaii and a contingent of U.S. Marines, a group of insurgents overthrew Hawaii's independent monarchy and set up a so-called provisional government. This government negotiated with the United States resulting in a treaty not consented to by the U.S. Senate, whereby Hawaii was "in-

corporated with the United States as an integral part thereof." In 1898 Hawaii was annexed to the United States; in 1900 it was given the political status of an incorporated territory, and its new "constitution," the Hawaiian Organic Act, was enacted by Congress.

These are rather bare facts, and I should like to amplify them a little. The overthrow of the monarchy was a decidedly unpopular event, and so—as the report of Presidential Commissioner Blount, who investigated the "revolution," clearly showed—was the proposed annexation to the United States. The small group which overthrew the monarchy was distrusted by the people at least as much as it in turn distrusted them. The people's opposition to annexation was not at all a sign of antagonism to the United States—for which, on the contrary, they had deep affection and respect—but rather a sign of antagonism to the ruling group in Hawaii. The form of government which this group provisionally set up was much more rigidly centralized than that of the previous constitutional monarchy. The mass of the people were prevented from voting, and power remained in the hands of a very few, the propertied class.

Senator Morgan of Alabama, who came to Hawaii after annexation as a member of the commission set up to devise an organic act had urged that Hawaii apply for admission as a State in the Union. But the Hawaii members of the commission did not agree with the Senator's opinion that Hawaii's people were ready for statehood.

The constitution which the commission drew up and proposed to the Congress for adoption is interesting in many respects, but in none more than in its suffrage provisions. At the adamant insistence of the two Hawaiian members of the commission—S. F. Dole and W. F. Frear—property and income qualifications had been added to the usual educational qualification. Had this proposal been adopted, the majority of Hawaii's people, though citizens of an incorporated Territory of the United States, would not have been able to vote. Since the literacy rate among Hawaii's people was extremely high, a simple educational qualification would have allowed most of those who were of age to vote. It is interesting to note that Senator "Pitchfork Ben" Tillman of South Carolina was the man who secured for Hawaii's people the right to vote under their territorial form of government. As a result of Senator Tillman's persistence, the organic act passed Congress with only a literacy qualification of voting, much to the consternation of the ruling group in Hawaii.

A CONSTRICTIVE STRUCTURE

Still, the territorial form of government itself was decidedly centralized and constricting, especially in its executive structure. The Territorial Governor, appointed by the President of the United States, himself controlled by appointment the entire administrative machinery, exercised a two-thirds veto power over the elected legislature, and had such powers on the whole that he would have been considered unusually strong even if he had been an elected Governor. And there was no local government of any kind.

Although the Territorial legislature passed measures providing for the establishment of county governments, the Territorial executive vetoed these measures. Finally, after an investigation into Hawaii affairs, a congressional committee, in its report, deplored the lack of local government, severely rebuked the Territorial executive for his antagonism toward popular government, and warned that if the Territory did not soon institute county governments—which obviously the people wanted, needed, and were thoroughly qualified to sustain—the Congress would institute it. The Governor, as a result, allowed a bill to pass without veto.

MOTIVES FOR STATEHOOD

Clearly the issue in the events I have described is between a deep antipathy toward popular government on the one hand and the pressure of the people on the other. I have described statehood as the resolution of this issue, as a victory of the people, because the same principles and desires were at work in the movement toward statehood as in, for one instance, the movement for county government. The desire was for a free, open system as against a closed one whose control came from the top—for democracy, in other words, as against hegemony rule. Only statehood would bring full self-government and confer upon Hawaii's citizens full, responsible participation in the life of their country.

It is interesting that, while the first statehood bill introduced by a Hawaiian Delegate to Congress came in 1919, the Territorial legislature as early as 1903 had petitioned the Congress to pass an enabling act permitting Hawaii to adopt a constitution. The initiative clearly came from the people through their elected representatives.

ACTION HELD UP

Really serious action on statehood did not emerge for some time, despite clear if not as yet articulate or organized popular desire for it. The reasons were many. Time was spent on the Hawaiian Homes Commission, county government, the bill of rights and other projects. These were all good and necessary, but occupied an unnecessary amount of time and effort, since many in power prolonged the process of attaining these programs and making them effective in order to allay any great demand from the people for a serious, all-out effort in behalf of statehood. The top economic group in the Islands was then adamantly opposed to statehood, as were the political powers, whose continued existence as powers depended upon these top economic interests. Referring to the first introduction of a statehood bill in Congress by Delegate Jonah Kuhio Kalanianole in 1919, one authority states further:

"The leading Honolulu newspapers were opposed to it. They were greatly concerned over the Japanese problem in the territory * * * and the Star-Bulletin referred to the statehood bill as a 'ridiculous proposal.'" [1]

Despite the very real and sincere desire of Hawaii's people for statehood, and despite the similarly real and sincere efforts of such Delegates as William Jarrett and Victor S. K. Houston, little progress was made toward that end for some time, since controlling groups in the Islands so strongly opposed the statehood bill as, in the words of the Star-Bulletin, a "ridiculous proposal." But with passage of the Jones-Costigan Sugar Act of 1934,[2] the slightly earlier Massie case [3] and its resultant exhaustive investigation into every cranny of Hawaii's affairs, even the controlling groups thought it would be wise to support statehood.

NEW LIFE FOR THE MOVEMENT

In 1935, at the request of Delegate Samuel Wilder King, a congressional House subcommittee visited the islands to investigate the possibilities of statehood. The report of this subcommittee was favorable, but it recommended further study. In 1937, a joint congressional committee, composed of 12 Senators and 12 Representatives, visited the islands, where they held hearings and conducted a comprehensive study of Hawaii's affairs. The committee concluded that Hawaii had "fulfilled every requirement for statehood heretofore exacted of Territories," and was therefore entitled to a "sympathetic consideration of its plea for statehood." The committee recommended further that a plebiscite be held in the islands to determine whether a substantial number of Hawaii's citizens wanted statehood. Such a plebiscite was held in the November 5, 1940, general election—in the midst of a tense world situation—and the vote exceeded 2 to 1 in favor of statehood. The war postponed further efforts.

The war changed many things. Perhaps the most significant change in Hawaii since the war, and to a great extent because of the war, has been the emergence of its people to a new self-awareness. Two factors played a great part in this: the activity of the labor unions, and the activity of returning veterans, especially those of Japanese ancestry, which became a potent force for economic democracy and, as a result, for democracy in general. These factors, especially, buttressed the fight for statehood.

In 1946 a House subcommittee, headed by Representative Henry Larcade of Louisiana, conducted an exhaustive on-the-spot survey of conditions in Hawaii. In its report the subcommittee stated that Hawaii's people had "demonstrated beyond question not only their loyalty and patriotism but also their desire to assume the responsibilities of statehood." It stated further that "The Territory now meets the necessary requirements for statehood," and recommended "that the Committee on Territories give immediate consideration to legislation to admit Hawaii to statehood."

Under the leadership of Delegate Joseph R. Farrington, who had succeeded Delegate King when the latter, in 1942, resigned to accept a commission in the Navy, a Hawaiian statehood bill passed the House of Representatives in 1947 by a vote of 195 to 133. No final action was taken in the Senate.

ACTION IN HAWAII—COMPLICATIONS IN CONGRESS

In Hawaii, meanwhile, the territorial legislature had established the Hawaii Statehood Commission, replacing an Equal Rights Commission, which was to assist Hawaii's Delegate to Congress in his efforts in behalf of statehood. The legislature, further, enacted in 1949 a bill authorizing a convention to draft a proposed State constitution. An election was held in which the people elected their delegates to the convention. The convention drafted a constitution which was subsequently approved by the Territorial legislature. At the November 7, 1949, general election, Hawaii's people approved the constitution by a 3-to-2 margin.

In Congress the House again passed a Hawaii statehood bill in 1950. The Senate Interior Committee favorably reported the bill, but no further action was taken. In 1953 the difficulty was compounded when, after the House had passed a Hawaii bill, the Senate passed one only after adding Alaska to it. The House Rules Committee refused to grant a conference request and thus killed the bill. The main problem for the two Territories thereafter involved the attempt to combine their bills, since this attempt joined those who opposed both bills with those who opposed one bill but not the other.

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[1] R. S. Kuykendall and A. G. Day. Hawaii: A History. Prentice-Hall, New York, 1948, p. 288.

[2] The act severely limited the amount of Hawaiian sugar marketable in the United States.

[3] A celebrated case in which a Naval officer and others were tried, convicted and pardoned for the murder of a Hawaiian.

THE VICTORY WON

Thus in the 85th Congress, in which sentiment, for whatever reason, favored Alaska rather than Hawaii, Hawaii deliberately stepped aside, allowing Alaska to be considered alone. The astonishingly swift passage—not unanticipated—of the Hawaii bill in the 86th Congress was a direct result of Hawaii's part in passage of the Alaska bill and of that passage itself.

It is impossible to name here the many outstanding people in the Congress, in the 49 States and in Hawaii who have played special and notable parts in preparing for and helping to secure the passage of the Hawaii statehood bill. Fundamentally, no one man or group of men is responsible. Statehood is, as I have said, a victory of and for Hawaii's people, and it is they who are responsible. It is they who have made for Hawaii the distinguished record by which it so patently deserved statehood. Anything that any man from Hawaii did to help secure statehood was successful only insofar as he genuinely represented Hawaii's people, and embodied their deeds and achievements.

Just to hint at the tremendous, joint effort that made statehood possible, let me note very briefly a few things that helped secure passage in this 86th Congress. Certainly one major factor in the bill's swift passage was a prodigious letter-writing campaign that originated in Hawaii. The newspapers, radio, TV, civic and citizen groups, and the people of Hawaii generally, joined in promoting and implementing the idea that each citizen of Hawaii should write his friends in the States urging them in turn to write their Congressmen and Senators in support of Hawaiian statehood. In another significant move, the Honolulu Chamber of Commerce, with no publicity and a modesty that belied its very real effectiveness, sent businessmen to Washington to assist the Delegate in his efforts in behalf of statehood.

A NEW ERA IS OPENED

I have tried, very briefly, to suggest something of what statehood means to Hawaii's people, some of the events that occurred, and some of the factors involved, in the long effort of Hawaii's people to secure statehood. I have characterized this effort as part of a movement from a closed, centralized scheme of things to more open, diversified, and flexible forms. Statehood, I have said, in one sense completes this movement, and in another sense gives it an opportunity really to begin. Statehood is the ground and condition for a full sense of identity on the part of Hawaii's people, a full sense of their possibilities and potentialities, and for the maximum development of these.

As a State, Hawaii is a unique and powerful asset to the United States in two chief ways. Geographically, economically, commercially, and culturally Hawaii occupies the central, preeminent position in the Pacific Ocean. To this world, therefore, and to the East—which together contain more than two-thirds of the world's population and countless other tremendous untapped resources—Hawaii is America's bridge. America's very real, tangible, and practical key to friendly, profitable relations with these areas. Further, in Hawaii's people—who are thoroughly American yet understand the peoples of the Pacific and the East, and can sympathize with their problems—the United States has its best means of utilizing Hawaii's position.

Statehood is the catalyst which releases the energies of Hawaii's people and gives them the opportunity to exploit these energies. Statehood opens up, as a result, a whole new era, a whole new area of possibility, for Hawaii and for the Nation.

A Memorial for James Madison, the Father of Our Constitution

EXTENSION OF REMARKS
OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. KASTENMEIER. Mr. Speaker, a growing number of newspapers and distinguished scholars and authors have offered their wholehearted support for a memorial for James Madison, the Father of our Constitution. They have written letters to the editor of the Washington Post and Times Herald, which initiated the long overdue tribute to our fourth President, in support of the proposal. Following are letters to the editor of the Washington Post and Times Herald and an editorial which appeared in a recent issue of the San Francisco Chronicle:

[July 12, 1959]

A SHRINE FOR A FOUNDER

Irving Brant, whose biography of James Madison is itself one of the enduring monuments of our age, has proposed that the Nation erect a monument, memorial, or national shrine in honor of Madison, architect of the Constitution and Bill of Rights. In your issue of June 28, you endorsed Mr. Brant's suggestion and invited readers to comment on it.

It is evident that a suitable monument in the District of Columbia would have great educational value, particularly for the visitors, young and old, who come from all over the country to witness and learn the operating principles of a free republican government.

Madison does not need and can scarcely gain from any monument we may build. It is our own citizenry, present and future, who will gain most from seeing a tangible symbol of our gratitude to him and our dedication to the principles he served so ably.

There is another consideration worth mentioning. A Madison monument would announce to the world that America respects intelligence, education, culture, and spiritual refinement. These were among Madison's qualities, and we need to proclaim that as they informed our beginnings, they remain our abiding national ideals.

EDMOND CAHN,
Professor of Law, New York University.
NEW YORK.

(The author of "The Moral Decision," Dr. Cahn also edited "The Supreme Court and Supreme Law.")

I think Irving Brant's suggestion for a Madison memorial is an excellent one. If we have been remiss all these years in honoring the Father of the Constitution—and our most perceptive political theorist—we now truly have a golden opportunity to remedy this neglect.

We certainly owe Madison more than we have hitherto publicly acknowledged. A suitable public memorial would be a wonderful way of reemphasizing Madison's great contribution, in thought and in action, to the American Nation. Today, more than ever we need to be reminded of the great generation of southern leaders who were Americans first and southerners second.

Madison's dedication to union, to republicanism, to federalism, to our basic freedoms, to majority rule, and to prudent statesmanship need to be emphasized and reemphasized.

A memorial to him would not simply honor the man, but the vital and viable principles that underlie the American experiment in democratic government.

NEAL RIEMER,
Associate Professor of Political Science, Penn State College.
UNIVERSITY PARK, PA.

James Madison once wrote a correspondent, "The hand that writes this letter, wrote the Constitution." Something of an exaggeration, perhaps, but by no means a baseless claim.

Turning to the index of Max Farrand's "Records of the Federal Convention of 1787," one finds that the references to Madison's name occupy more than four columns, while those to the nearest runners-up, Mason, Morris, Rutledge, Sherman and Wilson, occupy less than three columns each. And Farrand's "Records" makes, of course, no reference to the Bill of Rights.

Much is therefore to be said for Irving Brant's suggestion. However, can we stop with Madison? Is my old friend John Marshall properly memorialized at the seat of Government? Then, of course, there are two or three generals who have been neglected, and perhaps a President or two.

Yet on the whole I favor Mr. Brant's suggestion for a special memorial to James Madison.

EDWARD S. CORWIN,
Emeritus Professor of Politics, Princeton University.
PRINCETON, N.J.

(Dr. Corwin's many distinguished books on constitutional law include, "The Constitution and What It Means Today," a standard work on the subject.)

[July 14, 1959]

HONORING MADISON

I have noted with interest the recent discussion concerning a memorial for James Madison. I wholeheartedly agree that this outstanding patriot deserves fuller recognition for his role in building the foundations of our freedom.

Madison, scholarly and judicious, buttressed the views shared by his more outspoken colleagues with careful reasoning and extensive knowledge.

From his youth he was concerned for individual liberty. At the age of 25, while a delegate to the Virginia Constitutional Convention, he fought for a clause in the Virginia Bill of Rights allowing the "free exercise of religion." Thirteen years later he told the first Congress of the United States that it should "expressly declare the great rights of mankind secured under this Constitution." The amendments which he thereupon introduced became the Bill of Rights for the Nation.

Throughout the formulation of our Constitution and the establishment of our Federal Government, Madison played a quiet but leading role.

While a delegate to the Continental Congress he clearly saw the need for a stronger central government, subsequently sought to convince his State Assembly in Virginia of this fact.

At the Constitutional Convention in Philadelphia, the "Virginia Plan" authored by Madison, became the foundation for the structure of Government which was adopted. Then in the fight for ratification, the Federalist Papers which he joined in writing provided solid, carefully reasoned arguments for the proposed new Government.

Having devoted himself to the establishment of a strong Federal Government, Mad-

ison became a member of the first Congress and took a leading role in the organization of the Government and the creation of the executive departments. It was at this time that he introduced the Bill of Rights.

Madison's service to his country continued, as he was selected by Jefferson to be Secretary of State, and then elected by the Nation to be its fourth President. The lifetime of service which James Madison gave to the establishment of democracy and the protection of the rights of mankind has gained for him the highest respect of all who are continuing the fight to guarantee the freedom and rights of the individual.

THOMAS C. HENNINGS, Jr.,
Senator From Missouri.

WASHINGTON.

(Senator Hennings is chairman of the Senate Constitutional Rights Subcommittee.)

[July 24, 1959]

PROPOSAL SECONDED

May I add another seconding vote to Irving Brant's admirable proposal for a memorial in Washington to James Madison, Father of the Constitution.

If the columns lately removed from the Capitol could be so utilized as to identify them firmly in the public mind, not as a group of discarded columns, but with the work of Madison as the key pillar of our thus far remarkably durable political structure, then no other monument, and no other use of the columns, could be more appropriate.

Surely the creation of some suitable monument to Madison is long overdue. Mr. Brant rightly points out, however, that it is we, not Madison, who need that monument.

FRANCIS L. BERKELEY, Jr.,
University of Virginia.

CHARLOTTESVILLE.

[July 19, 1959]

PILLAR OF FREEDOM

I was delighted with the suggestion of Irving Brant that the columns lately removed from the front of the Capitol be used in the construction of a memorial to James Madison. The suggestion appeals because Madison was himself a kind of pillar of our constitutional system which the Capitol with its impressive columns symbolizes.

If this particular set of columns must go to make way for additional space inside the building, it would be a happy expedient to use them to honor the man who helped make the Capitol worthwhile.

His services as a member of the Constitution Convention and the recorder of many of its proceedings, as an author of The Federalist and advocate generally of the adoption of the Constitution, as a Member of Congress implementing the written Constitution and drafting the first 10 amendments, and as a profound thinker in the field of democratic government, place him with Washington and Jefferson, and other statesmen whom we memorialize in the Capital City.

If some of his other offices, including the Presidency, brought him no added glory, the moderation of his distinction there should not be permitted to obscure his greatness as here revealed. Today, for visitors to Washington, there is a hiatus in our gallery of statesmen. That hiatus can be ended by the suggested use of the columns from the Capitol.

CARL B. SWISHER,
Professor of Political Science, the Johns Hopkins University.

BALTIMORE.

(The president-elect of the American Political Science Association, Dr. Swisher is the author of American Constitutional Development, and a standard biography of Chief Justice Roger Brooke Taney.)

I wish to endorse most heartily Irving Brant's proposal that James Madison be honored with a memorial made of the columns that once graced the East Front of the Capitol. Madison's contribution to the framing of the Constitution alone would deserve some such recognition from the country which has profited immeasureably from "the rich resources of his luminous and discriminating mind."

Mr. Brant not only has illuminated the life of a great man with his scholarly volumes but has reminded us of a debt long overdue.

JOHN WELLS DAVIDSON.

CHEVY CHASE.

(The author is associate editor of a projected new edition of the public papers of Woodrow Wilson.)

[July 24, 1959]

PHILOSOPHER OF LIBERTY

Irving Brant's proposal of a memorial to James Madison is long overdue. Most students of American history would have greeted his suggestion with enthusiastic approval even before his multivolumned biography conclusively reinforced it. Madison deserves a place among our Nation's builders along with Washington, Jefferson, Marshall, and Hamilton.

Better perhaps than any one of them, Madison grasped the complex essence of free government and labored long and hard toward its implementation. As a systematic thinker, deeply grounded in history and political theory, he surpasses his eminent contemporaries.

For him, man is neither inherently good nor inherently bad. Just as man's capacity for justice makes free government possible, so man's capacity for injustice makes free government necessary. The main purpose, he said, is to defend "liberty against power, power against licentiousness and * * * (to keep) every portion of power within its proper limits."

Madison's basic philosophy of balance is somewhat at odds with Jefferson's major emphasis on limited government responsive to the popular will, as well as with Hamilton's bias toward consolidated coercive power in the National Government. More flexible than most of his contemporaries, history has added to his claim, widely recognized during the formative period, to be identified as Father of the Constitution.

ALPHEUS T. MASON,
Professor of Politics, Princeton University.

BOULDER, COLO.

(In addition to major biographies of Justice Louis Brandeis and Chief Justice Harlan Fiske Stone, Dr. Mason is the author of "American Constitutional Law."

[From the San Francisco (Calif.) Chronicle, July 12, 1959]

FORGOTTEN FOUNDING FATHER

What of Madison—James Madison, fourth President of the United States?

Why has this extremely imposing figure faded in the memory of Americans who owe him so much? Why have his great and enduring contributions to constitutional government been so long ignored that he is rightly called "the most unhonored and unsung of the Founding Fathers"?

These questions have lately been raised in Washington—the National Capital so named, incidentally, at Madison's suggestion—with the excessively tardy proposal that a due and fitting Madison memorial be authorized and set up.

It is unthinkable that such a figure in American history should longer remain neglected, that there be no monument to him in Washington, that his home—still standing in Virginia—should not acquire the status of Mt. Vernon and Monticello.

For James Madison was truly the Father of the Constitution. He drafted much of it; he fought for its adoption; he successfully beat down the considerable opposition of such as Patrick Henry, James Monroe, and John Tyler when it was up for ratification in Virginia.

Of intimate and direct concern to Americans today, James Madison likewise wrote 9 of the 10 amendments that protect individual liberties and are known as the Bill of Rights.

Along the way, he—with Alexander Hamilton and John Jay—wrote the brilliant constitutional studies known as the Federalist papers.

Irving Brant, biographer of Madison, has most aptly suggested that 24 columns removed during recent renovation of the Capitol might be fashioned into a Madison memorial of beauty and dignity to stand with the Washington and Jefferson and Lincoln memorials.

There should be no delay in furthering such a project. James Madison has been too long neglected. As Irving Brant has put it: "We should erect a memorial to Madison, not because he needs it, but because we do."

Economic Growth and the Government's Role in Fostering Growth

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EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 28, 1959

Mr. CURTIS of Missouri. Mr. Speaker, on July 24, 1959, the Secretary of the Treasury, Robert B. Anderson, appeared before the Joint Economic Committee. I believe his statement merits the attention of each and every one of my colleagues and it is for that reason I have asked permission to have it inserted in the RECORD. The study which has been conducted by the joint Treasury-Federal Reserve study group is an important one and I call attention to part I of the group's factual report as well as parts II and III.

The statement follows:

STATEMENT BY SECRETARY OF THE TREASURY ROBERT B. ANDERSON BEFORE THE JOINT ECONOMIC COMMITTEE, FRIDAY, JULY 24, 1959

Our national economic objectives can be summarized under three broad headings: (1) Continuity of employment opportunities for those able, willing, and seeking to work; (2) a high and sustainable rate of economic growth; and (3) reasonable stability of price levels. Each of these objectives is important; each is related to the others.

The rapid upsurge in economic activity of the past 15 months provides an appropriate background for your study of these national economic goals and the best methods of achieving them. The recent resurgence in output, income, and employment to record levels has once again demonstrated the basic strength and resilience of our free choice, competitive economy. Thus, we

visualize the task with which your committee is confronted not as one of devising drastic changes in our techniques for achieving our economic goals. Rather, it is to evaluate, within the perspective of developments of the past few years and during the postwar period as a whole, the existing techniques toward the end of sharpening their use. There may perhaps be weapons not now in our arsenal that should be developed; there are no doubt ways in which existing techniques can be improved. But the performance of our economy supports the judgment that basically our economy is sound and healthy.

Much could be said about Government economic techniques, their nature, interrelationships, strengths, and shortcomings. I am sure, however, that your committee will explore these matters thoroughly, drawing both from current thinking and from the vast body of earlier study performed both by committees of the Congress and by private individuals and organizations.

Before discussing the Treasury-Federal Reserve study of the Government securities market, in which you have expressed particular interest, I should like to consider briefly economic growth as a goal of public policy.

Some in our country express a belief that the Government should undertake the primary role in promoting economic growth. It is my belief that in our system the Government is not the predominant factor in our Nation's economic advancement. It must foster and facilitate economic progress—it cannot force it.

What we all seek is sound, sustainable growth—not any kind of growth, or growth at any cost.

Should our efforts to spur progress lead to inflation, it will bring only disappointment and hardship. But, when growth is in terms of goods and services that people need and can buy, it will bring great rewards.

Only within the past decade has economic growth been explicitly recognized as a major goal of public policy. This recognition, coupled with considerable public discussion of the importance of growth to our economy, provides an important reason for taking a careful look at growth as a national economic objective. What is economic growth? What determines the rate of economic growth in a free choice, market economy? And, finally, what is the proper role of Government in promoting a high and sustainable rate of economic growth?

WHAT IS ECONOMIC GROWTH?

The most commonly cited definition of economic growth is in terms of the annual advance in real gross national product; that is, growth in the dollar value of total output, adjusted for changes in price levels. For some purposes this is a good measure of economic growth; for others it is not.

An over-all measure of growth tells us nothing about its nature. For any period, we must get behind the broad figures to determine what type of growth has taken place. This is simply another way of saying that promotion of growth for its own sake may well result in either fictitious or unsustainable growth. An increase in output, to be meaningful, must consist of the goods and services that people want and are able to buy. It is not enough to select some hypothetical maximum of growth; the actual growth that occurs must consist of useful and desirable things as opposed to unwanted or undesirable goods.

Thus, in trying to decide whether growth over a period of years was at an adequate rate, we would first have to look within the total—to get behind the figures—and try to determine the characteristics of the growth. Some of the questions we would ask would be: How much did personal consumption expand relative to Government use of goods and services? Within the Government component, what portion consisted of defense spending as opposed to schools, highways, and other public facilities? How much of the increase in output consisted of goods the people did not want, and thus ended up in Government warehouses, being given away, or destroyed? What portion of total output was devoted to investment in the instruments of production, to modernization of plant and equipment, and to research? How much of our effort had to be devoted merely to maintenance of our productive plant, as opposed to net new additions?

There are other important questions. How were the fruits of the growth in output distributed among various groups in the economy? Did the growth carry with it certain imbalances that would hamper future growth? To what extent was temporary growth fostered by reliance on actions that impinged directly on the free choice of individuals and institutions?

These are but a few of the questions we should ask. They indicate that economic growth, in terms of a broad, aggregate figure, is not necessarily an end in itself. It must be growth of the right kind; it must be sustainable growth.

WHAT DETERMINES THE RATE OF ECONOMIC GROWTH?

The role of public policy in fostering a high and sustainable rate of economic growth in a free choice, competitive economy can be properly assessed only on the basis of an understanding of the determinants of growth.

The factors influencing the rate of growth are manifold and complex. Among those of major importance is the pace of technological advance. No one can study the economic history of this or any other advanced industrial nation without being impressed by the vital contributions of the inventor, the innovator, and the engineer. A stagnant technology is likely to be accompanied by a stagnant economy. Man's ingenuity in tackling and solving his problems lies at the heart of the growth process.

This is perhaps another way of saying that growth and change are inseparably intertwined. If we would enjoy maximum growth, we must not only be willing to improve the production process through accepting new ways of doing things, but we must also actively seek out such techniques. Moreover, the integral role played by change and technological advance in the growth process contributes to unevenness in growth over time. Technological advance does not come at a steady, constant rate. Thus we cannot expect growth, to the extent it reflects such forces, to proceed at a steady rate, year in and year out.

Technological advance, however, cannot alone assure a high rate of growth. The best ideas and the best techniques are of little benefit if the means are not available to translate them into operating productive processes. This requires real capital, which can only grow out of saving and productive investment. Thus, real capital formation—which consists of the machinery and instruments of production, tools of all sorts, and new plant buildings—is a basic ingredient of economic growth. An economy in which additions to the stock capital equipment are small cannot be a rapidly growing economy.

The importance of an adequate rate of capital formation in the growth process deserves special emphasis. Broadly speaking, current output can be directed either into consumption goods, represented by durable and nondurable consumer goods and services, or into investment goods, represented principally by new industrial plant and equipment. So long as our economic resources are being utilized close to capacity—as has indeed been the case almost continuously since 1941—the more of our output we devote to capital formation, the less that is available for current consumption. The more we consume, the less we can devote to capital formation.

This is a basic but, apparently, little understood principle of economics. There appear to be some observers who believe that, on top of providing adequately for national defense and devoting a considerably larger volume of current output to public projects, we can still achieve uninterrupted future growth in the private sector of the economy at a rate higher than ever before realized in this country. Perhaps this is possible; but it seems clear to me that it can occur only at the expense of current consumption. It can take place, in other words, only if we are willing to accept a lower current standard of living. With our pressing needs for adequate national defense, we cannot have an ultra-high maximum rate of economic growth in the future, requiring as it does heavy current investment in plant and equipment, without restricting current consumption. We cannot "have our cake and eat it too."

A third important requisite for a high and sustained rate of growth is reasonably full, efficient, and continuous use of our economic resources. Economic recession is the No. 1 enemy of sustained growth in this country. Idle manpower and idle equipment represent production that is irretrievably lost. Moreover, inefficiencies in use of resources can also carry a heavy toll in terms of lost output.

It is important to emphasize that success in achieving high and sustained employment, and in providing useful job opportunities for our growing population, is closely related to our success in promoting an adequate rate of capital formation. In our highly industrialized economy, workers must have the machines with which to work. These machines will come into existence only to the extent that productive investment takes place.

In short, economic growth in a free choice, competitive economy tends to vary more or less directly with the pace of technological advance, the rate of capital formation, and the extent to which economic resources are effectively employed. To be effective, any Government program designed to foster growth must operate largely through these basic determinants.

GOVERNMENT'S ROLE IN FOSTERING GROWTH

Government can play an important role in fostering a high and sustainable rate of economic growth. One basic principle should be clear, however. In an economy in which major reliance is placed on individual initiative and decisions, and in which the alternative uses of economic resources respond, through the market mechanism, primarily to consumer demand, Government can and should play only a facilitating, not a predominant, role in the growth process.

The moving forces which promote growth in a free choice, market economy are basically the same as those that account for economic progress on the part of the individual. Thus the individual's desire for a higher and more secure standard of living for himself and for his family is the basic stimulus. This is the prime mover. To this end he studies, plans, works, saves, and invests. He searches out new ways of doing things, developing new techniques and processes. Where such instincts as these are strong, the forces promoting growth in society as a whole are strong. Where they are weak, the impetus for growth is also weak.

The first role of Government in promoting growth is to safeguard and strengthen the traditions of freedom in our economy. Stated differently, the proper and effective role of Government is to provide an atmosphere conducive to growth, not directly to attempt to force growth through direct intervention in markets or through an im-

provident enlargement of the public sector of the economy. Indeed, governmental efforts to promote growth that rely on, or subsequently lead to, excessive intervention in and direction of market processes can only impede growth in the long run.

The case for this approach to promoting growth is strengthened by the fact that technological advance flourishes in an atmosphere of freedom. Basic to technological advance is pure research; and a fundamental belief in our society is that pure research makes its greatest contribution when minds are free to meet the challenges of the future.

Government can also promote rapid, healthy growth by fostering competition in the economy. Competition sharpens interest in reducing costs and in developing more efficient methods of production. It places a premium on skills in business management. It stimulates business investment, both as a means of economizing in the production process by use of more efficient machinery and by enlarging capacity in order to capture a larger share of the market. Healthy and widespread competition, in short, is the primary stimulant to efficiency in use of our economic resources, both human and material, through technological advance and by stamping out waste and inefficiency in productive processes.

Our tax system may hamper growth in a number of ways. One of the objectives of the study recently initiated by the House Ways and Means Committee, and in which the Treasury is cooperating, is to determine what changes can be made that will be conducive to healthy and sustainable economic growth. I am hopeful that this study will lead to significant results.

All of these methods of aiding growth are important. I am convinced, however, that Government can make a most significant contribution to growth primarily by using its broad financial powers—fiscal, debt management, and monetary policies—to promote reasonable stability of price levels and relatively complete and continuous use of our economic resources.

As noted earlier, a high rate of saving is indispensable in achieving a high rate of economic growth. Under conditions of near-capacity production, resources can be devoted to capital formation only to the extent that they are freed from output of goods for current consumption. This, in turn, is possible only to the extent that saving occurs.

In the years since the war, incentives to save in traditional forms—in savings accounts, bonds, and through purchasing insurance—have been somewhat impaired by the conviction of some that inflation is inevitable. In my judgment, this is a mistaken conviction. But the fact remains that if we allow a lack of confidence to develop in the future value of the dollar, the desire to save will be weakened.

Full confidence in the future value of the dollar can be maintained and strengthened only by a concerted, broad-gage attack on all of the forces and practices that tend to promote inflation. Some of these forces and practices may be new and thus require further study before they can be identified and before appropriate policies to control them can be devised. But there should be little doubt in our minds as to the proper role of general stabilization policies. Under present-day conditions, with production, employment, and income advancing rapidly to record levels, such policies should be directed toward self-discipline and restraint. This requires Federal revenues in excess of expenditures, to provide a surplus for debt retirement; flexible management of the public debt; and monetary policies directed toward preventing excessive credit expansion from adding unduly to overall demand for goods and services.

Some observers have argued recently that we are not now confronted with monetary inflation, or with a situation in which "too much money is chasing too few goods." They point to the high degree of price stability during the past year as proof of this contention. This same argument could well have been made in mid-1955, when that recovery was also merging into the boom phase of the cycle. At that time, the Consumer Price Index had actually declined slightly during the preceding 18 months; the wholesale price index has been stable for about 30 months. We failed to recognize at that time, just as we may be in danger of failing to recognize now, that the high levels of demand generated in the recovery had sown the seeds of later increases in prices. Thus, wholesale prices rose moderately in the last half of 1955, at a steady and relatively rapid rate throughout 1956, and moderately during 1957. Consumer prices, exhibiting the customary lag, did not begin to advance until the spring of 1956, but thereafter rose steadily until early 1958.

The important point is that effective control of inflation requires actions to restrain inflationary pressures at the time that such pressures are developing. To wait until the pressures have permeated the economy, and have finally emerged in the form of price increases, is to delay action until the situation is much more difficult to cope with.

Effective stabilization actions to limit inflationary pressures during this period of rapid business expansion, in addition to promoting stability of price levels, will stimulate sustained growth in still another important way. Such policies, by helping to assure that the current healthy advance in business activity does not rise to an unsustainable rate and then fall back, would promote relatively full and continuous use of our economic resources. I am firmly convinced that the degree of severity of a business recession reflects to a considerable extent the development of unsustainable expansion in the preceding boom. By exercising restraint and moderation during periods of prosperous business, we can keep booms from getting out of hand and, in so doing, minimize the impact of later adjustments.

Appropriate current governmental policy to promote growth must be consistent with long-range objectives and not resort to quick expedients that endanger sustainable development. We must reject the arguments of those who would attempt to force growth through the artificial stimulants of heavy Government spending and excessive expansion of money and credit. If we would foster growth—not of the temporary, unsustainable type, but long-lasting and rewarding—we need first to reinforce our efforts to maintain reasonable price stability and relatively full and continuous use of our economic resources. Both logic and experience demonstrate clearly that heavy reliance on Government spending and monetary and credit excesses during a period of strong demand, rather than promoting growth, can lead only to inflation. Inflation tends to dry up the flow of savings and leads ultimately to recession—the No. 1 enemy of growth.

We live in what is basically a free choice economy. Within rather broad limits, we are free to dispose of our labor, property, and incomes as we see fit. In disposing of our incomes, we are free to spend or to save, to invest or to hoard. So long as we maintain the basic freedoms that foster competitive enterprise and stimulate technological advance, and so long as we use our broad financial powers to promote stability in the value of our currency and to avoid the extremes of economic recession, I am confident that economic growth will proceed at a high and sustainable rate. The strength of our economy lies in its very reliance on the integrity, wisdom, and initiative of the individual. We must not weaken this basic strength.

THE GOVERNMENT SECURITIES MARKET STUDY

I will now make some brief observations on the Treasury-Federal Reserve study of the Government securities market.

Our national economic objectives are, of course, fundamental. It is only in relation to the successful achievement of these objectives that the financial policies pursued by our Government can have real meaning. Furthermore, fiscal, debt management, and monetary policies can make their maximum contribution to national economic goals only if they can operate in a market which is responsive to policy actions both in terms of basic understanding of those actions by the investing public and in terms of the efficiency and maximum usefulness of market organization.

The Government securities market is the largest financial market in the world, with a daily trading volume of more than $1 billion. It is an extremely complex market and is sharply competitive. It is very responsive to trends and expectations as to business activity, Government policies, and international developments.

Its responsiveness and competitiveness, under widely varying circumstances, mean that it can provide the proper environment for the successful flotation of the tremendous volume of frequent Treasury security offerings to the public, which last year alone totaled almost $50 billion, exclusive of the rollover of weekly Treasury bill maturities. Simiarly, it can provide an efficient mechanism through which Federal monetary policy can operate. Moreover, it must provide for the smooth transfer of large amounts of Government securities among investors as liquidity and investment needs are satisfied.

The Treasury, the Federal Reserve, and the entire business and financial community, therefore, have a joint responsibility, collectively and individually, to encourage the market to resist any forces which threaten to impair its maximum performance. If market techniques become distorted or restrictive practices arise, the consequences can extend far beyond any immediate impact on investors, speculators, or suppliers of credit. It can undermine the basic contribution which a smoothly functioning Government securities market should make to the national welfare.

It is with this realization of the importance of the Government securities market that the Treasury and Federal Reserve last spring undertook their joint study of the way in which the market operates, with particular reference to the market's performance around the time of the reversal of the economic downturn a little more than a year ago.

A study of market mechanisms is necessarily technical. The results of any such study are understandably less dramatic than studies of the broad aspects of fiscal, monetary, and debt management policy which, together with general economic trends and expectations, provide the environment in which these market mechanisms operate.

Our joint Treasury-Federal Reserve study group has been working continuously toward the objectives which were laid out when the project was announced on March 9, 1959. Part I of the study group's factual report is now in final form; parts II and III are only in preliminary form. All three parts are being made available for public release on Monday morning.

Your committee already has a joint statement by Chairman MARTIN and myself relating to the study. The virtual completion of the factual study by the study group provides a background which Federal Reserve and Treasury policy officials can now care-

fully review as we work toward official conclusions and recommendations growing out of the study.

These conclusions cannot be prejudged. Treasury and Federal Reserve officials have been following the progress of the study group with great interest, but because of the late completion of the report, we have had little opportunity to examine the factual material which the study group has assembled.

As Chairman MARTIN and I state in the concluding paragraphs of our joint statement, markets are dynamic institutions which require adaptation to changing needs. The public interest is served only if the study of these adaptations is continuous, even though it may be intensified from time to time as in the present study.

We both recognize, and I want to emphasize it again, that improvements in market mechanisms, helpful though they may be, cannot be expected to solve the basic financial problems which our Nation faces—the problems of fiscal imbalance during prosperous times, the tendency for the public debt to grow shorter in its maturity structure, the need for continuous flexibility in adapting monetary policies to varying circumstances, the need to encourage increased savings to finance soundly the Nation's heavy capital requirements, and the problem of the instability of financial markets as they react to turning points in economic cycles.

These are basic problems. We are glad to work with your committee in seeking their solutions in the best interest of the public.

SENATE

WEDNESDAY, JULY 29, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, in the constant struggle we wage with ourselves give us to know, we pray Thee, that that inner battle is being won when we bring a smile to the face of a little child, or added serenity to the look of those we love, or share another's burden, or bless another with our friendship.

May we be heartened that the angels of our better selves are winning when we help to end some wrong and to enthrone some right, and when we do this in a faith which discerns the unseen and eternal behind the seen and temporal, and when our life is radiant with a hope which accepts no present defeat as final, but assumes ultimate victory for every righteous cause.

So may we throw the stubborn ounces of our influence on the side of the power which swings the stars in their courses and which in all the universe works for righteousness. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 29, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. EVERETT MCKINLEY DIRKSEN, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. DIRKSEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 28, 1959, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6596) to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. POWELL, Mr. EDMONDSON, Mr. SAYLOR, and Mr. WHARTON were appointed managers on the part of the House at the conference.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Housing Subcommittee of the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGREEMENTS CONCLUDED UNDER AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, Washington, D.C., reporting, pursuant to law, on agreements concluded during June 1959, under title I of the Agricultural Trade Development and Assistance Act of 1954, with the Governments of the Republic of China (Taiwan), the Polish People's Republic, Argentina, and the Republic of Korea (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON PURCHASES AND CONTRACTS FOR PROPERTY OR SERVICES COVERING EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report on the purchases and contracts for property or services covering experimental, developmental, and research work (with an accompanying report); to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work, for the month of May 1959 (with an accompanying report); to the Committee on Banking and Currency.

HELIUM ACT OF 1959

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States (with an accompanying paper); to the Committee on Interior and Insular Affairs.

APPLICATION OF MERCHANT MARINE ACT OF 1936 TO FUNCTIONS OF CERTAIN FISHING VESSELS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to continue the application of the Merchant Marine Act of 1936, as amended, to certain functions relating to fishing vessels transferred to the Secretary of the Interior, and for other purposes (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Chow Ging Song from a report transmitted to the Senate on April 15, 1958, pursuant to section 4 of the Displaced Persons Act of 1948, as amended, (with accompanying papers); to the Committee on the Judiciary.

MINUTES OF CONVENTION AND AUDITOR'S REPORT OF VETERANS OF WORLD WAR I

A letter from the National Commander, Veterans of World War I of the U.S.A., Inc., Washington, D.C., transmitting, pursuant to law, a copy of the minutes of the last convention of that organization, together with the auditor's report, for the fiscal year ended August 31, 1958 (with accompanying papers); to the Committee on the Judiciary.

RESOLUTION OF TOWN BOARD OF ISLIP, N.Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Town Board of the Town of Islip, N.Y., relating to a deduction, for income tax purposes, of the commuting and traveling expenses of the workingman to and from his employment.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION SUPPORTING PROPOSED AMENDMENT TO INTERNAL REVENUE CODE

"Whereas the Honorable KENNETH B. KEATING, Senator from the State of New York, has proposed certain amendments to the Federal Income Revenue Code which would provide for the deduction from income tax of the commuting and traveling expenses of the workingman to and from his employment; and

"Whereas it is the desire of the Town Board of the Town of Islip that Senator KEATING and our other Representatives in Congress be made aware of our support for his proposed amendment: Now, therefore, on a motion of Councilman Greenberg, seconded by Councilman Hammer, it was

"Resolved, That the town clerk of this board be and hereby is authorized and directed to write to Senator KEATING urging him to continue his fight for amendments to the Internal Revenue Code which would permit the commuters and the workingman to deduct for income tax purposes their expenses for driving to and from work; and be it further

"Resolved, That the town clerk of this board send copies of this resolution to Senator KEATING and our other Representatives in the U.S. Congress urging them to support Senator KEATING's proposed amendment and to do all in their power to bring about passage of said amendment; and be it further

"Resolved, That copies of this resolution be forwarded to our representatives in the State legislature with a view toward their submitting proposed legislation at the next session of the New York State Legislature, providing for similar amendments applicable to the New York State income tax laws."

STATE OF NEW YORK,
County of Suffolk, ss:

I, Frank A. Gross, town clerk of the Town of Islip, Suffolk County, N.Y., do hereby certify that I have compared the foregoing with the original preamble and resolution adopted by the town board of the Town of Islip at a regular meeting of said board held on the 14th day of July 1959, and that the foregoing is a true and correct transcript from said original resolution and the whole thereof, and that the resolution adopted by said board is on file in my office.

I do further certify that each member of said town board had due notice of said meeting.

In witness whereof, I have hereunto set my hand and the seal of the Town of Islip this 16th day of July 1959.

FRANK A. GROSS,
Town Clerk.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

One hundred and seventy-two nominations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SYMINGTON:

S. 2457. A bill to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. SYMINGTON when he introduced above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2458. A bill to require warnings for the protection of children on certain plastic bags shipped in interstate commerce; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2459. A bill to amend title II of the Social Security Act so as to preserve the insurance rights under such title of individuals who, because of disability, have lost at least 60 percent of their earning capacity; to the Committee on Finance.

By Mr. MURRAY (for himself, Mr. ANDERSON, Mr. NEUBERGER, Mr. DOUGLAS, Mr. MOSS, Mr. MANSFIELD, Mr. KEFAUVER, Mr. RANDOLPH, Mr. LANGER, Mr. MCNAMARA, Mr. GRUENING, Mr. MCCARTHY, Mr. GREEN, Mr. ENGLE, Mr. BIBLE, Mr. BYRD of West Virginia, and Mr. HART):

S. 2460. A bill to save and preserve, for the public use and benefit, certain portions of shoreline areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks by Mr. MURRAY when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 2461. A bill to amend the Federal Employees' Group Life Insurance Act of 1954; to the Committee on Post Office and Civil Service.

RESOLUTION

Mr. AIKEN submitted a resolution (S. Res. 151) to authorize a study of transportation problems in rural areas, which was referred to the Committee on Interstate and Foreign Commerce.

(See the above resolution printed in full when submitted by Mr. AIKEN, which appears under a separate heading.)

FAIR AND EQUITABLE TREATMENT FOR FARMERS IN THE SOIL BANK PROGRAM

Mr. SYMINGTON. Mr. President, I introduce, for appropriate reference, a bill to provide fair and equitable treatment to farmers who, in good faith and on the basis of information given them by representatives of the Secretary of Agriculture, participated in the acreage or conservation reserve program; but who were subsequently declared ineligible for reimbursement or compensation because of technical errors in the information, terms, or contracts given them by representatives of the Secretary of Agriculture.

These farmers are the innocent victims of misinformation on the part of agents or employees of the Government. They complied in good faith with the contracts and regulations as presented to them.

It is not just, therefore, that the contract signed by the producers and their Government should be invalidated and that the farmers should receive less compensation, or be penalized for errors, on the part of their Government.

Mr. President, on receipt of letters and pleas from Missouri farmers who were victims of this situation, I contacted officials in the Commodity Stabilization Service, Department of Agriculture, responsible for the administration of the acreage and conservation reserve programs. These Department officials agreed that inequities and hardship exist. However, they state that Department rules and regulations prevent remedial action in a majority of the cases.

Therefore, I asked the Department of Agriculture to work with the counsel of the Senate Agriculture Committee in preparing legislation to effect fair and just treatment, and to prepare a memorandum giving typical examples of the cases to which this legislation is directed.

Mr. President, I ask unanimous consent that a letter from Assistant Secretary Marvin McLain to Mr. Harker Stanton, counsel of the Senate Agriculture Committee, and the accompanying memorandum be inserted in the RECORD at this point.

There being no objection, the letter and accompanying memorandum were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 15, 1959.

Mr. HARKER T. STANTON,
Counsel, Agriculture and Forestry Committee, U.S. Senate.

DEAR MR. STANTON: In accordance with your recent request by telephone, there is transmitted a draft of legislation to amend the Soil Bank Act to provide authority for handling certain cases that cannot be considered under present law and examples of some of the types of actual cases which could be considered under the authority of such an amendment. While it is possible that upon further legal study some of the cases given in these examples could be handled under present law, the draft legislation would serve to remove any doubt.

This material is being submitted as a drafting service and involves no commitment as to the position of the Department with regard to such legislation.

Sincerely yours,

MARVIN L. MCLAIN,
Assistant Secretary.

EXAMPLES OF TYPES OF HARDSHIP CASES UNDER THE SOIL BANK PROGRAM THAT HAVE RESULTED BECAUSE ERRONEOUS INFORMATION WAS GIVEN TO A PRODUCER BY A REPRESENTATIVE OF THE SECRETARY

1. A producer was given erroneous information by a representative of the county committee concerning the number of eligible acres on the farm. The producer went to the county office and requested the number of eligible acres on his farm and asked if he could hold out one field which had been seeded to grass to graze his sheep. He was told that the entire 700 acres was eligible and that he could not set aside any part of such acreage if he desired to enter into a whole-farm contract.

The producer submitted a whole-farm application on the basis of 700 eligible acres. Because of the $5,000 limitation, his bid was

necessarily based on $7.10 per acre, which was $5,000 divided by 700 acres (reduced to next lowest multiple of 10 cents). This was the maximum that could be earned. He was told his application was acceptable; and he agreed to enter into a contract at the maximum rate of $7.10 per acre, which would permit him to earn approximately $5,000.

The reporter came to the farm and again told the producer that the farm contained 700 acres of eligible land. After the reporter left the farm, he discovered that one field containing 100 acres was ineligible because it was pastureland. The farmer was not told about this until time to approve the contract, and at that time it was too late to submit another bid. Therefore, the contract had be to based on 600 acres of eligible land at a maximum rate of $7.10 per acre.

This error resulted in the acceptance of a contract paying much less than $5,000; whereas, if correct information had been timely given, the producer would have been permitted to submit a bid that would have made him eligible to earn the full $5,000, which he had agreed upon when first making application.

2. The producer indicated his desire to participate in the soil bank conservation reserve program and a soil bank base was established for his farm. The county office personnel, through error, included an acreage of a non soil-bank base crop in establishing the farm soil bank base for the farm. This resulted in a larger soil bank base and permitted acreage of soil bank base crops of the farm than should have been established. The producer entered into the contract and complied with the incorrect permitted acreage of soil bank base crops which was furnished him in 1957 and 1958. The error was discovered by an auditor in 1958, but the producer was not notified of such error and was not given an opportunity to dispose of the excess acreage of soil bank base crops in 1958. This resulted in an excess of soil bank base crop acreage in 1957 and 1958 above the permitted acreage of soil bank base crops for the farm.

Because of this error, the producer would be required to refund, or forfeit, annual and cost-share payments paid, or payable, for the years 1957 and 1958.

3. The producer signed a whole-farm application to participate in the soil bank conservation reserve program. The county committee, in error, entered into a contract with the producer for only a part of the farm, which was on a basis different than that on which the application was submitted. The contract was approved by the county committee on a part-farm basis, and in accordance with the approved contract, the producer established a tree cover on the designated acreage.

In this case the county committee had no authority to enter into a contract on a basis other than that on which the application for contract was submitted. Therefore, since the contract was unauthorized, there is no authority for making cost-share payments to the producer for the practice he established in good faith.

4. A producer signed a part-farm application indicating his desire to participate in the soil bank conservation reserve program. Upon measurement of the designated acreage, it was found that the acreage designated on the application covered all of the eligible land on the farm. The county committee entered into a contract with the producer at an annual payment rate applicable to a whole-farm contract rather than a part-farm. The producer established the practice on the basis of the approved contract.

The county committee had no authority to enter into a contract with the producer on a basis other than that on which the application was submitted. Because of this error, no contract is in effect, and cost-share payments cannot be paid to the producer for establishment of the practice.

5. Producer farms two separate tracts of land which at one time were operated as two separate farms but are now operated as one farm and are constituted on the county office records as one individual farm. The producer indicated his desire to participate in the soil bank conservation reserve program and signed an application for a whole-farm contract. He was thinking of the two tracts as separate farms and intended to place all of the eligible land of one of the tracts in the program. This error was not discovered until it was too late for the producer to sign a part-farm application. Therefore, the county committee notified the producer that his application was ineligible because he submitted an application for a whole-farm when it should have been an application for a part-farm contract.

As a result of this error, no application for contract can be accepted.

6. Producer entered into soil bank conservation reserve and contract was approved. Practice approvals were issued by the county committee in error authorizing the use of fertilizers, seeds, etc., in amounts in excess of the maximum provided in the practice specifications. The farmer, in good faith, applied the amount of material or seeds as shown on the practice approval but cannot receive cost-share payments for materials used in excess of the maixmum provided in the specifications.

Because of such error, the farmer has, in good faith, used materials or seeds for which he cannot receive cost-share assistance.

7. Producer participated in the soil bank 1958 corn acreage reserve program and complied with provisions of his agreement other than the harvesting of soil bank base crops. The producer harvested a crop of oats for ensilage and such acreage was in excess of the permitted acreage of soil bank base crops for the farm. Producer contends that misinformation was given to him with regard to a classification of soil bank base crops and that because of such information he was of the opinion that the harvesting of oats for silage would not be included as a soil bank base crop. The information given to the producer provided that oats harvested constituted a small-grain crop and, therefore, would be classified as a soil bank base crop. However, the same notice provided that annual grasses harvested for hay or ensilage are non-soil-bank base crops. The producer contends that misinformation was given and that the oats placed in the silo should not be considered as a soil bank base crop according to the notice received.

Since the oats were classified as a soil bank base crop and the acreage of such crop was in excess of the permitted acreage of the farm, the producer would be required to forfeit or refund all compensation payable under the agreement.

8. Five brothers, operating as a partnership, entered into a 1958 corn acreage reserve agreement placing an acreage in the program in excess of 300 acres. Such acreage, if otherwise eligible and without maximum payment limitations, would compute compensation under the program approximating $14,000. The agreement, when first executed and approved by the county committee, was signed by one of the brothers as a partner. The producers state, and it has been confirmed by the county office personnel, that they were assured that they would be eligible to comply on the entire acreage and would be eligible to receive maximum compensation as indicated on the agreement, which was approximately $14,000. Later in the year, the producers executed a revised agreement showing the same number of acres to be entered in the program and the same amount of compensation payable, but the revised agreement was signed by each of the brothers claiming 20 percent of the total compensation as individual producers. This revised agreement was also approved by the county committee. Record reveals that the producers did comply with the full amount of the acreage entered in the program with the erroneous assurance that they would be eligible to receive the full compensation.

A partnership is considered as one producer; therefore, payment under this agreement is limited to the maximum of $3,000.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the bill to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2457) to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government, introduced by Mr. SYMINGTON, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Soil Bank Act is amended by adding at the end thereof the following new section:

"SEC. 128. Notwithstanding any other provision of law, the Secretary may, to the extent he deems it desirable in order to provide fair and equitable treatment, pay a producer compensation under the acreage reserve or conservation reserve program which he otherwise would not be entitled to receive because the contract, application therefor, action, or conduct of the producer is—

"(1) not in conformity with the provisions of the program, or

"(2) less favorable to the producer than would have been the case if it had been based on correct information, or

"(3) based on an understanding that payment would be forthcoming in an amount in excess of that permitted by the program if it is established to the satisfaction of the Secretary that the contract, application, action, or conduct of the producer was the result of relying in good faith on the erroneous approval of such contract, application, action, or conduct by, or on the erroneous advice, determination, or computation of, an authorized representative of the Secretary."

WARNINGS FOR PROTECTION OF CHILDREN ON CERTAIN PLASTIC BAGS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to prohibit the shipment in interstate commerce of certain plastic bags, that may be hazardous to children, which do not contain plainly visible warnings indicating the danger of suffocation to children.

Headlines such as "Plastic Bag Stifles Baby" and "Thin Bag of Death" appear daily in newspapers and magazines in different parts of this country. The accidental death of infants by suffocation under plastic garment bags is the cause of much concern to health authorities, drycleaning shops and, above all, American parents.

According to the U.S. Public Health Service, these bags have caused more than 50 deaths since 1957; 44 of the victims have been infants who playfully pulled the empty bags, often used as mattress or pillow covers, over their heads. The National Safety Council has predicted that such deaths would rise to 100 before the end of the year.

The time has definitely come to take Federal action to insure the protection of children against this household peril. The bill which I am introducing today would require that plastic bags which may be hazardous to children and which are shipped in interstate commerce have printed on them a warning in large red capital letters, including the words: "Danger: Keep out of reach of children; destroy immediately after use."

Violators of this act shall be guilty of a misdemeanor and upon conviction thereof shall be subject to not more than a year's imprisonment and/or a fine of not more than $1,000.

The Secretary of Commerce shall determine the sizes and types of plastic bags that may be hazardous to children under this act, and he shall prescribe and publish in the Federal Register standards and regulations which he deems necessary to carry out the purpose of the act.

In conclusion, Mr. President, I ask unanimous consent that an article on this subject which appeared in the August 1959 issue of Consumer Reports entitled "Deadly Toy," be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the article will be printed in the RECORD.

The bill (S. 2458) to require warnings for the protection of children on certain plastic bags shipped in interstate commerce, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The article presented by Mr. HUMPHREY is as follows:

DEADLY TOY

Caution: Care should be taken that children under 6 years of age do not have these bags for playthings. Older children should follow directions as to their use. Do not place over heads.

Just before this issue of Consumer Reports went to press, a subscriber mailed in the plastic clothes bag shown in the photograph—a bag printed over with a false face and blue-and-black Union soldier's costume. The bag thus had been turned into a child's toy—even though stapled to it was the printed warning which the plastics industry has been widely publicizing in recent weeks. The bag had been delivered by a Maryland dry cleaner to the CU member's home on June 10, a good 2 months after the Nation was shocked awake to the fact that more than 50 children had died of suffocation inside the thin, very pliable film of which such bags as these are made.

Upon receipt of the reader's letter, CU immediately got in touch with:

The dry cleaner in question, who reported that he had 50,000 costume bags on hand and stood to lose $250 on them if he did not use them.

The National Institute of Dry Cleaning, which promised immediate action. The Institute got hold of the dry cleaner in question, and he and his local associates gave assurances that no more toy bags would be delivered.

Dr. James Goddard, chief of the Accident Prevention Bureau of the U.S. Department of Health, who reported that, although most of the children who had been killed by such bags had been under 2 years of age, even an older child—say, one of 10 or more—wearing a plastic-bag costume might lose consciousness in active play before he realized what was happening. (Teenagers, CU learned, have taken to playing a new game with the bags; they rival each other as to the length of time spent in a bag before "chickening out" or losing consciousness.)

The Society of the Plastics Industry, Inc., which has launched a campaign, through newspapers and television, warning parents against letting children have the bags. The The society said it had not heard of the practice of making toy costumes out of the bags until CU called the fact to its attention.

CU urges that readers call local public health officers to request: (1) the issuance minimally of a regulation prohibiting the distribution of any plastic bag designed or printed so as to suggest use as a toy—and even, perhaps, of all such thin plastic bags, printed or not; and (2) the imposition of a heavy fine for violations of that order, once issued.

PRESERVATION OF CERTAIN SHORELINE AREAS

Mr. MURRAY. Mr. President, I introduce, for appropriate reference, a bill to launch a Federal program to save some of our sea and lake shores for public use and enjoyment.

I am joined in the introduction of this measure by a large group of Senators, including Mr. ANDERSON, Mr. NEUBERGER, Mr. DOUGLAS, Mr. MOSS, Mr. MANSFIELD, Mr. KEFAUVER, Mr. RANDOLPH, Mr. LANGER, Mr. MCNAMARA, Mr. GRUENING, Mr. MCCARTHY, Mr. GREEN, Mr. ENGLE, Mr. BIBLE, Mr. BYRD of West Virginia, and Mr. HART.

I ask unanimous consent that the measure lie on the desk until tomorrow evening, for other Senators to consponsor it if they desire.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Montana.

The bill (S. 2460) to save and preserve, for the public use and benefit, certain portions of shoreline areas of the United States, and for other purposes, introduced by Mr. MURRAY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. MURRAY. Mr. President, this measure has been referred to among the sponsors as the SOS or the "Save our shorelines" bill.

The bill proposes three steps by the Federal Government.

First, it authorizes the acquisition of ten shoreline recreation areas located on the Atlantic, the Pacific, the Gulf and the Great Lakes.

Second, it directs the Park Service to study and report to us on ten additional areas suggested for Federal acquisition.

Finally, it authorizes the appropriation of $10 million as required from year to year for assistance to the States in acquiring shore areas for public use.

Mr. President, when I came to the Senate in 1934 the Interior Department was just completing a report on the need to preserve Atlantic and Gulf shore areas for public use. The report was made January 2, 1935. It recommended the acquisition of 12 shore areas of which the Government has acquired only a part of one. The report estimated that the cost of acquiring 602,000 acres, including a little over 400 miles of ocean front, would be $12 million. The cost of a similar program today would be so staggering that few would give it serious consideration. In the 25 years since the original report was issued, hundreds of miles of shore have been subdivided, and prices for shoreline land have skyrocketed by 2,000 and 3,000 percent.

In 1935 there was a magnificent 70-mile stretch of ocean beach on the Delaware-Maryland eastern shore which could have been acquired for $2 a front foot. Most of this stretch is beyond preservation today. It has already been subdivided and developed. Two minor State areas have been reserved and there is a small wildlife refuge on the southern tip. The few remaining lots available are now for sale at $60 per foot of ocean front, an increase in price of 2900 percent.

In another instance an ocean front area which could have been acquired at $9,000 per mile in 1935 is now priced at $110,000 per mile.

There are those today who will say that this bill is another spending bill; that it should be defeated in the interests of economy. This is the most foolish sort of economy. Those who blocked purchase of shorelines recreational areas in 1935 have only succeeded in forcing the Nation to accept a lesser program at an enormously increased cost. If the need is not met by this Congress, it will have to be met a few years from now. Prices then will inevitably be many times higher than the prices at which the needed property could be acquired now. It is my hope that this Congress will put an end to the enormously costly and foolish economy of postponing necessary expenditures and authorize a shorelines program which will begin to meet the public need, as should have been done in 1935.

Several days ago I introduced in the Senate the joint resolution (S.J. Res. 119) which would authorize a national conference on the problem presented by increases in hard core unemployment. Because of automation and increased productivity of labor, we are not providing enough new jobs for all persons who need work, nor for many of the new entrants into the labor force. We are confronted with another adjustment in the number of hours worked, and in basic employment policy. We are going to have to adjust the workweek, move forward retirement age, lengthen vacations and take other similar steps to give a share of available employment to all who need work.

My proposal for a conference on this matter illustrates one of the reasons that pressure to meet our needs for recreational areas is increasing. There are several factors increasing the demand for recreational facilities. Increased leisure time—and it is going to increase more and more with automation—is one, but only one, of those factors. Increased population is one, but only one of them. Increased means, or income, is another. We are right now starting the construction of a vast interstate system of high-speed superhighways which will make it possible for people to extend their radius of travel, to get in the family car and go to the seashore, whether they live in Montana or California, Kansas, or New Jersey. There is going to be an increased insistence that there be areas at the ends of these new roads where a man can take his family and spend an enjoyable vacation. This will include a demand for shoreline recreation areas. It is not at all surprising to me that many of the Senators who have joined in cosponsoring this proposal are from landlocked States. Tens of thousands of citizens in all of these States look forward someday to a vacation on the ocean shore and I am sure that tens of thousands of my constituents will approve setting aside shoreline areas where they can enjoy that opportunity when it comes to them.

As increased leisure and income make it possible for people to take longer vacations, public demand and insistence that Congress enact a save-our-shores bill is going to become irresistible. If we will do it now, we can save this Nation tens of millions of dollars. This consequently is not a spending measure. It is an economy measure. But we must act promptly. The one Federal seashore area we acquired which was recommended in the 1935 report was at Cape Hatteras, N.C. It was authorized by Congress in 1937, but before funds were available and the lands could actually be acquired, private and commercial development had taken over the northern third of the strip. Only 80 miles of an original 120 miles of the magnificent Outer Banks scenery was saved because of a 2- to 4-year delay.

It may be argued, and it is true, that there are a number of small shoreline areas in public ownership on the east coast. Only a small portion, though, considerably less than 5 percent, is of the quality of the Cape Hatteras area where citizens can actually utilize the shoreline itself. Much of the public holdings are along rockbound shores or mangrove swamps. There is not nearly enough to meet our needs.

The National Park Service's recently completed survey of the Atlantic, Pacific, and gulf shores give us the situation in detail. Another survey of the Great Lakes shorelines is now being assembled and should be available soon. There are adequate facts upon which to base sound shorelines legislation.

The survey of the east coast shows that existing public shoreline amounts to less than one-half inch of frontage for each person living within 50 miles of the coast. The situation on the Pacific coast and along the southern portion of the Great Lakes is rapidly moving in the same direction. For the country as a whole, there is only 1 mile of shoreline available for public recreation use for every 220,000 people. That is about one-third of an inch per person. The demand is clearly going to be for more waterfront space, not less. But the Park Service survey shows that even the relatively tiny space still undeveloped is being swallowed up. From Maine to Mexico, almost every attractive shoreline area accessible by road already has been preempted by resorts, estates, suburbs, and commercial developments. The east coast from Boston, Mass., to Norfolk, Va., is practically a continuous, compact city, where it would be impossible for a Montanan and his family to find a spot to camp and have access to the beach without trespassing on private property, or paying a toll to a concessionaire. Industrial expansion is consuming considerable new frontage, particularly around metropolitan areas where public beaches are most needed. These industrial plants not only destroy recreational opportunities by taking up land, but also by polluting adjacent waters with waste and the surrounding air with smog.

Residential and commercial real estate developments are consuming the most desirable shoreline at an even faster pace. The typical real estate development not only occupies the land, it removes the forest cover, levels dunes, and utilizes to the utmost accessible shoreline for private uses. Most residential communities exclude the public from access to their beaches. Tens of thousands of acres of swamps and marshes that once were places of beauty and an ideal habitat for water fowl and wildlife, have been dredged, filled, paved, and subdivided.

On the Pacific Coast the same commercial developments and real estate activities are to be found, but the National Park Service survey also found that extensive tidal areas in the West are being reclaimed for use as garbage dumps, airports, freeways, and similar development. The Pacific survey indicated that only about one third of the shoreline yet remains from which to select recreational areas. If we wait another 25 years or even 5 years, it may very well be too late to preserve any of the best of these areas for the public's use.

The Shoreline Act which I have introduced today has been drafted after extensive consultation with individuals who are intimately familiar with the shore surveys. It reflects their best judgement of the sites which have the greatest national significance, located to provide areas from Maine to Florida and Texas on the Atlantic and Gulf, from Washington to Southern California on the Pacific, as well as beaches on the Great Lakes.

The measure authorizes the appropriation of $50 million as needed to acquire the first 10 sites. Estimates of the actual costs of these areas run up to $85 million. Many of our national parks and monuments have been made possible by contributions and matching funds given by private citizens. It is believed that a considerable amount of the total cost of the areas authorized for purchase can be raised by donation. Consequently the authorization does not represent the entire anticipated cost.

In addition to the 10 areas authorized for acquisition, the Interior Department is directed to study and report to you on the desirability of Federal asquisition of 10 additional areas.

One of the most important features of this bill is the authorization of $10 million for assistance to shoreline States in acquiring their own costal recreational areas for public use. There is no prospect whatever that the State of Montana can share in this money. But I am sure that the citizens of Montana will approve of the program because the citizens of our inland States make a very considerable use of the facilities which their sister States provide on the oceans, the Gulf of Mexico, and the Great Lakes.

Mr. NEUBERGER. Mr. President, great mountain areas have mainly been set aside in our Nation to form our national park system—parks such as Grand Canyon, Crater Lake, Yellowstone, Glacier, Yosemite, Shenandoah, and all the rest.

But there is beauty along the seacoast as well as in the uplands. This grandeur has largely been neglected. Much of our scenic shoreline has thus been desecrated, exploited and spoiled.

Proposed legislation to prevent this has been introduced in this session of Congress in several phases. I have introduced an individual bill to set aside the Oregon Dunes and Sea Lion Caves as a national seashore recreation area. I have introduced, at the request of the Eisenhower administration, a bill authorizing the Secretary of the Interior to establish three such seashores at various points in the Nation.

Now, I am happy to join with the eminent Senator from Montana [Mr. MURRAY] in a bill which provides for the immediate establishment of 10 shoreline recreational areas, including the Oregon Dunes-Sea Lion Caves in the State of Oregon. The SOS bill, which this legislation for saving our shorelines has been so aptly named, also provides for study and investigation of 10 additional coastal areas by the Secretary of the Interior for possible inclusion in the park system.

Another outstanding feature of the bill is the provision for Federal-State cooperation in acquisition and preservation of relatively unspoiled shoreline sections along the Atlantic, gulf, and Pacific coasts, and along the Great Lakes and inland river systems. My home State of Oregon has one of the most extensive park systems in the Nation at present. Despite the advanced stage of development of the Oregon park system, there is still need for expansion and additions. Under the SOS bill, the Governors of the States would have new opportunities to set aside park areas—under State control and jurisdiction—with Federal assistance.

Thus, there are three separate avenues before the Senate for rescuing from ob-

livion and destruction some of the beauty which exists where the shoreline meets the sea. The National Park Service and Interior Department are sympathetic with our objectives and so, I am convinced, are the people of the United States.

I favor individual hearings during the congressional recess at some of the major points where this bill would safeguard shoreline majesty. These include Cape Cod, Padre Island, Oregon Dunes, Point Reyes, and a few others; such hearings already have occurred on Indiana Dunes. We are grateful that the able senior Senator from Montana is demonstrating his customary leadership in this field, as he always does when a conservation issue of national importance is at stake.

Before establishment of any new seashore recreational areas, the National Park Service will consult with the Advisory Board on National Parks, and the Governors of the affected States. The proposed legislation also provides for public hearings in each of the proposed shoreline areas so that local citizens can have ample opportunity to express their views on plans for development.

Mr. President, I think that it is important to emphasize that the proposed shoreline recreational areas will have a different status in the National Park System than existing park and monument areas. These new establishments will be for the purpose of providing recreation in unique scenic areas. National parks have been set up predominantly with the objective of preserving natural beauty, with recreation as a secondary benefit. The shoreline recreation areas will permit swimming, boating, sailing, fishing, waterfowling and similar recreational pursuits.

Mr. President, within the next 40 years the population of the United States will soar to the 300 million mark. We must make plans now to set aside shoreline areas throughout the Nation to meet the recreational needs of the future. Available areas are vanishing before the encroachment of commercialism and exploitation. It is my hope that Congress will soon act upon legislation which meets this urgent problem. The bill we have introduced today will help to accomplish this objective.

STUDY OF TRANSPORTATION PROBLEMS IN RURAL AREAS

Mr. AIKEN. Mr. President, I submit, for proper reference, a resolution providing for a study of transportation facilities in rural areas.

In recent years, there has been a disturbing decline in the quality of transportation service into these areas.

In many communities, service has been completely discontinued or so drastically reduced that people traveling to and from rural communities have been deprived of anything approaching adequate, modern transportation service.

I have heard reports of the ill effects of this trend from all over the country.

Transportation by rail and plane in the Northeastern States has been seriously reduced or eliminated entirely as far as some sections are concerned.

The security of the Nation demands adequate transportation facilities not only for large centers, but in rural areas as well.

Of course, better highways leading in and out of the cities are essential, but it is even more essential to have transportation facilities which will permit a large part of our population to live and work well outside the presently densely populated areas.

That is why there must be no delay in our highway program.

That is why certain airlines and railroads must be required to abandon their public-be-damned attitude and provide better service for rural areas.

The Committee on Interstate and Foreign Commerce, under the able leadership of the Senator from Washington [Mr. MAGNUSON], is well able to undertake this phase of the study in connection with its present investigation of transportation policies in the United States.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 151) was referred to the Committee on Interstate and Foreign Commerce, as follows:

Whereas an adequate and efficient transportation system serving all areas of the United States is essential to the national security and to the maintenance of a healthy national economy;

Whereas during recent years, through discontinuance of service or a decline in the quality thereof, many communities, particularly in rural areas, have been deprived of satisfactory transportation service;

Whereas such deprivation of service has interfered with the transportation of goods into and out of such communities, increased the costs of such transportation, and otherwise adversely affected the economy of such areas;

Whereas such deprivation of service has made many such communities practically inaccessible to persons who are dependent upon the facilities of common carriers; and would make access to such areas more difficult in the event it became necessary because of war or other disaster to move large numbers of persons into such communities from more populated areas: Therefore be it

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed, in carrying out the study of transportation policies in the United States authorized by Senate Resolution 29, Eighty-sixth Congress, agreed to March 5, 1959, (1) to include a study of the adequacy of transportation service to and from rural communities in the United States, and the effects of the curtailment of such service in recent years upon the economy of such communities and of the Nation as a whole and upon the national defense and security; and (2) to include in the report required to be filed pursuant to such resolution, its recommendations concerning the matters referred to in this resolution.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SCHOEPPEL:

Address delivered by Senator KARL E. MUNDT, of South Dakota, before Annual Convention, District of Columbia Department, the American Legion, July 24, 1959.

By Mr. WILLIAMS of New Jersey:

Article written by Cyril J. O'Brien entitled "THOMPSON Spurns Teamsters' Dictation," published in the Trentonian, New Jersey.

IMPORTANCE OF INTERNATIONAL EXCHANGES OF INFORMATION AND OPINION

Mr. WILEY. Mr. President, all of us are aware that during the recent political skirmishes with the Communists, it has been difficult to find opening in the Soviet blockade through which we can make some real progress toward lessening the international tensions and arriving at peace.

Recent exchanges of views between Vice President NIXON and Premier Khrushchev, at Moscow, in spite of their differing views on the significance of the discussions, may well mark the opening of a new era of direct exchanges between the West and the Communist world. In these times of challenges, threats, and crises, every effort must be made to eliminate barriers to resolving East-West differences, particularly those based upon misunderstandings and lack of knowledge. I wish to say that in my humble opinion there is much of the latter.

From the discussions between Vice President NIXON and Premier Khrushchev, it has become increasingly apparent that even among the leaders of the Kremlin, there is abysmal ignorance of our domestic progress, our industrial achievement, our standards of living, and other aspects of our way of life, including our moral, political, and spiritual principles.

Perhaps a series of top-level, but nonofficial, debates before a global audience, between exponents of communism and freedom would pave the way toward, first, easing East-West tensions; second, lessening the chance of nuclear war; and third, comparing before the eyes of the world the methods, objectives, and values of communism versus those of freedom. The participants would include not only political figures, but also outstanding persons in other fields.

The West, I believe, should welcome, and would greatly benefit from, such direct exchanges of views with the Communists.

From all the evidence, it would appear that the Kremlin still has a serious inferiority complex. Even though Mr. Khrushchev boasts, blusters, and threatens, for example, if the reliance on rockets and missiles as "persuaders" in arguments were put into proper perspective, the Communists would be practically unarmed for international debate.

It is true that the Communists have made tremendous progress in the development of rockets, missiles, and other armaments. However, it should be recognized that any nation which devotes a high proportion of its brain power, productive capacity, and resources to

such armaments, as the Soviets have done, can advance rapidly.

However, the progress of the Soviet Union in the development of rockets and missiles is almost their single "claim to fame."

Incidentally, Mr. President, I make no comment on the advisability of asking Khrushchev to visit America; that is the function of the Executive, in his function of spearheading foreign relations. After the Vice President returns, I presume that subject will receive consideration.

We are aware, of course, that the Soviets have also moved forward in industry, agriculture, and other fields. However, these advancements have been the product, not of discovery and inventions by the Soviets, but, for the most part, of copying and reproducing the accomplishments of the Western World.

SOVIET ADVANCES WILL SLOW DOWN

In the long run, it is reasonable to expect that the Soviets' pace, even in the development of rockets and missiles, will be slowed down for the following reasons:

First. A nation cannot long support a lopsided economy such as overemphasis on production of armaments; rather, it must attempt to strive for economic balance.

Second. The exposure to the knowledge of the higher levels of living of Western countries will increase the demands by people under Communist rule for better things to improve their own standards.

Third. When the Soviets get to the job of inventing, rather than just copying, their progress will slow down.

Overall, the result may well be a necessary rechanneling of resources, manpower, and productive capacity to consumer goods and products for peaceful, rather than war purposes.

GROUND RULES FOR WESTERN ACTION

To meet the challenges by the Soviets, I believe we can be guided by these ground rules:

First. We must maintain a substantial rate of economic growth domestically, first, to meet the needs of our people; and second, to meet competition, both of friendly nations and the Communist bloc; and third, to disprove the Communists' worldwide propaganda claim that our capitalist system will fall flat on its face.

Second. We must develop and maintain, with our free world allies, an adequate arsenal with rockets, missiles, and other nuclear-space weapons that will serve as "dissuaders" to the power-minded Communists—to deter them from aggression.

Third. We need a more effective national policy, including better integrated economic programs at home and abroad, with greater cooperation between ourselves and our free world allies to strengthen the economy of the whole free world.

Fourth. We need a reevaluation of the ideological challenge accompanied by the expansion of our program to win the "war of ideas"—the battle of men's minds.

Fifth. We need to expand our educational and cultural contacts with friendly and neutral nations—to assure the greatest degree of global understanding of our programs, ideas, ideals, and the free way of life.

I am confident that we have the reservoir of ideas, record of accomplishment, climate of opportunity, and fundamental set of principles and ideals that are superior to communism. If presented correctly and effectively before an international audience, I believe we would not only "top" the Communists, but would also win new friends and respect for the United States among the nations around the globe.

UNWISE FISCAL MANAGEMENT

Mr. SYMINGTON. Mr. President, the administration has requested that the Congress remove the 4¼-percent interest rate on long-term Government bonds, and it is understood that some consideration is being given in the House of Representatives to complying, at least in part, with that request.

The effort to obtain higher interest rates is, in my judgment, the fruit of inept harvesting of the money market by the Treasury Department. This mismanagement has been compounded by the Federal Reserve Board's policy of using its existing powers in a limited fashion, and at the wrong times.

It is now noted that both the Secretary of the Treasury and the Chairman of the Federal Reserve Board have expressed their vigorous opposition to a proposal attributed to probably the most highly responsible and respected man in public life today. The proposal of Speaker RAYBURN was that the Federal Reserve Board should "where feasible, bring about needed future monetary expansion by purchasing U.S. securities, of varying maturities."

How can anyone object to taking legal action to bring about something that is needed?

It has been the Federal Reserve Board policy to engage in open market trading on short-term bills—that is, to support the market for those issues commonly held only by banks.

Yet, both the Treasury Department and the Federal Reserve Board object to taking similar action in regard to longer-term issues which are more widely held and which, incidentally, have a more substantial effect on interest rates generally.

The Federal Reserve Act provides for the establishment of a Federal Open Market Committee, and states that such "open market operations shall be governed with regard to their bearing upon the general credit situation of the country."

It would seem clear to me that the Board already has the authority to engage in open market operations which would contribute to the stability of interest rates, and to the adjusting of the monetary supply to the requirements of the economy.

Hence, their objection to this proposal must be based upon their unwillingness to receive an expression of the views of the people's elected representatives.

Based on some of his statements, it would appear Chairman Martin forgets that the function of an administrator is to administer laws passed by the legislative branch of the Government.

It is true that an administrator should make recommendations to Congress, but Mr. Martin goes far beyond that role. Apparently he believes the Congress should do nothing other than what he, the administrator, recommends.

Mr. President, that is usurpation of the legislative function.

REPUBLIC OF ISRAEL HONORS FORMER SENATOR HERBERT LEHMAN

Mr. NEUBERGER. Mr. President, it is in the best tradition of America for local communities or States to be named in honor of political leaders who have contributed greatly to national development. Thus we have in the United States the State of Washington, the city of Lincoln, many counties named Madison or Jefferson or Jackson.

OREGON INDICATIVE OF AMERICAN PRACTICE

In my native State of Oregon, the thriving city of Baker, in Baker County, pays tribute to Senator Edwin Dickinson Baker, who was elected to the Senate from Oregon in 1860 and died a hero of the Union cause at the Battle of Ball's Bluff, during the War Between the States.

Grants Pass, situated in the rich farming and lumbering area of southern Oregon, was named for General Ulysses S. Grant subsequent of his capture of Vicksburg.

And the city of Gresham, site of the annual Multnomah County Fair—in my own home county, commemorates Walter Quinton Gresham, soldier and statesman, who was Postmaster General and Secretary of the Treasury for President Chester A. Arthur, later a Republican aspirant for the Presidency in 1884 and 1888 and still later Secretary of State in the Cabinet of Democratic President Grover Cleveland.

TRADITION SPREADS TO ISRAEL

I know that my colleagues will be pleased to learn that this tradition has now spread to the new Republic of Israel, and that one of the first persons thus honored is a man known and respected by us all, Herbert H. Lehman, former Senator from the State of New York and one of the most illustrious members of this body during his service here.

The Government of Israel has named a village of about 300 people "Lehman" in tribute to the Senator from New York, whose wise guidance and legislative leadership—as well as personal generosity—have contributed so much to the founding of this vital outpost of democracy in the Middle East.

In addition to "Kfar Lehman," two other spots in Israel have recently been named in honor of former Senator Lehman: one is the central foyer in the new Mother and Child Pavilion of the Hadassah Medical Center in Jerusalem:

the other is a new laboratory at the Desert Research Institute at Beersheba.

INSTITUTE SITE OF DISCOVERIES

The Desert Institute was established largely through the efforts of Dr. Chaim Weitzmann, the first President of Israel, and a gifted scientist himself. It has been the site of many important scientific discoveries, one of which is the process which enabled Israel to become the world's largest producer of heavy water, so important in the development of many atomic and nuclear devices.

I think it is appropriate that the name of Herbert H. Lehman should be associated with these three sites—one a housing development, the second a hospital, and the third a research institute. He has devoted his life, both public and private, to furthering similar humanitarian projects. First as Governor of New York, then as a U.S. Senator, he was part of the perpetual struggle for liberal causes. He never failed to lend his support to better housing, voting reforms, civil rights legislation, medical and scientific research, and legislation to improve the position of the workingman.

During the course of the dedication ceremonies at the Desert Research Institute, former Senator Lehman made a short but thoughtful talk stressing the importance of scientific research for peaceful purposes. Because the Senate recently has been concerned with this very subject in connection with appropriations for the National Institutes of Health, I think it would be pertinent to have these remarks printed in the RECORD. I ask unanimous consent, Mr. President, that they may be included in the RECORD at the conclusion of my remarks.

MUST BREAK VICIOUS CYCLE

As former Senator Lehman points out, "Eighty per cent of all scientific manpower, laboratory resources, and money now being used in scientific inquiry is being devoted to research related to war—to the science of destruction, and defense against destruction." He goes on to say, "Sometimes I wonder how our posterity will judge us for our inability to break the vicious cycle of hostility among the nations and bring an end to our race for national superiority in the capacity for destruction. Is science, in the end, to be the murderer of civilization, or its servant?"

Mr. President, these are words to ponder long, deliberately, and hard. I am sure every Member of the Senate will join me in congratulating former Senator Herbert H. Lehman on this signal honor bestowed upon him by the Republic of Israel, and in hoping that he will continue to carry on the eminent work he has done in the past. His prestige and talents can accomplish only good for our country and for the entire free world.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SCIENCE: WILL IT SERVE OR MASTER HUMANITY?

(Remarks of Hon. Herbert H. Lehman at Desert Research Institute, Beersheba, Israel, April 21, 1959)

I am proud to be here and to participate in this ceremony. I am very grateful for the high distinction of having my name associated with this magnificent venture in science—this Desert Institute—whose purpose is to benefit not just the people of Israel and the State of Israel, but all humanity.

I am happy to be able to congratulate my own Government and country on its participation in and support of this undertaking.

As an American citizen it gives me special pride and satisfaction to know that American taxpayers supplied money to help buy the publications, the proceeds from which are now to be used to advance the pursuit of scientific knowledge at this Desert Institute. I find it peculiarly appropriate that the cause of science should benefit in such a direct manner from the spread of knowledge through the sale of the printed word.

I wish also to congratulate the Research Council of Israel. The enterprise of this council has surely been manifested in many fields, but it is especially noteworthy with regard to the establishment of the Desert Research Institute.

This institute, in all its phases, is an imaginative undertaking in international scientific co-operation, attempting to focus, as it does, a concentration of scientific skills on one of the oldest and still one of the most challenging of mankind's problems—the use of the forces and resources of nature to meet man's most elemental needs: food, space, and shelter.

The fact that this undertaking is sponsored by UNESCO, that alongside the banner of Israel flies the banner of world brotherhood—the banner of mankind's co-operative search for knowledge and understanding—is a satisfying warrant of the purposes of this institute.

Here in these laboratories, disregarding the artificial barriers of language and nationality, there are and will be scientists of many lands, working side by side, seeking together to broaden the horizons for all humankind.

What a challenging contrast the work in this institute provides to that unfortunately necessary research work going on in so many other laboratories of the world—the hot competition to find newer, better, and more terrible ways of destroying mankind in war.

I have heard it conservatively estimated that 80 per cent of all scientific manpower, laboratory resources, and money now being used in scientific inquiry is being devoted to research related to war—to the science of destruction, and defense against destruction. This is a worldwide estimate, for research on both sides of the Iron Curtain.

Of course, we of the West must persist in and even increase our scientific endeavors in these fields. But sometimes I wonder how our posterity will judge us for our inability to break the vicious cycle of hostility among the nations and bring an end to our race for national superiority in the capacity for destruction.

What indeed will posterity say about us for devoting such a major share of our genius and our productive skill to devising, in this overcrowded world, poisonous means for making the most fertile areas of the earth radioactive and incapable of supporting life of any kind?

Is science, in the end, to be the murderer of civilization, or its servant?

This is a question upon which all of us need to reflect, however vain this reflection may be under the present circumstances.

Here at Beersheba, we may well take satisfaction in the fact that this workshop of science we are dedicating today is to be devoted to an attack on problems the solution of which our posterity will have reason to thank us, rather than condemn us.

In fact, the studies being pursued here touch upon a problem as truly critical for mankind as any I know, the problem of the earth's capacity to support its burgeoning human population.

In the year 1700, the world's population was about 500 million. In 1958 it was 2,500 million. In the year 2000, which is only 41 years from now, it is estimated that, short of an atomic war, the world's population will be close to 5 billion.

Approximately 50 per cent of even the present population of the world is undernourished, according to U.N. estimates. Between 1947 and 1953, world agriculture increased in its production by 8 per cent, but during the same period the world population increased by 11 per cent. The population of the world is expanding at an explosive rate. The increase in the production of food is not keeping pace.

Certainly one of the best prospects for a partial solution to this problem lies in the use of the substantial areas of the earth's surface that are covered with fertile soil but which, like the northern Negev, are now arid and bare of vegetation.

What a boon it would be for mankind if, in these laboratories, ways could be found to make the many areas similar to the northern Negev habitable and fruitful. The scientists assembled here today know much better than I what the prospects of this are. I understand, however, that we may well be on the brink of discoveries in the field of water use and plant genetics which can greatly affect the history of man.

Certainly there can be no greater challenge and no more useful field of inquiry. The studies that are and will be carried on here must be labeled humanitarian, in the best and truest sense of that word.

It would be exciting for me to be here in Beersheba under any circumstances. But the privilege given me to participate in the dedication of this laboratory, and the thought that my name will be associated with it, means more to me than I can say. I am happy to be able to dedicate this laboratory, not really in my name nor in the name of any nation, but in the name of humanity.

WYOMING'S WONDERFUL WOMEN

Mr. McGEE. Mr. President, I wish to discuss for 3 minutes this morning the most popular subject in America, and the most significant one in my State of Wyoming—women.

There will appear in the forthcoming issue of the Saturday Evening Post a very exciting and colorful article entitled "Wyoming's Wonderful Women." It is written by Paul Schubert, and it describes appropriately the activities in the frontier State of Wyoming of the "weaker sex." In many of the notable chapters written in our State's history, the lead has been taken by the women.

We find in the article the story of the great struggle for equal rights for women in regard to jury service, and we find the narrative of Wyoming's first woman Governor—the first woman Governor in America—Nellie Tayloe Ross, who was later the Director of the Mint a number of years ago.

Mr. President, I ask unanimous consent that the article entitled "Wyoming's Wonderful Women" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WYOMING'S WONDERFUL WOMEN

(By Paul Schubert)

This girl was mighty good looking, a 25-year-old honey with regular features assembled with a piquancy that balanced that strong jaw; she had high cheekbones, level, confident eyes, a mouth combining character

and humor, and she held her head erect and proudly as if there weren't a darn thing in the world she was afraid of.

She was dressed in a down-lined jacket against the cold; below the coat her well-cut frontier pants left no doubt that she was superbly stacked.

When I came out of the winter night into Carroll Durkee's Big Horn Drugstore in Greybull, Wyo., she was talking to Ivan Mitchell. A blast of snow followed me through the door as Ivan asked, "How's the Billings road?"

"O.K.," the girl said cheerfully. "Lot of snowpack this side of Lovell. I took a double spin on that long, slick grade—thought I might have to stop and chain up."

This damsel had just driven in alone from Billings, Mont., 130 miles through a winter storm, after dark. Towns are 6 to 40 miles apart, no houses between towns; the road passes through miles of desolate Badlands. A skid off the blacktop could leave you lying in the sagebrush to freeze to death before another car came along.

I looked at the girl with admiration and real affection. Couldn't place her by name, wasn't sure I'd ever seen her before. But you didn't need to know more than you could see. She was terrific. Wyoming women are like that—have been from the beginning—wonderfully female, yet competent, strong, forthright, self-reliant, the finest kind of companion for man, woman, child, or horse on any kind of expedition, from a picnic in Yellowstone Park to the journey through life.

I hereby confess to a permanent love affair with all 100,000 of the dear creatures—from the perky teenage high school cuties switching down the street in their wide ruffled and flounced square-dance skirts to the stoic, stern great-grandmothers at the oldtimers' picnic, with their memories of log-cabin homesteads and frontier loneliness.

If you think this avowal of devotion will get me shot by some hard-riding, cow-punching neighbor, think again. Wyoming men have always thought and said Wyoming females were the greatest—trusted 'em, respected 'em, honored 'em, adored 'em.

One of the first things the first Wyoming Territorial Legislature did, back in December 1869, was to pass a bill declaring that every 21-year-old woman "residing in this territory may, at every election, cast her vote; and her right to the elective franchise and to hold office under the election laws of the territory shall be the same as those of (male) electors."

Incredible, there on the Indian-fighting frontier, which always was supposed to be the exclusive domain of the mustachioed pistol-packing male. This was 6½ years before Custer's Last Stand against the Sioux on the Little Big Horn, a whole half century before women were to get this far, politically, back in the effete, educated East.

When Wyoming Territory acquired statehood in 1890, the provision for equal rights was retained in the State constitution. They call Wyoming the equality State. The equality goes far beyond politics. There has never been a time in Wyoming's history when woman wasn't man's full partner. She had to be. There was no room for clinging vines or fluttering Victorian types there on the hard frontier. Equality was born of frontier necessity. It has resulted in an extraordinarily buoyant female morale.

Wyoming had the world's first woman justice of the peace, square-shooting, square-jawed old Esther Morris at South Pass City back in 1870, and Esther did a job any man would have been proud of. South Pass City was a rough frontier town on the Oregon Trail—today it's a ghost town. History records that "the rowdies of the place undertook to intimidate Mrs. Morris and thus force her resignation—and prove that women were unequal to the performance of political duties—but they retired humiliated and discomfited from the contest. Nearly 40 cases were brought before her, and so justly did she administer them that not one was appealed to a higher court."

It was Wyoming that first seated women on a grand jury, first included women in a trial jury, first swore in a woman bailiff, all in Laramie in the spring of 1870, all experiments so radically unnatural that newspaper readers throughout the United States and Europe were regaled with detailed reports from the scene in anticipation of spectacle and fiasco. Laramie was a rip-roaring shanty town of 1,000 law-abiding and 4,000 lawless citizens at the end of steel on the transcontinental railroad then under construction.

The first trial case was for murder. The jury deliberated 2 days and brought in a verdict of guilty in the second degree, whereupon the presiding justice complimented the jurors—six men and six women—in the highest terms, saying women were fully the equal of men if not better. One male reporter did make the snide comment that the clicking of a lady juror's knitting needles had been intensely irritating to the other jury members.

The only unmarried woman on the jury was young, pretty, gently bred Eliza Stewart, recent valedictorian of the graduating class at Washington Seminary in Washington, Pa., who had arrived in Laramie alone by stagecoach to open the first school. Juror Eliza was married the following June—unwed schoolteachers seldom remain single long in Wyoming.

Two kinds of women came into Wyoming at the beginning. A few were as tough as they made 'em—the type that followed the railroad track crew, dancehall girls and gamblers' shills, even occasional lady bullwhackers like the notorious Calamity Jane, who could handle a double yoke of oxen like a man and didn't fear hell or high water. You still find a scattering of back-country ranch women who remain crude in the old style, go round the cabin barefoot, do any work a man will do and use language colorful enough to curl your permanent.

But from the beginning Wyoming's floozies and hillbilly types were outnumbered by another brand of females who have set strong stamp upon the State's womanhood—females loaded with character, strength, and virtue, equally marked by feminine gentleness and high intelligence.

These dames just don't push around. When Democrat Nellie Tayloe Ross was elected and installed as the State's—and the Nation's—first woman Governor back in the mid-1920's, she faced a politically hostile Republican State legislature. On an important bill involving a political appointment, the legislature sent a delegation to the Governor's mansion to propose a deal—they would pass the bill if the lady Governor would agree not to name a Democrat to the job. Up to now the lawmakers had known Mrs. Ross not as Governor, but as the Governor's wife—she succeeded her husband, who had died in office. Gracious, pliant, very much the dignified first lady, she had always seemed a negative, background character. What a change, now that she was Governor in her own right. There was no deal—and the legislators went back to the statehouse and passed the bill anyway.

Mrs. Ross worked hard and capably throughout her term and was an excellent Governor, but was narrowly defeated for reelection by a Republican in a contest interesting in that the Wyoming female electorate manifestly did not vote together as a sex, but split on party lines, blasting one ancient male dread that voting women would stick together against any man. Mrs. Ross turned to national politics, was active in the Al Smith campaign, became vice chairman of the Democratic National Committee, and after that was Director of the Mint for 20 years. She now lives in retirement in Washington, D.C.

So many Wyoming towns have had woman mayors down through the years that this is news no longer—the latest was the same old Laramie, which has become a tranquil university city. As for school superintendents and directors of education on all levels, Wyoming's educational system has grown great, thanks to the tireless contributions of devoted self-effacing women. The State ranks near the top in money spent per capita on education.

All this in a 97,914-square-mile frontier country notable for sagebrush, rattlesnakes, gullies, rivers a mile wide and an inch deep, Indians, coyotes, cattle and sheep, antelope, big game, great gaunt chains of rocky mountains, a limitless arid world where you need 30 acres to graze one cow. In Wyoming roughly half the land is still owned by the Federal Government, and there's nearly a square mile of space for every three persons. Population 320,000, half of 'em female, and you can decide for yourself at what tender age the ripening bud is entitled to the tag "woman." I say there are 100,000 women because that's a nice round number and they have nice round shapes. It's one of the world's most exclusive clubs, because if a gal doesn't like Wyoming, you can't keep her there. Either she's crazy about it—or if she feels fleshpots are indispensable, she goes a long, long way and never comes back.

The first Wyoming woman I had a chance to get well acquainted with was 12-year-old Frances Paton. Her father ran a dude ranch at the foot of the Big Horn Mountains, with a string of 25 saddle horses which were turned loose on mountain pasture every night to graze. The job of gathering up those horses early every morning is technically known as "wrangling," and it is a man's job. In fact, a man usually makes quite a thing of it—I mean he does it with a lot of noise, swagger, and showoff.

Twelve-year-old Francie wrangled as if there were nothing to it. She would ride off bareback 5 or 6 miles up the mountain, gallop a mile and a half rounding up the string, and bring them down to the corral in style. When it came to putting halters on them, it was a treat to see Francie move around the corral—no swinging lariat, no wild-eyed, snorting scramble. She slipped among the horses like a shadow, put a loving hand on an unsuspecting neck, and before the nag knew what was happening he was haltered—and he liked it. As she threw the saddle on his back, she talked to him, kidding him shamelessly—and he liked that too. Young Francie could catch and saddle two horses for every one saddled by any man on the place. Then she would ride off into the red foothills, convoying a docile string of adult dudes with the aplomb of an old cowhand. Watching her, I couldn't help feeling masculine unease—made you believe there might be something to this "female-of-the-species-is-more-deadly-than" stuff.

Another Wyoming woman who made a distinct early dent on me was Eleanor McKinney, who sold me a can of fly spray in a hardware store in Greybull the first time I ever visited that neighborly western town. Eleanor is a girl easy to remember. It's more than good looks. She has poise and personality and—well, she'd stand out if she came up to you in a shop on Fifth Avenue or Bond Street, and she was a very pleasant surprise in Olsen Bros.' hardware store in Greybull.

As time went on, I got to know both McKinneys, Eleanor and husband Cleo. And what I learned about the attractive

Eleanor made me respect her to the heels. Eleanor and Cleo, it developed, had a modest farm on the Emblem Bench, 20 miles from town. They had two fine, growing sons—by now one of those boys is in the Air Force, the other at the University of Wyoming. Their farm wasn't big enough, in Wyoming terms, to take a man's full time, nor could it provide a first-class living for a family of four, so the boys worked the farm after school hours, and both Cleo and Eleanor worked at other jobs.

Eleanor not only clerked for Olsen's but since she had to drive to and from town she doubled up pay checks by carrying the rural mail for the Emblem route. Stopping at every RFD box for 20 miles on the way home, all she had to do when she got there was cook supper and fill those male tummies, keep up with her house cleaning, and take care of the washing.

They all worked equally hard, and they were all happy—and looked it. That, I concluded, was why Eleanor McKinney's face was so attractive. However hard she worked, she was a happy woman. I hadn't realized that industry, thrift, and the good cheer that comes from useful hard work were still the rocky ribs of the American body politic, but the good-looking girl who sold me that can of fly spray is salutary medicine if your basic faith in our country ever flutters.

Versatility, I've learned in the years since then, is a Wyoming female characteristic. Great modesty goes with it. These are virtues of the frontier personality—Wyoming is still a frontier State in spite of paved highways and summer tourists.

In any case, beware of underrating the Wyoming woman who performs menial services for the Yellowstone-bound tourist. There's a lady who spent 12 years as a trustee of the University of Wyoming who will fill your gas tank and wipe your windshield on U.S. Highway 14, about 110 miles east of the park; check your oil, too, and you have sense enough to listen, give you fascinating homespun comment on the state of this wide, cockeyed world.

This is Lorna Patterson, former county school superintendent, a college woman and a schoolteacher by profession. She and husband George own a crossroads general store called Old Shell Lodge. Lorna also teaches the village primary school, not because she has to, but as a labor of love, and the handful of ranch youngsters who learn their letters in her room are as lucky as children can be, because Lorna is not only a pedagog of the first rank but also a woman of striking personality.

Lorna, who could teach anywhere in the world on any level she chose, insists that she has been trying for 30 years to get away from teaching. As a schoolmarm freshly diplomaed, she came out of North Dakota to the raw Bighorn Basin because she wanted frontier adventure—the classroom was just a way to earn a living. When she promptly married Scottish sheepman George Patterson, she gave up teaching, and the newlyweds went to housekeeping in a canvas-covered sheep wagon, following 2,500 woolies through the green pastures on top of the Big Horn Mountains. Lorna took to the life with enthusiasm, got used to riding horseback 40 and 50 miles a day.

Then one day a hat-twisting, self-conscious deputation of ranchers and townsmen got off their horses beside the sheep wagon and told the lady sheep rancher they wanted her to take on the useful, confining, praiseworthy indoor job of county school superintendent. Wyoming, they said, had plenty of folks who could raise sheep, but women like Lorna with the drive and know-how to educate children were rare, precious, and too good to lose.

So, she's been connected with the schools ever since, one way or another. She did quit long enough to bear her own daughter, but the classroom got her again, just as it still has her in Shell. "It's a challenge," she says, "and you can't pass up a challenge." Twelve years ago the big reward came when she was named a trustee of the University of Wyoming, at Laramie. She still pumps gas, though, if a car rolls up in front of Old Shell Lodge. Why not? Somebody has to.

A challenge of another sort faced Wyoming's Kitty Meloney, of Basin, when she went to the last Republican National Convention, in San Francisco. Kitty is a forceful, quick-witted, self-confident, levelheaded member of the Republican National Committee, and was a convention delegate from Wyoming. Before she left Basin, Len Hall, then national committee chairman, called her on the phone and asked her to take on the convention's more onerous job, treasurer.

If you can think of a meaner, more thankless labor, name it. It gave her the responsibility and bookkeeping headache of administering, disbursing, and accounting for funds running well into six figures—doing it, moreover, under the lunatic atmosphere of a nominating convention.

Previous convention treasurers had, Kitty discovered been inclined to shirk most of the hard personal labor by using hired accountants and disbursing agents for that part of it, while the honorable treasurer sat on the convention platform with the other high brass. Unfortunately this method notoriously produced a fiscal snarl of shuddery dimensions.

Fortunately Kitty is not one to feel bound by precedent. To understand Kitty and her husband, Con, you've always got to remember that when their wedding automobile broke down and they had to catch a train 7 miles away, they didn't hesitate to coast that distance downhill on a spur track, riding a small railway flatcar with a two-by-four stuck through a hole in the floor for a brake. A wild ride—but they caught the train.

Kitty and Con Meloney are professional bankers and business partners. They head the Security State Bank, of Basin, Wyo.—population 1,220, elevation 3,870. Kitty got into politics by being president of the State Federation of Women's Clubs, which put her in line for the Republican National Committee—she's now a vice chairman, doing real well on the national political scene.

Treasurer Kitty Meloney arrived at the San Francisco convention accompanied by partner Con plus two girls from the bank, a set of ledgers all set up, and a battery of adding machines, calculating machines, and checkwriting machines. She set up shop in her hotel room. No expensive suite of rented offices, no high-priced staff of hired help. Just four smalltown professionals ready to work.

Did you ever try to check out some $500,000 in half a week—fat checks for big brass bands, tiny checks for taxi rides from the depot, checks for bales of bunting, and checks for ham-and-cheese sandwiches delivered after midnight to smoke-filled rooms? The climax came when Kitty and staff sat up till daybreak preparing individual paychecks for each of the hundreds of Cow Palace ushers, doormen, and pages, averting the unavoidable loss of thousands of dollars which traditionally disappear unaccountd for when the payoff is made in cash. When the convention ended, there wasn't a cent unaccounted for; the books were posted and balanced. And Kitty Meloney, looking as fresh as a daisy, but feeling exhausted and limp, hadn't missed a single convention session as a Wyoming delegate.

Of course, most Wyoming women lead quieter lives, get along without brushing big-time elbows on either the State or the national scene. A quarter-century ago Lillian McDonald said of herself, "I am not famous for anything, but belong to that vast number of women who have helped to make Wyoming what it is today by trying to do the best I could each day as it comes along." Lillian was a covered-wagon pioneer who lived on Willow Creek, 60 miles west of Casper, and remembered the days before paved roads or electric wires of modern kitchen appliances or motorcars.

The early days hadn't been unhappy. "The strangeness of pioneer life, the fear of unknown dangers and the simple pleasures of a new country brought the people very close to each other. All the joys and sorrows were shared. Ah, those were happy days," said Mrs. Alfred H. Beach, author of "Women of Wyoming."

I think today's women, when they, too, look back, will say the same thing. In its essence, Wyoming hasn't changed. Wyoming girls still enjoy simple rather than sophisticated pleasures. At high school age they show off their shapes by serving as rodeo queens, homecoming queens, class queens. They burn up energy and wild elation on pep squads and in cheering sections. Drum majorettes practice for hours with the baton, love their skintight suits and shapely bare legs. Girls play in school brass bands and sing in innumerable close-harmony groups, TV style. The State isn't naturally musical, but it makes up in enthusiasm and noise for deficiencies in tone and harmony.

Wyoming girls, who get lots of hard work at home, don't go in for female team athletics. They ski enthusiastically, and at college level like water sports.

Rodeo, of course, is something else again. That's not athletics—that's important. Girls rope calves, ride broncs, and when it comes to tricks and fancy acrobatics on horseback, they practice and perform with breathtaking dedication. And thousands of girls grow up steeped in 4–H and Future Homemaker activities, know how to feed livestock, fatten steers, grow gardens, make dresses, bake bread, put up jam.

Fishing and hunting attract hordes of female devotees to the mountains and streams—the hard, high world where you can't fake anything and performance pays off, where the only thing that counts is being all woman or all man, good afoot or ahorse, good in camp, a good stalker and a good shot, a good, cheerful soul.

I went into the Basin telephone office recently, and there behind the desk sat Hap Crane's daughter, Vera Jean, and we got to talking about Lake Solitude. Hap, a Hyattville outfitter, has a permanent fishing camp up on Lake Solitude, and this girl spent 3 weeks up there last summer. When she got to talking about it, that look came into her eye, that curious, gone look—the office disappeared, and I disappeared, and the street outside disappeared, and she wasn't a young woman working for the telephone comany. She was just woman, and the place she wanted to be was up in the mountains.

Out in the street Steva Scott came along, driving George's big oil tanker. That tanker is so big that Steva looks tiny in the cab. "Get your elk, Steva?" I asked her.

Ruefully Steva shook her head. Outwardly the lady is a comfort-loving housewife; in the civic department she's the one who was chief supervisor of the rear-end-puncturing department when 700 kids got emergency shots during the polio epidemic; but if ever there was a passionate huntress and fisherwoman at heart, it's Steva Scott.

"Made me so mad," she said, as if she meant it. "Evelyn Beall went up in a car, spent the afternoon and came home with game. George and I camped on the mountain, and the only elk we saw came walking through our camp the night before hunting season opened—and George wouldn't shoot it. Sometimes I just hate being honest."

A fierce primitive closeness to nature is, I think, the key to many Wyoming women. In this big-sky State the measure of womanhood is still uncomplex. When you ask the question, "Who stands out as the finest woman you know?" the answer is always like the one I got over on the south fork of the Shoshone:

"Amanda Holman. Through all the years she lived here on the river she was the finest woman you could hope to meet. I never talked to her without feeling better when I came away. The Holmans never had an easy life. Holman was sick a lot, and there was lots of work to do on that place. But no one ever heard Mrs. Holman complain. She was as good a rider as I ever saw, and one of the best hands with horses. She knew cattle. She kept a spotless house. But other people have done those things. The great quality in Amanda Holman was her spirit. She was wonderful. It was a sad day when the Holmans grew too old to ranch and had to leave the valley."

Seventy years ago they said the same thing about Roshanna Reader, a covered-wagon pioneer. One of Mrs. Reader's neighbors wrote, "I have no words to express the gratitude I owe her. Many times when I sent for her in great anxiety over the illness of a child, she rode miles to help me. Her calm efficiency and Christian faith brought peace to my troubled heart."

Do you think the same thing doesn't go on today, just as truly and surely as it did in past generations? If you do, think again. The pioneer ideal of womanhood, unchanged, is everywhere, all over Wyoming. They start out as cutie-pies in tight pants, screaming their heads off for Greybull to beat Cody or Basin in the big high-school gyms. They live past the rodeo-queen and drum-majorette stage, and they turn into women just like the women their mothers and grandmothers were. I adore the whole wonderful lot of 'em. Wyoming's female sex is terrific.

Mr. McGEE. Mr. President, I only wish it were possible to reproduce the color photographs in this article on "Wyoming's Wonderful Women," for in the magazine we see the notable pulchritude of the coeds of the University of Wyoming who are now competing for the title of Miss America.

I think it is worth mentioning for the RECORD that Miss Wyoming of a few years ago was the runner-up in the Miss America Contest. She is now the wife of a University of Wyoming professor. Carol Held was her name then, and she is now Mrs. Edgar Chenoweth.

I do not want to suggest that the women of Wyoming should confine their talents to the beauty which blends in with the beauties of the surrounding mountains and terrain which God provided in our area. They also have intelligence and have demonstrated leadership.

In the course of the development of this article in the Saturday Evening Post reference is made to the leadership of the women in civic causes and national causes. Their efforts are very carefully portrayed.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. McGEE. I am glad to yield to the Senator from Oregon.

Mr. NEUBERGER. I desire to caution the Senator, for the reason that I have a wife who is an ardent feminist. She recently wrote an article for a national magazine suggesting that the next President of the United States should be a woman. I was commenting about this statement by Mrs. Neuberger, and I was asked from the audience if I did not think our State of Oregon should be represented in the United States Senate by two women. Therefore, I wanted to caution the distinguished Senator from Wyoming, lest he wax so eulogistic about the beautiful women from Wyoming that he might be confronted with the same dilemma which confronted me when the question was put by one of the audience in Oregon.

Mr. McGEE. I thank the Senator from Oregon for his comment. Perhaps we can channel the energies of the women into running for President, and keep them from running for the Senate, which might be a proper diversion for them.

I say that with all humidity—[laughter]—with all humility, in view of the presence of so many potential Presidential candidates in the Senate.

Mr. NEUBERGER. Perhaps the Senator said it with both humidity and humility.

Mr. McGEE. Particularly since I come from Wyoming, where we have none of the first and much of the last.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. McGEE. I am happy to yield.

The PRESIDING OFFICER (Mr. McCARTHY in the chair). The time of the Senator from Wyoming has expired.

Mr. McGEE. Mr. President, I ask unanimous consent that we may continue for the 3 minutes which would be allotted to the Senator from North Carolina.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

The Chair requests that the Senator send the article in the Saturday Evening Post to the desk for examination.

Mr. ERVIN. Mr. President, I merely wish to observe that it is very easy for the women of Wyoming to be beautiful and to appear beautiful, when they have men who can speak of them with such eloquence as the distinguished junior Senator from Wyoming.

Mr. McGEE. I thank the Senator from North Carolina for his generous comment.

I should like to add, Mr. President, that no article in the Saturday Evening Post in a single issue could properly discuss this question in all its ramifications. It would take a serial of many installments in order to treat it properly.

Mr. President, I thought it might be well to bring to the attention of those who were interested the fact that in addition to the very fine and wonderful women in Wyoming who are mentioned in the Saturday Evening Post treatise this week, there are others who have done great service in our State.

We have a very outstanding State superintendent of public instruction, who may be one of those the wife of the Senator from Oregon [Mr. NEUBERGER] had in mind. Her name is Velma Linford.

We have had pioneers on all fronts, and at the national level. We have two women in the State Legislature, one a Republican and the other a Democrat. We have women mayors. Women have long properly prided themselves on their civic activities.

The faculty of the University of Wyoming has held the line very courageously for preservation of the tradition of participation by distinguished women scholars in the academic world. For too long such participation has been declining. We are fortunate in having women on that front.

Our distinguished women range through all ages and generations. Last Saturday I was at the granddaddy of all rodeos, "Frontier Days," in Cheyenne. The star of "Frontier Days" was a very attractive 16-year-old girl from Laramie, named Karen Perry, who outraced the best of the men on the wild horses which are brought into Cheyenne for this celebration.

I think it is well to mention that in Washington this week, in connection with Girls' Nation are two of our future leaders among the women of the State, Miss Sally A. Hobert, of Wheatland, Wyo., and Miss Donna R. McHale, of Torrington, Wyo. I assume that in their political competition they supported the candidacy of the granddaughter of the distinguished Senator from Wisconsin [Mr. WILEY].

Mr. LONG. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. LONG. If the Senator wished to discuss the subject of women why did he undertake to do so under a time limitation? [Laughter.]

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. McCARTHY. I understood the Senator to say that in Wyoming there were distinguished women in every generation.

Mr. McGEE. So far we have had great women in every generation.

Mr. McCARTHY. That is a vital point.

Mr. McGEE. Not only was it essential in the past, but it is essential for tomorrow.

Mr. WILEY subsequently said: Mr. President, I thank the distinguished Senator from Wyoming [Mr. McGEE] for mentioning the fact that my granddaughter was elected to head the Girls' Nation. I am gratified to learn that the very fine representatives from Wyoming were supporters of hers.

It was my privilege last evening to attend the inauguration. It was a pleasant occasion. The Washington Evening Star of a day or so ago published an article in relation to this young lady, who is 16 years of age. As I stated some time ago, on the anniversary of my 75th birthday she wrote me a letter which I inserted in the RECORD. That is the same girl who has been honored by being made president of Girls' Nation.

I ask unanimous consent that this particular article from the Washington Evening Star, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR WILEY'S KIN HEADS GIRLS' NATION

Wallis Jean Wilde, the granddaughter of Senator ALEXANDER WILEY, of Wisconsin, and a 5-foot, 11-inch blond bundle of energy, was elected president of Girls' Nation this morning.

The annual gathering, which is sponsored by the American Legion Auxiliary, brings two girls here from each State, the District of Columbia and the Panama Canal Zone.

The girls spend several days learning how the Government works.

Part of their learning process is a "national election" they conduct voting among themselves for president and vice president of the "Federalist" and "Nationalist" parties.

Wallis Wilde, a Federalist, won over the Nationalist's Peggy Elizabeth Smith, of Nashville, Tenn.

The Nationalists won the vice presidency, however, with the victory of Jane du Sault Flohr, 17, of Wallis, Idaho, over Linda Beatrice Farley, of Downey, Calif.

Wallis Wilde has a list of activities at home that must be as long as the list of posts held by her Senator grandfather.

She is vice president of the Student Council of Wauwatosa High School, a member of the National Honor Society, secretary of her class, feature editor of the school paper, and a State forensics winner and a member of Tri-M, an honorary music society.

In addition, she represents nine suburban schools on the Milwaukee Mayor's Commission (Wauwatosa is a suburb of Milwaukee), where she was influential in persuading city authorities to install a library in the local detention home.

She attended the Northwestern University high school journalism institute, and has been appearing on a television panel show in Milwaukee, called "The Other 98." This is a reference to the fact that only an estimated 2 percent of youth are juvenile delinquents.

Wallis also has been working with the Wauwatosa Youth Commission, planning special summer activities for youth, and is a member of a singing trio which entertains at young people's events.

Wallis hopes to be a teacher someday, possibly of English, but more likely doing special work with handicapped children or in church education.

She has to hurry home after Girls' Nation concludes Thursday night in order to teach 42 second-graders in a vacation Bible school.

The vice president, Jane du Sault, also is a busy girl. She is president of her local national honor society, the winner of a mathematics trophy and award at high school, the winner of a State wildlife contest, a participant in the Greater Spokane Music Festival, and a member of the Future Teachers of Idaho.

She is debating captain of her school, vice president of the school science club, a member of the Thespians, accompanist to the church choir (she has studied piano for 10 years), and is a member of another singing group.

Jane, too, would like to be a teacher, of either music or mathematics.

After the election this morning the Girls' Nation group went on a tour of the Supreme Court and the Archives Building.

This afternoon they were to attend a Senate committee meeting and go to the State Department and Pentagon for briefings.

They visited Capitol Hill yesterday, watching House and Senate sessions from the galleries and meeting their Representatives at receptions.

Tonight the president and vice president will be inaugurated at formal ceremonies, at which Korean Ambassador Yang will speak.

CENSORSHIP OF MOTION PICTURES

Mr. JOHNSTON of South Carolina. Mr. President, I wish to bring to the attention of the Senate an editorial entitled "In Trouble Again," which appeared in the July 25, 1959, edition of the Fort Worth Star-Telegram.

The editorial has reference to the remarks of the Senator from Mississippi [Mr. EASTLAND] on the alarming Supreme Court ruling which recently placed that judicial body's stamp of approval to the idea of adultery.

As this editorial points out, the Supreme Court has once again done a terribly poor job. To say the least, it has stepped far out of bounds and has done untold damage to our Nation.

I agree fully with the remarks of the chairman of the Judiciary Committee, which appear in this editorial. The Supreme Court has now placed itself above God who handed down to Moses for us the Ten Commandments, the set of laws under which all Protestant, Catholic, and Jewish people abide.

"Thou shalt not commit adultery," is a commandment of God. This Nation was founded under God and we recognize this fact in our pledge of allegiance. Our history is filled with an abidance with God and His code of law.

I know of no civilization, organization, or religion in the world that upholds the theory of adultery except, perhaps, a majority of the Supreme Court.

Mr. President, I commend the Senator from Mississippi [Mr. EASTLAND] for his comments on this issue and I commend the Telegram for bringing the issue before the people.

I ask unanimous consent that the editorial from the Telegram be printed in the RECORD accompanying my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN TROUBLE AGAIN

Whether the U.S. Supreme Court has bumbled again in interpreting the Constitution or whether it has merely bumbled in its attempt to explain its thinking, in its ruling against the power of the State of New York to ban a movie film it nevertheless has opened the gate to fresh attack by critics.

Senator EASTLAND, of Mississippi, has pulled no punches in denouncing the Court for this decision. He first quotes the ruling: "What New York has done * * * is to prevent the exhibition of a motion picture because that picture advocates an idea * * * that adultery under certain circumstances may be proper behavior. Yet the first amendment's basic guarantee is of freedom to advocate ideas. The State, quite simply, has thus struck at the very heart of constitutionally protected liberty."

And then the Mississippian swings: "So now it is constitutionally protected liberty to urge adultery upon the youth of this Nation. Presumably the decision would be the same with respect to the right to urge bigamy, or sodomy, or miscegenation or even rape. Laws against sex crimes stem from the laws of Moses and the 10 Commandments. These laws are known wherever the spirit of decency flowers and men look up through the mist at God. Only in one place are they held in low repute—that is in the U.S. Supreme Court, where we find nine men appointed for life dissenting against the judgment of mankind."

Senator EASTLAND's skin-lifting operation almost creates a sympathy for the poorly articulate victims of his wrath, whose principal failing seems to be an inability to foresee the effect of the broad language of its judicial pronouncements. There may have been good and sufficient grounds for restraining New York in this particular situation, but the Court did an appallingly poor job of stating them.

A THOUGHTFUL ANSWER TO THE PROBLEM OF FINANCING OUR INSTITUTIONS OF HIGHER LEARNING

Mr. KEATING. Mr. President, there has been a great deal of discussion in recent years about our educational system. It has been blasted as being unrealistic and soft. It has been criticized for failing to fulfill its mission of preparing our young people to meet their responsibilities. And it has been praised for many of its fine qualities.

Most of this debate has been devoted to our secondary schools. Surprisingly little attention has been given to the problems of our institutions of higher learning. This is a situation which must be rectified promptly if our Nation is to tap effectively the reservoir of talent and brainpower necessary for our survival.

I have noted with gratification that a number of outstanding organizations and individuals are attempting to anticipate the problems our colleges and universities must face in the years ahead. They are devoting thoughtful study to the proper role and responsibilities of these institutions in our democratic society.

Unfortunately, while there has been a growing public recognition of the fact that enrollment in our institutions of higher education will almost double by 1970, and while there has been some consideration of changes which need to be made in the curriculums of our colleges and universities, there has been an appalling lack of study as to how all of this work is to be financed. It is high time we got down to brass tacks and did some cold, hard thinking about how our institutions of higher learning are going to pay for the very great tasks which lie before them.

In the light of this situation, I have read with great interest an address recently delivered by Dr. C. C. Furnas, chancellor of the University of Buffalo. In his remarks, Dr. Furnas, who has combined a distinguished career in Government and in the academic world, made a thoughtful appraisal of the role of our private institutions of higher education in the years ahead. He devoted particular attention to a straightforward, factual, and realistic consideration of how the work of our colleges and universities can best be financed. His conclusion—that revision of our tax laws will spur necessary voluntary support for these institutions—deserves close and careful study by Congress.

I intend to look into Dr. Furnas' proposal, as well as several others which have recently come to my attention, in an effort to help our higher education

institutions prepare to meet the challenges which lie ahead. This is a subject which must command the attention of Congress before long. In this connection, a study of Dr. Furnas' sober and factual analysis will be most helpful. I commend him heartily for his remarks, and so that they may have the wide readership they deserve, I ask unanimous consent to have them reprinted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

YOU CAN'T FLY ON ONE WING

(Address at 43d annual meeting of the American College Public Relations Association, French Lick, Ind., July 13, 1959, by C. C. Furnas, chancellor, University of Buffalo)

THE THESIS

I. You can't fly on one wing. It is extremely important that America maintain a reasonable balance and cooperative pattern between private and tax-supported institutions of higher education.

II. Enrollment in institutions of higher education will almost double by 1970.

III. By 1970 the cost for higher education will be at least $9 billion per year.

IV. In order to pay the bill, it is going to be necessary to open the valve for voluntary support much more than it is at present. This is vital for tax-supported as well as private institutions. It can be accomplished by easing the tax burden. It would be feasible to revise the Federal tax laws to give both individuals and corporations tax credit up to 5 percent of the tax bill for contributions to colleges and universities.

THE DEFENSE

I. You can't fly on one wing

In the early days of America all higher education was privately financed and privately controlled. For good and sufficient reasons a trend was started well over a century ago for the establishment of tax-supported public colleges and universities. One impelling reason was to increase educational opportunities for all geographical areas and all economic levels. Public colleges and universities also served as a valuable antidote to some innate smugness and excessive ivory-towerishness of the private institutions. The dual pattern which has evolved is most appropriate and entirely in keeping with the American political theory of checks and balances in public affairs. It is unfortunate that the two types of institutions often operate in conflict rather than in harmony. This has been particularly true when there have been struggles for obtaining appropriate shares of inadequate funds.

For at least a century a reasonable balance was maintained between the two types of institutions, as measured by attendance. Recently, however, the trend has been toward a preponderance of public institutions. A survey of this matter has been made by the U.S. Office of Education. Dr. E. V. Hollis, of the Division of Higher Education, reports as follows: Before World War II the percentage ratio of enrollment between public and private institutions was approximately 50–50. Today 56 percent are in attendance in public colleges and 44 percent in private. Dr. Hollis believes that within 10 years two-thirds of all students will be attending public colleges and universities. He says, "This is a very unfortunate trend. We need our private colleges." Other observers have predicted that within 20 years, 80 percent of all students may be attending public institutions.

If one believes in the virtue of the private, or independent, colleges and universities, this will be a very sad situation, indeed. But how is one to judge the virtues? Inevitably, personal opinion enters into it. In my own case, as student, teacher, and administrator, I have been closely associated over the years with two State universities, a private college, two private universities, and one university that was half public and half private. Hence, I think I am in a position to judge the virtues of each. I am convinced that both are needed, and in a balanced pattern.

Personal convictions, however, by themselves are not necessarily convincing to others. In the long run, how really important is it that private institutions maintain their vigor and cover a substantial portion of the field of higher education? There is no black and white answer. In America there are great tax-supported institutions and great private ones. There are also poor ones of both varieties. The criterion of immediate eminence is hardly sufficient to judge the matter. There are other, subtler aspects.

Foremost in the minds of the proponents of private colleges and universities is the maintenance of intellectual freedom. Thoughtful persons realize that the progress of mankind depends on such freedom. It cannot be absolutely guaranteed under any organizational form or structure of support, but some patterns are more favorable to its growth than are others.

The tax-supported institutions are far more vulnerable to the forces which can destroy intellectual freedom than are the private ones. This is true, almost by definition, for "who pays the piper calls the tune." When political bodies pay all or the major part of the bill, they inevitably exert control. This control usually is appropriate and beneficial, but there are cases when it is not, particularly when political units fall under the domination of demagogs or dictators. Witness the prostitution of academic ideals and the destruction of freedom in universities in Nazi Germany and in present-day Russia. Although there have never been such gross fatalities in this country, the unwise domination and subservient reactions of an occasional State university occurs just often enough to keep us reminded of the hazards. It is not even necessary to have a dictator in charge to arrive at sad results; a tyranny of uninformed and unsympathetic electorate can be just as stultifying and damaging.

Private institutions are also needed as a modest antidote to bureaucracy. Every organization, of course, has its own brand of bureaucracy, but the larger and the more impersonal it becomes, the greater the cloying effect particularly in the matter of discouraging new approaches to new problems. Governmental units at all levels, from the small village to the octopus at the apex in Washington, work best when there is close collaborative effort between private, public-spirited organizations and the formal governmental units.

This is a matter of experience—not merely of theory. It is probably most evident in Washington where the quasi-public institutions, such as the Academy of Science, the National Research Council, and the Smithsonian Institution, which depend for their existence on nongovernmental personnel, play a vital role in our national life. It is also very evident in the mammoth structure of the Department of Defense where a large proportion of thinking, research, and the production involved in military materiel is based on the work of private, often voluntary, individuals, institutions, and industries. America, as we know it, can hardly survive unless we keep a balanced structure of maximum total strength. You can't fly on one wing. The task which faces the educational world is to find ways and means of keeping both types in a flourishing and healthy condition. The problems of supporting them are joint problems, and joint and mutually satisfactory solutions must be found.

II. Enrollment will almost double by 1970

In the academic year 1958–59 the enrollment in institutions of higher education was 3,585,000. Based on projections made by the U.S. Office of Education, the enrollment in 1969–70 will be 6,376,000.[1] These figures are based on projections made by the U.S. Office of Education on fall enrollments to which are added 10 percent for each total regular session enrollments. Summer school enrollments would be in addition to this.

Various predictions have been made by many organizations and individuals, with different assumptions. However, they all come out with approximately the same answer—somewhere between 6 and 6½ million individuals will be seeking enrollment a decade from now. Hence, considerable confidence can be placed in this approximate figure.

As is well known, there are two major reasons for this remarkable upsurge. The first is that there are many more young people than there used to be. This is a population trend which was unexpected and has not been entirely explained. The simple fact is that, beginning about the end of World War II American families began having substantially more children than they had had previously. In 1955 there were in the United States 11,300,000 persons in the age bracket 18 to 22, inclusive, which I am arbitrarily calling the college age. The statistics show that by 1970 there will be almost 19 million in this age group. The data can hardly be disputed, for these young people are with us now.

The second major factor is the increasing proportion of those of requisite ability who desire and demand higher education. The long-term trend is revealed by the experience of the first half of the 20th century. Between 1900 and 1950 the population of the country increased by 93 percent, but during the same period the enrollments in the colleges and universities increased by over 1,000 percent. The trend still continues. The tendency for an increasing proportion going to college is now slowing down but there is no indication that it will completely level off or reverse itself within the next decade or so. We must be prepared to handle this greatly increased number.

There are those who contend that we should simply ignore the figures and only provide for the number in higher education that we can conveniently handle. This is an unsocial and naive point of view, not only for national, but for individual, welfare. Since the need and the desire is there, public pressures, political and otherwise, will certainly be brought to bear to see that some sort of higher educational opportunity is afforded for those 6½ million. The basic question is how good an education will the country as a whole, in both public and private institutions, be able to provide?

III. By 1970 the total cost will be $9 billion per year

It must be admitted that the public has characteristically fallen into the habit of demanding much but paying little. Recently howls of pain have swept over the land as the public has been made aware of the size of the educational bill it is going to have to pay. Outfumbling the other fellow in picking up the check has become a fine art. The overnight experts in all educational matters are coming out of the woodwork and leveling critical blasts at everything in sight. For instance, we are educating too many. We are encouraging mediocrity and suppressing ability. All high school and collegiate curricula are loaded with snap courses—no substance. We are teaching the kids citizen-

[1] Reported in "Where's the Money Coming From?"—Council for Financial Aid to Education, Inc., February 1959, p. 12.

ship when they should be learning algebra and physics. We should revert to the old European system of the grinding and unimaginative disciplines for the few and let those who can't take it fall where they may. If the colleges and universities were operated efficiently, they could do with what they have—they wouldn't need any more money.

If kept in a rational context this basket of criticisms is welcome and can be useful. I feel that our educational system can and must be improved. There is a lot of pap and padding in both secondary and higher education. There is an appalling lack of appropriate motivation for true learning among our young people; though a large part of the blame for that must rest with the parents. Colleges and universities certainly can be operated more efficiently than at present. When all these valid criticisms are met, we are going to have better education but—let's face it—we are not going to have cheaper education.

Not unexpectedly, many individuals and organizations have been making estimates on the size of the bill to be paid to handle the forthcoming 6½ million students. Although various approaches and different sets of assumptions have been used, the estimates all come out with surprising consistency at about $9 billion per year in 1970, as compared to the present $3½ billion per year. This estimate assumes a stable price structure, so if there is inflation, the bill will be even higher than that.

The question immediately comes to mind—why should the cost go up in greater proportion than the number of students? There are three reasons.

First, the salaries of faculty and administrative staff have lagged woefully behind the increases in cost of living and the general level of the economy in the professional fields. Rectification of this situation throughout the country is long overdue and must be remedied with dispatch. It is necessary to do this, not only for humanitarian reasons but also because impending teacher shortages are making this a highly competitive occupation and it will be necessary to raise salary scales substantially to maintain even the bare minimum number of teachers for the future.

The second reason is that there is a considerable reservoir of delayed expenditures for building and facilities which is just now catching up with the educational system.

Third, as is the case with everything else in modern life, higher education is becoming inherently more complicated and hence more expensive, particularly in the scientific and allied professions.

From all the evidence in hand, it seems that America, if it intends to maintain its position in the world, must realistically face this tremendously large bill and not try to evade or avoid it.

When one considers that at the present time we are spending less than three-fourths of 1 percent of the gross national product on higher education, and that even the $9 billion which will be needed is less than one-fourth of the present annual budget for national defense, it would seem that the public would readily arise to the occasion to meet this critical situation, which is rapidly becoming an emergency. Those of us who are in the middle of the battle feel that this is the decade for decision and we have a real crisis on our hands, but it is difficult so to persuade the public. It is not a crisis which is punctuated with open warfare or daily casualty lists, so the average citizen feels that it may be a delusion and will probably go away. As individuals, all of us can feel very sorry for ourselves because of high taxes and the constant bombardment of appeals for gifts to this and that worthy cause. We are all victims of and at least partial participants in a high level public apathy, and something new must be added if we are going to handle the task.

Some comfort can be gained from the estimates that the gross national product will rise to some $700 billion (at 1959 prices) by the year 1970 as compared to the 1959 figure of somewhat under $500 billion. However, this projected 40 percent rise in available wealth will by no means take care of the projected 260 percent increase for higher educational costs.

The Council for Financial Aid to Education, Inc., in its pamphlet "Where's the Money Coming From?" views the situation with considerable optimism.

It has laid out the 1969–70 sources of income as follows:

	Million
Tuition and fees (21 percent)	$1,890
Support from governments (50 percent)	4,500
Private gifts and grants (21 percent)	1,890
Endowment earnings (3 percent)	270
Other sources (5 percent)	450
Total	9,000

The council contends that raising these amounts from these sources is feasible. There are two points on which I cannot share its optimism. First, the proposed $1,890 million of voluntary support of private gifts and grants should be compared with the corresponding figure for 1957–58, which has been estimated to be $411 million. Hence, the council's figures anticipate a 450 percent increase in the flow from voluntary sources—all within the span of 10 years. Although I am not a cynical individual, I seriously doubt if private purses are going to open up to any such extent as that. My attitude is admittedly tempered by many discouraging recent experiences in attempting and failing to obtain substantial gifts. Under the present tax structure the private-donation lode does not contain as much pay dirt as the council visualizes.

The council has estimated an income of $4,500 million from governments, to be compared with $1,750 million from that source for 1957–58. This represents a 257-percent increase from the public purse. In view of the incipient taxpayers' revolt which is making itself evident in all parts of the country, there is considerable doubt as to whether the average citizen will vote for the necessary increases. Though the national tax bill for higher education is only a fraction of the total tax burden, it is highly visible and subject to extreme criticism and delays. It is almost certain, unless something changes radically, that the public as a whole will decide that it would rather retain its new automobiles, superhighways, and extended vacations in distant places than properly to support colleges and universities.

When Americans see a crisis clearly, they nearly always rapidly and adequately rise to the occasion. But this crisis is not sufficiently evident to cause the adrenalin to flow in adequate quantities in the public veins. When the realization does come, it may be too late—tragically so.

What is the solution?

IV. Opening the valve

Although I recognize it is no panacea, I do have one suggestion to make which I feel should be explored—that is, the opening of the valve to encourage greater voluntary support of higher education. Though it can only serve as an analogy, I would point to the control function of the Federal Reserve Board discount rate. Adjustment of the rate has proved very effective in controlling the flow of credit. Put another way, it can be said that the flow of financial resources in a desired direction is highly sensitive to and can be adjusted by a control at the top. I feel that through certain relaxations of the Federal tax laws an analogous and effective control could be exercised to induce individual citizens and corporations to give substantially increased voluntary support to higher education in a relatively painless fashion. In order to analyze the situation, let us look at the tax record for the latest year for which full complete data are available, 1956.[2]

For the calendar year 1956 adjusted gross income of the individuals who paid Federal income taxes was approximately $124 billion. Although by law these individuals were permitted to deduct 20 percent from their adjusted gross income for contributions for charitable and educational purposes, these contributions amounted to only $4,888 million—less than 4 percent.

You may turn now to the corporate picture for the accounting period July 1956 to June 1957. The taxable income of all corporations reporting was $46,885 million. According to the law, gift deductions for partial tax credit can be made for approximately 5 percent of the taxable income in any 1 year. However, the corporate contributions and gifts were only $417,996,000 or less than 1 percent of the taxable income.

Thus for this period the total contributions and gifts from individuals and corporations was $5,294 million of which only $317 million, or 5.8 percent of the total, went to higher education. The total amount which individuals and corporations could have given to charitable and educational purposes and received partial tax credit was $27,088 million. Hence, the reservoir of voluntary support legally authorized, and presumably intended to be used, was utilized to less than 20 percent of its contents. It is obvious that the valve needs to be opened a bit wider than it is at present. It would appear that this could most readily be done by revision of Federal tax legislation.

Adjustment of the tax legislation to favor higher education is not a new idea. For instance, during the current year Congressman FRANK THOMPSON of New Jersey introduced House bill H.R. 2440 "to amend the Internal Revenue Code of 1954 to provide funds for educational purposes by providing increased incentives for private giving through the allowance of tax credit for charitable contributions to institutions of higher education." Though this bill has never gotten out of committee, its content does indicate that some legislators are becoming interested in its approach.

When relieved of its legal verbiage, this bill essentially proposes that all contributors to recognized institutions of higher education be given the same deduction advantages as the highest income group. Under the present tax schedule this means that each dollar contributed to higher education by any individual would cost the donor only 9 cents. Each dollar any corporation contributed would cost the stockholders 48 cents.

Although this is a step in the right direction I contend, human nature being what it is, that it does not open the valve wide enough.

To solve the problem, I suggest that Federal legislation be enacted which will give tax credit to both individuals and corporations up to 5 percent of their total tax bill for contributions to the institutions of higher education which are on the list approved by the U.S. Office of Education. Individual and corporation Federal taxes in the year 1958 were approximately $60 billion. If there were the legislation that I suggest, it would mean that approximately $3 billion of annual voluntary support could be given by

[2] Internal Revenue Service Publication No. 79 (11–58) Nov. 14, 1958, p. 35.

individuals and corporations "and it would hardly cost them a cent."

We must not fall into the trap of assuming that you can get something for nothing, but it must be admitted that that would be a powerful psychological tool that would be very helpful in diverting a small portion of the national wealth into the channel where it is desperately needed, higher education.

If such legislation were enacted, it is almost certain that individual States would also revise their own tax structure in a similar fashion within a short time.

If colleges and universities worked very hard in convincing possible donors of their opportunities and obligations, they could probably realize $2 billion per year of the $3 billion potential. This would make a tremendous difference in the ready flow of money through the voluntary route. It would make it possible not only to meet but greatly to exceed $1,890 million of annual contributions in the CFFAE schedule. It would thus be possible to relieve the tax burden appreciably.

Although private institutions might well be the principal beneficiaries of such legislation, tax-supported institutions would also benefit substantially. The public institutions are finding it increasingly necessary to obtain large sums of private money, not only for current expenses but also for endowment. For example, available information (admittedly not up to date) on endowments of certain State universities show the following: University of Michigan, $25 million; University of Minnesota, $59 million; University of California, $86 million; University of Texas system, $287 million. State universities are naturally continually seeking more private funds. Both public and private institutions are essentially in the same pool of water. One type is just immersed somewhat more than the other.

It is easy to recognize and name the objections that would be raised to the legislation I propose.

First, it goes against the grain of legislators to release funds and maintain no control. In response to this, I would like to point out the following. There would be the basic control in that the money would be going only to colleges and universities. The choice of the particular institution to be favored would be left up to the donor. In America, presumably we believe in free enterprise, which implies that within substantial limits we believe in allowing individuals to use their income as they see fit. If legislators really believe in free enterprise, I think they should be consistent and rely on the judgment of individuals to choose reasonably wisely in distributing their largesse among an approved list of institutions. This represents free enterprise of free individuals.

Second, if such special treatment is given to educational institutions, there will be great political pressure to have it made available for various charities: churches, welfare agencies and others. It is high time that education be recognized for what it is—a highly necessary investment in the future. It is not a charity and should not be perpetually lumped in with charitable enterprises. The special treatment is highly deserved and can be well justified.

Third, it will be contended that such legislation would mean that an equal amount in additional taxes would have to be raised from other sources. This would be only partially true. The flow of money through the voluntary route would relieve the necessity of taxation to a substantial degree. Hence, though some additional tax money would have to be found from other sources, it would by no means have to be a 100-percent recovery.

In general, if we Americans, as citizens and legislators, really believe what we say, that higher education is necessary, that our institutions are in a crisis situation, that free enterprise has great virtue—then we will concede that special and favoring legislation for colleges and universities is not only possible, it is necessary. I suggest that ACPRA, through its numerous and effective channels, begin campaigning on a national scale for the type of tax legislation which will meet the situation.

Perhaps you as a group may have a better idea than the one I have propounded. There are several of us here who are of sufficient age to have vivid memories of World War I. You will remember the British cartoonist, Bruce Bairnsfather, and his famous character, Old Bill. You will recall the classic cartoon in which Old Bill and a very frightened rookie were sheltering themselves against a heavy bombardment, as best they could, in a too-shallow shell hole. In response to the young fellow's protestations, Old Bill said, "If you know a better 'ole, go to it."

"IMPERATIVES OF INTERNATIONAL ECONOMIC GROWTH"

Mr. KEATING. Mr. President, these are perilous days for the Nation, days in which we live in the shadow of tremendous armaments concentrated in the hands of two major powers.

When our enormous political difficulties seem at times to defy solution, it is reassuring to turn our attention to the less spectacular area of international cooperation in the economic field. It is in this field that there has been made a really astonishing amount of progress when viewed over the long run, especially since World War II.

It is the continuous strengthening of these friendly ties with other nations around the world which offers all of us hope for the future. This administration has many forward-looking men in positions of responsibility who are leaders in reexamining U.S. policies continuously in an effort to make sure that they are the best and most efficient possible for present conditions.

One of the most able and most experienced men in the field of international economics is the Honorable C. Douglas Dillon, Under Secretary of State. He brings a lifetime of experience in the international business community, coupled with his experience as our distinguished Ambassador to France and as Deputy Under Secretary of State for Economic Affairs.

Mr. Dillon gave an address, which was printed in the 1959 spring edition of World Affairs, published by the American Peace Society, entitled "Imperatives of International Growth," in which are some very stimulating ideas for the direction of U.S. policy in years ahead. I hope that his views will receive the widespread consideration which they merit and ask that they be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPERATIVES OF INTERNATIONAL ECONOMIC GROWTH

(By the Honorable C. Douglas Dillon, Under Secretary of State for Economic Affairs)

We have recently entered what promises to be a year of the highest drama. This fateful year is certain to produce formidable challenges to us as a Nation, as God-fearing people, and as freedom-loving citizens. Inevitably, many of 1959's problems will stem from the aggressive, expansionist ambitions of the leaders of the Sino-Soviet bloc.

There is no need for me to spell out here the full dimensions of international communism's military, economic, and psychological threat to the free world. Many of you were among the first to recognize its total nature and its enormous implications for our way of life. And you, and the organizations you represent, were among the first to call for a many-sided response to this many-sided challenge—a response which your Government is pressing forward on every front.

As you well know, Communist efforts in the economic field have been intensified in recent years. But I do not intend today to discuss the Sino-Soviet economic offensive. I want instead to examine with you the demand being made upon our resources and upon our consciences to help raise the living standards of the peoples of Asia, Africa, and Latin America. These are the areas where most of mankind lives and where the struggle between freedom and totalitarianism may ultimately be decided. The need to help these people forward on the road to economic progress would confront us even if communism and the Sino-Soviet bloc simply didn't exist.

To me, the yearning of the peoples of Asia, Africa, and Latin America for a better way of life presents us with the ultimate challenge of our times—and our greatest hope for the future. It is clearly a moral challenge. If we fail to respond adequately, we shall stand accused as a people who proclaim our own satisfaction with the benefits of freedom, but who are slothful in carrying the spirit of freedom to others around the world. The plain fact is that our posture before the world can be no better than the manner in which we fulfill the obligations that flow from our status as the most materially favored nation in all history.

Our objective must be to help raise other peoples' standards of living. In so doing, we shall also help to raise standards of personal and political freedom—a goal which is impossible of achievement in the absence of economic growth. With these objectives in mind, let us consider the imperatives of international economic development:

The first imperative—and a major one—is to maintain a sturdy, growing economy in the United States. Our ability to extend aid, to offer the capital which is so badly needed in the newly emerging countries, is conditioned upon our domestic strength. Our prosperity also helps to assure them a market for their output. The movement of goods is, of course, closely related to the movement of capital. Not only must we import in order to export. We must import to keep investment flowing overseas. For without the prospect of returns, the expanding flow of private investment is impossible.

The second imperative—and one with which we must reckon increasingly as we continue to prosper—is the need to narrow the widening gap between living standards in the industrialized West and the underdeveloped nations. Ironically, while our own living standards and those of our allies in Europe are rapidly improving, living standards in the newly emerging nations are advancing much more slowly—due largely to the tremendous growth in population. Heroic efforts to narrow this gap must be made this year—not a decade hence, when it will be too late. We can be thankful that we are not alone in our recognition of this imperative. As they have emerged from the devastation of war, Britain, France, and Italy have been turning their attention increasingly to assisting the world's underdeveloped areas. Germany has recently entered this field with characteristic vigor, as have our neighbor, Canada, and other members of the British

Commonwealth. So has Japan. The Japanese are now beginning to share their skills and resources with their neighbors.

But this gap cannot be closed by our efforts alone, nor even by the combined efforts of ourselves and our allies. The peoples of the newly emerging nations must make the major contribution to their own progress. I have visited many of these countries and talked to their leaders. A fresh wind is sweeping through them. Their peoples are no longer content to sit back and envy the more developed countries. They have been caught up in what has been aptly described as "the revolution of rising expectations." Their leaders are desperately trying to meet these expectations. They need our help in their great effort.

Military security and internal stability must be present to provide the framework in which economic progress can take place at a steady and acceptable rate. Many of the newly emerging nations, especially in Asia and Africa, are plagued by the tensions inherent in the transition to new-found political independence. Our mutual security program has been of assistance in this respect, by making available equipment, training, and defense support for indigenous military and civil forces.

A third imperative is the maintenance of adequate markets on which the developing countries can place their goods. These countries must sell their products in order to obtain the industrial equipment needed for development. We have made significant strides toward keeping our market open to the surplus production of all countries of the free world through the extension of our Reciprocal Trade Agreements Act on a realistic, long-term basis. We are also working with other countries to expand trade through the operations of the General Agreement on Tariffs and Trade. We must continue to pursue ways to remove artificial restraints upon world trade—our own and those imposed by others. Since many of the less-developed countries now find their exports concentrated in a few primary commodities, we must stand ready to study ways to help avoid disastrous price fluctuations, and to assist them in diversifying their economies.

A fourth requirement for the newly emerging nations is the crying need for the technical and managerial skills which are the bedrock of development. Without them, no amount of capital will bring about growth. The United States has, over a period of years, made important contributions in this area: bilaterally, through our International Cooperation Administration, and multilaterally, through the United Nations and the Organization of American States. The need for technical skills is fully recognized by the developing nations themselves. For example, the recent annual report of the Colombo plan's consultative committee, said:

"In a year which has seen intensive consideration given to increasing the capital resources of leading lending institutions, it is now urgent that the less-developed countries give greater attention to the development of the human skills which can assure the appropriate and effective utilization of these capital resources."

A fifth necessity is private investment. If we are to be of maximum help to less-developed countries, our private resources—which are far larger than those governments can possibly provide—must be welcomed and drawn upon to the greatest extent possible. We are constantly seeking ways to stimulate the flow of private American investment abroad. The investment guarantee program of the ICA has been steadily expanding. Through tax treaties, through our system of credit for foreign income taxes paid, and through other provisions of the Internal Revenue Code, the United States is endeavoring to avoid double taxation and thus facilitate American investment abroad. In our current tax treaty negotiations we have introduced an important innovation. We are preparing to give tax credit for certain income taxes waived by less-developed countries as an inducement to investment, as if they had, in fact, been collected abroad.

Currently, we are studying ways to ascertain how the Government can more effectively enlist the aid of private enterprise in achieving the objectives of our foreign policy. A group of distinguished citizens drawn from the Business Advisory Council of the Department of Commerce, is now working actively on the preparation of concrete suggestions, and the President has stated his intention of submitting legislation on this subject to the Congress.

A sixth requirement is for public loans on normal bankable terms. Such loans are now being extended by the International Bank for Reconstruction and Development, and the International Monetary Fund. These organizations have a special virtue, for they draw on both the public and private resources of the entire free world. The United States has believed in, contributed to, and supported these agencies from the very beginning. The directors of these institutions, acting upon an American suggestion, have proposed to expand their resources. The United States also extends bankable loans for development through the Export-Import Bank, which has made an outstanding contribution to economic progress.

A seventh requirement is for development financing which will provide flexible terms of repayment. Many sound projects which are essential to development cannot qualify for bankable loans. It was to help finance such projects on a businesslike basis that the U.S. Congress established the Development Loan Fund. It works closely with our Export-Import Bank and with the World Bank to stimulate an increased flow of bankable loans for development programs. One of its objectives is to help stimulate private enterprise, which is so essential to the stability of the less developed areas. In its first year of operation it has proved itself as a highly effective tool for economic development. It deserves your full and active support.

The United States is also working with its sister republics of the other Americas toward the establishment of an inter-American financial institution. And we are suggesting the establishment of an International Development Association closely affiliated with the International Bank. Such an association would be a multilateral version of our own Development Loan Fund. It would provide a means whereby other countries able to do so could join in financing development projects. We are now actively examining the feasibility of such an institution with our friends and allies. This proposal, as many of you know, sprang originally from an imaginative concept of Senator MONRONEY, who has long been a leader in our Nation's efforts to aid the newly emerging peoples.

Now, I have been discussing the imperatives which depend heavily upon the initiatives and the resources of the more developed nations.

There are other imperatives of economic development which rest largely with the peoples of the underdeveloped nations themselves. They are, briefly:

1. The need to create a climate in which foreign private investment can flourish.

2. The need to stimulate national savings so as to accumulate the domestic capital which is needed to ensure stability and economic progress.

3. A willingness on the part of indigenous capital and business to welcome competition and assume risks normal to healthy free enterprise.

4. The reduction of traditional social and cultural barriers to economic progress, whether based upon class, race, or tradition.

5. The need to emphasize scientific, technical, financial, and commercial studies in their educational systems—plus a willingness on the part of the more talented individuals to seek training in skills directly related to economic progress, rather than to pursue education primarily as a means of enhancing social prestige.

These needs are rooted in problems based on attitudes, tradition, and established social patterns. They are resistant to change. They will not all be met tomorrow. But they must eventually be met if the newly emerging peoples are to make a successful transition to a state of steady economic growth.

Finally, I come to an imperative which is of crucial importance to this Nation. I refer to the need for redefining our national purpose in extending aid to other countries of the free world.

I sometimes wonder if we haven't fallen into a trap of our own making when, in seeking support for our mutual security program, we present it to the American people mainly as an answer to the menace of Communist aggression? We find that our motives are sometimes misunderstood abroad. I wonder if we haven't allowed ourselves to be identified in the eyes of large parts of the world as defenders of our own status quo—rather than as a people whose motivations are founded upon principle and whose response to the needs of others arises out of a deep sense of moral responsibility?

We must clearly establish the fact that all of our endeavors in the foreign aid field are designed as part of one common free world enterprise. We must consolidate a communion of interest with the aspiring peoples. I know of only one way to shape an image of integrity and responsibility. That is to exhibit integrity and responsibility. This we have most assuredly done. But perhaps we have allowed our good deeds to be obscured in the fog generated by our problems with the Soviet Union.

I neither overlook nor minimize the dangers to this country inherent in masses of men and weapons, as well as technical and industrial resources, in the hands of an implacable Communist enemy. Without question, economic and technical assistance to the newly developing nations is in our national self-interest. However, we do ourselves a grave injustice and distort our true image before the world if we give our foreign aid program a wholly selfish cast. For this program rests squarely in the great tradition of idealism that has motivated the American people since our earliest beginnings.

The Marshall plan, the point 4 program, and the present mutual security program have no parallel in all history. The willing acceptance by the American people of the challenge to help free other peoples from the bitter slavery of poverty is one of the greatest moral achievements of this century. We should not permit it to be derided by the cynical or deprecated by the uninformed.

I look to groups such as this to help bring about a wider understanding of the imperatives of our foreign policies, both at home and abroad. That understanding is crucially needed. For our foreign aid programs grew naturally out of our social, cultural, and religious heritage. We have accepted a great challenge from which we cannot draw back. If we answer it successfully, we shall be assured a place in history as one of the great humanitarian peoples of all time. In the words of Arnold Toynbee:

"Our age will be well remembered, not for its horrifying crimes or its astonishing inventions, but because it is the first generation since the dawn of history in which mankind dared to believe it practical to

make the benefits of civilization available to the whole human race."

We are the natural leaders of that generation. Our duty and our path are clear.

COTTON TEXTILE IMPORTS

Mr. JORDAN. Mr. President, in consideration of a proposal to impose restrictions on the importation of cotton textiles, it would appear to me that the fundamental issue involved is the effect of present conditions on the cotton textile markets, and what they might do, if continued, to those markets in the future.

I believe this to be the fundamental issue, because the domestic textile industry is the best customer of the Nation's cotton farmers. It consumes an estimated 75 percent of each annual crop. The Federal Government has a prominent role in the handling, storage, and disposal of the remainder, through its program of support for basic agricultural products, including cotton.

It is a matter of fact that the domestic textile industry has failed to expand during the past 10 years, a period of unprecedented economic growth in the United States. It has failed to do so, primarily, because the industry has been unable to hold its own in international competition, even in international competition for the domestic market.

The domestic market, with which we should be concerned first and foremost, has declined almost steadily since the post-World War II embarkation on our outstanding program to revitalize the economies of our foreign friends and allies. It is an ironical and grim truth that the American cotton textile market—upon which the American cotton farmer depends so strongly—has been invaded to a very serious degree by the same friends and allies to whom we have given so much in the way of assistance.

In past years, the Government of the United States has entered into formal talks with the Japanese, to effect some voluntary limits on importations of cotton textiles. Despite the voluntary nature of that action, there is some evidence to indicate that those limits are becoming increasingly unsatisfactory to Japan.

However, other nations which are not parties to such agreements are now posing threats potentially more serious than that of Japan. Hong Kong, for instance, through the use of cotton cloth produced in Red China and other countries, has become a major factor in world textile markets.

India, Pakistan, Formosa, Korea, Spain, Mexico, and many other countries—all of them our friends and allies—are showing signs of becoming important textile producers. All of them have their sales eyes on the American market, where American production is essentially unprotected, but upon which American cotton farmers and the American agricultural program must depend for success.

It is obvious, under these conditions, that cotton textile imports will continue to rise, unless some preventive action is taken.

While we have no desire to build a wall against all foreign-made goods, we must realize that, eventually, we shall be impelled to institute certain restrictions on some imports which are not now restricted. Such action is simply inevitable, if we are to maintain our own basic economy and the stability of our national agricultural enterprises.

I suggest that it would be well to consider those restrictions now, if for no other reason than that the United States must, of necessity, continue to foster good relations with all these nations.

In the years to come, it will be incomparably harder to place restraints on imports. If present policies are permitted to continue, by that time the textile industries of our foreign competitors will have acquired a much greater stake in, and dependence on, our domestic market. It will also be natural to assume that they will have even greater expectations for the future.

All these nations are of critical importance to the diplomatic and military policies of the United States. It is with that point in mind that I believe we should take necessary restrictive action now, when such action will involve relatively minor hardships, instead of waiting for a number of years, during which these friends of ours could build false hopes about the future of this country as a marketplace for their textiles.

As I see it, it would be well for us to consider, particularly in this long-range thinking, the importance of the American textile industry to our national defense.

According to the report of the subcommittee of the Committee on Interstate and Foreign Commerce which conducted a study of the textile industry of the United States, under authorization of the 85th Congress, the domestic textile industry plays a vital role in our national security.

The subcommittee's report pointed out that during World War II, the textile industry was ranked second only to steel, in terms of military essentiality. That role continues today, and is even expanded beyond the concepts of World War II, because of technological advances, particularly in missiles. In a time of national crisis, the relative importance of our domestic textile industry to our foreign friends is obvious.

I can but agree—and I do so wholeheartedly—with the subcommittee's conclusion that it would be the "height of folly" to allow the domestic textile industry to contract to a point where it could not satisfy our basic civilian and military needs in the event of an all-out emergency. We must recognize, realistically, the continued necessity for military preparedness, however much we hope for and work toward the elimination of war.

We in the United States have no desire—and I think we have proved it by more than a decade of service since World War II—to be selfish in our relations with our foreign friends. It is a part of our way of life to consider the goodness of all men and the worth of their work, so as to associate with them on an equal basis.

I feel, however, that by our present policies toward cotton textile imports, we are denying ourselves the rewards we are offering to others. It seems to me that we should begin immediately to make available to ourselves those rewards, and, in the process, to preserve the worth that we know is in our agricultural program, our national defense, and our economic future.

BANNING OF OBSCENE LITERATURE FROM THE MAILS

Mr. CARLSON. Mr. President, the August isue of the Christian Herald, of which Daniel A. Poling is the editor, contains an editorial entitled "It's Time for a New Crusade."

This timely editorial is the result of recent court decisions in regard to Postmaster General Arthur Summerfield's banning from the mails of pornographic and obscene material.

There are some who are concerned about censorship when it comes to removing some of this material from the mail, but on the other hand, it must be of some concern to our people that this smutty material not be placed in our homes, where it can pollute the minds of our young people.

I ask unanimous consent that this editorial and an article from the New York Times of Sunday, July 26, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Christian Herald, August 1959]

IT'S TIME FOR A NEW CRUSADE

(By Daniel A. Poling)

Christian Herald opposes political censorship and approves Postmaster General Arthur E. Summerfield's banning from the mails of Lady Chatterley's Lover. Had he not banned it, tremendous impetus would have been given to the growing campaign for censorship. What about this book?

Postmaster General Summerfield concludes that any literary merit the book may have is far outweighed by the pornographic and smutty passages and words so that the book as a whole is an obscene and filthy work. Harry T. Moore, reviewing the novel in the New York Times Book Review, writes: Its "essential innocence should long ago have been quietly accepted." And he names it our century's greatest romance. Archibald MacLeish, in the preface, writes: "Lawrence's purpose here is the cleansing purpose of freeing humanity from the domination, which seemed to him evil, of the abstract intellect and sterile will, by a return to the natural life of the body and the senses * * * His admiration is for wholeness and awareness and life."

Having read the book myself and dirtied my mind, I write now from firsthand knowledge my own criticism. I read objectively sans all inherited or acquired Puritanical prejudices and I hope with proper humility, having previously perused the favorable criticisms. The author has seduced and prostituted the English language. In this book is page after page after page of sex—sex in the sun and rain, in the hut and forest, at all times and places, sex with what should be unprintable conversation, sex with nasty words that appear in public only on the walls of ill-kept outhouses. The principal character is promiscuous.

I find with the Postmaster General of the United States that, brilliantly written, Lady

Chatterley's Lover is vile and obscene, and I cannot escape the conclusion that it is the creation of a strangely disturbed and frustrated mind. In pinning the white ribbon on this novel, distinguished literary critics have given vast encouragement to the purveyors of smut and obscenity who fill the newsstands, flood the mails, and foul the minds of teenagers. I nominate "Lady Chatterley's Lover" to the No. 1 spot in any bawdy-house library.

[From the New York Times, July 26, 1959]

DR. POLING SUPPORTS POST OFFICE IN ITS BAN ON "LADY CHATTERLEY"—CHURCHMAN CALLS LAWRENCE NOVEL VILE AND OBSCENE—ASKS DRIVE ON SMUT

The Reverend Dr. Daniel A. Poling, editor of the Christian Herald, yesterday supported the Post Office ban on "Lady Chatterley's Lover," a romantic novel by D. H. Lawrence.

In a signed editorial appearing in the August issue of the monthly magazine, Dr. Poling said that the book was "vile and obscene," although "brilliantly written."

"I cannot escape the conclusion," he wrote, "that it is the creation of a strangely disturbed and frustrated mind. In pinning the white ribbon on this novel, distinguished literary critics have given vast encouragement to the purveyors of smut and obscenity who fill the newsstands, flood the mails and foul the minds of teenagers. I nominate 'Lady Chatterley's Lover' to the No. 1 spot in any bawdy-house library."

Dr. Poling entitled his editorial "It's Time for a New Crusade." In a footnote, he urged readers interested in "joining a real crusade against smut and obscenity in the news and on the newsstands" to send their names and addresses to him at the New York office of the magazine.

The churchman said he had read the book with humility and "objectively sans all inherited or acquired Puritanical prejudices."

Nevertheless, he added, the novel "dirtied my mind."

"The author has seduced and prostituted the English language," Dr. Poling asserted. "In this book is page after page of sex—sex in the sun and rain, in the hut and forest, at all times and places, sex with what should be unprintable conversation, sex with nasty words that appear in public only on the walls of ill-kept outhouses. The principal character is promiscuous."

TEXANS MAKE HIT AT BRITISH FETE

Mr. JOHNSON of Texas. Mr. President, Howard Payne College has given Texans additional reasons for increased pride in their native State.

Accomplished in many fields, students of this fine college at Brownwood, Tex., have gained new laurels by their novel production of William Shakespeare's "A Midsummer Night's Dream" at an international drama festival at Bristol, England.

The acclaim with which the production by these talented young Texans was received is recounted in the New York Times of July 29, 1959. I ask unanimous consent, Mr. President, that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXANS MAKE HIT AT BRITISH FETE—"MIDSUMMER NIGHT'S DREAM" PRESENTED BY TROUPE FROM HOWARD PAYNE COLLEGE

(By W. A. Darlington)

BRISTOL, ENGLAND, July 28.—There is no doubt about it, the company from Howard Payne College in Texas has been the big success so far of the International Festival of University Theater being held here this week.

The fame of their production of Shakespeare's "A Midsummer Night's Dream" in Texan style must have got about. For the house was a complete sellout. And the performance was received with delight.

Of course, the company had the advantage that they were playing in English. The drama department of Bristol University, which is the originator of this festival, has cast a wide net and has brought here companies from Turkey, Yugoslavia, and Greece, to whose performances the ordinary citizens of Bristol can hardly be expected to flock in large numbers.

Howard Payne's was a company acting an English play in English and the people flocked in at once. They enjoyed to the full all the incongruities caused by transplantation.

Duke Pheseus and his court, the two pairs of lovers and Bottom and his rustics—everyone armed with gun—stood the journey across the ocean very well. So did Hippolyta, changed into an Indian beauty. The fairies, however, except for Puck, did not fare so well.

I don't know what can be done about Warwickshire fairies in Texas but these will not do. They are not spirits of the forest at all but young ladies of good behavior with, one would say, a Spanish grandmother here and there expensively dressed for dancing class. And Oberon was just nondescript.

However, that small lapse aside (and anyhow it made no difference to the warmth with which the production was received) the whole affair may be reckoned a major success.

The acting was so level that to give names is rather invidious. But Norman Talley must have a mention as Bottom and so must Johnny Milner as Puck. Karen Carpenter scored a minor comic triumph all to herself as Helena.

TRIBUTE TO THE LATE DR. DUDLEY JACKSON, SR.

Mr. JOHNSON of Texas. Mr. President, Dr. Dudley Jackson, Sr., an eminent member of the medical profession and a great humanitarian, died last Saturday at San Antonio, Tex. His good works touched and bettered the lives of thousands. His loss will be mourned by equally many.

Maury Maverick, Jr., of San Antonio, knew and loved Dr. Jackson. This is the way Maury Maverick, Jr., referred to his passing:

I loved Dudley Jackson, Sr., for a lot of reasons. Partly because he was good to my father and mother. Partly because he was good to me. Mostly because he fought all his life to do away with human suffering. As a doctor, he fought for the poor. As a doctor, he fought for the kind of people described on the Statue of Liberty. He was truly one of the greatest men I ever know in all my life.

The many contributions by Dr. Jackson to medical science were reviewed in the July 27, 1959, San Antonio Express. My distinguished colleague from Texas [Mr. YARBOROUGH] joins me in asking unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUNERAL RITES TUESDAY FOR NOTED PHYSICIAN

Funeral services for Dr. Dudley Jackson, Sr., 68, who died Saturday at Nix Memorial Hospital, will be at 10 a.m. Tuesday at Porter Loring Funeral Home.

The Reverend George Mauze will officiate.

Jackson was recognized for many contributions to medical science. He was the holder of a Walter Reed Society award for experiments in cancer wherein he transplanted living cancer cells into his own body and removed them after study.

A graduate from the Kansas City Veterinarian College in 1913, he entered the University of Texas Medical School at Galveston at the insistence of an uncle, Dr. T. T. Jackson, a pioneer San Antonio physician.

Jackson graduated from medical school in 1917, and served as a Medical Corps officer with the Army Air Force in World War I. He engaged in pratcice with his uncle upon his return.

He engaged in extensive research at Robert B. Green Hospital in the treatment of rattlesnake bites, and evolved the suction method of treatment. This method was adopted by the Armed Forces as the best.

A former president of the Bexar County Medical Society, he served many years as chief of surgical services at the Green.

Jackson became interested in the diagnosis and treatment of cancer and allied diseases and continued as a specialist in this field. He and the late Maury Maverick, Sr., helped found the National Cancer Institute of Bethesda, Md.

He was largely instrumental in getting legislation for a hospital and tumor clinic in Texas. This was eventually located at Houston, and now operates as the M. D. Anderson Hospital and Tumor Institute.

Two years ago the American Cancer Society, Texas division, presented him a bronze plaque in recognition of his services to the organization.

He helped organize the Pan American Cancer Foundation several years ago. The group is dedicated to care of cancer patients in the Southwest and Mexico who can't afford treatment.

He was a fellow of the American College of Surgeons, International College of Surgeons and Texas Surgical Society. Jackson formerly served as consultant in surgery at Brooke Army Hospital.

Survivors include: his wife, Mrs. Martha Beal Jackson, M. D.; a son, Dr. Dudley Jackson, Jr.; a daughter, Mrs. John H. Hickman, Wichita, Kans.; and three sisters, Mrs. Joe Lawless, Leakey; Mrs. Mable Hodges, Waco; and Mrs. Edna McClendon, Brownwood.

Burial will be by cremation.

THE ELECTION IN HAWAII

Mr. JOHNSON of Texas. Mr. President, the outstanding feature of the Hawaiian elections is that the Democrats won two out of the three congressional posts at stake. We are looking forward to welcoming the new Senator and the new House Member.

It is not surprising that the Republican-appointed Governor, who has had plenty of time to build up his position, should win an an area which, until recent years, had been overwhelmingly Republican anyway. I think it is significant that his margin was so slight.

I understand that more than 93 percent of the eligible voters of the new State turned out to the polls. This is a heartening demonstration of the enthusiasm of the people of Hawaii for participating in our Government.

Mr. DIRKSEN. Mr. President, there was an election in Hawaii yesterday, and I think the results very significant.

First of all, the people elected a Republican Governor. To be sure, Governor Quinn was the incumbent Territorial Governor, but notwithstanding that fact he had to go among the people and get himself elected, and he did. I do not believe anyone can minimize the importance of his victory.

We won a Senator, and that is a cause for sheer delight. I sent the victor a congratulatory cablegram this morning.

The new Senator has a very interesting name, HIRAM FONG. It was a clear victory for him. We shall welcome him on the minority side.

We won a lieutenant governor also. I thought his victory was very significant. He had a majority of more than 13,000 votes, almost 14,000. Quite an impressive majority.

I believe we won one Representative in the House.

So adding them all together—a distinguished Governor, a distinguished Senator, a lieutenant governor, and a Representative—we rejoice in a very impressive victory.

I am confident that the determination of the President of the United States to hold the budget line, conserving the dollar against the erosion of its value, and the other things which constitute the Republican program, were significant in the great election in Hawaii yesterday, and we have real reason for feeling jubilant today.

Mr. KEATING. Mr. President, I am very happy also about the election of Senator FONG to this body, happy from my personal standpoint, because I shall have the privilege of sharing with him the corner of the Senate where I am now sitting. I shall no longer be lonesome in this corner. I shall have beside me a distinguished American, a man who will add great stature to this body.

The result of the election was a very happy confirmation of findings which I made back in February when I was in Hawaii. I was at no time discouraged about the outcome of the election. I had a feeling that the Republicans in Hawaii would give a very good account of themselves. There was great enthusiasm among them, and this should spur the members of our party to greater activity elsewhere.

I wish to mention one significant fact, namely, the high percentage of votes which were cast in Hawaii. I think that should be an incentive for us on the mainland to renew our efforts to get out the vote in our States.

The factor of the mixed backgrounds of those elected to high office on both sides, both on the Democratic and the Republican sides, is an eloquent testimonial to the way in which democracy and equality are practiced in Hawaii. These men were judged, and rightly so, for what they are and what they believed in, and not by any arbitrary standard based on race, creed, color, or national origin.

The election of orientals to important posts will serve to demonstrate to the uncommitted peoples of the world, especially in the Far East, that America continues to practice equality of opportunity.

So I rejoice, both as a Republican, and as a Member of the U.S. Senate, over the results of the election in Hawaii.

The PRESIDING OFFICER. The Senate is operating in the morning hour, with a limitation of time on speeches.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that we may proceed for a little while on this subject.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Illinois may proceed.

Mr. DIRKSEN. I should like to check a figure with the distinguished Senator from New York. My understanding is that 95 percent of the qualified electorate voted in yesterday's election.

Mr. KEATING. The figure I heard was 93 percent. But either figure is vastly beyond what the Senator's State of Illinois or my State of New York is able to produce. I think this is a real lesson. It shows the wisdom of making Hawaii a State of the Union. It shows that people who have just been given the privilege of exercising the ballot may appreciate it more than do some of us who have enjoyed it for many years.

Mr. MCNAMARA. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr MCNAMARA. I understood the Senator to state that the Member elected to the House was a Republican. Is that correct? I understood that the Democrats won two out of the three races.

Mr. DIRKSEN. The Senator from Michigan is correct. I should correct the RECORD on that point.

Mr. MCNAMARA. I share the actual joy which the Senator from Illinois and the Senator from New York have expressed at the tremendous turnout of citizens who participated in this great election, whether it was 93 percent or more.

Mr. DIRKSEN. It is a significant fact, standing by itself, when we realize that all too often we take for granted the privilege of the ballot. It is not a right; it is a privilege. As such, it is too often taken for granted. Because the privilege is sometimes neglected, there is the danger of losing it.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KEATING. I did not mention specifically the election of Governor Quinn, and I do not want this opportunity to pass without paying my tribute to him. He is one of the finest young men I have ever encountered in public life. He has a fine family. He spent some of his early youth in the city from which I come. He is the type of young American I am happy to see in politics. I am particularly happy that he is a Republican. He will make a distinguished Governor of Hawaii.

Mr. JAVITS. Mr. President, will the Senator from Illinois, yield?

Mr. DIRKSEN. I yield.

Mr. JAVITS. Mr. President, I join with the Senator from Illinois and the Senator from New York in expressing my personal satisfaction in the vitality of the two party system. I think the election in Hawaii carries a special significance because of the ancestry of one of the Senators who was elected. HIRAM FONG is of Chinese descent. I think at a time when Mr. Khrushchev is shouting vigorously because the free world has called attention to the captive nations behind the Iron Curtain, as signalized by Captive Nations Week, under a resolution passed by Congress and a proclamation issued by the President, it is very interesting juxtaposition for the people of the world to see how we deal with our former possession.

Not only has Hawaii been given equal standing with every other State in the United States, notwithstanding the couple of thousand of miles of water which separate Hawaii from the mainland, but also we are accepting into the Senate of the United States, without question, men or women regardless of their racial origin or background.

Also—and I say this with some heaviness of heart—I hope that we will be joined by the new Senator, who is an excellent example, in his own person, of what can be produced in America, in an effort to undo the discrimination against Asiatics which exists in the McCarran-Walter Act, which fixes a separate quota for people, no matter whence they come, if they are of 50 percent Asiatic blood. That would probably apply to Mr. FONG himself, were he not himself a citizen of the United States.

I emphasize what has happened in Hawaii because there is work to be done, not only in terms of demonstration to the world of what this means in terms of American policy and our kind of self-determination, but also there is work to be done in Congress by these particular Senators and Representatives.

I join with the Senator from Illinois and the junior Senator from New York in welcoming the Senators from Hawaii to their wonderful opportunities and triumphant vindications.

Mr. SCOTT subsequently said: Mr. President, I should like to express gratification that our 50th State has now truly entered the Union and has taken action which will make the Senate a body of "centurians," because now, for the first time, the Senate of the United States will number 100 Members.

I am well acquainted with the various candidates in both parties who ran for office in Hawaii. Seven times I voted for the admission of Hawaii into the Union as a State, which is something of a record, I suspect.

I am naturally gratified, as a member of my party, that for the first time in 5 years the Republican Party has made a significant breakthrough in a by-election. I hope it indicates a trend. It is a most admirable beginning.

We look forward to the admission into the Senate of the distinguished new Democratic Senator from Hawaii, and the distinguished new Republican Senator from Hawaii if our information is correct. I understand the final returns are not in. I extend my congratulations to them. I extend my congratulations to the new Lieutenant Governor, who is a native Hawaiian, of the native blood of the original settlers of Hawaii. My congratulations go to the attractive Gov-

ernor of Hawaii, Governor Quinn, his beautiful wife, and their six children. He has been an excellent Territorial Governor. I am delighted the governmental affairs of our new State are in the hands of Republican Governor Quinn.

We Republicans do not have much chance to rejoice these days. Therefore I have taken this opportunity to say, knowing these individuals, that irrespective of their parties they are fine Americans. I know we shall be immensely proud of our two new Senators. I know they will represent varying points of view of the widely divergent groups of Hawaiians who have now become a part of our Union.

Finally, I hope that when our new Senators from Hawaii arrive, their first project will not be—because I expect to support them in most things, but I would have to oppose them in this—to build a bridge from their State line to the next State adjoining them.

LIMITATION OF DEBATE ON SENATE BILL 716

Mr. JOHNSON of Texas. Mr. President, I ask that during the consideration of Order No. 446, S. 716, to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes, we have the usual unanimous-consent agreement for limitation of time, 30 minutes on amendments and an hour on the bill, to be equally divided between the majority and minority leaders.

The PRESIDING OFFICER. Is there objection. The Chair hears none, and it is so ordered.

AREA REDEVELOPMENT LEGISLATION

Mr. RANDOLPH. Mr. President, a few days ago in a regular press conference of the President of the United States, Mrs. Mary Chilton Abbott, representing the Charleston, W. Va., Gazette, an important daily newspaper in our State, propounded a very pertinent question to the Chief Executive.

I remind my colleagues of the Senate that the inquiry had to do with the necessity for prompt action on area redevelopment problems.

The attention of the Chief Executive was called to automation and mechanization within the mines in distressed areas which have continued to be deep pockets of unemployment, bringing about a lessened economy for the people who reside in these areas.

It is important to note what the President of the United States indicated with reference to legislation in this field. His own words were:

> I think that they [depressed area bills] have been up every year for, oh, 3 or 4 years.

I remind the Senate that the President of the United States, on September 6, 1958, vetoed an area redevelopment measure.

It seems unnecessary that further studies in this field be carried forward. The House of Representatives should concur in the affirmative action by the Senate and bring to prompt passage the vital legislation on this subject needed in many sections of the country. Its passage, and the program thereby placed in effect, would mean much to the State of West Virginia.

Mr. President, I ask that the question and answer at the press conference to which I have referred be printed in the RECORD.

There being no objection, the question and answer were ordered to be printed in the RECORD, as follows:

> Question: "Sir, increasingly there are men being replaced by machines, particularly in the coal mines. Small communities that have a large percentage of these displaced workers are becoming areas of blight. I wonder if you have discussed with your economic advisers the possibilities of a program to do something about these technologically unemployed?"
>
> The President's answer: "Oh, as a matter of fact we call it the depressed area bills. I think that they have been up every year for, oh, 3 or 4 years.
>
> "Yes; as a matter of fact one of the men that is very expert in this field is the man I just nominated as Secretary of Commerce, Mr. Mueller, and he has made long studies or what can be done between the Federal Government in cooperation with the States, and I think his studies are very valuable."

THE SENATE IS 100 STRONG

Mr. CASE of South Dakota. Mr. President, this distinguished body will soon be graced by two more Senators from our newest State, Hawaii. This will bring the membership of the Senate to an even 100.

In honor of the election of our newest Members, one from each party, to bring the membership to this magic number, one of my staff members composed the following lyrics for what he calls "A Song":

> Clap your hands and ring the gong
> Because it won't be very long
> Before the Senate is 100 strong.
> Three cheers for Hawaii's FONG and LONG.

HONOR TO SENATOR HOLLAND BY ALPHA TAU OMEGA

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Senator HOLLAND Honored by Alpha Tau Omega," which appeared in the July 25 issue of the St. Petersburg Times.

The article points out that my senior colleague was signally honored for a half century of membership in and service to the Alpha Tau Omega fraternity, one of the Nation's outstanding collegiate social organizations.

The honor conferred upon this distinguished son of Florida was deservedly earned, and together with many others I take this occasion to extend my sincere congratulations to him, and to wish him many more years of useful service to this great fraternity.

Senator HOLLAND has distinguished himself in other fields of endeavor as well. He was a respected and able Governor of the State of Florida. He is a respected and able legislator here in the Senate of the United States, where he has truly represented not only the people of Florida, but the Nation as well. He has carved for himself a record of brilliant achievements on behalf of his fellow man. It is no wonder, then, that the people of Florida are justly proud of Senator SPESSARD L. HOLLAND.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR HOLLAND HONORED BY ALPHA TAU OMEGA

WASHINGTON.—Alpha Tau Omega fraternity yesterday honored Senator SPESSARD L. HOLLAND (Democrat, Florida) for his half-century of membership in and service to the collegiate social organization.

HOLLAND was presented with a 50-year certificate in special ceremonies at a luncheon in the Speaker's dining room of the Capitol.

Earle Cocke, Sr., a member of the Federal Deposit Insurance Corporation, made the presentation on behalf of the faternity's national headquarters.

HOLLAND was initiated into ATO during undergraduate days at Emory University, Atlanta, and later affiliated with the University of Florida chapter while attending law school there.

THE FLAG IN THE SENATE CHAMBER

Mr. GRUENING. Mr. President, I wish to add a brief postscript to my protest yesterday against having a 48-star flag as the flag in the Senate Chamber. I have now been assured by our excellent Sergeant at Arms, Mr. Joseph C. Duke, that within a very short time the 48-star flag will be replaced by an up-to-date 49-star flag, recognizing thereby the admission of Alaska into the Union.

Mr. SCOTT. I note that there are also 46 stars in the frieze around the Senate Chamber, and I suggest to the distinguished Senator from Alaska that before we start adding three stars in the marble work, or doing whatever is necessary, if he will just wait until the 4th of next July, we will find places somewhere for four more stars, perhaps over the columns, which would appear to be a good place.

Mr. GRUENING. I appreciate the comment of the distinguished Senator from Pennsylvania. The change necessitating the adding of two stars will have to be made in a number of places; in the Lincoln Memorial, for instance. The change there will require quite an architectural feat, but in the interest of historical accuracy it should be done.

WHEAT LEGISLATION

Mr. DIRKSEN. Mr. President, on the day following the wheat referendum, I made a statement that farmers had actually little choice, in view of the fact that no overall farm legislation had been enacted. I engaged in a colloquy with the distinguished Senator from Missouri [Mr. SYMINGTON], who graciously, politely, but yet firmly, undertook to fasten responsibility upon the Secretary of

Agriculture and the Department of Agriculture for failure in this field.

It was my contention that the failure rested upon Congress. Not being a member of the Committee on Agriculture and Forestry, I proceeded to make a check and look at the record. I think I can abundantly establish the case for the contention which I made. I read now from page 104 of the Senate hearings before the Committee on Agriculture and Forestry under date of February 16, 1959. At that time the distinguished Senator from Missouri [Mr. SYMINGTON] said:

I am relatively new on this committee, but I would like to ask this question, based on my experience on other committees and with other Government agencies. I think we will all agree now we have what might be called a farm problem, and you are the Secretary of Agriculture, and you are going into your seventh year. Don't you think it would be a sound, constructive idea for you to present this committee with that type and character of legislation in detail as to what you think is the right program for the Congress to follow?

The response of the Secretary was:

Senator, that has been done for the last 2 or 3 years, as you know, and, of course, I stand ready to be helpful.

Later the Secretary, on the same page, said:

Well, Senator, all that is needed is to put some of this language into legal language. That is all that is required.

Then the Senator from Missouri said:

Don't you think you ought to draft the one you think is the better one?

Secretary BENSON. I would certainly want to draft that one. I would hope the committee would consider that one and consider it favorably.

Mr. President, the chronology of the matter is simply this: On January 29 Congress received a message from the President of the United States on the state of the Union. Then we received his message on agriculture, a separate message. On February 16 the Senate received the Secretary's testimony before the Committee on Agriculture and Forestry. In accordance with an agreement with the Senator from Louisiana [Mr. ELLENDER], legislative language was submitted to the committee on March 12, 1959, and was printed by the Senate.

On April 2 legislative language was submitted to the Senate on the subject of peanuts. On April 17 legislative language with respect to the extension of Public Law 480 was forwarded. On April 20 legislative language dealing with tobacco was forwarded by the Department of Agriculture. On April 30 legislative language dealing with the conservation reserve program was submitted by the Department.

Does it take anything more to nail this down, and to establish beyond all contradiction that the Secretary in his testimony and in the submissions, not only to the Senate, but also to the House, provided the legislative language which was needed, and that still no action was taken by Congress?

I may add that on May 1 the Under Secretary of Agriculture wrote a letter to the chairman of the House Committee on Agriculture, and a copy of the letter was sent to the chairman of the Senate Committee on Agriculture and Forestry. When Under Secretary Morse wrote to the chairman of the Senate committee, on May 1, he stated:

We are enclosing a copy of a letter to Congressman WHITTEN, together with a draft of proposed legislation prepared pursuant to a request made by Congressman WHITTEN in the hearings on the Department of Agriculture and Farm Credit Administration appropriations for 1960.

The PRESIDING OFFICER (Mr. MCCARTHY in the chair). The little while the Senator from Illinois has requested has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, if anything else in the purview of the frame of the English language will show that proposed legislation on wheat, tobacco, peanuts, Public Law 480, and the conservation reserve was submitted, I do not know what it is.

There is the chronology, in all its naked boldness; and I know of no way that it can be denied, and I know of no way that it can be denied that the responsibility is not on the Department of Agriculture. The responsibility is on Congress.

If I were to go further, I could find in the hearings a statement showing that the distinguished chairman of the committee indicated that there would be no such legislation, because they wanted to try what had already been placed on the statute books.

Mr. President, there is the story; and I am confident that it cannot be denied.

WANTED: A LIBERAL CRUSADE

Mr. BRIDGES. Mr. President, I ask unanimous consent that at this time, in the morning hour, I may proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, just before the scheduled opening of the American fair in Moscow, the Soviet Government sent in three men to censor the books in the American exhibit. Demand was made for the withdrawal of some 100 books, with the warning that unless they were withdrawn the Soviet Government would take measures.

Rather than have the opening of the fair clouded by this incident, American authorities withdrew the titles objected to.

Ever since this episode took place, I have been waiting for American liberals to raise the cry of book burning.

But all has been silent on the liberal front.

Mr. President, I hasten to state that on yesterday the Senator from New York [Mr. JAVITS] stood on the floor of the Senate and made protest. I compliment him for the position he took; and it is encouraging to know that his position is a consistent one.

Mr. JAVITS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. JAVITS. I am very grateful to the Senator from New Hampshire, who is so celebrated in our own party, for his kind words.

Of course I am a relatively new Member of the Senate, for a few years of service here are not a very long time. I hope my colleagues will be as quick to correct me as to compliment me, if they find that I tread an inconsistent road.

I am delighted that so distinguished a Member as the senior Senator from New Hampshire [Mr. BRIDGES] is addressing himself to this subject today.

I really feel very deeply that one of the very fine things about the position our country takes in dealing with the rest of the world—and certainly by such means we can do the most good—is to be found in the fact that we do not only talk; we act. The more action we take—whether in regard to Captive Nations Week or in regard to making a strong protest against Russian types of imperialism, book burning, discrimination against minorities, and imprisoning, in essence, religious minorities in that country—the more effective we shall be.

As the Senator from New Hampshire and the others of us read the dispatches from abroad, I believe he will agree with me that the people of various nations are beginning to understand and appreciate the true worth of our position, versus that of the Communists. That is happening in India, Burma, and other countries where the eyes of the people had been somewhat closed to the real facts in connection with this situation; but now—as in the case of Tibet—they are beginning to open.

Mr. BRIDGES. I thank the Senator from New York.

Mr. President, what do you think would have happened if a couple of FBI men had moved in on the Soviet book exhibit in New York? What would have happened if they had demanded the withdrawal of a single book—much less 100 books? Does anyone have the slightest doubt that American liberals would have poured sulfur and brimstone upon the FBI? Loud and anguished cries of book burning would have heated the air to so high a temperature that the dog days of July and August would, in contrast, seem to be balmy breezes to cool the fevered brow.

I remember distinctly that a few years ago a storm of criticism swept down upon the Senate Committee on Government Operations when it pointed out that the State Department and the USIA had included in the collection of American information centers abroad, books written by Communists and fellow travelers.

Under the law directing the distribution of information about America abroad, it was perfectly proper to select books to give "information about the United States, its people, and its policies." The Secretary of State was specifically directed that he "shall in no case furnish assistance of any character

which is not in keeping with the free democratic principles and established foreign policy of the United States." That was the mandate of Public Law 402 of the 80th Congress, known as the Smith-Mundt Act.

All that the Senate Committee on Government Operations sought to do was to keep the propaganda of American Communists and fellow travelers out of our reading rooms abroad.

Such material is not in keeping with free, democratic principles. It does not serve American foreign policy. On the contrary, it was subversive of democracy. It distorted the true picture of America. It sabotaged our foreign policy.

But as soon as the committee sought to do its clear duty by pointing this out, the liberals in our midst set up a hue and cry that resounded throughout the land. Without even waiting to be sure about the facts, those liberals hurled forth charges of book burning, witch hunting, and censorship. Their charges split the air with a force that made a nuclear explosion seem like the pop of a cap pistol, in comparison. Aroused liberals came up with a machinegun barrage spewing forth such verbal bullets as "shocking," "shameful," "tool of tyranny," and "un-American." All those names appeared in the actual articles and headlines published at that time. They called forth the ghosts of Hitler, Goebbels, and Mussolini.

The liberal cry rolled like a drumbeat across the Nation. It echoed in the libraries. And the American Library Association came forth with a resounding and eloquent declaration entitled, "Freedom To Read."

The liberal cry reverberated down the cloistered academic halls. It bounced back and forth between the two Houses of Congress. The pages of the CONGRESSIONAL RECORD were filled with statements of righteous crusading, with references to the history of censorship to all the famous decisions on freedom of speech and press, even including the Magna Carta.

The outcry vaulted the portals of the White House, and brought forth the President's widely heralded Dartmouth speech in which he denounced the book burners.

Short of wartime frenzies, I have never seen such a display of hysteria.

The liberal cup was running over with righteous indignation, and everyone was so enjoying the emotion of fighting the devil that it was rather hard for anyone to try to talk sense on the subject.

But eventually the furor subsided, and our liberals turned their sporting chargers and dashed off in other directions.

Now the Soviet Union is openly and bluntly censoring the books in our American exhibit in Moscow. Do we hear the liberal bugles sounding the call to battle? Is the air filled with expressions of indignation and invective?

Strange—all seems quiet on the Western front.

Mr. President, I wonder why this is so.

Is the freedom to read less endangered because it is the Communists who burn the books?

Is our one world safe because it is only the Soviets who dim the lamps of freedom?

Where are all the victors of the campaign of 1958 who so often remind us that they came here to press the liberal cause?

Is censorship—thought control—not a liberal cause?

Where are all of them?

Have the liberal crusaders grown old and complacent?

Whatever be the cause, the Soviet act of censorship, the Soviet crime of "book burning," is going without notice, and unavenged. We might at least have a twitter from the velvet glove of liberalism, if we cannot have its resounding call to arms.

Has liberalism nothing to say about Khrushchev's demand for a guarantee that a full translation in English of his remarks be broadcast to Americans, while the Soviets broadcast Mr. NIXON'S fine speech without Russian translation? That is censorship, too. Free speech seems to be a little tarnished here; but the liberals look the other way. Why do they not speak up?

Why do they not speak out about this Soviet censorship of books?

Let us see how that censorship works.

RUSSIA PROHIBITS THE "WORLD ALMANAC"

The "World Almanac" was taken out of our collection, according to press dispatches.

Mr. McCARTHY. Mr. President, will the Senator from New Hampshire yield to me?

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Does the Senator from New Hampshire yield to the Senator from Minnesota?

Mr. BRIDGES. I yield.

Mr. McCARTHY. As I understand, the Senator from New Hampshire is challenging the American liberals for not exerting themselves in an effort to change the policy of the Communist government in Russia. Is that the point the Senator from New Hampshire is making?

Mr. BRIDGES. I am saying that I am shocked that when such things occur, the same group—including the same commentators, columnists, and others in this country—who were so sharply critical when an attempt was made to remove certain books from American libraries which were to be exhibited abroad—do not make violent protests when the Soviet Government censors the books to be shown in the American exhibit at Moscow.

Mr. McCARTHY. What would the Senator from New Hampshire consider to be a violent protest?

Mr. BRIDGES. I would certainly say there should be such editorials in the newspapers, newspaper articles should be written about it by the columnists, commentators should be speaking about it, Senators should be condemning it, and so forth.

Mr. McCARTHY. I think Senators will be condemning it. I did not know until now that it had occurred.

Who in this country conceded to the Communist government? The administration did, did it not?

Did the administration advise the Congress of this fact? Did the administration send to the Congress any sort of protest about the incident?

The Senator from New York said this administration has been one of action, not words. He said that a statement on the captive nations was issued. But did that statement amount to action, or words? He refers to a strong protest against Russian imperialism. Was this action or words?

A moment ago, the Senator from New Hampshire conceded that the administration removed certain books. Was that action, or was it words?

I think that was an unfair criticism of the Congress, both Republican and Democratic Members alike, for administration action—or at least action agreed to by the administration.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield to the Senator from New York.

Mr. JAVITS. I do not think the Senator from Minnesota heard my statement accurately. I do not recall having claimed credit for the administration in this matter, or having attacked American liberals in any way, among whom I number myself. As I recall my statement, what I said was that this is the kind of demonstration which I think is very effective in terms of the Soviet Union's attitude toward the world and toward the United States. When we pass a joint resolution in the Congress, and the President issues a proclamation, I think all who are engaged in that kind of action are entitled to equal credit. We could not possibly have passed the resolution in the Congress without support of the Democratic majority. I hasten to point out that the principal sponsor of the resolution was the Senator from Illinois [Mr. DOUGLAS]. I had the honor to join in it, as did many other Senators, among whom the Senator from Minnesota may have been one.

Mr. McCARTHY. I should like to ask the Senator whether he agrees with the criticism that has been pointed at liberals generally.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senator from New Hampshire may have an additional 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from New Hampshire is recognized for an additional 10 minutes.

Does the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from New York.

Mr. JAVITS. I may say to the Senator from Minnesota that the views of the Senator from New Hampshire about the liberals are his own. The Senator from Minnesota can debate that question with him for as long as he likes. I had only made the point that this kind of action on the part of our country—not merely the administration or any individual or party, but on the part of the country—was most effective.

Mr. McCARTHY. Is it a fact that the administration made this concession to the Communists and took books off the shelves without any protest, so far as we know?

Mr. BRIDGES. There was protest.

Mr. JAVITS. I think, frankly, it is a little early to expect a lasting train of action from the administration or any of us. It happens that I was exercised by the gyrations of Mr. Khrushchev and this particular development, which I had been watching very carefully because of my interest in and sponsorship of the captive nations resolution. So I was, in a sense, a man "in motion" and picked up this item rather more quickly than did others. Whatever the Senator from Minnesota may feel about the particular view of the Senator from New Hampshire, I like the idea that we are getting excited about this matter. I hope the administration gets excited about it and protests it. As always happens, the pyrotechnics of individuals or the niceties of anyone are not nearly so important as are the fundamental questions.

Mr. McCARTHY. I think the Senator will agree with me that the primary responsibility of liberals in this country is to protect the civil liberties and the right of free access to information in the United States. This is our first responsibility. So far as the action of the Soviet is concerned, it is a kind of second responsibility, and we can protest it, but our first responsibility is at home.

This same question was raised on the loyalty oath issue a few days ago. I think the position of the liberals was rather clearly presented. I think the Senator from New York agreed with me. I do not think the Senator from New Hampshire did.

Mr. JAVITS. I think it is our duty to fight equally for civil liberties everywhere, because civil liberties everywhere else affect our civil liberties at home. I do not believe the distinction should be made that our first duty is at home and our second duty is in terms of civil liberties elsewhere. I think it is a cardinal principle that freedom elsewhere in the world affects freedom in this country, so we have a duty to fight for that kind of freedom.

Mr. McCARTHY. We cannot make concessions of freedom and then ask people abroad to follow us.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. BRIDGES. Mr. President, my time is being used up by other Senators.

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senator from New Hampshire may have an additional 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from New Hampshire is recognized for an additional 5 minutes.

Mr. BRIDGES. Mr. President, let us see what the Kremlin was worried about. One of the first books the Russians removed was the "World Almanac." That is a very dangerous book, as Senators know. It contains many facts. I think the Russians were wise in arriving at the conclusion that there were dangers in reading the "World Almanac." Probably every American child or family has had one or read one some time in the past.

Let us see what some of the other books were. This, I am sure, the distinguished Senator from Minnesota will be interested in. What was another book the Russians removed? They removed Adlai Stevenson's book "Friends and Enemies."

Mr. HUMPHREY. Oh, oh. This is bad. [Laughter.]

Mr. McCARTHY. Mr. President, if the Senator will yield I was about to ask the Senator from New Hampshire why the Vice President, who is now in Russia, has not injected this issue into some of his television appearances?

Mr. BRIDGES. I guess it happened before he got there. However, we do not know what Mr. NIXON discussed with Mr. Khrushchev. They talked for hours——

Mr. McCARTHY. He must have been briefed. Since this is one of the books which was taken off the shelf, I can better understand his silence.

Mr. BRIDGES. Let me give a few more examples.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. BRIDGES. Certainly.

Mr. HUMPHREY. Does the Senator not think the Vice President could at least have protested the removal of the "World Almanac"? I can understand why perhaps the Vice President might not want to speak up for Adlai Stevenson, but he should speak up for the "World Almanac."

Mr. BRIDGES. I did not follow too closely what the Vice President did, but if I had been running an American exhibit I would not have removed any of the books.

Mr. HUMPHREY. I think the Senator is correct. In other words, do I correctly understand that the Senator does not approve of the acquiescence of the administration in this edict from the Soviet Union?

Mr. BRIDGES. I do not approve that whoever was running our exhibit did not take more drastic action, but there was a protest.

Mr. HUMPHREY. Who was it?

Mr. BRIDGES. I do not know exactly who was in charge.

Mr. HUMPHREY. The Senator would have that disapproval register all the way up the conduit, would he not?

Mr. BRIDGES. I think action should have been taken. I agree. Let me state for the Senate some more examples.

Mr. HUMPHREY. We appreciate the Senator's sense of fairness in laying the blame where it properly belongs, upon those in charge of the exhibit.

Mr. BRIDGES. That is beside the point. I am not excusing the people here in America who are silent.

Let us consider some of the other illustrations. There was a book by Dean Acheson. I hope I may have the attention of the Senators from Minnesota. Dean Acheson's book entitled "Power and Diplomacy" must also have been a very dangerous book for the Russians to read.

Let us consider another book. Another book was Chester Bowles' book on "Ideas, People, and Peace."

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRIDGES. All these authors I have mentioned so far belong to the party of the Senator from Minnesota, except in the case of the "World Almanac." These books were written by members of the Senator's party; yet I am the one who is protesting their removal from the exhibit.

Mr. McCARTHY. Mr. President, if the Senator will yield. Evidently, judging from the list the Senator has given thus far, it seems that the Russian Communists are particularly afraid of the ideas which the Democrats hold.

Mr. BRIDGES. I do not know. That may be. They may not be interested in anything that goes in those books. But I am the one who is defending them, and I am a regular Republican from New Hampshire, fighting the battle because these books of some of the leading members of the Senator's party have been removed from the shelves.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McCARTHY. I wish to commend the Senator for taking the initiative and for his leadership. I think the RECORD should show that at least two liberal Democrats have shown their willingness to follow the Senator's leadership.

I should like to know whether the book by Arthur Larson entitled "A Republican Looks at His Party" was on the list, and whether it still remains on the shelf.

Mr. BRIDGES. I do not know.

Mr. McCARTHY. Could the Senator find out?

Mr. BRIDGES. I looked for it myself, and I could not find out.

Mr. McCARTHY. In any case, the Senator would say it has not been taken off the shelf, if it was on the shelf?

Mr. BRIDGES. I do not know whether it was on the shelf or whether it was taken off. I do not have a list.

Mr. HUMPHREY. It was fictional, anyway. Most of the fictional books were left. [Laughter.]

Mr. McCARTHY. It was probably left on the shelf.

Mr. BRIDGES. Another book which was removed was Barbara Ward's "Faith and Freedom." That was a very dangerous book.

We can go along, to note the other books which were ruled out.

I am going to refer next to a book written by a Republican, which deals with Democrats. This is Herbert Hoover's book entitled "The Ordeal of Woodrow Wilson." Norman Thomas' book "Prerequisites of Peace" was ruled out.

Mr. HUMPHREY. Well.

Mr. BRIDGES. I am bringing a Republican into this discussion, but he was dealing with "The Ordeal of Woodrow Wilson."

Mr. HUMPHREY. May I say, the Senator is bringing in a Republican under reasonably good auspices?

Mr. McCARTHY. As the Senator said, it is a book written by a Republican but written about a Democrat.

Mr. HUMPHREY. One Democrat, at least.

Mr. JAVITS. Unless the Senator wants to claim the other.

Mr. HUMPHREY. Yes; a very fine democrat with a small "d."

Mr. McCARTHY. We will accredit him.

Mr. BRIDGES. Another book the Senator from Minnesota would be interested in is "A United Nations Peace Force," written by William R. Frye. That was taken from the shelves.

I could go on and list a great number of books. I have simply picked out some of the titles of the books in which I thought some of my colleagues would be particularly interested. I hope they will stand up, to state their protests in very forceful voices.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HUMPHREY. I compliment the Senator upon his selection of the number of books which were removed from this particular exhibit.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HUMPHREY. These books are powerful in their concepts of ideas. They are books which are prodemocratic, with a small "d," and profreedom. They are books written by men who have dedicated their lives to the cause of freedom.

I am delighted that an overwhelming majority of the authors thus far cited are authors who are members of the Democratic Party and who have served in Democratic administrations in one way or another.

In the main, regardless of partisanship, these men have served the cause of freedom. I think the Senator is making a very valid point in stating that these books should at least have been defended by those who were responsible for the exhibit, but I think it would only be fair to note that when the exchange agreement with regard to the exhibitions was entered into undoubtedly there was some understanding as to the kind of material which would be exhibited.

Again I may point out that the senior Senator from Minnesota did not enter into any agreement, but the administration entered into some agreement with the Soviet Union. I think it would be well if the Senator could tell us exactly what was the nature of that agreement and whether it included within it censorship of literature such as the Senator has mentioned.

Mr. BRIDGES. Nothing was written in the agreement about the content of the books. Another book which was ruled out certainly is a book which I think is of value. Its removal should please the Jewish people of this country greatly. That is the book written by Lee W. Schwarz entitled "Great Ages and Ideas of the Jewish People." I have read the book. It is a great book. However, it was too meaty, apparently, for the Kremlin's stomach.

BOOK CENSORSHIP NOT MINOR AFFAIR

Mr. President, this book censorship matter is not just a minor affair. Probably it furnishes one of the most easily understandable ways in which communism works.

And so, this book censorship matter should bring forth great protests from the liberals of this country. I shall be happy to join them in this. I am still hopeful that our liberals will protest just as violently and extensively as they do on some small, localized incident in the free nations. The Soviet example is a worldwide example.

The Kremlin is always willing to have Mr. Gromyko, Mr. Mikoyan, and Mr. Kozlov tell the Russian people about America, but cannot afford to let the Russian people read about America in William Miller's "A New History of the United States." So this book was banned.

So loud has been the Kremlin's cry against so-called Western colonialism that the Soviets cannot afford even to have the historical facts of their own empire in Siberia spread upon the record. So, out went Marc Raeff's "Siberia and the Reforms of 1822."

The editors of the book "Anthology of Old Russian Literature" made one mistake, but it was enough to get their book banned by the Soviet censors. They printed old Russian literature in Russian. That is really laughable. The Soviet censors may be wholly ignorant of Russian medieval literature, but they were taking no chances on anything printed in Russian by anyone not on the Kremlin list of approved revisionists.

Even "A Treasury of Great Russian Short Stories" by Avrahm Yarmolinsky, was pulled out of the display despite its inclusion of the great classics of Pushkin, Gogol, Dostoevsky, Turgenev, Tolstoy, Leskov, Chekhov, and Gorki.

Mr. President, one could go on indefinitely commenting on the books the Soviet censors ruled out of the American collection.

We did not provoke them to this display of crude censorship.

HOW BOOKS WERE SELECTED

The American collection was planned merely to present what a well-stocked American book store offers. It was a demonstration to show "the freedom and vitality of the flow of ideas" in American life, said Dan Lacy, director of the American Book Publishers Council which assisted in the selections in cooperation with librarians and specialists in book publishing.

A collection of 10,000 books was originally planned, but was cut down to 8,500. Having regard to the Kremlin's sensitive literary palate, another 200 titles were considered indelicate and were removed.

Even so, a three-man Russian crew went through the book exhibit and the Soviet Government notified the American Ambassador that it would "take measures" unless certain books were removed. The attempt to report this censorship was itself censored until the Kremlin must have realized how easily the facts would become public anyway.

MORE BOOKS REMOVED

If the Soviets felt they could not trust their people in the world of ideas, the American authorities were not inclined to dispute them. And so more books were removed, chipping off a little more from the value of cultural exchange.

SOVIET BOOKS IN NEW YORK

In New York, the Soviets are taking no chances on Americans exposing the semantics in Russian books.

They have come up with an enticing dish on their literary menu, books under glass.

That is how the Soviet collection is now displayed—under a poster quoting Maxim Gorki saying: "Literature is the best and easiest way of acquainting one people with another."

Our people can gain a fine understanding of Russian ideas and Russian life, by looking through the glass-covered collections of Soviet books. Is this the Soviet version of "Through the Looking Glass"?

I can see Americans coming away from these glass-covered cases saying: "Aren't the Russian people making wonderful progress in fine bindings?"

Why are not our liberals remonstrating with the Soviet Government for putting its books under glass? This is a form of censorship, too.

If they are sincere in their professed desire to understand us—in their call for people-to-people communication—why do they put their books under glass?

I am waiting for our liberals—our men of good will—to point this out to their Soviet friends.

Remind them of that poster: "Literature is the best and easiest way of acquainting one people with another."

How long, Mr. President, must we wait for our liberals to speak up? When can we expect them to denounce censorship, book burning, and denial of the freedom to read when it is practiced by the Soviet Union as they do when they think it is being done in America?

Mr. President, the purpose of my remarks today was to bring this matter to the attention of the Senate and of the people of the country, particularly because of my memory of the time some 4 or 5 years ago when we attempted to say what books should go into American libraries abroad. What a hue and cry went up. I remember some of the words used in describing it, such as "shocking" and "tyranny." All those things were mentioned in the remarks of the commentators and columnists and editorialists of those days. Why do we not hear from them now?

We can imagine, for example, what would have happened if, the day before the Russian exhibit opened in New York, three FBI agents had walked into the exhibit and had told the Russians what books they had to take out. What a hue and cry would have been raised all over this country.

Inasmuch as this subject has been brought to the attention of the Senate and the country, I hope that other voices will be raised in protest against the book-burning censorship program which has gone on so completely unnoticed up to the time the Senator from New York [Mr. JAVITS] spoke about it yesterday, and the Senator from New Hampshire today. I am very happy that my two distinguished colleagues from the State

of Minnesota are in the Chamber, and that they have joined with me, raising their voices in protest. I am sorry it took the Senator from New Hampshire to jar them into doing it, but I am very happy that they did, and I compliment them for their voice of protest.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr HUMPHREY. Those of us who are classified as liberals often find that we have so much to do in the defense of the liberal cause and great liberal principles of freedom, liberty, and justice, that we need and welcome the help, guidance, and extra assistance which are so evident here today.

I, for one, find it a joy to follow the leadership which has been provided by my good friend from New Hampshire. In the struggle to protect freedom there is much to be done by many people, and I do not believe any of us should presume that he has a monopoly on manning the ramparts or acting as the custodian of these great principles of freedom.

I am sure that I join with many other Senators today in expressing the feeling that anyone who speaks up against censorship, anyone who speaks up for freedom of choice, freedom of discussion, freedom of thought, and freedom of the press, as the Senator from New Hampshire has done today, should be cheered and not criticized. It is a pleasure to stand with him in this effort.

May I add that possibly the removal of the books at the Moscow exhibit has served a very noble purpose in that it points up again the difference between a free society and a totalitarian society. While undoubtedly there is a feeling of indignation, remorse and humiliation on the part of Americans at the action taken by the Soviets, the effect of this display of censorship cannot help but to discredit the Soviet Union in the eyes of the people throughout the world.

I feel that the books which have been mentioned here today should be read not only in the Soviet Union and other parts of the world, but also throughout the United States. The remarkable books by Herbert Hoover, Adlai Stevenson, and Norman Thomas, for example, would be very good reading. Hoover, Stevenson, and Thomas are all great Americans.

The Soviets removed some splendid essays on the people of the Jewish faith. This is excellent literature which should be read.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McCARTHY. Thoreau's essay on "Civil Disobedience" was taken out. It seems to me it would be good to have that essay circulating in Russia. Our people were not foresighted enough.

Mr. HUMPHREY. Many times I have been in the Senate Chamber when the Senator from New Hampshire has addressed himself to timely topics. He always has something important to say. We do not always agree, but I always find him invigorating and challenging.

In the main, I believe that this exchange of fairs and exhibits is all to the good. We gain more than we could possibly lose. I believe the Senator from New Hampshire will agree with me that our exhibits in Moscow, despite the limitations, have been well done. I pay tribute to Mr. McClellan, the director of all these exhibitions. He has had a difficult task. It has been difficult to open the exhibitions on time, and to have all the facilities established.

Despite the very obvious shortcomings, which we all regret, and which the Senator from New Hampshire properly criticizes in a fair and reasonable spirit, we ought to recognize that our Government has done well. I pay my respects to the administration for doing the job as well as it has, and to the Vice President, for his opening and dedication of the exhibit. I believe that when the record of the entire period is added up, it will be found that the American exhibition in Moscow—a corner of America in Moscow—to be seen by literally millions of Russians, will prove to be one of the great opportunities of this decade. When I think of 100 reporters and photographers traveling with the Vice President inside the Soviet Union, it is almost incredible. An opportunity like this is something we had awaited for 40 years. All told, it adds up pretty well.

I am sure that I speak for the Senator from New Hampshire in saluting the exhibit and the job which has been done, while decrying, without trying to be unfair about it, the fact that some books were removed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY subsequently said: Mr. President, earlier today the distinguished senior Senator from New Hampshire [Mr. BRIDGES] addressed the Senate on the subject of the removal of certain books and other publications from the U.S. exhibition in Moscow. I think it would be helpful to have in the RECORD a listing of the books which were removed, as well as an expression by some of our officials relating to the action on the part of the Soviet Union and the concurrence of the U.S. Government, under protest, in the insistence of the Soviet Union on the removal of the books.

The books which were removed represent, in the main, some of the best literature that is available. I only hope there will be as much interest in the American community in reading these books as there has been demonstrated by the Russians in removing them.

Again, it is my feeling that the exhibit at Moscow which has been established by our Government, under the general direction of Mr. Harold McClellan, is a very fine exhibit. I believe the U.S. Information Agency is to be congratulated and commended for the work it has done. The individuals and the industrial firms and the many groups which have cooperated surely are to be commended.

Despite this book-removal incident, we have in the main had splendid cooperation, both at home and in the Soviet Union, in making the exhibit a reality.

I also believe that the exhibit of the Soviet Union at the Coliseum, in New York City, is one of genuine interest to the American people, and that there is much to be gained by both countries and the people of both countries in this type of exchange. I recommend not less of it, but more of it. I have, for at least 3 years, been interested in this particular type of exchange between the United States and the Soviet Union. It was gratifying to me when the exhibitions were finally agreed to.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Russians Screen Books at Exhibit," written by Max Frankel, and an article entitled "Soviet Exhibition Encases Books at Coliseum To Preserve Them," written by Sam Pope Brewer, both published in the New York Times of July 25, 1959.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 25, 1959]

RUSSIANS SCREEN BOOKS AT EXHIBIT—100 U.S. VOLUMES REMOVED FROM SHOW IN MOSCOW

(By Max Frankel)

Moscow, July 24.—At Soviet insistence, more than 100 books were removed today from the shelves of the book show at the American National Exhibition.

A prolonged dispute over the display of books, through which Soviet visitors can browse, was the last major obstacle to the opening of the exhibit.

The wrangle was still not fully resolved tonight. About 30 books, including the 1959 World Almanac, were plucked out by Soviet inspectors this afternoon. They await further appraisal and, no doubt, arguments.

Three Soviet officials continued screening the more than 8,000 volumes in the show today, even as Premier Nikita S. Khrushchev and Vice President RICHARD M. NIXON were trading verbal blows nearby over the problem of free information.

The Russians have protested with increasing vigor in the last week that the book show violated the ground rules for the exchange of Soviet and U.S. exhibitions. They maintained that only books relating to American culture should be shown.

Accordingly, they objected not only to nearly all books dealing even slightly with the Soviet Union but also to some on foreign affairs and books about other countries, such as Israel.

All the books were sent to Moscow as the gifts of U.S. publishing houses. They were never fully screened at home but at Helsinki, on their way to Moscow, about 250 volumes were adjudged unsuitable and removed by Americans.

When the books arrived in Moscow, the Russians objected almost at once to about 80 Russian-language books, some of them plainly unfriendly to the Soviet Union and communism.

U.S. OFFICIALS AGREE

Harold C. McClellan, general manager of the exhibition, and other U.S. officials here agreed that the books should have been better screened in the United States. Mr. McClellan removed the Russian-language books and a number of others that he thought were political or unfriendly and therefore out of bounds under the agreed terms.

Soviet authorities, however, seemed unsatisfied. Thomas J. McLaughlin, a professional book exhibitor in charge of the show here, noticed a growing number of inspectors appearing, some informally dressed as

workmen and others passing for interested book lovers.

There were continued grumblings from Soviet officials and yesterday a formal protest was made to Ambassador Llewellyn E. Thompson, Jr. He was given a new list of objectionable books, all in English.

The Ambassador also was advised by Georgi Zhukov, the chairman of the state committee for cultural relations with foreign countries, that unless the books were removed the Soviet Union would have to take unspecified measures.

Mr. Thompson left the matter entirely to the exhibit managers. Mr. McClellan, concerned over the fate of the entire show, ordered all the blacklisted books removed today.

Among these were virtually all the remaining books dealing with the Soviet Union or aspects of its economy and culture. Only a bitter argument spared a striking collection of reproductions of ancient Russian ikons.

Among the books removed were "Anthology of Old Russian Literature," by Arthur A. D. Stender-Petersen; "Siberia and the Reforms of 1822," by Marc Raeff; and "A Treasury of Great Russian Short Stories," from Pushkin, edited by Avrahm Yarmolinsky.

Other casualties, either specifically listed by the Russians or defensively removed on American initiative were such books as Dean Acheson's "Power and Diplomacy," Norman Thomas' "The Prerequisites for Peace," Chester Bowle's "Ideas, People, and Peace," Santha Rama Rau's "Russian Journey," Adlai Stevenson's "Friends and Enemies" and Sir Bernard Pare's "A History of Russia."

But even this concession failed to placate vigilant inspectors and they returned again today to the express annoyance of McClellan and the book exhibitors. This time they removed 30 more books and left the exhibit site only after McClellan promised to review the titles when he found the time. He insisted, however, that the final choice would be his.

Among the book now awaiting his appraisal, and temporarily off the shelves, are the almanac, Barbara Ward's "Faith and Freedom," Stuart Chase's "The Tyranny of Words," "Great Ages and Ideas of the Jewish People," edited by Leo W. Schwarz, "Israel in Its Glory," a pictorial tribute edited by Abe Harnan and Yigael Yadin, "Tides of Crisis" by A. Berle, Jr. and "Journey to Poland and Yugoslavia," by John K. Galbraith.

(The Associated Press said earlier attempts to report the removal of the books from the U.S. exhibit had been interrupted by censorship of telephone calls from Moscow to London. Soviet censors had also delayed a dispatch reporting oral clashes between Mr. NIXON and Premier Khrushchev. It was ordered submitted in its entirety to censorship and parts of it were held up more than 2 hours.)

Despite these deletions, the book exhibit remains a rich and varied show of the publishing industry in the United States. All the remaining books are within easy reach of visitors to the exhibit. State Department officials here recalled that they had objected to, but had not demanded the removal of, several books in the Soviet exhibition in New York. These books remained on the shelves.

Some of the other books removed were: "The Soviet Image of the United States," by Frederick C. Barghoorn; "The United Nations," by Leland M. Goodrich; "Arms and the State," by Walter Millis; "Politics in the United Nations," by Robert Riggs; "Korea Tommorrow," by Kyung Cho Chung; "A New History of the United States," by William Miller; "Crusade in Asia," by Carlos P. Romulo; "One Thousand Years of Hungary," by Emil Lengyl.

Also "American Military Policy," by Edgar S. Furniss, Jr.; "The Long March," by Simone de Beauvoir; "The Tragedy of American Diplomacy," by William Appleman Williams; "The Long Road to Humanity," by Stanton A. Coblentz; "The Politics of Israel," by Marver H. Bernstein; "The Soviet Film Industry," by Paul Babitsky and John Reinberg; "The Russian-American Company," by S. B. Okun; "Soviet Writings on Earth Satellites and Space Travel."

Also "the History of Jewish Khazars," by D. M. Dunlop; "The Balkans in Our Time," by Robert Lee Wolff; "The Far East in the Modern World," by Franz H. Michael and George E. Taylor; "An Atlas of World Affairs," by Andrew Boyd, "The Evergreen Review of 1959;" "Makers of the Modern World," by Louis Untermeyer; "A Serbian Village," by Joe Martin Halpern; "Nationalism—Its Meaning and History," by Hans Kohn.

[From the New York Times, July 25, 1959]

SOVIET EXHIBITION ENCASES BOOKS AT COLISEUM TO PRESERVE THEM

(By Sam Pope Brewer)

While the Russians in Moscow obtained the removal of books in the U.S. exhibition there that contained ideas unpalatable to them, the Russians in New York were found yesterday to have put glass over books in their exhibit at the Coliseum. Excessive interest by visitors was wearing them out.

A spokesman for the Soviet Exhibition of Science, Technology and Culture said that the books shown here were not intended for reading by visitors but simply as samples of what the Russians were producing.

A notice beside the principal display of books gave addresses of bookstores in New York, Washington,, and Chicago where it said most of them could be bought.

Another poster quoted the Russian revolutionary writer Maxim Gorky: "Literature is the best and easiest way of acquainting one people with another."

A third sign boasted that "in 1956 the U.S.S.R. will publish 1,600 million books, or 7.2 per person."

Among the books now under glass was a gaily colored edition in English of "The Ant and the Grasshopper," a fable that stresses the virtue of hard work.

Others include books in Russian on child care, on cooking and on the work of various European artists, including a handsome work on Francisco de Goya, the 18th century Spanish painter.

Still another sign anounced that the Russians had published fiction in "104 languages, including the 75 languages of the U.S.S.R."

Besides books shown as the examples of Russian publishing, about 100 were displayed as part of the equipment of a typical Russian family apartment. They indicated considerable interest in English, but none were in other European languages.

There was volume 1 (only) in English of "Lenin: Selected Works," another volume that said on the back in Russian characters "N. S. Khrushchev" but did not indicate whether it was by or about him; a life of Karl Marx, in Russian, and a handsome two-volume edition in Russian of Tolstoi's "War and Peace."

On the livingroom coffee table lay a slim volume entitled in English, "The Forsyte Saga," by John Galsworthy. Like the other books, it was not available for close inspection to show what part of that long work it might contain.

Books in the children's room included an English grammar, in Russian, and an eighth-grade English reader.

Mr. JAVITS. Mr. President, speaking of the exhibit of the United States at the Moscow Fair, I think we owe it to the people of the Soviet Union to say a few words about a man who is attracting a great deal of attention in Moscow. He might be called "the little man who wasn't there." The New York Times of this morning reports that the Russian newspaper, Sovetskaya Kultura, a propaganda organ of the Soviet Government, like all other Soviet newspapers, has continued that Government's campaign of assailing the U.S. exhibit as fiction, on the ground that the model one-family home exhibited there is a part of the "myth of the average American."

We have news for the Russians. I ask unanimous consent to have made a part of my remarks in the RECORD a letter from Mr. Norman P. Mason, Administrator of the Housing and Home Finance Agency, who denies that there is but one model of such a home. He shows that there are thousands of them. He identifies one specifically as belonging to Mr. and Mrs. Brantley Hart, who drives a truck for a living—a very honorable occupation in my section of the country. Mr. and Mrs. Brantley Hart and their children live in a suburb of Baltimore named Country Club Estates, in a $13,000 home.

I ask unanimous consent that the letter from Mr. Mason, as well as the story of Mr. Brantley Hart's home, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., July 27, 1959.

HON. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: You have probably read the various inspired and misleading remarks of Russian spokesmen concerning the typical American house that is being shown in the trade fair in Moscow opening July 25.

The spokesmen have objected to the house on the professed—and also false—ground that the average American workingman can't afford it and therefore that it isn't representative.

Actually there is no doubt this exhibit is touching a sensitive spot in the Kremlin; namely, their housing picture as compared with our own; and they don't wish to see the differences demonstrated for internal consumption.

Although statistical and other data have been assembled and released by way of answer to the Russian charges, there is one item that seems to me to be especially conclusive and which I am enclosing for your information.

This is an on-the-spot approach to a typical American workingman in a typical home similar to our American exhibit, and facts and figures are cited to underscore the American case. I thought it might be helpful to you to have this material.

Sincerely yours,

NORMAN P. MASON,
Administrator.

THE MAN RUSSIA SAYS ISN'T HERE—MEET THE TYPICAL U.S. WORKER WHO OWNS HIS OWN HOME

(By Ray Cromley)

BALTIMORE.—Though he doesn't have the money, Federal Housing and Home Finance Administrator Norman Mason would like to take a truckdriver named Brantley Hart to Moscow.

Object: To make Nikita Khrushchev eat crow.

And Brantley Hart is the man to do just that.

You see, there's an American national exposition opening in Moscow this summer. And on the grounds is a model house—one that could sell for $13,500. It's to be advertised as a typical American worker's home.

But the Russians—the officials who have had a sneak preview—are pooh poohing the whole idea. Tass, the official Soviet news agency, which prints only thoughts authorized by Khrushchev and his aids, says the exhibition house is as typical of the typical American as the Taj Mahal is typical of Bombay textile workers or Buckingham Palace of British miners.

These statements aroused top U.S. Government Housing Man Mason. He asked his men to check the books and find just what homes typical American workers are buying. They came up with examples practically in Mason's own backyard.

Here's where truckdriver Brantley Hart comes in. He lives in one of these houses.

Brantley Hart, member of Teamster's Local 557, lives in a $13,500 house in Country Club Estates, just outside of Baltimore. He pays $86 in monthly payments out of his $123.40-a-week salary for a 5-room house that's a close equivalent of the American show house in the Moscow exhibition. The cost is roughly the same. So is the size—950 square feet. Also the general floor plan. Brantley Hart obviously is a typical American worker, with a wife, two children—and a new car in the carport.

Hart drives a truck on the midnight shift from Baltimore, 100 miles down the road to Salisbury, Md., and back every night, 40 hours a week.

Brantley Hart's case is typical. Country Club Estates is filled with American workmen. There's Clif Bowen, for example, a neon sign mechanic, member of the International Brotherhood of Electrical Workers Local 28. Clif earns $114 a week, pays $96 a month on a $13,500 house and lot with 1 tree, 10 bushes, and a sodded front lawn. He has two boys, one girl, and a wife.

Administrator Mason's statistic researchers found the average American workman these days buys, on the average, a $14,207 home and pays for it out of his $6,092 to $6,803 average salary, making average $96 monthly payments.

Why then do the Russians find this Moscow exhibit house hard to understand? The Federal Housing Administration has some figures on this, too.

It seems the average Russian city dweller—if he can afford a new house—ends up with two rooms and a bath, and shares it with another family.

In Moscow, a house like the Brantley Harts' would have 13 to 14 people living in it, instead of the 4 at the Harts' or the 5 at the Bowens'.

Some of Mason's men think this is why Nikita Khrushchev can't believe the American house in the Moscow exposition is typical.

They think this is why Tass and Russian officials jeer at the idea of a typical American workman coming home to a large television set, running water in the kitchen, wall-to-wall carpeting, radios and record players—the things most Americans take for granted.

Mr. JAVITS. It may be that the Soviet Union could convince its people that no such place as Country Club Estates could include an ordinary workingman as a resident. However, the fact is that Mr. Hart and his neighbors are on about the same income level. Mr. Hart pays $86 a month in payments on his home, out of a salary of $123.40 a week. He and his wife and two children occupy five rooms in a home which, judging from the picture, is a very pleasant place indeed.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent to proceed for 1 additional minute.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. JAVITS. If this home were in a Russian city it would be occupied by 13 or 14 persons of 2 or more families. So it is easy to see why the Soviet propaganda machine can say, with such effrontery, that the Harts do not exist. The fact is that the great disparity between the miserable living standards of their own people and those of the average American family is almost unbelievable. There has been a tremendous sacrifice of butter for guns in the Soviet Union.

This emphasizes the fact that the greatest engine working for the United States is the engine of truth. That is what I am endeavoring to bring to bear today on the allegations of the Soviets.

Mr. President, I ask unanimous consent that the article from the New York Times, to which I have referred, be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. FAIR DERIDED BY SOVIET PRESS—PROPAGANDA AND DECEPTION ALLEGED IN NEW ATTACKS

(By Max Frankel)

Moscow, July 29.—The Soviet press heaped scorn and disbelief today on the American National Exhibition here.

The exhibition is already physically surrounded in Sokolniki Park by displays of photographs and charts of Soviet achievements and efforts for the consumer. Today's press complaints characterized the U.S. show as nothing but propaganda, exaggeration, and attempted deception.

Virtually every newspaper here joined the chorus. Soviet commentators made an exception for the American automobiles, long admired by Russians in the streets of Moscow, and some spoke kindly of "The Family of Man" photographic exhibit.

But even "The Family of Man" did not suit some.

Sovetskaya Kultura published two of the several hundred photographs in the display without comment. They were of a young couple dancing a wild lindy and of customers indulging at a bar. Literaturnaya Gazeta, which was more specific, wondered whether the "wild ecstasies of rock 'n' roll convey some essential feature of the family of man."

Nothing but crowd-control problems, however, is inhibiting the flow of visitors, estimated today to total 65,000 to 70,000.

VISITORS VOICE COMPLAINTS

Americans studying the popular reaction found the Russian visitors, too, had a number of complaints.

One official, after interviewing many of the American guides dealing directly with the visitors, commented on two negative trends. He said a great number of the Russians complained of an absence of technical marvels at work before their eyes. Many others are apparently unhappy with the carnival-like confusion at the exhibition and would prefer an orderly passage. * * *

Most of the show today still was heavily coated with the dust churned up from the crumbling concrete floors. But even at its glittering best, the exhibition apparently had little to impress the official Soviet press. Newspapers here have been hitting hard at the show as well as at U.S. assertions of high living standards in general.

Today, as if on signal, the press fired another volley. Pravda, the Communist Party paper devoted half a page to expressions of disbelief that the average United States family earned $90 a week. But even with such an income, a writer calculated, a family could afford only one egg a person daily, only half a quart of milk, and only three telephone calls a week—made from a public phone because the family could not possibly have a private telephone.

MACHINE ACCUSED OF JOKING

Izvestia, Government newspaper, accused the exhibition's electronic question-answering machine of joking by glossing over the facts of unemployment in the United States. It devoted a long article to the plight of the evicted, debt-ridden and virtually starving jobless persons it said were roaming through the United States.

Sovetskaya Rossiya again assailed the model one-family home and the rest of what it described as the "myth of the average American." Komsomolskaya Pravada reported scornfully that its readers had seen the large G.U.M. department store in Moscow's Red Square and did not have to look at American bargain basements.

Several newspapers took delight in relating the entire show to the American art exhibition, which they ridiculed for its more extreme abstractions.

Literaturnaya Gazeta called the exhibition a "fantastic fairy tale world that has nothing to do with real life." It said the Russians had outgrown that age "long ago."

Today's commentary was by far the severest thus far on the exhibition, but apparently it signaled only a beginning. Literaturnaya Gazeta entitled its 2,000-word commentary "First Impressions" and said it was "too early as yet to give any overall estimate."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 124) to extend the Voluntary Home Mortgage Credit Program.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 67) authorizing a change in the enrollment of the bill (S. 1928) to provide for the participation of the United States in the Inter-American Development Bank.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 2909. An act relating to the maintenance and travel expenses of judges; and

H.R. 6436. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and dessicants, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 4340) to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7509) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1960, and for other purposes; agreed to the conference asked by the Senate on the dis-

agreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. RABAUT, Mr. KIRWAN, Mr. JENSEN, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 8385. An act making appropriations for Mutual Security and related agencies for the fiscal year ending June 30, 1960, and for other purposes; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Acting President pro tempore:

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes;

H.R. 6714. An act for the relief of Abraham Fye;

H.R. 6717. An act for the relief of Mrs. Kathrene LeTang; and

H.J. Res. 280. Joint resolution consenting to an interstate compact to conserve oil and gas.

HOUSE BILL REFERRED

The bill (H.R. 8385) making appropriations for Mutual Security and related agencies for the fiscal year ending June 30, 1960, and for other purposes; was read twice by its title and referred to the Committee on Appropriations.

THE VICE PRESIDENT'S VISIT TO RUSSIA

Mr. SCOTT. Mr. President, I hope the American public will not overlook some of the interesting developments in the Communist bloc of nations within the past few days. A pattern is showing among Red activities that coincides with Vice President NIXON's visit to Russia. Above all else, the Communists have inadvertently admitted that they are afraid—and this is especially significant because of what they fear.

The leaders of the Kremlin have long scoffed at our weapons, our industrial development, our productivity. Theirs is bigger and better, they tell us, or they are overtaking us. Or, as in the case of several inventions, they claim to have made the discoveries first.

What then do they fear?

The Communists fear our observance of Captive Nations Week. Khrushchev accused us of a plot to hold this observance at the time Mr. NIXON arrived in Russia. He said so publicly. Then so-called volunteers from the crowds in Moscow attempted to heckle Mr. NIXON. At county fairs, where I come from, such so-called volunteers are called "shills" since they are in the employ of the management. By their questions, these hecklers indicated that the Kremlin fears and resents our constant reminder to the people of the world that our Government does not recognize the forceful domination of sovereign people and that we have no intention of bartering away our support of the principle of freedom.

The Russians are concerned about the effect of our trade fair in Moscow. And therefore their press proceeds to explain it away, as untypical of American life. According to American correspondents' reports, the Moscow press today has begun an organized campaign of derogation against the American Trade Fair. The Soviet newspapers are attacking the fair on the grounds that Americans could not possibly have the high standard of living portrayed at the fair.

Pravda, the Communist Party paper, devoted half a page to its disbelief that the average U.S. family has an income of $90 a week. Even with such an income, its writer calculated, an American family could afford only one egg per person each day, only half a quart of milk, and only three telephone calls each week—made from a pay telephone since such a family could not possibly have a private phone.

Some Americans who might wish that such restrictions could be put upon their teenage children, still should wonder what there is in telephones which should excite the worry of Communists.

The Russians are afraid of open cities. They do not permit visitors except for rare exceptions, to visit the Baltic States, southwest Russia, areas around Moscow, the Ural Mountains, industrial areas in western Siberia, border regions and large parts of central Asia, the far north, and the Soviet Far East. In retaliation—and only for that reason—the United States has closed many areas to Soviet travelers. Our "restricted areas" are open to all others.

One of the exceptions to foreign travel was made in the case of Vice President NIXON and his party. The Vice President told an audience at Novosibirsk yesterday:

> I am sure that I speak for all of you when I say that this city and all cities here in the Soviet Union and in the United States should be opened so we could know each other better and build peace and friendship, which we all want.

Those are the Communist worries. They fear public reminders of their repressions. They fear the high standard of living of the free world. They fear full and free travel across the Iron Curtain. Above all, they fear freedom.

I am grateful that Vice President NIXON, by his presence and by his activities in the Soviet Union, has helped to illustrate and publicize these significant developments.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, editorials from several Pennsylvania newspapers which comment on the Vice President's trip and on other developments in Russia.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Philadelphia Bulletin, July 18, 1959]

THE FEAR OF IDEAS

It was relaxing to have Messrs. Khrushchev and NIXON take time to assure the Russian and American peoples, as well as people everywhere that in their much publicized encounter before TV cameras they were just doing what comes naturally to both of them. Neither was offended; nothing to get scared about.

But to call the exchange a debate is to downgrade a noble institution. Premier Khrushchev made assertions that in a true debate would have been refuted in vivid fashion. When the Vice President, for instance, suggested that the Soviets should have no fears of ideas, the Premier countered with marked gusto that it was the Americans who were afraid of ideas, especially Communism.

At that very moment the agitation and propaganda department of the party was worrying itself sick about the ideas the U.S. exhibition was importing into Moscow, and it was going about as far as it dared go, without provoking an international scandal, to offset the exhibition's impact. Mr. Khrushchev himself helped along by seizing upon the Captive Nations theme to ridicule the Nixon visit time and again.

Muscovite interest in the exhibit is great; the Agitprop people knew it would be, and they proceeded to show everybody where the greatest fear of ideas really lies.

[From the Harrisburg Patriot, July 28, 1959]

RUSSIAN HORSE AHEAD OF CART

At least a couple of American working stiffs aren't too impressed with all the talk about the Russians leaving us behind in the scientific race.

John Petrocelli, a carpenter, and George Hartman, a painter, have been helping assemble the model ranchhouse at the American exhibition in Moscow's Sokolniki Park.

Said Petrocelli of the Russians: "They're 20 years behind the times. They don't even know what a labor union is. They thought I was a visitor from outer space."

Hartman voiced his surprise at the Soviet workers' unfamiliarity with tools American workmen consider commonplace.

When they tried to handle a stapling gun and a ratchet brace and bit, he said, the Russians were lost.

"We had them try to help us out," he added. "But the windup was that we had to end up doing it again ourselves. Electrical wiring, a job that would require two American electricians about 4 hours, took the Russians a solid 5 days."

This sort of thing, coupled with the spectacular achievements of Soviet science and industry suggests that the horses of Russian progress have left the cart with the masses far behind.

If all the conflicting reports on how Russia's doing leave Americans confused, how much more must the Russians be in the dark as to how Americans live?

It'll take a lot of cultural exchanges to enable each nation to get a balanced picture of the other.

[From the Pittsburgh Sun-Telegraph, July 27, 1959]

SOVIET CENSORS

In a mockery of their professed approval of free exchange of ideas, the Russians have forced the removal of some 30 books from our exhibit in Moscow.

Included among them was that sensational, inflammatory volume which bears the title "The World Almanac, 1959."

Other titles, which are a guide to the prejudices of the Kremlin, are "Great Ages and Ideas of the Jewish People," "A United Nations Peace Force," "NATO—A 20th Century Community of Nations," "New History of the United States," "The Purity of Words," and "Faith and Freedom."

Come ot think of it, the Almanac is a subversive book by Communist standards, because it deals in facts, and mentions

some unpleasant ones, such as the oppression of Hungary and the Soviet-inspired crisis on Berlin.

Let's keep this in our own almanac of facts for ready reference the next time the Russians turn on the propaganda faucet to show how anxious they are for two-way swap of culture, in which books are considerably more representative than a ballerina's pirouette.

[From the Philadelphia Bulletin, July 27, 1959]

THE SPIRIT OF MUNICH

Kind hearts and gentle people are to be found everywhere, but if British newspapers are in rapport with their readers, there is an unusually high concentration in the United Kingdom.

London press reaction to the tough language exchanged between Premier Khrushchev and Vice President NIXON was swift and strangely unanimous. London thought it simply frightful. Bad taste and all that sort of thing. "Back to secret diplomacy," urged the Daily Express, a newspaper owned by Lord Beaverbrook, who, on the eve of World War II, was denouncing Winston Churchill as "a busted flush" and a trouble-making alarmist.

Gentle people naturally do not like bickering, if that's what it was, or mutual threats. But when talking to a ruffian, as Mr. NIXON was, what is the other course? Knuckle under or stand there with your stiff upper lip quivering? That appears to be the British preference exemplified recently by Prime Minister Macmillan, and within memory at a place called Munich.

What the British call a "disgraceful performance" by Mr. NIXON will seem to some equally endangered but less scared Americans as the only manly course of action. Gentleness works with gentlemen. There are centuries of evidence of how well it works with bullies, a record on which the British ought to reflect whenever the tap of Prime Minister Chamberlain's umbrella can be heard echoing along Fleet Street.

MODEL AMERICAN HOME SHOWN AT MOSCOW EXHIBITION

Mr. SCOTT. Mr. President, the Administrator of Housing and Home Finance Agency, Mr. Norman P. Mason, has sent me a very timely and interesting article illustrating the home which a typical U.S. worker can, and does, own. This is in answer to Mr. Khrushchev's doubts regarding the modest model home being shown at the Moscow Exhibition. Actually there is no doubt this exhibit is touching a sensitive spot in the Kremlin; namely, their housing picture as compared with our own.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the text of the article written by Ray Cromley, staff correspondent for Newspaper Enterprise Association.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEET THE MAN MOSCOW SAID DIDN'T EXIST

(By Ray Cromley)

BALTIMORE.—Though he doesn't have the money, Federal Housing and Home Finance Administrator Norman Mason would like to take a truckdriver named Brantley Hart to Moscow.

Object: To make Nikita Khrushchev eat crow.

And Brantley Hart is the man to do just that.

You see, there's an American national exposition opening in Moscow this summer. And on the grounds is a model house—one that could sell for $13,500. It's to be advertised as a typical American worker's home.

But the Russians—the officials who had a sneak preview—are pooh poohing the whole idea. Tass, the official Soviet news agency, which prints only thoughts authorized by Khrushchev and his aids, says the exhibition house is as typical of the typical American as the Taj Mahal is typical of Bombay textile workers or Buckingham Palace of British miners.

These statements aroused top U.S. Government housing man Mason. He asked his men to check the books and find just what homes typical American workers are buying. They came up with examples practically in Mason's own backyard.

Here's where truck driver Brantley Hart comes in. He lives in one of these houses. Brantley Hart, member of Teamster's Local 557, lives in a $13,500 house in Country Club Estates, just outside of Baltimore. He pays $86 monthly payments out of his $123.40-a-week salary for a five-room house that's a close equivalent of the American show house in the Moscow exhibition. The cost is roughly the same. So is the size—950 square feet. Also the general floor plan. Brantley Hart obviously is a typical American worker, with a wife, two children—and a new car in the carport.

Hart drives a truck on the midnight shift from Baltimore, 100 miles down the road to Salisbury, Md., and back every night, 40 hours a week.

Brantley Hart's case is typical. Country Club Estates is filled with American workmen. There's Clif Bowen, for example, a neon sign mechanic, member of the International Brotherhood of Electrical Workers Local 28. Clif earns $114 a week, pays $96 a month on a $13,500 house and lot with 1 tree, 10 bushes, and a sodded front lawn. He has two boys, one girl, and a wife.

Administrator Mason's statistic researchers found the average American workman these days buys, on the average, a $14,207 home and pays for it out of his $6,092 to $6,803 average salary, making average $96 monthly payments.

Why then do the Russians find this Moscow exhibit house hard to understand? The Federal Housing Administration has some figures on this, too.

It seems the average Russian city dweller—if he can afford a new house—ends up with two rooms and a bath, and shares it with another family.

In Moscow, a house like the Brantley Harts' would have 13 to 14 people living in it, instead of the 4 at the Harts' or the 5 at the Bowens'.

Some of Mason's men think this is why Nikita Khrushchev can't believe the American house in the Moscow exposition is typical.

They think this is why Tass and Russian officials jeer at the idea of a typical American workman coming home to a large television set, running water in the kitchen, wall-to-wall carpeting, radios, and record players—the things most Americans take for granted.

CIVIL DEFENSE—CONGRESSIONAL LEADERSHIP TO DISASTER

Mr. JAVITS. Mr. President, on another subject I ask unanimous consent that I may be permitted to continue for 5 minutes notwithstanding the rule.

The PRESIDING OFFICER. Without objection, the Senator from New York may proceed.

Mr. JAVITS. The subject is civil defense, to which I shall address myself from time to time as we conclude this session.

The subject of civil defense is perceptibly before us right now through speeches and articles by our colleague, the junior Senator from Ohio [Mr. YOUNG], who is devoting a good deal of his attention to this specific issue—generally disapproving of our civil defense preparations—and by the fact that presently there is in conference the matter of appropriations for the Office of Civil Defense Mobilization. A difference exists between the House and Senate in conference, involving the restoration of $15 million to provide the full budget estimate of $25 million for Federal contributions on a matching basis, which is an outward manifestation of our whole attitude toward this subject. For this reason I intend to speak rather briefly today, and later in full detail, in the hope that such discussion will assist in securing improvement. I believe it would be well to start today on preparations right here at home, in the Capitol itself.

The particular branch of the subject to which I wish to address myself today is: What is the Congress itself doing about civil defense? Civil defense is getting to be a topic much like the weather—everyone talks about it but no one does much about it. As we increase our military defense preparations, as we state the ways in which we can agree to ease tensions and reaffirm the determination of our people to stand up to the Communist threat, we seem to progress from chipping away to hacking away at our nonmilitary defense.

The apathy toward civil defense which we think of as being indicative of the attitude of the general public—and an apathy about which I have my doubts—may well be, I believe, a reflection of apathy in the Congress. For example, how many Members know what is the bell signal for a civil defense drill or an actual disaster? How many of us are just as well satisfied that the Congress has never been subjected to the "discomfiture" of an air raid test drill as have been entire communities and the executive departments of the Government? Is exempting ourselves from civil defense exercises the leadership in saving their very lives which we offer to the American people? Do we exempt ourselves from shipboard boat drills or transocean plane ditching drills?

Mr. President, we may not be very important here, but the people of the United States think that we have a good deal to do with running the country. So it seems to me that if we cannot be fully consistent about our own civil defense, we are hardly likely to be fully consistent about the need for it in the country at large.

In the much-discussed New Senate Office Building there are no "S"-marked arrows pointing the way toward shelter areas. In addition, as far as I can discover, there are no shelter plans for the Capitol Hill area, nor has anyone demanded such plans—although there has been much talk in general terms about a shelter program.

How many of us have made any civil defense preparations for our own families? How many of us make inquiry regarding Federal buildings and facilities being planned and constructed in our own States as to civil defense facilities? And are State government buildings in the same situation?

If nonmilitary defense is important, as it is, without doubt, how can we give any leadership to the country with the knowledge that the Architect of the Capitol, to whom is entrusted the responsibility of our own personal civil defense, has as far as I know, no civil defense equipment? While our concern with radiation and fallout hazards has produced numerous studies and reports, Congress is not equipped with any device for the detection of such radiation should we be subject to the danger of radioactive fallout.

Mr. President, we are all quite well conditioned to protection against barrages of the written and spoken word, but what if a more substantial weapon is launched against our Nation? Our files are bulging with material, pro and con, on civil defense. But we seemingly do nothing—and seemingly care little.

Mr. President, as to testimony on this subject, it is more than ample. It was pointed out in the recent report on civil defense by the House Committee on Government Operations:

> From the enemy's standpoint, a strong civil defense in the United States would mean first of all that our strategic strike forces will be used if necessary, despite the consequences of a return blow by the enemy. It would mean our stern warnings that aggression will be resisted are no idle threats. A strong civil defense in the United States also would mean that a successful strike against the United States would require a much greater effort on the part of the enemy. That is, it would cost the enemy a great deal more to achieve any given level of destruction. This factor could be extremely important over a long period of time in preventing the Soviet Union from building up a decisive margin of power.

The Rand Corp. "Report on a Study of Nonmilitary Defense" stresses the point that nonmilitary, civil defense measures might make two significant contributions to the national defense:

> First, they might alleviate the catastrophe of nuclear attack and, if military victory were attained, provide a reasonable chance that the United States as a nation could survive, even in an atomic war. Second, they might increase U.S. freedom of action in conducting peacetime foreign policy and in implementing a broad deterrence strategy.

The Special Studies Report II of the Rockefeller Bros. Fund, "International Security: The Military Aspect," warns:

> If relations with the Soviet bloc ever reach the showdown stage, the edge of difference, which may be very fine, may well depend on the strength of the competing wills. This in turn is likely to reflect the relative vulnerabilities. * * * An enemy who felt confident that he could disrupt and disorganize our society while preserving the substance of his own might be tempted to launch an all-out blow. Conversely the ability to afford reasonable protection to our population may enable us to act with firmness and resolution in time of crisis. In the age of the ballistic missile the known capability of a society to withstand attack will become an increasingly important deterrent.

Apparently these warnings are being filed by the Congress, either as material for further studies, or to be used during a future political campaign. In any event, no one denies their substance—nor does there seem to be any great will to act on them.

Mr. President, I speak not in criticism of any colleague or any agency. Indeed, I think we all should be very grateful to our colleague the junior Senator from Ohio [Mr. YOUNG], who, when he first became a Member of the Senate, went to work on the civil defense subject, and although many disagreements may develop, or have developed, between him and myself as to the details of a civil defense program, I am all with him about the fact that if we are to have such a program, we have to take it very seriously; and that is what I am attempting to do.

However, I do urge that we give personal—and I emphasize, personal—consideration to the protection of millions of the innocent and defenseless whose lives would be endangered in the event of conflict. We spend about 32 cents per capita for civil defense; the British spend 72 cents and the Germans spend 50 cents. The British and the Germans learned bitter lessons during World War II as to the meaning, in terms of blood and national substance, of nonmilitary defense.

The Russians have special problems, and, incidentally, they have an extremely disciplined operation in their country and they are taking other measures which they think suit them. I will discuss that question on another occasion, but our problem is our own and cannot be handled that way.

Finally, Mr. President, if due to our own lack of real concern here—as manifested to the Nation by our own unpreparedness in civil defense—we should suffer the consequences and the Nation be leaderless, it would of course be a personal disaster to each of us, but infinitely more serious through our own shortsightedness here there may be no Nation to lead.

Mr. YOUNG of Ohio. Mr. President, let me at the outset express my deference and devotion to the distinguished senior Senator from New York. It is a fact that he and I served together as colleagues in the other body, and that we have been good friends through the years. I hold him in the highest admiration.

There is obviously a marked difference of opinion between him and me on the subject of civil defense.

I may say further, in speaking of my distinguished colleague and friend, the senior Senator from New York State, that it happens I admire also his fine record in the Armed Forces of our country in time of war. From his experience there, and from his study of the history of our Nation, he of course knows that in time of great emergency, in wartime, the Armed Forces of our country will instantly take over, and no civilian with an arm band will be permitted to interfere with the military.

The Senator from New York knows, as we all do who have studied the history of our country, that in the Civil War, terrible as it was at that time, but which would be now considered a limited war, President Abraham Lincoln immediately assumed the powers of a dictator. He suspended the writ of habeas corpus, and throughout the duration of that conflict he remained a virtual dictator.

Mr. President, the editor of the Columbus Citizen, one of Ohio's great newspapers, a member of the Scripps-Howard chain, wrote me a letter which I received today saying:

> DEAR SENATOR YOUNG: You're on the right track. Civil defense as it is is just a boondoggle.

In the city of Cleveland, from which the distinguished senior Senator from Ohio [Mr. LAUSCHE] comes, and where he and I both live, on Monday of this week as on every Monday, there was sounded a long blast on the sirens.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG of Ohio. May I have unanimous consent to proceed for 2 more minutes?

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. YOUNG of Ohio. The sirens have been sounded every week on Mondays at 12:15 by the civil defense officials of Ohio, the paid civil defense officials. As of today, I question and seriously doubt whether the people of Cleveland are one whit more prepared to protect themselves in case of a nuclear attack. Yet, the sirens keep screeching and the bureaucrats continue to be paid. Like the distinguished Senator from New York, I do, however, pay deference and tribute to the volunteer workers, who are the only ones who have made a sacrifice throughout the years since World War II.

In Ohio, the civil defense officials are still adhering to the outmoded plan of evacuation by highway between Cleveland and Lorain. The highways are marked: "Reserved for civil defense purposes." Everyone knows that if bombs were to fall, whether by accident or intent of an enemy, the people would not pay any attention to civil defense warnings or to highway or traffic signs or signals.

In New York State, where I understand civil defense is operated in the finest manner of any of our States, the civil defense officials have come to believe in the shelter program. But in Ohio, not one of all the high salaried civil defense officials has a shelter in his home or in his backyard.

As I stated recently, even if the shelter plan of the distinguished Governor of New York were to be forced upon the people of the State of New York, just as prohibition was forced upon the people of the country some 40 years ago, it is doubtful whether such shallow shelters would be of any value. If shelters are to be worthwhile, according to much of the evidence adduced before our committee, they must be built deep; they must

be filtered and well stocked for a period longer than 2 weeks.

There is an honest difference of opinion between the Senator from New York and me. The House has stricken an appropriation of $15 million, $12 million of which was earmarked for a matching program with the States to hire 4,000 more civil defense employees, from the independent offices appropriation bill. I am a member of what is considered by some Senators on the other side of the aisle the party of spenders. The distinguished senior Senator from New York [Mr. JAVITS] is a member of that Grand Old Party of which I am not a member. I hope the Senate, in conference with the House, will not prevail on this issue. I hope that we shall save some money for the taxpayers, rather than further this utterly useless boondoggling program of building up a greater bureaucracy in a field in which there are already at present approximately 1,800 officials under Federal authority, paid by the Federal Government, in addition to thousands on the payrolls of the States.

In the city of Cleveland, where there is, I am sorry to say, some violence on our streets, six able-bodied policemen are still assigned to the civil defense activities of my home city. I myself believe that they could be rendering more efficient individual public service than that.

Mr. President, my time has expired. No doubt the distinguished senior Senator from New York and I will resume this discussion at a later date.

STEEL INDUSTRY PROFITS

Mr. HUMPHREY. Mr. President, yesterday's announcements of earnings for the first half of 1959 by the major steel companies showed all-time record profits. It was expected that profits would be much higher than they were a year ago when the Nation was moving out of the recession era. But few people realized just how great the earnings have been in recent months in the steel industry.

The 14 leading steel companies which have just reported their first half year's earnings had net profits, after taxes as well as all other expenses, of $513 million. This compares to $207 million for the same period in 1958 and $417 million in 1957. The leader in the industry, United States Steel, reported net earnings of some $255 million, which is an all-time high for that company in terms of first-half-year profits.

United States Steel's profits measured in terms of percentage of total sales was over 10 percent in the first half of this year; for the latest quarter it was 10.2 percent, which was the highest return ever reported by this corporation since it began keeping quarterly return records back in 1943.

Measuring steel company earnings another way, Mr. President, we find that United States Steel in the first half of this year had a rate of return on its net worth of 16.4 percent, or $1 of profit for every $6 invested. This rate of return was even exceeded by certain other steel companies: Inland Steel, for example, netted 19.5 percent on its investments; National Steel, whose chairman is George M. Humphrey, former Secretary of the Treasury, netted 17.3 percent; and 10th ranking Colorado Fuel and Iron, 17 percent.

The figures show that four of the top steel companies have earned in the first 6 months in this year more than they did in all of 1958. These four are Jones & Laughlin, National Steel, Youngstown, and Colorado Fuel & Iron.

For many months the steel companies have been engaged in a vigorous and costly campaign to convince the American public that the great threat which we face today is inflation and in order to combat it there can be no further rises in the earnings of American workers—including, of course, the steel workers. The profit figures to which I have just referred indicate only too clearly the double standard which the steel executives follow. They regard any wage inincreases for steel workers as dangerously inflationary, but at the same time they seem to feel that alltime record profits are completely in order.

Mr. President, lest there be any misunderstanding of my position on this matter, I wish to make perfectly clear that I believe in the profit system. I believe that the steel companies are entitled to good profits. I believe that the investors in the steel companies are entitled to generous dividends. But when a company is making profits of 14, 17, or 19 percent on invested capital, certainly those are high rates of return. Furthermore, a 10-percent profit on sales is an incredibly high rate of return.

I have already spoken in the Senate on what I consider to be the deceptive and misleading campaign carried on by the steel companies, in which they resist wage increases under the pretense of fighting inflation. But they do not seem to resist profits, on the ground that it is necessary to resist them in order to fight inflation.

As I have pointed out, their propaganda barrage is working a disservice to the American people, and is only creating false fears and apprehensions which lead to dangerous speculation and, in fact, encourage inflationary trends.

In this country there is a determined effort in high places, both in government and in financial and industrial circles, to talk the country into inflation. It has been said many times that it is possible to talk the country into deflation by the use of scare words and by lack of confidence in the economy. But if deflation can be the product of a lack of confidence in the economy, constant reiteration of the word "inflation" and constant references to inflation can certainly frighten the economy into some inflationary trends.

Mr. President, the hypocrisy of the steel corporations' campaign is now apparent. Their record profits indicate that the scare talk about inflation has been merely for public consumption, and nothing more.

At a time when the steel industry is enjoying such tremendously large profits, common sense seems to indicate that either the prices of steel could be reduced, thereby putting a definite brake on inflation, or else the income of the steelworkers could be improved.

In conclusion, Mr. President, I ask unanimous consent that the following articles, from today's newspapers, dealing with the reported earnings of various steel companies be inserted in the RECORD:

An article in the New York Times entitled "United States Steel's Profit in 6 Months Hits 254-Million Peak"; an article from the Wall Street Journal entitled "United States Steel Pledges No Price Rise Under Voluntary Pact, Implies Administration Should Not Set Terms"; an article in the New York Times entitled "Blough Reports Peak Steel Sales"; an article from the Washington Post entitled "United States Steel Profits, Sales Set Records"; and an article, also from the Washington Post, entitled "Steel Profits Soar to Record High With 147 Percent Jump Over Half of 1958."

I also ask unanimous consent that statements by Roger M. Blough and David J. McDonald, issued yesterday about the steel strike situation, as they appeared in the New York Times of this morning, be inserted at this point in the RECORD.

There being no objection, the articles and the statements were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 29, 1959]

UNITED STATES STEEL'S PROFIT IN 6 MONTHS HITS 254-MILLION PEAK—BLOUGH PLEDGES NOT TO LIFT PRICES AFTER STRIKE UNLESS U.S. MOVE FORCES HAND—UNION SCORES EARNINGS—BOTH SIDES HOLDING FIRM IN WALKOUT TALKS—STOPPAGE IN ALUMINUM PUT OFF

(By A. H. Raskin)

The strikebound United States Steel Corp. reported yesterday that its net profits in the first half of this year had set a record of $254,948,496. This amounted to just over 10 cents on each dollar of sales.

Roger M. Blough, chairman of the country's biggest steel producer, pledged that it would not raise its prices after the strike unless it was compelled to make an involuntary settlement by Government mandate.

His statement amounted to a warning to the White House to keep hands off the wage dispute or to accept responsibility for any price increase that might result.

PROFIT CALLED ASTRONOMICAL

David J. McDonald, president of the United Steelworkers of America, charged that the earnings of United States Steel and other major companies were astronomical. He said they rendered utterly ridiculous the industry's contention that it was seeking to defend the country against the inflationary impact of higher wages.

Mr. Blough contended that steel profits were not in any way excessive when compared with those in other industries. He said he was glad to see the earnings in steel go up because the extra income was needed for plant modernization and equipment to help guarantee the country enough steel at low cost.

The only cheerful news of the day on the strike front was a decision by the steel union to defer a walkout scheduled for midnight Friday in plants of the four biggest aluminum companies. The union and the aluminum makers signed agreements extending their present contracts for 30 days after a steel settlement.

RETROACTIVE PAY PROVIDED

The agreements, which provided that any pay rises would be retroactive to August 1, quickly became a model for most of the other aluminum unions. This meant that most of the 58,000 workers would stay on the job in plants that produce virtually all of the Nation's aluminum.

The deferring of the strike showdown also lessened the danger of a shutdown in western copper, lead, and zinc mines. The Mine, Mill, and Smelter Workers International Union will consider fixing a strike date in copper at a meeting in Denver next Tuesday. However, it is likely to decide to keep its members working pending the outcome of the steel strike.

The stoppage of 500,000 steel unionists ended its second week yesterday, with Federal mediators reporting minor progress in clarifying the issues.

NO SHIFTS DETECTED

But a fresh series of separate conferences with union and industry leaders left Joseph F. Finnegan, Director of the Federal Mediation and Conciliation Service, unable to detect any sign that either side was ready to shift its basic position.

In Washington, Democrats mounted new calls for increased White House activity to speed an accord. Senator LYNDON B. JOHNSON, of Texas, the majority leader, told the Senate that some way must be found to assure genuine collective bargaining in the dispute.

Senator STUART SYMINGTON, of Missouri, urged that the public be let in on the reports prepared by James P. Mitchell, Secretary of Labor, in his role as the Government's one-man factfinder in the steel strike.

In the United States Steel news conference, Mr. Blough emphasized his belief that the industry could most successfully hold the line against an inflationary wage settlement if it were left free of Government interference.

He expressed certainty that the companies could "do better on our own than whenever the political forces undertake to negotiate a settlement." He said the history of other steel strikes since World War II indicated that unwise settlements had been brought about through Government dictation.

HOPES TO BAR PRICE RISE

He guaranteed that, in the absence of compulsion by some public body or authority, his company would not enter into any wage agreement that would force prices up in the foreseeable future. He said this commitment would hold, no matter how long the strike might last.

He made it clear that he expected all other steel companies to avoid higher prices so long as his company kept its prices from going up. He said competitive forces would prevent other companies from pushing up their prices. United States Steel accounts for 28 percent of all national output.

The basic strike issue is the refusal of the steel companies to grant any increase in total employment costs this year. They have called for a 1-year wage freeze or for a union agreement to changes in local work rules that are intended to promote greater efficiency. If such changes are accepted, the industry has offered to grant a modest rise in wages and fringe benefits over a 2-year period.

UNION SEEKS PAY RISE

The union has asked for renewal of the benefits contained in its old 3-year contracts. It says this would mean an average improvement of slightly over 15 cents an hour each year, plus any additional increases due under a cost-of-living escalator provision.

However, Dr. Blough challenged the union's calculations. He said the total increase in employment costs under the old contracts had come to 27 cents an hour each year. This included allowances for higher social security taxes, overtime, and adjustments in fringe benefits. Prestrike wages averaged $3.10 an hour.

Mr. Blough emphasized that part of the high profits were attributable to advance buying of steel by users anxious to build up stockpiles before the strike. He asserted that profit margins for the industry thus far this year were only slightly above the rate of 1940 or 1950.

The release of the United States Steel financial report on the fourteenth day of the paralyzing tie-up was a coincidence. The company normally makes public its earnings on the fourth Tuesday of the month following the end of each quarter. The figures are released just after the New York Stock Exchange closes.

Asked whether he felt the steel companies might not have cut prices, Mr. Blough reiterated his contention that wages were the primary factor in higher prices. He said what the country needed was "fewer price increases and more opportunities for price reductions."

This approach was derided by Mr. McDonald, leader of the half-million strikers. He chided the companies for what he called their "phony inflation issue at a time when they are rolling in wealth."

The union leader voiced certainty that the profit statements issued in the last week by most of the major companies would convince the public that the strikers had been forced out of the mills "by a cold-blooded plan of an industry that wanted and planned this shutdown for its own selfish reasons."

He reiterated his frequent charge that the companies had raised prices $3 for every dollar they had given in past pay increases.

The steel union's decision to delay the strike in aluminum plants indicated it had abandoned an earlier hope of using the smaller industry as a lever for prying a wage settlement from the steel industry. Last week, the aluminum companies told the steel union they would not meet its wage demands.

The four big companies involved in the extension of aluminum contracts were the Aluminum Co. of America (Alcoa), Reynolds Metal Co., Kaiser Aluminum & Chemical Corp., and the Ormet Corp.

[From the Wall Street Journal, July 29, 1959]

UNITED STATES STEEL PLEDGES NO PRICE RISE UNDER VOLUNTARY PACT, IMPLIES ADMINISTRATION SHOULD NOT SET TERMS—BLOUGH HINTS GOVERNMENT ORDER WOULD FORCE RISE—SECOND PERIOD NET AT HIGH

NEW YORK.—United States Steel Corp., announced record second-quarter and first-half profits and pledged not to raise prices as long as there is a voluntary settlement of the steel strike—no matter what it is.

But Roger M. Blough, chairman, said the company will hold to this position only "in the absence of an involuntary settlement mandated by some public body or authority." When a reporter suggested that this sounded like a warning to the administration not to try to dictate any end to the 2-week-old strike, unless it also wanted to force a price boost, Mr. Blough nodded and said: "I would say that now you're getting close to the heart of the matter."

The company posted second-quarter profits of $148,363,193, or $2.64 a share, a record for any quarter in its history. But the directors declared only the usual quarterly dividend of 75 cents a common share. It said the high second-quarter earnings reflected an "unusually higher demand artificially stimulated by our customers' fear of a steel strike."

United States Steel in the second quarter also produced and sold more steel than in any preceding 3 months in its history—or the history of any steel company.

The company's full statement on prices, read by Mr. Blough to reporters at a press conference, was that: "Whatever the length of the strike, and whatever the eventual outcome of the negotiations—so long as they are voluntary—we in United States Steel do not intend to raise the general level of our steel prices in the foreseeable future."

It added that "we believe that competitively this is no time to raise prices," citing as reasons increasing imports of foreign steel produced at lower employment costs and "tough competition that steel faces from other materials produced domestically."

The statement also warned the United Steelworkers Union that this hold-the-line stand "has a direct bearing on the demands of the union because we intend to negotiate in the context of that position." Asked whether this means United States Steel is sticking to its insistence of no increase in employment costs this year, Mr. Blough replied, "That is certainly the purpose with which we now are negotiating."

Reporters pressed Mr. Blough as to what he would consider a "voluntary" or an "involuntary" settlement of the strike of 500,000 steelworkers, and drew repeated implied warnings to the Government to stay out of the present negotiations. The executive cited some strike settlements "in the 5 or 6 years immediately following World War II" as examples of what he meant by an "involuntary" settlement. When a reporter asked if the statement's phrase about "so long as it (a settlement) is voluntary" could be rephrased as "so long as we (the industry and the union) are left to ourselves," Mr. Blough agreed "that's pretty close to what we had in mind."

The chairman at one point expanded his definition of an "involuntary" settlement to include any that would be "highly influenced by political forces" as well as one actually "dictated" by the Government. But essentially, he said, United States Steel would have to use its own "judgment" to interpret what would or would not be a "voluntary" settlement, and it had no "legal" definition of the words in mind.

Asked whether he would include the White House among "public bodies" that might "dictate" a settlement that would force a price increase, Mr. Blough replied that "I would question very much, in view of the President's public statements, whether he would attempt to mandate a settlement." President Eisenhower has called several times for a new steel contract that would not force a price increase.

The company's statement on prices went on to say that "if events dictate a change in our situation next year, we will necessarily be required to take whatever steps are then indicated—but as of now we foresee no general increase." Asked what "events" might force a steel price boost next year, Mr. Blough cited "a very marked increase in the price of purchased goods and services" or "further wage negotiations next year."

The executive emphasized that his statement on prices did not carry a commitment to raise them if some Government body did "dictate" an "involuntary" settlement. Prices would be raised only if the "involuntary" contract were an "unwise" one, he said.

Mr. Blough exempted the activities of Federal mediators from his definition of Government "dictation." Joseph F. Finnegan, Director of the Federal Mediation and Conciliation Service, at President Eisenhower's direction, has been trying since the day the strike began to bring the two sides together.

Asked if he thought the 1956 strike settlement was a voluntary or involuntary one, Mr. Blough replied: "I would say it was more voluntary than some others." George M. Humphrey, chairman of National Steel Corp.,

but Secretary of the Treasury in 1956, has been credited with a major role in arranging the 1956 strike settlement by making telephone calls to top steel executives and persuading them to raise their wage offers to the union.

Mr. Blough made it clear that United States Steel and its partners in current negotiations still are standing firm on their insistence on barring any employment cost rises. His formal statement warned that a steel wage increase would be inflationary even without a companion price boost because it would ripple out over the entire economy as unions in other industries tried to "catch up" to the gains of the steelworkers.

Asked whether he thought Labor Secretary Mitchell's Government factfinding mission constituted intervention in the steel dispute, Mr. Blough said: "We've had no pressure of that kind so far."

Mr. Blough also estimated that if the steel industry granted the union's latest wage demands, employment costs would go up by 27 cents an hour each year. The union has asked the companies to continue for 1, 2, or 3 more years the average annual rate of wage and benefit increases achieved under the 1956 contract, and Mr. Blough said that agreement had raised employment costs 81 cents an hour over the 3 years it was in effect. The union has been figuring its demands at 15 cents an hour annually, contending that the wage advance under the 1956 agreements was 45.6 cents an hour for 3 years.

Steel companies count in employment costs several items that the union does not. Mr. Blough said employment costs in steel now are $3.65 an hour, as compared with the $3.10 an hour the Government figures steelworkers average in straight wages.

The chairman figured costs of closing the mills for the strike, prospective costs of starting them up again after it, plus carrying charges during the strike period, add up to $3 million a day for United States Steel. "This does not include the loss of profit," he said. He figured that striking employees are losing about $13 million to $14 million in wages a day throughout the industry. United States Steel employees on strike are losing about $4 million in wages each day, he estimated.

The second-quarter profits of $2.64 a share compared with $1.86 in the March quarter of this year, and $1.25 in the June quarter last year, when the steel business was still feeling the effects of the 1957–58 recession. For the first 6 months, United States Steel's net income was up to $4.50 a share, from $2.29 a year earlier, and a record for any first half.

Sales for the second quarter rose to $1,448 million, a quarterly record, from $863 million a year earlier. And for the 6 months, the gain in sales was almost $900 million—to $2,526 million from $1,663 million. First half sales were the highest for any first half in history.

Commenting on the financial figures, David J. McDonald, president of the steel union, said the "astronomical profit figures * * * completely demolish the excuse the industry has used to force" the steel shutdown. He questioned how United States Steel or the industry in general can "justify, in good conscience, the heartless denial of needed benefits to their workers who have produced this mammoth pile of profits."

United States Steel's metal shipments in the second quarter totaled 7,714,000 short tons, sharply above the previous quarterly record of 7,056,000 reached in the second quarter of 1955. And production of steel ingots and castings—which always exceeds finished steel shipments because of the amount of metal taken off to turn ingots into finished products—broke all previous quarterly tonnage records of 9.6 million short tons. United States Steel's operating rate in the second quarter averaged 92 percent of capacity.

The second-quarter profits were equal to 10.2 percent of sales. For the first 6 months of 1959, profits were 10.1 percent of sales, up steeply from an 8.2 percent return in the first half of 1958.

Capital expenditures in the second quarter were $107 million. At June 30, United States Steel had authorized projects that will require another $670 million to complete.

Mr. Blough said the company still was accepting orders for steel, but with the mills closed they are not being entered on their books. These orders, he added, are not as strong as they were in April and May when consumers were trying to get steel before expiration of wage contracts June 30.

This buying, he noted, is emphasized by a drop in the company's backlog of unfilled orders to 5,298,000 tons on June 30 from 7,157,000 tons at the end of March this year. This was reflected in record shipments in the second quatrer. "Our customers were borrowing steel from third- and fourth-quarter shipments," he said.

Mr. Blough called continuing record imports of steel "a serious situation." Walter Munford, recently elected United States Steel president, reported as an example, that Japanese interests are planning to build a pipe distribution warehouse in Houston, Tex.

Mr. Munford said foreign steel competition (from all sources) is particularly severe in the Southeast and the gulf coast. He asserted, "Prices have been cut as much as $30 to $50 a ton" below U.S. products. He added that most merchant products made at U.S. mills have not been increased in price in more than 2 years, even though costs have risen sharply. "But not increasing prices $4 or $5 a ton is very little help if imported steel costs $30 to $50 a ton less," he declared.

United States Steel Corp. and subsidiaries report for the quarter ended June 30, 1959, a net income of $148,363,193 after depreciation, depletion, interest, income taxes, etc., equal, after preferred dividend requirements to $2.64 a share on 53,909,362 shares of common stock outstanding at close of the period.

This compares with a net income of $73,224,051, or $1.25 a share, on 53,763,452 common shares, in the June quarter of 1958, and with a net income of $106,585,303, or $1.86 a share, on 53,871,742 common shares, in the quarter ended March 31, 1959.

For 6 months ended June 30, last, net income was $254,948,496, equal to $4.50 a common share, compared with $135,650,730, or $2.20 a share, in like period of preceding year.

Consolidated income account of United States Steel Corp. and subsidiaries for the quarter ended June 30

	1959	1958	1957
Earn. per com. sh.[1]	$2.64	$1.25	$2.04
Prods. & serv. sold	1,448,743,088	863,067,790	1,170,314,575
Employment csts	[2] 537,192,779	[3] 351,403,364	[2] 471,930,037
Prods. & serv. bght	479,197,322	287,627,857	353,667,006
Depr., depl., etc	82,859,652	49,639,839	74,727,045
Interest, etc	4,447,377	1,638,271	1,819,412
St., local tax, etc	32,682,765	24,534,408	36,227,876
Income taxes	164,000,000	75,000,000	116,000,000
Net income	148,363,193	73,224,051	115,943,199
Preferred divs	6,304,919	6,304,919	6,304,919
Com. divs	40,440,272	40,326,189	40,315,742
Surplus after divs	101,618,002	26,592,943	69,322,538
Common shares	53,909,362	53,763,452	53,733,047

Consolidated income account of United States Steel Corp. and subsidiaries for the 6 months ended June 30

	1959	1958	1957
Earn per com sh [1]	$4.50	$2.29	$4.07
Prods & ser sold	2,256,331,380	1,663,141,814	2,336,798,683
Employ costs	[2] 1,004,415,979	[3] 705,041,042	[2] 932,177,467
Prod & ser bght	799,548,028	545,129,835	740,798,452
Depr, depl, etc	135,027,242	94,730,032	143,076,647
Interest, etc	8,925,646	3,265,860	3,654,654
St., local tax etc	54,465,989	43,324,315	53,670,135
Income taxes	269,000,000	136,000,000	232,000,000
Net income	254,948,496	135,650,730	231,421,308
Preferred divs	12,609,838	12,609,838	12,609,838
Common divs	80,850,266	80,643,903	80,606,846
Surplus aft divs	161,488,392	42,396,989	138,204,624

[1] After preferred dividend requirements.
[2] Includes provision for pension costs.
[3] No provision made for funding of noncontributory pension costs, which if made on the same basis as in other years would have amounted, in the 6 months, to approximately $58,000,000 before income taxes and $27,800,000 after taxes.

[From the New York Times, July 29, 1959]

BLOUGH REPORTS PEAK STEEL SALES—OUTPUT AND SHIPMENTS ALSO SET RECORDS FOR QUARTER—PROFITS $148 MILLION

(By Jack R. Ryan)

The United States Steel Corp., the Nation's largest steel maker, reported yesterday record profits and sales for both the second quarter and the first half of this year.

"Big Steel," whose plants have been idle since July 15 in the strike, also made and shipped more steel in the last 3 months than ever before in a quarter.

Roger M. Blough, chairman, announced these results following a directors' meeting. The usual dividend of 75 cents a share was declared on the common stock, payable on September 10 to stockholders of record on August 7.

Net income for the second quarter was $143,363,193, equal to $2.64 a common share This compared with $73,224,051, or $1.25 a share, for the same period last year, when the industry was beginning to recover from the recession. Sales of $1,448,743,088 compared with $863,067,790. The company's previous high earnings were in the second quarter of 1957. They amounted to $115,943,199, or $2.04 a share.

REFLECT STOCK BUILDING

The peak earnings in the latest period reflected not only the rising demand for steel for manufacturing needs as general economic activity increased, but also efforts of steel consumers to build stocks in advance of the long-expected strike.

The corporation's net profits for the first 6 months were $254,948,496, or $4.50 a share, compared with $135,650,730, or $2.29 a share, for the like period last year. The previous half-year record was $231,421,308, or $4.07 a share, for the first 6 months of 1957. Sales in the last half were $2,526,331,380, against $1,663,141,814 for the comparable 1958 period.

"The earnings of the steel industry are not in any way excessive," Mr. Blough said at a news conference. "Its shipments in the latest quarter increased an estimated 82.1 percent over those of the same quarter last year—and when we have an increase like that, I would think something was definitely wrong if we didn't have an increase in earnings.

"A number of companies in other industries have reported comparable increases in earnings."

Big Steel's profits return on sales was 10.2 percent in the latest quarter, against 8.5 percent for the same months last year. This was the highest return reported since the corporation began keeping quarterly rate-of-return records in 1943. But it was far below the annual rates reported in the World War I years when armament demands were heavy and income taxes much lower. The 1916 rate, for example, was 30.1 percent.

DAILY STRIKE COSTS FIGURED

Mr. Blough declined to guess how long the steel strike might last. But in answer to a query, he estimated that it was costing the corporation close to $3 million a day, taking into account shutdown and prospective starting-up costs and carrying charges, but not including losses in profits.

He estimated that the company's workers were losing about $4 million each working day in wages, and that wage losses for the whole industry were running at least $13 million a day.

Big Steel shipped 7,714,278 net tons of steel products in the second quarter this year, compared with the previous record of 7,056,140 tons delivered in the second quarter of 1955. For the first half this year, shipments were 13,504,853 tons, compared with 8,310,995 tons in the like period last year.

Its production of ingots and steel for castings was at a peak of 9,617,361 net tons for the latest quarter, representing steelmaking operations of 92 percent of capacity. In the same 3 months last year, production was 5,311,257 tons.

The company's income statement showed that its employment costs in the first half this year rose to $1,004,415,979 from $705,041,042 in the like 1958 period. However, during the recession months last year, the company made no provision for the funding of past service or current service noncontributory pension costs, which would have added $58 million to charges against income for the first 1958 half before the effect of income taxes.

The statement also showed cost of wear and exhaustion of facilities amounting to $135,027,242 for the latest half, against $94,730,032 for the first 6 months last year. Estimated domestic and foreign income taxes rose to $269 million from $136 million.

The earnings and dividend action were announced after the close of trading on the New York Stock Exchange. United States Steel common rose 37½ cents a share for the day to close at $104.25. The trend in other steel shares was mixed in a generally higher market.

[From the Washington Post, July 29, 1959]

UNITED STATES STEEL PROFITS, SALES SET RECORDS

NEW YORK, July 28.—Record sales and earnings for any 6 months in history were reported today by United States Steel Corp., the Nation's biggest producer.

Net income for the 6 months ended June 30 totaled $254,948,496, equal to $4.50 a share, compared with $135,650,730 or $2.29 a share in the like 1958 period.

The previous record for a 6 month period was in the first 6 months of 1957, when Big Steel earned $231,421,308 or $4.07 a share.

Roger Blough, chairman, accompanied the quarterly report with a statement the company would not raise steel prices regardless of the outcome of present steel negotiations, provided the settlement is voluntary and not mandated by a public authority.

In the second quarter this year United States Steel had the largest net income for any quarter—$148,363,193 or $2.64 a share. That compared with $73,224,051 or $1.25 a share in the second quarter last year and the previous record of $115,943,199 or $2.04 a share in the second quarter of 1957.

Directors declared a dividend of 75 cents a share on the common stock, the same as in previous quarters. It is payable September 10 to stockholders of record August 7.

Blough told a news conference, "earnings are not in any way excessive."

The top 20 steel companies to report first-half earnings so far, Blough said, earned 8.8 percent of sales. This compared with 8.2 percent in the first quarter of 1957, another good steel year. Blough said this was a very small gain.

United States Steel's earnings for the first half represented a return of 10.1 percent on record sales of $2,526,311,380. In the like 6 months last year, sales totaled $1,663,141,814.

[From the Washington Post, July 29, 1959]

STEEL PROFITS SOAR TO RECORD HIGH WITH 147-PERCENT JUMP OVER HALF OF 1958

(By Bernard D. Nossiter)

A record flood of profits poured from the Nations' steel mills in the first half of 1959, a survey yesterday showed.

Profits, after taxes, for 14 companies accounting for three-fifths of the industry's capacity jumped 147 percent over 1958. These net profits also were 23 percent above the old record first half of 1957.

The 14 companies, chosen because they have now reported their first-half earnings, netted $513 million. This compares with $207 million in the 1958 first half and $417 million in 1957.

The industry's leader, United States Steel Corp., with 28 percent of the steelmaking capacity, did handsomely. It netted $255 million, or 88 percent more than the $136 million last year.

United States Steel topped its old 1957 first-half record of $231 million by 10 percent. The big corporation came up in the 1959 first half with a rate of return on its net worth of 16.4 percent, or $1 of profit for every $6 invested.

This rate of return, however, was exceeded by 7th-ranking Inland Steel, which netted 19.5 percent on its investment; 5th-ranking National Steel (whose chairman is former Treasury Secretary George M. Humphrey) with 17.3 percent, and 10th-ranking Colorado Fuel & Iron, 17.2 percent.

The 14 companies tabulated included 8 of the top 10 and 10 of the 12 now bargaining with the United Steelworkers Union. The second- and third-ranking companies in the industry, Bethlehem and Republic Steel, will report their first-half profits in a few days.

President David J. McDonald, of the striking steel union, promptly cited the profits figures to back up his contention that the industry can afford wage increases without price increases. McDonald denounced the corporations at a New York press conference for raising what he called a phony inflation issue at a time when they are rolling in unprecedented wealth.

However, steel executives have said repeatedly that profits—calculated after deductions for depreciation—have not been big enough to replace higher cost plants and machinery and to expand the industry.

After United States Steel issued its profits report in New York yesterday, Chairman Roger M. Blough said:

"Whatever the length of the strike and whatever the eventual outcome of the negotiations—so long as they are voluntary—we in United States Steel do not intend to raise the general level of our steel prices in the foreseeable future."

But then Blough aded, "If events dictate a change in our situation next year, we will necessarily be required to take whatever steps are then indicated—but as of now we foresee no general increase."

INTERPRETED AS WARNING

Blough's emphasis on a voluntary settlement was viewed as a warning to the administration to keep its hands off the strike. Blough, it is said, was warning the Government that if it attempted to pressure a settlement, the industry would feel justified in charging a higher price.

Blough also said that his statement was one "to which we intend to adhere in the absence of an involuntary settlement mandated by some public body or authority."

In answer to reporters, Blough defined "voluntary" to mean being "left by ourselves."

Asked if his no-price-increase promise would hold good if the companies granted a voluntary wage increase, Blough replied: "That is our interpretation."

The record surge of first-half profits can be traced in part to the industry's high operating rate for customers stocking up in expectation of a steel strike. Throughout the 6 months, the industry's idle plant averaged only 12 percent as compared with 46 percent in the first half of 1958. However, the 1959 operating rate was 3 points under the 91-percent rate in the first half of 1957.

So, the gain in 1959 profits also reflects the industry's price increase and ability to cut costs through labor-saving machinery.

The industry has succeeded so well in modernizing that its break-even point—the percent of capacity at which it must operate to stay in the black—has been dramatically reduced. United States Steel's break-even point is now calculated at 24 percent. This means that the company could operate full blast for 3 months, shut down for 9 months and still show a profit.

On Capitol Hill, Chairman ESTES KEFAUVER (Democrat, Tennessee) of the Senate Antitrust Subcommittee, which has been investigating steel for 2 years, said the profit figures raise this question for which there is no public policy:

"How to effect an equitable distribution of productivity gains made possible by scientific progress."

KEFAUVER noted that both steel labor and steel management claim these gains, but that the consumer has a claim on them, too. In the past, KEFAUVER said, competition solved this through price cuts, but now there is no price competition in steel and other concentrated industries.

KEFAUVER in a recent broadcast raised the prospect of a further inquiry into steel and administered prices.

As handsome as was United States Steel's 88-percent gain over 1958's first half, other steel makers did far better. Fourth-ranking Jones & Laughlin, with a $42 million net, was up 642 percent; National, with $39 million in profits, was up 282 percent; Inland, with $42 million, was up 110 percent; eighth-ranking Armco, with $51 million, was up 141 percent; sixth-ranking Youngstown

Sheet & Tube, with $29 million, was up 267 percent.

Four of the top 10 earned more in 6 months in 1959 than they did in all of 1958. These four were Jones & Laughlin, National, Youngstown, and Colorado Fuel & Iron.

[From the New York Times, July 29, 1959]

TEXTS OF BLOUGH AND MCDONALD STATEMENTS

Following are statements issued about the steel strike situation yesterday by Roger M. Blough, chairman of the board of the United States Steel Corp., and David J. McDonald, president of the United Steelworkers of America:

BLOUGH'S STATEMENT

"For the sixth time since the end of World War II, the Steelworkers' Union has called a nationwide strike to enforce its demands for an inflationary wage settlement.

"Like all strikes, this one will be settled sooner or later—and we all sincerely hope it will be sooner. Like other strikes, this one involves differences over wages, fringe benefits, work rules, and similar issues.

"But it also involves more. It is a test of whether the steel industry, or any industry in present-day America, can successfully resist the enormous power that has enabled our modern labor unions to exact—frequently with the aid of Government—inflationary wage increases from one industry after another—round after round—throughout these 14 years.

"In the past, when strikes have been settled, the settlement has been followed by an increase in the general level of steel prices where competitively feasible. This has been dictated by good business judgment as an attempt to recover the increased employment costs incurred and to provide revenues to offset the inevitable increase in other costs involved in operating a business.

"Idea called mistaken

"Many people mistakenly believe that a steel wage increase would not be inflationary if it did not result in an increase in steel prices; and thus we hear much debate about whether the companies could afford to boost wages and benefits another notch.

"But the fact is, of course, that whether steel prices rise or not, inflationary wage increases in construction, motors, steel, oil, or other major industries ripple out over the entire economy as other unions strive to catch up to the new, high level. And as these rising employment costs spread, they force higher costs and higher prices everywhere, for employment costs—direct and indirect—represent more than three-fourths of all production costs in American industry. Taxes, too, inevitably rise with other costs, for much of tax revenue finds its way into employment costs.

"The ripple effect of rising wage costs is still in evidence. There have been a number of wage increases so far this year, many of which are of a catch-up nature; and there are certain to be many more if the demands of the Steelworkers' Union prevail. This is because the average earnings of steelworkers are already about $7 a day higher than the average earnings in all manufacturing industries. And any increase which widens this gap will tend to pull up wages, production costs, and prices in every other industry.

"That is why we in the steel industry have sought and bargained for a settlement that would involve no increase in employment costs—or at least sustainable ones which could be met—in the end—by the elimination of wasteful practices arising out of various provisions in our old labor agreements.

"Price rises opposed

"And that is why 3 months ago I said that it was not the intention of United States Steel to change the general level of our prices in the foreseeable future and that I earnestly hoped future events would enable us to maintain this position.

"Now we would like to go further. In the hope that removing any doubt as to the intentions of our company with respect to price will be helpful to the successful conclusion of the present strike-bound negotiations, we believe it is timely for United States Steel to make this further statement—a statement to which we intend to adhere in the absence of an involuntary settlement mandated by some public body or authority. And the statement is this:

" 'Whatever the length of the strike, and whatever the eventual outcome of the negotiations—so long as they are voluntary—we in United States Steel do not intend to raise the general level of our steel prices in the foreseeable future.

" 'We believe that competitively this is no time to raise prices. We know that employment costs abroad are but a fraction of our own. We know that imports of foreign steel and products made from such steel are increasing. And we know the tough competition that steel faces from other materials produced domestically. These things alone would dictate a hold-the-line position on prices.

" 'We believe, therefore, that the long-range interests of all employees and our customers and stockholders will best be served by this policy.

" 'If events dictate a change in our situation next year, we will necessarily be required to take whatever steps are then indicated—but as of now we foresee no general increase.'

"Link to union's demands

"We realize that this hold-the-line position has a direct bearing on the demands of the union because we intend to continue to negotiate in the context of that position.

"We also realize that except in periods of extreme demand, every company in an industry such as steel must meet the lowest price of its competition, and that the force of competition will thus deter other steel companies from seeking price relief.

"Understandable as other attitudes may be, we believe that our Nation faces a number of serious problems today, not the least of which is wage inflation. All of us in United States Steel, stockholders and all employees alike, share with our fellow Americans in every walk of life the responsibility to help to combat further inflation with the resources at our command. And we hope that by this action we may aid others in their desire to combat the seemingly irresistible pressure for ever higher wages and prices."

M'DONALD'S STATEMENT

"Astronomical profit figures being reported by steel firms—capped today by the remarkable record reported by United States Steel—completely demolishes the excuse the companies have used to force this shutdown.

"How can they possibly justify the phony inflation issue at a time when they themselves are rolling in unprecedented wealth? How can they justify, in good conscience, a heartless denial of needed benefits to their workers who have produced this mammoth pile of profits?

"May I point out that cost-of-living figures reported by the Federal Government last week are also at alltime highs and moved upward arm in arm with steel industry profits. And I would also like to note that record highs in cost-of-living and steel income came after a period of 13 months when regular steelworker wages were at a standstill and could not possibly have contributed to the so-called wage-cost push steel spokesmen talk about to bewilder steelworkers and the American people.

"Try as they might these companies can no longer justify the role they have assumed as saviors against inflation. Their stand is utterly ridiculous in light of a profit record that has been swollen with unjustified price increases and the increasing productivity of their workers.

"Now that this phony position has been exposed by profit figures spread on the record for all to see I am sure the American people will agree that the men of the mills have been forced into the streets by a cold-blooded plan of an industry that wanted and planned this shutdown for its own selfish reasons."

SAFEGUARDING BENEFITS OF INCOMPETENT VETERANS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6319) to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans.

PRODUCTION OF DOCUMENTARY EVIDENCE IN CIVIL INVESTIGATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 446, S. 716.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 716) to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes, which has been reported from the Committee on the Judiciary with amendments.

The PRESIDING OFFICER (Mr. CANNON in the chair). Let the Chair announce that, pursuant to the agreement which previously has been entered into, during the further consideration of Senate bill 716, the time is subject to the limitation which has been ordered.

Mr. DIRKSEN. Mr. President, is the Senate still proceeding in the morning hour?

The PRESIDING OFFICER. No.

Mr. KEFAUVER. Mr. President——

Mr. MANSFIELD. Mr. President, I ask unanimous consent that notwithstanding the agreement which has been entered, the Senator from Tennessee [Mr. KEFAUVER] be permitted to speak at this time for 7 minutes, as if in the morning hour.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EUGENE MEYER

Mr. KEFAUVER. Mr. President, I should like to have the privilege of joining several of my colleagues in paying tribute to the late Eugene Meyer, chairman of the board of the Washington Post Co.

Mr. Meyer, as publisher of one of the better newspapers in the United States, believed that truth was a most effective instrument against the schemes of those

who would distort the practices of good government.

Under his guidance, the Washington Post gained tremendous stature here and throughout the Nation as a newspaper of repute.

I am sure his career will serve as an inspiration to all of us in Government, as well as to the newspaper profession and, indeed, to people in all walks of life who cherish an honest press.

Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee.

BRINKMANSHIP IN STEEL

Mr. KEFAUVER. Mr. President, the July 17 issue of Commonweal has a thoughtful and perceptive editorial entitled "Brinkmanship in Steel." Commonweal, which is edited and published by Catholic laymen, is one of the most respected of American periodicals, and is noted for temperance and fairness. It is my belief that the editorial very helpfully summarizes the situation in the controversy between the steel industry and the union. I particularly desire to bring attention to the concluding paragraph, which reads as follows:

If "holding the line" on prices and wages is so crucial, management could show the way by a declaration that capital will also cooperate by foregoing any increase in return on investment and that all profits over the average of the last 3 years will be turned instead into lower prices for steel. Such a policy would improve steel's competitive position in relationship to foreign imports and alternative domestic products, and it would represent an anti-inflationary step that both steelworkers and the public could understand.

I ask unanimous consent that the editorial be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRINKMANSHIP IN STEEL

President Eisenhower does not consider the present labor-management deadlock in steel as a "national emergency" in the Taft-Hartley meaning of that phrase, but he is obviously concerned with the effect a strike could have on the national economy and the common good. For weeks it has been reported that high administration officials, including Vice President NIXON and Secretary of Labor Mitchell, have been active behind the scenes in an effort to find a solution acceptable to both sides, even though the Federal Government has not officially intervened in the dispute. And the negotiations continued beyond the original strike deadline only as a result of Mr. Eisenhower's exhortation that both sides "continue to bargain without interruption of production until all the terms and conditions of a new contract are agreed upon."

We share the President's concern. Indeed, we are quite surprised at the equanimity with which some commentators seem to view the prospect of a nationwide strike, just when the economy really seems to be heading upward from the 1958 slump. And we think the public is at this point entitled to ask for some display of statesmanship by management as well as labor.

Significantly, sharp criticism of management's conduct of the current negotiations was recently expressed by Iron Age, an influential trade magazine which reflects the views of part of the steel industry itself. This year, said Iron Age, the major steel companies are determined to "make up quickly what has been bargained away in the past 18 years." This effort to withdraw concessions previously won by the union over many years represents an exercise in industrial "brinkmanship," the magazine warned, and the results are likely to be "labor troubles galore" in the months and years immediately ahead.

Enough information is available about the progress of the steel negotiations to indicate that Iron Age is hardly exaggerating. The union is not in the strongest position in the world. One hundred thousand jobs have been eliminated by automation, and more will be. Rank-and-file sentiment for a strike is not strong, although a strike call will undoubtedly be honored if it comes. Management officials, on the other hand, seem much more unconcerned about the prospect of a strike—perhaps because advance buying of steel has put them in a very strong position, as indicated by profit figures for the early part of 1959 as compared with 1958. First-quarter profits of United States Steel, for example, were well over $100 million, as compared with $62 million last year; Bethlehem doubled last year's $24 million; and Republic profits went from $8 million to $26 million.

The union says wages and benefits can be increased out of current high profits without any rise in prices. Management wants the union to accept the status quo without any increases in wages or fringe benefits; in addition, it wants the union to accept important changes in working agreements and in the provision for a cost-of-living escalator won in previous years. Since these management demands would involve substantial losses, it is hard to believe that management really expects union officials to accept them. When these facts are coupled with management's refusal to continue bargaining with all contract changes to be retroactive to the original deadline, the conclusions drawn by union officials must be clear: their choice is unconditional surrender or strike.

Like Iron Age, we think that in these negotiations steel management is making a serious mistake which will have costly consequences for the Nation and, in the years ahead, for the steel industry itself. The haste with which the union seized upon President Eisenhower's face-saving proposal that bargaining be continued indicates how little taste the union has for a strike. If the issue is strike or surrender, we do not doubt that the men will strike. But the issue need not and should not be put in such stark terms for either side.

If "holding the line" on prices and wages is so crucial, management could show the way by a declaration that capital will also cooperate by foregoing any increase in return on investment and that all profits over the average of the last 3 years will be turned instead into lower prices for steel. Such a policy would improve steel's competitive position in relationship to foreign imports and alternative domestic products, and it would represent an anti-inflationary step that both steel workers and the public could understand.

THE STEEL STRIKE DEADLOCK

Mr. KEFAUVER. Mr. President, it is probable that the most serious economic problem facing this Nation today is the steel strike deadlock.

Negotiations, mediation, and fact-finding swim around before the public's eye. In full-page advertisements placed by labor and management, each argues that the other is wrong.

In the midst of this impasse, the public interest founders and the consumer wonders.

When the smoke has cleared away, will John Q. Public's pocketbook feel another whack?

Will the prices of paperclips and pots and pans and pumps and power-mowers and everything else that John Q. Public must buy climb another rung on the ladder of inflation, when the sound and fury have subsided?

Why are big steel and the steelworkers locked in this gigantic wrestling match, each with an identical hammerlock on the other, and both now lying in an exhausted tangle on the mat?

What are the conflicting positions of labor and management which have produced this desperate draw?

Management rests its case, essentially, on the assumption that the time has come to halt what it calls "inflationary wage increases." Management also says that it must have higher profits, in order to finance future expansion in the industry.

Labor bases its case largely upon the assumption that the steel companies can easily afford to grant a wage boost, without incurring an increase in costs, because of the increase in labor productivity. Labor also believes the profits of the steel companies are excessive, and wants a share in those profits.

Both sides contend that they have the consumer's interests at heart.

Management claims it is protecting the consumer, by restricting what it terms "inflationary" wage increases.

Labor argues that management, in so doing, is simply pocketing the gains made possible by the labor productivity increase.

Many people are saying many things about "finding the facts."

Let me take this occasion to review some of the clear-cut facts that exist in this big steel dilemma.

First, as management maintains:

First. Apart from the hourly earnings in the bituminous coal mining industry, miscellaneous building and construction trades, and the flat glass industry, hourly earnings in the steel industry are higher than those in any other American industry.

Second. Since World War II, the upward trend of hourly earnings in the steel industry has exceeded the advance in man-hour productivity, with the result that unit labor costs have risen.

Third. During 1959, hourly earnings in the steel industry have continued to rise—from $3.04 an hour, in January, to $3.10, in April.

Fourth. We are losing our foreign markets for steel. Import tonnage this year is running ahead of exports for the first time in a generation.

But also, as labor maintains:

First. There has been a substantial increase in labor productivity, amounting to about 3 to 4 percent a year.

Second. Although the upward trend in hourly earnings in the steel industry since World War II has been more pronounced than the increase in the industry's man-hour productivity, the resultant rise in unit labor costs has been substantially exceeded by the increase in

steel prices. For example, the price increase in 1957 was twice the increase in costs resulting from the wage boost.

Third. In the first quarter of 1954 and the first quarter of 1959, the United States Steel Corp.'s operating rate was about the same—around 80 percent; but its profits per ton, after taxes, rose from $8.07 to $18.41, and its rate of return on the stockholders' investment rose from 7.9 percent to 13.7 percent.

Fourth. At present cost and price levels, the United States Steel Corp. could operate less than one-third of its plant, could leave the remainder of its capacity idle, and still would not lose money.

Another fact, which has been made known only today, is that a record flood of profits poured into the Nation's steel mills in the first half of 1959. Profits, after taxes, for 14 companies which account for three-fifths of the industry's capacity, jumped 147 percent over those in 1958. These net profits were also 23 percent above the old record profits in the first half of 1957.

Net first half earnings of these 14 companies in 1959 were $513 million, compared with $207 million in 1958's first half and $417 million in 1957's first half.

The industry's leader, United States Steel, with 28 percent of the steel making capacity, did handsomely. It netted $255 million, or 88 percent more than the $136 million it netted for the same period last year.

Mr. President, Bernard D. Nossiter, able economics writer for the Washington Post, reports this information in today's issue of his newspaper.

My colleague, Senator HUMPHREY, has placed Mr. Nossiter's article in the RECORD. I call further attention to this article as a clear exposition of the facts.

Mr. President, we are now face to face with a fundamental problem in the steel industry which, in the future is going to confront us increasingly in other industries.

The problem: How to effect an equitable distribution of productivity gains made possible by scientific progress.

Labor claims these gains. It argues that it is labor which is displaced by technological progress.

Management bases its claims on the need for the installation of new and better machinery and equipment. It argues that this requires greater profits.

But the consumer has a claim, too. John Q. Public, who must buy the thousand and one items made of steel, argues that there is no purpose to scientific progress in industry unless it eventually results in lower prices or better products.

Our public policy toward industry in the past has been based on the theory of competition. It is assumed, under this policy, that as soon as any firm in a competitive industry makes an improvement which reduces its costs, it will make a corresponding reduction in price. The other firms will either have to make the improvement themselves or lose their business to the innovator.

The pioneering company gains the reward of increased business, at least for a time, while the consumer receives the benefit of the innovation in the form of a lower price.

But where there is no price competition, as in the steel industry, this theory simply cannot be applied.

The problem that faces us today is one for which there is no existing public policy. It is the question of how to bring about an equitable distribution of technological gains in noncompetitive industries. It is essentially a brand new problem. It is a problem which the whole Congress must face up to.

My own personal inclination is that the consumer, as in competitive industries, should continue to be the principal beneficiary of technological progress, with, however, appropriate rewards for both labor and management. Translated into the context of the present steel controversy, I believe there is ample room, without an undue reduction in profits, for a price reduction, together with a small increase in wages, preferably in the form of an increase in pensions, which would give greater time to enjoy life to the older workers and greater opportunity to the younger ones.

But even if there were general agreement that this was, in fact, the desirable public policy, there is no way of assuring that it would in fact be put into effect. This is the problem which the Subcommittee on Antitrust and Monopoly has been exploring in its administered price hearings and for which a solution must be found.

"VOICE OF FIRESTONE" LOSES TRADITIONAL MONDAY NIGHT HOUR

Mr. LAUSCHE. Mr. President, I yield 5 minutes to the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, our military services withhold casualty lists from the press until next of kin have been notified. It would seem from a Federal Communications Commission hearing last week that at least two of our television networks do not operate that way.

The first news Firestone Tire & Rubber Co. had that ABC was taking away its traditional Monday night time for "Voice of Firestone," an official told the FCC examiner, came when a New York Times reporter called to get comment in February 1959 on an ABC news release listing "Adventures in Paradise" at the usual Firestone hour.

Similarly, the first tip the company had in 1954 that NBC had other ideas for the Monday night at 8:30 spot, another official testified, came from an Akron Beacon-Journal TV columnist inquiring about a rumor that Sid Caesar would appear at the Firestone hour.

A. J. McGinness, national advertising manager for Firestone, conceded, when asked, that he thought the NBC action "arbitrary." He based that on his belief that an earlier NBC president had promised his company that time slot indefinitely and his feeling that the word of one president of a corporation should bind the corporation even if it had a new president.

Both McGinness and his superior, Charles B. Ryan, Firestone's director of advertising, merchandising, and sales promotion, seemed to think that NBC also should have considered the fact that Firestone had spent $40 million with NBC over 25 years, that Firestone had developed the largest live network on the air—90 stations, that Firestone had signed the first TV contract, and that Firestone had helped NBC grow. Mr. Ryan said that he was shocked, astonished, and surprised, even though he might not have argued with NBC that Arthur Godfrey was clobbering the "Voice" in the ratings.

Mr. McGinness conceded freely that ABC in February of this year had a legal right to force Firestone out of its time spot, because his company had reduced its 52-week contract to 39 weeks, but he thought the press release February 22 was a peculiar way to notify a friend or client.

He would not say the ABC action was arbitrary, when asked, "just peculiar."

Last Tuesday's hearings, in which Firestone officials explained that they were appearing—with records—at the request of the FCC was full of other fascinating revelations of life in the jungles of television. The Firestone people said they had "no ax to grind" with the networks.

The testimony indicated strong loyalty by the owners and employees of the Firestone Co. to its musical program, "The Voice of Firestone," which began presenting opera and symphony on NBC radio in 1928, NBC TV-radio in 1949, and ABC TV-radio in 1954. They turned down "Disneyland," "Sid Caesar," "Lawrence Welk," "Wichita Town," and "River Boat" at various times. Mr. Ryan and Mr. McGinness of merchandising confessed they had weakened when offered first chance at introducing "Disneyland" in 1954, but that the management had preferred to stick with "Voice of Firestone."

The idea of Davy Crockett records in every Firestone retail store, with Disney characters at Christmastime, while continuing the quality program idea, still with educational overtones, was exciting to a merchandising man, Mr. Ryan said.

Generally, however, the two sales experts agreed with the management that the "Voice of Firestone" over the years was the proper program for national radio-TV advertising aimed to accomplish these things, according to Mr. Ryan:

1. To create a good corporate image of the Firestone Tire & Rubber Co.

2. To create an acceptance of our products.

3. To sell our products through our outlets.

There was evidence in the FCC hearing that the networks executives from time to time advocated the "Voice" program as the best way for Firestone to spend its money and said it added to network prestige and helped balance programing.

The program apparently sold tires too. At least, Mr. Joseph Thomas, vice president, secretary, general counsel, and a

director of the Firestone Co., said total sales increased from $975 million in 1951 to $1,158 million in the peak year of 1957, and $1,061 million last year.

Mr. Thomas said the board of Firestone took a serious look at the situation in 1954 when Mr. Ryan recommended a Disneyland, but found the "Voice of Firestone" a program of great acceptability.

He said:

Among its listeners were individuals who controlled large purchases of rubber products and large purchasers of rubber tires. In remaining steadfast with our pioneer founder we have adhered to a quality show for a quality product and a quality name.

My particular interest in the testimony which the FCC heard last week centers around the question of TV-radio ratings which the Senate Interstate and Foreign Commerce Committee has been investigating for some time.

The various Firestone officials were quite cognizant of ratings, their testimony indicated. Mr. Ryan said he knew that the various TV rating services did not place the "Voice" program high, that he still felt it was a good advertising investment.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MONRONEY. Mr. President, will the Senator yield me 2 additional minutes?

Mr. LAUSCHE. I yield 2 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 2 minutes.

Mr. MONRONEY. Mr. President, the Monday night "Voice" time was preempted by NBC, he said he understood, because the "Voice was being clobbered by Arthur Godfrey" at 8:30 and it was impossible to sell the following time period, despite the fact that not long before NBC had urged continuance of Voice of Firestone, on the basis that although it would never attain high ratings, its quality audience and its loyal audience were good for both Firestone and NBC.

Firestone officials did not indicate complete agreement with rating service listings of the "Voice" show. From an independent survey by Psychological Corp. of New York in which 10,000 people over the Nation were interviewed in contrast to what he said was the 750-person sample of the Neilsen rating service at that time, Mr. Ryan said they were convinced that more than half of the TV-radio listeners heard the "Voice" regularly or occasionally. The survey listed 19.2 percent as listening once a week, and 35.6 percent occasionally, at least once every 2 months, or oftener. They concluded they were reaching a sizable section of the American public.

Vice President Thomas and Mr. Ryan both told of the time nearly 100,000 letters were received in reaction to one "Voice of Firestone" program, featuring a young girl's essay, "I Speak for Democracy." Mr. Ryan thought the response showed more listeners than rating services had indicated.

Firestone's dislike of time after 10 o'clock or time on Sunday afternoon, however, seemed to be based largely on ratings. Mr. Ryan quoted an ARB study indicating that whereas 67.5 percent of the TV sets are in use from 9 to 9:30 p.m. the number drops off to 35 percent at 10:30 to 11 o'clock, and another ARB study estimating that 28.9 percent of the sets are in use on Sunday from 5 to 6 p.m., another time period offered Firestone. Another reason for wanting a period earlier than 10 p.m. was information that schoolchildren listened.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has again expired.

Mr. LAUSCHE. Mr. President, I yield 1 minute to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, Mr. Howard Barlow, conductor of the "Voice" declared that there "is a far greater segment of population interested in music than is generally known," and declared the "Voice" has "had a share in promoting interest and love of better music throughout the country."

He quoted a BMI survey estimating that 30 million Americans are engaged in some kind of musical activity. In 1915, he said, there were 10 major orchestras in the United States. Now there are 1,055 major symphony orchestras with budgets over $100,000, and 30,000 symphony orchestras that buy and play symphonic music, with 70,000 school bands, and 700 opera companies actively engaged in producing opera.

More money ($5 million a year more) is spent on concert tickets than on baseball tickets—

Conductor Barlow told the FCC.

The more detailed story of the Firestone saga in television adds materially to my conviction that there is a TV audience in this country for quality programs that advertisers of quality products need to reach, notwithstanding ratings.

Mr. YARBOROUGH. Mr. President, will the Senator yield 3 minutes to me?

Mr. LAUSCHE. Mr. President, I yield 3 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes from the time on the bill.

OUR NATIONAL HEALTH MUST BE GUARDED AGAINST RADIATION

Mr. YARBOROUGH. Mr. President, our country has just begun to learn about the dangers of radiation.

Recently, news articles have told how radioactive waste has dangerously polluted some of our Nation's streams. And radiation is reaching our bodies in hundreds of other ways daily. The Atomic Energy Commission recently issued a preliminary order to allow dumping of radioactive wastes in the shallow waters inshore on the Gulf of Mexico.

Some of the agencies which work with radioactive materials are now held responsible for protecting the public only from an overdose of radiation resulting from that agency's activities. There is not now any one agency responsible for the overall protection of the public.

Scientists tell us radiation can affect generations 100 and 200 years hence. We need to be sure the public health is being protected.

For this reason, I am supporting a proposal by the distinguished Senator from Alabama [Mr. HILL] and by Representative KENNETH ROBERTS, of the same State, to make the U.S. Public Health Service responsible for safeguarding our people against the hazards of all types of radiation.

Mr. President, I desire to read into the RECORD an editorial from the St. Louis (Mo.) Post-Dispatch, reprinted in the Austin (Tex.) American for July 24, 1959, entitled "AEC Fails in Health Guard on Radiation." The editorial, which was published in both the St. Louis Post-Dispatch and the Austin American reads as follows:

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. YARBOROUGH. Mr. President, I ask the Senator to yield me 2 more minutes.

Mr. LAUSCHE. I yield 2 more minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 more minutes.

Mr. YARBOROUGH. The editorial reads:

The best argument for making the U.S. Public Health Service responsible for protecting the public health against radiation hazards come from the Atomic Energy Commission's own unfolding record of the way it has responded to this responsibility. We believe the AEC has now demonstrated its inadequacy sufficiently to make the case for the Public Health Service clear and unmistakable.

That the work must urgently be done, whatever the agency that does it, is beyond question. By its own account the AEC is obviously not doing it. The Commission lacks adequate jurisdiction and enforcement powers. It has no one directly in charge of its program for measuring the extent and hazards of radioactive fallout from weapons tests. Only two persons in the AEC organization are working full time on the fallout research program, Project Sunshine, now in its sixth year. A key official of AEC frankly described Project Sunshine as "makeshift." Even the makeshift is rendered further ineffective by what still another AEC official calls its predominant problem of administrative confusion. There is no head.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that I may proceed for an additional half minute.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. YARBOROUGH. Mr. President, the editorial concludes:

To implement the recommendations of the National Advisory Committee on Radiation, Senator LISTER HILL, of Alabama, has introduced a bill which would authorize the Surgeon General, in consultation with State and local health authorities, to develop uniform standards of radiation protection and to submit to Congress a program covering all manmade sources. Acceptable levels would be set for radioactivity in milk, in other foods, and in the atmosphere.

ORDER OF BUSINESS

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Is time being allocated from the time on the bill?

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. How much time has been used?

The PRESIDING OFFICER. Seventeen minutes remain for the proponents, and 28 minutes remain for the opponents.

Mr. LAUSCHE. Mr. President, how many minutes remain for the proponents?

The PRESIDING OFFICER. Seventeen minutes.

Mr. SPARKMAN. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from Alabama.

PRODUCTION OF DOCUMENTARY EVIDENCE IN CIVIL INVESTIGATIONS

The Senate resumed the consideration of the bill (S. 716) to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes.

Mr. LAUSCHE. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time consumed be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. The proponents have 17 minutes remaining.

Mr. KEFAUVER. Mr. President, the proposed legislation in Senate bill 716 as favorably reported by the Judiciary Committee would enable the Attorney General or the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice to obtain documentary evidence needed in civil investigations for the enforcement of the antitrust laws in civil cases.

The bill gives authority to the Attorney General or the Assistant Attorney General in charge of the Antitrust Division to issue a civil investigative demand requiring any person other than a natural person to produce documentary material for examination whenever there is reason to believe that such a person has in custody material pertinent to any civil antitrust investigation. The demand so issued is required to be in writing and to set forth the nature of the conduct constituting the alleged antitrust violation which is under investigation and to cite the provision of the antitrust laws believed to be violated. The civil demand is required to describe the documentary material to be produced with such definiteness and certainty as to permit such material to be fairly identified and to name the date by which compliance must be made, provided that such time limit shall give a reasonable period of time for the assembling and production of the material demanded. The civil demand must also identify the custodian designated in the Department of Justice to whom such material is to be delivered and the place for such delivery.

Under the provisions of the bill, the sufficiency of the civil demand issued may be tested by a petition filed in the district court in which the office of the custodian designated is located, seeking an order of the court to modify or to set aside the demand. The sufficiency of a civil demand is to be determined by the court upon the same test as is applied by the courts to a subpena duces tecum issued by a court of the United States in aid of a grand jury investigation of an antitrust violation. The bill expressly provides that a civil demand may not require the production of any material which would be privileged from disclosure if the same material were demanded in such a subpena duces tecum in aid of a grand jury investigation.

Service of a civil demand on a person who is believed to have such documentary material is provided for in the same general manner as the service of complaints in civil cases in Federal district courts.

In order to make certain the material received by the Department of Justice under a civil demand is properly preserved and the rights of the owner of such material are protected, the legislation would require the Assistant Attorney General in the Antitrust Division to designate a custodian of such records. Such a custodian would be responsible for the preservation of the documents and the bill provides a penalty which can be enforced by the owner of the documents in the district court if such custodian should not conform to the requirements of the bill with respect to the custody and handling of such documents.

Such material obtained under a civil demand may be used before any court, grand jury, or antitrust agency in any case or proceeding involving any alleged antitrust violation. The bill also provides that nothing in the bill shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress. This provision in the bill does not require the Attorney General to make the documentary material available to the Judiciary Committees of the Congress but prevents the bill from barring the Attorney General's making such material subject to examination by the Judiciary Committees of the Congress.

It is not required, of course, that the Attorney General make it available. Many of us felt that it should be required, but the situation is left as it is at the present time. It is within his discretion. In a proper case he might wish to make some material available to the Judiciary Committee of the Senate or the House. He is not precluded in this bill from doing so.

The Attorney General and the custodian are barred from subjecting the material to examination by any person other than an employee of the Department of Justice or any other antitrust agency and the person from whom the documents were obtained.

Upon the conclusion of any such antitrust case or proceeding, the documents produced, not including copies made by the Department of Justice, which has not passed into the hands of a court, grand jury, or other antitrust agency, shall be returned by the custodian to the person producing the documents under the civil demand.

The bill provides for the enforcement of civil investigative demands by a petition filed by the Attorney General in the district court for an order of the court requiring compliance with the demand. Disobedience to any final order issued by the court may be punished as a contempt of the order. Also, any willful obstruction of the antitrust civil process as provided in the bill would be punishable by a fine of not more than $5,000, or by imprisonment for not more than 5 years, or both. Such an obstruction must be done with "intent to avoid, evade, prevent, or obstruct compliance" with any civil investigative demand made pursuant to the bill. Mr. President, I believe that S. 716 will meet a long-existing need for such legislation. Under existing law, when the Department of Justice believes that the antitrust laws are being violated and that a civil case is more appropriate than criminal prosecution, and the Department does not have sufficient facts with respect to the nature of the violation, it can proceed only in one of four ways, neither of which appears to be satisfactory. It may seek voluntary cooperation from those who are believed to be in violation of the law, but this is not a satisfactory method upon which to depend for the enforcement of the law. The subcommittee was advised by the Assistant Attorney General in the Antitrust Division during hearings on the bill that in many cases such voluntary cooperation is not received.

The Department may hold a grand jury investigation and use subpenas duces tecum in order to obtain the needed documentary material, as it is doing in some grand jury cases now pending. It appears to be a harsh method of obtaining evidence for use in civil cases to subject people to grand jury investigations when a civil case only is anticipated. Furthermore, such procedure is expensive to the Government and tends to delay the prosecution of civil cases. Also, the courts generally look with disfavor on the use of grand jury investigations for the sole purpose of developing civil cases.

The third method of obtaining the information under existing law would be the Attorney General to request the Federal Trade Commission to conduct an investigation to obtain evidence upon which the Department of Justice would

proceed in a civil case. The regular use of this method would entail delay in action by the Department of Justice, subjecting the action by the Department to the ability of the Federal Trade Commission to make an early investigation. It would also disrupt the work of the Federal Trade Commission and divert its personnel and funds from the work of the Commission.

The fourth method which might be used by the Department under existing law would be to file a civil complaint based upon whatever information the Department had at the time and then undertake to obtain under the Federal Rules of Civil Procedure the information or documents which the Department should have had access to before a complaint is filed. This procedure is at best haphazard since the complaint originally filed may have been based upon facts which are not supported by the evidence when finally received, requiring amendments to the complaint and perhaps a dismissal of the complaint. In the latter instance, litigants would have been put to expense and trouble which should not have been caused by the filing of a complaint without sufficient knowledge of the facts.

The insufficiency of the methods of procedure under the present laws, heretofore mentioned, was clearly recognized by the Attorney General's National Committee To Study the Antitrust Laws as reported by it on March 31, 1955. This report recommended the authorization of the Attorney General by the Congress to proceed through civil demands, as provided in S. 716, in order that the Department of Justice could proceed in an orderly way to enforce the antitrust laws in civil cases. The wording of the Atorney General's report is set forth in the report of the committee now before the Senate.

In his Economic Reports to the Congress in 1956, 1957, 1958, and 1959, the President recommended that such authority be given to the Attorney General for the enforcement of civil antitrust cases. The Attorney General and the Assistant Attorney General in charge of the Antitrust Division believe that this authority would greatly strengthen the enforcement of the antitrust laws. They have testified vigorously, as has the Federal Trade Commission, in support of the legislation now proposed.

The Judicial Conference of the United States expressed its disfavor to any plaintiffs' pretending to bring charges in order to discover whether actual charges should be brought, and indicated its belief that this situation could be met without detriment to the enforcement of the antitrust laws in civil cases.

It appears evident that this bill meets this objection of the Judicial Conference by providing a method through which the Department of Justice can obtain proper documentary evidence before filing a complaint in civil cases. It provides effective investigative machinery which would be adequate for effective antitrust enforcement in cases where civil proceedings should be brought rather than criminal indictments.

Mr. President, I believe that the bill gives ample power to the Attorney General and at the same time gives adequate protection to those upon whom civil investigative demands are served. Such persons are given their day in court if there is any question in their mind as to the reasonableness or sufficiency of the demand made by the Department of Justice and the courts have authority to go so far as to dismiss such demands when the court is convinced that compliance with the demand should not be enforced.

Mr. President, I had intended in the beginning to ask that the committee amendments be agreed to en bloc. I do so now.

The PRESIDING OFFICER. Is there objection to agreeing to the committee amendments en bloc? The Chair hears none, and the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 35 line 17, after the word "entity", to insert "not a natural person"; on page 5, after line 14, to strike out:

"(e) Service of any such demand or of any petition filed under section 5 of this Act may be made—

"(1) upon an individual by (A) delivering a duly executed copy thereof to such individual personally, or (B) delivering such copy to his office or residence by leaving such copy with any individual of suitable age and discretion in his employment at such office or residing at his residence, or (C) depositing such copy in the United States mails, by registered or certified mail, duly addressed to his office or residence; and

"(2) upon a partnership, corporation, association, or other legal entity by delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any other agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity, by any of the means prescribed in paragraph (1)."

And, in lieu thereof, to insert:

"(e) Service of any such demand or of any petition filed under section 5 of this Act may be made upon a partnership, corporation, association, or other legal entity by—

"(1) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity; or

"(2) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity to be served; or

"(3) depositing such copy in the United States mails, by registered or certified mail duly addressed to such partnership, corporation, association, or entity at its principal office or place of business."

On page 8, line 19, after the word "agency", to insert "provided nothing herein shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress", and on page 9, line 23, after the word "subsection", to strike out "(e)" and insert "(c))", so as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Civil Process Act".

"DEFINITIONS

"SEC. 2. As used in this Act—

"(a) The term 'antitrust law' includes:

"(1) Each provision of law defined as one of the antitrust laws by section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 730, as amended; 15 U.S.C. 12), commonly known as the Clayton Act;

"(2) The Federal Trade Commission Act (15 U.S.C. 41 and the following);

"(3) Section 3 of the Act entitled 'An Act to amend section 2 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended, U.S.C., title 15, sec. 13), and for other purposes', approved June 19, 1936 (49 Stat. 1528; 15 U.S.C. 13a), commonly known as the Robinson-Patman Act; and

"(4) Any statute hereafter enacted by the Congress which prohibits, or makes available to the United States in any court or antitrust agency of the United States any civil remedy with respect to (A) any restraint upon or monopolization of interstate or foreign trade or commerce, or (B) any unfair trade practice in or affecting such commerce;

"(b) The term 'antitrust agency' means any board, commission, or agency of the United States (other than the Department of Justice) charged by law with the administration or enforcement of any antitrust law or the adjudication of proceedings arising under any such law;

"(c) The term 'antitrust order' means any final order of any antitrust agency, or any final order, decree, or judgment of any court of the United States, duly entered in any case or proceeding arising under any antitrust law;

"(d) The term 'antitrust investigation' means any inquiry conducted by any antitrust investigator for the purpose of ascertaining whether any person is or has been engaged in any antitrust violation;

"(e) The term 'antitrust violation' means any act or omission in violation of any antitrust law or any antitrust order;

"(f) The term 'antitrust investigator' means any attorney or investigator employed by the Department of Justice who is charged with the duty of enforcing or carrying into effect any antitrust law;

"(g) The term 'person' means any corporation, association, partnership, or other legal entity *not a natural person;*

"(h) The term 'documentary material' includes the original or any copy of any book, record, report, memorandum, paper, communication, tabulation, chart, or other document; and

"(i) The term 'custodian' means the antitrust document custodian or any deputy custodian designated under section 4(a) of this Act.

"CIVIL INVESTIGATIVE DEMAND

"SEC. 3. (a) Whenever the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, has reason to believe that any person may be in possession, custody, or control of any documentary material pertinent to any antitrust investigation, he may issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

"(b) Each such demand shall—

"(1) state the nature of the conduct constituting the alleged antitrust violation which is under investigation and the provision of law applicable thereto;

"(2) describe the class or classes of documentary material to be produced thereunder with such definiteness and certainty as to permit such material to be fairly identified;

"(3) prescribe a return date which will provide a reasonable period of time within

which the material so demanded may be assembled and produced;

"(4) identify the custodian to whom such evidence is to be delivered; and

"(5) specify a place at which such delivery is to be made.

"(c) No such demand shall—

"(1) contain any requirement which would be held to be unreasonable if contained in a subpena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation; or

"(2) require the production of any documentary evidence which would be privileged from disclosure if demanded by a subpena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation.

"(d) Any such demand may be served by any antitrust investigator, or by any United States marshal or deputy marshal, at any place within the territorial jurisdiction of any court of the United States.

"(e) Service of any such demand or of any petition filed under section 5 of this Act may be made upon a partnership, corporation, association, or other legal entity by—

"(1) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity; or

"(2) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity to be served; or

"(3) depositing such copy in the United States mails, by registered or certified mail duly addressed to such partnership, corporation, association, or entity at its principal office or place of business.

"(f) A verified return by the individual serving any such demand or petition setting forth the manner of such service shall be proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand.

"ANTITRUST DOCUMENT CUSTODIAN

"SEC. 4. (a) The Assistant Attorney General in charge of the Antitrust Division of the Department of Justice shall designate an antitrust investigator to serve as antitrust document custodian, and such additional antitrust investigators as he shall determine from time to time to be necessary to serve as deputies to such officer.

"(b) Any person upon whom any demand issued under section 3 has been duly served shall deliver such material to the custodian designated therein at the place specified therein (or at such place as such custodian thereafter may prescribe in writing) on the return date specified in such demand (or on such later date as such custodian may prescribe in writing). No such demand or custodian may require delivery of any documentary material to be made—

"(1) at any place outside the territorial jurisdiction of the United States without the consent of the person upon whom such demand was served; or

"(2) at any place other than the place at which such documentary material is situated at the time of service of such demand until the custodian has tendered to such person (A) a sum sufficient to defray the cost of transporting such material to the place prescribed for delivery or (B) the transportation thereof to such place at Government expense.

"(c) The custodian to whom any documentary material is so delivered shall take physical possession thereof, and shall be responsible for the use made thereof and for the return thereof pursuant to this Act. The custodian may cause the preparation of such copies of such documentary material as may be required for official use by any individual who is entitled, under regulations which shall be promulgated by the Attorney General, to have access to such material for examination. While in the possession of the custodian, no material so produced shall be available for examination, without the consent of the person who produced such material, by any individual other than a duly authorized officer, member, or employee of the Department of Justice or any antitrust agency, provided nothing herein shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress. Under such reasonable terms and conditions as the Attorney General shall prescribe, documentary material while in the possession of the custodian shall be available for examination by the person who produced such material or any duly authorized representative of such person.

"(d) Whenever any attorney has been designated to appear on behalf of the United States before any court, grand jury, or antitrust agency in any case or proceeding involving any alleged antitrust violation, the custodian may deliver to such attorney such documentary material in the possession of the custodian as such attorney determines to be required for use in the presentation of such case or proceeding on behalf of the United States. Upon the conclusion of any such case or proceeding, such attorney shall return to the custodian and documentary material so withdrawn which has not passed into the control of such court, grand jury, or antitrust agency through the introduction thereof into the record of such case or proceeding.

"(e) Upon the completion of (1) the antitrust investigation for which any documentary material was produced under this Act, and (2) any case or proceeding arising from such investigation, the custodian shall return to the person who produced such material all such material (other than copies thereof made by the Department of Justice or any antitrust agency pursuant to subsection (c)) which has not passed into the control of any court, grand jury, or antitrust agency through the introduction thereof into the record of such case or proceeding.

"(f) When any documentary material has been produced by any person under this Act for use in any antitrust investigation, and no such case or proceeding arising therefrom has been instituted within a reasonable time after completion of the examination and analysis of all evidence assembled in the course of such investigation, such person shall be entitled, upon written demand made upon the Attorney General or upon the Assistant Attorney General in charge of the Antitrust Division, to the return of all documentary material (other than copies thereof made by the Department of Justice or any antitrust agency pursuant to subsection (e)) so produced by such person.

"(g) In the event of the death, disability, or separation from service in the Department of Justice of the custodian of any documentary material produced under any demand issued under this Act, or the official relief of such custodian from responsibility for the custody and control of such material, the Assistant Attorney General in charge of the Antitrust Division shall promptly (1) designate another antitrust investigator to serve as custodian thereof, and (2) transmit notice in writing to the person who produced such material as to the identity and address of the successor so designated. Any successor so designated shall have with regard to such materials all duties and responsibilities imposed by this Act upon his predecessor in office with regard thereto, except that he shall not be held responsible for any default or dereliction which occurred before his designation as custodian.

"JUDICIAL PROCEEDINGS

"SEC. 5. (a) Whenever any person fails to comply with any civil investigative demand duly served upon him under section 3, the Attorney General, through such officers or attorneys as he may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of such demand, except that if such person transacts business in more than one such district such petition shall be filed in the district in which such person maintains his principal place of business, or in such other district in which such person transacts business as may be agreed upon by the parties to such petition.

"(b) Within twenty days after the service of any such demand upon any person, or at any time before the return date specified in the demand, whichever period is shorter, such person may file, in the district court of the United States for the judicial district within which the office of the custodian designated therein is situated, and serve upon such custodian a petition for an order of such court modifying or setting aside such demand. Such petition shall specify each ground upon which the petitioner relies in seeking such relief, and may be based upon any failure of such demand to comply with the provisions of this Act, or upon any constitutional right or privilege of such person.

"(c) At any time during which any custodian is in custody or control of any documentary material delivered by any person in compliance with any such demand, such person may file, in the district court of the United States for the judicial district within which the office of such custodian is situated, and serve upon such custodian a petition for an order of such court requiring the performance by such custodian of any duty imposed upon him by this Act.

"(d) Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this Act. Any final order so entered shall be subject to appeal pursuant to section 1291 of title 28 of the United States Code. Any disobedience of any final order entered under this section by any court shall be punished as a contempt thereof.

"CRIMINAL PENALTY

"SEC. 6. (a) Chapter 73 of title 18 of the United States Code (relating to obstruction of justice) is amended by adding at the end thereof the following new section:

"'§ 1509. Obstruction of antitrust civil process

"'Whoever, with intent to avoid, evade, prevent, or obstruct compliance in whole or in part, by any person with any civil investigative demand made under the Antitrust Civil Process Act, willfully removes from any place, conceals, withholds, destroys, mutilates, alters, or by any other means falsifies any documentary material in the possession, custody or control of any person which is the subject of any such demand duly served upon any person shall be fined not more than $5,000 or imprisoned not more than five years, or both.'

"(b) The analysis to such chapter is amended by inserting at the end thereof the following new item:

"'1509. Obstruction of antitrust civil process.'

"SAVING PROVISION

"SEC. 7. Nothing contained in this Act shall impair the authority of the Attorney

General, the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, or any antitrust investigator to (a) lay before any grand jury impaneled before any district court of the United States any evidence concerning any alleged antitrust violation, (b) invoke the power of any such court to compel the production of any evidence before any such grand jury, or (c) institute any proceeding for the enforcement of any order or process issued in execution of such power, or to punish disobedience of any such order or process by any person."

Mr. DIRKSEN. Mr. President——

The PRESIDING OFFICER. How much time does the Senator from Illinois yield himself?

Mr. DIRKSEN. I yield myself 10 minutes.

Mr. President, there is no substantial difference of opinion between the opponents and proponents with respect to the bill now pending. I joined my distinguished compatriot, the Senator from North Carolina [Mr. ERVIN], an eminent jurist, as well as a very distinguished Senator, in filing minority views on the bill, and pointed out that while we favor the objectives, while we do not like to see the employment of criminal sanctions in order to enable the Attorney General to secure information, we do believe that in granting the power it is proposed to vest in him it ought to be safeguarded in the interest of those against whom it might be exercised.

I think everybody knows what a drastic weapon a subpena duces tecum is. Very often there have been abuses, and it has been necessary for those who have been the objects and the targets of subpenas of that kind to go to court and to insist that the demand has been entirely unreasonable.

There are safeguards along that line in the pending bill, in that the Attorney General, instead of resorting to criminal action, can file a civil action and amplify the investigative demand in the antitrust field.

What disturbed me, and disturbed other members of the committee, was a provision which was submitted and incorporated in the bill with respect to the making of copies and submitting such copies to antitrust agencies and to committees of Congress. There is a provision in the bill that if the Attorney General is unreasonable in his demand, the person toward whom the subpena is directed can go into court within 20 days and there file a petition in order to safeguard his rights against any unreasonable demand, and ask for a modification of the order. But what we are concerned about is that after the data, the documents, the information, the records, have been procured, they might, in the first instance, under the original language proposed in the bill, be made available in copy form to committees of Congress.

Two things could happen. If such copies are in the possesison and under the jurisdiction of a committee of Congress, and the Attorney General, after going through the documents which were subpenaed, discovers that there actually was no violation, the documents could go back to the person from whom they were procured, but the copies would still be in the possession of a congressional committee or in the possession of an antitrust agency. That is one situation that might arise.

Secondly, the Attorney General, after an investigation of the case, might conclude that there was a good predicate upon which to proceed with antimonopoly action. Therefore the difficulty would then arise that, with copies outside the Department of Justice, as to how the Department would negotiate with an individual or an industry in order to procure a consent decree so that the violation complained of might be brought to an end.

All those difficulties arise, and in the course of the committee sessions I suggested a proposal under which a person who had received a demand, and who thought it unreasonable, who thought there were business data, business secrets, trade secrets, and that sort of thing, which rightly should not be submitted, might go into court and ask for a modification of the order, particularly lest the documents should find their way into the hands of a congressional committee.

The interesting thing is that in the course of the committee's session, that amendment was adopted by a vote, as I recall, of 5 to 4. But on the following Monday, when the committee met again, there was a further discussion and a slight change in the voting lineup, and the amendment was deleted from the bill by a vote of 5 to 4. That indicates how close the sentiment in the Committee on the Judiciary really was.

The distinguished Senator from Tennessee [Mr. KEFAUVER] thereupon offered alternative language. While it has improved the bill very materially, I still believe the additional safeguard which I shall propose ought to be written into the bill. The language now contained in the bill reads:

While in the possession of the custodian—

Provided for under the terms of the bill—

no material so produced shall be available for examination, without the consent of the person who produced such material, by any individual other than a duly authorized officer, member, or employee of the Department of Justice or any antitrust agency.

Then comes the proviso:

Provided, Nothing herein shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress.

To be sure, that leaves it within the discretion of the Attorney General. But I am not unmindful of the fact that it is Congress which appropriates for the Attorney General's office. If we ever want to exercise any pressure on any agency of the Government, we simply shake a stick and say, "We will see how much money you get out of the public till to run your agency."

Second, the nominations to the positions of Attorney General and Deputy Attorneys General are subject to confirmation by the Senate. I do not mean to imply for a moment that that within itself constitutes a pressure; I simply say that those who come into the Government under those circumstances are quite mindful of any request which may come from the legislative branch. So inhibitions against moving some of the documents into the hands of committees, when perhaps they should not be released at all, begin to wear down, and soon the documents are made available. If they contain data of any kind which any particular industry or business feels, if they got into the hands of competitors, would be particularly damaging, I believe that that situation ought to be carefully safeguarded.

I think our difficulty ensues not from any divergence of opinion upon the objectives set forth in the bill; but rather as to the means and how it shall be translated into action and how it shall be safeguarded. With that in mind, I propose to offer an amendment at the appropriate time, the same amendment I offered in committee, the same amendment which was adopted by a 5 to 4 vote on one day and excised or deleted by a 5 to 4 vote a week later.

Before offering the amendment, however, and before the time on the bill runs out, I think I shall want to defer to the distinguished senior Senator from North Carolina [Mr. ERVIN], who joined with me in filing minority views. I yield 5 minutes to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I agree with the observations made by the distinguished Senator from Illinois that the bill is laudable so far as its objectives are concerned. I also agree with the observations of the distinguished Senator from Tennessee that the bill provides sufficient protection insofar as it regulates the right of the Attorney General to obtain possession of documents for antitrust investigations in the Department of Justice.

But the bill contains no protection whatever for the owner of the documents in respect to the provision which permits the Attorney General, in the exercise of his discretion, to turn over to the Committees of the Judiciary, for some supposed legislative purpose, material which he has collected for an entirely different purpose, namely, for the purpose of investigating whether there should be a civil action brought to enforce the antitrust laws. It seems to me that an amendment such as that which will be proposed by the distinguished junior Senator from Illinois, is absolutely necessary for the protection of the owner of the documents which are taken into the possession of the Attorney General for an executive purpose, namely, to investigate whether an antitrust action of a civil nature should be brought. Such owner ought to have an opportunity to be heard before the Attorney General turns the information over to the Committees on the Judiciary for an entirely different purpose, namely, a legislative purpose.

The amendment will provide opportunities for the owner of the documents to be heard whenever the Attorney General determines that he will exercise his discretion and turn over the documents to the legislative branch of the Government for an entirely different purpose

from that under which the documents came into the possession of the Attorney General.

I have some misgivings by reason of the constitutional doctrine of the separation of governmental powers concerning the advisability of even allowing the Attorney General to turn over to the legislative branch of the Government material of a documentary nature which he has taken for an executive purpose. But I would be willing to overlook that reluctance if the bill were amended so as to provide the owner of the documents taken by the Attorney General for an executive purpose a day in court, if he desires a day in court, before the Attorney General delivers such documents to the Judiciary Committees.

I do not think Congress ought to authorize documents which are taken from a person by the Attorney General for an executive purpose to be turned over to the legislative branch of the Government for an entirely different purpose unless the owner of the documents is given a day in court and an opportunity to be heard.

The bill in the form in which it came from the committee affords the owner of the documents no right to be heard. In my judgment, the defect of the bill in this respect constitutes a denial of due process of law, which declares that every man is entitled to notice and an opportunity to be heard.

I submit that the amendment which will be offered should be adopted in order to secure to the owner of documents a very basic, fundamental right, namely, the right to be heard before action is taken which might be prejudicial to his rights as an American citizen.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ERVIN. I am delighted to yield.

Mr. LAUSCHE. Am I correct in my understanding that the provisions of the bill are in the nature of what at one time was an equitable action in discovery; that is, the Attorney General, when he believes the antitrust laws have been violated, can file a precomplaint action to discover the actual facts relating to an alleged violation of the antitrust laws?

Mr. ERVIN. The Senator from Ohio is correct. The bill establishes a procedure which is tantamount to a discovery action on the part of the Attorney General. It contains provisions well designed to protect the owner of documents by giving him a day in court when the Attorney General undertakes to obtain possession of the documents for the purpose of determining whether he should prosecute an antitrust suit of a civil nature. But the bill proceeds to authorize the Attorney General to turn these documents which he has obtained for the purpose of making an investigation with a view to determining whether an antitrust suit should be brought over to the Committee on the Judiciary of Congress without giving the person who owns the documents any opportunity whatever to contest the right of the legislative committees to the possession of the documents.

Mr. LAUSCHE. Then the Attorney General, when he would bring an action which I have described as being one in the nature of a discovery, would allege that he wants to make an inquiry into those documents to ascertain whether the antitrust laws have been violated.

Mr. ERVIN. The Senator is absolutely correct.

Mr. LAUSCHE. The complaint of the Senator from North Carolina is that the Attorney General, after he had obtained the evidence for the purpose of ascertaining whether an antitrust law had been violated, might abuse that discovery and undertake to transfer the documents to other agencies of the Government.

Mr. ERVIN. Unless the owner of the document has the fundamental American right of a day in court.

Mr. LAUSCHE. So the Senator from North Carolina recommends that that right to transfer may be given, but that the person who has suffered through the investigation be given the right to go to court and have a court decide whether the information contains material which ought not to be revealed.

Mr. ERVIN. The Senator is exactly correct. The Senator from Illinois [Mr. DIRKSEN] will offer an amendment to take care of the objection which I make to the bill.

Mr. LAUSCHE. Am I correct in understanding that the Senator's complaint is that if the Attorney General obtains the data for one purpose, he should pursue that purpose, and should not undertake to transfer the information he obtains either to the legislative branch or to any other administrative agency, without giving the injured person a chance to go into court and protect his rights?

Mr. ERVIN. That is correct.

Mr. LAUSCHE. Mr. President, I wish to join in the argument made by the distinguished Senator from North Carolina.

Mr. KEFAUVER. Mr. President, will the Senator from North Carolina yield to me?

Mr. ERVIN. I am delighted to yield.

Mr. KEFAUVER. I hope the Senator from Ohio will wait to hear the other side of the case, which will soon be presented, before he makes up his mind on this issue.

Mr. LAUSCHE. I am familiar with what an action in discovery is. Based upon my knowledge of that action in equity, which in this case would be transposed into law, I feel that when one goes into court to obtain information for one purpose, he should not abuse the privilege which has been accorded him, by undertaking to transfer the information to other agencies.

Mr. KEFAUVER. I shall have a full explanation to make, and I hope it will convince the Senator from Ohio.

Mr. President, how much time remains to this side?

The PRESIDING OFFICER. The Senator from Tennessee has 7 minutes remaining under his control.

Mr. DIRKSEN. Mr. President, I submit the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, in line 24, it is proposed to insert the following new subsections:

(e) Within 20 days after any person receives notice pursuant to section 4(c) that material produced by such person shall be made available for examination by any antitrust agency or committee of the Congress, such person may file in the district court of the United States for the judicial district within which the office of the custodian is situated, and serve upon such custodian, a petition for an order of such court that secret processes, developments, research, or any privileged material not be made available for examination, or be made available for examination on such terms and conditions as the court finds that justice requires to protect such person.

(f) To the extent that such rules may have application and are not inconsistent with the provisions of this act, the Federal Rules of Civil Procedure shall apply to any petition under this Act, and nothing herein shall be deemed to be inconsistent with 30(b) of such rules.

Mr. DIRKSEN. Mr. President, I yield 10 minutes on the amendment to the distinguished junior Senator from New York [Mr. KEATING], who is a distinguished member of the Senate Judiciary Committee, and also is an outstanding lawyer in his own right.

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. KEATING. I thank the distinguished minority leader for his kind words.

Mr. President, I rise in support of the amendment.

First, I should like to make some observation about the bill itself. I believe that all members of the committee favor legislation along these general lines, to fill an important gap in the antitrust tools of the Department of Justice, by authorizing the use of this civil investigative demand in antitrust cases.

Legislation of this nature has been recommended by almost every group which has studied this subject—including the Attorney General's National Committee To Study the Antitrust Laws; the Cabinet Committee on Small Business; and the Judicial Conference of the United States. That is certainly impressive backing for any measure; and I am persuaded that the main purpose of this bill is sound.

The bill itself will protect business firms, as a matter of fact, in a number of important respects:

First, by vesting the Department of Justice with more adequate precomplaint investigatory processes, the bill should forestall the filing of suits which a complete investigation would demonstrate to be unwarranted. In such cases, the time and money of prospective defendants will be spared.

A second way in which I feel the bill actually will be helpful to business firms which might be charged with violations of the antitrust laws is that the bill should, and would, I believe, remove a temptation—which otherwise might exist—to invoke criminal grand jury proceedings in what should be civil cases.

Overzealousness can sometimes cloud the judgment of even the most honorable enforcement officials. The availability of adequate civil process should keep them from going astray in that regard.

Third—and, of course, this is the most important basis for any change in our antitrust laws—this bill will help the Department of Justice obtain relief in situations in which relief is justified by the facts.

At this stage of our experience with the antitrust laws, I need not dwell on the importance to the business community and to the public of action to curb monopolists and others who would interfere with our system of free and fair competition.

I do not believe that any member of our committee was opposed to the basic purpose of this bill.

I believe that the amendments which were adopted during the consideration of the bill by the full committee greatly improved the measure reported by the subcommittee. But I am sympathetic to the additional amendment discussed by the distinguished Senator from Illinois [Mr. DIRKSEN] and the distinguished Senator from North Carolina [Mr. ERVIN] in their minority views on the bill. What they suggest does not seem to me to be open to any valid objection.

Complaint has been voiced by the American Bar Association and the Association of the Bar of the City of New York to the provisions of this bill as it came from the subcommittee, and I believe, even in its present form, which allows the Department of Justice to turn over subpenaed documents to congressional committees or any other agencies.

The amendment which is suggested by the distinguished Senator from Illinois could well be called a day-in-court amendment. There is no justification, it seems to me, for jeopardizing secret processes, developments, research, or privileged matters which might be contained in the material subpenaed by the Attorney General in the process of investigating antitrust cases.

Notice to the business involved, whose documents these are, and an opportunity for a court review of any request for the withholding of such information would serve as an important safeguard against abuses.

This day-in-court amendment ought to go a very long way in meeting the objections to the bill which have been voiced by important and respected members of the community. I hope that the amendment will be accepted.

In committee, as the Senator from Illinois has pointed out, it was accepted once and, upon reconsideration, the vote went the other way. I think the amendment could in no way harm or prejudice proper requests under the bill. It would in no way interfere with proceedings by the Attorney General; it would give much needed protection to the other side, and would make this a more balanced measure, and certainly more acceptable.

I would like briefly to comment on the committee amendment which appears at page 8 of the bill, and which reads:

Provided, nothing herein shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress.

I think that is a very definite improvement over the language which originally came to the committee which would have required the Attorney General to make all these documents available without the consent or even notice to the business concern involved. I am not at all sure that the present language adds to or subtracts very much from the bill itself or the way in which the bill would be interpreted by a court. It may only add confusion to the measure.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KEATING. Under the authority of the minority leader, I yield myself another 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for an additional 3 minutes.

Mr. KEATING. Under the present law, the Attorney General has the power to allow a congressional committee to examine the material in his hands. The provision in the bill certainly does not require him to do so; it still leaves it permissive. The provision that the documents could be turned over to the Committees on the Judiciary may just confuse matters. Another committee might want to take a look at the documents. It may have a right to do so despite the special provision for the Committee on the Judiciary. But there is some doubt about the wisdom of singling out this distinguished committee, of which I am proud to be a member, for special attention.

I favor the general provisions of the bill, and I shall support the bill. But I feel strongly that the amendment suggested by the two distinguished members of our committee, whose views I know are shared by other Senators on the committee, will improve the bill. I certainly hope it will be accepted.

Mr. KEFAUVER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 10 minutes.

Mr. KEFAUVER. Mr. President, over a period of years the position of the Congress has been somewhat lessened in comparison with the growing strength of the executive agencies. I am rather surprised that Members of Congress should want to shut themselves off from possible information necessary in order to enable the Congress to legislate, but that is what the amendment of the Senator from Illinois would do. Congress has been losing its powers right along from time to time by the enlargement of the powers of the executive agencies; and now, for the first time in the history of Congress, an amendment is presented which will make it impossible for duly constituted committees of the Congress to get necessary information through cooperation of the Attorney General, and would prohibit the Attorney General from freely giving the Congress necessary information, even though the information might be 100 years old, and even though it might have no particular importance except for historical reasons. The Judiciary Committees of the Congress have jurisdiction of matters relating to the Department of Justice and the antitrust laws.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I will yield later. Very well, I yield for a question.

Mr. ERVIN. The information which, under the bill, the Attorney General——

Mr. KEFAUVER. I cannot yield further.

Mr. ERVIN. I am merely asking a question. The Senator from Tennessee is talking about information 100 years old. The Attorney General is not authorized to institute antitrust actions against persons who have been in the grave that long.

Mr. KEFAUVER. The Senator is wrong. The Attorney General has authority now to get information by subpena duces tecum and grand jury investigation. That is what we are trying to get away from. The Attorney General has the right to get information from the Federal Trade Commission under section 6. There is a program of exchange of information in the antitrust field between the Federal Trade Commission and the Department of Justice. The chairman of the Federal Trade Commission said that the Federal Trade Commission should be included as an agency that can have access to such information. There is no provision in the law whatsoever that prevents the Attorney General now from giving the Judiciary Committee or any other properly constituted committees information which may be in his possession if, in his discretion, he wants to do so.

The amendment would prohibit him from doing so. It would badly hamper the work of the Committee on the Judiciary in the study of the antitrust laws and the other matters over which the Committee on the Judiciary has jurisdiction with regard to the passing of laws.

Mr. LAUSCHE. Mr. President, may we have order in the Chamber, please?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Tennessee may proceed.

Mr. KEFAUVER. How are we going to pass legislation which is effective unless we can get the facts?

The Senator from North Dakota knows how hard it was when he was chairman of the Committee on the Judiciary to dig out the facts against the claim of Executive privilege of the various departments. Now even when the departments are willing to furnish us information which they do not think will reveal any trade secret or will be derogatory in any way, but think will be helpful to the Congress, some Members of the Senate would prohibit the Attorney General from doing so.

Mr. Hansen had no objection to requiring even that the Attorney General

furnish the Congress information. Certainly he would have no objection to the provision to which I refer.

Let me point out to the Members of the Senate that in 1914 the Federal Trade Commission Act was passed, and that act contains sections 6 and 9, which provide the same investigatory powers we now propose to give to the Department of Justice. Those powers have been used for 45 years. For 45 years information which the Federal Trade Commission has obtained has been given to the Department of Justice or has been made available to the Department of Justice, so that the Department of Justice could join in the prosecution of antitrust cases. On occasion, the Federal Trade Commission has made available to the Congress information which was obtained under sections 6 and 9. In 45 years I have never heard a complaint against the Federal Trade Commission, or that Congress asked for and received any information which gave away trade secrets or which gave away information on confidential material such as some work papers. That has been the experience.

The bill itself provides, on page 5, that it is not necessary to furnish any information which is of a privileged nature. The courts have held that companies do not have to furnish their work papers and certain trade secrets which they regard as confidential and as privileged.

Mr. President, the Dirksen amendment would not only prohibit the Department of Justice from giving information to Congress, but it would also prohibit the Department from giving the Federal Trade Commission information. It would end 45 years of a working arrangement between the Department of Justice and the Federal Trade Commission. It would not strengthen the position of the Congress in regard to investigations and it would not strengthen the position of the Federal Trade Commission, but instead the amendment would substantially hurt their positions.

I should like to invite attention to the fact that very frequently in the hearings on antitrust bills we call before us officials of the Department of Justice, including the Assistant Attorney General in charge of the Antitrust Division. It may be that the testimony in support of proposed legislation under consideration is backed up by documents which are in the possession of the witness for the Department, but they may be quite old and of no current value for prosecution purposes. However, the witness can prove the point he is trying to make, for the improvement of the antitrust laws, by reference to these documents. They may be documents of historical significance only.

The language of the amendment would prohibit the spokesman for the Department from using those documents when he wanted to prove his case to the Committee on the Judiciary.

It is almost unthinkable to me that an amendment should be seriously considered by the Senate which would hurt the ability of the Department of Justice in its cooperation with the Federal Trade Commission and which would change, for the first time in the history of our Nation, a procedure which has been followed, by prohibiting the head of an agency from giving a document to a duly constituted committee of the Congress when he is willing to do so and when he thinks it proper to do so.

If we follow such a procedure, then we will be cutting ourselves off from information from the Department of Agriculture, the Department of the Interior, and every other department. Soon we will be legislating in a vacuum.

As the law now reads, the Department of Justice can furnish information under circumstances which are felt to be reasonable. After all, we are dealing with intelligent people, in the first place; and, in the second place, the committees of the Congress are not going to ask for anything which is improper. If a committee asks for a document and if it is explained that the document might represent a trade secret, no committee of Congress of which I know will push the matter.

The wording of the bill under consideration simply leaves the law as it is at the present time. Senators will notice, on page 8, the language provides that nothing shall prevent the Attorney General from making available the material so produced for examination by the Committees on the Judiciary of each House of Congress. That is the law now.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KEFAUVER. The Dirksen amendment represents a step backwards. It would for the first time prohibit us from getting papers and documents which now are made available to us.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEATING. Mr. President, will the Senator yield a couple of minutes more, so that I may ask some questions?

Mr. KEFAUVER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining on the amendment and 6 minutes remaining on the bill.

Mr. KEFAUVER. I yield to the Senator from Colorado.

Mr. CARROLL. Mr. President, I should like to propound some inquiries of the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I yield myself 3 additional minutes.

Mr. CARROLL. This is a very involved bill. It was discussed for hours in the Senate Committee on the Judiciary.

What is the real purpose of the proposed legislation? Who asked for it?

Mr. KEFAUVER. Is the Senator asking me?

Mr. CARROLL. Yes, I am asking the Senator from Tennessee.

Mr. KEFAUVER. The President of the United States has asked for such legislation in his economic message to the Congress on three or four different occasions. The Department of Justice has asked for such legislation for a long time. The Attorney Gencral's Committee on the Antitrust Laws has recommended such legislation. This proposal has the unanimous backing of everyone interested in the enforcement of the antitrust laws.

Mr. CARROLL. Is it not true that the Attorney General wants such legislation to avoid cumbersome judicial machinery regarding grand juries?

Mr. KEFAUVER. That is correct. It is a right he should have. In the second place, it is not fair to subject people to grand jury investigations when the real purposes relate to civil actions.

Mr. CARROLL. Is not adequate protection afforded those whose records are to be subpenaed by a subpena duces tecum in that they can go to the courts?

Mr. KEFAUVER. There is adequate protection. Every protection there is now will continue to be available.

Mr. CARROLL. May I ask if my understanding is correct regarding the real purpose of the Dirksen amendment? If this is the same amendment which we discussed in the committee, and if I correctly understand it, the Dirksen amendment in effect would establish a doctrine of executive privilege. I have not had an opportunity, I am sorry to say, to thoroughly study it. I really did not know the bill was going to be considered today. We should have had more time to discuss it, because this is a very important piece of proposed legislation.

As I understand the Dirksen amendment, in effect it would invoke the doctrine of executive privilege against the Congress itself. What the Senate Committee on the Judiciary wanted to do, when the Attorney General got the records he desired, was to permit him to let the Congress have access to those records. As I understand the Dirksen amendment, it would take away from the Congress some of its powers to investigate and some of its powers to know the facts.

Does the Senator from Tennessee care to comment upon that?

Mr. KEFAUVER. That is correct. The Dirksen amendment would change existing law so as to make it impossible for the Attorney General to turn over to Congress information which he can now turn over to it.

Mr. CARROLL. We now have the curious anomaly of the Congress itself seeking to curb its own investigating powers. All we seek to do is to implement or supplement or augment what the Attorney General of the United States, the chief enforcement officer in this field, wants to do.

Mr. KEFAUVER. The Senator is exactly correct. If we curtail our powers in this instance, we shall be curtailing them to a greater extent later.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEFAUVER. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 additional minutes.

Mr. CARROLL. Mr. President, will the Senator further yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. We worked long and hard on this proposed legislation. The

Dirksen amendment was offered and rejected in the Senate Judiciary Committee. It seems to me that in the bill we tried to provide every safeguard. We would have the subpenaed documents referred to the chairman of the Senate Judiciary Committee or the chairman of the House Judiciary Committee. No one wants records and copies of records floating indiscriminately around the Senate. It seems to me that when we have a real job of investigation to do, such as the Judiciary Committee has done for the past 2 years, the investigative powers of Congress should not be curtailed. The Senate Judiciary Committee established the economic concept of administered prices to a greater extent than any other group in the country. We have investigated the gas and oil industry, the automotive industry, and the steel industry.

If the steel industry had paid more attention to the very fine subcommittee headed by the Senator from Tennessee, it would not now be in the condition it is in. As we look at the great tragedy which has happened to the Nation, and as we read in the morning newspapers of the tremendous profits made by the steel industry in the first and second quarters of the year, we must be aware that had the industry paid some attention to the chairman of the Antimonopoly Subcommittee, the Nation would not be in the situation it is in today.

After the work which the Judiciary Committee has done on the bill, I think it would be a tragedy to accept the Dirksen amendment and whittle away some of the investigative powers of the Congress.

Mr. KEFAUVER. Mr. President, has my time on the amendment expired?

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute.

Let us scotch a few things. In the first place, the President did not ask for this provision. The provision for the disclosure of certain things to Congress was not in the bill when it was introduced. Let us be fair.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KEFAUVER. It is not in the bill now. The pending bill is the present law. There is no requirement in the bill that the Attorney General turn any papers over to Congress.

Mr. DIRKSEN. It could be done.

Mr. KEFAUVER. It could be done.

Mr. DIRKSEN. Mr. President, I do not yield further.

The President has not asked for such a provision at any time. It is said that the Attorney General does not want this amendment. He says, "I have no particular reason to say that Congress should not see the documents, but each time someone else has an opportunity to see the private records of a corporation, the more difficult it is to get such records in the future."

We are trying to help the Attorney General. The Attorney General's office drew this amendment, if the truth must be known.

I now yield 3 minutes to the Senator from North Carolina [Mr. ERVIN].

The PRESIDING OFFICER. The Senator has 2 minutes on the amendment and 9 minutes on the bill.

Mr. ERVIN. Mr. President, the able and distinguished Senator from Tennessee said I was mistaken when I said that this bill does not authorize a search for 100-year-old documents. I will let the Senate decide whether I was wrong in my statement on that point.

The bill provides that the Attorney General may not obtain possession of any documents unless he has reason to believe that some person may be in possession, custody, or control of documentary material pertinent to an antitrust investigation.

There are two kinds of actions which can be brought under the antitrust laws. One is an action for an injunction. The Attorney General could not bring a suit for an injunction to restrain acts violative of the antitrust laws unless the acts were being committed at the time he brought the suit. So it is ridiculous to say that the bill refers to documents 100 years old. It refers to documents which are current.

The other kind of suit that can be brought under the antitrust laws is a suit for damages by the injured party, or a suit for damages by the United States. Title 15, subsection 15(b) of the United States Code provides that the statute of limitations runs on such suit in 4 years. So the documents which are being sought cannot possibly be documents more than 4 years old. So the bill does not involve a search for historical documents.

The argument that this amendment would interfere with any arrangement between the Attorney General and the Federal Trade Commission is not valid, because it refers only to antitrust suits by the Attorney General, and does not refer to the Federal Trade Commission.

The reason I am fighting for this amendment is that I do not believe this body should try to get information in violation of either the letter or the spirit of the Constitution. The Attorney General must show cause to obtain a document for investigative purposes; but under the bill as it is now worded, the Attorney General would not have to show cause, and the Judiciary Committees would not have to show cause before the Attorney General turned the documents over to the committees.

Neither the Judiciary Committee nor any other congressional committee is entitled to the possession of any American citizen's documents except for legislative purposes. The Supreme Court of the United States held in the Kilbourn case that congressional committees cannot obtain possession of a citizen's documents, unless they can show a legislative purpose entitling them to their possession.

The bill in its present form would permit the Attorney General to turn over to the congressional committees documents which he seizes, for investigative purposes, without the congressional committee's showing that it had any legislative purpose for having possession of such documents.

Mr. DIRKSEN. Mr. President, how does the time stand?

The PRESIDING OFFICER. All time on the amendment has expired. The Senator has 8 minutes remaining on the bill.

Mr. DIRKSEN. Mr. President, I conclude with this thought: There is nothing in my amendment which would in any way impair the subpena powers of the Congress, or any of its committees. They can subpena to their heart's content. The amendment provides only that if a committee is to obtain documents through the Attorney General, to be handed over to an antitrust agency or to a committee of Congress, the person whose documents are being taken may go before a court, file a petition, and say, "They are trying to obtain trade secrets. They are trying to injure our interests in the field of research, which we regard as of value."

Such information ought not be permitted to flow, by means of copies, into the files of committees or antitrust agencies. I prefer to leave it to the sound discretion of a judge to determine whether, willy-nilly, helter-skelter, all documents shall be obtained, and that copies may be made and circularized. It would be impossible to get the copies back from the committee or the agency.

That is what is involved in the amendment. As I said before, it was drafted in the office of the Attorney General.

Mr. KEFAUVER. Mr. President, have I any time remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining on the bill.

Mr. KEFAUVER. I yield myself 3 minutes on the bill.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 3 minutes on the bill.

Mr. KEFAUVER. Those of us who have served on the Judiciary Committee, and those who serve on other committees know that very often legislation is either supported or testified against through records of what has happened, records which have come into the possession of the various departments.

What would the pending amendment do? If the Attorney General had a memorandum which he had subpenaed a number of years ago—looking ahead 20 years from now, for example—and which proved his point as to why the antitrust laws should be changed, even though there might be nothing confidential or important about the memorandum, and even though the statute of limitations had run against anything the record might show, he would be unable to produce the record in support of his proposal to the Judiciary Committee for a change in the antitrust laws.

This would be the first time in the history of Congress that the Congress itself would have tried to cut itself off from information it was entitled to have under certain circumstances.

The present law is that the Attorney General and the Federal Trade Commission may, if they are willing to do so—and they are not often willing to do so—give the Judiciary Committee access to some documents which might have a bearing upon proposed legislation which the committee is considering.

If the pending amendment is adopted, the present law will be changed. So we would be denying ourselves the right even to see some document which is not important, except as a matter of information to the Congress, even though the Attorney General is willing for us to see it.

Congress has been downgraded enough by these agencies. It is hard enough, in the face of executive privilege, to get information we ought to have, and why anyone should want Congress to tie its own hands I do not know. I would rather see this bill not passed at all than to see Congress take a step backward.

Let me point out also that it is stated in the report that former Representative Gwynne, a former Chairman of the Federal Trade Commission, protested bitterly the idea that the Federal Trade Commission would not be able to see the documents secured by the Department of Justice. He pointed out that for 45 years——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KEFAUVER. How many minutes do I have?

The PRESIDING OFFICER. The Senator has 3 minutes remaining on the bill.

Mr. KEFAUVER. I yield myself the 3 minutes remaining.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 3 minutes.

Mr. KEFAUVER. Mr. Gwynne pointed out that for 45 years, under sections 6 and 9 of the Federal Trade Commission Act, the Commission has had the power to get documents, just as the Attorney General will have here under the pending bill, and that upon the request of the Department of Justice some of these have been turned over to them, and they have had the power, under certain circumstances, to let Congress see the documents. But under the proposal this will all be changed, so far as the Department of Justice is concerned. The Department of Justice would have power to get papers from the Federal Trade Commission, but under the Dirksen amendment the Federal Trade Commission could not get anything from the Department of Justice.

I call attention to the fact that under the Clayton Act there is a dual responsibility between the Federal Trade Commission and the Department of Justice for the enforcement of the law. Practically everything that violates the Sherman Act violates the Clayton Act or the Federal Trade Commission Act, and yet the Federal Trade Commission is to be denied documents secured by the Department of Justice, even though the Department of Justice may see documents secured by the Federal Trade Commission.

Mr. President, if the Senator from Illinois could point his finger at one case in which there had been an abuse of any confidence on the part of the Federal Trade Commission in furnishing a paper to Congress over a period of 45 years, he might have some argument, but during these 45 years the Federal Trade Commission have made hundreds of investigations, and secured documents from all kinds of corporations without complaint on that score. They have considered themselves an arm of Congress. They have on rare occasions let the Judiciary Committee see some of the papers in their possession when we are conducting a proper investigation. The Senator from Illinois cannot point to one time when, under circumstances like that, any harm or undue advantage has been taken by virtue of some member of the Judiciary Committee seeing a paper from the Federal Trade Commission.

No, Mr. President, the effort is to cut down on a proposal made by the President, by the Department of Justice in the Attorney General's report, and by the Federal Trade Commission. It would cut down the power of Congress substantially.

The PRESIDING OFFICER. All time for debate on the amendment has expired.

Mr. DIRKSEN. I yield to the Senator from New York.

Mr. KEATING. In the light of the statements of the distinguished Senator from Tennessee it is important to put this amendment in proper perspective.

There is nothing in this amendment which prevents the turning over of any documents to the Committee on the Judiciary. There is nothing referring to executive privilege, as suggested by the distinguished Senator from Colorado. It says only that within 20 days after the Attorney General says he is going to turn these documents over, the party affected may go into court for review. In his court proceeding the party can say, "This contains secret processes, developments, research, and so forth, that should not be turned over to Congress," and if there are such things in the document it should not be turned over to be made public property.

I have faith in the court, and if the court says such things are not involved and that there is not any reason for the material not to be turned over, then they can be turned over.

There is nothing in this amendment that interferes with or prevents a committee of Congress from getting full information on its own authority.

Mr. KEFAUVER. Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. Is there any time for debate remaining?

The PRESIDING OFFICER. There are 5 minutes remaining on the bill.

Mr. DIRKSEN. I yield 2 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. I have listened to the arguments made, Mr. President, and I have examined the bill, and to me it seems that the issue here is related directly to the liberties of citizens of the United States.

The bill contemplates giving the Attorney General the right to bring an action to discover papers which are needed in connection with a violation of the antitrust law. The bill requires that the Attorney General state the nature of the conduct constituting the alleged violation of the antitrust law which is under investigation, and the provision of the law applicable thereto.

To me it seems that if we give the Attorney General the right to bring this unique action for a certain purpose and to take from a citizen papers belonging to him, it would not be right to allow the Attorney General to take those papers and to deliver them to other agencies of government.

I shall vote for the amendment on the basis of insuring that neither the Attorney General nor the Congress shall have the right to invade an individual's home or office by taking papers for one purpose authorized by law, and then circumventing the law and using them for other purposes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN] for himself and the Senator from North Carolina [Mr. ERVIN]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I announce that on this vote the Senator from Alaska [Mr. BARTLETT] is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Mississippi would vote "yea."

I further announce that, if present and voting, the Senator from Montana [Mr. MURRAY] and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent, and, if present and voting, would vote "yea."

The result was announced—yeas 61, nays 27, as follows:

YEAS—61

Aiken	Ervin	Morton
Allott	Frear	Mundt
Anderson	Green	Pastore
Beall	Hartke	Prouty
Bennett	Hayden	Randolph
Bible	Hickenlooper	Robertson
Bridges	Hill	Russell
Bush	Holland	Saltonstall
Butler	Hruska	Schoeppel
Byrd, Va.	Javits	Scott
Cannon	Johnson, Tex.	Smith
Capehart	Johnston, S.C.	Sparkman
Carlson	Jordan	Stennis
Case, N.J.	Keating	Talmadge
Case, S. Dak.	Kerr	Thurmond
Cooper	Kuchel	Wiley
Cotton	Lausche	Williams, Del.
Curtis	Long	Young, N. Dak.
Dirksen	McClellan	Young, Ohio
Dworshak	Mansfield	
Ellender	Martin	

NAYS—27

Byrd, W. Va.	Hennings	Magnuson
Carroll	Humphrey	Monroney
Chavez	Jackson	Morse
Church	Kefauver	Moss
Clark	Kennedy	Muskie
Douglas	Langer	Neuberger
Engle	McCarthy	Proxmire
Gruening	McGee	Williams, N.J.
Hart	McNamara	Yarborough

NOT VOTING—10

Bartlett	Goldwater	O'Mahoney
Dodd	Gore	Smathers
Eastland	Murray	Symington
Fulbright		

So the amendment offered by Mr. DIRKSEN, for himself and Mr. ERVIN, was agreed to.

The PRESIDING OFFICER (Mr. McGEE in the chair). If there is no further amendment to be submitted, the question is on the third reading of the bill.

Mr. DIRKSEN. Mr. President, I am prepared to yield back the remainder of the time available to me on the bill, and I do so.

The PRESIDING OFFICER. All time on the bill has either been used or has been yielded back.

The question is on the engrossment and third reading of the bill.

The bill (S. 716) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House the Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Civil Process Act".

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "antitrust law" includes:

(1) Each provision of law defined as one of the antitrust laws by section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 730, as amended; 15 U.S.C. 12), commonly known as the Clayton Act;

(2) The Federal Trade Commission Act (15 U.S.C. 41 and the following);

(3) Section 3 of the Act entitled "An Act to amend section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U.S.C., title 15, sec. 13), and for other purposes", approved June 19, 1936 (49 Stat. 1528; 15 U.S.C. 13a), commonly known as the Robinson-Patman Act; and

(4) Any statute hereafter enacted by the Congress which prohibits, or makes available to the United States in any court or antitrust agency of the United States any civil remedy with respect to (A) any restraint upon or monopolization of interstate or foreign trade or commerce, or (B) any unfair trade practice in or affecting such commerce;

(b) The term "antitrust agency" means any board, commission, or agency of the United States (other than the Department of Justice) charged by law with the administration or enforcement of any antitrust law or the adjudication of proceedings arising under any such law:

(c) The term "antitrust order" means any final order of any antitrust agency, or any final order, decree, or judgment of any court of the United States, duly enterd in any case or proceeding arising under any antitrust law;

(d) The term "antitrust investigation" means any inquiry conducted by any antitrust investigator for the purpose of ascertaining whether any person is or has been engaged in any antitrust violation;

(e) The term "antitrust violation" means any act or omission in violation of any antitrust law or any antitrust order;

(f) The term "antitrust investigator" means any attorney or investigator employed by the Department of Justice who is charged with the duty of enforcing or carrying into effect any antitrust law;

(g) The term "person" means any corporation, association, partnership, or other legal entity not a natural person;

(h) The term "documentary material" includes the original or any copy of any book, record, report, memorandum, paper, communication, tabulation, chart, or other document; and

(i) The term "custodian" means the antitrust document custodian or any deputy custodian designated under section 4(a) of this Act.

CIVIL INVESTIGATIVE DEMAND

SEC. 3. (a) Whenever the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, has reason to believe that any person may be in possession, custody, or control of any documentary material pertinent to any antitrust investigation, he may issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

(b) Each such demand shall—

(1) state the nature of the conduct constituting the alleged antitrust violation which is under investigation and the provision of law applicable thereto;

(2) describe the class or classes of documentary material to be produced thereunder with such definiteness and certainty as to permit such material to be fairly identified;

(3) prescribe a return date which will provide a reasonable period of time within which the material so demanded may be assembled and produced;

(4) identify the custodian to whom such evidence is to be delivered; and

(5) specify a place at which such delivery is to be made.

(c) No such demand shall—

(1) contain any requirement which would be held to be unreasonable if contained in a subpena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation; or

(2) require the production of any documentary evidence which would be privileged from disclosure if demanded by a subpena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation.

(d) Any such demand may be served by any antitrust investigator, or by any United States marshal or deputy marshal, at any place within the territorial jurisdiction of any court of the United States.

(e) Service of any such demand or of any petition filed under section 5 of this Act may be made upon a partnership, corporation, association, or other legal entity by—

(1) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity; or

(2) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity to be served; or

(3) depositing such copy in the United States mails, by registered or certified mail duly addressed to such partnership, corporation, association, or entity at its principal office or place of business.

(f) A verified return by the individual serving any such demand or petition setting forth the manner of such service shall be proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand.

ANTITRUST DOCUMENT CUSTODIAN

SEC. 4. (a) The Assistant Attorney General in charge of the Antitrust Division of the Department of Justice shall designate an antitrust investigator to serve as antitrust document custodian, and such additional antitrust investigators as he shall determine from time to time to be necessary to serve as deputies to such officer.

(b) Any person upon whom any demand issued under section 3 has been duly served shall deliver such material to the custodian designated therein at the place specified therein (or at such other place as such custodian thereafter may prescribed in writing) on the return date specified in such demand (or on such later date as such custodian may prescribe in writing). No such demand or custodian may require delivery of any documentary material to be made—

(1) at any place outside the territorial jurisdiction of the United States without the consent of the person upon whom such demand was served; or

(2) at any place other than the place at which such documentary material is situated at the time of service of such demand until the custodian has tendered to such person (A) a sum sufficient to defray the cost of transporting such material to the place prescribed for delivery or (B) the transportation thereof to such place at Government expense.

(c) The custodian to whom any documentary material is so delivered shall take physical possession thereof, and shall be responsible for the use made thereof and for the return thereof pursuant to this Act. The custodian may cause the preparation of such copies of such documentary material as may be required for official use by any individual who is entitled, under regulations which shall be promulgated by the Attorney General, to have access to such material for examination. While in the possession of the custodian, no material so produced shall be available for examination, without the consent of the person who produced such material, by any individual other than a duly authorized officer, member, or employee of the Department of Justice or any antitrust agency, provided nothing herein shall prevent the Attorney General from making available the material so produced for examination by the Committee on the Judiciary of each House of the Congress. Under such reasonable terms and conditions as the Attorney General shall prescribe, documentary material while in the possession of the custodian shall be available for examination by the person who produced such material or any duly authorized representative of such person.

(d) Whenever any attorney has been designated to appear on behalf of the United States before any court, grand jury, or antitrust agency in any case or proceeding involving any alleged antitrust violation, the custodian may deliver to such attorney such documentary material in the possession of the custodian as such attorney determines to be required for use in the presentation of such case or proceeding on behalf of the United States. Upon the conclusion of any such case or proceeding, such attorney shall return to the custodian any documentary material so withdrawn which has not passed into the control of such court, grand jury, or antitrust agency through the introduction thereof into the record of such case or proceeding.

(e) Upon the completion of (1) the antitrust investigation for which any documentary material was produced under this Act, and (2) any case or proceeding arising from such investigation, the custodian shall return to the person who produced such material all such material (other than copies thereof made by the Department of Justice or any antitrust agency pursuant to subsection (c)) which has not passed into the control of any court, grand jury, or antitrust agency through the introduction thereof into the record of such case or proceeding.

(f) When any documentary material has been produced by any person under this Act for use in any antitrust investigation, and no such case or proceeding arising therefrom has been instituted within a reasonable time after completion of the examination and analysis of all evidence assembled in the course of such investigation, such person shall be entitled, upon written demand made upon the Attorney General or upon the Assistant Attorney General in charge of the Antitrust Division, to the return of all documentary material (other than copies thereof made by the Department of Justice or any antitrust agency pursuant to subsection (e)) so produced by such person.

(g) In the event of the death, disability, or separation from service in the Department of Justice of the custodian of any documentary material produced under any demand issued under this Act, or the official relief of such custodian from responsibility for the custody and control of such material, the Assistant Attorney General in charge of the Antitrust Division shall promptly (1) designate another antitrust investigator to serve as custodian thereof, and (2) transmit notice in writing to the person who produced such material as to the identity and address of the successor so designated. Any successor so designated shall have with regard to such materials all duties and responsibilities imposed by this Act upon his predecessor in office with regard thereto, except that he shall not be held responsible for any default or dereliction which occurred before his designation as custodian.

JUDICIAL PROCEEDINGS

SEC. 5. (a) Whenever any person fails to comply with any civil investigative demand duly served upon him under section 3, the Attorney General, through such officers or attorneys as he may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of such demand, except that if such person transacts business in more than one such district such petition shall be filed in the district in which such person maintains his principal place of business, or in such other district in which such person transacts business as may be agreed upon by the parties to such petition.

(b) Within twenty days after the service of any such demand upon any person, or at any time before the return date specified in the demand, whichever period is shorter, such person may file, in the district court of the United States for the judicial district within which the office of the custodian designated therein is situated, and serve upon such custodian a petition for an order of such court modifying or setting aside such demand. Such petition shall specify each ground upon which the petitioner relies in seeking such relief, and may be based upon any failure of such demand to comply with the provisions of this Act, or upon any constitutional right or privilege of such person.

(c) At any time during which any custodian is in custody or control of any documentary material delivered by any person in compliance with any such demand, such person may file, in the district court of the United States for the judicial district within which the office of such custodian is situated, and serve upon such custodian a petition for an order of such court requiring the performance by such custodian of any duty imposed upon him by this Act.

(d) Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this Act. Any final order so entered shall be subject to appeal pursuant to section 1291 of title 28 of the United States Code. Any disobedience of any final order entered under this section by any court shall be punished as a contempt thereof.

(e) Within twenty days after any person receives notice pursuant to section 4(c) that material produced by such person shall be made available for examination by any antitrust agency or committee of the Congress, such person may file, in the district court of the United States for the judicial district within which the office of the custodian is situated, and serve upon such custodian, a petition for an order of such court that secret processes, developments, research or any privileged material not be made available for examination, or be made available for examination on such terms and conditions as the court finds that justice requires to protect such person.

(f) To the extent that such rules may have application and are not inconsistent with the provisions of this Act, the Federal Rules of Civil Procedure shall apply to any petition under this Act, and nothing herein shall be deemed to be inconsistent with 30(b) of such rules.

CRIMINAL PENALTY

SEC. 6. (a) Chapter 73 of title 18 of the United States Code (relating to obstruction of justice) is amended by adding at the end thereof the following new section:

"§ 1509. Obstruction of antitrust civil process

"Whoever, with intent to avoid, evade, prevent, or obstruct compliance in whole or in part, by any person with any civil investigative demand made under the Antitrust Civil Process Act, willfully removes from any place, conceals, withholds, destroys, mutilates, alters, or by any other means falsifies any documentary material in the possession, custody or control of any person which is the subject of any such demand duly served upon any person shall be fined not more than $5,000 or imprisoned not more than five years, or both."

(b) The analysis to such chapter is amended by inserting at the end thereof the following new item:

"1509. Obstruction of antitrust civil process."

SAVING PROVISION

SEC. 7. Nothing contained in this Act shall impair the authority of the Attorney General, the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, or any antitrust investigator to (a) lay before any grand jury impaneled before any district court of the United States any evidence concerning any alleged antitrust violation, (b) invoke the power of any such court to compel the production of any evidence before any such grand jury, or (c) institute any proceeding for the enforcement of any order or process issued in execution of such power, or to punish disobedience of any such order or process by any person.

Mr. DIRKSEN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KUCHEL. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1960

Mr. HAYDEN. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 475, amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

The Senate will recall that previously it passed a similar joint resolution for the month of July. At this time it is necessary that the Senate pass such a joint resolution for the month of August.

The only changes in this joint resolution are for increases in the sums of money with which to carry on, during the month of August, the operations of the mutual security program, and also for the transfer of certain funds.

The PRESIDING OFFICER. The joint resolution will be read.

The joint resolution (H.J. Res. 475) amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the joint resolution?

Mr. JOHNSON of Texas. Mr. President, there has been some confusion in the Chamber, and it has been difficult for all Senators to hear. So I hope the Senator from Arizona will repeat his brief explanation of the joint resolution. As I understand, it is the usual measure when not all the regular appropriation bills have been acted on finally.

Mr. HAYDEN. That is correct. The joint resolution will make provision, for the month of August, in the way the Congress has previously made provision for the month of July.

Of course at the end of the fiscal year, all the appropriations for that fiscal year lapse. Therefore, in order to carry on the work of the Government, the Congress has previously provided that one-twelfth of the unrenewed appropriations for the last fiscal year may be expended during July.

Now that July has almost ended, any appropriations which have not yet been made for 1960 must be continued for August on the same basis, namely, one-twelfth of the amount of the previous year's appropriation. That is all there is to the joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. DIRKSEN. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

CONFERENCE REPORT ON THE INDEPENDENT OFFICES APPROPRIATION BILL

Mr. MAGNUSON. Mr. President, several Senators have asked me about the independent offices appropriation bill, which has been in conference; and there is disagreement on the item dealing with civil defense, on which the Senate has passed on two occasions.

The House has agreed to the conference report, but not to amendment No. 1, which includes the civil defense grants to cities and State Governors.

The Senate committee decided to bring the matter back to the Senate. It is at the desk, and I expect to call it up, if possible—and if the leadership will agree—on tomorrow, following the morning hour.

I know that several Senators are vitally interested in that particular item.

SAFEGUARDING BENEFITS OF INCOMPETENT VETERANS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6319) to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. BYRD of Virginia. Mr. President, this bill is designed to prevent gratuitous benefits to incompetent veterans who are receiving care at public expense from accumulating in excessive amounts and passing, upon the death of the veterans, to relatives who have no claim against the Government on account of the veterans' military service.

The bill has the approval of the Administrator of the Veterans' Administration, the Bureau of the Budget, and the Treasury.

Mr. KUCHEL. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD of Virginia. I yield.

Mr. KUCHEL. Is the intention in connection with the bill to have the Federal Government continue to make maintenance payments for the treatment or care of an incompetent veteran to a public institution, such as a State institution or a local institution, in the event the incompetent's estate were to equal or exceed $1,500?

Mr. BYRD of Virginia. In reply to the inquiry of the distinguished Senator from California, I may say that, under existing law, payments of compensation, pension, or emergency officers' retirement pay to incompetent veterans who are hospitalized in VA hospitals are discontinued when his estate reaches $1,500, and are not resumed until his estate is reduced to $500. Section 2 of H.R. 6319 makes this limitation applicable when the incompetent veteran is being cared for in other Federal institutions or in State or similar public institutions.

If a charge is made by the public institution for the care of the veteran, payments therefor will continue to be paid to the institution out of the accumulated fund of the veteran. When the amount of the accumulated fund is reduced to $500, the Veterans' Administration will resume the monthly payment to the veteran until his estate again reaches $1,500. Thus, the public institution will continue to receive payment for the care of the veteran. H.R. 6319 makes no change in this respect.

If the veteran regains competency, he will be paid the full amount of the unpaid benefits.

Mr. KUCHEL. I thank the able chairman of the Finance Committee for the reassurance of the intention of this bill which is about to receive favorable consideration by the Senate. I may add that the people of California, through their State government, have provided an excellent veterans' home, under the direction of Col. Stanley F. Dunmire. The pending bill, as the able chairman of the Finance Committee has indicated, will continue the present Federal policy of making some payments to an institution such as that conducted by the government of California for the care of veterans who have become incompetent.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 6319) was ordered to a third reading, read the third time, and passed.

REMOVAL AND TERMS OF OFFICE OF MEMBERS OF CERTAIN REGULATORY AGENCIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 464, Senate bill 1965.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1965) to establish certain provisions with respect to the removal and the terms of office of the members of certain regulatory agencies.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 9, after the word "qualified", to strike out "Any Commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office."; on page 2, line 3, after "SEC. 2.", to strike out "(a) Subsection (b) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(b)) is amended by inserting at the end thereof the following: 'Any Commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.' ", and at the beginning of line 8, to strike out "(b)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Federal Power Act (16 U.S.C. 792) is amended by inserting immediately before the sentence "Not more than three of the Commissioners shall be appointed from the same political party," the following: "Upon the expiration of his term of office, a Commissioner shall continue to serve until his successor is appointed and has qualified."

Subsection (c) of section 4 of the Communications Act of 1934 (47 U.S.C. 154(c)) is amended by inserting at the end thereof the following: "Upon the expiration of his term of office, a Commissioner shall continue to serve until his successor is appointed and has qualified."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, Senate bill 1965 was reported unanimously from the Committee on Interstate and Foreign Commerce. It makes uniform the conditions and terms of office of members of regulatory agencies such as the Interstate Commerce Commission, Federal Trade Commission, Civil Aeronautics Board, and other agencies. Under existing law, the members of the Interstate Commerce Commission, the Federal Trade Commission, and the Civil Aeronautics Board, upon termination of their appointments to office, continue in office until their successors are appointed and qualify. On the other hand, the members of the Federal Power Commission and the Federal Communications Commission do not continue in office after the expiration of their terms of office. The result has been that there have been some unfortunate circumstances because when the term of office of one of the members of those Commissions has expired the reappointment or a new appointment has not been sent

to the Senate in time, or, sometimes, if the nomination has been sent to the Senate in time, confirmation has been delayed, with the result that the appointee cannot serve and a vacancy is left in the agency.

It is desired to make the terms of office of members of regulatory agencies uniform, so that they may serve until successors are appointed and qualify. That is about all there is to the bill.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CARROLL. I have not had an opportunity to study the bill. I have sent for my file on this matter.

Do I correctly understand that the provisions of the bill apply to certain agencies, such as the ICC——

Mr. MAGNUSON. No; I may say to the Senator from Colorado that members of the ICC, the Federal Trade Commission, and the Civil Aeronautics Board, upon termination of their appointments, continue in office until their successors are qualified; but as to the Federal Communications Commission and the Federal Power Commission, the law is different, and the service of the members of those agencies expire at the end of their term of office.

It is desired to make the terms of office of members of these five main regulatory agencies uniform, so that the members may continue in office after their terms have expired and until their successors are appointed and qualified.

As I stated previously, there have been some unfortunate cases. The term of office of the chairman of the Federal Power Commission expired, and his nomination for reappointment was sent to the Senate on the day his term expired. Under committee rules, the committee had to wait two weeks. Then there was a rather long hearing on the nomination of Mr. Kuykendall. Before we were through, a month had elapsed. In the meantime, he could not serve as chairman. So far as his office was concerned, everything was stalemated, and he could not be paid. Congress had to pass a bill to reimburse him for that month. Actually, he could sit in his office, but he had no official standing.

The purpose of the bill is to make uniform the terms of office of members of the five agencies.

Mr. CARROLL. Will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. CARROLL. The objective seems to be a perfectly logical and reasonable one. I remember the Kuykendall incident. It seems to me also the bill is necessary for the reason that if a member of an agency cannot function, it may affect officially some of the decisions and opinions that are handed down.

Mr. MAGNUSON. Yes. The bill would also have the effect of giving the Senate a reasonable opportunity to look into the appointments. This has not happened with the present Executive, according to my recollection, but it could happen that an Executive would wait until the last day and then send to the Senate the nomination of a replacement, and then press for the confirmation of that nomination, on the theory that no one was in office in the agency. The bill gives all concerned a more reasonable opportunity and makes uniform the terms of office in the agencies mentioned.

Mr. CARROLL. If the Senator will yield further, I had a question about what appears on page 3 of the report. It has to do with an amendment which I assume the Senator will discuss later.

Mr. MAGNUSON. We cut that part out of the bill. The bill as introduced would have made it uniform. As the report states:

> The bill, as introduced, also would have made uniform the President's power to remove from office a board or commission member for "inefficiency, neglect of duty, or malfeasance in office." Under existing law members of the Interstate Commerce Commission, the Federal Trade Commission, and the Civil Aeronautics Board may be so removed. The quoted language is not contained in the acts governing the Federal Communications Commission and the Federal Power Commission.

We decided that that provision of the bill should be deleted, because it involves some serious legal matters which we want to look into in much more detail.

The Senator from Colorado will recall the famous Humphrey case. Mr. Humphrey was removed as a member of the Federal Trade Commission. That case was taken to the Supreme Court. No reasons were given for removal, and so on and so forth.

We have deleted that section. All the bill now will do will be to make uniform the terms of service.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CARROLL. As I understand the situation, the Federal Power Commission and the Federal Communications Commission do not have in the law relating to each the proviso that the President may remove a commission member for inefficiency, neglect of duty, or malfeasance in office.

Mr. MAGNUSON. The Senator is correct.

Mr. CARROLL. This bill would not make that a part of the law?

Mr. MAGNUSON. No. The bill would not change the existing law in that respect. I think it is proper that we meet the problem, and we will have to do so sooner or later, because that provision is in the law with regard to three regulatory agencies and not with regard to two others.

Mr. CARROLL. Does the Senator from Washington not think it would be advisable, inasmuch as we are seeking uniformity insofar as the expiration of terms of office is concerned, to make the provision applicable to all of the boards, in view of the recent controversy which has arisen especially with reference to one of the Commissioners of the Federal Communications Commission? It would seem to me that the President ought to have the power to remove for inefficiency, neglect of duty, or malfeasance in office. If there is no such power, what can be done about the situation? We are not dealing with a theory. We are dealing with a condition as it existed some months ago.

As a matter of fact, all we have to do, without trying to castigate any individual, is to consider the trial which is now pending. I read about it in the morning newspaper. There is a petition for a retrial date.

Mr. MAGNUSON. The Senator from Colorado will recall, in regard to that case, the President did not remove the Commissioner involved, but asked for his resignation, and the Commissioner submitted his resignation. That would also be true with regard to the Federal Power Commission, but we would have to amend the two basic acts to make them uniform.

Mr. CARROLL. While we are considering the tenure of office and providing for some equality, perhaps we should consider the other point.

Each of three boards or Commissions now is under the jurisdiction of the statute, so why should two be excluded? If I may say so, the same general uncertainty would be applicable to the other three. Why should we exclude the Federal Communications Commission and the Federal Power Commission?

Mr. MAGNUSON. We did not exclude them. The basic laws which set up each one of these agencies contained different provisions. The basic law which established the Federal Communications Commission and the basic law which created the Federal Power Commission did not include the removal clause, whereas the basic laws which set up the Interstate Commerce Commission, the Federal Trade Commission and the Civil Aeronautics Board did.

This is a matter the committee wants to go into in some detail and on which the committee desires to hold hearings.

As a matter of fact, the bill I introduced contained the paragraph which was deleted. The committee did not see fit to include it, without having held hearings.

I am sure the study the Senator is embarking on in the Committee on the Judiciary will be of help to us on this problem.

How do we define what is "inefficiency" in the mind, let us say, of an executive who can remove a commissioner of an independent agency, which is an arm of Congress rather than an executive agency? How do we define "neglect of duty?" The courts in some cases have done so, as the Senator knows, in some of their decisions.

We felt that we did not have enough evidence on the matter, and had not held sufficient hearings, and had not looked into enough cases in regard to the other regulatory bodies to report such a provision. The committee wants to consider a bill to that effect, similar to the provision which was deleted. It will consider the matter again later.

In the meantime, since we felt that everybody was in agreement with regard to the terms of office, we felt we ought to correct that situation as soon as possible.

Mr. CARROLL. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. CARROLL. I have in my hand a report from the American Law Division of the Library of Congress, addressed to the Senate Subcommittee on Administrative Practice and Procedure, for the attention of the chairman, the Senator from Colorado [Mr. CARROLL]. The subject of this report is "Scope of Congressionally Imposed Restrictions on the President's Power of Removal in Relation to the Independent Regulatory Agencies and Commissions."

I shall read the report, because it is rather important:

As the quoted excerpts presented below will confirm, Congress, in enacting legislation establishing independent regulatory agencies, has not consistently employed any single verbal formula for defining or qualifying the President's power of removal exercisable with reference to Commissioners serving thereon:

I. Removable for "inefficiency, neglect of duty, or malfeasance in office": Federal Trade Commission (U.S.C. 15: 41); Federal Coal Mine Safety Board (U.S.C. 30: 475(b)); Atomic Energy Commission (U.S.C. 42: 2032); Interstate Commerce Commission (U.S.C. 49: 11); Civil Aeronautics Board (U.S.C. 49: 1321(a)(2)).

II. Removable for "inefficiency, neglect of duty, malfeasance in office, or ineligibility, but for no other cause": National Mediation Board (U.S.C. 45: 154(1)).

III. Removable "upon notice and hearing, for neglect of duty, or malfeasance in office, but for no other cause": National Labor Relations Board (U.S.C. 29, 153(a)).

IV. Expressly removable by the President: Civil Service Commission (U.S.C. 5: 632).

V. Agencies, the members of which hold office "during their good behavior": Indian Claims Commission (U.S.C. 25: 70b (b)).

VI. Agencies, the members of which serve "at the pleasure of the President": Export-Import Bank (U.S.C. 12: 635a (b, c)).

VII. Agencies as to which no statutory qualification of, or reference to, the President's power of removal is applicable: Federal Deposit Insurance Corporation (U.S.C. 12: 264(b)); Federal Farm Credit Board (U.S.C. 12: 636c); Federal Home Loan Bank Board (U.S.C. 12: 1437); Federal Housing Administration—Administrator (U.S.C. 12: 1702); Securities and Exchange Commission (U.S.C. 15: 78d); Small Business Administration—Administrator (U.S.C. 15: 633(b)); Federal Power Commission (U.S.C. 16: 792); Tennessee Valley Authority—Directors (U.S.C. 16: 831a (b)); Tariff Commission (U.S.C. 19: 1330); Federal Mediation and Conciliation Service—Director (U.S.C. 29: 172(a)); St. Lawrence Seaway Development Corporation (U.S.C. 33: 982); Veterans' Administration—Administrator (U.S.C. 38: 11a); National Science Foundation (U.S.C. 42: 1863–1864); Railroad Retirement Board (U.S.C. 45: 228j (a)); Federal Communications Commission (U.S.C. 47: 154 (a–c)).

Mr. MAGNUSON. That is an important group. I point out to the Senator from Colorado that in the basic law there is no statutory application at all.

Mr. CARROLL. There is no statutory application with regard to group VII. I wanted to sustain the desire of the Senator from Washington to move forward in this field. I wanted to make a record, because the subcommittee of which I am the chairman may move in this field in regard to the agencies in the executive branch and to their practices and procedures under the Administrative Procedure Act.

I thank the Senator from Washington for his patience. The reason I have taken this time is to make the point that had the President of the United States been empowered to remove from office for inefficiency, neglect of duty, or malfeasance, I do not think he would have had to ask anyone for a resignation. I think the time has come to review the entire structure of individual agencies, some executive agencies, and some public corporations which the Congress has created, to see if we cannot bring about uniformity of treatment. I do not think there is any doubt that, when there is statutory power to do so, the President may remove anyone from office for malfeasance in office.

I commend the distinguished Senator from Washington for his statement that this field will be studied. That is one of the reasons why I take the time to make a record in this respect.

Mr. MAGNUSON. Mr. President, I appreciate the interest of the Senator from Colorado and what he is doing.

I am sure we are all in agreement that the laws should be uniform. Some laws provide that the President may remove an official for cause. It is up to the court, in some cases, to determine what is "cause." Some cases have arisen in which the President has removed an official and has refused to give him a bill of particulars, and suit has been brought in an attempt to find out why. In some other agencies, mainly executive agencies, appointment is made to serve at the pleasure of the President. The courts do not have to do much with that language, because displeasure of the President could mean almost anything, and that would be sufficient.

In several important agencies we ran across a conflict between those which are armed by Congress with power to remove an incumbent, and those which are not. In cases in which there is statutory authority, removal is usually for inefficiency, neglect of duty, or malfeasance in office.

So there are all kinds of conditions setting for the power of the Executive to do a job which he should do in many cases. In the case of two agencies, there is no such provision in the law. In the case of three others there is. There are several decisions on this question, going into the subject in some detail.

I am sure the Senator from Colorado and the rest of us would like to take a long look at the subject, to see that no one is removed unjustly, but that the Executive shall have the power to dictate the removal of an incumbent when he has the authority to do so.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the committee report which lists, for two agencies, the days of vacancy in such agencies caused by the fact that a term of office expired, and no replacement had been qualified and confirmed. In one instance the time ran as high as 162 days, when no one could serve.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

All of the acts provide that in the case of an unexpired term of office, the nomination shall be for the balance of the term of office involved. This bill makes no change in the actual statutory term of office.

Prior to the enactment of the Federal Aviation Act of 1958, the terms of the members of the Civil Aeronautics Board expired at midnight on the last day of their term of office. Before the Congress enacted the Federal Aviation Act of 1958, the Board had experienced the following periods of vacancy of members since 1941:

Date term expired	Date successor took oath	Days of vacancy
Dec. 31, 1956	Apr. 4, 1957	93
Dec. 31, 1955	June 11, 1956	162
Dec. 31, 1954	Mar. 1, 1955	59
Dec. 31, 1950	Feb. 6, 1951	36
Dec. 31, 1947	Apr. 6, 1948	96
Dec. 31, 1941	Jan. 15, 1942	14

A similar table for the Federal Power Commission discloses the following periods when the Commission was not at full strength:

Date term expired	Date successor took oath	Days of vacancy
June 22, 1934	Aug. 13, 1934	52
June 22, 1942	July 10, 1942	18
June 22, 1952	July 9, 1952	17
June 22, 1953	Aug. 17, 1953	56
June 22, 1954	July 9, 1954	17
June 22, 1957	Aug. 16, 1957	55

In its report on this legislation, the Commission advised that "This situation has on occasion made it impossible to reach a decision in a particular case, * * *."

Your committee is of the firm opinion that these "arms of Congress" should be kept at full strength, and that the laws governing the terms of office of the Members thereof should be uniform.

We urge the enactment of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies."

ACCEPTANCE OF DECORATION BY HON. THOMAS F. McALLISTER, JUDGE OF U.S. COURT OF APPEALS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 575, House bill 2067.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 2067) to authorize the Honorable Thomas F. McAllister, judge of the U.S. Court of Appeals, to accept and wear the decoration tendered him by the Government of France.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the report of the Committee on

Foreign Relations relative to this subject.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

The law and regulations applying to the acceptance of gifts from foreign governments or foreign government officials are as follows:

"[Attachment to Department Circular No. 277]

"LAW AND REGULATIONS

"Article 1, section 9, clause 8 of the Constitution reads as follows:

" 'No title of nobility shall be granted by the United States: And no person holding any office of profit or trust under them, shall, without the consent of the Congress, accept of any present, emolument, office, or title, of any kind whatever, from any King, prince, or foreign State.'

"The act of January 31, 1881 (5 U.S.C. 115), provides:

" 'Any present, decoration, or other thing, which shall be conferred or presented by any foreign government to any officer of the United States, civil, naval, or military, shall be tendered through the Department of State, and not to the individual in person, but such present, decoration, or other thing shall not be delivered by the Department of State unless so authorized by act of Congress.'

"By an Executive order dated April 13, 1954, the President directed that after that date no request should be submitted for the consent of Congress for anyone, other than retired personnel, to accept gifts, decorations, awards or any other thing tendered to them by a foreign government.

"It is provided in title 5, United States Code, section 115a that:

" 'The Secretary of State is directed to furnish to the 75th Congress and to each alternate Congress thereafter a list of those retired officers or employees of the United States for whom the Department of State under the provisions of section 115 of this title, is holding decorations, orders, medals, or presents tendered them by foreign governments.'

"The acceptance of gifts by officers and employees of the Foreign Service is governed by section 1002 of the Foreign Service Act of 1946, as amended (22 U.S.C. 804), providing:

" 'An officer or employee of the Service shall not ask or, without the consent of the Congress, receive, for himself or any other person, any present, emolument, pecuniary favor, office, or title from any foreign government. A chief of mission or other principal officer may, however, under such regulations as the President may prescribe, accept gifts made to the United States or to any political subdivision thereof by the Government to which he is accredited or from which he holds an exequatur.'

"It is further provided in 1 FSM IV 625.1 and 625.2, as follows:

" '625.1 No American employee shall accept any decoration, gift, or emolument of any kind from any foreign sovereign government, or from any state, province, or municipality of any foreign government, or from any governmental or semigovernmental agency, or from any international organization of states, notwithstanding the fact that the United States is a participant in such international organization. Moreover, to assure absolute equality and uniformity in this regard, no American employee of the Foreign Service shall ever wear any foreign decoration while serving in such capacity.

" '625.2 No American employee, nor any person on behalf of such employee, shall petition the Congress of the United States for legislative permission to receive any foreign decoration, gift, or emolument described in section 625.1.'

"It is also provided in pertinent part in section 1021(a) of the Foreign Service Act of 1946, as amended (22 U.S.C. 809):

" 'The Secretary [of State] may accept on behalf of the United States gifts made unconditionally by will or otherwise for the benefit of the [Foreign] Service or for the carrying out of any of its functions. * * *' "

It will be noted that the constitutional provision cited above applies to all persons "holding any office of profit or trust" under the United States; the provisions of the United States Code apply to "any officer of the United States, civil, naval, or military," and the regulations based on the Foreign Service Act of 1946 apply to "officers or employees of the Service."

THE PENDING BILL

H.R. 2067 will authorize Judge McAllister to accept and wear the decoration of the Chevalier of the Legion of Honor, awarded to him by France. This honor was not awarded as a result of official activities on his part in representing the United States, but solely because of service rendered during World War I as a private citizen and because of his continued devotion as a private citizen to strengthening the bonds of friendship between France and the United States.

The Honorable PHILIP A. HART, junior Senator from Michigan, appeared before the Committee on Foreign Relations on Thursday, July 23, in support of the pending resolution and described the services for which the decoration was tendered.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2067) was ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF RATES OF BASIC COMPENSATION FOR CERTAIN POSITIONS IN THE PATENT OFFICE

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 485, Senate bill 1845.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1845) to amend title 35 of the United States Code relating to patents.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, to strike out all after the enacting clause and insert:

That section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended by redesignating the paragraph thereof which was added by the Defense Department Overseas Teachers Pay and Personnel Practices Act as paragraph (33), and by changing the period at the end of such subsection to a semicolon and adding the following new paragraph:

"(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce."

SEC. 2. The first paragraph of section 3 of title 35, United States Code, is amended by adding at the end thereof the following new sentence: "The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended."

SEC. 3. The enactment of the amendments made by the first section and section 2 of this Act shall not affect—

(1) any position of examiner-in-chief in the Patent Office in the Department of Commerce existing immediately prior to the date of enactment of this Act,

(2) the compensation attached to such position of examiner-in-chief, or

(3) any incumbent of such position, his appointment thereto, or his right to receive the compensation attached thereto.

until appropriate action is taken under authority of the amendment made by section 2 of this Act.

SEC. 4. (a) The rate of basic compensation of the Administrative Assistant Attorney General, the Administrative Assistant Secretary of the Interior, the Administrative Assistant Secretary of Agriculture, the Administrative Assistant Secretary of Labor, and the Administrative Assistant Secretary of Treasury shall be $19,000 per annum.

(b) Section 505 of the Classification Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(j) The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b)."

Mr. WILLIAMS of Delaware. Mr. President, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, the bill, which the Department requests, would make possible what we regard as equitable changes in the salaries of a few employees in the Patent Office. The bill was unanimously reported favorably by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes."

ELIMINATION OF ANNUAL REPORTS BY CHAPLAINS IN THE NAVY

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 564, House bill 3290.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3290) to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

APPOINTMENT OF BOARDS OF MEDICAL OFFICERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 565, House bill 3320.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3320) to amend the act of June 21, 1950, relating to the appointment of boards of medical officers.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ENGLE. Mr. President, the bill would merely amend the present law, which requires a board of examiners, in determining the competency of an officer whose mental competence is questioned, to come from the service in which the officer serves.

The trouble is that very often a man in the infantry will be in an Air Force hospital, a Naval hospital, a Marine hospital, or even in a veterans' hospital, and it is necessary to send all over the country to assemble a board, whereas each hospital has medically competent boards in the service, thoroughly able to make a proper determination.

The present requirement involves a great expense for travel, inconvenience, and sometimes long delay.

As a consequence, that limitation is proposed to be stricken from the law, for the purpose of eliminating such expense and delay, and permitting any competent mental board in the hospital in which the person is being cared for to make the determination of competency.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CREDIT FOR SERVICE AS A MEMBER OF THE WOMEN'S ARMY AUXILIARY CORPS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the consideration of Calendar No. 566, House bill 3321.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3321) to amend title 10, United States Code with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. THURMOND. Mr. President, the bill would credit service in the Women's Army Auxiliary Corps as active military duty for any person who subsequently served on active duty in any of the Armed Forces.

The Women's Army Auxiliary Corps was authorized by the act of May 14, 1942. Section 12 of that act provides, in part:

> The corps shall not be a part of the Army, but it shall be the only women's organization authorized to serve with the Army, exclusive of the Army Nurse Corps.

In other words, members of the Women's Army Auxiliary Corps serve with, but not in, the Army.

The purpose of the bill is to give credit to women who served in the Women's Army Auxiliary Corps, along with other credit for military service.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RESTRICTION OF INCREASE OF FORCES AT NAVAL INSTALLATIONS PRIOR TO NATIONAL ELECTIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 567, House bill 4068.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4068) to amend title 10, United States Code by repealing section 7475 which restricts the increasing of forces at naval activities prior to national elections.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ENGLE. Mr. President, the bill would repeal a law which was passed in the fiscal year 1877. Apparently there was the idea at that time that naval personnel at certain places would be increased within 60 days of the election, for political purposes.

I think it is significant that a Democratic Congress is willing to repeal that law, with a Republican administration in the White House. We think it is outmoded, and no longer needed, and that large increases in naval personnel for political purposes will not occur at naval activities prior to national elections. Therefore the law, enacted in 1877, has survived its usefulness, and should be repealed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

WITHHOLDING OF SEAMEN'S WAGES UNDER STATE TAX LAWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 428, Senate bill 1958.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1958) to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, the purpose of the bill, which was approved by the Committee on Interstate and Foreign Commerce unanimously, is to provide that no part of the wages of a seaman who is a member of a ship's crew shall be withheld pursuant to the provisions of the tax laws of any State, Territory, possession, Commonwealth or subdivision thereof. This legislation would clarify the apparent conflict between section 601, title 46, United States Code, which protects seamen's wages from "attachment, encumbrance or arrestment" and the recently enacted provisions of State law which require withholding of local taxes from the wages of seamen.

Present practice of the steamship operator is to pay the crew in the American port in which the vessel docks, even though the wage is earned in transit between the port of landing and some other port. The port of payment is treated as the place where the wage is earned for the purposes of the State withholding laws.

Mr. President, the committee desires to submit certain amendments and asks for their consideration.

The PRESIDING OFFICER. The amendments will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, line 5, after the word "That", it is proposed to insert the words "prior to September 1, 1961".

On page 1, line 6, after the word "seaman", to insert the words "who is a member of the crew".

In line 7, after the word "intercoastal", to insert "interstate".

Mr. MAGNUSON. Mr. President, I ask that the amendments be agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Washington on behalf of the committee.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. THURMOND. Mr. President, in view of the adoption of the amendments just stated, I shall not press the other amendment which is at the desk and which is printed.

Mr. ENGLE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a further explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

On June 25, the Senate reported S. 1958, a bill providing that no part of a seaman's wages may be withheld pursuant to State or municipal tax laws. This legislation was passed over on a subsequent call of the calendar. I hope some clarification will convince the Senators of the immediate and critical need for this bill.

Because of a conflict between State and Federal laws, the steamship operators face a potential liability of staggering proportion as well as prolonged and costly litigation. In New York it is reliably reported that the potential liability is building up at the rate of $15 million a month. In Massachusetts alone the liability increases by $2 million a month. Causing this critical situation is the unknown legal relationship between section 601 of title 46, United States Code, and State or local withholding laws. The Federal law provides that "No wages due or accruing to any seaman * * * shall be subject to attachment or arrestment from any court, and every payment of wages to a seaman * * * shall be valid in law, notwithstanding any previous sale or assignment of wages or of any attachment, encumbrance, or arrestment thereon: And no assignment or sale of wages * * * shall bind the party making the same, except such allotments as are authorized by this title."

Another section of the law provides that every owner or master who refuses or neglects to make payment of a seaman's wages (within 2 days after the termination of the agreement under which he shipped on a coastwise voyage and within 4 days after he has been discharged on a foreign or intercoastal voyage) shall pay to the seaman a sum equal to 2 days' pay for each and every day during which payment is delayed beyond the aforementioned periods.

In conflict with the Federal law noted above are the recently enacted withholding provisions in the tax laws of the important maritime States of New York and Massachusetts. Court decisions have confused this legal no man's land rather than clarified the issue. The Oregon Federal District Court has held the State tax invalid, but the Federal court in Alaska reached the opposite conclusion. As a result of this conflict between Federal law and the State provisions—a conflict that presently increases the liability faced by shipowners at the rate of $17 million a month—these steamship companies are between the devil and the deep blue sea if they do not withhold as apparently directed by title 46, United States Code, section 601, or if they do withhold as apparently required under State tax laws. Legislation is immediately required to resolve this dilemma.

Now I will turn to the merits of the legislation, S. 1958, that we are considering today. In a hearing before the Merchant Marine Subcommittee—I might add that the AFL–CIO and the steamship operators unanimously supported S. 1958 at the hearing—in the hearing, the Maritime Administration of the Department of Commerce offered the following testimony:

"The very nature of the steamship industry is transitory. A vessel under the U.S. flag generally will have seamen from many different States as crew members who may 'sign on' a vessel at different ports or at different times. The burden of determining the State residence of each crew member for the withholding of State or local taxes from the seaman's wages would place a complex bookkeeping problem upon the steamship companies.

"This problem would become even more intricate if several States and municipalities should establish a nonresident tax on wages earned at their respective localities, and require the withholding of taxes from the wages of seamen on money earned as salary or otherwise for the period a vessel would be in waters under the States' jurisdiction. Vessels frequently put into ports of several States on a voyage and vessels in the coastwise trade stop at many different U.S. ports. In this instance a multiplicity of tax deductions would be made from the wages of the individual seaman, who might also be taxed on income by his State of residence."

New York and Massachusetts are only the beginning of the States that would extend withholding laws to the wages of seamen. Multiply this accounting problem many times over and you will have an estimate of the problem facing shipowner and seaman alike. The shipowner will have to prepare withholding tax forms for each seaman for each State or municipality for each voyage covering the wages to be paid in each State or each municipality. Similarly, the multiple State or local tax imposed upon the seaman will make it impossible for him to handle his tax forms unless he either becomes an accountant or employs professional help. The costly and complex bookkeeping imposed on seamen and their employers by multiple State withholding laws is all out of proportion to the benefit to the States in the case of seamen.

The ship operating companies fully recognize that there should be no evasion by the seamen of the State tax laws. Presently, the companies and the State taxing authorities are working out a plan whereby the company would supply for the State or municipal district a duplicate of the W–2 form now provided for the Federal Government.

There are many misconceptions concerning S. 1958. I will list them and attempt to clarify the issues.

(1) This legislation is not a curb on the taxing authority of the States—it merely affects one of the procedures for collecting the tax. Each State or taxing district still has the right to impose taxes. It should be noted that Mr. Colin Stam—respected chief of staff of the Joint Committee on Internal Revenue Taxation—who commented favorably on the bill believes that the W–2 provided the States would even be more satisfactory than the withholding method of collection. By this method, the inland States where the seamen are residents will be able to tax as well as the States on water where the ships dock. The general tax authority of the States is not limited by this bill, nor is the seaman relieved of his obligation to pay taxes.

(2) Federal withholding taxes are not affected by S. 1958. There is a specific limitation in the bill that makes it applicable only to State or municipal taxes.

(3) S. 1958 is applicable only to seamen who are members of the crew of a ship engaged in foreign, coastwise, or intercoastal trade—it does not apply to longshoremen, harborworkers, or others. It is specifically provided in the bill that it only applies to "seaman on a vessel."

In conclusion, I urge that Senators consider carefully both the staggering potential liability facing the shipping industry and the insurmountable accounting burdens imposed on company and seaman alike. This is not a giveaway to the merchant marine, but a rational solution of a problem peculiar to an industry engaged in a very transitory business. And it arises out of a conflict between Federal and State law.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 46, United States Code, section 601, is amended by adding at the end thereof the following: *"And provided further,* That prior to September 1, 1961, no part of the wages due or accruing to any seaman who is a member of the crew on a vessel engaged in the foreign, coastwise, intercoastal, interstate, or noncontiguous trade shall be withheld pursuant to the provisions of the tax laws of any State, Territory, possession, or Commonwealth, or a subdivision of any of them."

ACCEPTANCE OF DECORATION BY COL. PHILIP M. WHITNEY, U.S. ARMY, RETIRED

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 574, S. 252.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 252) to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD].

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of the report of the Committee on Foreign Relations relative to S. 252.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

During the 85th Congress, Public Law 85–704 was enacted. It authorized several hundred retired Government officials to receive decorations, presents, and other things tendered to them by foreign governments.

The following letter from the Department of State sets forth the provisions of law applicable to legislation of this kind and the circumstances which resulted in Colonel Whitney's name being omitted from Public Law 85–704:

APRIL 6, 1959.

DEAR SENATOR FULBRIGHT: I have received Mr. Marcy's letter of January 19, 1959, requesting the Department's comments on S. 252, to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France.

Article 1, section 9, paragraph 8 of the Constitution provides that "* * * no Person holding any Office of Profit or Trust under them (the United States), shall, without the Consent of the Congress, accept of any present, Emolument, Office, or Title, of any kind whatever, from any King, Prince, or foreign State."

Section 115 of title 5 of the United States Code requires that any decoration conferred by any foreign government on any officer of the United States shall be tendered through the Department of State. The Department is holding in its custody the citation and in-

signia of the above-mentioned award for Colonel Whitney.

Section 115a of title 5 of the United States Code directs the Secretary of State to furnish to alternate Congresses a list of those retired officers for whom the Department is holding decorations. On April 13, 1954, the President issued a directive to the heads of all executive departments and establishments requiring them to submit to the Department of State lists of retired personnel for whom the Department of State is holding decorations and requiring the Department of State to consolidate these lists and submit them to the Congress in an omnibus authorizing bill at the beginning of the second session of each alternate Congress.

In conformance with the statutes and the President's directive, the Secretary of State has submitted lists of persons for whom the Department is holding decorations, the last list of retired persons having been submitted on January 23, 1958. This bill was enacted into Private Law 85–704 on August 27, 1958.

On November 9, 1950, the Department of the Air Force transmitted to the Department of State 200 citations relative to the French Croix de Guerre with Palm conferred upon its personnel. On March 19, 1952, the Department of State received from the Department of the Air Force the medals to be placed with the citations. Among the awards received to be held in custody were the insignia and citation for Col. Philip M. Whitney.

Colonel Whitney retired on April 30, 1946, and was qualified to be included in the bill submitted to the Congress on January 23, 1958, but his name was unfortunately omitted since it was not submitted by either the Department of the Air Force, whose records it is understood did not reflect his retired status, or the Department of the Army, which was not aware of the award having been conferred. Furthermore, the records of the Department of State indicated at that time that he was an active Air Force officer. On October 22, 1958, the Office of the Adjutant General informed the Department that Colonel Whitney was a retired officer of the U.S. Army who had been temporarily assigned to the Department of the Air Force and whose name should have been included in the omnibus bill submitted to the Congress.

In view of the exceptional circumstances, the Department recommends the enactment of this bill providing for the receipt of a foreign decoration by a retired officer.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
Assistant Secretary
(For the Acting Secretary of State.)

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Colonel Philip M. Whitney, United States Army, retired, is authorized to accept and wear the decoration known as the Croix de Guerre with palm, and to accept any supporting documents tendered him by the Government of the Republic of France. The Secretary of State shall deliver such decoration and any such supporting documents to the said Colonel Philip M. Whitney.

AUTHORIZATION FOR CERTAIN GENERALS OF THE ARMY TO ACCEPT AND WEAR DECORATIONS, ORDERS, MEDALS, ETC.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 576, H.R. 6587.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6587) to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report of the Committee on Foreign Relations concerning the purpose of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this proposed legislation is to provide necessary authority for Generals of the Army George Catlett Marshall, Douglas MacArthur, and Omar Nelson Bradley to accept and wear the awards tendered them by foreign governments and held in escrow by the Department of State pursuant to the act of January 31, 1881 (21 Stat. 604; 5 U.S.C. 115). The Secretary of State is required to furnish each odd-numbered Congress "a list of those retired officers or employees of the United States for whom the Department of State under the provisions of 115 of this title [5 U.S.C. 115], is holding decorations, orders, medals, or presents tendered them by foreign governments" (act of June 27, 1934; 48 Stat. 1267; 5 U.S.C. 115a).

It is not mandatory that an officer who attains the grade of general of the Army retire from the service because of age. A general of the Army who elects not to retire continues to be carried on the active list and remains available to the Government for consultation. Each general named above chose not to retire. Thus their status, not dissimilar in many respects to that of retired officers, is such that their names will not be included in the list of retired officers forwarded periodically by the Secretary of State to the Congress. It would appear therefore that remedial legislation is required if Generals of the Army Marshall, MacArthur, and Bradley are to receive during their lifetimes the awards tendered them by foreign governments and which are currently held in escrow by the Department of State. (The awards held in escrow are listed in the enclosure.) The attached legislative proposal is designed to accomplish that equitable and desirable result.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KEATING. Can the Senator inform us what the "other things" mentioned in the title are?

Mr. MANSFIELD. The bill really relates to retired generals who have not been permitted to wear the decorations, as the Senator should well know, while they were members of the armed services. The bill is approved by the Pentagon.

Mr. KEATING. I am sure it would have the approval of the Pentagon. I was particularly interested in the phrase "other things." I wondered whether that phrase appeared in the bill itself.

Mr. MANSFIELD. Yes, it does appear in the bill itself:

And other things as have been tendered them.

The bill specifically names the following generals of the Army: George Catlett Marshall, Douglas MacArthur, and Omar Nelson Bradley.

Mr. KEATING. The bill applies only to those three generals?

Mr. MANSFIELD. Yes. The purpose of the bill is to provide the necessary authority for these generals of the Army "to accept and wear the awards tendered them by foreign governments and held in escrow by the Department of State pursuant to the act of January 31, 1881."

Mr. KEATING. I thank the Senator from Montana.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PRESCRIPTION OF CERTAIN SAFETY REGULATIONS ABOARD VESSELS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 578, S. 2118.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2118) to amend section 4488 of the Revised Statutes, to authorize the Secretary of the Department in which the Coast Guard is operating to prescribe regulations governing lifesaving equipment, firefighting equipment, muster lists and for other purposes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 7, after the word "operation", to strike out "storage" and insert "stowage", and in line 14, after the word "operation", to strike out "storage" and insert "stowage", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4488 of the Revised Statutes, as amended (46 U.S.C. 481), is further amended to read as follows:

"(a) In order to provide against hazard to life and property, the Secretary of the Department in which the Coast Guard is operating (hereinafter referred to as the 'Secretary') shall prescribe such rules and regulations as may be necessary for vessels subject to inspection and certification by the

United States Coast Guard with respect to the following matters:

"(1) Lifesaving equipment, including, but not limited to, the number, type, size, capacity, details of construction, methods of operation, stowage, maintenance, manning, use, testing, and inspecting of such equipment, and drills and exercises necessary to assure proper functioning and use of such equipment.

"(2) Firefighting equipment and precautionary measures guarding against fire, including, but not limited to, the number, type, size, capacity, details of construction, methods of operation, stowage, maintenance, manning, use, testing, and inspecting of such equipment, and drills and exercises necessary to assure proper functioning and use of such equipment.

"(3) Muster lists, including, but not limited to, the posting of such lists, and prescribing the special duties to be performed by crew members in the event of emergency.

"(4) Ground tackle and hawsers, including, but not limited to, the number, size, stowage, use, maintenance, manning, testing, and inspection.

"(5) Bilge systems for the removal of liquid from the various parts of the vessel, including, but not limited to, design, installation, capacity, composition, functioning, manning, testing, and inspection.

"(b) In prescribing rules and regulations pursuant to this section, the Secretary shall give consideration to the age, size, service, route, and other factors affecting the operation of the vessels.

"(2) Unless otherwise prescribed by treaty or other international agreement, the rules and regulations prescribed by the Secretary pursuant to this section shall be applicable to all foreign vessels carrying passengers from ports of the United States.

"(3) The Secretary may, upon his own motion, or upon the application of any interested party, determine that the application to any vessel of the rules and regulations prescribed pursuant to this section, or any part thereof, is not necessary in the public interest, and he may order such vessel exempt from their application upon such terms and conditions and for such periods of time as he may specify in the order.

"(c) The owner or operator of any vessel who neglects or refuses to provide and equip his vessel with the lifesaving, firefighting, or other equipment, or take other measures required by the rules or regulations issued pursuant to this section shall be liable to the United States in a penalty of $1,000 for each such neglect or refusal for which sum the vessel shall be liable and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the violation; and any master or person in charge of such vessel who so defaults shall be liable to a penalty of $500.

"(d) Any person who wilfully and knowingly manufactures or sells, or offers for sale, or has in his possession with intent to sell, any lifesaving, firefighting, or other equipment subject to the provisions of title 52 of the Revised Statutes, as amended, which is so defective as to be inefficient to accomplish the purpose for which it is intended, shall be fined not more than $10,000 and may, in addition thereto, in the discretion of the Court, be imprisoned for a term not exceeding five years."

SEC. 2. To the extent that any existing provision of law, or any rule or regulation prescribed pursuant thereto, is in conflict with any provision of section 4488 of the Revised Statutes (46 U.S.C. 481), such section as amended by this Act, and the rules and regulations hereafter prescribed pursuant thereto, shall prevail.

SEC. 3. (a) The following Acts or parts of Acts and all amendments thereto are hereby repealed:

(1) Section 4470 of the Revised Statutes (46 U.S.C. 463).

(2) Section 4471 of the Revised Statutes (46 U.S.C. 464).

(3) Section 4479 of the Revised Statutes (46 U.S.C. 472).

(4) Section 4481 of the Revised Statutes (46 U.S.C. 474).

(5) Section 4482 of the Revised Statutes (46 U.S.C. 475).

(6) Section 4483 of the Revised Statutes (46 U.S.C. 476).

(7) Section 4492 of the Revised Statutes (46 U.S.C. 490).

(8) Section 2(a) of the Act of October 9, 1940 (ch. 777, 54 Stat. 1028; 46 U.S.C. 463a).

(9) Section 11 of the Act of May 28, 1908 (ch. 212, 35 Stat. 428; 46 U.S.C. 396).

(b) Any reference in any other law to any Act, or any part thereof, repealed by this Act shall be deemed as a reference to section 4488 of the Revised Statutes, as amended (46 U.S.C. 481).

SEC. 4. Any rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any procedures or rules or regulations in effect on the effective date of this Act shall remain in effect until modified or superseded under the authority of this Act.

Mr. MAGNUSON. Mr. President, the bill is recommended by the Secretary of the Treasury and the Coast Guard. It was reported unanimously by the committee.

The purpose of the bill is to revise the archaic and preclusive regulations relating to lifesaving appliances on ocean, lake, and sound steamers and foreign vessels. It would repeal certain inadequate and obsolete statutory provisions relating to safety equipment and systems aboard vessels. Some of these statutes were enacted more than a half century ago, are now obsolete, or of limited applicability because of advances in science, and should be repealed, as they no longer serve a useful purpose. The bill gives the Coast Guard the authority to make regulations according to modern conditions.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISPOSITION OF PHILADELPHIA ARMY BASE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 568, S. 2210.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2210) to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

Mr. MANSFIELD. Mr. President, this bill will be the unfinished business of the Senate.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 59 minutes p.m.) the Senate adjourned until tomorrow, Thursday, July 30, 1959, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 29, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Thessalonians 5: 15: *Ever follow that which is good, both among yourselves, and to all men.*

Almighty God, as we again draw nigh unto Thee in prayer, may we surrender our wills to Thine and yield our spirits to Thy spirit to be led in the ways of purity and peace.

We pray that Thou wilt strengthen and sustain us in the fulfillment of our daily duties and so rule us by Thy wisdom and power that we shall always desire and do that which is right and well pleasing unto Thee.

Help us to find in the common experiences and routine tasks of life, opportunities and occasions to serve Thee and achieve blessedness for all mankind.

Hear us in the name of our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 107. An act to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title;

S. 2424. An act to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs; and

S.J. Res. 124. Joint resolution to extend the voluntary home mortgage credit program.

AUTHORIZING CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. VINSON submitted a conference report and statement on the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes.

MAINTENANCE AND TRAVEL EXPENSES OF JUDGES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2909) relating to the maintenance and travel expenses of judges, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the first paragraph of section 456 of title 28, United States Code, is amended to read as follows:

"'Each Justice or judge of the United States and each retired Justice or judge recalled or designated and assigned to active duty, while attending court or transacting official business at a place other than his official station, shall, upon his certificate, be paid by the Director of the Administrative Office of the United States Courts all necessary traveling expenses, and also a per diem allowance in lieu of actual expenses of subsistence (as defined in the Travel Expense Act of 1949, as amended, 63 Stat. 166; 5 U.S.C. 835) at the per diem rate provided for by the Travel Expense Act of 1949, as amended, or, in accordance with regulations prescribed by the Director of the Administrative Office of the United States Courts with the approval of the Judicial Conference of the United States, reimbursement for his actual expenses of subsistence not in excess of the maximum amount fixed by the Travel Expense Act of 1949, as amended.'"

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. RAINS. Mr. Speaker, I ask unanimous consent that on tomorrow, following the legislative business and the conclusion of special orders heretofore granted, I may address the House for 1 hour on the President's veto message on housing.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ORDER OF BUSINESS—PRIVATE CALENDAR TO BE CALLED ON AUGUST 11

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar on Tuesday next be dispensed with and that it may be in order to call the Private Calendar on August 11.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MUTUAL SECURITY APPROPRIATIONS, 1960

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill (H.R. 8385) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes.

The Clerk read the engrossed copy of the bill.

Mr. TABER. Mr. Speaker, would it be in order to ask consent that further reading of the bill be dispensed with?

The SPEAKER. It would be. Does the gentleman submit such a request?

Mr. TABER. I do.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOW. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BOW. I am.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. Bow moves to recommit the bill H.R. 8385 to the Committee on Appropriations.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 279, nays 136, answered "present" 2, not voting 17, as follows:

[Roll No. 119]

YEAS—279

Addonizio	Aspinall	Bass, N.H.
Anderson, Mont.	Avery	Bates
Anfuso	Ayres	Baumhart
Arends	Baker	Becker
Ashley	Baldwin	Beckworth
	Barrett	Bennett, Fla.
Blatnik	Griffiths	Nelsen
Boggs	Gubser	Nix
Boland	Hagen	Norblad
Bolling	Halleck	O'Brien, Ill.
Bolton	Halpern	O'Brien, N.Y.
Bowles	Hardy	O'Hara, Ill.
Boyle	Hays	O'Hara, Mich.
Brademas	Healey	O'Neill
Breeding	Hébert	Oliver
Brewster	Hechler	Osmers
Brooks, Tex.	Herlong	Ostertag
Broomfield	Hess	Passman
Broyhill	Holified	Pelly
Burdick	Holland	Perkins
Burke, Ky.	Holtzman	Philbin
Burke, Mass.	Horan	Pillion
Bush	Hosmer	Pirnie
Byrne, Pa.	Huddleston	Porter
Byrnes, Wis.	Ikard	Powell
Cahill	Irwin	Price
Carnahan	Jackson	Prokop
Carter	Jarman	Pucinski
Celler	Johnson, Calif.	Quie
Chamberlain	Johnson, Colo.	Quigley
Chelf	Johnson, Md.	Rains
Chenoweth	Johnson, Wis.	Randall
Chiperfield	Jones, Ala.	Ray
Clark	Jones, Mo.	Reuss
Coad	Judd	Rhodes, Ariz.
Coffin	Karsten	Rhodes, Pa.
Cohelan	Karth	Riehlman
Conte	Kasem	Rivers, Alaska
Cook	Kastenmeier	Roberts
Cooley	Kearns	Robison
Corbett	Kee	Rodino
Cramer	Keith	Rogers, Colo.
Curtin	Kelly	Rogers, Mass.
Curtis, Mass.	Keogh	Rooney
Daddario	Kilday	Roosevelt
Dague	King, Calif.	Rostenkowski
Daniels	King, Utah	St. George
Davis, Tenn.	Kirwan	Santangelo
Dawson	Kluczynski	Saund
Delaney	Kowalski	Schenck
Denton	Laird	Schwengel
Derounian	Lane	Selden
Diggs	Langen	Shelley
Dingell	Lankford	Simpson, Pa.
Dixon	Lesinski	Sisk
Dollinger	Levering	Slack
Donohue	Libonati	Smith, Iowa
Dooley	Lindsay	Smith, Miss.
Dorn, N.Y.	Loser	Spence
Downing	McCormack	Springer
Doyle	McDowell	Staggers
Dulski	McFall	Stratton
Durham	McGinley	Stubblefield
Dwyer	McGovern	Sullivan
Edmondson	Macdonald	Taber
Elliott	Machrowicz	Taylor
Evins	Mack, Ill.	Teague, Calif.
Fallon	Madden	Teller
Farbstein	Magnuson	Thompson, N.J.
Fascell	Mahon	Thornberry
Feighan	Mailliard	Toll
Fenton	Marshall	Tollefson
Fino	Martin	Trimble
Flood	Matthews	Udall
Flynn	May	Ullman
Fogarty	Meader	Vanik
Foley	Merrow	Van Zandt
Forand	Metcalf	Vinson
Ford	Meyer	Wainwright
Frazier	Miller, Clem	Wallhauser
Frelinghuysen	Miller, George P.	Walter
Friedel	Miller, N.Y.	Watts
Fulton	Milliken	Weis
Gallagher	Mills	Westland
Garmatz	Moeller	Widnall
Gary	Monagan	Wier
George	Montoya	Wilson
Giaimo	Moorhead	Wolf
Glenn	Morgan	Wright
Goodell	Morris, N. Mex.	Yates
Granahan	Multer	Younger
Green, Oreg.	Murphy	Zablocki
Green, Pa.	Natcher	Zelenko
Griffin		

NAYS—136

Abbitt	Barden	Bray
Abernethy	Baring	Brock
Adair	Barr	Brooks, La.
Alexander	Bass, Tenn.	Brown, Ga.
Alford	Belcher	Brown, Mo.
Alger	Bennett, Mich.	Brown, Ohio
Allen	Bentley	Budge
Andersen, Minn.	Berry	Burleson
Andrews	Betts	Cannon
Ashmore	Bonner	Casey
Bailey	Bosch	Cederberg
	Bow	Church

Collier	Jensen	Riley
Colmer	Johansen	Rivers, S.C.
Cunningham	Jonas	Rogers, Fla.
Curtis, Mo.	Kilgore	Roush
Davis, Ga.	Kitchin	Rutherford
Dent	Knox	Saylor
Derwinski	Landrum	Scherer
Devine	Latta	Scott
Dorn, S.C.	Lennon	Sheppard
Dowdy	Lipscomb	Shipley
Everett	McCulloch	Short
Fisher	McDonough	Siler
Flynt	McIntire	Simpson, Ill.
Fountain	McMillan	Smith, Calif.
Gathings	McSween	Smith, Kans.
Gavin	Mack, Wash.	Smith, Va.
Grant	Mason	Steed
Gray	Michel	Teague, Tex.
Gross	Minshall	Thomas
Haley	Mitchell	Thompson, La.
Hall	Moore	Thompson, Tex.
Hargis	Morris, Okla.	Thomson, Wyo.
Harmon	Morrison	Tuck
Harris	Moulder	Utt
Harrison	Murray	Van Pelt
Hemphill	Norrell	Wampler
Henderson	O'Konski	Weaver
Hiestand	Patman	Wharton
Hoeven	Pfost	Whitener
Hoffman, Mich.	Pilcher	Whitten
Hogan	Poage	Williams
Holt	Poff	Willis
Hull	Reece, Tenn.	Young
Jennings	Rees, Kans.	

ANSWERED "PRESENT"—2

Sikes Withrow

NOT VOTING—17

Albert	Canfield	Mumma
Auchincloss	Forrester	Preston
Barry	Hoffman, Ill.	Rabaut
Blitch	Kilburn	Rogers, Tex.
Boykin	Lafore	Winstead
Buckley	Moss	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. Forrester against.

Mr. Rabaut for, with Mr. Preston against.

Mr. Auchincloss for, with Mr. Withrow against.

Mr. Moss for, with Mr. Sikes against.

Mr. Lafore for, with Mr. Hoffman of Illinois against.

Mr. Kilburn for, with Mrs. Blitch against.

Mr. Albert for, with Mr. Winstead against.

Mr. Barry for, with Mr. Rogers of Texas against.

Until further notice:

Mr. Boykin with Mr. Canfield.

Mr. SIKES. Mr. Speaker, I have a live pair with the gentleman from California, Mr. Moss. If he were present, he would vote "yea." I voted "nay." Therefore, I withdraw my vote of "nay" and vote "present."

Mr. WITHROW. Mr. Speaker, I have a live pair with the gentleman from New Jersey, Mr. AUCHINCLOSS. If he were present, he would vote "yea." I voted "nay." Therefore, I withdraw my vote of "nay" and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

APPROPRIATIONS FOR CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY, CERTAIN AGENCIES OF THE DEPARTMENT OF THE INTERIOR, AND THE TENNESSEE VALLEY AUTHORITY, 1960

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7509) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1960, and for other purposes, with an amendment of the Senate thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, RABAUT, KIRWAN, JENSEN, and TABER.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I have asked for this time in order to inquire of the majority leader as to the program for tomorrow.

Mr. McCORMACK. Mr. Speaker, the next order of business today is the habeas corpus bill.

Tomorrow, if the conference report on the health, education, and welfare bill is filed, that will be brought up tomorrow.

The conference report on the military construction bill will be taken up tomorrow. I cannot state the order in which they will be taken up, but the conference report on the military construction bill will be taken up and the conference report on health, education, and welfare will be considered, if the report is filed.

The Rules Committee has reported out three rules, as follows:

H.R. 8159, to amend the national banking laws, and so forth.

H.R. 8160, to amend lending and borrowing limitations applicable to national banks, and so forth.

H.R. 8305, to amend the Federal Credit Union Act.

I am programing those bills for tomorrow and they will be called up in the order I have announced, following consideration of conference reports.

There will be no meeting of the House on Friday, for it is not considered urgent that we be in session on Friday and that is not contingent upon finishing the three bills mentioned. That is the program for the balance of the week.

Mr. ARENDS. The program for next week will be announced tomorrow?

Mr. McCORMACK. Yes. I would like to keep the Members informed of the program as far in advance as possible.

I have agreed with my friend from Illinois, and he is aware of what I am about to say, that because there is a primary in Mississippi next Tuesday, with the understanding of the Members of the House, any rollcalls on Monday or Tuesday, outside of rollcalls on rules, will go over until Wednesday.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1960

Mr. CANNON. Mr. Speaker, in conformity with the consent received on yesterday, I move to suspend the rules and pass the resolution (H.J. Res. 475) amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of July 1, 1959 (Public Law 86-76) is hereby amended by striking out "July 31, 1959" and inserting in lieu thereof "August 31, 1959".

SEC. 2. The amounts appropriated by subsection (b) of section 101 of Public Law 86-76 are hereby increased as follows:

Mutual security programs from "$200,000,000" to "$300,000,000"; and

Transitional grants to Alaska from "$1,000,000" to "$2,000,000".

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I should like to know what the bill is about; I could not hear.

The SPEAKER. The gentleman from Missouri yesterday received consent that he might today move to suspend the rules and pass a joint resolution continuing appropriations for the month of August.

Mr. HOFFMAN of Michigan. I want to know what the appropriations are on which they are about to suspend the rules.

The SPEAKER. The Chair suggests that the gentleman from Missouri and the gentleman from New York will explain the resolution.

Mr. HOFFMAN of Michigan. Yes, but that is after they have received consent.

The SPEAKER. No consent is necessary; this is a motion to suspend the rules.

The gentleman from New York [Mr. TABER] demands a second. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Missouri is recognized.

Mr. CANNON. Mr. Speaker, this is the usual resolution to keep the departments running after July 31 in those instances where the supply bills have not been enacted. It merely extends the applicable provisions of the temporary resolution under which the departments are now operating.

The provision made for the mutual security program is identical with last year's action.

Mr. TABER. Mr. Speaker, this is the customary resolution that comes before us every year. There is nothing in it which differs from what we have had in previous years. I do not see how we can avoid passing it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. GROSS. This simply makes funds available to run the various departments of the Government by con-

tinuing appropriations until bills can be passed.

Mr. TABER. It depends on the status of the appropriation bill. If a bill has become law we do not need it, and those agencies are taken out. If it has not become law but has passed both Houses of Congress the one with the lower figure applies. If it has passed but one House that figure would apply. If it has passed neither House the budget estimate would apply, except for the mutual security appropriation and that is limited by the resolution to $300 million for the months of July and August.

Mr. GROSS. It provides for expenditures on the basis of and under the conditions that the gentleman has stated; is that correct?

Mr. TABER. Yes. There is one other thing. It provides for increasing the transitional grants to Alaska from $1 million to $2 million.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman says it gives Alaska $1 million more than they had before or would have had before?

Mr. TABER. It gives them $1 million out of a $10,500,000 appropriation that has been set up for its operations.

Mr. HOFFMAN of Michigan. Is that because Alaska is now a State instead of a Territory?

Mr. TABER. That is about it.

Mr. HOFFMAN of Michigan. So by bringing Alaska into the Union we have this additional million dollars on our shoulders?

Mr. TABER. Yes.

Mr. GROSS. Mr. Speaker, will the gentleman yield again?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. GROSS. Any funds expended will be taken out of the regular appropriations?

Mr. TABER. That is correct.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

INTER-AMERICAN DEVELOPMENT BANK

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk Senate Concurrent Resolution 67 and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (S. 1928), to provide for the participation of the United States in the Inter-American Development Bank, the Secretary of the Senate be, and he is hereby, authorized and directed to make the following change, namely: On page 8, lines 11 and 12, of the engrossed bill, in the phrase "section 4(a)(6) of the Bretton Woods Agreements Act", strike out "(a)" and insert "(b)".

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, this resolution would authorize the enrolling clerk to strike out (a) and to insert (b). It is an obvious mistake, and it is the purpose of this concurrent resolution to correct the mistake.

The Senate concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENDING VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk Senate Joint Resolution 124 to extend the Voluntary Home Mortgage Credit Program and ask for its immediate consideration.

The Clerk read the Senate joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 610(a) of the Housing Act of 1954 is amended by striking out "July 31, 1959" and inserting in lieu thereof "September 30, 1959".

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. McDONOUGH. Mr. Speaker, reserving the right to object, and I shall not object, I believe the House should have an explanation of the purpose of this resolution.

Mr. SPENCE. Mr. Speaker, this resolution would extend for 60 days the Voluntary Home Mortgage Credit Program in the Housing and Home Finance Agency. This is a voluntary program that was entered into by lending institutions to provide finances where financing cannot otherwise be obtained in rural areas and small towns. Over 66 percent of these loans were made to veterans who otherwise could not obtain them. This Voluntary Home Mortgage Credit Program will expire on next Friday unless it is extended, and the purpose of Senate Joint Resolution 124 is to extend it for 60 days.

These same provisions appear in the housing bill which we hope by that time may be passed by the Congress. However, if we do not pass this Senate joint resolution, the whole setup in this organization will have to be disbanded. The employees have been notified that their services will be discontinued after next Friday.

I hope that the House will continue this agency which has been so helpful in the past and which has been especially helpful to the veterans living in rural areas and in small towns where there is inadequate financing to furnish funds for the building of homes.

Mr. McDONOUGH. Mr. Speaker, I concur in all that the chairman of the Committee on Banking and Currency has said about the urgent necessity for the adoption of this resolution. It has been stated that this agency will terminate on Friday of this week. It is a vital agency for the promotion of home building in the United States.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6436) to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and dessicants, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 8, line 7, strike out "348" and insert "346a."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the chairman what the Senate amendment is?

Mr. COOLEY. It merely corrects an error made in the drafting of the bill and changes the section referred to in the United States Code.

Mr. HOEVEN. It is just a clerical error?

Mr. COOLEY. That is all it is.

Mr. HOEVEN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING SECTIONS 43 AND 34 OF THE BANKRUPTCY ACT

Mr. DOWDY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4340) to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, strike out "on the existing basis" and insert "without any change in the salary or arrangements".

Page 1, line 8, strike out "existing".

Page 2, line 2, after "amended" insert "by striking the word 'senior' and inserting in the place thereof the word 'chief' and".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. McCULLOCH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas whether there is any substantive change in the bill as it left the House.

Mr. DOWDY. Not at all. The Senate used different language to express what we expressed in the House bill.

Mr. McCULLOCH. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1960

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the Health, Education, and Welfare appropriation bill may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

HABEAS CORPUS

Mr. COLMER. Mr. Speaker, I call up House Resolution 316 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3216) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Idaho [Mr. BUDGE]; and pending that, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 316 provides for the consideration of H.R. 3216, which would amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court. The resolution provides for an open rule and 1 hour of general debate.

The purpose of this legislation is to restrain the abuse of the use of the writ of habeas corpus in lower Federal courts by prisoners who have been convicted in State courts and who seek to have the action of the State courts reviewed by the lower Federal courts.

This legislation has the approval of the Judicial Conference of the United States as well as the Attorney General of the United States. The principle of this legislation also has the approval of the conference of chief justices of the several States, the National Association of Attorneys General, and the section on judicial administration of the American Bar Association. It thus represents the considered judgment of the State and Federal judiciaries with respect to the delicate problem of conflicting jurisdiction between the State and Federal courts on habeas corpus.

The House Judiciary Committee has found that the courts are being burdened by thousands of groundless, if not fraudulent, claims. Very few of the persons who have been convicted here have had their constitutional rights violated in doing so. The committee wishes to emphasize that it is not the purpose of this legislation to close the doors of the Federal courts to State prisoners who are seeking relief through habeas corpus. Rather its purpose is to eliminate abuses which have arisen in the past by setting up procedures and standards so that repeated applications and groundless claims may be curtailed.

The writ of habeas corpus is one of the most important safeguards of individual liberty, but it was never designed to be a writ of review in the Federal courts. Until recent years a judgment of a court having jurisdiction of the parties and of the subject matter was binding everywhere until reversed on appeal by usual appellate procedures or on writ of error. A person imprisoned under the judgment of a court could be released on habeas corpus, only on a showing that the court was without jurisdiction to render it. However, recent decisions of the Supreme Court hold, in effect, that even though a court may have had jurisdiction at the inception of a case, it may lose jurisdiction as the result of the violation of a defendant's constitutional rights in the course of the proceedings, and that a person imprisoned under its judgment may seek relief through the writ of habeas corpus and establish the violation of such constitutional rights by evidence outside of the record made in the case.

These decisions led to the frequent use and abuse of the writ of habeas corpus by prisoners after conviction of the crime.

I urge the adoption of this resolution.

Mr. BUDGE. Mr. Speaker, the bill which this rule makes in order was previously passed by the House in both the 84th and 85th Congresses.

Mr. Speaker, in the 84th Congress, a bill passed the House. The Senate took no action.

In the 85th Congress, the House again passed a bill. It was favorably reported by the Senate Judiciary Committee, on August 6, 1958, but no further action was taken by that body.

This bill, as amended, has the approval of the Judicial Conference of the United States, as well as the Attorney General of the United States.

In addition, the principle underlying this legislation—namely, restraining the abuse of the use of the writ of habeas corpus—has had the approval over the years of the conference of chief justices of the several States, the National Association of Attorneys General, and the section on judicial administration of the American Bar Association.

Its purpose is to restrain the abuse of the writ of habeas corpus in lower Federal courts by prisoners who have been convicted in State courts and who seek to have the action of the State courts reviewed and reversed by the lower Federal courts.

In 1867 Congress extended the power of Federal courts to grant writs of habeas corpus to "all cases where any person may be restrained of his liberty in violation of the Constitution, or of any treaty of law of the United States." Since that time, and especially in recent years, the volume of habeas corpus litigation in Federal courts has vastly increased. The early conception that habeas corpus was available only where the convicting court was without jurisdiction of person or subject matter at the inception of the trial, has been broadened over the years by numerous judicial decisions.

Influenced by the scope of inquiry adopted by the Federal courts and the fact that State decisions involving questions of constitutional right are reviewable by Federal courts, State prisoners—that is, persons convicted of State crimes in State courts and incarcerated in State prisons under State jurisdiction—are seeking writs of habeas corpus in the Federal courts in increased volume.

It should be pointed out that the sharp increase in the number of applications has not resulted in an increase in the release of State prisoners from custody. It has resulted only in additional burdensome work for the Federal courts. The evil, which the legislation seeks to curtail, lies in the numerous and repeated applications made by State prisoners to the Federal courts which are without any real merit and which are made, in many instances, for purposes of delay.

It was obvious to the Judiciary Committee that the courts are being burdened by thousands of groundless, if not fraudulent, claims. Very few of the persons who have been convicted have had their constitutional rights violated in doing so.

A report of the Special Committee on Habeas Corpus to the Conference of Chief Justices—1953—cites examples of individuals who through repeated applications have delayed justice in their cases from 5 to 8 years.

The purpose of this bill is not to close the doors of the Federal courts to State prisoners who are seeking relief through habeas corpus—rather, its purpose is to eliminate abuses which have arisen in the past by setting up procedures and standards so that repeated applications and groundless claims may be curtailed.

Mr. Speaker, I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. CELLER. Mr. Speaker, I call up the bill (H.R. 3216) to amend section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2254 of title 28, United States Code, is amended by placing "(a)" before the present language of the section and adding thereto subsection "(b)" as follows:

"(b) A Justice of the Supreme Court, a circuit judge or a district court or judge shall entertain an application for a writ of habeas corpus in behalf of a person in custody pursuant to a judgment of a State court, only on a ground which presents a substantial Federal constitutional question (1) which was not theretofore raised and determined, (2) which there was no fair and adequate opportunity theretofore to raise and have determined, and (3) which cannot thereafter be raised and determined in a proceeding in the State court, by an order or judgment subject to review by the Supreme Court of the United States on writ of certiorari.

"An order denying an application for a writ of habeas corpus by a person in custody pursuant to a judgment of a State court shall be reviewable only on a writ of certiorari by the Supreme Court of the United States. The petition for the writ of certiorari shall be filed within thirty days after the entry of such order."

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out all after the enacting clause and substitute the following language: "That section 2244 of title 28, United States Code, is amended (a) by inserting at the beginning of the text thereof the subsection designation '(a)', (b) by striking out of such section the words ', or of any State,' and (c) by inserting in such section at the end thereof two additional subsections to read as follows:

"'(b) When a person in custody pursuant to the judgment of a State court has been denied by a court of the United States or a Justice or judge of the United States release from custody or other remedy on an application for a writ of habeas corpus, a subsequent application for a writ of habeas corpus in behalf of such person shall not be entertained by a court of the United States or a Justice or judge of the United States except on a factual or other ground not presented at the hearing on the earlier application for the writ and then only on a showing of a reasonable excuse for failure to present such factual or other ground at the hearing on the earlier application.

"'(c) In a habeas corpus proceeding brought in behalf of a person in custody pursuant to the judgment of a State court, a prior judgment of the Supreme Court of the United States on an appeal or review by writ of certiorari at the instance of the prisoner of the decision of such State court shall be conclusive as to all rights, questions, and facts actually adjudicated by the Supreme Court therein unless the applicant for the writ of habeas corpus shall plead and prove the existence of a material and controlling fact which did not appear in the record of the proceeding in the Supreme Court and which the applicant for the writ of habeas corpus could not have caused to appear in such record by the exercise of reasonable diligence.'

"SEC. 2. Section 2253 of title 28, United States Code, is amended (a) by inserting in the third paragraph thereof, immediately after the words 'in a habeas corpus proceeding', the words 'of a Justice of the Supreme Court, a circuit judge, or a district court of one judge', and (b) by inserting an additional paragraph in such section, at the end thereof, to read as follows:

"'In a habeas corpus proceeding before a district court of three judges under section 2254 of this title the final order of such court shall be reviewable only by the Supreme Court by writ of certiorari, which shall be applied for within thirty days after the entry of such order.'

"SEC. 3. Section 2254 of title 28, United States Code, is amended—

"(a) by amending the catchline of the section to read as follows:

"'§ 2254. State custody; remedies in Federal courts; three-judge district court required for hearing';

"(b) by inserting in such section, immediately after the catchline thereof, the following new subsections:

"'(a) The Supreme Court, a Justice thereof, a circuit judge, or a district court shall entertain an application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court only on the ground that he is in custody in violation of the Constitution of laws or treaties of the United States.

"'(b) If an application for a writ of habeas corpus is made to a Justice of the Supreme Court or a circuit judge in behalf of a person in custody pursuant to the judgment of a State court, the Justice or judge to whom the application is made shall make or, if the application is made to a district court or is transferred to a district court pursuant to section 2241(b) of this title, a judge of such district court shall make a preliminary examination of the application to determine whether the writ should be granted and may, in his discretion, issue an order to show cause why the writ should not be granted. Such examination may be made upon the allegations of the application only, or upon the allegations of the application, the return to the order to show cause if such an order was issued, and any admissions of fact, original or certified copies of State court records, and other pertinent documentary matter. If the writ is issued it shall be made returnable for hearing and determination in the district court having jurisdiction to entertain it, and in the case of an application entertained by a Justice of the Supreme Court or a circuit judge the proceeding shall thereupon be transferred by his order to such district court. The Justice or judge issuing the writ shall immediately notify the chief judge of the circuit who shall designate a district court of three judges under section 2284 of this title to hear and determine the issue of whether the prisoner shall be released from custody and all other issues remaining in the proceeding and enter final judgment therein. The circuit or district judge granting the writ shall constitute one member of such court and if such judge is not a circuit judge at least one of the other judges shall be a circuit judge.'; and

"(c) by inserting at the beginning of the two paragraphs thereof existing on the day preceding the date of enactment of this Act the subsection designations '(c)', and '(d)', respectively.

"SEC. 4. Item 2254 in the analysis of chapter 153 of title 28, United States Code, immediately preceding section 2241 thereof is amended to read as follows:

"'2254. State custody; remedies in Federal courts; three-judge district court required for hearing.'"

Mr. CELLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of the bill is to regulate applications for the time-honored and traditional writ known as the writ of habeas corpus, which is guaranteed by article 1, section 9, clause 2 of the Constitution.

This bill in nowise hampers applications for the writ; it in nowise militates against the use of the writ of habeas corpus; all it seeks to do is prevent certain abuses that have crept in concerning applications for the writ.

The purpose of this legislation is not to suspend the writ of habeas corpus guaranteed by the Constitution—article 1, section 9, clause 2. Its only purpose is to restrain the abuse of the use of the writ by prisoners who seek, by repeated use of the writ, to delay the ends of justice.

It should be noted that this legislation deals only with State prisoners confined in State prisons who were convicted in State courts of State crimes. It has no direct connection with Federal crimes or Federal prisoners.

The legislation has the approval of the Judicial Conference of the United States composed of the Chief Justice and the presiding judges of the Federal courts of appeal. It also has the support and approval of the U.S. Department of Justice.

This legislation, as noted by the NAACP, has "no special racial significance" and contains "no threats of racial discrimination." In fact, the greatest rash of habeas corpus applications is not, as could be supposed, in the Southern States, but rather is to be found in the States of Illinois, eastern Michigan and northern Indiana. Over the last 17 years out of a total of 9,426 Federal applications for habeas corpus, the Illinois courts alone have entertained 2,872.

The writ is being abused by State prisoners in that they feign constitutional violations of their rights. They go into Federal courts and seek to have the Federal court review the entire record of their trial and appeal proceedings before the State courts. The great writ of habeas corpus was never intended for such purposes.

Reduced to its essentials, this legislation is the result of the Supreme Court decision in *Brown* v. *Allen*, 344 U.S. 443, wherein the Supreme Court stated that a further directive as to

congressional intent was needed—page 450. Although the present law states that a prisoner must exhaust State remedies before he can apply to the Federal courts for relief under the writ, the Supreme Court in Brown against Allen has held that a prisoner meets those requirements when, after being convicted in a State court, he appeals to the State appellate courts and thereafter is denied certiorari by the Supreme Court of the United States. This is so even though other remedies such as habeas corpus and coram nobis are available to him in the State court. The proposed legislation would again restrict the writ of State prisoners and confine them to substantial constitutional questions. The prisoners will have to raise such issues in the following manner: The prisoner will, under this new legislation, petition a Federal district judge or a Federal circuit judge or a Justice of the Supreme Court for the issuance of a writ of habeas corpus, alleging constitutional violations. The judge or Justice will then make a preliminary investigation and if he feels the application of the prisoner has merit he will send the matter to the chief judge of the particular circuit court of appeals who will then convene a three-man Federal district court. The three-man court will then determine the merits of the application after a full hearing and thereafter grant or deny the writ. If the writ is denied, the prisoner then has 30 days within which to seek certiorari before the U.S. Supreme Court. It is believed this provision—namely, a three-man court—reasonably meets and should satisfy the objection raised by the States, to review by a single Federal judge of a decision of the highest court of the State. It will also be observed that the three-judge court provision has ample precedent and follows the present procedure by which, under the United States Code, State court decisions determining constitutional questions, are presently reviewed.

The bill contains a further safeguard. If, upon preliminary inquiry, the judge who entertains the application denies the writ—and the prisoner therefore never has the opportunity to present his claim to a three-judge court—the prisoner may nevertheless seek review of the judge's denial through regular appellate procedure, that is, he may seek a review of the denial before the circuit court of appeals and thereafter to the Supreme Court of the United States.

It should be noted that this statute in no way closes the door of the Federal courts to State prisoners. All that it does is to weed out applications that are without merit, applications which are brought for purposes of delay and also repeated and subsequent applications based on old issues but which are disguised in new forms and under different labels.

I strongly urge that the House take favorable action upon this important and much-needed bill.

Mr. GROSS. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I think we ought to have a couple or 3 minutes' explanation of what this bill provides.

Mr. CELLER. Mr. Speaker, there has been over the years a great deal of abuse in the use of the writ of habeas corpus. Applications have been made in vast numbers by State prisoners in State prisons to the Federal courts. Instead of their being inquiries as to whether or not their constitutional rights had been impaired or suspended or taken away, these writs have really been in the nature of appeals, unwarrantedly so, from decisions of the highest State courts.

There have been something like 700-odd writs every year, which have plagued the judges of the various Federal courts. Over a short period of years there were something like 7,000 cases. Very few of them were successful. As I indicated, they were, more or less, applications to review what the State courts had done. They were in most instances without merit. In the instances where they were successful they were directed to sheriffs, police commissioners, for reduction of bail, a few of them for extradition—matters which are outside the main purpose of this bill. Most of the cases were groundless or even fradulent. So that the Chief Justice of the United States and the members of the Judicial Council felt that something had to be done to prevent this duplication or triplication or quadruplication of applications being constantly made by the same individuals primarily for reasons of delay. The Judicial Council recommended, with the approval of the Department of Justice, the bill we now have before us, so that if an application is made now for a writ of habeas corpus, it cannot be entertained unless it is shown that there is substantial merit to the application.

Mr. GROSS. I have no desire to prolong this discussion. May I ask the gentleman this question. This bill has the unanimous endorsement of the Committee on the Judiciary; does it not?

Mr. CELLER. It has, indeed.

Mr. GROSS. I thank the gentleman.

Mr. WILLIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the underlying purpose of this legislation is to restrain the abuse of the use of the writ of habeas corpus in the lower Federal courts by persons who have been convicted in State courts and who seek to have the action of the State courts reviewed and reversed by the lower Federal courts.

This bill emanated out of a subcommittee of which I am chairman and received the approval of that subcommittee. It also received the unanimous approval of the full committee of the House Committee on the Judiciary. Furthermore, this legislation has the approval of the Judicial Conference of the United States, composed of the Chief Justice of the United States and the presiding judges of the several courts of appeals. It also has the support and approval of the U.S. Department of Justice.

Finally, similar bills passed the House in the 84th and 85th Congresses, but too late for Senate action.

Of late, a practice has developed to use the writ of habeas corpus as a writ of review. We all know that the writ of habeas corpus is one of the most important safeguards of individual liberty, but we know also that it was never designed to be a writ of review in the Federal courts. If a person has been convicted by a State court, he, of course, has a right to have the conviction reviewed through the highest Court of our land whenever his constitutional rights have been invaded. But the right of appeal is one thing; and an application for a writ of habeas corpus is quite another, and this bill is designed to restrain the use of the writ of habeas corpus essentially as an appellate instrument.

This bill can probably be best explained by giving an illustration of exactly how the writ of habeas corpus has been exercised and abused to use the lower Federal courts as appellate courts, in effect, to review proceedings in State courts.

A person is charged with a common-law crime in a State court. He is tried under State law and found guilty by a jury of his peers. He appeals to the highest court of his State and his conviction is confirmed. For the sake of the illustration, let us assume that this judicial confirmation constitutes an exhaustion of the appellate rights of the individual under the laws of that State. Alleging proper constitutional grounds, the defendant then takes an appeal to the U.S. Supreme Court, and, upon this writ of review—petition for certiorari as it is formally called—the decision of the State court is affirmed and the sentence originally imposed is upheld. Let us again assume that this final decree of the U.S. Supreme Court in the case constitutes an exhaustion of appellate or judicial review under Federal law. The defendant then has had his day in court and has exhausted all of his appellate review provided by both State and Federal laws. This ends the matter so far as the use of the writ of review is concerned.

But then what happens under the practice that has developed as a consequence of the interpretation of section 2254 of title 28 of the United States Code—Judiciary and Judicial Procedure—by certain decisions of the Supreme Court commencing with *Brown* v. *Allen* (344 U.S. 433)?

The defendant on presenting a petition alleging—yes, alleging—strong constitutional grounds obtains a writ of habeas corpus from a lower Federal court. After a time-consuming trial, the lower judge recalls the writ and refuses to free the defendant. Here, in effect, the defendant has used the writ to have a lower Federal court to review the original decision of the highest court of the State and to review the decision of the U.S. Supreme Court. But that is not all; the defendant then takes an appeal from the ruling of the lower Federal court to the U.S. Circuit Court of Appeals, and, losing there, applies for a writ of certiorari to the Supreme Court, and the application for the writ is finally denied.

And then what happens? The defendant, through resourceful lawyers, later on files another application for a

writ of habeas corpus alleging—yes, alleging—perhaps stronger and different constitutional grounds. The lower Federal judge hears his case and rules against him; the defendant appeals to the circuit court of appeals and receives the same treatment and then goes through the formality of applying for a writ of certiorari, which is denied. The defendant starts all over again and files a third application before the lower Federal court—and so, on and on.

Typical illustrations of these endless applications for and denials of the writ of habeas corpus are indicated in my report on this bill, beginning at page 24.

I am not saying that this repetitious procedure occurs in every case, but I am definitely asserting that it can be and frequently is indulged in, depending upon the ability of the defendant to hire resourceful lawyers. In my opinion, decent respect for the delicate field of Federal-State relationships requires a curbing of the abuse of the writ of habeas corpus as a writ of review in lower Federal courts.

This bill, of course, would preserve the right of the great writ as originally designed, both initially and after conviction. For example, the Constitution guarantees a speedy and public trial. If a defendant is incarcerated and his trial is unreasonably delayed, he of course, will still have the right to obtain a writ ordering the one having custody of his person to bring forth his body before a court to the end that his right to a speedy trial shall be preserved; because that is exactly what the writ of habeas corpus is—to bring the body of the person detained forthwith before the court. Again, if after conviction new evidence is uncovered, such, for example, as a confession by a third party, of course the writ of habeas corpus would be available. But what the bill seeks to do is to curb the practice on the part of convicted persons of hashing and rehashing issues foreclosed through normal appellate procedure.

Accordingly, under the instant bill an application for writ of habeas corpus on behalf of a person imprisoned under the judgment of a State court may be entertained by a Federal court or judge if it presents a substantial constitutional question.

The bill provides that if an application for a writ of habeas corpus in behalf of a person in custody, pursuant to the judgment of a State court is made to a Justice of the Supreme Court or a circuit judge, the Justice or judge to whom the application is made, or if the application is made to a district court or is transferred to a district court pursuant to section 2241(b), a judge of such district court shall make a preliminary examination of the application to determine whether the writ should be granted and may in his discretion issue an order to show cause why the writ should not be granted. It further provides that such examination may be made upon the allegations of the application only, or upon the return to the order to show cause if such an order was issued, and any admissions of fact, original, or certified copies of State court records, and other pertinent documentary material; and if the writ is issued that it shall be made returnable for hearing and determination in the district court having jurisdiction to entertain it; and that in case of an application entertained by a Justice of the Supreme Court or a circuit judge, the proceedings shall thereupon be transferred by his order to such district court.

It further provides that the Justice or judge issuing the writ shall immediately notify the chief judge of the circuit, who shall designate a district court of three judges under section 2284 of title 28, United States Code, to hear and determine the issue of whether the prisoner shall be released from custody and all other issues remaining in the proceeding and enter final judgment therein, and that the circuit or district judge granting the writ shall constitute one member of such court and if such judge is not a circuit judge, at least one of the other judges shall be a circuit judge.

Under the provisions of subsection (b) of section 3 a State prisoner will not be discharged from custody except by the judgment of a three-judge Federal court, one member of which shall be a circuit judge. It is believed that this provision reasonably meets and should satisfy the objections raised by the States to the review by a single Federal judge of a decision by the highest court of a State.

It will be observed that by the provision for a three-judge court to pass on substantial claims of denial of Federal constitutional rights by State courts, made by an application for habeas corpus, the legislation follows the pattern of prior congressional acts which provide for special three-judge Federal courts to pass on the constitutionality of State statutes or administrative orders.

I urge the House to favorably pass upon this much-needed legislation.

Mr. CRAMER. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, as the ranking minority member of the subcommittee which first considered this measure, I rise in support of H.R. 3216.

It was the unanimous view of the subcommittee, and I am pleased to report also the unanimous view of the Judiciary Committee, that the statutory provisions for reviewing State court convictions through habeas corpus proceedings is in serious need of considerable revision.

At present, a person convicted in a State court may file a petition for a writ of habeas corpus in the Federal district court, the court of appeals, or the Supreme Court. In order to be successful, he, of course, must prove some denial of Federal constitutional rights by the State court.

In recent years the percentage of successful petitions has been very small—1.4 percent. However, the number of petitions which have been filed has steadily increased—7,041 during the 12-year period 1946–1957.

The increased number of petitions has not resulted because of any increase in the denial of constitutional rights. Rather, it has resulted through a resort to the petition as a substitute for appeal or simply for the purpose of obtaining delay—a use for which the great writ was never intended.

We believe this abuse of the writ will be corrected by the enactment of H.R. 3216. The bill, as presently drafted, directs the Federal judges first to make a preliminary examination of the application for the writ. If he desires, the judge can issue an order to show cause why the writ should not be granted.

If he denies the application, the prisoner cannot prosecute an appeal unless he obtains a certificate of probable cause.

If the judge decides the application has merit, he is then required to notify the chief judge of the circuit who shall designate a three-judge district court to hear and determine the issues. This will overcome the objections to the previous bill as raised by many States of a single district judge passing on the constitutionality of State statutes or State court actions that have already been determined by a multijudge State court.

Finally, this bill will put an end to the filing of repetitious and spurious, unfounded applications by providing that subsequent and additional applications shall not be entertained, unless new grounds, accompanied by a reasonable excuse for failure to present at the earlier hearing, are alleged.

I might add, this entire matter has received careful consideration by a special committee appointed by the Judicial Conference; and that the present bill has the support of the Judicial Conference, the Attorney General, the Conference of the Chief Justices of the several States, the National Association of Attorney Generals, and the section on judicial administration of the American Bar Association. Bills on this subject matter passed the House in the 84th and 85th Congresses. The prior bill, however, did not include the provision for review by a three-judge court or the provisions to prevent the repeated filing of almost similar applications. H.R. 3216 is a better bill and a more sound approach than those passed in previous Congresses.

I urge the support by the Members of the House of this bill.

Mr. HOFFMAN of Michigan. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, permit me to call attention to the statement issued which appears in the Chicago Tribune of this morning and written by William Moore who so factually has been covering the McClellan hearings. It carries a statement of the chairman of the committee holding the hearings which has attracted so much attention—hearings which told Mr. Meany of 99 percent of the corruption within his own union. The chairman's worthwhile statement might with profit be read by all. I read it once or twice and I will read it again. I ask unanimous consent, Mr. Speaker, to put it in the RECORD and include it in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

The statement follows:

McCLELLAN RIPS HOFFA AND MEANY

(By William Moore)

WASHINGTON, July 28.—Senator JOHN MCCLELLAN (Democrat, Arkansas) denounced James Hoffa and George Meany Tuesday for branding union reform proposals "anti-union."

Reeling off the wrongs he hopes to correct through a union reform bill with teeth in it, the chairman of the Senate Racket Committee named 24. While he did not list them alphabetically, they included these, which he said the legislation is really against:

Acid assault, brutality, cruelty, dishonesty, and embezzlement. Others were arson, blackmail, corruption, dictatorship, and vandalism.

HE'S ALMOST DRAFTED

MCCELLAN made an emotional plea for support of effective union legislation in an address before the National Press Club, at which an applauding audience almost launched him as a draft candidate for the Presidency.

In his speech and in a question and answer session afterward MCCLELLAN told the Press Club:

1. He does not want to be drafted for nomination for President or Vice President, but he never would decline to serve his country in any capacity.

SHOULD ROUT CROOKS

2. If Congress does not pass effective union reform legislation, the people must put up with the situation or elect a Congress that will act.

3. Decent and honest union leaders should be supporting legislation to drive crooks from the union movement instead of, as Meany has done, denouncing supporters of the legislation as demagogs.

4. His union bill of rights should be passed because no union member should be compelled to leave on the outside the rights and protections guaranteed him by the Constitution when he enters a union hall.

5. The union movement supports the Democratic Party in gratitude for the advantages Franklin D. Roosevelt gave union leaders. Unions are "encouraged and protected by Federal law," MCCLELLAN said, in the exercise of extraordinary powers of industrial government.

LAUDS ROBERT F. KENNEDY

MCCLELLAN began his address by hailing Robert F. Kennedy, committee counsel, as "a young lawyer and investigator unequaled in America."

MCCLELLAN said his committee, which goes out of existence at the end of the year, should be succeeded by a permanent committee to continue its work, or its work should be taken over by a presently existing committee.

MCCLELLAN said he will support the bill introduced in the House Monday by Representative PHIL LANDRUM, Democrat, of Georgia, and ROBERT GRIFFIN, Republican, of Michigan, because it would ban secondary boycotts and blackmail picketing.

SUGGESTIONS WON'T DO

Asked if the bill brought out by the House committee would be better than nothing, MCCLELLAN replied:

"Yes, in that it would express a noble sentiment. Its disadvantage is that it would not have much influence upon people who have no respect for codes of ethics. You are not going to correct the situation with suggestions. You have got to prescribe the regulations and make them effective."

Asked why the taxpayers are not making more clamor for union reform, MCCLELLAN said his mail is running 200 to 300 letters for reform to 1 of criticism of his campaign.

MEANY DIDN'T KNOW

He said nevertheless that it takes time for the people to realize the magnitude of the situation and said:

"After our investigation had been running 6 months, Meany said he had not been aware of one one-hundredth of the corruption."

MCCLELLAN praised local law enforcement officers who have convicted or begun prosecution of corrupt union officials who have been exposed by the committee and expressed the hope that the movement would catch fire throughout the country.

Alluding to Hoffa's plan to educate workers as to who are their friends in Congress, MCCLELLAN, who is expected to run for reelection next year with the united opposition of union bosses, said:

"They are going to raise millions for an educational fund. Whom are they going to educate? Folks like me."

Mr. HOFFMAN of Michigan. Mr. Speaker, the statement, as Members have just heard, calls attention to some, but by no means all, of the inequities and the wrongful acts, illegal acts, practiced by Mr. Hoffa and his agents. But it does not say anything, if I remember correctly, about Brother Reuther. That is a little strange. I have noticed that all through the hearings on the other side, while Mr. Reuther was called in, no real heat was put on. If you read the record you would think every one of the committee members, including the Republicans, had velvet gloves on the way they did not handle him. Now, let us get just a few of the facts about Reuther. Way back, before the early Ford strike, my colleague from California [Mr. HOLIFIELD] referred to it yesterday, way back in those days, Mr. Reuther was active in the sitdown strikes in Michigan—where whole cities were tied up. Reuther participated in many of these strikes. Then later when the Ford strikes came along, in the early forties, he and a gentleman named Frankensteen went down to the overpass at the Ford plant. I had a picture or two of that. Now it happened that at that time Harry Bennett, who believed in meeting lawless force with legalized force—Harry Bennett and some pugilists—goons I think union people might call them—they worked for industry there—they gave Brother Reuther and Frankensteen a good—not a good but a vicious—beating. They just whaled the tar out of those two fellows who were then big bruisers, and some others of their gang. It seems that since that time Brother Reuther has not been on the picket line. He, through Mazey, the second in command of his shock troops, stands way, way back and says to the other fellows, just as if they were dogs, he says, "Sic 'em." And the boys go in and get beaten and some of them land in jail. Mazey, Reuther's lieutenant, is in the same sort of business and he so testified under oath—I mean about inciting strikers and pickets to beat up workers. My friend on the other side of the Capitol, the gentleman who made the statement in the press—he did not mention Reuther. I cannot understand it because from that time on, that is 1937, Reuther has been the most efficient and unscrupulous advocate of force and violence and destruction of property that we have had in this country in connection with the labor movement. He has even surpassed Hoffa. If you doubt that, I can explain it by saying that much of his lawless activity has been under cover while Hoffa has been out in front. Hoffa has been arrested a dozen times for trying to beat up somebody. He is a sort of two-fisted pugilist on his own account. Reuther hides behind a group of intelligent, skilled advisers who keep him away from the law's clutches. For instance, this Kohler business—you remember Mazey went over there as Reuther's chief lieutenant. He took Gunaca and various boys over there and most shamefully, disgracefully, and viciously beat up innocent citizens as well as individuals who wanted to work for Kohler.

Then when Gunaca was arrested he came back to Michigan and Soapy Williams, a Democratic Governor and Walter's stooge and now a candidate for the Presidency until recently—Reuther has recently deserted him; he will not get that support any more; Reuther is going for another, perhaps the Honorable HUBERT HUMPHREY, of Minnesota—Williams protected him, Gunaca, and refused to let him be extradited from Michigan to Wisconsin because, bless your dear heart, Williams said he would not get a fair trial. When finally public sentiment forced Williams to let him be taken by the officers, what did he do? Gunaca went back to Wisconsin and entered a plea of guilty, entered a plea of guilty to beating a man who died 2 years later and then they had enough influence to induce the prosecuting attorney to go into court and say: "Well, this is a mama's boy. He should be let off with a little fine and probation."

The Chicago Tribune gives us the following on what happened when sentence was imposed:

The district attorney recommended that Gunaca be fined $500 on the charge of beating the younger Bersch and that he be given a suspended 3-year prison term on the assault charge involving the elder man's more serious beating.

But the judge had a different story.

The story continues:

The judge said the assault apparently was intended to serve as an example of "strong-arm methods and pulling people into line by force." Then he asked, rhetorically: "Doesn't this court have a duty when cases like this are presented in their stark reality, to also create an example?"

In overruling the prosecutor's plea for probation, Judge Rinehart said it is "the conclusion of this court that any probation this defendant attains should be earned in the way of parole from the institution to which he will be committed."

Later, Gunaca's attorney complained that his client had not received an impartial trial and that his treatment "was harsh and cruel." It was similar to a blast by Reuther's goon squad commander, Emil Mazey, directed at another judge who had sentenced a UAW member in connection with his activities in the Kohler strike. The judge imposed an indeterminate sentence ranging up to 3 years.

The sentence was the answer to a charge of viciously beating two nonstriking Kohler Co. workers—the neck of

one of whom was broken, and who later died.

Mr. COAD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. COAD. Would the gentleman explain to the House what has been done, what action has been taken against the offenders who shot Mr. Reuther through a window? Would the gentleman elucidate on that?

Mr. HOFFMAN of Michigan. If you will get me more time I will. Unfortunately I do not know anything about that shooting, but I judge it was some union member who had been double-crossed by Reuther, or one of the Reuthers, either Walter, Victor, or Roy—they often work together as Victor and Walter did when they wrote back to "comrades" in Detroit to "Fight for a Soviet America" and who wanted to take the law into their own hands. I do not know who it was. Whoever it was he should be in jail. But remember the old adage, "When theives fall out, honest people get their dues."

(By unanimous consent the pro forma amendments were withdrawn.)

Mr. FEIGHAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill deals only with State prisoners who are convicted in State courts of State crimes and are being held in custody in State prisons. Today many of these State prisoners are abusing the great writ of habeas corpus, by making repeated applications to the Federal courts, asking the Federal courts to overturn the decisions of the State courts and release them from prisons. This procedure has the practical result of having our lower Federal courts sitting as courts of review on the decisions of our highest State courts.

The writ of habeas corpus was never intended to be used as a writ of review.

Today many prisoners make application to our Federal courts for all sorts of reasons. In most instances such applications have no merit and are only made for purposes of delay. As a result, our Federal dockets are becoming overcrowded with frivolous habeas corpus proceedings.

Under the instant bill, much of this abuse will be eliminated. A State prisoner will only be able to go to Federal court if a substantial constitutional right has been violated, and then only upon a showing that he did not have an opportunity to raise the constitutional question at the time of the trial.

If the prisoner's application has any kind of merit, the bill provides that a special three-judge court will hold a hearing and decide the matter. Thereafter the prisoner may not raise that question again, and if he attempts to do so, his application will be denied on the grounds of res judicata.

This procedure should go a long way in eliminating repeated applications based on the same old arguments.

The bill will also bring about more harmony in the delicate area of Federal-State relationships by cutting down, without closing the doors of our Federal Courts, the number of times Federal courts will entertain petitions to review and reverse the trial and appellate proceedings of our State courts.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I would appreciate it if the gentleman from Ohio, Mr. FEIGHAN, would tell the Members of the House the opinion of the Honorable Carl V. Weygandt, Chief Justice of the Supreme Court of Ohio, of the bill that is before the House. He has been Chief Justice of the Supreme Court of Ohio for approximately a quarter of a century.

Mr. FEIGHAN. Mr. Speaker, my colleague from Ohio, Mr. McCULLOCH, has referred to the fact that Chief Justice Weygandt of the Supreme Court of Ohio had opposed the bill. He is the chairman of the Committee on Habeas Corpus of the Conference of the State Chief Justices. We had a memorandum prepared for him written by our counsel setting forth the views that were expressed by him.

The chief justice wrote back saying those were accurate views and expressing his continued opposition to the bill. Chief Justice Weygandt's letter was received this morning. Because of the late date that his letter was received, I did not feel justified in requesting that the bill be held up since there was unanimity in the committee. I feel that the views of Chief Justice Weygandt should be placed in the RECORD and will ask unanimous consent that they be included in my remarks.

The State supreme court justices are meeting in conference in Miami in August and it is possible they may there adopt a resolution expressing their views and communicate with the Senate Committee on the Judiciary, which may consider them subsequent to our passage of this bill.

Mr. Speaker, I ask unanimous consent to include certain correspondence with my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield.

Mr. McCULLOCH. Then may we understand that the correspondence with the chief justice of the Supreme Court of Ohio will be in the RECORD at this point?

Mr. FEIGHAN. Yes; I am inserting it in the RECORD.

JULY 23, 1959.

The Honorable CARL V. WEYGANDT,
Chief Justice, Supreme Court of Ohio,
Columbus, Ohio.

DEAR MR. CHIEF JUSTICE: My colleague, WILLIAM M. McCULLOCH, ranking Republican member of the House Committee on the Judiciary, called to my attention the fact that you had made some observations with reference to H.R. 3216. Mr. McCULLOCH and I requested our committee counsel, Mr. Brickfield, to prepare a memorandum with reference to your position regarding H.R. 3216. Enclosed is copy of the memorandum.

There is also enclosed copy of the bill, the hearings, and the committee report.

It is expected that H.R. 3216 will be considered on the floor of the House next week.

Congressman McCULLOCH and I feel that, as Ohio Representatives, we should bring to the attention of the Members of the House your views on H.R. 3216.

We would like to know if the memorandum submitted by Mr. Brickfield accurately reflects your views. We would also appreciate any further expression that you may care to make which either one or both of us would make known to the Members of the House.

Sincerely,

MICHAEL A. FEIGHAN.

JULY 22, 1959.

Memorandum to Mr. FEIGHAN.
From C. F. Brickfield, counsel.
In re H.R. 3216, habeas corpus.

Chief Justice Weygandt of Ohio is also Chairman of the Committee on Habeas Corpus of the Conference of State Chief Justices, which is an organization composed of all the State chief justices of the United States.

Chief Justice Weygandt is personally vigorously opposed to H.R. 3216 as amended and he feels that the Conference of State Chief Justices, when it meets formally in August in Miami will also oppose the bill.

He feels that the bill is fundamentally wrong in that it would give statutory approval to the proposition that a lower Federal court would be able to review the final judgments of State courts. Only the U.S. Supreme Court should have such power.

He feels if such legislation is enacted that many States may conversely adopt legislation permitting State courts to review Federal court action insofar as constitutional questions on habeas corpus are concerned.

Justice Weygandt supported the earlier habeas corpus legislation in the 84th and 85th Congresses. Unfortunately, however, this legislation could never be passed in the Senate. Accordingly, a more moderate version was recently suggested by the Judicial Conference of the United States.

The principal differences between the earlier bills and the instant bill are: (1) That a three-man court instead of a single judge will review prisoners' applications, and (2) prisoners will not be able to petition the Supreme Court directly. As to the first, this meets objections raised by the States to the review by a single Federal judge of a decision of the highest State court, and as to the second, it will decrease the work of the Supreme Court, which obviously cannot itself conduct a contested hearing on an application for a writ.

Observation: Presently, under *Brown* v. *Allen*, 344 U.S. 443, a State prisoner does not have to exhaust State remedies before applying to the Federal courts for a writ. The instant bill, while weaker than earlier bills, will at least require exhaustion of State remedies before petition to the Federal courts is allowable and will of course tend to cut out frivolous claims. While weaker than the earlier bills, it is at least a step in the right direction.

C. F. BRICKFIELD,
Counsel.

THE SUPREME COURT OF OHIO,
Columbus, July 27, 1959.

Hon. MICHAEL A. FEIGHAN,
House of Representatives,
Washington, D.C.

DEAR SIR: I have your letter of the 23d, together with the enclosures, and am appreciative of your thoughtfulness in writing me and inviting an expression with reference to pending House bill 3216 relating to the subject of habeas corpus.

Mr. Brickfield's statement is an accurate summary of my views and those of the Conference of Chief Justices of the United States to date.

Because of the confusing decisions of the Federal Supreme Court, our conference has made an exhaustive study of this aggravating problem during the past 6 or 7 years. It was concluded that probably the most ef-

fective approach to a solution would be a Federal statute prohibiting the Federal courts from a misuse of the writ. After many conferences a compromise was effected in the form of a fairly simple bill which became known as House bill 5649. As is usual in compromises, the bill fell far short of the hopes of the Conference of Chief Justices, but we approved the bill because we felt that it would eliminate some of the misuse of the writ. Likewise, it was approved by the Judicial Conference of the United States, the Attorney General of the United States, the National Association of Attorneys General, the Judicial Administration Section of the American Bar Association, and perhaps several other organizations. In successive sessions the bill was passed twice by the House. A year ago the Senate Judiciary Committee and its subcommittee both approved the bill, then No. 8361, and recommended its passage. However, during the last day or two before adjournment, Senator MORSE changed his mind and threatened a filibuster if the bill came to a vote. Hence, no vote was held.

The present complicated and much longer bill accomplishes none of the objectives sought by the Conference of Chief Justices. In fact, it does the opposite in that it would afford permanent statutory approval of the misuse of the writ resulting from the decisions of the Federal Supreme Court. As the matter now stands, a changed personnel of that Court can overrule those decisions, but if they are perpetuated in statutory form, it obviously will be more difficult to change them.

Specifically, our objections to the present bill are that it constitutes a shocking disregard of the four following elementary principles relating to the writ of habeas corpus:

1. The writ may not be employed as a substitute for the usual remedy of review or appeal.
2. It is not available as a device for the retrial of the issues in a criminal case.
3. The rule of res judicata applies.
4. The nature of a writ of habeas corpus is the same in all courts.

At the risk of overextending this letter, I want to add a bit of comment.

In the title as well as in the text of the bill you will notice that its application is limited to attacking judgments of State courts. If applicable to judgments of State courts, is there any valid reason for not making it applicable to judgments of Federal courts? If not applicable to judgments of Federal courts, is there any valid reason for authorizing the use of a writ of habeas corpus by a Federal court to attack a judgment of a State court? The scope of the remedy of habeas corpus is precisely the same in all courts.

Furthermore, if a Federal court may employ the writ of habeas corpus to attack the judgment of a State court, is there any valid reason why a State court may not use the same writ for the same purpose in attacking a judgment of a lower Federal court?

Finally, much is being said about improving Federal-State relationship. Is there any more effective means to prevent this than for the Federal courts to flout the duly adjudicated judgments of the courts of the several States?

I am mailing a copy of this letter to Representatives WILLIAM M. MCCULLOCH and CHARLES A. VANIK.

With kindest regards, I am,

Sincerely,

CARL V. WEYGANDT,
Chief Justice.

Mr. POFF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, the Department of Justice, the Judicial Conference of the United States, the conference of chief justices of the several States, the National Association of Attorneys General of the several States and the American Bar Association concur in the opinion that H.R. 3216 as amended by the Committee on the Judiciary should be written into law.

This bill concerns one of the oldest and most sacred writs in the catalog of our jurisprudence. Literally, the words "habeas corpus" mean "to produce the body." Historically, the writ of habeas corpus has been used as the legal machinery whereby a person who feels that he is being detained in unlawful custody may prove his right to freedom before a duly constituted judicial officer. As early as 1867, Congress empowered the Federal courts to grant writs of habeas corpus to all cases where any person may be restrained of his liberty in violation of the Constitution, or of any treaty or law of the United States.

As established in the early case of Woods against Nierstheimer, the writ initially applied only in those cases where the court which convicted the accused had no initial jurisdiction over the body or subject matter of the crime alleged. However, the original concept has been broadened by recent Supreme Court decisions until it now incorporates what has come to be known as the "doctrine of lost jurisdiction." Under that doctrine, as announced in the case of Johnson against Zerbst and Dowd against United States, even though the court originally had appropriate jurisdiction, it will be deemed to have lost jurisdiction if the accused, subsequent to conviction, can prove that one of his constitutional rights was violated during the course of the trial or in proceedings, outside the record of and leading up to or following the trial. Since the advent of these decisions, the courts have largely lost interest in the question of jurisdiction and practically all petitions for writs of habeas corpus are based on alleged violations of constitutional rights.

The doctrine of lost jurisdiction itself has been further stretched to almost unbelievable lengths. In the case of Brown against Allen, the Supreme Court held that a prisoner whose conviction had been affirmed by every appellate court of the State and, by denial of certiorari by the Supreme Court of the United States could thereafter, upon application to an inferior Federal court, reopen the case by resort to habeas corpus proceedings.

This new doctrine of habeas corpus has been exploited by resourceful attorneys representing convicted criminals to delay execution of a sentence for many years. Between 1946 and 1957 Federal courts disposed of 7,041 habeas corpus cases, only 1.4 percent of which were finally decided favorably to the petitioner. Today, petitions average 750 per year, compared with less than 150 before World War II. Many of these petitions were filed by "repeaters" who, having lost one petition simply contrived new arguments based on alleged facts which were groundless, spurious, and calculated only to buy a term of temporary freedom before the imposition of sentence. In one recent case, the period between the date of filing the first petition for habeas corpus and final disposition was 8 years.

It must be understood that this legislation applies only to those defendants convicted under a State law by a State court in which a so-called Federal question is raised. Under the bill, a prisoner in a State jail may file a petition for habeas corpus alleging violation of a constitutional right either with (a) the judge of the Federal district court, (b) a circuit judge, or (c) a Justice of the Supreme Court. The judge or Justice thereupon will make a preliminary examination to determine whether the writ should be granted and, if necessary, may issue an order to show cause why it should not be granted. If the writ is granted, the chief judge of the circuit will designate a special three-judge district court which will hear the evidence and decide whether the prisoner should be released from custody. The provision for a three-judge court is patterned after the system employed under Federal statutes in cases where the constitutionality of State statutes or administrative orders is involved. In habeas corpus proceedings it is felt that a single inferior Federal judge should not have the sole power to override the decision of the highest court of a State.

The decision of this special three-judge court will be considered final in the sense that a judgment must be final before the Supreme Court can consider a petition for certiorari. In other words, the decision of the three-judge court can be appealed in the customary way to the Supreme Court of the United States.

Now let us assume that the judge or justice to whom the application was first made conducted the preliminary examination and decided that the writ of habeas corpus should not be granted. In such case, the petitioner has the right to appeal to the court of appeals, provided the judge who denied the writ or a judge of the court of appeals issues a certificate of probable cause.

The bill also authorizes a limited application of the doctrine of res judicata in habeas corpus proceedings instituted by State prisoners. It provides that if the prisoner has previously filed a petition for a writ of habeas corpus and a Federal court has finally denied release from custody, a subsequent application for a writ will not be entertained by a Federal court unless the defendant can (a) produce additional grounds or facts which were not presented at the previous hearing, and (b) offer a reasonable excuse for his failure to do so. The bill further provides that after the Supreme Court has once ruled on an appeal from a State conviction, its ruling will be conclusive as to all rights, questions and facts adjudicated by the Supreme Court unless the prisoner can (a) prove the existence of a material fact which did not appear in the record of the Supreme Court proceeding, and (b) prove that the fact could not have been presented

in the record by the exercise of reasonable diligence.

Mr. Speaker, this legislation does not in any wise or in any measure impinge upon human rights or detract from the legitimate use of the writ of habeas corpus. It only unburdens the Federal courts from an avalanche of illegitimate and vexatious litigation. Moreover, and equally as important, it serves the best interests of an orderly society where those who violate its laws and trespass upon the rights and endanger the safety of others must be promptly punished.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "A bill relating to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court."

LABOR REFORM LEGISLATION

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and to include extraneous matter therein.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, as a member of the House Committee on Education and Labor, I can testify that the committee recently completed many weeks of the most arduous and grueling legislative work that many of us have ever experienced. The product of that effort is H.R. 8342, a labor reform bill introduced by the distinguished gentleman from Alabama, the Honorable CARL ELLIOTT.

I believe that this bill, which adopts the framework and many provisions of the Senate bill, is a meaningful, effective weapon against corruption in labor-management relations. If enacted, it will do much to stop the abuses revealed by the McClellan committee without crippling the labor movement.

I am supporting this bill and earnestly solicit the support of my colleagues in the House. This is a bill that everyone can live with except the racketeers and hoodlums who have wormed their way into the labor movement. It is a bill that Members of the House can vote for and sell to their constituents.

The July 27 issue of the New Republic contains an article which in terse fashion sums up the merits of H.R. 8342 and the approach which the gentleman from Alabama has adopted. The New Republic is a distinguished journal of liberal opinion and could never be accused of antilabor bias. I therefore wish to call this article to the attention particularly of Members of this House who consider themselves friends of labor, as I consider myself.

Under unanimous consent, I include at this point in the RECORD the abovementioned excerpt from the New Republic of July 27:

THE LABOR BILL

The AFL–CIO leadership will decline to say so, but organized labor's friends in the House of Representatives last week did the labor movement a good turn. They may not be blessed for it by George Meany (whose position as head of a loose coalition of power enclaves requires him to bristle at any mention of regulatory legislation), or by the NAM (which would prefer no legisaltion to that which calls for less than labor's unconditional surrender).

Six weeks ago, the Republican minority leader, Mr. HALLECK, let it be known that no labor reform measure would get through this session. The wish may have been father to the prediction, but his opinion was echoed by some astute journalists. The House Labor Committee did, however, produce a bill last week which has the distinction of having been written by the committee itself, and of being very much better not only than the extreme measures demanded by labor's enemies but an improvement over the more ambiguous and more punitive Senate bill. It deserves approval by the whole House and by the Senate. For this accomplishment, such liberal Democrats as STEWART L. UDALL, of Arizona; FRANK THOMPSON, JR., of New Jersey; EDITH GREEN, of Oregon; CARL ELLIOTT, of Alabama; and Republican ROBERT P. GRIFFIN, of Michigan, deserve praise.

The farcical non-Communist affidavit for employers in the Senate bill has been deleted; instead proven Communists are barred from holding union office. A loophole in the Taft-Hartley Act has been closed; the House committee would permit employees on strike to vote in NLRB elections. Common-law rights of union members to an accounting of how dues are spent have been spelled out. Fundamental membership rights have been clarified, and in so doing the Labor Committee has recognized that so long as there is a closed shop, unions—unlike other self-governing voluntary associations—are tinged with the public interest and must be held accountable to the community in a special way.

But has the House committee written a prescription for what ails the patients—the patients being both the community and those union members victimized by venal, undemocratic, or manhandling officials? Certainly it has produced no sure cure, but then high-mindedness and respect for democartic procedures in unions, as elsewhere, can only be partially encouraged by legislation. Still, Mr. Hoffa has reason to dislike what has been done. If the bill passes, no convicted felon may hold union office within 5 years after his conviction, which would have some effect on the Teamster hierarchy. The bill's outlawing of contractual agreements between unions and management permitting the union to carry struck "hot cargo" will also hurt Mr. Hoffa. Considerable Teamster authority, not only over local businesses but over other local unions, has derived from the Teamsters' power to break or make strikes of other unions by carrying or not carrying struck merchandise. The effect of this section is to isolate the Teamsters more completely.

And in the long run, Teamster members themselves may benefit from those parts of the House bill which detail rights of members to regular election, to fair nominating procedures, to secret ballots, and an honest count of those ballots. They may still vote for Jimmy Hoffa, but, if the whole Congress now acts as responsibly as has the House Labor Committee, they will have new and safer opportunities to register a contrary preference.

EXECUTIVE PREROGATIVE

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, if the recent Hardy committee hearings have emphasized anything, it is the fact that executive departments, particularly the State Department and the ICA, have shown a stubborn reluctance to turn over to this important congressional subcommittee documents which the committee required in order to do a proper job of investigation in the field of economic foreign aid.

The recent investigation of this subject by the Hardy committee culminated in its widely read report on Laos. Because of its factual presentation and temperate tone, this report has been universally accepted as an important document and a fertile source of information about the mistakes and deficiencies in the operation of our foreign aid program.

The failure of these executive departments to cooperate has possibly meant that negligence and corruption in the operation of this program have been concealed. This attitude certainly interfered with the capacity of the committee to carry on a proper investigation.

Through the efforts of the gentleman from Virginia [Mr. HARDY], the House has twice this year—first in the mutual security authorization bill and secondly in the mutual security appropriations bill—inserted a provision requiring that documents vital to an investigation of the International Cooperation Administration be furnished to the General Acconting Office and to any authorized committee of Congress.

It is unfortunate that the President saw fit in signing the authorization bill to construe this congressional requirement in a manner calculated to frustrate its purpose. I feel strongly that the President was ill advised in this action and I hope that the vote of the House yesterday which again included the Hardy provision in the appropriations bill will on further consideration commend to the President a change of opinion.

In urging his reconsideration of this question, I find strong support in an editorial of the Washington Post dated July 28, 1959, which I append herewith:

EXECUTIVE PREROGATIVE

President Eisenhower was badly advised in his statement putting his own construction on the meaning of the Hardy amendment to the Mutual Security Act. Congress is as well aware as the President that legislation cannot alter the constitutional duties of the Executive with respect to the disclosure of information, documents and other materials, and it is hardly in need of a lecture on the subject. It also is aware, however, that the Executive cannot alter the constitutional duties of Congress.

"The information amendment states that upon request: All documents, papers, communications, audits, reviews, findings,

recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof."

The language is similar to that in the act creating the General Accounting Office. It seems to be an appropriate exercise of the right of the legislative branch to make sure that the purposes of the legislature are carried out and that the money is wisely and honestly disbursed. Some of the information so far made available to Congress certainly justifies anxiety with reference to the handling of these moneys. Those entirely sympathetic with the objectives of the program have been rightly distressed at evidences of laxity and maladministration.

These are not matters about which Congress can be wholly indifferent, trusting blindly and implicitly in the good faith and performance of executive departments. If there is a nonreviewable, nonjusticiable power in the Executive to refuse all information it wishes to withhold, Congress might as well shut up shop:

Just where the line can be drawn has always been a matter of some political pulling and hauling. The courts never have ruled on the matter. Whatever the precise meaning of the Constitution, and whatever the exact rights of the Executive, the early Presidents, while often arguing the existence of an executive privilege, generally gave Congress what it sought. Although President Washington was unhappy at the way in which the House sought papers on the tragic St. Clair expedition, he sent up all the matter at hand as Douglas Freeman notes:

"Washington had learned long previously the protective value of candor in dealing with the American people and he knew that one reason for their trust in him was their belief he would tell them the whole truth."

The wisest Presidents have imitated such candor, particularly in dealing with situations in which irregularities were feared.

MUTUAL SECURITY APPROPRIATIONS

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I favor the passage of H.R. 8385, appropriating funds for the mutual security program. As I have said on many occasions, I believe it is the most practical way of maintaining peace. The continuation of this program is of transcending importance not only to the security and welfare of the United States, but also is essential to the strengthening of the nations of the free world.

Let us review the situation. As has been pointed out, the Foreign Affairs Committee spent 11 weeks in hearings covering some 2,000 pages, held 44 meetings and heard 90 witnesses. After the most careful consideration the committee cut the President's request $266,800,000. The committee cut military assistance $160 million, defense support $85 million, special assistance $21,800,000, and the President's contingency fund $100 million.

In my judgment the cuts for the military assistance program were entirely too severe, especially in view of the Draper committee's report which recommended $400 million above the President's request for this program.

In any event when the bill was brought to the House we were able to sustain the committee's position, although desperate attempts were made to make further cuts and in some instances to handcuff and even destroy the program.

When the bill went to conference with the Senate, as one of the conferees of the House I am proud to report, we were able to maintain the House position and ended up with $13,600,000 above the House figures. However, there were some adjustments which is natural in a conference and unfortunately the military assistance program was cut $40 million below the House figures.

Now we are asked to support this appropriation bill which would cut the President's request $1,226,495,000. This is a further cut from the House figures of $390,295,000. It is my belief we are weakening our own security and treading on very dangerous ground. To me these cuts seem unjustified and unwise.

However, since the House will sustain these cuts I am supporting this measure and hope when it goes to conference adjustments can be made which will provide for a sounder military defense, as well as allow us to carry out other phases of the program deleted by this bill which are so important in the economic field.

During the course of the debate there has been much criticism of the administration of the ICA. As a member of the Investigating Subcommittee of the Foreign Affairs Committee which held extensive hearings we made public many of the defects in the administration of the program mentioned during the debate.

As a result of these hearings and other testimony before the full committee many steps have been taken to tighten up the procurement part of the program. It established the office of Inspector General and Comptroller. This, I hope, will give adequate financial control and audit inspection. These steps should correct many of the abuses that crop up in a program of global scope.

THE ARMY CHAPLAIN

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, on today the 184th anniversary of the Army Chaplaincy is being celebrated at camps, posts, and stations in the United States and in oversea areas where the U.S. Army is stationed.

This branch of service has been linked with the Army since the beginning of our Nation's history. Gen. George Washington issued the first call for American clergymen during the Revolutionary War. The Continental Congress, on July 29, 1775, gave first official recognition to the Army Chaplaincy when it passed a resolution setting the pay of chaplains at the modest sum of $20 a month.

The Revolution, which began with a disordered system of volunteer preachers, closed with an organized system of brigade chaplains. The pay had advanced to that of a colonel. Article 4 of the original Rules and Articles of War, adopted September 20, 1776, referred to "every chaplain who is commissioned to a regiment, company, troop, or garrison." In addition to these types, the Continental Army had hospital chaplains, a German chaplain at large, a chaplain missionary to the friendly Indians, and one division chaplain at headquarters. The names of 179 clergymen who can properly be called chaplains have survived; about half were in the service of the Continental Congress. They included Congregationalists, Presbyterians, Anglicans, Baptists, Reformed Lutherans, the "father of universalism" John Murray, and a Canadian Roman Catholic, Louis Eustace Lotbiniere. (DA Pam 165-1, subject, "The American Army Chaplains," pp. 2 and 3.)

From that period to the present—the Army chaplain has marched, slept, eaten, and died along side his fellow soldier. When the size of the Army was increased the number of chaplains was increased—and when the size of the Army grew smaller the size of the chaplains branch in proportion declined.

In 1791 we are told, John Hunt of Virginia, a Protestant Episcopal priest, who had served as a regimental and brigade chaplain in the Revolution for more than 7 years and whom the British had held for a time as a prisoner of war, served as the only Army chaplain—continuing until 1794.

From this low of one clergyman on active duty, we rise to the heights of World War II when the Army Chaplaincy had 8,896 men in active service. These represented every major religion and denominational group and served in every area of warfare in which the Army was engaged. Eighteen of these chaplains were decorated with the Distinguished Service Cross for outstanding valor; 157 received the Silver Star; 106 received the Legion of Merit; 26 the Soldiers Medal; and over 1,200 the Bronze Star. A total of 78 were killed in action, 4 died in prison camps of the Japanese, and 264 others were wounded as a result of being in action on or near frontlines.

In May of 1948 a commemorative postage stamp was issued by our Post Office Department honoring those four chaplains aboard the SS *Dorchester* who gave up their lifebelts that 4 other men might live. Surely this is in the tradition of these "Soldiers of God," as the Army chaplains are known. This extract from the citation posthumously awarded the Distinguished Service Cross to the next of kin demonstrates the courage of these men and identifies them with their fellow chaplains, before and after, who made the supreme sacrifice * * * "heroically and calmly moved about the deck encouraging the men and assisting them to abandon ship. After the available supply of life jackets was exhausted, he gave up his own. He remained aboard the ship and went down with it, offering words of encouragement to the last."

In 1920 the first Chief of Chaplains was designated to administer the af-

fairs of the Army Chaplaincy. The present holder of that title is Maj. Gen. Frank A. Tobey, an American Baptist from Everett, Mass. Assisting him as deputy is Brig. Gen. William J. Moran, a Roman Catholic, from San Francisco, Calif. These men supervise the activities of approximately 1,100 Army chaplains who serve in all areas of the world where members of the Army are stationed. Not only do they serve as the spiritual counselor to the soldier, and his dependents, but they maintain a program of moral, ethical and religious training that reminds each person of his responsibility to his Maker, and enables him to fulfill his heritage as an American.

Chaplain Tobey, in his anniversary message to the men and women of the Army, reaffirmed this task:

> Our forefathers laid the foundation of our country upon a firm belief in God and His providence. We must ever maintain this foundation to provide the spiritual bulwark against the atheistic concept that would destroy what we hold most dear. This must be done in every aspect of our national life—military—as elsewhere. It is with a rededication to this task that we Chaplains observe our anniversary, and we resolve that, with God's help, we shall continue to move forward.

The chaplains of the Army have a right to be proud of their heritage and for what they are doing now. We congratulate them upon their 184th anniversary and wish them God's richest blessings as they continue their most important work.

THE NATIONAL DEBT

Mr. BETTS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, the recent debate on the debt limit brought forth the expressions of many on the national debt and how it can be reduced. Still more pointed statements are found in the President's Cabinet Committee for Productive Growth and Economic Stability headed by Vice President NIXON. This study of the Nation's present economic outlook supplements the already sound views of the Eisenhower administration in its attempts to curb inflation and champion fiscal responsibility.

Such an expert evaluation of the Nation's economy is an honest treatment of an often politically hackneyed subject. Today we sow the seeds for economic health, prosperity, greater growth and stability; or we dig a grave of uncontrollable inflation, economic instability, and eventual subjugation to the Soviet economic offensive. We must therefore look squarely at our economic problems. As I see it there is an interrelationship among budget balancing, inflation, and the national debt. The depreciation and decline of the American dollar is nurtured through the inflation that in part takes place when Government deficits continually cause increases in the Federal debt.

Many Members have indicated their belief that the Federal Government spends too much each year. We hear demands for balanced budgets and reduced expenditures from almost every part of the United States.

Nineteen of my colleagues have introduced resolutions in this body which are designed "to express the intent of Congress that each year not less than 1 percent of the currently outstanding debt should be retired." These resolutions, well documented by public endorsements, spell out the desire of Members on both sides of the aisle for coming to grips with the need to control and begin retirement of the national debt. I add my warm approval to their resolutions.

But two questions have been raised about their effectiveness. First, any amount paid on the debt can be offset by subsequent appropriations, and, second, a statute on the subject can be repealed by any Congress expressly or impliedly at any time.

The question is simply this: By what means can Congress be bound to a regulated program of debt reduction? The answer is difficult to attain. I have introduced a resolution for the adoption of a constitutional amendment which would meet the objections inherent in other less stringent measures. As part of the Constitution it could not be repealed or avoided by congressional legislation. The main provisions of the resolution are as follows:

First, it would require 2 percent of the gross income to be applied on the national debt.

Second, the debt could not be increased, except on the recommendation of the President and approval by two-thirds of each House. This would mean that the budget would have to be trimmed so that its proposals would not create obligations increasing the present debt, unless the President and two-thirds of the Congress felt otherwise. The Appropriations Committee would have to keep the total appropriations within the same limit and adjust all spending requests accordingly.

I see no middle ground on this question. The resolution I have introduced, proposing for the most difficult of all measures to receive passage, is a guideline to fiscal responsibility. I am offering this resolution in the hope that it might be given serious consideration in this important field. The following is a copy of the resolution:

JOINT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES PROVIDING FOR SYSTEMATIC REDUCTION OF THE PUBLIC DEBT

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, and shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE

"SECTION 1. Two percent of the gross revenue of the United States for any fiscal year shall be applied to the national debt existing at the end of such fiscal year.

"SEC. 2. The term 'gross revenue' shall mean the total amount of revenue as determined by the Secretary of the Treasury, collected by the United States during such fiscal year as taxes or duties, other than—

"(A) amounts collected as taxes under chapter 2 (tax on self-employment income), chapter 21 (the Federal Insurance Contributions Act), chapter 22 (the Railroad Retirement Tax Act), and chapter 23 (the Federal Unemployment Tax Act) of the Internal Revenue Code of 1954; and

"(B) amounts collected under any tax or duty to the extent that the amounts collected under such tax or duty (or that amounts equal to the amounts collected) are specifically appropriated by law enacted prior to the date of the enactment of this amendment.

"SEC. 3. The provisions of this amendment may be suspended and the national debt increased during any fiscal year only upon recommendation of the President and concurrence in such recommendation of two-thirds of the Members of each House of Congress.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

DULLES INTERNATIONAL AIRPORT APPROPRIATION

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. BOW] is recognized for 30 minutes.

Mr. BOW. Mr. Speaker, a new kind of backdoor approach to the U.S. Treasury is being used in connection with the construction of Dulles International Airport.

A new low has been reached in pressure tactics to saddle the taxpayers of the Nation with costs that should be met by local communities.

Fairfax County and the District of Columbia are trying to use funds appropriated for the new international airport to subsidize part of a northern Virginia sewage disposal scheme.

I believe in States rights but not the right to dip into the Federal Treasury for local benefit.

Up to $25 million of the taxpayers' hard-earned money would be used unnecessarily in a project that has not been properly planned, is not needed, has little if any connection with the airport, and has never been considered by the legislative committees responsible for public works or the District of Columbia.

This effort, charged with confusion and emotional factors, is delaying the construction of the new airport, a facility vitally needed by all who have business in the Nation's Capital.

I object strenuously, and I feel this is an issue of sufficient importance to justify a full discussion in the Congress.

Here are the facts.

Dulles International Airport is being constructed in a rural area of Fairfax and Loudoun Counties, Va. Almost 10,000 acres are being purchased by the United States for this purpose. There is no public sewage facility in the area that can handle the wastes that will be generated at the airport. However, there is

every reason to believe that location of the airport in this area will result in residential and commercial development so that within 5 to 10 years the counties and towns will need and will be able to develop a regional sewage disposal and treatment system which will be able to take care of the airport. Our problem is to provide a method of airport waste disposal at the least possible cost to serve for this interim period of 5 to 10 years.

RECOMMENDED PLAN

The very capable engineers employed by the Federal Aviation Agency have studied a great many solutions to the problem outlined. There have been many consultations with officials of Fairfax and Loudoun Counties and with others whose interest is not as readily identified.

Burns & McDonnell, the engineering firm employed by FAA, recommended a proposal for a sewage treatment plant to be located on the airport itself, the effluent of which, purer than the normal quality of water in the Potomac River above all water intakes, would enter the Potomac some 20 miles above the District waterworks intake.

Burns & McDonnell devised an elaborate plan of primary treatment, oxidation ponds each 18 acres in size, sand filters and chlorination, adequate to take care of any possible airport demand in the next 10 years, to provide an effluent that would be, and I quote the engineers' report, "of much higher quality than required by the Virginia Water Control Board." Again quoting the engineers' report:

> The plant would assure an effluent at all times which would be purer than the normal quality of water in the Potomac River above all waterworks intakes.

This would cost $750,000.

Congress appropriated this amount and we had every reason to believe that FAA would go ahead with the work in fiscal 1959.

FAA SUCCUMBS TO LOCAL PRESSURES

Unfortunately, FAA did not go ahead with the sewage treatment plant recommended by its engineers and approved by the Congress.

Local interests began applying pressure and FAA succumbed. To my surprise, the requests for the supplemental appropriation bill of 1960 included an additional $2,450,000 for sewage facilities at the airport. There was testimony that this, together with the $750,000 previously appropriated, would be used to construct a line to carry airport waste some 22 miles through the Virginia countryside and across the river into the District of Columbia system where it would be treated at Blue Plains.

Further study showed that this was only a guess by the engineers, in response to a telegraphic request from FAA. We learned also that the engineers' report included a recommendation for a $22,065,000 pipeline into the District, 83 percent of which would later be used in a permanent Fairfax County sewage system for the airport area.

I have a strong suspicion, amounting almost to a conviction, that approval of the $3,200,000 request would not satisfy the local interests and that we would eventually find ourselves committed to the $22,065,000 proposal which the engineers, themselves, advance as a compromise with local pressure that cannot be justified. The engineering report refers to this proposal as "abnormal, premature, unrealistic, and unfeasible."

The Appropriations Committee rejected the proposal.

This subject was thoroughly discussed in the House June 30 when the gentleman from Virginia [Mr. BROYHILL] proposed an amendment to add these funds to the supplemental bill. That amendment was defeated. The House insisted upon the $750,000 facility previously approved.

THE HEAT IS ON CONGRESS

Then followed a series of radio programs, newspaper articles and editorials and an appeal to the other body in which an effort was made to generate emotional response on the basis that sewage would be deposited in an already polluted river; that it would make District water smell like a Maryland pigpen; that it was in violation of agreements between Virginia, Maryland, and the District; that it would set a harmful precedent.

Every one of these statements can be repudiated and I will do so this afternoon.

First, however, let me discuss motives.

The District Director of Sanitary Engineering, Mr. David V. Auld, is quoted as saying that "we could live with this project."

We could live with this project. It would not contribute one iota to the pollution of the Potomac.

The real motives for opposition to the treatment plant lie elsewhere.

They lie in the desire of Fairfax County authorities, and their allies in other communities including Mr. Auld, to get a Federal subsidy for Fairfax sewage systems.

They lie in the fact that anything other than the treatment plant at International Aiport will establish a precedent of Federal responsibility for northern Virginia's sewage problems.

They lie in the difficulty that has been encountered by local interests in their efforts to obtain congressional approval of an overall Potomac Basin pollution control program.

In short, International Airport is being used as a back-door approach to open the Federal Treasury for local sewage facilities and river pollution control which have not been studied or authorized by the appropriate legislative committees.

Testimony in the Senate Appropriations Committee revealed that even the $3,200,000 proposal, which started out as a simple pipeline to carry airport sewage only into the District system, is being turned into a subsidy for Fairfax County. We learned in those hearings, for the first time, that FAA and Fairfax authorities had been in conference and that they had adopted a proposal whereby FAA would not use the $3,200,000 to build a small line into the District, but to build a larger line about two-thirds of the way to the District where it would connect with the larger line now under construction, by Fairfax County, to serve the new Central Intelligence Agency. The explanation frankly given by Mrs. Wilkins of the Fairfax County Board of Supervisors was that this arrangement would provide a line that could later be used for other developments in Fairfax County in the vicinity of the airport.

Here I should emphasize that no one knows whether $3,200,000 will do the job. It is a guesstimate at best and my guess is that the eventual cost will be much greater.

In this the first step toward the "abnormal, premature, unrealistic, and infeasible" $22,065,000 proposal?

ANSWERING CRITICISM

I am glad to report that Loudoun County is not a part of the effort to secure a Federal subsidy by subterfuge. I have a letter from Mr. J. Emory Kirkpatrick, chairman of the Board of Supervisors, Loudoun County, in which he reports the impact on his community and states Loudoun County's unequivocal support for the temporary $750,000 treatment plant on the airport site. That letter reads as follows:

> Your letter to the editor, which appeared in the Washington Post of July 20 under the heading "Chantilly's Sewage," presents a thoroughly realistic, unbiased statement of the facts of this problem and should do much to correct the flood of misinformation which has been published on this subject.
>
> According to press accounts of the recent Senate Appropriations Committee hearing on the supplementary appropriation bill for the Chantilly Airport, much was said urging an appropriation of $3.2 million for the construction of a sewer line extending from the airport through Fairfax County to a river-crossing at Chain Bridge to connect with the District of Columbia system; instead of using the present appropriation of $750,000 for the construction of an ultra-modern sewage treatment plant at the airport which would discharge its highly-treated effluent into one of the local streams. Apparently the arguments used in support of this procedure were based on the importance of (a) protecting the Potomac River from pollution and (b) helping Fairfax County meet the problems resulting from the coming of the airport.
>
> There seems to be a very prevalent public belief that the airport is located largely, if not entirely, in Fairfax County. This is probably due to the fact that the airport is so generally referred to as the "Chantilly Airport." In reality, 75 percent of the 9,700 acres of the airport are in Loudoun County, which has a total population of 23,000, and 25 percent are in Fairfax County, which has a total population of some 250,000. It is estimated that the airport will bring into the area surrounding it a population influx of at least 50,000. With the primary access highway entering the north end of the airport in Loudoun County; with the terminal building, hangars, and shops (and hence the center of employment of the airport) located in Loudoun County; and with the low Loudoun County tax rate; the influx of population around the three-quarters of the airport in Loudoun County is expected to be some 30,000. This will much more than double the population of the county. Thus it should be perfectly clear that more than one county is confronted with problems resulting from the coming of the airport.

The volume of nonairport sewage which will be generated by this influx into Loudoun County will exceed by many times the volume of sewage from the airport. In order to meet the problem of disposing of this large volume of sewage, we have no alternative but to pass it through local treatment plants meeting the requirements of the Virginia Water Control Board and thence via Broad Run into the Potomac River. In doing so we shall not be polluting the metropolitan water supply, nor make it taste badly, nor give it an objectionable odor, notwithstanding the purely emotional opposition that has been fomented against us in this regard.

If the purpose of the appropriation in question is to protect the Potomac River from pollution, we contend that the $750,000 sewage treatment plant at the airport, the effluent from which will be of a higher degree of purity than the water flowing in either Broad Run or the Potomac River, will accomplish this purpose, just as effectively as the $3.2 million sewer line. Furthermore, either of these two projects is but a temporary, or interim, solution to the problem to be used pending the provision of a permanent solution in the form of intercepting trunkline sewers extending down both sides of the river from some point such as the Monocacy River confluence to pick up the sewage from all the intervening watersheds and carry it below the District of Columbia for treatment.

Your interest in this problem is most heartily appreciated. We congratulate you on your very timely statement to the press and wish you every success in your efforts to carry out the program you have proposed.

Mr. Kirkpatrick's comments refer in part to statements by Mr. Auld who told Washington Post reporters that a treatment plant at the airport would make our water smell like a pigpen. Mr. Auld misrepresents the facts. As I have said before, the effluent would contain no algae and no solids. It would be treated to a very high degree, using processes in excess of those normally required, and it would be chlorinated. Thereafter, it would travel 8 miles before reaching the Potomac, and it would enter the Potomac as a clear and pure effluent some 22 miles above the water intake.

Mr. Auld said it would create a precedent. The precedent is already established by Fairfax and Loudoun County communities and at least three Loudoun County communities are now preparing to build additional sewage treatment plants in this general area with the effluent to be discharged into the Potomac above present waterworks intakes.

As Mr. Kirkpatrick states, other plants are going to be required.

Fairfax County witnesses, the gentleman from Virginia [Mr. BROYHILL] and General Quesada have said that it would violate an agreement between Maryland, Virginia, and the District of Columbia against any further use of the Potomac for the disposal of effluents from sewage treatment plants. I cannot find any such agreement. The States of Maryland, and Virginia have ratified a compact which, if approved by the Congress, would establish a basin commission empowered to make such an agreement. However, this compact has not even been introduced in the Congress for ratification and at this time no agreement exists.

The Virginia State Water Control Board will grant us permission to build and operate the treatment plant proposed by airport engineers. The Virginia State Water Control Board does not find itself bound by an agreement on this subject.

So much for some of the criticisms.

IS THE DISTRICT SYSTEM ADEQUATE?

There is every reason to believe that the proposal to bring airport waste into the District system for treatment would actually contribute far more to pollution of the Potomac than any alternate proposal.

We know that the District system is not capable of carrying the sewage load when we have a heavy rain. At such times the District system is so overloaded that raw sewage is dumped into the Potomac right here in the District.

If we add to this already overloaded system the entire sewage output of the airport and the Central Intelligence Agency, engineers advise me that the overflow of raw sewage will no longer be an occasional incident brought about by heavy rains. It will be an almost daily occurrence.

The inadequacy of the District system and the dangers of dumping raw sewage into the Potomac are recognized by some of the men who are most ardently supporting this additional burden. The gentleman from Virginia [Mr. BROYHILL], the gentleman from Maryland [Mr. LANKFORD], the gentleman from Maryland [Mr. FOLEY], and the gentleman from Minnesota [Mr. BLATNIK] have legislation, introduced May 18, to correct the inadequacy of the present District system, redevelop the storm drainage, and prevent, they hope by 1966, further dumping of raw sewage into the Potomac.

It seems to me that this exposes the fact that the condition of the Potomac River is not the prime interest of those who favor adding airport sewage to the District system rather than the exceptionally elaborate, effective and less costly treatment plant at the airport. The real purpose, as I have always felt, is to charge against the airport a part of the proposed new northern Virginia sewage system.

WHAT DOES VIRGINIA PLAN?

This raises another interesting question. What does Virginia plan?

The Joint Committee on Metropolitan Problems has issued a report on sewage problems which recommends a Northern Virginia Regional Sewage Authority which would build a huge trunkline from southern Fairfax County, which is already well developed and served by sanitary sewers, into Loudoun County to take care of the expected heavy residential and commercial development that will follow upon completion of the CIA headquarters and the International Airport.

But Mrs. Anne Wilkins, who speaks with authority as a veteran member and former chairman of the Fairfax County Board of Supervisors, has testified that she is opposed to any regional sewage authority.

Mrs. Wilkins stated emphatically that the communities of northern Virginia prefer to handle their own sewage systems—with whatever Federal subsidy they can wangle—cooperating with each other but without yielding their responsibility to a regional authority.

Further, it is alleged that the Fairfax County Water Authority has a secret report from its engineers on the proposed trunkline showing that such a project is not feasible.

As I have already said, the compact ratified by Virginia and Maryland has not even been submitted to Congress for ratification.

How then, I wonder, can anyone in Fairfax County tell us when we can expect to have a permanent sewer facility to take care of the airport waste or where any temporary airport pipelines would be placed in order to be of value in a future system that is not even beyond the discussion and disagreement stages?

It seems entirely possible to me, even likely, that any additional sums spent on providing the so-called permanent lines in connection with the airport might be completely wasted if the local communities find that a trunkline up the river is impractical or unnecessary, if they are unable to agree on a joint program or reject a regional authority.

FEDERAL RESPONSIBILITY

Throughout all of this discussion there have been many references to Federal responsibility.

The Federal Government is building an airport in a rural area. The governing bodies, the Senators and Representatives of the area did not want it. Therefore, they say, we have a Federal responsibility to help with any problems created.

I am not unwilling to admit some Federal responsibility, but I am prepared to insist that we are discharging that responsibility in full at this time.

We are offering to take care of our own sewage problem with no burden to the community, contributing nothing to the difficulties of Fairfax or Loudoun Counties.

We are building an access road that will give northern Virginians access to the airport so that a great many of its employees will be encouraged to buy or build homes near their work, others who are traveling will wish to stay nearby and there will be new motels and restaurants and, as in the vicinity of National Airport, we can expect new industry.

Insofar as this development will create the demand for new schools, existing Federal law provides payments both for construction and operation based upon the number of federally connected persons concerned.

A great new industry will add immensely to the income of northern Virginia. Most communities would consider it a bonanza.

I consider that the programs I have mentioned and our concern for fair treatment of the local communities exhibited by countless prolonged conferences and hearings, indicate that we

have and are discharging the Federal responsibility.

IS VIRGINIA SPOILED?

Can it be that Virginia has come to expect too much of the Federal Government? An aid of the gentleman from Virginia [Mr. BROYHILL] estimates that one-half the population of the 10th District is composed of families in which the breadwinner or breadwinners are employees of the Federal Government.

In fiscal year 1959 the Federal Government contributed more than $10 million to the construction and operation of public schools in Arlington and Fairfax Counties and the cities of Alexandria and Falls Church.

I am unable to get a good estimate of the additional tax income these communities receive by reason of the shopping and service centers established to serve the needs of 250,000 Federal Government dependents, nor of the income received by reason of the establishment of such industries as Melpar, Inc., the kind of industry that Fairfax County wants to attract and which it can attract only because of the proximity of the Pentagon and other agencies of this Government.

We are contributing 90 percent of the funds for the new complex of highways that will connect this area with the District and Maryland, one new river bridge is under construction and another will be soon. In short, it appears to me that northern Virginia owes its entire development to the Federal Government and that the Federal Government has been generous in the extreme in helping these communities to develop.

The rate of taxation in Fairfax and Arlington Counties and the cities of Alexandria and Falls Church would seem to support my statement, being substantially lower than that prevailing in most other metropolitan areas.

We hear a great deal about the effect on the communities when the Federal Government takes land off the tax rolls. This has been a problem in Fairfax County especially, but the record shows that the area taken for the airport has contributed so little in tax revenue that its loss will be far more than repaid by taxation on the expected development.

We are taking 2,687 acres in Fairfax County. The county valued this property at $229,925 and received $8,683 in taxes from it. We are taking 7,172 acres in Loudoun County, valued at $359,019 for tax purposes, which yielded revenue of $7,515. In short, the total tax income from the airport site was $16,188.

No one can doubt that developments in the airport area will far more than repay the loss of this insignificant amount of revenue.

Is this why the authorities of northern Virginia believe they can pressure Congress into providing a sewer subsidy as part of the cost of the Dulles International Airport? Is northern Virginia spoiled?

MORE STUDY SUGGESTED

Mr. Speaker, I believe it is imperative that we give the Federal Aviation Agency instructions to go ahead immediately with plans for the safe and economical sewage treatment plant at the airport. Engineers have reported that this should get underway this month if it is to be ready for use when the airport itself is completed. It would be a great mistake to let this argument delay the opening of a facility that is so vitally needed.

However, if we are to abandon the treatment plant and consent to delay while other plans are devised, I believe we should study the whole matter more carefully and be certain that the alternative selected is the best.

First, I suggest that we examine the alternative of pumping the highly treated airport effluent over the low divide south of the airport and discharge it into Accotink Creek. The towns of Fairfax and Vienna already operate in this fashion. Effluent dumped into Accotink, and remember that this is as clear as water in any stream in the area, would not affect any water supply. There are no water intakes on the Potomac below Accotink and there are none on that creek. I am told that this would cost $2,100,000 in addition to the $750,000 for the treatment plant, or $2,850,000, which is considerably cheaper than the pipeline most recently suggested. This would prevent dangerous overloading of the District system and the possibility of increasing discharge of raw sewage from the District into the Potomac.

Second, we might even consider a water treatment plant on the airport to treat the effluent of the sewage plant so that even the most careful person could not object to its discharge into neighborhood streams. I am told that the total cost of two such plants would probably amount to $1,500,000.

There will be other proposals. Let us look them over.

CLEAN UP THE POTOMAC

In closing, let me say that I would not be waging this effort in behalf of the economical treatment plant on the airport if I were not absolutely convinced that it would in no way contribute to pollution of the Potomac. I share the dismay of all good citizens at the present condition of the river. I hope the legislative committee will give consideration to the legislation of the gentleman from Virginia [Mr. BROYHILL] for additional District sewage facilities.

I will be glad to join in support of a sound program to make the Potomac clean. But I must insist that the degree of Federal responsibility in this or any other sewage effort must be established by the legislative committee, it must be authorized by the Congress, and the appropriations must be made in accord with such authorization. There is no legitimate reason whatsoever to charge the initial costs to the new International Airport to try to establish a Federal responsibility and inaugurate a cleanup program under the legislation authorizing the construction of that airport.

Mr. BETTS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Ohio.

Mr. BETTS. Mr. Speaker, the gentleman is making a very excellent contribution in this matter. I would like to ask one question. Is there any private enterprise connected with the operation of this airport from which the Federal Government or the State government will derive any taxes?

Mr. BOW. Oh, yes; there are many matters of private enterprise from which the State of Virginia will receive a benefit. The question has been raised sometimes as to the amount of taxes that are taken from these areas by reason of the facility. The fact of the matter is that amounts to about $16,188 in this particular area. Over a million dollars goes into that area for schools alone each year because of being in this particular school area. The State of Virginia receives great benefit from this installation being in the area and it should take care of these facilities itself and not call upon the taxpayers of the Nation to carry this load.

Since the gentleman has raised the question, we have heard a great deal about these projects on television and radio and in the press. Crocodile tears have been shed by the local papers over this situation. But that attitude is not shared by the county in which this facility is located. In my remarks appears a letter from the Loudoun County Board of Supervisors at Leesburg, Va. Most of this facility lies in that particular county. There is a long letter addressed to me from Mr. Kirkpatrick, chairman of the board of supervisors at Leesburg, Va., accepting the position I have taken that this $750,000 facility should be built and the taxpayers of the Nation should not have put upon their shoulders this large amount.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. I assume that this huge airport will attract many more persons to take up residence in northern Virginia and on that basis the State of Virginia will claim further impaction of schools and demand more cash from the Federal Treasury for the operation of those schools.

Mr. BOW. The gentleman is quite right. There will be a further impact in the area. Houses will be built, businesses will be established, more people will live over there, there will be more income taxes go to the State of Virginia. I think we should cut out this impact payment of funds to Virginia and let them go along like everyone else does. When this facility comes in there they will receive the benefit of taxes from people who go there through increase in business, and so forth. Let them take care of their own facilities.

Mr. GROSS. I certainly agree with the gentleman and commend him for his remarks on this subject.

Mr. BOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LABOR REFORM LEGISLATION

Mr. DENT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DENT. Mr. Speaker, I am opposing the so-called labor reform bill now before us. I do so only after very serious consideration of all of its provisions.

I bow to no Member in my sincere desire to eliminate the evils as exposed by the McClellan committee and by the hearings before our Subcommittee on Labor and Education.

To understand my position one must go back to the original concept of this reform legislation. To vote intelligently one must answer these questions.

Where did the bill change its original purposes, and why?

In the first instance, it was conceived as a vehicle for the elimination of racket influences in the organized labor movement, the curtailment of czaristic powers where such powers were found, the usurpation by unscrupulous leaders of the rights of individual members, the abuse of trust, the misuse of appropriated union funds, the undemocratic perpetuation in office of self-serving union officers, the use of coercive and perverted union practices for personal gain, these and other abuses on the part of some union representatives as well as some employers and their representatives.

This, then was what many of us believed to be the intent of this legislation.

Even in this worthy objective, there were those among us who feared that unless we were careful we might unwittingly destroy the effectiveness of organized labor in its legitimate and continuing fight for better working conditions, economic advancement, and the promotion of social and humane legislation.

If this legislation had been confined to the first six titles dealing with the rights of members, the safeguards against racket control, the reporting of all union finances, elections, contract negotiations, the cleaning up of the no man's land in the Taft Hartley Act, widening the powers of both the Secretary of Labor and the NLRB in keeping with the intent of the act, no Member could find too much ground for opposition.

It is my sincere belief that most of the proponents of this legislation at one time or another felt the same way about it.

The trouble started only when the scene shifted that fateful night in the Senate and the emphasis was shifted from the illegal, intemperate and ill-advised operations of labor-management relations to the fields of recognized union activities dealing with their fundamental legal and necessary activities in the field of organizing, negotiating and maintaining their rights, both individually and collectively.

In this area we have plenty of law on the books, an agency specifically set up to administer the law—NLRB—and hundreds of decisions from the courts of the land, as well as the Labor Board that act as both directional guides, as well as guard rails in the normal, everyday operations in the labor-management field.

The separation of the two does not preclude the need, if any, of additional legislative action in this area, but rather points up the necessity of the separation of the two fields of operation.

In the bill of rights and antiracket sections of the act, we deal with intra-union control and internal behavior; in the Taft-Hartley sections we deal with union-management relations which have a serious effect upon the ability of representative organizations to negotiate with management in the continuing economic struggle between employee and employer.

This was recognized by the principal sponsors in both the Senate and House.

In the Senate, the Kennedy-Ervin bill contained no title 7, dealing with peaceful organizational picketing, legitimate boycotts of struck plants and reorganized labor-management contracts involving the transportation of non-union-struck goods commonly called "hot cargo" contracts.

In the House, our distinguished chairman, Representative BARDEN, whose long history as a member and chairman of our House Committee on Labor and Education is an open book and whose name is a byword throughout the labor movement, introduced this legislation in two parts—one dealing with rackets and members' rights within the concept of the original Kennedy-Ervin bill, and the other dealing with the highly controversial Taft-Hartley amendments.

Further, and more significant, Senator MCCLELLAN in testifying before our subcommittee started his testimony with the following statement:

> If the House of Representatives will now follow up and add additional provisions and make comparable improvements, we can yet pass an exceptionally good labor reform bill at this session of the Congress.
>
> Every proposal of change that would weaken any of the provisions of titles I, II, III, IV, V, and VI will be adverse to the national interest and should be rejected. Except for section 707, I think that title VII might well be stricken from the bill, and the subject matters therein deferred to and be considered along with general revisions of Taft-Hartley.
>
> I regret that it has been deferred, but I cannot accept responsibility for that and neither do I condemn it. There may have been apparently sufficient reasons for the committee taking such action, but I do believe generally that matters in title VII of this bill should be a part of the consideration of the general revisions of Taft-Hartley.

I sincerely believe the Senator realized the urgency of the need for corrective and effective legislation in the field of misbehavior and abusive use of power and also, that these other matters were properly the subject of separate legislative action.

Any person interested in fair and equal justice must admit—at least to himself—that the course of separation of the two areas is to the best interest of all concerned, and by so doing we can maintain the delicate balance, alined only after many years of bitterness and thousands of Court and Board cases and board cases and hearings.

To continue, we might say that we have tried time and time again to persuade my colleagues on the committee to separate the two areas of action. I failed and now find myself on the proverbial horns of a dilemma. I have weighed the proposal as between the good features and the undesirable features and have come to the conclusion that internal affairs of unions in the main are well defined by their constitutions and bylaws. This act would supplement and make effective safeguards against the abusive, and in some cases, arbitrary position of some union leaders.

In most cases of fraudulent conversions, embezzlement of funds, and misuse of union funds and dues, the courts have jurisdiction and law-enforcement agencies that can institute proceedings. There is no question but that this act would make the cleanup of bad conditions more effective, less cumbersome and time consuming.

I find these two features of this bill desirable as well as necessary in some cases. However, the machinery is now available to both members and law-enforcement agencies to attack and correct the abuses and violations exposed by the committee.

On the other hand, I find that once this Congress passes law affecting the legitimate activities of unions there is a hard and rocky road ahead before remedial legislation can be passed if such amendments to our basic labor-management prove to be aggressive, punitive, or unworkable.

I stand ready now to vote for the sections of this bill dealing with rackets and if this Congress separates the issues, I am sure the votes for both bills would more clearly reflect the needs and desires of the peoples—all the peoples.

In making my decision I considered every piece of information I could get. I spent hours and even days reading our hearing reports, press releases, editorials, and announcements, both in the past and at the present time, by men whose opinions I respect even if in some cases I disagree with them.

I found little or no logic for a combination of the two areas of legislative action that was not tainted by one or more of the following:

First. A desire, almost fanatical, to destroy the labor movement's effectiveness at the bargaining table.

Second. A desire to eliminate labor leaders from the political field.

Third. A chance to put into Taft-Hartley restrictive covenants not contained in the original law and doubtful of passage unless disguised as reform legislation.

Fourth. Political ambitions of individuals whose first consideration is their own welfare and who believe that at the moment a divorcement from previous

publicly noted labor support might prove disadvantageous to their future political welfare. It is within this group that I see the great danger of future action by the Congress based upon the precedent set by this law before us. The enactment of internal legislation putting Congress in the meeting hall of every union may very well set the pattern some day for Congress to investigate and legislate in the affairs of other voluntary organizations such as the Medical Association, the bar associations, chambers of commerce, trade organizations, promotional groups, professional and education societies, and on and on into every nook and cranny of our civil, political, and business life.

This may be desirable, and if so, we shall have the precedent for our future action if this bill passes as it is now before us.

I make no charges against any of these organizations. I just call to their attention that they too can, and very well may be told, who can be a member, who can be an officer, and for how long, how much and how their dues or assessments can be set and collected, spent or invested.

Once we move into the affairs of a voluntary organization the day may come when Congress may look into AMA, the bar association, professional, and trade, and so forth.

They may find also that they have no right subscribing a constitution or set of bylaws setting standards for membership that deny any person the right to earn a living in the trade or profession of his or her own choosing.

This, of course, is just a passing commentary on some of the thoughts and views expressed during the months of intensive committee action on the bill before us.

In a nation with nearly 60,000 local and national unions it is within reason to expect the duly elected officers of some of these unions to present their views to the committee holding the hearings on the issues contained in the proposed law.

It would be unduly burdensome and serve little purpose to quote all of the labor views. However, I believe that inasmuch as this legislation will have a definite direct effect upon the daily lives of the 17 million organized workers and their families as well as the millions of unorganized workers and their families it is proper, appropriate, and necessary to include in my report the statements and expressions of some of the witnesses representing every branch of organized labor.

I am sure that the views of the manufacturers association, the chamber of commerce, the trade associations, and management as a whole will be covered in other reports by one or more of my colleagues.

If I thought for a minute that this was not the case, I would hasten to add to my observations many expressions by employer representations that not only contained sound and worthwhile suggestions, but a number of which I heartily endorse and concur with.

The first witness representing the major segment of the labor movement who appeared before us was President George Meany of the AFL–CIO.

In my legislative thinking, I like to think I am being just when I "render unto Caesar the things that are Caesar's."

In the field of labor relations I recognize the right as well as the authority of the men who are the elected officials of their respective organizations to speak for and to fight for the welfare and survival of their membership.

Excerpts from the statements of Mr. Meany, Mr. Lewis, of the UMW, and other labor leaders or their representatives follow:

1. EXCERPTS FROM THE TESTIMONY OF PRESIDENT GEORGE MEANY OF THE AFL–CIO

OUR POSITION ON LABOR-MANAGEMENT REFORM LEGISLATION

We favor some labor-management legislation for two reasons.

In the first place, disclosures before the Senate select committee have made it painfully evident that some segments of the labor movement have succumbed to racketeer control, and that a minority of union leaders have engaged in corrupt and other reprehensible activities. That committee has likewise disclosed that certain employers would rather make corrupt deals with dishonest union officials than meet their statutory obligation to bargain collectively in good faith with proper representatives of their employees; and that some employers have also employed various other indefensible methods for frustrating the attempts of their employees to form unions.

In the second place, it is manifest that these abuses cannot be adequately dealt with solely through self-regulation by the groups involved. The AFL–CIO has adopted a drastic self-policing campaign, and in its implementation it has expelled organizations with a membership in excess of 1½ million because these organizations had come under the domination of corrupt individuals. Yet once the drastic step of expulsion is taken there is not too much more that the AFL–CIO can do to protect workers and the general public against the improper activities of officials of these expelled unions. Again, the AFL–CIO cannot check the unethical and occasionally criminal practices engaged in by certain segments of the business world; and while a voluntary association has in the nature of things only limited effectiveness in policing the ethics of its membership, it cannot be said that any of the business associations has made any effort at all along these lines. For these reasons we believe some legislation is necessary, as respects both unions and employers.

We do, however, fully agree with Congressman KEARNS that the need for labor-management reform legislation arises in major part out of an appalling failure of enforcement of existing law, and that enforcement procedure is of paramount importance. It is just here that these bills make a major advance over the present situation, by giving the Secretary of Labor broad powers to inspect books and records and question witnesses in order to check on the accuracy of reports and on any failure to file a report. We have been criticized for supporting these provisions. We recognize that they are far reaching, and perhaps subject to abuse. Nevertheless, we think that they are necessary, and that if the powers conferred are vigorously and properly used the reporting requirements will make a major contribution toward the elimination of corruption and questionable practices.

In our opinion, these provisions are sound. They encourage labor and management to face their responsibility themselves to get and keep their houses in order. We support the provisions for an advisory committee to assist the Secretary of Labor in administering the act and for reports and further recommendations by the Secretary to the Congress. This bill for the first time subjects the conduct of the internal affairs of unions to Government regulation. Because unions follow many different forms and practices with respect to election of their officers and other governing officials and with respect to the imposition, administration, and duration of trusteeships, it is important that the Secretary should have the benefit of the advice of union representatives in carrying out his functions. It is also appropriate that employer groups and the public be represented on this advisory committee. Similarly, since this legislation is necessarily experimental, it is desirable that the Congress provide for a report by the Secretary to Congress within a reasonably short period of time on the manner in which the legislation is or is not accomplishing its stated objectives.

Anyone opposing something labeled as "Bill of Rights" is obviously, and perhaps intentionally, put in an awkward position from the standpoint of public relations; just as is anyone opposing "right-to-work" or "fair trade" legislation. The opponent of such a measure must at the outset surmount a semantic barrier quite unrelated to the merits of the proposal.

Nevertheless we are opposed to these attractively titled proposals, and I hope at the least to convince you that our opposition is based on well-founded concern that these proposals would redound to the detriment rather than the benefit of workers and their unions.

First, I should like to emphasize that we in the labor movement yield to no one in our faith in democratic institutions and procedures. We have long understood that if the members of our organization are to have an opportunity to participate effectively in the conduct of the affairs and business of their organization they must be guaranteed certain rights and protections. In consequence, the constitutions and bylaws of every union with which I have any familiarity contain specific membership rights and safeguards and carefully devised procedures to keep the leadership of their unions responsive to the needs, interests and welfare of the members. Indeed, if there are any which do not have these safeguards, the AFL–CIO Codes of Ethical Practices—enforcible under our Constitution—provide this protection.

In saying this, I do not wish to be misunderstood as closing my eyes, or as urging you to close your eyes, to the obvious fact that a few unions have been run corruptly and autocratically for the benefit of one or two leaders and contrary to the needs, interests and welfare of the members. We are as aware as anyone else of what has been brought to light by the McClellan committee and other congressional investigations. Indeed, acting under the constitution of the AFL–CIO and our Ethical Practices Codes we have made many investigations of our own and have taken appropriate action in accordance with fair and proper procedures in individual cases where, in our judgment, corrective action was required.

May I add, parenthetically, that while the McClellan committee hearings were replete with evidence of lethargy and indifference on the part of local public officials and of improper antiunion behavior by employers and of employer participation and encouragement in improper conduct on the part of certain union officials, we are the only organization that thus far has both recognized and taken any corrective action whatsoever. For this reason, we believe we have had significant experience on which to base our judgment of what is needed, what is

proper, and what will be effective in these matters.

But it is one thing to include such rights and safeguards in a union's constitution and bylaws—or even to include them in a code of ethical practices policed by the labor movement itself, as we in the AFL–CIO have done—and quite another thing to incorporate them into a Federal statute. Unions, as everyone knows, developed out of the necessities of workers in their dealing with employers. Over the years they have developed customs and traditions peculiar to their own history and situation. While one union may have become a powerful and stable institution, another may still have to fight for its very existence against company spies working for employers or employer "middlemen," instigators of wildcat strikes, or Communists.

What is important is that the members of each of the unions democratically determined what was best for them in a given set of circumstances. They adopted the kind of constitutional guarantees that they needed to cope with the problem that faced them. They democratically set their own rules and they democratically revised their rules from time to time as necessity dictated. The right to do this is the very essence of democracy.

There are times in any union when discipline is all-important. When a union is engaged in collective bargaining, it ought not be compelled by law to conduct its deliberations and actions in town-meeting fashion. If it is weak and endeavoring to function in predominately nonunion or antiunion segments of an industry it ought not be required by law to allow company agents who have wormed their way into membership to have free access to the courts or administrative bodies for disruptive proceedings designed to harass or hamper its activities or be restrained by law from punishing or otherwise disciplining members whose conduct threatens the very existence of the union. There are circumstances when the union members by majority vote may properly decide that their bill of rights must yield to the necessities of the situation in which a union finds itself at a given time. But neither the union nor its members could administer a federally legislated members' bill of rights with the flexibility which might be needed.

CONCLUSION

Now, Mr. Chairman, let me sum up, as briefly as I can, the AFL–CIO's position, since it has been maligned and manhandled in the daily press.

Our policy position adopted by the general board of the AFL–CIO on April 28, 1958 remains today. It has not changed.

We support legislation which will get at the crooks.

We oppose legislation which will do harm to the trade union movement.

We have not, as some editorialists falsely contend, changed our position on S. 1555.

The Senate, through its ill-considered and ill-advised amendments changed that bill into one which we sincerely believe would do grave and irreparable harm to the U.S. trade union movement.

Repeatedly we have warned the Congress that there are forces seeking to capitalize upon the corruption issue and determined to use it as a vehicle for the passage of legislation which would, under the guise of labor reform, do damage to legitimate trade unions and legitimate trade union activities.

This is exactly the situation today.

The employer organizations which have done exactly nothing about corruption in the ranks of employers are seeking to convince this Congress that the measure which passed the Senate was "too weak."

They oppose legislation to halt employer malpractices. They are not interested in getting at corruption, either, in their own ranks, and the record shows that's considerable, or in the ranks of the labor movement. As a matter of fact, all too many employers have shown a desire for doing business with the crooks who masquerade as trade unionists rather than deal with bona fide trade union leaders for the simple reason that the crooks give them a better deal. You see, Mr. Chairman, a crook who pretends to be a labor leader is not interested in the welfare of the union members, he is interested in lining his own pockets; and employers believe it is cheaper to help him line his pockets than it is to sit down and negotiate an honest contract that will meet the problems of the workers.

These employer organizations want this Congress to adopt restrictive, antiunion legislation. They want to make the unions weaker. They want, if possible, to abolish them. But they do not have the courage to tell the American people that that is their goal. Instead they piously pretend to be concerned about corruption, much of it encouraged by the employers of America, and to use that phony concern as a disguise for harming unions.

This, in our opinion, is the situation that faces the House of Representatives today.

It can adopt properly drafted, necessary and adequate legislation to eliminate corruption, or it can move to throttle the American trade union movement.

The AFL–CIO supports the first alternative. It will fight the second with every resource at its command.

We want to get at the crooks, Mr. Chairman. We assume that is what the Congress wants to do. We know that is what the American public wants to do.

We respectfully suggest that we get on with the job.

Once again, our sincere thanks to you, Mr. Chairman, and to the members of this committee for this additional opportunity of appearing to discuss this important matter.

EXCERPTS FROM THE TESTIMONY OF PRESIDENT JAMES B. CAREY OF THE INTERNATIONAL UNION OF ELECTRICAL, RADIO AND MACHINE WORKERS, AFL–CIO

One cannot properly assay the role of labor unions in this country today without an understanding of the nature and concentration of modern corporate power. A. A. Berle points out, in his study titled "Economic Power and the Free Society," that approximately 50 percent of American manufacturing today is held by about 150 corporations, reckoned on the basis of asset values.

Speaking generally, the form and the manner of operation of American labor unions are necessitated in large part by the nature of their principal adversary, the modern corporation. The labor union as it exists today in the United States is an inevitable and salutary response to the challenge of concentrated corporate power.

An illuminating analysis of one aspect of this problem appears in the current Harvard Business Review for May-June 1958, in an article titled "Trade Union—Romance and Reality," by Benjamin Selekman.

Selekman states:

"The trade union, then, is a power organization putting pressure on management for advancing wages and working conditions. From its nature as a power center stems the necessity for centralized administration. Since in the final analysis the threat of a shutdown determines the price which a corporation will pay for labor, a union must be able to initiate and conduct strikes, and a well-organized strike is essentially an exercise in military strategy and tactics calling for highly centralized decisionmaking. It is a form of blockade. Hence the weapons that trouble businessmen and the community in general come into play—the picket line and the boycott. But once we grant the legitimacy of a strike as a weapon in the negotiating process, then we must also grant the legitimacy of using the weapons which make the strike effective."

Selekman goes on to say:

"The tendency toward centralization in American trade unions is therefore rooted in their militant origin. From the beginning until well into the 1930's, only by means of a military strategy could the unions make any progress and hold on to any gains they might have made from time to time. Such strategy called for planning from the top—for deploying organizers, throwing up picket lines, establishing commissaries, providing legal assistance, and raising money to finance this widespread military activity. Unions had to 'crash the gate' to force their way into industry."

This tendency to centralization has been equated by hostile critics, to a lack of democracy. This view ignores the underlying realities, as pointed out by William M. Leiserson in a book written before his death and released last week, titled "American Trade Union Democracy." He discusses the charges which have been made about the dangers to democracy in labor unions.

He goes on to say:

"The operation of countervailing power is to be seen with the greatest clarity in the labor market where it is also most fully developed. Because of his comparative immobility, the worker has long been highly vulnerable to private economic power. The customer of any particular steel mill, at the turn of the century, could always take himself elsewhere if he felt he was being overcharged. Or he could exercise his sovereign privilege of not buying steel at all. The worker had no comparable freedom if he felt he was being underpaid. Normally he could not move and he had to have work. Not often has the power of one man over another been used more callously than in the American labor market after the rise of the large corporation. As late as the early twenties the steel industry worked a 12-hour day and 72-hour week with an incredible 24-hour stint every fortnight when the shift changed.

"No such power is exercised today and for the reason that its earlier exercise stimulated the counteraction that brought it to an end."

Let there be no illusion, however, as to the security of unions today. The struggle to organize unions, and to retain them, is intense and bitter on many sectors of the industrial front. Established unions have to fight for their existence in some industries. A well-known example is the textile industry. Under the law, every union is theoretically subject to extinction when the term of its collective bargaining contract expires and challenge may be made to its continued majority status. While this is only a theory in some instances, it is a painful fact for a very large number of unions. In short, in a very substantial part of American industry, trade unions do not have a secure place.

Such security as they have is under an ever-present threat from unorganized industry which is sizable indeed. Only slightly over 33 percent of approximately 50 million nonprofessional and nonsupervisory employees are in trade unions. It must be remembered, however, that this union membership is not evenly distributed. In fact, about 15 million union members are concentrated among about 31 million nonagricultural workers. Less than 10 percent of the remaining 20 million nonagricultural workers are organized. Of about 13 million clerical and sales workers, only about 18 percent are organized. The number of union members among the 6 million domestic and agricultural workers is infinitesimal.

Taking a larger group, it is probable that about two-thirds of the economically productive assets of the United States, excluding agriculture, are owned by a group of not more than 500 corporations. In terms of power, without regard to asset positions, not only do 500 corporations control two-thirds of the nonfarm economy, but within that 500 a still smaller group has the ultimate decision-making power. Berle points out that this is the highest concentration of economic power in recorded history.

The concentration of economic power may also be expressed in terms of individuals. Thus, recently the National Bureau of Economic Research made the following finding:

"In 1953, the wealthiest 1 percent of the population owned about 30 percent of all wealth, at least 90 percent of all common stocks, and virtually all State and local government and corporate bonds."

Each corporation is a highly centralized authoritarian institution in which the officers and boards of directors control policy with almost no check or veto from the stockholders. These officers and directors, for all practical purposes, designate their associates and successors on the boards of directors. The result is that a great corporation is an automatic self-perpetuating oligarchy. Such an organization can, of course, act quickly and secretly in the making of policy, and move without delay in executing that policy with massive power. If labor organizations are to have any impact on this type of economic organization, they must be organized in a manner which can cope with authoritarian power of this nature.

John K. Galbraith, certainly one of the most penetrating of American economists, points out that corporate power necessitates comparable union power. He has called it "countervailing power," and illustrates it this way:

"Private economic power is held in check by the countervailing power of those who are subject to it. The first begets the second. The long trend toward concentration of industrial enterprise in the hands of a relatively few firms has brought into existence not only strong sellers, as economists have supposed, but also strong buyers as they have failed to see. The two develop together, not in precise step but in such manner that there can be no doubt that the one is in response to the other."

He points out, however, at page 68, that:

"The dangers to liberty and democracy in union organizations are basically the same as those that lead to arbitrary rule and suppression of freedom in nations—insecurity, threats of war, fear of attack from the outside, rebellion within. Among American unions the sense of insecurity is pervasive; they seem to live in constant fear for the safety of the organizations. Ever present they see dangers of attack from employers, threats of antiunion laws, court injunctions, jurisdictional wars with competing organizations, internal disorders causing disunity, and the necessity for strikes to protect gains and win improvements."

Time does not allow a more extended analysis. But even this brief discussion provides a perspective essential to any objective consideration of legislation directed toward the control of labor union administration.

EXCERPTS FROM THE TESTIMONY OF PRESIDENT A. J. HAYES, OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS

I am the international president of the International Association of Machinists. I am also a General Vice President of the AFL–CIO and chairman of its Ethical Practices Committee. I appear here today, however, in my capacity as president of my own organization which represents 850,000 members working under labor-management agreements with more than 15,500 employers. My membership in the organized labor movement dates back to the year 1917, since which date I have been a member of the Machinists Union.

My purpose in appearing before this committee is to present my views with reference to S. 1555—the Kennedy-Ervin bill—as it passed the Senate and is now before this committee for consideration.

As amended on the floor of the Senate, this bill contains provisions which no responsible trade union officer genuinely interested in the welfare of the workers he represents could conceivably support. Lest that statement discourages you—and I make it with sincere conviction, and only after the most careful consideration—let me make one thing perfectly clear.

I am not here urging softening amendments or so-called sweetening provisions, and I am not opposed to legislation which will, in fact, eliminate or minimize crime, corruption, or other wrongdoing. But I do have some definite convictions on the legislation passed by the Senate, and in support of presenting those views for your serious consideration I offer my 42 years of experience in the field which is the subject of the legislation.

Frankly, I am a little tired of the propaganda barrage so evident in the current press which labels every suggested change or recommendation of those with practical experience in the labor movement as an attempt to weaken or soften the labor-management reform legislation. No matter how honestly intended or how meritorious the proposed deletion or revision, it is branded as a "softener" if it is sugested by a labor official.

The theory back of such propaganda seems to be that because this is a labor reform bill, naturally organized labor is opposed to it and its officials will condemn and criticize the bill without real justification. That simply is not so.

No matter what the foes of organized labor tell you, we are just as anxious as you to rid the labor movement of any corruption or racketeering or other abuse. Certainly that should be self-evident from the Federation's expulsion of the Teamsters and certain other unions the officials of which did not meet our standards of ethical conduct.

Despite the fact that the Congress may conclude that the powers of the Federation are insufficient to fully cope with the problem, obviously such expulsion action proves the good-faith intention of organized labor to rid itself of corrupt influences; and, if this be so, clearly what we have to recommend with respect to the proposed legislation does not warrant the accusation or suspicion that we are trying to water down effective reform.

We are doing no such thing. We are simply trying to tell you, based upon practical experience of many years standing, that much of what is being presented in the name of reforming corruption and abuse will not accomplish that at all, but is simply destructive of perfectly legitimate procedures and customs which are necessary to the orderly and responsible functioning of a labor organization.

EXCERPTS FROM THE TESTIMONY OF PRESIDENT JOHN L. LEWIS OF THE UNITED MINE WORKERS

I express my own appreciation of the invitation to attend from you and from Co-Chairman LANDRUM, and I am highly pleased at the opportunity to appear before your committee for a discussion of the matters for which your committee is charged with heavy responsibility.

I am authorized by the membership of the organization that I represent to express the considered and mature views of the United Mine Workers of America on this question of Federal legislation to regulate the ethics, the morals, the physical activities of the 16 million members, more or less, of the working population of this country, and who are organized in unions.

Those unions are voluntary associations of men and women, organized not for profit, and fall into the same category as all other voluntary associations of citizens that operate in the communities which go to make up our great Nation. The Constitution of the Republic gives to those citizens the voluntary rights of assemblage and free speech and the acts and views and policies of those voluntary associations substantially help to form and crystalize the weight of public opinion in our country on all questions of importance to our citizenship.

There are something like 70 million of our citizens that fall into the category of those who are gainfully employed, if the gainful employment is available to them. Substantially 65 million are now employed, and there are probably a total of 70 million who fall into that category or are looking for employment. That is about 5 million more or less than are now employed. Of that 70 million, substantially 16 million are members of labor unions. Those organizations form their policies, adopt their bylaws, conduct their meetings, according to the best of their ability and their understanding of their rights.

I think the membership of local unions coming from the great body social in the United States reflect about the same standard of ethics, probity and honesty in dealing with their individual and public affairs as any other cross section of our population. Morally they are no better and no worse. Weakness prevails among all men. Most men have a breaking point when it comes to the question of right or wrong or standing for principle or following their personal inclinations to reward themselves with something that they desire, and that they think is compensatory.

A CHANGE IN CONSTITUTIONAL PROCEDURES

Any attempt on the part of the Federal Congress to bring these voluntary associations within the purview of Federal enactments and make the officers and the individual members of those labor unions responsive to any Federal action that may lie against them is a startling departure from the traditions of America; a change in the constitutional procedures. An attempt to isolate men who belong to labor unions in this modern age of organization under the regulatory powers of the Federal Government, while leaving all other voluntary associations free to follow their own course, as heretofore, obviously is discriminatory legislation. Obviously, it affects those who, relatively speaking, are the poor of this country.

I need not, am sure, attempt to discourse upon the contributions made to economic, social and political America by the workers of this country expressing themselves through their organizations. That record is available for all to read and appreciate. Under our Constitution and with the assistance of the free workers of this country and the genius of our technicians and scientists and the aptitudes of our managers of our great industries, we have builded here in this country the greatest economic devices that have ever existed, and we have elevated our citizenship to appreciate, to achieve, to understand and enjoy the highest standards of living which history records.

It might be well said, from the standpoint of daily comforts, personal convenience, medical attention, various provisions for the coming years of ills that face every man, that life in America, even for the so-called average man, is better than the standard achieved by the landowners and the kings of the Middle Ages.

Why change it? Why change it? Why discriminate in this field of voluntary associations of citizens, of which there are millions and millions in every walk of life; in the business field, the agricultural field, the faternal field, the religious field, the economic field, the labor unions and the social organizations—which are sometimes prone to be criticized by those who dissent from that which they talk.

I don't think it can be done with safety to the Republic, and to the advantage of its citizens, through the Kennedy-Ervin bill, passed by the Senate, the administration bill presented in the Senate by Senator GOLDWATER and others, perhaps now pending in the House, through the Barden bill or any other bill that can be evolved by the Congress. To do so arbitrarily will compound confusion in our economic and political establishment in this country; because there cannot be welded by the Congress a cast-iron chastity belt around the waists of 16 million men without their protesting it. Among the millions who work for a living there are millions more who would be members of labor unions were they not estopped from doing so by the pressures that are put upon them and the passage, or enactment, of oppressive and punitive legislation that affects the instant labor unions and their members and which takes away the opportunty of those people to exercise their option as free men and become members of labor unions if they desire to do so.

As a matter of practical consideration, there will never be a time in this country when all the people who work will be members of labor unions, simply because a great many of them prefer not to be members. When they are treated with tolerance and proper reward by benevolent employers in the way that they esteem is right, they do not seek to join labor unions. It is entirely questionable whether the labor movement of America, given free conduct, could ever organize more than 10 or 15 million additional members above that which they now possess.

Be it recognized, gentlemen, that the nonmember of a labor union is the beneficiary of the progress made by the workers organized in the unions, and among those workers—it is a common trait of humanity—many of them are willing to enjoy the benefits without making any original investments in the effort to achieve those benefits * * *.

Question (DENT of Pennsylvania): "Mr. Lewis, if the Congress of the United States passed this legislation, let us say, in the years of my youth, say around 1920 to 1922, would there be a powerful United Mine Workers Union in America today?"

Mr. Lewis: "No. There would not even have been an American Federation of Labor if this kind of legislation had been passed during that period. Keep in mind that the AFL only had about 2½ million membership of skilled trades until the CIO was able to establish collective bargaining in the mass production, modern industries. The great gain in membership by and large has come since that time with the inclusion of these great empires of business, recognizing collective bargaining contracts. So, the AFL would have been forced back and would have been decimated and had already lost a million-and-a-half members in its backward retreat since World War I until 1935 when the CIO was organized. You are entirely sound in that premise."

Question: "I am very much opposed to any legislation which can be fairly called oppressive or restrictive, punitive, and various other adjectives that you used today. At the same time I think it is important that we recognize that there may be an overriding public interest to get legislation of some kind in this area enacted promptly at this session. I think whether you believe it or not that we are likely to do it. We seem to be moving in that direction."

Mr. Lewis: "You can have your opinion, and I likewise believe that when you tamper with the liberties of the 70 million workers in this country you are tampering with liberty for all Americans"——

Question: "If we can buttress those liberties"——

Mr. Lewis: "And you are undermining the basic foundations of the Republic. That's what I think."

Question: "On the other hand, if we can buttress the liberties of the individual Americans, we will have made a contribution to the stability of this country and to the strength of the organized labor movement. We may differ in the means."

Mr. Lewis: "You can't do that by putting free men in chains: Damn the chains and those who advocate them."

In closing I might add that my position is the same this session as it was last session on the legislation and yet last session the AFL–CIO and labor in general supported the Kennedy-Ives bill while this session they oppose it.

It is my sincere belief that unless legislation is sound in its application, honest in its initiation, and practical in its operation, it should not be supported.

When a person compromises with something he believes to be bad he is destroying the foundations for doing good.

I am sure that I was not elected as a Member of Congress to destroy the rights of employers or participate in the liquidation of the labor movement.

I am just as sure that my people at home both in industry as well as labor, not forgetting my businessmen, professionals, and farmers, want reasonable and logical proposals to be passed by Congress.

This legislation, as now written, is neither.

CANAL ZONE PROTECTION

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, during the past 2 years the peoples of the Americas have witnessed the gradual unfolding of explosive tensions in the Caribbean. Featured by the overthrow of established governments and their replacement by procommunistic dictatorships, mass liquidations of political adversaries, and expropriations of valuable properties, this turmoil has set in motion a chain reaction affecting many countries. One of its prime objectives, largely of Communist origin and direction, has been wresting control of the Panama Canal from the United States.

Have conditions on the Isthmus stabilized? Far from it. A series of ominous reports points toward a new Canal Zone crisis on November 3, 1959. To understand what now seems to be in store, a review of recent Panama Canal Zone history is a necessity.

"OPERATION SOVEREIGNTY," MAY 2, 1958

On May 2, 1958, in a carefully and secretly planned raid into the Canal Zone, called "Operation Sovereignty," Panamanian University students planted 72 Panamanian flags at prominent locations in the Canal Zone, including one flag in front of the canal administration building at Balboa Heights. The possibility of such an attempt I had foreseen and had sought to prevent by giving timely warning to proper authority.

What can explain such indifference? Was it because of timidity on the part of local officials or were those officials conforming to superior orders counsel or orders induced by a failure to comprehend what is actually involved? I do not know. Certainly such a gross trespass, which was part of an overall purpose to drive the United States from the Canal Zone, was not a jest and should not have been treated as such.

In any event, it served as a probing of the psychological strength of our Government and its policymakers. Moreever, it did set a dangerous precedent for allowing a foreign nation to use territory under control of the United States as a stage for hostile propaganda demonstrations. Morever, our failure to act with forthrightness on this incident constituted an open invitation for graver trespasses as are now threatened and many end in tragedy.

ATTEMPTED CANAL ZONE ENCIRCLEMENT, DECEMBER 18, 1958

The clamor about "Operation Sovereignty" had hardly died when the Republic of Panama, by enactment on December 18, 1958, by its national assembly, declared the extension of Panamanian territorial waters from the 3-mile limit to a 12-mile limit. This attempted extension included a 9-mile strip at each end of the Canal Zone, completely encircling the zone, in effect, making it another Berlin.

The Government of the United States, in a note delivered to the Panamanian Government on January 9, 1959, refused to recognize claims on the part of Panama to greater width of the territorial sea and requested that country to reconsider its action. Instead of complying, the Panama National Assembly unanimously rejected this request, and called upon all friendly nations to support the Panamanian marginal sea action.

Meanwhile, the United States reserved all of its rights in the affected area, pending recommendation of a 1960 international conference that will consider the question of the breadth of territorial seas.

CUBAN INVASION OF PANAMA, APRIL 26, 1959

The situation at Panama did not remain quiet for long. Victorious revolutionists in Cuba, trained in jungle warfare in Oriente Province of that important island country and seeking new worlds to conquer, focused on the isthmus.

On April 26, 1959, some 89 Cuban mercenaries, operating in collaboration with radical elements in Panama, landed at historic Nombre de Dios on the Caribbean coast of that country, a short distance east of the Atlantic entrance of the Panama Canal in what was an organized invasion of the Republic of Panama. One of their objectives was a token occupation of the Canal Zone. What a diplomatic crisis that might have created.

Despite the strength of the 3,000-man National Guard of Panama, the people there became excited, with some hysteria among certain political leaders. Panamanian people would have been far more apprehensive had they known that some of their high officials had sent their families into the Canal Zone as a haven of refuge.

Fortunately, the invasion collapsed and the Cubans surrendered to Panama forces. After brief detention and virtually no punishment, the invaders were sent home where they were disavowed by those who had sent them, thus closing the immediate crisis. But the end is not yet.

Who was responsible for this invasion? The best answer to that question that I have read is by President Ernesto de la Guardia, Jr., a strong supporter of consitutional government, who stated:

> This is not a group of adventurers from our own country or even from Cuba. These people were mostly Cubans, but directed by and led by militant Communists. Their ambition is the long stated one of taking over the Panama Canal.

This statement of President de la Guardia, Mr. Speaker, conforms to the pattern revealed by my own studies. Moreover, radical isthmian politicians, fully conscious of their demagogic capacities, have not forgotten their dream of recovering Panamanian sovereignty over the Canal Zone granted to the United States on February 26, 1904, on proclamation of the Hay-Bunau-Varilla Treaty.

PROJECTED "OPERATION OCCUPATION" NOVEMBER 3, 1959

The latest developments on the isthmian scene are plans for a "peaceful occupation" of the Canal Zone on November 3, 1959—the 56th anniversary of the birth of the Republic of Panama. Led by Aquilino Boyd, a former Minister of Foreign Affairs, and now a candidate for President, and Ernesto J. Castillero, Jr., this demonstration is to be carefully organized in advance. These activities will include a mass invasion of the Canal Zone with demonstrators taking seats on the doorsteps of the Panama Canal administration building, at the portals of police stations, at the churches, clubs, and other places of prominence. Moreover, world publicity is to be built up as part of the preparations.

All of this, Mr. Speaker, conforms to the pattern of the old geopolitical game of protracted conflict. In this case, it includes agitations in Panama to force the Canal Zone sovereignty question into an international court for arbitration or to the United Nations.

The most vocal agitator in this movement is Aquilino Boyd, who is obviously using the sovereignty issue to further his political fortunes in reckless disregard of the consequences to his country. Moreover, it forms a part of the Caribbean pattern of turmoil, which now appears as a threat to the peace and safety of the Western Hemisphere. The communistic penetration of Cuba and other Caribbean countries is a challenge to the Monroe Doctrine. The threat on the isthmus to the Panama Canal is a challenge to the United States in its highest sovereign capacity.

From the facts involved it must be clear that back of all these radical efforts in the Caribbean and isthmian areas is the hidden hand of cunning and malignant Sovietism manipulating their local puppet figures to destroy the just rights of the United States and to jeopardize the peace of the world.

Such an invasion of Canal Zone territory as is now being threatened if permitted to occur, would be an indignity against our Government and its flag, as if made against any portion of the continental United States; and should be so regarded and treated.

ANTI-UNITED STATES DEMONSTRATIONS IN CANAL ZONE SHOULD NOT BE TOLERATED

What should the United States do to protect itself in the Canal Zone? There is plenty that it can do; firmly, justly, and legally.

First, our people and the Congress should understand thoroughly that the Canal Zone is constitutionally acquired territory of the United States granted in perpetuity for canal purposes with exclusive sovereign powers, that the United States undertook the Panama Canal project as a mandate for civilization in accordance with treaty, and that its continued control of that waterway pursuant to treaty and treaty obligation, is best for all the Americas, best for the world, and best for interoceanic commerce.

Second, the Government of the United States must meet the issue squarely, for the time for procrastination or other form of evasion is over. To this end, I propose the following:

(a) That the Government of the United States protest to Panama against permitting the use of its territory for staging any form of hostile or provocative demonstrations against the United States in the Canal Zone;

(b) That the Government of the United States announce that no hostile or provocative demonstrations of any character will be tolerated in the Canal Zone; and

(c) That it instruct Canal Zone authorities accordingly.

Mr. Speaker, these are hard but realistic words. They are not meant to apply to our friends in Panama, many of whom I know personally and treasure. Instead, they are aimed at radical elements in and out of Panama who have long been engaged in the process of conquest through penetration and subversion, and are now undertaking to deal with those grave questions in mob spirit, especially ambitious and reckless politicians aspiring for high office and devoid of any sense of responsibility.

If the people of Panama have grievances against the United States, it is their right to demonstrate as much as they wish but it must be on their own territory and not in the Canal Zone. But it would be far better for them to take up their problems through their own officials rather than to endanger further their own preferred status with respect to the Panama Canal enterprise.

And it must not be forgotten that an additional purpose inspiring these radical agitators is the persistent aim to displace Ernesto de la Guardia, Jr., as President, and to take over, by revolutionary processes, the Panamanian Government.

Mr. Speaker, as I have often said before, the paramount duty of the Congress is to declare itself upon the question of United States sovereignty over the Panama Canal and Canal Zone. Our delay in such is construed by the Communists and other radicals as weakness. Our positive action would go far to strengthen our position as to all isthmian questions—a position founded and maintained upon just considerations.

DISTRESSED LABOR MARKET AREAS

Mr. FLOOD. Mr. Speaker, contrary to the generally held belief that the national economy is firing on all cylinders with full employment for all, the distressing facts are that the distressed labor market areas have increased throughout the country.

The facts as they relate to the labor picture in Pennsylvania are completely documented in the following release of the Area Employment Expansion Committee:

> WASHINGTON, July 28.—The number of distressed labor markets in Pennsylvania has risen from 19 to 25 in the last month, the Area Employment Expansion Committee said today.
>
> "Distressed labor market" applies to an area which has had more than 6 percent unemployment for 18 months or more, according to U.S. Department of Labor standards.
>
> Solomon Barkin, secretary-treasurer of the Area Employment Expansion Committee, said that a combination of State and Federal statistics revealed eight new areas in the "distressed" category, with only two dropping out.
>
> "This trend, in the face of a national upturn in employment, underlines the special problems of the chronically distressed areas, which can be found in almost every State in the Union," Barkin pointed out.
>
> "The economic maladjustments in these areas cannot be remedied by a general upturn. The areas, for one reason or another, have lost the basic industries on which they have for years depended to provide employment. No general economic improvement can help if the sources of jobs are gone."
>
> Newly listed in the "distressed" category are Philadelphia, Bradford, Meadville, Oil City-Franklin-Titusville, Chambersburg-Waynesboro; Kittaning-Ford City, St. Marys-Emporium, and Indiana. Two areas left the "depressed" group—Reading and Lehigh Valley (Allentown, Bethlehem and Easton), Barkin said. A prolonged steel strike, he noted, could bring these two back on the list.
>
> The 25 "distressed" labor markets embrace 84 percent of Pennsylvania's labor force, Barkin said, and nearly 90 percent of the States unemployed. The jobless rate in the 25 areas is 8.3 percent, compared to 7.8 percent for the State as a whole, he said. Even adopting 6 percent unemployment as "normal," these areas contain more than 85,000 more jobless workers than that percentage would yield, Barkin pointed out.
>
> The remedy for distressed areas afflicted by industrial migration, factory obsolescence, shifts in consumer demand or preference, etc., is the area redevelopment bill (S. 722) now in the House Rules Committee, Barkin said.
>
> "Only through some such measure as this can we conserve the human and material resources now being wasted," he declared.

Area redevelopment fact sheet No. 53-A, Pennsylvania—Civilian labor force and unemployment in labor markets, May 1959

Labor market area	Civilian labor force (total)	Unemployment total	Unemployment as percent of the labor force	Number in excess of 6 percent
A. State, total	4,645,000	364,000	7.8	85,300
B. Distressed areas [1]	3,946,610	328,640	8.3	91,830
Major	3,349,300	266,100	7.9	65,140
Altoona	53,700	4,900	9.1	1,680
Erie	99,300	12,300	12.4	6,340
Johnstown	97,500	12,200	12.5	6,350
Pittsburgh	967,600	81,300	8.4	23,240
Philadelphia	1,789,100	114,600	6.4	7,250
Scranton	102,700	14,500	14.1	8,340
Wilkes-Barre-Hazleton	136,100	19,200	14.1	11,034
York	103,300	7,100	6.9	902
Smaller	597,310	62,540	10.5	26,690
Berwick-Bloomsburg	21,500	2,300	10.7	1,010
Bradford [2]	22,900	3,200	14.0	1,830
Butler	[3] 35,440	[3] 2,800	7.9	670
Chambersburg-Waynesboro	[3] 38,000	[3] 2,620	6.9	340
Clearfield-DuBois	[3] 36,610	[3] 4,100	11.2	1,900
Indiana	[3] 20,000	[3] 1,540	7.7	340
B. Distressed areas—Continued				
Smaller—Continued				
Kittanning-Ford City	[3] 22,000	[3] 2,680	12.2	1,360
Lewiston	22,150	1,800	6.2	470
Lock Haven	14,400	900	6.2	40
Meadville [2]	24,200	3,900	16.1	2,450
New Castle	[3] 40,510	[3] 3,200	7.9	770
Oil City-Franklin-Titusville	[3] 30,000	[3] 2,220	7.4	400
Pottsville	77,700	11,500	14.8	6,840
St. Marys-Emporium	[3] 18,000	[3] 1,620	9.0	540
Sayre-Athens-Towanda	[3] 21,000	[3] 1,660	7.9	400
Sunbury-Shamokin-Mount Carmel	[3] 64,000	[3] 5,500	8.6	1,660
Uniontown-Connellsville	44,400	8,100	18.2	5,440
Williamsport	44,500	2,900	6.5	230
C. Other nonsubstantial labor markets [4]	841,500	36,100	4.3	
Major:				
Allentown-Bethlehem-Easton	215,500	11,600	5.4	
Harrisburg	159,400	5,800	3.6	
Lancaster	116,500	3,600	3.1	
Reading	121,700	7,100	5.8	
Youngstown [5]	228,400	8,000	3.5	

[1] Eligible as of July 1959 for assistance under S. 722 (House) i.e., unemployment of 6 percent or more in at least 18 out of the previous 24 months.
[2] Data are for March 1959.
[3] Estimated.
[4] Information not available for the following labor market areas:
Smaller:
Bellefonte
Lebanon
Warren
Very small:
Bedford
Carbon (residual)
Clarion
Coudersport
Dushore-Laporte
Very small—Continued
Forest City-Montrose
Gettysburg
Huntingdon
Honesdale
Newport
Punxsutawney
Stroudsburg
Tunkhannock
Waynesburg
Wellsboro
[5] Includes areas in Ohio.

Source: Bureau of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania.

Pennsylvania, June 1959 (preliminary)

	Civilian labor force	Unemployment	Unemployment as percent of labor force
Distressed areas: Major:			
Altoona	53,760	5,000	[1] 9.3
Johnstown	100,000	13,300	[1] 13.3
Philadelphia	1,805,500	108,300	6.0
Pittsburgh	961,900	69,600	7.2
York	104,000	7,500	[1] 7.3
Nonsurplus labor markets: Major:			
Allentown	215,600	11,500	5.3
Harrisburg	161,600	6,600	4.1

[1] Higher than May.

PHILIPPINES CAUTIONED ON EMBARGO OF AMERICAN FARM COMMODITIES

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. COOLEY. Mr. Speaker, I should like to take this opportunity to remind our friends in the Philippines that trade is a two-way street.

I have before me a news item from Manila reporting that the Philippines expects a record sugar crop of 1,512,330 tons this year and the sugar quota administrator there is quoted as saying this would "enhance our position as a regular sugar supplier in the American market."

The Philippines quota under the Sugar Act now is 980,000 tons a year. The sugar quota administrator out there wants this quota increased.

Mr. Speaker, I seriously doubt that there will be any enthusiasm in the Congress for increasing the Philippines share of the U.S. sugar market so long as the Philippines embargoes or discriminates against the importation of the products of America's farms.

I do not see how they can expect an increased quota in the American market so long as they carry on this discrimination.

As an example of what I mean, a few years ago our farmers had a $15 to $20 million market for flue-cured tobacco in the Philippines. Now, by action of their Government, we have been completely eliminated from that market, by a program there to make that country self-sufficient in tobacco production.

If we in this country adopted the same policy with respect to sugar we would bar importation of Philippine sugar completely and intensify our own cane and sugar beet production, regardless of the economics of the situation.

Mr. Speaker, I sincerely hope that discrimination against and embargoes of American farm commodities will cease in the Philippines before any new discussions arise with respect to that country's participation in the American sugar market. I trust that our friends over there will realize that, as trade is a two-way street, it cannot be expected that the Philippines will increase their participation in our markets while closing their markets to American farmers.

SINGLE MANAGER AGENCIES IN THE DEPARTMENT OF DEFENSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 20 minutes.

Mr. HOLIFIELD. Mr. Speaker, I wish to call to the attention of the Members House Report No. 674, "Military Supply Management (Single Manager Agencies)," which was adopted unanimously by the Committee on Government Operations on July 15, 1959.

This report, based on an investigation by the Military Operations Subcommittee, of which I am chairman, makes specific recommendations for Department of Defense action to further the integration or consolidation of military supply systems in order to promote economy and efficiency.

The single manager program, which was the subject of intensive study by my subcommittee, was initiated in 1956. Its purpose is to consolidate under one agency and the Secretary of one of the military departments the supply functions of procurement, inventory management, stock fund maintenance, warehousing, and distribution for a given commodity area.

The assignment of these functions is made to the Secretary of the military department having the predominant interest in the commodity. The agency he designates or establishes then administers the assigned commodity for all the departments.

THE SINGLE MANAGER PROGRAM

The single manager program was designed specifically to meet the criticisms of Congress and the Hoover Commission with respect to duplication, overlapping, and waste in procurement, warehousing, and stockage of supplies, and failure to use the resources of all three military departments to meet the separate needs of each department.

To date, single manager agencies have been created for the management of medical supplies, clothing and textiles, food and petroleum. These commodities had been under some degree of coordination since World War II, and thus were considered to be the most suitable for single manager treatment.

The subcommittee considered the gains made by these agencies from the point of view of savings made and increased efficiency. It was found that the gains were modest. However, the report notes that the potential for savings through this management system is by no means exhausted, if certain steps are taken or decisions made.

The subcommittee found great variation in the application of this single manager concept among the existing single manager agencies. The medical single manager approached the model or pattern of the plan, and has completed its consolidation of the former duplicative supply systems. The clothing and textile agency was well under way toward improved procedures and practices, but had not yet achieved the degree of consolidated distribution that is planned. The subsistence supply agency had achieved some savings, but was basically the same organization as the former Quartermaster Market Center System. No savings could be identified from the creation of the petroleum agency, since the limited assignment to that agency left the storage and distribution functions in the three separate military departments.

THE "FOURTH SERVICE" CONTROVERSY

One newspaper account of this report seemed to suggest that the committee sponsors a fourth service of supply or a central supply organization. This is not correct. While the "fourth service" controversy was mentioned in the report, the subcommittee did not espouse this or any other management system as a single desirable goal to be favored over all others. The subcommittee attempted to state clearly its awareness of the realties of the defense organization.

As indicated by my own separate statement of views in the Hoover Commission report on the business organization of the Department of Defense, I personally do not endorse the idea of a fourth service of supply as described there. Congressman BROWN and Senator MCCLELLAN, also Commissioners, had similar reservations.

What my subcommittee did recommend I have already stated, that the single-manager plan should be extended but should not rule out other new or already operating efficient management systems. We did ask that the Department of Defense continue its studies to develop an ultimate plan of organization, so that the Congress, the people, and the whole executive branch could be informed of the departmental position and intention which will be relevant to all future reorganization, expenditures, and other specific legislation.

CONGRESSIONAL INTENT

The report of which I speak is significant because it is a part of a long pattern of congressional interest, intent, labor, and study. Subcommittees chaired by Mr. BONNER, Mr. HARDY, Mr. RIEHLMAN, myself, and others have investigated this area or related subjects in the past. The congressional demands for increased economy and efficiency of operations through unification or consolidation of duplicative and wasteful operations is reflected in the language of the National Security Act, particularly the McCormack amendment which was adopted during the debate on the defense reorganization bill.

The single-manager plan is the most recent and most positive effort of the Department of Defense to carry out the promises made to the Congress in eliminating duplication. Particularly, the plan was designed to incorporate, consolidate and simplify distribution systems for common items of supply.

SUBCOMMITTEE RECOMMENDATIONS

I would now like to list the recommendations made by my subcommittee and comment briefly upon them.

The subcommittee recommended that the existing single manager agencies be strengthened to gain maximum savings and efficiency in performance. It stated that the agencies should be authorized to participate actively in the process of military requirements determination and should be assigned additional supply management responsibilities as experience dictates.

It should be clear that in this recommendation, the subcommittee is recognizing that the responsibilities of the single manager agencies are limited by the assignments given to them both by the Secretary of Defense and the departmental secretary who actually received the assignment. Both of these secretarial levels must realize that the value of single manager agencies cannot be determined unless the agencies are given the authority to manage in fact and not merely in words, the commodities which are assigned to them. It will not do to spread the management authority too widely throughout a department, as this may not only fail to accomplish the assigned job properly, but cause the whole single manager program to be unfairly discredited. And, I will add, if the single manager program should be laid aside entirely, so also would most of the increased cooperation and the effort toward consolidation of functions among the military services achieved in the last decade. This is why I believe the strengthening and continuous bolstering of the program is still necessary, whether or not the single manager plan as presently formulated is the best possible supply management arrangement.

EXTENSION OF PLAN

The subcommittee recommended that the single manager plan be extended to additional commodity and service areas and that selection of the appropriate areas be made without protracted study on a case-by-case basis.

This recommendation was made with the full awareness, stated in the report, that there is already an established procedure for the study and evaluation of commodities and functions with respect to single manager suitability. A new agency, the Armed Forces Supply Support Center, was created in June 1958, which has this incorporated into its other responsibilities. The subcommittee recommendation is clearly in the context of its finding that the attempts to establish new single manager agencies since the initial phase of the plan in 1956 have been slow or abortive.

It was made amply clear, both in the hearings at which I presided and in the subcommittee report, that an assignment of this type can be studied to death and discarded without ever having been given an adequate trial. I would, of course, admit that study is necessary, but protracted study often becomes merely a symptom of underlying interservice rivalry and reaction. It may also be an excuse for delaying an unpleasant duty of reducing personnel and functions. But whatever the underlying reasons, there is no excuse for not getting on with the job of increasing economy in common supply and services.

The subcommittee's third recommendation was that the basic single manager policy be revised to include noncommercial-type items for consideration as to their suitability for single manager treatment.

This recommendation aims at the fact that the Department of Defense will quickly reach the limit in improvement of supply systems through consolidation of functions if it limits its efforts to commercial-type items. Such commercial-type item categories also have high degrees of commonality, or percent of items which are used by two or more of the services. But other items used only by the military and not produced for the civilian economy are also common, and may just as easily be centrally managed for the whole Department of Defense. The same type of savings from greater consolidation in the storage and distribution systems could be achieved as in the case of commercial-type items. If improved management procedures can be devised, they should not be limited by military prerogatives and procedures which may no longer be founded on the actual operating needs of the existing military organization.

CONFLICTING MANAGEMENT CONCEPTS

The subcommittee recommended that weapon system procurement be evaluated to determine whether particular items or subsystems can be broken out and standardized for separate handling by single manager or other single service arrangements.

This recommendation was made with full awareness of the value and necessity of weapons system management as it has appeared in research and development programs. However, a particular concept or method can be overworked

to the detriment of the organization as a whole if it is applied in a wholesale and indiscriminate manner. I believe our hearings established that there is a potential conflict between the weapon system concept and the single manager concept in some supply areas. This conflict should be resolved at the earliest possible date, and this recommendation is one approach to the problem.

I do not believe that Congress should be sold a bill of goods as to the universal value of any idea in this field, be it the single manager or the weapons system concept, however popular these may be among the military. We must recognize, as the subcommittee clearly stated with regard to the single manager plan, that these plans are the result of compromise. The single manager plan has a price in the reduction of the complete freedom of the separate military services to create and maintain individual and separate supply systems. My subcommittee has also found in other areas that the price of weapon system management is in the cost of contracted management services and the reduction of in-house capabilities for doing the necessary jobs.

With respect to a plan for a photographic single manager, the subcommittee found inordinate delay on the part of the Department of Defense and an unwillingness to accept the assignment on the part of the Air Force. It recommended a renewed effort to decide on either a military single managership or an assignment of commercial items to the General Services Administration, on the basis of newly gathered standardization data.

With respect to the petroleum assignment, the subcomittee noted that savings had not come from the reduced assignment which did not include the storage and distribution functions, and recommended the extension of single manager authority in this field. Furthermore, the testimony indicated that in this field Air Force opposition to the application of the single manager concept had delayed savings. The Air Force based its opposition on the necessity to control its war reserves of petroleum, but the other two services were willing to give up such control. At present the same familiar pattern of duplication and waste undoubtedly exists in the petroleum distribution system to some degree, and this should be attacked as soon as possible.

The subcommittee noted its awareness of this situation by recommending that if progress toward consolidated economies cannot be made under the present assignment, the Department of Defense should consider a new assignment, possibly to the Air Force.

In the case of the petroleum assignment, the subcommittee found no fault with Navy management as such, the problem lay in the reduced assignment given to the Navy. On the other hand, if the principle of assignment to the Department with the predominant interest is followed, the Air Force is entitled to the job. While it appears the Navy has had more experience in buying and storing in a wider range of fields, and while Navy purchases of Navy special fuel oil have been vast in volume, current figures indicate that contracts for Air Force fuel have exceeded the petroleum purchases of the other services individually.

The subcommittee, again noting the possible practical limitations of the single manager plan both in its application to items and geographic areas, recommended that the Secretary of Defense consider adopting the plan to new uses, such as for a single function or for certain areas.

Such a function might be the storage and warehousing responsibility for all three services, and such areas might be military districts or areas, or unified commands overseas. I believe this recommendation is in line both with conserving existing resources of facilities and experience, and with attempting creative and imaginative changes which could result in greater economies.

ULTIMATE PLAN OF ORGANIZATION FOR DOD

The subcommittee recommended a resumption of studies under the logistics systems study project to develop an ultimate plan for Department of Defense supply organizations.

This logistics systems study project was begun in 1957 in order to seek new means of supply integration, and at the same time measure progress to date. The first phase of the project, covering commodity single manager operations, was completed and was described in the hearings underlining the report. The second phase, covering single managers for service functions including the existing transportation assignments and other possible suitable areas, is nearing completion. The third phase, planned to cover supply systems for military technical items, and the fourth phase, planned to develop an ultimate plan of organization, were temporarily discontinued in the wake of the 1958 Department of Defense Reorganization Act.

The subcommittee noted in the body of its report that such a plan would be of value not only to the Department of Defense, but as an expression of the departmental position and goals which would be a guide for Congress in understanding plans for expenditures, reorganizations, and other preparations.

I believe that such a plan should also be completed as a guide to the military departments, whose internal organization will be affected, for the Joint Chiefs of Staff, and for industry, which must be able to gear itself into the procurement and supply activities of the Department of Defense. Admittedly, conditions will change, but it does not make sense to let the military departments and industry struggle with current problems of liaison and technical advice without knowing what changes may occur within a year or two in the supply management organization. This is particularly applicable in commodities and supply organizations for them which may be converted to single manager operations.

The subcommittee recommended new effort toward the proper military use of General Services Administration facilities and services. It recommended satisfactory working relationships, uniform procedures for all the military services in the use of GSA, and consideration of GSA as a single manager agency in the general supplies commodity area.

While the subcommittee recognized that the dollar value of purchases through GSA has been increasing, this value could be doubled if the value and need of such use of GSA were demonstrated, and the GSA itself might be strengthened by having the responsibility for more diversified types of supply operations.

Finally, the subcommittee, in line with its concern for effective nonmilitary as well as military defense, recommended that immediate steps be taken to plan for protected storage of vital stocks of subsistence, medical, and clothing supplies, and that effective working relationships be established between the Department of Defense and the Office of Civil and Defense Mobilization for interchange of information on reserve stocks and on civil defense planning for the use of such stocks.

I believe that the recommendations I have outlined are clearly constructive and intended to bolster the efforts of the Department of Defense toward both economy and efficiency. They are consistent with the reality of current organization and progress, but also demand greater and more intensive effort.

I have taken the time for this review because I think these single manager agencies are important to watch and understand. Many of our constituents will be directly or indirectly concerned with their operations. Many appropriations and other legislation will touch on them or on the commodities managed by them. The agencies themselves will face conflicting pressures and policies and may have to be assisted from time to time. I have therefore directed my staff to distribute the report and the hearings on which it is based to all Members, which I hope you have received.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RAINS, for 1 hour, tomorrow.

Mr. WIDNALL (at the request of Mr. REUSS), for 1 hour, on tomorrow.

Mr. REUSS, for 1 hour, tomorrow, following Mr. WIDNALL.

Mr. HOLIFIELD, for 20 minutes, today, and to revise and extend his remarks.

Mr. FLOOD (at the request of Mr. MONAGAN), for 15 minutes, today, on two subjects, and to revise and extend his remarks.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BARRETT and to include extraneous matter.

Mr. PHILBIN in two instances and to include extraneous matter.

Mr. JOHNSON of Colorado.

(At the request of Mr. MONAGAN, and to include extraneous matter, the following:)

Mr. PORTER in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 107. An act to amend title XI of the Merchant Marine Act, 1936, relating to Federal ship mortgage insurance, in order to include floating drydocks under the definition of the term "vessel" in such title, to the Committee on Merchant Marine and Fisheries.

S. 2424. An act to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes;

H.R. 6714. An act for the relief of Abraham Fye;

H.R. 6717. An act for the relief of Mrs. Kathrene LeTang; and

H.J. Res. 280. Joint resolution consenting to an interstate compact to conserve oil and gas.

ADJOURNMENT

Mr. MONAGAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 19 minutes p.m.) the House adjourned until tomorrow, Thursday, July 30, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1254. Under clause 2 of rule XXIV, a letter from the Director, U.S. Information Agency, transmitting a report of violations of section 3679 of the Revised Statutes, as amended, concerning the appropriation, "Salaries and expenses," U.S. Information Agency, symbol No. 6780100, pursuant to the provisions of 31 U.S.C. 665(i)(2) and section 15(a) of Bureau of the Budget Circular A–34, was taken from the Speaker's table and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee of conference. H.R. 5674. A bill to authorize certain construction at military installations, and for other purposes (Rept. No. 729). Ordered to be printed.

Mrs. KELLY: Canada-United States Interparliamentary Group. Second report of the U.S. delegation to the Canada-United States Interparliamentary Group (Rept. No. 730). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 332. Resolution for consideration of H.R. 8159, a bill to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes; without amendment (Rept. No. 731). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 333. Resolution for consideration of H.R. 8160, a bill to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes; without amendment (Rept. No. 732). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 334. Resolution for consideration of H.R. 8305, a bill to amend the Federal Credit Union Act; without amendment (Rept. No. 733). Referred to the House Calendar.

Mr. FOGARTY: Committee of conference. H.R. 6769. A bill making appropriations for the Departments of Labor, and Health, Education and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes (Rept. No. 734). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HULL:

H.R. 8438. A bill to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; to the Committee on Agriculture.

By Mr. CELLER:

H.R. 8439. A bill to incorporate the National District Attorneys' Association; to the Committee on the Judiciary.

By Mr. ASPINALL:

H.R. 8440. A bill to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT of Michigan:

H.R. 8441. A bill to regulate the foreign commerce of the United States by establishing tariff-rate quotas on imports of wood pulp and pulpwood; to the Committee on Ways and Means.

H.R. 8442. A bill to amend title II of the Social Security Act, to provide full benefits (when based on retirement age) at age 60 for women and age 62 for men; to increase benefits and the amount of earnings on which benefits are computed; to provide more liberal terms and conditions for determinations of disability and entitlement to disability benefits; to provide hospitalization and surgical insurance; and for other purposes; to the Committee on Ways and Means.

By Mr. CARNAHAN:

H.R. 8443. A bill to provide equitable treatment for producers participating in the soil bank program on the basis of incorrect information furnished by the Government; to the Committee on Agriculture.

By Mr. DENT:

H.R. 8444. A bill to provide a 1-year moratorium on principal payments under Federal Housing Administration insured and Veterans' Administration guaranteed mortgages for mortgagors who are unemployed and unable to make such payments through no fault of their own, and for other purposes; to the Committee on Banking and Currency.

By Mr. DINGELL:

H.R. 8445. A bill to save and preserve, for the public use and benefit, certain portions of shoreline areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAGEN:

H.R. 8446. A bill to amend section 4233 of the Internal Revenue Code of 1954 to provide that the exemptions from the admissions tax for athletic games benefiting crippled or retarded children shall apply where the participants have recently attended designated schools or colleges as well as where they are currently students; to the Committee on Ways and Means.

By Mr. HULL:

H.R. 8447. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the Pony Express; to the Committee on Banking and Currency.

By Mr. MACK of Washington:

H.R. 8448. A bill to reimburse the States of Oregon and Washington for the Federal share of costs of construction of the new interstate bridge across the Columbia River between Portland, Oreg., and Vancouver, Wash.; to the Committee on Public Works.

By Mr. METCALF:

H.R. 8449. A bill to save and preserve, for the public use and benefit, certain portions of shoreline areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GEORGE P. MILLER:

H.R. 8450. A bill to amend the act of August 6, 1947, with respect to the functions and duties of the Coast and Geodetic Survey; to the Committee on Merchant Marine and Fisheries.

By Mr. MORRIS of New Mexico (by request):

H.R. 8451. A bill to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States; to the Committee on Interior and Insular Affairs.

By Mr. RHODES of Arizona:

H.R. 8452. A bill to provide that an officer of the Army, Air Force, or Navy assigned to serve as Director of the Armed Forces Institute of Pathology shall hold the rank of not less than brigadier general or rear admiral, as the case may be, while so serving; to the Committee on Armed Services.

By Mr. BETTS:

H.J. Res. 480. Joint resolution proposing an amendment to the Constitution of the United States providing for systematic reduction of the public debt; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.J. Res. 481. Joint resolution to bring about greater uniformity in State taxation of business income derived from interstate commerce; to establish a Commission on Taxation of Interstate Commerce, and for other purposes; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

Mr. FLYNN presented a memorial of the Legislature of Wisconsin favoring the repeal of the law providing for termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin, which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLE:

H.R. 8453. A bill for the relief of Constantine Venetos; to the Committee on the Judiciary.

By Mr. KASEM:

H.R. 8454. A bill for the relief of Antonio Rodriguez-Silva; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 8455. A bill for the relief of Katherina Raffaelli; to the Committee on the Judiciary.

By Mr. NORRELL:

H.R. 8456. A bill for the relief of Capt. Jack Rubley; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 8457. A bill for the relief of Richard Schoenfelder and Lidwina S. Wagner; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

248. The SPEAKER presented a petition of Ralph G. Towle, Hollister, Calif., relative to thoroughly reviewing the matter and evaluating all the aspects of the aid to needy children program as it presently exists, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Thompson Spurns Teamsters' Dictation

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 29, 1959

Mr. WILLIAMS of New Jersey. Mr. President, with the hurling of charges in the public press and elsewhere about concessions to Hoffa-like dictation in endeavors to pass labor-management reform legislation, it is worthwhile to note, I think, the kind of resistance which such attempts meet. In an article from a recent issue of the Trentonian, there is described a visit from one of the Teamsters' attorneys to the office of Congressman FRANK THOMPSON of New Jersey's Fourth Congressional District. Knowing THOMPSON's long friendship with labor, the Teamsters' man had recommendations for a labor bill with the thought in mind that the Congressman would accept his version. This version, however, did not fit in at all with the stronger measures supported by Congressman THOMPSON—and he rejected the recommendations. That this rejection was not lightly taken soon became evident when Congressman THOMPSON was informed that a mass meeting was in the making to consider what his stand meant—with the implied suggestion that such publicity could be very unfortunate. But how ridiculous these kinds of tactics are was revealed almost immediately through a statement from the lips of an assistant to President Meany who said:

> Congressman FRANK THOMPSON always approaches all legislation with the people's welfare in mind. He is extremely fair minded * * * I anticipate he'll show the usual good judgment in the pending legislation.

I think this clearly demonstrates that such reprehensible efforts on the part of a few individuals have little effect. I am glad to know that when a labor bill is forthcoming, it will be with the help of men of such outstanding caliber as FRANK THOMPSON. I am proud of my good friend, who, as outlined above, is giving such outstanding representation to the people of his congressional district, to the State and to the Nation.

I ask unanimous consent to have the article printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THOMPSON SPURNS TEAMSTERS' DICTATION

(By Cyril J. O'Brien)

WASHINGTON.—The hand of Hoffa which tapped legislators on Capitol Hill recently was named Sidney Zagri, Teamster attorney.

In touch with Congressman FRANK THOMPSON, pro-labor, labor-backed and labor-praised, Zagri was dissatisfied. THOMPSON would not buy Zagri's version of what a labor racketeering law should be. THOMPSON wanted sterner measures. But then THOMPSON had a good armor of consistent friendship with labor and he could play independent of Hoffa's recommendations. Zagri left the office, unhappy.

Soon a note from the Mercer-Burlington area proved that Hoffa or Mr. Zagri had a long arm. The Congressman was advised from home that there might be a mass meeting in Trenton to consider THOMPSON and his stand. Generally, it could be bad, especially on publicity—unless you had a long record, strong enough to make the threat ridiculous.

And apparently this was the case. From headquarters of the AFL–CIO, almost on the same day as the threat-letter, came strong support from Andrew J. Biemiller, assistant to President Meany and CIO–AFL legislative department head.

Biemiller said: "Congressman FRANK THOMPSON always approaches all legislation with the people's welfare in mind * * * He is extremely fair minded * * * I anticipate he'll show the usual good judgment in the pending legislation * * *."

PRODUCING LABOR BILL INTENSIVE WORK

(By FRANK THOMPSON, JR., Member of Congress, Fourth New Jersey District)

On July 23, following 5 weeks of work as intensive as any I have ever known, the House Education and Labor Committee reported to the House its version of the Kennedy-Ervin reform bill.

Working against a background of threats which included everything from "getting your head knocked off" to "we'll get you the next time you run," and in the midst of heated opinions and frayed nerves, the committee steered a course between the shoals of bitterness on both port and starboard sides. The left-hand shoal was defiance of the Nation's obvious demand for reform legislation—the course was to kill the bill. The right-hand shoal was defiance of the Nation's working people's right to bargain collectively—the course was to report a bill so tough as to destroy our great labor movement.

By virtue of hard work and appeals, the committee finally achieved successful passage through the treacherous channel and ended up with a bill which deserves the support of all fairminded people, who believe that an effective labor reform bill should be enacted at this session of Congress. In this report and in my report of next week, I shall endeavor to describe the legislation and its background. It is my belief that the subject of labor reform is the most important domestic issue before the Nation at this time.

Your Representative's actions and votes will have no appeal to either those who insisted upon no legislation at all or to those who wanted punitive legislation. Some weeks ago in this report I stated my position. I adhered to it strictly and, therefore, cannot understand why so many representatives of both labor and management appeared to be surprised by my middle course votes.

Teamster boss Jimmy Hoffa dipped into the St. Louis Teamster organization and brought to Washington as his chief lawyer and lobbyist, an attorney named Sidney Zagri. Zagri's activities have been well documented by Time (July 27), Life (July 27), and in a host of other papers and journals.

The Teamster hired hand appeared in my office on two or three occasions early in the game. On one of his visits he was accompanied by a dozen or more New Jersey Teamster leaders. Starting his conversations reasonably and smoothly, in lawyerlike fashion, Zagri appealed for support for some 50 pages of amendments to the 70-page Senate bill.

When he realized that I was not sympathetic, lawyer Zagri discarded his attorney attire and suddenly became some sort of political boss. Talking as if he had at his disposal an election certificate, he indicated that I had better do his will. One or two other labor leaders used the same approach, each with the same lack of success.

What Zagri and other Washington lobbyists fail to realize is that those of us who are elected Representatives are known to our people. We are here because of majorities received in free elections conducted by secret ballot in which free men expressed their will. Hoffa and Zagri disdain free elections and secret ballots—they want no part of democracy in their union and I want no part of Hoffa or Zagri. I have given them to understand that I would rather be defeated than to be indebted to them for being in Congress. In this connection, I can state honestly that not one Teamster from the Fourth Congressional District has threatened me in any way. Two of their leaders have been to Washington to see me and both complained about the bill, but both were entirely reasonable and fair.

In the July 17, 1959, issue of the Indiana Labor Tribune, that State's Teamster paper, Sidney Zagri has a signed article in which he attacks Indiana's brilliant freshman Congressman JOHN BRADEMAS. The basis of the attack is a flattering one, for it says that BRADEMAS' "voting has largely followed the lead of the Thompson-Udall Democrat of Arizona, group." Zagri is a busy fellow. He's doing his smear job on a nationwide basis.

On the opposite side from the Teamsters those fighting against the committee bill are

the National Association of Manufacturers and the U.S. Chamber of Commerce. Their vehement opposition, including the usual election day threats, is based upon the fact that our bill will not break the back of organized labor.

All in all, the opposition to the reported bill makes even more clear the fact that it is an effective, strong document. Some labor elements are opposed because they know it will bring reform. The management elements are opposed because it will allow the continued and necessary process of collective bargaining. Fairness is a great American tradition. In this case, the path of fairness is clear—it is represented by the committee's version of the Kennedy bill. I am confident that the Congress will choose the fair path.

Next week I shall analyze the major provisions of the labor legislation and will set forth some of the alternatives. I would appreciate the views of anyone who cares to write. Please address mail to: Representative FRANK THOMPSON, Jr., room 452 Old House Office Building Washington, D.C.

Judge James R. Nolen

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. PHILBIN. I was inexpressibly shocked to learn of the sudden passing of my friend, the distinguished judge of the Ware, Mass., district court, Hon. James R. Nolen.

Judge Nolen was in the prime of his very brilliant career. For years he had been a successful, outstanding, practicing lawyer in the State of Massachusetts, New York, Washington, and Europe. Indeed, his practice carried him to many countries and he was known as an expert on international law as well as domestic law.

His services on the bench were of the very highest order. He was recognized for his great ability, fairness and impartiality, and had frequently been called by the chief justice for a considerable period of time to serve at sessions of the great Superior Court of Massachusetts where he won new acclaim for his capacity, legal knowledge, and talents as a brilliant and fairminded lawyer and judge.

Judge Nolen was former distinguished chairman of the Port of Boston Authority, and in that important work he rendered most valuable services to the port of Boston. He was chairman of the Ware Selective Service Board which served five Massachusetts communities during World War II. Judge Nolen served as adviser to the Foreign Economics Administration in Washington during that war and was also a sage adviser at the World Monetary Conference in 1945.

Very highly trained and educated, he was a graduate of Holy Cross College, Boston University Law School, and held an honorary degree of doctor of laws from Mount Mary College in Milwaukee.

In his early years, he had studied at the U.S. Military Academy at West Point for 2 years until he decided to take up law.

Judge Nolen was possessed of an amiable, magnetic personality and was respected and loved by all who knew him. He was a man of action and a man who loved to move in many circles.

He was a member of the Knights of Columbus, the Erie Society, the Charitable Irish Society, the Ancient Order of Hibernians, the Red Men, the American Turn-Verein, and the Algonquin Club of Boston.

I had known Judge Nolen for many years and entertained highest regard and affection for him. Prior to his elevation as presiding judge of the Ware court, he came to Washington quite frequently on business and I often met him and always enjoyed his visits.

He had a sharp, legal mind, was a man of a broad variety of interests, a careful student of government, and a learned judge. A man of rugged character, great ability, strong purpose and undeviating loyalty, he won the respect, esteem, and affection of all those who knew him and was admired and respected by the community to which he made so many valuable contributions.

He was taken by his Maker right at the height of his career, at a time when those of us who knew him all believed that he had many more years of promise, progress, and advancement in his chosen profession.

He leaves behind him a very large number of people who mourn his loss and a loving family to whom he was so deeply devoted. To his beloved wife, Mrs. Nolen, and his distinguished sons, State Representative James R. Nolen of Ware and Dr. William Nolen of New York City; his two daughters, Mrs. Mary McGrath of New Britain, Conn., and Miss Judith Nolen of New York City; his distinguished brother, Judge William R. Nolen, of Holyoke; and the rest of his family I tender my deepest sympathy.

I hope and pray that the good Lord will bestow upon them in their profound sorrow and grief that measure of consolation and reconciliation that comes from their spiritual faith. I extend them all my most sincere condolences with the devout prayer that they may accept their sorrowful bereavement with true Christian fortitude. May Judge Nolen find peace and rest in his heavenly home.

American Citizens of Italian Descent

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. BARRETT. Mr. Speaker, I would like to call to the attention of the Members of the House of Representatives an outstanding editorial that appeared in the July 12, 1959, edition of Il Progresso Italo-Americano.

This editorial expresses the thought that the dignity and high reputation of American citizens of Italian descent is being endangered by the irresponsible activities of many television and movie writers and authors of books and articles, who persist in portraying gangsters and other evil characters as almost exclusively Italian or of Italian type.

This unfortunate practice at best, reflects on the writers as innocent of all literary imagination; at worst, it constitutes an unfair, unjustified disparagement of those of our fellow citizens who happen to be of Italian origin. That the descendants of a nation which has contributed so much to the richness of the culture which we all now enjoy should be thus misrepresented by screen and press ought to be a weight on the conscience of every thoughtful American.

Perhaps those who take great delight in belittling the Italian people and our own citizens of Italian descent have forgotten the men who wrote the Roman law; or the great painters like Michelangelo; or the poetry of Dante; or the great music of Puccini or Verdi. And of the utmost significance to all of us, was it not the imaginative Italian, Columbus, who sailed across an unknown ocean to discover our beautiful American Continent?

The creativity, the intelligence, the sensitivity, the strength that finds expression in great men like these is the common cultural inheritance of all the proud descendants of the Italian nation.

Without question they deserve our highest respect and our best efforts to prevent the defamation of their good name.

Restoration of Central Credit Union Authority

EXTENSION OF REMARKS
OF
HON. BYRON L. JOHNSON
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. JOHNSON of Colorado. Mr. Speaker, the Rules Committee today granted a rule on H.R. 8305, and this rule will probably come to the floor on Thursday, July 30.

In the interest of informing Members, and speaking for the Banking and Currency Committee members who signed the supplemental views on the Federal Credit Union Act in House Report 696, I wish to here insert the amendments that will be offered tomorrow to restore Federal central credit union authority. These amendments simply restore to H.R. 8305 the language which was in the bill as it left Subcommittee No. 3 on its way to the Banking and Currency Committee, except for one clarifying technical amendment. These amendments are as follows:

AMENDMENTS TO RESTORE CENTRAL CREDIT UNION AUTHORITY

Page 2, line 3, strike out the semicolon and insert a comma and the following: "and includes a cooperative association (hereinafter called a 'Federal central credit union')

whose members are Federal credit unions and credit unions organized in accordance with the provisions of law of any State, the District of Columbia, the several Territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico, and located within a well-defined geographical area, and whose members may also be directors and members of the supervisory and credit committees of such credit unions;".

Page 2, line 16, strike "natural".

Page 8, line 13, after the word "surplus" insert the following: ", but this limitation shall not apply to loans by Federal central credit unions".

Page 8, line 13, strike out "or"; and in line 15, after the semicolon insert the following: "or (E) in shares of Federal central credit unions, in a total amount not exceeding 25 per centum of its paid-in and unimpaired capital and surplus. Payments to, and withdrawals from, such central credit unions by a Federal credit union must be specifically authorized by the board of directors of such Federal credit union;".

Page 10, line 10, after the word "that" insert the following: ", other than as provided in section 2(1) with respect to Federal central credit unions,".

Page 10, line 14, after the period insert the following: "A Federal credit union may, by authorization of its board of directors, become a subscriber to, or organizer or member of, a Federal central credit union or other central credit union."

Page 11, line 4, after the period insert the following: "Federal credit unions having membership in a central credit union may be represented at annual or special meetings of the central credit union by one member duly authorized by the board of directors of the member Federal credit union. To the extent permitted by the articles or certificate of incorporation or bylaws of the central credit union, such representative shall have one vote and shall be eligible for office in the central credit union the same as though he were a member as an individual of such credit union."

Page 11, line 10, after the word "members" insert the following: "(which, in the case of Federal central credit unions, shall be deemed to include the duly authorized representatives of the member credit unions)".

Page 15, line 8, after the word "or" add the following: ", except in the case of a loan by a Federal central credit union to a member credit union,".

Mr. Speaker, the views of the members of the full committee who support Federal central credit unions are set forth on pages 8 through 14 of the report. The heart of the agreement is found on the last two pages thereof, and is as follows:

The proposed Federal central credit union was designed to fulfill two significant functions:

(1) Federal central credit unions would act as a clearinghouse for surplus credit-union funds, receiving funds from credit unions with a temporary surplus and lending these funds to other credit unions experiencing heavy loan demands. The smaller credit unions with fewer sources of credit tend to experience greater problems when attempting to borrow funds than do the larger credit unions. Although the larger credit unions may have excellent financial relationships with commercial banks or other financial institutions, many smaller or medium size credit unions experience undue delay, excessive cost, or, in many cases, face outright refusal in having their borrowing requests fulfilled by existing financial institutions.

Federal credit unions may now borrow from others only by a lengthy, time-consuming, and difficult process. These provisions will relieve officers of this groundless and burdensome work.

There are a number of specific reasons why Federal credit unions need to have this additional source from which they can borrow funds.

(a) Most Federal credit unions experience seasonal and cyclical needs for additional funds, even with a membership composed of individuals who enjoy regular incomes. For instance, credit unions organized in industrial plants where employment is regular and where the membership receive their incomes regularly, still face seasonal demands for loans (at Christmas, Easter, etc.). These credit unions need to be able to borrow additional funds to meet these legitimate loan demands.

(b) Many Federal credit unions are organized among groups which receive irregular incomes such as those serving farmers or teachers. In addition to the normal seasonal needs for extra funds, these credit unions, to function effectively, need additional sources of funds to cope with the problems of large swings in their total share accounts and loan demands.

(c) Other reasons are: An industrial plant within which a credit union is organized is temporarily shut down, or there are layoffs of a substantial number of employees, or there may be some sort of disaster such as a flood or fire in the local community. In these cases members will be withdrawing shares from the credit union, while at the same time, the credit union is experiencing increased loan demands because of the financial difficulties of its members. In these types of cases it is often very difficult for these credit unions to be able to borrow the funds they need to serve their members effectively.

On the other hand many credit unions have chronic surpluses of funds. Many such credit unions operating under State charter are presently investing some part of these surplus funds in State chartered central credit unions and providing the capital for the effective operation of these central credit unions.

(2) Federal credit unions would provide mechanism for meeting the borrowing needs of credit union officers whose indebtedness to their credit unions is presently limited to the amount of their share accounts. The bill ordered reported by the Banking and Currency Committee would permit credit union officers to borrow from their credit unions up to the amount of their shareholdings, plus the total unencumbered and unpledged shareholdings in the credit union of any member pledged as security for the obligation of such directors or committee members. This seems to be a reasonable restriction upon the directors and committee members of a credit union. However, by accepting a position as an officer in a credit union, the member in effect gives up some of the privileges of membership in that credit union. With Federal credit unions having a rather extensive officer turnover the limitation on officers borrowing deters many members from accepting the responsibility of being a credit union officer. Thus, it is obvious that there is need for some type of credit union which can serve the credit needs of credit union officers. While Federal credit unions to serve officers have been chartered ("officer credit unions"), they have frequently been unable to attract adequate funds to serve their officer members' credit needs because of the restrictions against Federal credit unions investing shares in the central credit unions.

The testimony before the subcommittee was overwhelmingly on one side of this issue. The experience of the States which have central credit unions is overwhelmingly favorable. The same safeguards which apply to the operations of local credit unions would also apply to central credit unions. There is no reason for the Federal law to fail to include permissive provision for such central credit unions. These central credit unions are serving useful purposes in those States where they are now in operation; they would serve similar useful purposes for Federal credit unions, their members, and their officers.

We see no reason to delay consideration of this amendment. In the first place, it has already been thoroughly considered by the subcommittee. In the second place, this entire bill has been viewed as a recodification of the Federal Credit Union Act. If these provisions are considered later in a separate bill, it will take amendments at eight separate places in the recodification to replace what was deleted by a close vote in the committee.

The delays and difficulties in the path of considering this matter in separate legislation are too well known to need amplification here. The time to wrap up a complete Federal credit union code is now, at the time of recodification.

We believe that the measure should be amended to reinstate provisions for the chartering and operation of Federal central credit unions.

WRIGHT PATMAN.
HENRY S. REUSS.
JOSEPH W. BARR.
CLEM MILLER.
BYRON L. JOHNSON.

Union Oil's "Poppycock" Advertisement

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. PORTER. Mr. Speaker, the practice of certain big corporations to buy space in national magazines and newspapers to beat their ideological drums is all right as free speech. However, when they use their expensive soapbox to spread misleading and erroneous poppycock, then they should be answered—if not in a full-page advertisement, then elsewhere.

Below is the text of such an advertisement and a copy of my answer, along with the press release we issued to help the answer catch up, to some extent anyway, with the advertisement which appeared very widely.

The only other consideration, Mr. Speaker, is whether such an advertisement is properly deductible as a legitimate business expense. That is a question I have addressed to the Internal Revenue Service.

Under unanimous consent previously granted I am including hereafter my press release, the text of the Union Oil Co. advertisement from the July 13, 1959, Life magazine, and my letter to the company's board chairman, Reese H. Taylor:

A national advertisement of a major oil company alleging that wage hikes and taxes threaten the jobs of its employees has drawn a requested response from Representative CHARLES O. PORTER, Democrat, Oregon.

In an open letter to the board chairman of the Union Oil Co. of California Thursday

PORTER termed the advertisement misleading in many respects and "unfair poppycock." The Oregon Congressman cited facts and figures to disprove the assertions Chairman Reese H. Taylor was credited with making in a full page appearing in Life magazine July 13, 1959.

PORTER, in turn, invited comments from Taylor. He told Taylor "Businessmen belong in politics but they need facts and intelligence in this area as well as in business. I know it (the advertisement) utterly fails to do credit to the great ability you must have demonstrated to qualify for your present very responsible position."

The ad suggested:

1. That our Nation is being flooded with foreign imports to the detriment of the American economy. PORTER pointed out that U.S. merchandise exports exceed merchandise imports by $3 billion or more (1958 figures).

2. That the United States is faced with wage hikes not based on increased productivity and that other countries do not have this handicap. PORTER said available information showed 1958 total manufacturing production up 32 percent over 1948 while the number of man-hours of work in manufacturing was 10.3 percent lower. "This indicates that output per man-hour was 47.2 percent over the figure in 1948," he said.

(During the period, according to the Joint Economic Committee report of February 9, 1959, payrolls went up 41.6 percent and real average hourly earnings were up 31.5 percent. PORTER wrote Chairman Taylor that hourly earnings in manufacturing in Canada, West Germany, Great Britain, and France increased a higher percentage rate than in the U.S.A. from 1952–58.)

3. That the United States, unlike other countries, faces growing taxes, PORTER said the reverse is true. He said Federal tax rates on corporate and individual incomes "have been remarkably stable since World War II." PORTER quoted the U.S. News & World Report of April 3, 1959, which said U.S. taxes are among the lowest of all major nations.

Congressman PORTER told the oil company executive he didn't like high taxes either. He said he felt, though, there were things a lot worse, such as jeopardizing national security by cutting back essential defense expenditures, increasing the Federal deficit to spur inflation or cutting expenditures for schools, highways, and hospitals to the detriment of national future health and welfare.

[Text of full page advertisement in Life magazine, July 13, 1959]

HOW WAGE HIKES AND TAXES THREATEN YOUR JOB

(By Charlie Perkins)

"Walk into nearly any store with the idea of buying something.

"You'll see products from abroad right alongside our American-made ones. Nails, woolen and cotton fabrics, dinnerware, sewing machines, cameras, bicycles, cars, and watches are some of them. And practically in every case, the imports cost less.

"Foreign manufacturers compete sharply now with our own industries. And they do so without two handicaps every American business faces today.

"1. Wage hikes not based on increased productivity. These result in continually rising prices for U.S. consumers and ever-mounting production costs for our manufacturers.

"2. Growing taxes. Each year taxes take more of industry's dollars. This, too, is reflected in higher prices to the consumer.

"It makes you wonder. If we price ourselves out of world markets, what's next? If we don't stay competitive, isn't that the same as pricing you and me and all of us right out of our jobs?"

Charlie Perkins, manager of our purchasing department, points up some cogent facts.

In 5 years U.S. imports climbed 77 percent while our exports rose only 27 percent. In 1958 our exports were $1 billion below 1957.

Unearned wage increases and ever-mounting taxes could reduce us to second rate status among nations—with a real unemployment problem here at home.

Your comments invited. Write: Chairman of the Board, Union Oil Co., Union Oil Center, Los Angeles 17, Calif.

UNION OIL COMPANY OF CALIFORNIA,
Manufacturers of Royal Triton, the Amazing Purple Motor Oil.

JULY 30, 1959.

Mr. REESE H. TAYLOR,
Chairman, Union Oil Co. of California,
Los Angeles, Calif.

DEAR MR. TAYLOR: In the July 13 issue of Life, the Union Oil Co. of California, of which you are the distinguished chairman, inserted a full-page advertisement which appeared also in many other magazines and which included an invitation for comments to be directed to you. I am pleased to accept this invitation.

Your advertisement is entitled, "Charlie Perkins, how wage hikes and taxes threaten your job." Charlie Perkins, as you note in the advertisement, is the manager of the purchasing department of your company.

Your advertisement is in many respects misleading and unfair poppycock. It suggests: (1) That our Nation is being flooded with foreign imports to the detriment of the American economy; (2) that the United States is faced with wage hikes not based on increased productivity and that other countries do not have this handicap; and (3) that the United States, unlike other countries, "is faced with growing taxes."

Each of these contentions is spurious. Let's look at the record.

Certainly we find a lot of items manufactured in other countries in our stores. But let me ask you a few simple questions, Mr. Taylor. Don't you believe that a lot of our manufacturers are mighty eager to sell some of their output in other countries? Does it disturb you when American-made sewing machines, typewriters, and farm machinery are sold abroad? How do you think foreign countries are going to pay for these goods if they can't sell their wares in this country?

Did you forget, if you ever knew, Mr. Taylor, that in no year since 1936 have our imports been as great as our exports and in recent years the excess of exports over imports has been most substantial.

Your Mr. Perkins is correct in his statement that merchandise exports were lower in 1958 than in 1957; in fact they were lower by $3.1 billion. But, in spite of this fact, 1958 merchandise exports were still $3.4 billion more than merchandise imports. (In 1957 merchandise exports were $6 billion greater than merchandise imports.)

I am sure that you must recognize, Mr. Taylor, as well as I do that the available data on productivity for industry as a whole is not very satisfactory. This is an area on which much more accurate information is needed. What information there is, however, does not point to any general conclusion that wage increases have been outstripping the productivity of American labor.

For example, based on statistics released by the Joint Economic Committee on February 9 of this year, it can be seen that in 1958 total manufacturing production was 32 percent greater than in 1948, while the number of man-hours of work in manufacturing was actually 10.3 percent lower. This indicates that output per man-hour was 47.2 percent greater in 1958 than in 1948. At the same time payrolls were 41.6 percent greater, and real average hourly earnings were 31.5 percent higher. Thus, while hourly earnings have more than kept pace with increases in the cost of living, real hourly earnings have increased only about two-thirds as much as output per man-hour. The broad generalizations of your advertisement hardly seem justified.

In fact, Mr. Taylor, you as a leader of industry should be proud of the high wages which prevail in this country. In no other respect does the economic superiority of the United States over the standard prevailing in the rest of the world stand out more clearly than in the high wages paid here.

Where else does the average factory worker have the automobiles, the electric appliances, the comfortable homes, the leisure, and the luxuries that are commonplace here?

Who, if I may ask, paid for most of the 24.6 million barrels of gasoline your company marketed last year?

Where would your company be if the average American worker had to content himself with wages prevailing in Britain, France or Germany?

Where do you think the $125,000 salary you earned in 1956 and again in 1957 (as reported in Business Week for May 24, 1958) came from, if not primarily from the markets created by the earnings of the American workingman?

Somehow you think wage hikes are a handicap that foreign manufacturers don't have to contend with. There must be millions of foreign manufacturers who just wish that this were true. Let's look at the facts. From 1952 to 1958 average hourly earnings in manufacturing in the United States increased 27.5 percent; in Canada they increased 28.2 percent; in West Germany 36.5 percent; in Great Britain 43.9 percent; and in France 52.5 percent.

You also appear to be under a similar misapprehension with regard to the American's tax burden. You speak of "growing taxes" in the United States as a second handicap to American business that foreign manufacturers do without.

The facts are practically the reverse.

The Federal tax rates on corporate and individual incomes have been remarkably stable since the end of World War II. In fact corporate tax rates have been cut back since 1953 with the expiration of the excess profits tax. Canada is increasing its corporate and income taxes this year. In France, tax increases amounting to $626 million were approved at the end of 1958. The Dutch have recently raised taxes. Of the major industrial nations of Western Europe, only the British have had a significant tax cut, and that was from a tax level that had been retained from the high rates of World War II.

As a recent article in the U.S. News & World Report (April 13, 1959) points out, high as U.S. taxes are getting, they remain among the lowest of all major nations. Many have higher income taxes than the United States and most have higher sales taxes. A table in this article shows the total taxes, National, State, or provincial, and local as a percent of gross national product for 11 major countries in the world.

Only three, Canada, Belgium-Luxembourg, and Denmark rank lower than the United States, based on 1958 data (Canada's data is for 1957). Compared to the U.S. taxes of 25.2 percent of gross national product, West Germany has taxes of 32.5 percent of gross national product, Netherlands, 32.4 percent; Austria 31.3 percent; France, 31.1 percent; Norway, 29.2 percent; Great Britain, 29.2 percent; and Italy, 28 percent.

Certainly I don't like high taxes any more than you do. In fact, I suspect that comparing our two annual incomes, the burden

of taxes weighs more heavily on me and my family than on you and yours. But there are a lot of things that to my mind would be far worse than the high taxes I am paying. It would be a lot worse to jeopardize the security of our country by cutting back on essential defense expenditures. It would be a lot worse to increase our deficit in a time of general prosperity and thereby add fuel to the danger of inflation. It would be a lot worse to forego the needed expenditures for schools, highways, and hospitals on which the future health and welfare of our Nation depend.

I don't know, Mr. Taylor, how much of your business depends on the defense activities of our Nation, but I suspect it is a considerable portion. You speak of the danger to Charlie Perkins' job from wage hikes and taxes. I say to you that Charlie Perkins' job, and much more than Charlie Perkins' job, is endangered if we as a nation put our primary emphasis on holding down taxes and wages. It is the initiative, the vigor, and the know-how of millions of Charlie Perkinses throughout this Nation that have made it possible for them to get and to justify the high wages which prevail in America today and of which we should all be proud. It is the willingness of the Charlie Perkinses to pay taxes and to support the Nation's needs in times of peace and of war that has made our Nation strong. Let none of us in our search for greater sales and higher profits for our companies forget these facts.

Businessmen belong in politics, but they need facts and intelligence in this area as well as in business. I doubt that such advertisements as the one under discussion deserve tax deduction as a business expense. I know it utterly fails to do credit to the great ability you must have demonstrated to qualify for your present very responsible position.

I, in turn, invite your comments.

Sincerely,

CHARLES O. PORTER,
Member of Congress.

Gold Supplies

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. PHILBIN. Mr. Speaker, in view of the heavy drafts upon the gold supply of the United States as the result of adverse foreign trade balances, monetary and currency readjustments and the like, it is interesting to note the mounting pile of gold bricks in the vaults of Moscow's Gosbank, the state bank of the Soviet Government as reported in a recent news article from London by writer Mr. Peter Grose. In this dispatch the view was expressed that some British financiers suggest that this increasing Russian gold supply may be a new weapon in Soviet economic warfare which could be unleashed against the capitalist countries at any time and disrupt their economies.

These experts, the article continues, can see no other plausible explanation for the quiet but steady Soviet accumulation of gold reserves at great cost to the Soviet economy. A leading British authority on international commerce, Mr. Paul Einzig, believes that the Soviet Government is determined to hoard a large gold stock for the sake of the economic and political power the possession of such a reserve entails. He declares that how the Soviet intends to use that gold is anybody's guess.

At the end of 1958 the Soviet Union was believed to hold between $7 and $8 billion worth of gold, a reserve second in the world only to the U.S. stockpile.

The pertinent question is: Why does the Soviet Union pile up this gold? They never spend it for foreign purchases if they can help it.

Experts are quoted as saying that there is little doubt that a sudden well-planned dumping of large amounts of new gold into the delicately balanced world economy could wreak havoc.

If this should occur, dire consequences are feared. Trade payments would be upset. Prices in the free world could skyrocket. Banks might have to close their doors against a runaway demand for cash. Currency systems could be fatally debased by a galloping inflation, it is asserted.

Mr. Grose states that some international financiers say that it is farfetched to expect the Soviet Union to act in this way. The Soviet economy, they say, would suffer along with capitalistic countries from an overturning of international finance.

The fact remains that the Soviet is giving top priority to their own gold production, inefficient and expensive though it is. A British expert estimates that it costs the Soviet Union $166 to produce each ounce of gold—nearly five times the $35 an ounce gold is worth in this country.

Since there are marked disparities between the price of gold that prevails in the United States and various world market prices, and the drains on our gold supply still continue, the appropriate committees of the Congress should immediately look into this vital matter in order to ascertain all the facts and determine whether changes in American policy with respect to the use of our gold supply are not indicated by the growing Russian supply of gold and the declining U.S. supply of gold.

Our committee should also address themselves, I strongly believe, to a careful and close analysis of the reasons lying behind present transfers of the gold supply, particularly with reference to the impact of current American trade policies upon this situation, and the official policy of the Government regarding gold, monetary and currency problems.

I want to make it abundantly clear that I do not believe transfers of gold reserves per se are necessarily injurious or harmful to the economy of this country. I do feel, however, and believe this view is supported by authorities in the field that we cannot afford to view with complacency the marked increase in the Russian gold supply at a time when our own gold supply is materially decreasing, nor can or should we ignore current unfavorable trade balances.

Personally I believe that Congress cannot act too quickly to develop a more complete understanding of this entire situation and take such action as may be indicated by the result of its studies.

Address by Hon. Karl E. Mundt, of South Dakota, Before Annual Convention, District of Columbia Department, the American Legion

EXTENSION OF REMARKS
OF
HON. ANDREW F. SCHOEPPEL
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, July 29, 1959

Mr. SCHOEPPEL. Mr. President, the distinguished senior Senator from South Dakota [Mr. MUNDT] recently addressed the annual convention of the District of Columbia Department of the American Legion. He presented so many important and thoughtful matters on that occasion that I ask unanimous consent that his speech be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION WAY IS THE WAY OF THE UNITED STATES OF AMERICA

(Address by Senator KARL E. MUNDT, Republican, of South Dakota, before annual convention of the District of Columbia Department of the American Legion)

Mr. Commander, my fellow Americans, it is always a pleasure and a challenge to address an American Legion convention. On several occasions, I have had the privilege of addressing our own South Dakota Legion convention and about 10 years ago I had the high honor of addressing the National American Legion convention in Los Angeles.

Consequently, when your invitation reached me, I simply could not resist the temptation to accept it.

A few months ago, a friend of mine was having dinner at the Metropolitan Club here in Washington. Before dinner, he joined some friends in a few cocktails; during the dinner, he drank a few glasses of wine; after dinner, he had a couple of glasses of champagne. As a result, when he left to go home, he was slightly under par. When he got into his car he headed it the wrong way down one of our Capital City's numerous one-way streets and before going very far a motorcycle policeman waved him over to the curb and asked him that well-rehearsed question used by traffic cops across the years, "Say, where do you think you're going anyhow?" My confused friend, rolled down his window and called back, "I haven't got the slightest idea in the world but wherever I'm going I must be awfully late—everybody else seems to be coming home."

It is because the American Legion never travels any wrong-way streets or espouses any off-color causes that I am especially happy to be your speaker tonight. Frequently, over the past 20 years, I have found myself allied with the Legion in sponsoring and supporting public causes. It has been a pleasure working with you in your great program of service to disabled veterans and to the widows and orphans of America's fighting men; I have joined the Legion in its consistent crusade to keep America strong

and to develop and maintain our military posture; over the years I have been encouraged and gratified by the manner in which the American Legion has fought steadfastly against communism both at home and abroad. Even when opposing Communist subversion at home was scoffed at as witch-hunting, the Legion continued to press for action against communism in this country and against the units of fellow-travelers who attracted many naive but innocent dupes to their membership rolls.

Just about 24 hours ago, as a matter of fact, on the floor of the U.S. Senate, I was leading a legislative battle to support the American Legion position that the funds of our National Education Defense Act should be protected against perversion through making them available to Communists and their agents in this country. This was a senatorial contest, I am glad to report, which we won and your support played an important part in this victory.

Tonight, I desire to talk with you about some trends and conditions in our present-day American life which I am sure represent the type of activities in which the American Legion retains a prevailing interest and in the correction of which the Legion can play a predominant part.

Two of the greatest dangers confronting the American people today are complacency toward the threats of the Communist conspiracy, and moral decay resulting from abandonment of disregard of our great religious and historical heritages.

Complacency toward communism largely results from failure to understand what communism is and what it does to people. In these days of the cold war in which we are involved in the greatest ideological struggle of all time—when the lines between freedom and oppression are clearly drawn—too many of us are being lulled to sleep on the sweet notes of a false security. It is a false security based on the belief that simply because we are right we will achieve success in this cold war.

We need only remember the events of history—present and past—to know that the dangers confronting this Nation and the free world are no less today than they were after World War II when we first discovered that in Communist Russia we did not have a worthy ally but a most formidable adversary striking out at our way of life. They were striking out to destroy those liberties which were so hard won in the days of George Washington and fought for time and again by the dedicated men of America on far-flung battlefields.

Let us understand what communism is by looking to the record—a tragic record of oppression, deceit, and corruption—oppression of the human body, deceit of the human mind, and corruption of the human heart.

How can we reconcile communism with our way of life when we recall these tragic events:

Ruthless suppression in Hungary and East Germany evidenced to the fullest in riots of only a few years ago.

The rape of Tibet of only a few months ago when the Chinese Reds stormed this center of a religious culture which they want to destroy.

The insidious workings in the Middle East in the attempt to create turmoil and further stifle any opportunity to bring democracy and opportunity to those poverty-stricken peoples of the desert lands.

The attempts to infiltrate and destroy legitimate governments in South America, or, as in the case of Cuba, using the Castro revolution as a steppingstone for their own aims of seizing power and control in the Western Hemisphere.

And to bring it close to home, who can forget—but many apparently have—the agonies of the Korean war?

Communism may be a glittering display in New York City, or a friendly smile from a traveling diplomat—but communism is also the anguish of Heart Break Ridge, the torture of the prison cells and death marches of North Korea and Red China, and the timelessness of the most savage browbeating we have ever known, the depredations of the brainwashers of Chinese communism, another type of communism given an Oriental twist.

Only by understanding communism—and this can be done by comparing our system of government to the Red brand and what each does, either for or to its people—can we rid ourselves of the disease of complacency that eats away at our fortitude and determination to remain free.

Basically, the differences in communism and democracy lie in two little words: "for" and "to." In communism, the question of the hour is what it does to the people. In our way of life, it is what democracy does "for" its people and what the people do "for" democracy. You will note I have left no alternative for communism—that is, what the people can do "for" or "to" communism. That is because there is no alternative in communism, it is a one-way street of subjugation and therefore cannot place within the people the responsibility of individualism, self-assertion, and personal enterprise.

Who of communism will stand up in the open forum to compare the Red system against the democracy of this great Nation? What can they say about religious freedom? Where do the trade unions stand in their so-called workers paradise? And does communism foster education on the precept of developing it for the greatest good of the individual and mankind? What does home life mean to the Moscow family—does it mean breaking bread around the table in prayerful thanks for the Lord's blessings, or are children greeted with silence from their parents because they know not whether their offspring will turn them in to the Secret Police?

Communism and the society which it creates serves only one purpose—the materialistic, aggressive, selfish needs of the Kremlin masters who are intent only on personal power and glory. In communism we are witnessing a reincarnation of the monarchist system in its worst form, minus the royal trappings.

To understand communism is to understand what we are fighting for and to understand why each of us must dedicate ourselves to this fight. This, of course, does not mean we are to run to the nearest Army recruiting office, but it does mean that we must be fully aware of the aims of communism and the techniques employed to undermine the welfare of this Nation and her people.

The second danger which I mentioned lies in the question of what road, we, as a nation, will take, in relation to the moral standards of our people. Too often in recent days, I have heard the comment, as no doubt you have: What has happened to the people of America—are we becoming a bunch of chiselers who have lost our respect for everything that is decent and good?

I am not sure that I can say what has happened, but I can say this, the evidence before us is not good. I need not relate the crime statistics, nor discuss the divorce rate. These things are before us constantly in our newspapers, on the radio and over our television.

What needs to be discussed, and to be worked out by our people, is how we can turn the tide against the materialistic and restore our thinking and our actions on a sound level of moral principle before it is too late.

If the abandonment of home and family life, the rejection of responsibility in being a creative, contributing member of a free society, the abuse or disregard of church life, the casting aside of patriotism, and the tendency to forget the sacrifices of those who fought to preserve our freedoms, is continued, we will forfeit those things which we are so desperately trying to defend in the face of a conspiracy that has engulfed half the world.

These are the two problems which I think should be of serious concern to every American—what we can do to end this complacency concerning the dangers of communism, and how we can foster a resurgence of morality in both our private and public activities.

I think the motto of the American Legion, "For God and Country," contains for each of us the essential elements needed to perpetuate and enhance the concept of freedom which has served as a foundation of this Republic.

However, this is something that must be practiced as well as preached.

I think there are four areas in which Americans can develop programs of positive action to overcome the difficulties confronting us. I do not pretend that these suggestions are all-inclusive, but I do offer them as constructive steps which can be helpful and serve as greater incentive for further efforts:

1. We must be alert to fight against those things which undermine America. For example, obscene literature has become a menace to all America because of the serious effect it has on our children. We can help stamp out this racket by cooperating with those officials who are striving to put an end to the operations of these people who obviously form a lower order of humanity. What kind of an individual is it that breaches all the codes of ethics and morality by sending pornographic literature into the American home? Obscenity strikes at the moral fiber of the Nation. This is the type of thing that concerns every father and mother, and the only way we can stop the purveyors of filth and trash is for the people of America to put a stop to it. Government can go only so far. The final action must come from the public, who by refusing to cooperate with the merchants of smut through rejection and through reporting receipt of this indecent material to authorities, can stamp out this one example of the type of thing that is having such a bad influence on our young people.

2. We must preserve and protect the constitutional rights of all our people. The American people have just as much right to protect themselves from the Communist conspiracy and from the racketering activities of thugs and hoodlums who have corrupted certain labor unions as do these people who cloak themselves in the privileges of the Constitution. This can be done at Government level through legislative action designed to protect the liberty-loving free American while at the same time putting an end to the subversive and gangster activities of those who abuse the privileges of a free society. One such step is now before the Congress—the labor reform bill. Adoption of effective labor reform legislation can put an end to the corrupt activities of those who have wrested control of unions from the rank and file workers.

3. As individuals, we must make democracy work at all levels, both in and out of government. One of the best ways I know of to make democracy work is to understand it—what it means, how it can be preserved and why it must be preserved. The day has long since passed when we could say politics is something for the other fellow to worry about. Politics concerns each and every one of us, and the only way to ensure the type of government that we want to keep is for individual citizens to learn about government and participate in its activities. This means more than just getting out the vote. It means getting out an informed vote for one thing. Too often I have heard an ex-

pression of disgust at the mention of the word "politics." There wouldn't be such an expression if each citizen made it a point to be interested in politics. The best definition I can think of in reference to politics is an old one which has been repeated many times, and perhaps is a little trite—yet I think it is most applicable. "Politics is either good or bad depending on what the public wants."

4. In fighting the evil of communism, the greatest assistance we can give is to understand how it works and what it does. Here again, the key is becoming fully informed. With the knowledge of what communism is, and with the understanding of what democracy is, we arm ourselves with the political ammunition needed to bring communism to halt, to prevent it from encompassing the entire free world. With understanding of this problem, we are better equipped to lead the moral force and public support to those programs which are so necessary to the maintenance of a free society.

No other organization is better equipped or more aptly suited to the correction of conditions which weaken America and aid and abet atheistic communism than the American Legion.

I hope all of you read in a recent issue of the American Legion Monthly the challenging article by National Commander Preston Moore dealing with these very conditions and challenges. I believe his article was entitled "The Training We Need for This New Type of War," or something very similar to that title. Commander Moore presented us with an agenda of action which should appeal to every red-blooded American. Now, as always, freedom is everybody's fight, and I urge you to continue your great record of protecting and promoting those actions and those institutions which are vital to America. Unless we succeed here the hope for freedom will fade quickly everywhere.

The Doctor's Dilemma Is Our Dilemma

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 29, 1959

Mr. PORTER. Mr. Speaker, our Nation faces an increasing shortage of doctors. Reasons for this shortage and what can be done to solve it are set out in "The Dangerous Decline in Doctors," by Senator RICHARD L. NEUBERGER. This article appeared in the Progressive magazine for August 1959. Senator NEUBERGER believes in medical research and the other aspects of the field. He has good reason to. As he states in the article, "It has taken at least four such individuals—trained physicians—to save my life."

The article follows:

THE DANGEROUS DECLINE IN DOCTORS

(By Hon. RICHARD L. NEUBERGER, of Oregon)[1]

As a recent cancer patient, I have a keen personal appreciation of this country's urgent need for an adequate supply of trained physicians. It has taken at least four such individuals to save my life.

There was the specialist in internal medicine who detected the tumor in its early stages, before it had begun to produce overt symptoms. A surgeon removed the tumor. A pathologist studied the tumor carefully and then revealed that it was of a cell-type responsive to destruction by radiation. For 5 months a radiologist administered cobalt 60 rays to the customary spread area of this particular malignancy.

In addition to these doctors, I could also list the famous cancer specialist who came from the East to consult on the case, the physician who administered the anesthetic, the assistant surgeon who participated in the operation, and an associate of the radiologist who assisted in the cobalt therapy. There were two other pathologists who concurred in the diagnosis regarding the type of tumor involved.

This is a total of 9 or 10 skilled physicians who were necessary at one stage or another of the case. And mine was only one of the 450,000 new cases of cancer diagnosed in the United States each year.

Are we as a nation producing enough physicians to handle this and other medical problems of equal or greater magnitude? The answer to so crucial a question is not especially encouraging. Two decades ago 133 doctors ministered to the sick needs of each 100,000 Americans. Today the figure has dropped slightly to 130 doctors. By contrast, in the Soviet Union, which had a 1940 ratio of only 73 doctors for every 100,000 Russians, there are now 164 doctors to serve this many people. Even though American medical training is more thorough and of longer duration than its Soviet counterpart, these comparative figures are a challenge to the entire American Nation—particularly in their clear demonstration that our country is not training enough physicians.

The good health of any population is dependent upon the quality and quantity of its doctors. At least in the latter respect, the United States is falling short. A panel of distinguished consultants has recently reported to the Secretary of Health, Education, and Welfare that "it would not be in the public interest for the number of physicians per 100,000 population to fall below 132. * * *" Yet, in order to sustain such a ratio, the production of doctors would have to expand by the year 1970, according to the Federal consultants, to 8,700 annually from medical schools in our own land and 750 additional from foreign schools. This compares with the output of only 6,800 physicians in 1956. Our domestic production of doctors will have to increase by at least 27 percent. As many as 20 new medical schools may have to be built if the current number of doctors per 100,000 Americans is not to drop, and a medical school requires many millions of dollars for the building, equipping, and staffing of its elaborate facilities.

"And," adds the report submitted to the Secretary of Health, Education, and Welfare, "to meet this need, construction would have to begin in the immediate future and be completed within a few years." Not even 20/20 vision can detect any such activity. Few new medical schools are on the drawing boards or in the blueprint stage, and a medical school rarely graduates a class earlier than 10 years after its construction has started.

Why is the United States, a nation wealthy enough to spend $15 billion on liquor and tobacco and some $25 billion on motor cars, confronted with an alarming dearth of the trained men and women required to keep Americans well?

To begin with, medical education in the United States is running an annual operating deficit of between $10 million and $20 million at the present time. Despite this fact, the cost of becoming a doctor is virtually prohibitive for the average family. Medical tuition fees have been raised constantly, but they have failed to keep pace with medical school budgets which rise still faster. Many medical students end their training heavily in debt. Worse yet, some of the best qualified of these students often must quit for financial reasons before they receive their medical degrees. There is a paucity of funds for scholarships and other assistance. The National Defense Education Act, despite all its good intentions, has made only relatively small sums available. Balancing the budget has become a higher goal than meeting national health needs.

Four years in medical school may cost a minimum of $10,000—perhaps a good deal more. Besides, it must be remembered that medical education follows chronologically after at least 4 earlier years in undergraduate work, when other debts may have accumulated. The typical patient in the United States looks at his doctor bill and then decides that doctors literally coin money. This unquestionably is true during a doctor's peak earning period. But many lean years have preceded this affluence.

Before he can practice on his own, a doctor spends some 3 or 4 years in residency at a hospital or institution. The New York Times has pointed out that salaries for interns rarely exceeds $100 a month; they may be as low as $70. What does this mean, the Times has pertinently asked, for doctors who have committed the folly of getting married and acquiring children? I know personally some interns who do not earn enough to feed and shelter their families. Unless their wives worked—and worked hard—they would be literally destitute. I remember some of my discussions with wives whose jobs made it possible for their husbands to continue at the fine medical school of the University of Oregon. One of them, who worked as a waitress because the tips gave her better pay than most opportunities open to a woman, said:

"When my husband finally treats his first private patient, we and the children will have behind us about 8 years of mush breakfasts, canned soup lunches, and macaroni dinners. We don't even have a car of our own. If my husband ever becomes a successful doctor with two big cars in the family garage, I think we will have really earned it. Most people don't know about the sacrifice which goes into a medical career."

But need training for a doctor be as prolonged as it is now? Dr. Willard C. Rappleye, dean of the Columbia University Medical School, is one of those who doubts this is necessary. Dean Rappleye has observed: "There is no really good reason why youngsters interested in medicine could not be permitted to complete their preparation for medical schools earlier, either by letting them enter college sooner or by letting them take some of the needed work in high school. If they are not bright enough to do the work sooner, they do not belong in medicine. In Europe, medical training begins at 20. It should here, too."

Because justice cannot be done to an intensive scientific curriculum if the student himself is holding down an outside job, most medical students must depend upon financial assistance from parents at home or upon the earnings of their wives. Yet, in spite of the heavy burden upon the student, a medical school in America generally collects only about 20 cents of every dollar of its basic operating budget from tuition payments. The student is strapped financially, and so is the medical school. In the fiscal year of 1955–56, a total of only $160 million was available to all the medical schools in the Nation. This was far less than Americans spent for chewing gum or permanent waves during the same period.

[1] Hon. RICHARD L. NEUBERGER, U.S. Senator from Oregon, has been a leader in health and medical research legislation since he entered the Senate in 1955. He was the successful sponsor last year of bills providing additional salary protection for the skilled researchers of the National Institutes of Health.

Many citizens believe that medical schools are extravagant and wasteful. Yet how many of these citizens want sketchy or skimpy training for men and women who will be licensed to cut with surgical knives into the human body, to administer dangerous drugs and strong medicines? Robert M. Cunningham, Jr., editor of Modern Hospital, has written in a public affairs committee pamphlet that "medical school budgets have already been trimmed to a point where any further reduction would endanger the quality of the program—that is, of medical teaching and research, and eventually of medical practice and medical care. Faculty time per student today is already 7 percent lower than it was 10 years ago; some schools have had to reduce teaching staffs to bare minimums * * * current deficits now make it difficult to retain capable faculty members. Any further retrenchment, at a time when medicine is moving forward swiftly, is unthinkable to those who recognize our medical schools as a national resource."

Dr. Howard A. Rusk, medical editor of the New York Times and himself an international figure in the field of human rehabilitation, has emphasized that we shall need a net increase of about 5,250 new doctors each year in order to treat adequately the 230 million people who will be living in the United States by 1975. Our current rate of increase, however, is only 3,000 doctors a year. Nor does the imminent shortage of doctors take account of the other personnel shortages in realm of health, which Dr. Rusk lists as 70,000 more nurses [needed], 8,000 more occupational therapists, 3,500 more medical social workers, 6,000 more physical therapists, 2,200 more dietitians, 10,000 more clinical psychologists, 3,000 dental school graduates.

I referred earlier to the far higher proportionate increase in the number of doctors in Russia than in our own Nation. One explanation for this is that 76 percent of all Soviet physicians are women. The Russians have learned that medicine is a profession equally suited to females and males.

Have these Russian women doctors guarded successfully the health of their people? One answer has been supplied by John T. Connor, president of Merck & Co., one of the great American pharmaceutical manufacturers, in an analysis of Soviet medicine. While conceding that the average American doctor has 22 years of education behind him as compared with 16 for a Soviet physician, Connor recently noted the fact that, in 1927, life expectancy for the typical American was 58.5 years as contrasted with only 44 for the Russian citizen. By 1956, the average American lived to be 69.5 years of age, but the Soviet citizen was up to 67. "The Soviets have made this remarkable record by cutting their mortality rate 75 percent since the revolution," said Connor. "They have made most of their progress in fairly recent years."

In Russia a female medical student receives her whole education from the state. She pays no tuition and her keep is furnished by the government. In turn, she sacrifices much freedom. She can be sent to minister to the workers in a certain factory, to the students at a particular college, or even to the inhabitants of a fishing village on some lonely river in far-off Siberia. No American doctor would tolerate such servitude to the state. Yet we pay some penalties, too, for our complete individualism. Senator ERNEST GRUENING, of Alaska, a graduate of Harvard Medical School, has observed that "large areas of Alaska are almost totally lacking in medical services. Many of their people live and die without benefit of therapy."

While there may be plenty of doctors in a fashionable, high-income area like Beverly Hills, the shortage can doom to earlier deaths than necessary sharecroppers on the Mississippi Delta or unemployed loggers in the Oregon hills. American doctors, being completely human, seek out locations in which the likelihood of prompt payment of bills is fairly promising. Who can blame them, in the light of our acquisitive culture? Furthermore, we have made relatively little use of a great reservoir of potential skill and talent in our Negroes who aspire to be doctors. Their opportunities for medical education are so scant and difficult as to be practically nonexistent. Yet, why should they not have the chance to treat and care for their people? In the comparatively rare instances where Negroes have gone to medical school, they often have become practitioners with a high degree of skill and knowledge.

What shall we do in our country? Once again, the answer can be found in prompt, generous, and effective action at the Federal level. The panel advising the Secretary of Health, Education, and Welfare was headed by Dr. Stanhope Bayne-Jones, former dean of the Yale Medical School. It included many other illustrious figures in modern medicine. Most of these people were conservatives in their economic approach. Yet they concluded that the total medical effort of the Nation would decline "unless a large construction program designed to expand markedly the facilities of the Nation's system of medical and related schools is undertaken in the immediate future." And they added:

"The consultants find that unless construction funds become available on a much larger scale than has heretofore been contemplated, the output of physicians will not keep pace with population growth and the needs of the Nation for research workers will not be met. Unless there is a marked change in social philosophy leading to private gifts or State appropriations on an unprecedented scale, large Federal appropriations will be required." The consultants, most of them doctors, recognized that only the U.S. Government possessed the resources to do the job.

Three steps are urgently needed to protect the health of the American people:

1. There must be $500 million in Federal funds appropriated soon for the construction of medical teaching and research institutions. A good beginning has been the $30 million annually provided for health research facilities in legislation sponsored several years ago by Senator LISTER HILL, of Alabama. The Bayne-Jones report has warned that "even if funds in the order of $500 million to $1 billion were made available immediately for construction of new medical schools, it seems certain that the number of physicians per 100,000 population will decline between now and 1970." We must remember that it calls for a capital investment of about $50 million to erect a new medical school, to say nothing of the cost of its day-to-day operation.

2. Adequate scholarships must be provided for all young men or women of talent who aspire to be doctors, and these must be offered without any restrictions as to race, creed, religion, political affiliation, or color.

3. Extra incentive must be furnished to induce gifted medical students and other scientists to enter medical research. The family doctor would have only aspirin tablets and a clinical thermometer unless there had been people of genius in research laboratories over the years. I have introduced an amendment to the Federal Scholarship Act providing 10-percent forgiveness on any student loan from the Government for each year spent in medical research—up to a total of 50 percent. This is only a frail and modest beginning, but it firmly establishes the principle of Federal encouragement of additional participation in medical research.

Taxpayers interested in a balanced budget will ask how these things are to be paid for. I agree with them that we cannot continue indefinitely shoving off our burdens on the citizens of the future. They will have plenty of problems of their own. Therefore, I have introduced four bills to increase Federal revenues by a total of some $3.2 billion. They are:

1. Raising the Federal gasoline and motor-fuels tax by 1½ cents a gallon.

2. Restoring the excess-profits tax of the Korean war on the manufacturers of armaments and weapons of war.

3. Reducing the special depletion allowance for oil and gas companies from 27½ percent to 15 percent.

4. Permitting the U.S. Post Office Department to set its own postage rates, based on sound fiscal and cost-accounting methods.

These proposals may call for sacrifice. Yet can such pocketbook sacrifices begin to compare with the agony, suffering, and even death we may be inflicting upon future generations of Americans if we do not provide sufficient facilities to train the doctors needed to protect them?

SENATE

THURSDAY, JULY 30, 1959

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Most merciful God, who art the fountain of all grace, the source of all wisdom and goodness, we would lift our eyes to the infinite blue of Thy love which arches each new day, knowing that the dark clouds are lies, and that the blue sky is the truth.

Thou hast called us, whose lives so swiftly ebb away, to labor with Thee in the unfolding purpose of the ages.

Near this forum of national debate, with its differing points of view, and the din and clash of human interests, may there ever be kept an altar of communion with the unseen, where a constant sense of the eternal, even as we toil in these fields of time, may save us from spiritual decay, from moral cowardice, and from any betrayal of the highest public good.

In the dear Redeemer's name we ask it. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 30, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. HERMAN E. TALMADGE, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. TALMADGE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 29, 1959, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT ON ACTIVITIES UNDER PUBLIC LAW 480, 83D CONGRESS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 206)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry:

To the Congress of the United States:

I am transmitting herewith the 10th semiannual report on activities carried on under Public Law 480, 83d Congress, as amended, outlining operations under the act during the period January 1 through June 30, 1959.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 30, 1959.*

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to have the Senate be on notice that we may consider several conference reports as soon as they are available and reach us from the other body—namely, the military construction authorization bill conference report; perhaps the independent offices appropriation bill conference report, either today or tomorrow, if the Senate is in session then; and any other conference reports which may be available.

I am delighted to see that on yesterday the other body appointed conferees on the civil functions bill, which passed the Senate on July 9. I am very hopeful that the conferences on the appropriation bills which remain in conference will be expedited, in order that the Senate may be able to give adequate attention to the appropriation bills which remain to be considered by the committee.

I would remind the Senate that the supplemental appropriation bill is still in the Appropriations Committee, and the Atomic Energy Commission appropriation bill is still in the Appropriations Committee. The Senate is also waiting to receive from the other body the military construction appropriation bill. I think all these measures will have to be disposed of before the Senate Appropriations Committee can even begin to hold hearings on the mutual security appropriation bill. That leaves some four appropriation bills which have yet to be acted upon.

So I am hopeful that the appropriation bills now in conference, such as the civil functions appropriation bill, the Department of Defense appropriation bill, the legislative appropriation bill, and the Health, Education, and Welfare appropriation bill—on which I understand a conference report is imminent—will be disposed of promptly, because in view of the controversy which all of us know will revolve around the mutual security bill, the Senate Appropriations Committee is going to hold adequate, thorough, and complete hearings on it, and the Senate is going to have ample time to consider it.

In addition, Mr. President, I wish to give notice that on the Executive Calendar are two treaties which will require yea-and-nay votes. I shall confer with the minority leader; and, if possible, we shall have those yea-and-nay votes taken at times convenient to the Appropriations Committee and the Foreign Relations Committee. I shall make an announcement in that regard.

Mr. DIRKSEN. Mr. President, yesterday it was announced that the conference report on the independent offices appropriation bill would be considered this afternoon. I presume that, in addition thereto, it is planned to have the Senate consider today the measures on the calendar which the majority leader has indicated may be taken up today.

I wonder about the session tomorrow—so that appropriate notice can be conveyed to those who make inquiry concerning the session on Friday, if any.

Mr. JOHNSON of Texas. I am not in a position to state at this time that there will not be a session on Friday. The leadership on both sides of the aisle can bring up by motion only proposed legislation which the committees have reported.

But never, to my knowledge, in the history of my service in the Senate, have we had fewer measures on the calendar at this season of a first session than we have now. Most of those measures have been cleared for action. In each instance we have notified the interested Members that we would bring up the bills by motion. If we can dispose of a reasonable number of them, I hope it will be possible for the Senate to adjourn from today until Monday.

However, unless we can obtain unanimous-consent agreement in regard to some of these measures, it may be that it will be necessary to hold a session tomorrow. We shall try to determine that after more Senators arrive in the Chamber and after further consultations.

Mr. DIRKSEN. Mr. President, based on my own recollection, I think the majority leader is correct; I think the calendar is slimmer now than it has been any other year within my recollection at this season of the session.

Accordingly, I compliment the majority leader on the vigor with which he moves the calendar along and does not permit a long accumulation of measures, both routine measures and important measures, to occur.

Mr. JOHNSON of Texas. I thank my friend. I am unworthy of the tribute he pays me. I am the agent of 97 other Members of this body, and nothing I do in connection with calling bills up by motion is ever done except with the knowledge and consent of the minority leader; and whatever credit is due the leadership, the minority leader is certainly entitled to half of it. I am grateful that all the Members of the Senate have been cooperative in helping to expedite legislation of which the country can be proud.

Mr. President——

The ACTING PRESIDENT pro tempore. The Senator from Texas.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the calendar will be stated.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. First, Mr. President, I ask that the minority leader take notice of the substantial number of nominations which have been reported from the Committee on Post Office and Civil Service.

Mr. President, I ask that the postmaster nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

Mr. DIRKSEN. Mr. President, the minority leader has taken notice of the generous increment of postmaster nom-

inations reported by the Senate Committee on Post Office and Civil Service.

Let me express the hope that equally expeditious action will be taken on the remaining 700 which have not yet been reported.

Mr. JOHNSON of Texas. I should like to point out that the Senate has confirmed approximately 34,000 nominations. Those are not enough to satisfy everyone; some want everything, all the time. But the Senate is going to be expeditious and is going to be reasonable and is going to meet the administration halfway. The minority leader can be assured of that.

Mr. DIRKSEN. The minority leader is delighted by those expressions.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES — FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of June 1959. In accordance with the practice of several years' standing I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, JUNE 1959 AND MAY 1959, AND PAY, MAY 1959 AND APRIL 1959

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for June 1959 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In June numbered—	In May numbered—	Increase (+) or decrease (−)	In May was—	In April was—	Increase (+) or decrease (−)
Total [1]	2,366,986	2,340,658	+26,328	$998,224	$1,031,174	−$32,950
Agencies exclusive of Department of Defense	1,288,765	1,266,750	+22,015	530,870	544,489	−13,619
Department of Defense	1,078,221	1,073,908	+4,313	467,354	486,685	−19,331
Inside continental United States	2,183,637	2,156,786	+26,851			
Outside continental United States	183,349	183,872	−523			
Industrial employment	566,0€9	565,024	+1,045			
Foreign nationals	188,517	190,162	−1,645	22,164	22,543	−379

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during June 1959, and comparison with May 1959, and pay for May 1959, and comparison with April 1959*

Department or agency	Personnel				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	97,240	86,949	10,291		$35,027	$35,988		$961
Commerce [1]	32,304	31,529	775		14,459	14,614		155
Health, Education, and Welfare	59,101	58,059	1,042		25,998	27,013		1,015
Interior	54,992	51,377	3,615		23,609	24,593		984
Justice	29,987	29,636	351		16,120	16,844		724
Labor	5,937	5,830	107		2,972	3,145		173
Post Office	549,951	545,356	4,595		212,139	216,985		4,846
State [2]	35,770	35,506	264		15,404	15,711		307
Treasury	76,011	77,613		1,602	37,251	39,423		2,172
Executive Office of the President:								
White House Office	406	394	12		238	242		4
Bureau of the Budget	431	421	10		311	324		13
Council of Economic Advisers	31	31			27	25	$2	
Executive Mansion and Grounds	72	73		1	31	34		3
National Security Council [3]	64	63	1		41	43		2
Office of Civil and Defense Mobilization	1,794	1,682	112		1,010	1,050		40
President's Advisory Committee on Government Organization	4	5		1	4	4		
President's Committee on Fund Raising Within the Federal Service	4	4			3	4		1
Independent agencies:								
Alaska International Rail and Highway Commission	2	2			2	2		
American Battle Monuments Commission	513	518		5	83	82	1	
Atomic Energy Commission	6,855	6,725	130		4,096	4,198		102
Board of Governors of the Federal Reserve System	607	599	8		330	351		21
Boston National Historic Sites Commission	3	3			1	2		1
Career Executive Board	4	4			3	3		
Civil Aeronautics Board	719	709	10		431	443		12
Civil Service Commission	3,791	3,800		9	1,916	1,987		71
Civil War Centennial Commission	6	6			4	4		
Commission of Fine Arts	4	4			2	3		1
Commission on Civil Rights	82	74	8		43	40	3	
Commission on International Rules of Judicial Procedure	4	4			2	1	1	
Development Loan Fund	68	65	3		51	49	2	
Export-Import Bank of Washington	225	226		1	141	151		10
Farm Credit Administration	843	836	7		466	504		38
Federal Aviation Agency	33,624	32,596	1,028		17,668	17,288	380	
Federal Coal Mine Safety Board of Review	7	7			3	4		1
Federal Communications Commission	1,281	1,222	59		701	737		36
Federal Deposit Insurance Corporation	1,250	1,234	16		662	695		33
Federal Home Loan Bank Board	954	952	2		517	539		22
Federal Mediation and Conciliation Service	342	339	3		248	263		15
Federal Power Commission	871	822	49		486	498		12
Federal Trade Commission	734	721	13		449	468		19

[1] June figure includes 217 seamen on the rolls of the Maritime Administration and their pay.

[2] June figure includes 13,017 employees of the International Cooperation Administration as compared with 12,910 in May, and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in as trust fund for this purpose. The June figure includes 1,936 of these trust fund employees, and the May figure includes 1,916.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during June 1959, and comparison with May 1959, and pay for May 1959, and comparison with April 1959*—Continued

Department or agency	Personne				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Independent agencies—Continued								
Foreign Claims Settlement Commission	55	71		16	$47	$49		$2
General Accounting Office	5,194	5,129	65		2,677	2,795		118
General Services Administration [4]	27,948	27,805	143		11,297	11,667		370
Government Contract Committee	28	28			14	14		
Government Printing Office	6,531	6,528	3		3,180	3,257		77
Housing and Home Finance Agency	11,115	10,946	169		5,691	5,950		259
Hudson-Champlain Celebration Commission	4	3	1		1	1		
Indian Claims Commission	17	17			9	14		5
Interstate Commerce Commission	2,283	2,255	28		1,253	1,315		62
Lincoln Sesquicentennial Commission	5	6		1	5	5		
National Aeronautics and Space Administration	9,235	8,948	287		5,190	5,265		75
National Capital Housing Authority	310	308	2		123	128		5
National Capital Planning Commission	39	32	7		20	21		1
National Gallery of Art	314	310	4		120	122		2
National Labor Relations Board	1,484	1,423	61		838	869		31
National Mediation Board	117	117			83	88		5
National Science Foundation	544	481	63		250	256		6
Outdoor Recreation Resources Review Commission	17	13	4		3	3		
Panama Canal	14,059	14,005	54		5,947	4,024	$1,923	
Railroad Retirement Board	2,460	2,344	116		1,065	1,092		27
Renegotiation Board	301	311		10	212	225		13
St. Lawrence Seaway Development Corporation	179	171	8		105	87	18	
Securities and Exchange Commission	937	913	24		531	562		31
Selective Service System	6,413	6,336	77		1,706	1,792		86
Small Business Administration	2,015	1,940	75		1,060	1,086		26
Smithsonian Institution	1,088	1,026	62		420	433		13
Soldiers' Home	1,027	1,012	15		316	300	16	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	20	15	5		8	7	1	
Subversive Activities Control Board	28	30		2	24	24		
Tariff Commission	233	224	9		145	147		2
Tax Court of the United States	152	150	2		101	105		4
Tennessee Valley Authority	14,768	14,919		151	7,606	8,437		831
Texas Water Study Commission	19	12	7		4	4		
Theodore Roosevelt Centennial Commission		2		2	2	2		
U.S. Information Agency	10,785	10,792		7	3,611	3,692		81
Veterans' Administration	171,414	171,439		25	64,134	66,149		2,015
Virgin Islands Corporation	739	693	46		123	148		25
Total, excluding Department of Defense	1,288,765	1,266,750	23,848	1,833	530,870	544,489	2,347	15,966
Net change, excluding Department of Defense			22,015				13,619	
Department of Defense:								
Office of the Secretary of Defense	1,780	1,735	45		1,123	1,158		35
Department of the Army	405,860	404,427	1,433		170,950	177,435		6,485
Department of the Navy	357,110	354,327	2,783		161,041	168,121		7,080
Department of the Air Force	313,471	313,419	52		134,240	139,971		5,731
Total, Department of Defense	1,078,221	1,073,908	4,313		467,354	486,685		19,331
Net change, Department of Defense			4,313				19,331	
Grand total, including Department of Defense	2,366,986	2,340,658	28,161	1,833	998,224	1,031,174	2,347	35,297
Net change, including Department of Defense			26,328				32,950	

[4] Includes 3 employees of the Federal Facilities Corporation.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during June 1959, and comparison with May 1959*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	96,019	85,705	10,314	
Commerce [1]	31,691	30,892	799	
Health, Education, and Welfare	58,591	57,561	1,030	
Interior	54,354	50,744	3,610	
Justice	29,630	29,281	349	
Labor	5,833	5,738	95	
Post Office	547,860	543,241	4,619	
State [2]	8,821	8,773	48	
Treasury	75,113	76,710		1,597
Executive Office of the President:				
White House Office	406	394	12	
Bureau of the Budget	431	421	10	
Council of Economic Advisers	31	31		
Executive Mansion and Grounds	72	73		1
National Security Council [3]	64	63	1	
Office of Civil and Defense Mobilization	1,794	1,682	112	
President's Advisory Committee on Government Organization	4	5		1
President's Committee on Fund Raising Within the Federal Service	4	4		
Independent agencies:				
Alaska International Rail and Highway Commission	2	2		
American Battle Monuments Commission	14	14		
Atomic Energy Commission	6,817	6,688	129	
Board of Governors of the Federal Reserve System	607	599	8	
Boston National Historic Sites Commission	3	3		
Career Executive Board	4	4		
Civil Aeronautics Board	719	709	10	
Civil Service Commission	3,779	3,788		9
Civil War Centennial Commission	6	6		
Commission of Fine Arts	4	4		
Commission on Civil Rights	82	74	8	
Commission on International Rules of Judicial Procedure	4	4		
Development Loan Fund	68	65	3	
Export-Import Bank of Washington	225	226		1
Farm Credit Administration	883	826	7	
Federal Aviation Agency	32,103	31,081	1,022	
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,267	1,208	59	
Federal Deposit Insurance Corporation	1,248	1,232	16	
Federal Home Loan Bank Board	954	952	2	
Federal Mediation and Conciliation Service	342	339	3	
Federal Power Commission	871	822	49	
Federal Trade Commission	734	721	13	
Foreign Claims Settlement Commission	55	71		16
General Accounting Office	5,118	5,053	65	
General Services Administration [4]	27,898	27,754	144	
Government Contract Committee	28	28		
Government Printing Office	6,531	6,528	3	
Housing and Home Finance Agency	10,939	10,774	165	
Hudson-Champlain Celebration Commission	4	3	1	
Indian Claims Commission	17	17		
Interstate Commerce Commission	2,283	2,255	28	
Lincoln Sesquicentennial Commission	5	6		1
National Aeronautics and Space Administration	9,231	8,944	287	

[1] June figure includes 217 seamen on the rolls of the Maritime Administration.
[2] June figure includes 1,919 employees of the International Cooperation Administration as compared with 1,879 in May.
[3] Exclusive of personnel of the Central Intelligence Agency.
[4] Includes 3 employees of the Federal Facilities Corporation.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during June 1959, and comparison with May 1959*—Continued

Department or agency	June	May	Increase	Decrease
Independent agencies—Continued				
National Capital Housing Authority	310	308	2	
National Capital Planning Commission	39	32	7	
National Gallery of Art	314	310	4	
National Labor Relations Board	1,460	1,399	61	
National Mediation Board	117	117		
National Science Foundation	544	481	63	
Outdoor Recreation Resources Review Commission	17	13	4	
Panama Canal	399	390	9	
Railroad Retirement Board	2,460	2,344	116	
Renegotiation Board	301	311		10
St. Lawrence Seaway Development Corporation	179	171	8	
Securities and Exchange Commission	937	913	24	
Selective Service System	6,236	6,158	78	
Small Business Administration	1,987	1,912	75	
Smithsonian Institution	1,078	1,016	62	
Soldiers' Home	1,027	1,012	15	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	20	15	5	
Subversive Activities Control Board	28	30		2
Tariff Commission	233	224	9	
Tax Court of the United States	152	150	2	
Tennessee Valley Authority	14,768	14,919		151
Texas Water Study Commission	19	12	7	
Theodore Roosevelt Centennial Commission		2		2
U.S. Information Agency	2,697	2,699		2
Veterans' Administration	170,267	170,286		19
Total, excluding Department of Defense	1,229,109	1,207,349	23,572	1,812
Net increase, excluding Department of Defense			21,760	
Department of Defense:				
Office of the Secretary of Defense	1,736	1,691	45	
Department of the Army	348,794	346,749	2,045	
Department of the Navy	323,647	320,966	2,681	
Department of the Air Force	280,351	280,031	320	
Total, Department of Defense	954,528	949,437	5,091	
Net increase, Department of Defense			5,091	
Grand total, including Department of Defense	2,183,637	2,156,786	28,663	1,812
Net increase, including Department of Defense			26,851	

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during June 1959, and comparison with May 1959*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,221	1,244		23
Commerce	613	637		24
Health, Education, and Welfare	510	498	12	
Interior	638	633	5	
Justice	357	355	2	
Labor	104	92	12	
Post Office	2,091	2,115		24
State [1]	26,949	26,733	216	
Treasury	898	903		5
Independent agencies:				
American Battle Monuments Commission	499	504		5
Atomic Energy Commission	38	37	1	
Civil Service Commission	12	12		
Farm Credit Administration	10	10		
Federal Aviation Agency	1,521	1,515	6	
Federal Communications Commission	14	14		
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	76	76		
General Services Administration	50	51		1
Housing and Home Finance Agency	176	172	4	
National Aeronautics and Space Administration	4	4		
National Labor Relations Board	24	24		
Panama Canal	13,660	13,615	45	
Selective Service System	177	178		1
Small Business Administration	28	28		
Smithsonian Institution	10	10		
U.S. Information Agency	8,088	8,093		5
Veterans' Administration	1,147	1,153		6
Virgin Islands Corporation	739	693	46	
Total, excluding Department of Defense	59,656	59,401	349	94
Net increase, excluding Department of Defense			255	
Department of Defense:				
Office of the Secretary of Defense	44	44		
Department of the Army	57,066	57,678		612
Department of the Navy	33,463	33,361	102	
Department of the Air Force	33,120	33,388		268
Total, Department of Defense	123,693	124,471	102	880
Net decrease, Department of Defense			778	
Grand total, including Department of Defense	183,349	183,872	451	974
Net decrease, including Department of Defense			523	

[1] June figure includes 11,098 employees of the International Cooperation Administration as compared with 11,031 in May. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The June figure includes 1,936 of these trust fund employees, and the May figure includes 1,916.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during June 1959, and comparison with May 1959*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,332	3,224	108	
Commerce	1,765	2,010		245
Interior	7,046	6,879	167	
Treasury	5,274	5,329		55
Independent agencies:				
Atomic Energy Commission	172	155	17	
Federal Aviation Agency	732	826		94
Federal Communications Commission	13	13		
General Services Administration	1,223	1,252		29
Government Printing Office	6,531	6,528	3	
National Aeronautics and Space Administration	9,235	8,948	287	
Panama Canal	6,947	6,941	6	
Tennessee Valley Authority	11,979	12,124		145
Virgin Islands Corporation	739	693	46	
Total, excluding Department of Defense	54,988	54,922	634	568
Net increase, excluding Department of Defense			66	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 137,050	[2] 136,340	710	
Outside continental United States	[1] 8,100	[2] 8,179		79
Department of the Navy:				
Inside continental United States	201,203	199,739	1,464	
Outside continental United States	5,288	5,246	42	
Department of the Air Force:				
Inside continental United States	156,546	157,348		802
Outside continental United States	2,894	3,250		356
Total, Department of Defense	511,081	510,102	2,216	1,237
Net increase, Department of Defense			979	
Grand total, including Department of Defense	566,069	565,024	2,850	1,805
Net increase, including Department of Defense			1,045	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of June 1959 and comparison with May 1959*

Country	Total		Army		Navy		Air Force	
	June	May	June	May	June	May	June	May
Belgium	12	13					12	13
England	3,624	3,740					3,624	3,740
France	22,250	22,173	16,904	16,848			5,346	5,325
Germany	82,821	83,493	70,695	71,327	58	58	12,068	12,108
Japan	67,543	68,023	24,623	24,863	15,894	15,770	27,026	27,390
Korea	8,224	8,150	8,224	8,150				
Malta	79	79			79	79		
Morocco	3,362	3,894	6	6	865	825	2,491	3,063
Netherlands	40	39					40	39
Norway	21	24					21	24
Trinidad	541	534			541	534		
Total	188,517	190,162	120,452	121,194	17,437	17,266	50,628	51,702

STATEMENT BY SENATOR BYRD OF VIRGINIA

THE MONTH OF JUNE 1959

Civilian employees

Executive agencies of the Federal Government reported civilian employment in the month of June totaling 2,366,986. This was a net increase of 26,328 as compared with employment reported in the preceding month of May.

Civilian employment reported by the executive agencies of the Federal Government, by month in fiscal year 1959, which began July 1, 1958, follows:

Month	Employment	Increase	Decrease
July	2,373,410	6,306	
August	2,373,934	524	
September	2,356,493		17,441
October	2,355,482		1,301
November	2,354,767		715
December	2,351,833		2,934
1959—January	2,337,820		14,013
February	2,335,209		2,611
March	2,337,474	2,265	
April	2,342,836	5,362	
May	2,340,658		2,178
June	2,366,986	26,328	

Total Federal employment in civilian agencies for the month of June was 1,288,765, an increase of 22,015 as compared with the May total of 1,266,750. Total civilian employment in the military agencies in June was 1,078,221, an increase of 4,313 as compared with 1,073,908 in May.

Civilian agencies reporting the larger increases were Agriculture Department with 10,291, Post Office Department with 4,595, Interior Department with 3,615, Department of Health, Education, and Welfare with 1,042, Federal Aviation Agency with 1,028, and Commerce Department with 775. Increases in the Departments of Agriculture and Interior were largely seasonal. The largest reduction was reported by Treasury Department with a decrease of 1,602.

In the Department of Defense increases in civilian employment were reported by the Department of the Navy with 2,783, the Department of the Army with 1,433, the Department of the Air Force with 52, and the Office of the Secretary of Defense with 45.

Inside continental United States civilian employment increased 26,851 and outside continental United States civilian employment decerased 523. Industrial employment by Federal agencies in June totaled 566,069 an increase of 1,045.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

Foreign nationals

The total of 2,366,986 civilian employees certified to the committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 188,517 foreign nationals working for U.S. military agencies during June who were not counted in the usual personnel reports. The number in May was 190,162. A breakdown of this employment for June follows:

Country	Total	Army	Navy	Air Force
Belgium	12			12
England	3,624			3,624
France	22,250	16,904		5,346
Germany	82,821	70,695	58	12,068
Japan	67,543	24,623	15,894	27,026
Korea	8,224	8,224		
Malta	79		79	
Morocco	3,362	6	865	2,491
Netherlands	40			40
Norway	21			21
Trinidad	541		541	
Total	188,517	120,452	17,437	50,628

SUMMARY OF FISCAL YEAR 1959, ENDED JUNE 30, 1959

There was a net decrease of 118 in civilian employment by executive branch agencies of the Federal Government during fiscal year 1959 which ended June 30, 1959. The total at the end of the year was 2,366,986 as compared with 2,367,104 in June 1958.

Civilian and military agencies

There was an increase during the year of 18,827 in employment by civilian agencies of the Government and a decrease of 18,945 in civilian employment by military agencies. Employment by civilian agencies at the year end totaled 1,288,765, as compared with 1,269,938 a year ago. Civilian employment by military agencies totaled 1,078,221 as compared with 1,097,166 in June of 1958.

Inside and outside continental United States

There was an increase of 14,934 in employment within the United States by the Federal executive agencies and a decrease of 15,052 in employment outside continental United States. Employment inside the United States as of June 30, 1959, totaled 2,183,637 as compared with 2,168,703 a year ago. Employment outside the United States as of June 30, 1959, totaled 183,349 as compared with 198,401 a year ago. It should be noted that in 1958 employment in Alaska was reported "outside continental United States"; in 1959 it was reported "inside continental United States."

Employment for the year is summarized as follows:

Federal civilian employment, June 1958 to June 1959

	June 1958	June 1959	Increase or decrease
Total	2,367,104	2,366,986	−118
In civilian agencies	1,269,938	1,288,765	+18,827
In military agencies	1,097,166	1,078,221	−18,945
Inside continental United States	2,168,703	2,183,637	+14,934
Outside continental United States	198,401	183,349	−15,052

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ENGLE:

S. 2462. A bill for the relief of Slavko Kern; to the Committee on the Judiciary.

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S. 2463. A bill for the relief of Frank T. and Lucile K. Quigley; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2464. A bill to provide for the issuance of a special series of postage stamps in commemoration of Thomas G. Masaryk, the first President of Czechosolvakia; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. HRUSKA when he introduced the above bill, which appear under a separate heading.)

By Mr. SCHOEPPEL:

S. 2465. A bill to provide that a flag of the United States shall be flown at the base of the Washington Mounment for each of the States of the Union in the design of the flag of the historical period in which such State was admitted to the Union; to the Committee on the Judiciary.

(See the remarks of Mr. SCHOEPPEL when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (by request):

S. 2466. A bill to authorize the establishment of a Junior College Division within the District of Columbia Teachers College, and for other purpoess; to the Committee on the District of Columbia.

By Mr. HILL:

S. 2467. A bill to authorize the development of plans and arrangements for the provision of emergency assistance, and the provision of such assistance, to repatriated American nationals without available resources, and for other purposes; and

S. 2468. A bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. HART (for himself, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. MUSKIE, and Mr. JAVITS):

S. 2469. A bill to amend the Small Business Act to require publication of all government procurement solicitation; to the Committee on Banking and Currency.

(See the remarks of Mr. HART when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 2470. A bill to amend the Atomic Energy Act of 1954, as amended; to the Joint Committee on Atomic Energy.

By Mr. CASE of South Dakota (for himself and Mr. KERR):

S. 2471. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

CONCURRENT RESOLUTION
INTERNATIONAL EDUCATIONAL DEVELOPMENT

Mr. HUMPHREY submitted the following concurrent resolution (S. Con. Res. 68); which was referred to the Committee on Foreign Relations:

Whereas the American people believe that sound education is a fundamental condition of personal liberty, representative government and a democratic way of life; and

Whereas in an age of science and technology, education, especially higher education, is essential to social progress; and

Whereas education and training of talented individuals is indispensable to the economic development of underdeveloped countries, whose chief resource is human beings; and

Whereas education and truth, its vital spirit, are powerful instruments of international understanding and peace; and

Whereas the exchange of students and teachers under the Fulbright and Smith-Mundt Acts has demonstrated the value of international cooperation in educational matters to friendly relations between the United States and other countries: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it shall be the policy of the United States to assist other nations to establish, improve, and develop their educational systems, to assist in bringing the benefits of education to all their citizens, and to encourage and help make possible higher education and advanced training for deserving students; and be it further

Resolved, That the United States Congress recognizes and affirms the inalienable right of other nations to establish their educational institutions in accordance with their own national aspirations and cultural heritage, and pledges itself to adopt suitable measures to assist other nations which seek the aid of the United States to establish or improve their educational systems according to their own values and traditions; and be it further

Resolved, That the Congress hereby encourages the enlistment of all appropriate agencies for this purpose, including United States educational institutions, corporations, foundations, and other private organizations, departments and agencies of United States Government, and the United Nations Organization and its specialized agencies; and more specifically, be it further

Resolved, That the United States stands ready:

(1) To assist other nations in the efforts they are making to improve their own educational systems by enabling them to train teachers and instructors and by assisting them to obtain teachers and instructors from other countries; by helping them to obtain books, materials, and equipment essential to education, training, and research; by assisting them to establish, enlarge, or alter physical facilities for education, training, and research; by encouraging and assisting them to obtain expert guidance with respect to modern methods of educational development and administration;

(2) To encourage and support measures to bring the benefits of higher education and advanced training within the reach of qualified and deserving students of other countries without regard to their personal economic condition;

(3) To promote mutual asistance among nations in matters of education, training and research;

(4) To help remove barriers to, and to encourage and support, the free exchange of educational, scientific, and cultural materials and the interchange among nations of students, teachers, and persons of special skills and learning; and be it further

Resolved, That it is the sense of the Congress that there should be established in the executive branch of the Government an International Educational Development Foundation, or other suitable organizational entity, with sufficient stature and independent authority to assure a vigorous program to accomplish the purposes of this resolution and to coordinate the international educational activities of the United States Government, and the Congress declares its willingness to provide suitable financing for the accomplishment of this program, including but not limited to provisions for the use of foreign currencies available to the United States for such purposes.

Mr. HUMPHREY subsequently said: Mr. President, ever since the first sputnik went streaking across the heavens, we Americans have become increasingly concerned about weaknesses in our educational system. I share this concern. On many occasions I have called for a strengthening and expansion of our schools and universities. There is a need for renewed effort not only in the teaching of the physical sciences, but in the teaching of the social sciences and the humanities.

But the educational crisis we face will not be met effectively if we limit our efforts to our own country. The less developed areas of the world, which play a singularly important role in the world struggle precisely because they are uncommitted, are in desperate need of general education and technical education.

Mr. President, it is for this reason that I have submitted a concurrent resolution designed to create an International Educational Development Foundation.

A growing number of responsible persons believe that an opportunity for a significant new policy initiative is to be found in a program for cooperation with other nations in the field of education. The Fulbright exchange program has already shown how fruitful of good will and understanding educational cooperation can be. It has opened a door for us, but so far we have not looked through that door to the wider possibilities beyond.

A program for educational cooperation with other countries would have several important values:

First, it would help restore the image of America with respect for intellectual and cultural values; and of our dedication to the development of the individual human personality.

Second, psychologically such a program will evoke wide response, particularly in the newly independent neutralist and impoverished nations. Education is one of the great ideals of people everywhere. It will be of benefit to American prestige and good will around the world for this country to be clearly identified with physical symbols of friendship and progress like schools, universities, libraries, and laboratories.

Third, the importance of educational development to longrun economic development has become increasingly clear. Human beings are the principal available resource in most of the less developed countries and the lack of trained manpower is, in the opinion of most development experts today, a major obstacle to the effective use of available capital and technology.

Indeed, one of the deepest troubles of our time is the ever-increasing gap between the rich and the poor countries of the world—a fact which one day may tear the world apart if a solution to it is not found. If this gap is to be breached, a full-scale attack must be made to wipe out the widespread illiteracy which exists in most of the underdeveloped countries. Illiteracy rates such as 69 percent in Bolivia, 75 percent in Egypt, 82 percent in India, 87 percent in Pakistan, and 60 percent in Venezuela indicate the scope of the problem which must be met.

The critical need in speeding up the economic progress of the underdeveloped areas is for trained manpower. Under the educational program proposed in my concurrent resolution—including basic education to raise the level of literacy—America would place itself in a position to more adequately meet this most desperate requirement.

Fourth, the contrast between the vigor and rate of growth of education in the Sino-Soviet bloc and the anemia of such activity in many of the free world countries is strategically significant. And such contrast can also be seen in the Balkans where, for example, the Government of Greece, a country with 7 million people, offers only 350 scholarships a year to its top graduates of secondary schools to go on to the university, while across the border in Communist Yugoslavia with roughly double the Greek population, that Government offers more than 30,000 scholarships a year to students to go on to the university.

Unless the imbalance is redressed by greater attention to education development in the free world, it is inevitable that within a few years a superiority in the Communist countries in technology and training will be translated into a superiority in political and military power.

Thus, educational development in the free world will serve in an important way our national interests and the objectives of our foreign policy. Nor should we ig-

nore the fact that such development will serve also deeper spiritual purposes. The American people believe in universal education as a fundamental condition of personal liberty, representative government and a democratic way of life. Our own traditions and philosophic principles require that education not be neglected in either our foreign or domestic actions as a nation.

The concurrent resolution which I am today submitting for the approval of the Senate would therefore express the sense of the Congress that our Government should launch a full-scale program of cooperation with other nations to develop their educational resources. It embodies a solemn affirmation by the Congress that it is American policy to foster educational development throughout the world. In keeping with that policy, this country would act not only to participate in educational exchange but to help ourselves and other nations build schools, train teachers, accumulate books, and otherwise develop to the full their own educational potential.

This concurrent resolution also expresses the hope that suitable organizational machinery will be established to assure vigorous leadership and coordination for international educational activities of the Government as well as help and support to similar private activities.

My personal preference would be for a special, quasi-independent foundation on international educational development composed of eminent persons appointed from private life and of those Government officials concerned with international educational programs.

I have good reason to believe that an American educator of renown can be attracted to head the organization administering the program in this country.

As to financing educational cooperation with other countries, there exists a great pool of local currencies accumulated largely through sales of agricultural surpluses owned or controlled by the United States. Now amounting to some $2 billion, the pool is due to reach the equivalent of $10 billion by 1963. Only a tiny fraction of the money—1.3 percent of the outlay last year—is currently being used for educational purposes. I have already proposed in the Food for Peace bill that currencies from the sale of our agricultural commodities be used to an increasing extent for education, and the legislation I intend to introduce in the next session would carry this is a step further. Under the legislation I will propose main reliance for financing education abroad would be placed upon these funds.

I cannot say too strongly, however, that it is no part of our purpose to tie educational development to the accumulation of local currencies, still less to the sale of agricultural commodities. The education goal comes first, and accordingly, financing should not exclusively be limited to local currencies.

The surest mark of our coming of age as a world power is the extent to which our own deepest aspirations as a people are reflected in our relations with other nations, and give basic shape and substance to our conduct as a nation at home and abroad. On balance American performance over the past decade has given us reason for pride. This country has developed programs of aid and assistance to others less fortunately situated which break new ground in world politics. Probably never before in history has so much power been associated with a desire to help others, and thereby help ourselves. This spirit of humane concern and responsibility should be the touchstone of our foreign policy.

The concurrent resolution I am submitting proposes to apply that same spirit in another sphere of our national policy. To assist other nations to develop educational opportunities for their citizens would extend abroad one of the deepest aspirations and traditions of our country: sound schools for all, to the limit of the student's individual capacity. It would enrich the material and spiritual resources of the free world. It would offer direct competition to the Communists in a field where they have registered substantial gains. It would help to correct the image of America among those who tend to see only our military strength and material comforts. It would keep open and enlarge a vital avenue of contact betwen the United States and the two-thirds of the world's people living in the underdeveloped countries.

Unlike the Communists it has never been American policy to foist our system upon other peoples. We welcome independence and respect sovereignty. Accordingly the resolution expressly affirms our recognition of the right of other countries to develop their educational systems according to their own lights. It pledges friendly assistance, not interference.

This concurrent resolution itself does not purport to be a complete or final response to the need or opportunity that faces us, but only a beginning. It merely declares our understanding of the need and our determination to do something about it. It is my intention to submit to the Senate for consideration early in the next session a comprehensive piece of legislation to authorize a major new program of the kind merely outlined here. I am confident that that legislation will have the bipartisan support of a large number of persons in private life and in government, including the major educational groups, and hope it will be cosponsored by Senators from both sides of the aisle.

RESOLUTION

ADDITIONAL FUNDS FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. MAGNUSON submitted the following resolution (S. Res. 152), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That the Committee on Interstate and Foreign Commerce is authorized to expend from the contingent fund of the Senate, during the 86th Congress, for the purposes specified in section 134(a) of the Legislative Reorganization Act of 1946 $10,000 in addition to the amount authorized in such section.

SPECIAL SERIES OF POSTAGE STAMPS IN COMMEMORATION OF THOMAS G. MASARYK

Mr. HRUSKA. Mr. President, I introduce, for appropriate reference, a bill to provide for the issuance of a special series of postage stamps in commemoration of Thomas G. Masaryk, the first President of Czechoslovakia.

The life of Thomas G. Masaryk is truly hailed as a great one in modern times. It has become a symbol of freedom and justice for the common man across Europe and throughout the world.

Rising from humble beginnings, Masaryk was recognized as having one of the finest intellects of the century. He performed wonders as a philosopher, educator, statesman, and leader of his people in their historic fight for liberty and self-government.

We need not speculate as to how Masaryk's views on democracy would apply to the conflicts of today. His writings accurately reflect what would be his judgment on the current situation in Czechoslovakia and the other Communist-dominated countries. We know how vigorously he would resist the efforts to expand the influence of communism over the world at large, including our own country.

Masaryk treasured democracy. To him it was not only a form of government, it was a way of life which rested on faith in man and in man's spirit. But he realized that democracy was possible only where men trust one another and honestly seek the truth, wherever it led them.

Such convictions inevitably led Masaryk to reject communism as a theory or rule of government. He wrote:

> The democratic ideal is not only political, it is social and economic. Communism I reject. Without individualism, without gifted and inventive individuals, without capable leaders, without geniuses, society cannot be reasonably and justly organized.

There was an especially close personal connection between Masaryk and America. He was in this country on several occasions. He taught school here. His wife was an American citizen. He adopted her maiden name Garrigue as his middle name.

His personal acquaintance with many Americans was extensive, particularly among the membership of the American Sokol organization. He was a lifelong member of the corresponding Sokol organization in his own country. He was made an honorary member of the Western Bohemian Fraternal Association, a fraternal society with a membership chiefly of Americans of Czech and Slovak ancestry or descent.

Two of his daughters are now living in America, following the cruel usurpation and occupation of their native land by the Communists.

The impact of this great scholar and intellect upon America as a nation through the medium of his books, as well as immediate personality, has been great. It still flourishes, and we earnestly hope that it will continue to do so.

It is therefore especially appropriate, Mr. President, that we commemorate the life of Thomas G. Masaryk. I ask unanimous consent that the bill introduced by me today providing for the issuance of a special series of postage stamps in his honor be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and without objection, the bill will be printed in the RECORD.

The bill (S. 2464) to provide for the issuance of a special series of postage stamps in commemoration of Thomas G. Masaryk, the first President of Czechoslovakia, introduced by Mr. HRUSKA, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to prepare for issuance, on as early a date as practicable during the year 1959, a special series of four-cent postage stamps, of such appropriate design as he shall prescribe, in commemoration of Thomas G. Masaryk, the first President of Czechoslovakia.

FLAG FOR EACH STATE TO BE FLOWN AT BASE OF WASHINGTON MONUMENT

Mr. SCHOEPPEL. Mr. President, I am sure all of us have noted with approval the fine work the National Park Service has done in recent months in improving the appearance and facilities at the Washington Monument. More than ever the monument is an outstanding attraction for visitors to our Nation's Capital.

One of the most colorful and inspiring features at the monument grounds at present is the array of U.S. flags surrounding the base of the monument. I think, however, that this display can be improved in one particular which would enhance its interest and make a visit to the monument even more rewarding.

The improvement I have in mind is embodied in a bill which I am introducing. Briefly, it provides that the Director of the National Park Service shall have flown at the base of the Washington Monument as many flags as there are States in the Union. Each flagstaff shall be designated as the staff of a particular State, and it shall carry a nameplate for that State and a flag which is a replica of the flag officially authorized after that State first entered the Union. The first 13 States, of course, would have identical flags in the form designed by Betsy Ross. The flags designated for the 14th through the 50th States would show changes in design accompanying the growth in population and power of our great Nation.

As drafted, my bill contains a provision which would authorize the flying of a 49-star flag on the staff of the State of Hawaii until July 4, 1960, at which time the 50-star flag, of a design yet to be approved, will become official. The language of the bill is broad enough to cover the admission of additional States in the future.

Mr. President, I introduce, for appropriate reference, a bill to provide that a flag of the United States shall be flown at the base of the Washington Monument for each of the States of the Union in the design of the flag of the historical period in which such State was admitted to the Union.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2465) to provide that a flag of the United States shall be flown at the base of the Washington Monument for each of the States of the Union in the design of the flag of the historical period in which such State was admitted to the Union, introduced by Mr. SCHOEPPEL, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF NATIONAL SCIENCE FOUNDATION ACT OF 1950

Mr. HILL. Mr. President, I introduce, for appropriate reference, a bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes. I ask unanimous consent that an analysis of the bill may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the analysis will be printed in the RECORD.

The bill (S. 2468) to amend the National Science Foundation Act of 1950, as amended, and for other purposes, introduced by Mr. HILL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The analysis presented by Mr. HILL is as follows:

ANALYSIS OF A BILL TO AMEND THE NATIONAL SCIENCE FOUNDATION ACT OF 1950, AS AMENDED

(There is set forth below an analysis of each section of the National Science Foundation Act of 1950 which would be amended by the proposed legislation. At the end of each section analysis, the section itself is quoted, with omitted material indicated by black brackets and new material by italics.)

Section 1: The changes proposed in section 3(a)(2) of the Foundation Act would clarify and make explicit the Foundation's authority to support programs designed to stimulate improved scientific training and to encourage the undertaking of careers in science. Examples of such programs are those in support of improvement of high school and college teaching of science and mathematics, visiting lecturers, visiting libraries and course content improvement. This proposed amendment of section 3(a)(2) would also afford specific congressional encouragement for support of research training of students in the sciences. It is not designed to effect a final assignment of responsibilities as between the Department of Health, Education, and Welfare and the National Science Foundation with respect to science education programs, particularly institutes for the subject matter training of teachers of science and mathematics. The language of the section follows:

"(2) To initiate and support basic scientific research *and programs to strengthen scientific research potential* in the mathematical, physical, medical, biological, engineering, and other sciences, by making contracts or other arrangements (including grants, loans, and other forms of assistance) [for the conduct of] *to support* such [basic] scientific [research] *activities* and to appraise the impact of research upon industrial development and upon the general welfare."

Section 2: The changes proposed for section 4(d) and section 4(e) of the National Science Foundation Act of 1950 relate to the annual meeting of the Board and are requested because of the fact that at the present time elections of officers of the Board for 2 years must take place every other year at an annual meeting in December, preceding expiration of terms of one-third of the members of the Board on the succeeding May 10. Accordingly, elections must presently be held 5 months before there is a change in the Board membership and among the candidates there often are those whose terms will expire in the subsequent May. It would be a great deal more desirable to have the annual meeting in May so that elections could take place in May of those years when new members are not appointed. Thus the Board would have been an entity for a year and still be able to elect its officers with a knowledge of its composition for at least one more year. Latitude in setting the actual date is desirable to permit the accommodation of as many members as possible in order to assure the fullest possible attendance at the annual meeting. The language of the sections follows:

"(d) The Board shall meet annually on [the first Monday in December] *the third Monday in May, unless prior to May 10 in any year, the Chairman has set the annual meeting for a day in May, other than the third Monday,* and at such other times as the Chairman my determine, but he shall also call a meeting whenever one-third of the members so request in writing. A majority of the voting members of the Board shall constitute a quorum. Each member shall be given notice, by registered mail to his last known address of record not less than 15 days prior to any meeting, of the call of such meeting.

"(e) [The first Chairman and Vice Chairman of the Board shall be elected by the Board to serve until the first Monday in December next succeeding the date of election at which time a Chairman and Vice Chairman shall be elected for a term of 2 years.] *An election of the Chairman and Vice Chairman of the Board shall take place at the first meeting of the National Science Board following enactment of this legislation.* Thereafter such election shall take place at the *second* annual meeting occurring [at the end of each such term] *after each such election.* The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Board shall elect a member to fill such vacancy."

Section 3 and section 4: The changes proposed for section 5(b), section 6(a), and section 6(b) of the National Science Foundation Act of 1950 are related. At the present time, the Board must approve the award of each fellowship and each grant or contract for basic research. This rigid requirement has at times posed serious problems for efficient operation. For example, when grants were being made for supplies for the scientific expedition to Antarctica in connection with the International Geophysical Year, time was of the essence. The lack of a Board meeting at which a contract or grant could be approved at the proper moment was an obstacle to assuring the timely dispatch, and therefore arrival, of equipment for the scientists. Under the proposed

changes, it is contemplated that the Board might delegate specific authority to its Executive Committee or to the Director to approve grants or contracts in certain situations. In addition, delegations of authority to the Director could be made by the Executive Committee as well as by the full Board. The change in the required size of the Executive Committee is suggested for the purpose of giving the Board authority to constitute a smaller Executive Committee, if that would appear desirable, which could more easily be assembled for emergency action. The Board would still retain complete power in any given case to exercise or delegate its authority to approve grants or contracts. The language of the sections follows:

"(b) In addition to the powers and duties specifically vested in him by this Act, the Director shall, in accordance with the policies established by the Board, exercise the powers granted by sections 10 and 11 of this Act, together with such other powers and duties as may be delegated to him by the Board; but no final action shall be taken by the Director in the exercise of any power granted by section 10 or 11(c) unless in each instance the Board has reviewed and approved the action proposed to be taken[.], *or such action is taken pursuant to the terms of a delegation of authority from the Board or the Executive Committee to the Director.*

"SEC. 6(a). The Board is authorized to appoint from among its members an Executive Committee, and to assign to the Executive Committee such of the powers and functions granted to the Board by this Act as it deems appropriate; except that the Board may not assign to the Executive Committee the function of establishing policies [, or the function of review and approval (except review and approval of minor modifications of contracts or other arrangements previously approved by the Board), to be exercised by the Board in accordance with section 5(b)].

"(b) If an Executive Committee is established by the Board—

"(1) such Committee shall consist of the Director, as a nonvoting ex officio member, and *not less than five nor more than* nine other members elected by the Board from their number."

Section 5: Deletion of the words "accredited" and "of higher education" in section 10 of the National Science Foundation Act of 1950 is intended to take care of the relatively infrequent situation where the successful competitor for a fellowship wishes to study or work at a research institution in his field which is not, strictly speaking, an educational institution as, for instance, at one of the National Institutes of Health. It is felt that, where the scientists judging the merit of the prospective fellow and his course of study or work believe that the applicant's choice is sound for him, it is undesirable to limit his choice of institution in every case to an educational institution. The language of the section follows:

"(a) The Foundation is authorized to award, within the limits of funds made available specifically for such purpose pursuant to section 16, scholarships and graduate fellowships for scientific study or scientific work in the mathematical, physical, medical, biological, engineering, and other sciences at *appropriate* [accredited] nonprofit American or nonprofit foreign institutions [of higher education,] selected by the recipient of such aid, for stated periods of time. Persons shall be selected for such scholarships and fellowships from among citizens of the United States, and such selections shall be made solely on the basis of ability; but in any case in which two or more applicants for scholarships or fellowships, as the case may be, are deemed by the Foundation to be possessed of substantially equal ability, and there are not sufficient scholarships or fellowships, as the case may be, available to grant one to each of such applicants, the available scholarship or scholarships or fellowship or fellowships shall be awarded to the applicants in such manner as will tend to result in a wide distribution of scholarships and fellowships among the States, Territories, possessions, and the District of Columbia.

Section 6: The changes proposed in section 11(e) are for the purposes of clarification. At the present time, while the authority to acquire property by condemnation, or to dispose of property by grant, is inherent in the act there is no specific provision in the act covering these matters. It is, therefore, suggested that this section be clarified to make such authority explicit. The language of the section follows:

"(e) to acquire by purchase, lease, loan [or] gift [,] *or condemnation*, and to hold and dispose of by *grant*, sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from the exercise of authority granted by this Act."

Section 7: The changes proposed in section 13 of the National Science Foundation Act of 1950, as amended, have two purposes:

First, they are designed to permit the Foundation, with approval of the Secretary of State, to cooperate in international scientific activities rather than merely to cooperate in research activities. This authority appears desirable because the development of science knows no national boundaries and we believe it will be in the national interest to cooperate in promoting better scientific education as well as scientific research in various areas of the world.

Second, they would permit the Foundation, with the approval of the Secretary of State, to award scholarships and fellowships, or make other arrangements with, foreign nationals for scientific study or scientific work in the United States. At the present time, the foundation cannot grant scholarships or fellowships to foreign nationals and this amendment would remove this disability insofar as study or work in the United States is concerned. If the proposed changes are adopted, the Foundation presently anticipates only a very limited program in this field involving scientists working or studying in areas where particularly advanced progress is being made abroad. Their presence under fellowships in our own institutions would therefore strengthen and benefit American scientific activity. The language of the section follows:

"SEC. 13(a). The Foundation is hereby authorized to cooperate in any international scientific [research] activities consistent with the purposes of this Act and to expend for such international scientific [research] activities such sums within the limit of appropriated funds as the Foundation may deem desirable. The Director, with the approval of the Board, may defray the expenses of representatives of Government agencies and other organizations and of individual scientists to accredited international scientific congresses and meetings whenever he deems it necessary in the promotion of the objectives of this Act. *In this connection, with the approval of the Secretary of State, the Foundation may undertake programs granting scholarships and fellowships to, or make other arrangements with, foreign nationals for scientific study or scientific work in the United States without regard to section 10 or the affidavit of allegiance to the United States required by section 16(d)(2) of this Act.*

"(b)(1) The authority to enter into contracts or other arrangements with organizations or individuals in foreign countries and with agencies of foreign countries, as provided in section 11(c), and the authority to cooperate in international scientific [research] activities as provided in subsection (a) of this section, shall be exercised only with the approval of the Secretary of State, to the end that such authority shall be exercised in such manner as is consistent with the foreign policy objectives of the United States.

"(2) If, in the exercise of the authority referred to in paragraph (1) of this subsection, negotiation with foreign countries or agencies thereof becomes necessary, such negotiation shall be carried on by the Secretary of State in consultation with the Director."

Section 8: The change proposed in section 15(d) of the National Science Foundation Act of 1950 is designed to provide for more equitable compensation of members of the National Science Board, of the Foundation's Divisional Committees and of its special commissions which are appointed from time to time to make comprehensive surveys of research in particular fields as provided in section 9(b) of the act. At present members of the Board, Divisonal Committees and special commissions are compensated at the rate of $25 per day for each day "engaged in the business of the Foundation." Such persons sometimes serve in capacities other than as members of the Board, Divisional Committees or special commissions working side by side with persons receiving higher daily compensation. This creates an inequitable situation and it is recommended that this compensation be increased to $50 per day which is in line with the compensation paid Foundation consultants of a similar caliber. The language of this section follows:

"(d) The members of the Board, and the members of each Divisional Committee, or special commission, shall receive compensation at the rate of [$25] *$50* for each day engaged in the business of the Foundation pursuant to authorization of the Foundation and shall be allowed travel expenses as authorized by section 5 of the Act of August 2, 1946 (5 U.S.C. 73b–2)."

AMENDMENT OF SMALL BUSINESS ACT TO REQUIRE PUBLICATION OF GOVERNMENT PROCUREMENT SOLICITATION

Mr. HART. Mr. President, on behalf of myself, the junior Senator from Wisconsin [Mr. PROXMIRE], the senior Senator from New York [Mr. JAVITS], the junior Senator from Maine [Mr. MUSKIE], and the junior Senator from West Virginia [Mr. BYRD], I introduce, for appropriate reference, a bill to amend the Small Business Act. This bill would require publication of all Government procurement solicitations, negotiated or otherwise, in the "U.S. Department of Commerce Synopsis of the U.S. Government Proposed Procurement, Sales, and Contract Awards."

The need for legislation of this type has been recognized by a number of us who received repeated requests from firms wishing to do business with the Government inquiring as to just what the Government is buying.

At the hearing before the Subcommittee on Small Business of the Senate Banking and Currency Committee, on July 22, 1959, I stated that a number of Michigan firms had indicated difficulties in this regard, and I was sure that similar problems were faced by firms in other States. The chairman of the Small Business Subcommittee, the Senator from Wisconsin [Mr. PROXMIRE], expressed his interest and agreement in the proposal and a desire to join in supporting such a measure. It is also my understanding that earlier this year the distinguished

chairman of the Senate Select Committee on Small Business, the Senator from Alabama [Mr. SPARKMAN], was working on this same problem in connection with the military appropriation bills.

The publication of all the procurement solicitations would enable both large and small concerns who are interested in bidding on Government procurements to know exactly what the Government is buying. From information I have received only about 2 or 3 percent of the procurements are now published in the Department of Commerce daily Synopsis.

The daily Synopsis has been printed for several years and it is sold at a rate of $10 a year. Of course, there would be additional publication costs in making this Synopsis reflect the entire procurement activities of the Government, but I am sure that business firms would be very glad to pay the necessary additional subscription cost.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2469) to amend the Small Business Act to require publication of all Government procurement solicitation, introduced by Mr. HART (for himself, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. MUSKIE, and Mr. JAVITS), was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXTENSION OF COMMISSION ON CIVIL RIGHTS—AMENDMENTS

Mr. KEATING. Mr. President, the Subcommittee on Constitutional Rights of the Committee on the Judiciary has reported to the full committee a civil rights package consisting of a recommendation to extend the Civil Rights Commission to January 31, 1961, and a provision for the retention, preservation, and examination of voting records. These recommendations have been incorporated in a new bill introduced by the distinguished chairman of the subcommittee, Senator HENNINGS, Senate bill 2391.

I believe that the bill is deficient in a number of vital respects. For example, it provides no authority under which the Federal Government could act to curb the outrageous rash of bombings of schools, churches, and other buildings in the past several years. It also omits any authority under which the Attorney General could bring civil injunction suits in cases involving a denial of equal protection of the law. Such authority is essential if persons who are unable to effectively prosecute such suits in their own behalf because of financial inability or other circumstances are to be adequately protected.

S. 2391 is also silent on many crucial aspects of the President's civil rights recommendations. It contains no provision for schools for the children of military personnel, no provision for helping communities to meet the added nonteaching expenses of carrying out desegregation plans, and does not provide the statutory authority requested for the Committee on Nondiscrimination Under Government Contracts.

I intend to do all I can to strengthen this bill during its consideration by the full Committee on the Judiciary. I believe that those of us interested in the cause of civil rights would be derelict in our duty if we did not attempt to present to the Senate something more adequate than the subcommittee's recommended bill.

It is my hope that the full committee will finally come to grips with this problem at its meeting next Monday. At that time I plan to offer amendments to S. 2391 to make it more effective. I hope that when the committee concludes its deliberations on this matter, it will come up with something which more justly deserves to be called a civil rights bill.

Mr. President, I submit for appropriate reference the amendments I intend to offer to S. 2391. The first of these will substitute for S. 2391 a bill containing all of the President's recommendations plus the provision authorizing civil injunctive suits by the Attorney General. The second amendment is designed to provide the full authority necessary to deal with the rash of bombings of which we are all too aware. The third amendment deals with the torrent of hate mail which has served to incite passions and violence in communities which should be peaceably working out plans to comply with the Supreme Court's desegregation decision.

Mr. President, I ask that these amendments be ordered printed and I ask unanimous consent that the text of each of the three amendments appear at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD.

The amendments were referred to the Committee on the Judiciary, as follows:

At the end of the bill insert the following:

"TITLE III—PUNISHING THE USE OF THE MAILS TO INCITE TO CRIMES OF VIOLENCE

"SEC. 301. (a) Chapter 83 of title 18 of the United States Code is amended by inserting at the end of the analysis at the beginning of such chapter the following:

"'1733. Inciting to crime of violence through the mail.'

"(b) Such chapter is further amended by inserting at the end thereof a new section as follows:

"'§ 1733. Inciting to crime of violence through the mail

"'Every article, book, pamphlet, picture, paper, letter, writing, print or other publication, matter or thing reasonably tending to incite murder, kidnaping, burglary, robbery, mayhem, rape, assault with a dangerous weapon, arson punishable as a felony, willful destruction of any building or structure or extortion accompanied by threats of violence, and every written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind giving information, directly or indirectly, where, or how, or from whom, or by what means any of the abovementioned material may be obtained is declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier. Whoever knowingly deposits for mailing or delivery, anything declared by this section to be nonmailable, or knowingly takes the same from the mails for the purpose of circulating or disposing thereof, or of aiding in the circulation or disposition thereof, shall be fined not more than $5,000 or imprisoned not more than five years, or both, for the first such offense, and shall be fined not more than $10,000 or imprisoned not more than ten years, or both, for each such offense thereafter.'

"(c) The last sentence of section 1461 of title 18 is repealed.

"SEC. 302. Section 875 of title 18 of the United States Code is amended by adding at the end thereof a new subsection as follows:

"'(e) Whoever, with intent to interfere with the execution of any Federal or State statute, or with the decree, order, judgment or mandate of any Federal or State court, transmits in interstate commerce any communication containing any threat to kidnap any person, any threat to injure the person or property of another, or any threat to injure public property, shall be fined not more than $5,000 or imprisoned not more than five years, or both.'

"SEC. 303. Section 876 of title 18 of the United States Code is amended by adding at the end thereof a new paragraph as follows:

"'Whoever, with intent to interfere with the execution of any Federal or State statute, or with the decree, order, judgment or mandate of any Federal or State court, knowingly so deposits or causes to be delivered, as aforesaid, any communication, with or without a name or designating mark subscribed thereto, addressed to any other person or public authority, and containing any threat to kidnap any person, any threat to injure the person or property of another, or any threat to injure public property, shall be fined not more than $5,000 or imprisoned not more than five years, or both.'

"SEC. 304. The Act of August 16, 1950 (64 Stat. 451; 39 U.S.C. 259a) is amended by adding at the end thereof a new section as follows:

"'SEC. 2. Upon evidence satisfactory to the Postmaster General that any person is obtaining, or attempting to obtain, remittances of money or property or any kind through the mails for the purpose of interfering with the execution of any Federal statute or with the decree, order, judgment or mandate of any Federal court, or for the purpose of committing murder, kidnaping, burglary, robbery, mayhem, rape, assault with a dangerous weapon, arson punishable as a felony, willful destruction or damaging of any building or structure, or extortion accompanied by threats of violence, or attempt to commit any of the foregoing offenses as they are defined either at common law or by the laws of the place where the crime is to be committed, or is depositing or causing to be deposited in the United States mails information as to where, how, or from whom the same may be obtained, the Postmaster General may—

"'(a) instruct postmasters at any post office at which registered letters or any other letters or mail matter arrive directed to any such person or to the agent or representative of such person, to return all such mail matter to the postmaster at the office at which it was originally mailed, with the word 'Unlawful' plainly written or stamped upon the outside thereof, and all such mail matter so returned to such postmasters shall be by them returned to the senders thereof, under such regulations as the Postmaster General may prescribe; and

"'(b) forbid the payment by any postmaster to any such person, or to the agent or representative of such person, of any money order or postal note drawn to the order of such person, or to the agent or representative of such person, and the Post-

master General may provide by regulation for the return to the remitters of the sums named in such money orders or postal notes.'"

"SEC. 305. (a) Chapter 73 of title 18 of the United States Code is amended by adding at the end of such chapter the following new section:

"'§ 1509. Injuring or threatening to injure officers of the United States

"'Whoever, by force, intimidation, or threat, prevents or attempts to prevent any person from accepting or holding any office, trust, or place of confidence under the United States, or attempts to induce by like means any officer of the United States to leave the place where his duties as an officer are required to be performed; or whoever injures or attempts to injure or threatens to injure any such person or the property of such person on account of the lawful discharge of the duties of his office, or while such person is engaged in the lawful discharge thereof; or whoever injures or attempts to injure or threatens to injure the property of any such person so as to molest, interrupt, hinder, or impede such person in the discharge of his official duties shall be fined not more than $5,000 or imprisoned not more than six years, or both.'

"(b) The analysis of chapter 73, immediately preceding section 1501 of title 18 of the United States Code, is amended by adding at the end thereof the following:

"'§ 1508. Injuring or threatening to injure officers of the United States.'

"SEC. 306. Section 1073 of title 18 of the United States Code is amended by inserting after 'arson punishable as a felony,' the following: 'willful destruction or damaging of any building or structure.'."

At the end of the bill insert the following:

"TITLE III—PROHIBITING ACTS INVOLVING THE IMPORTATION, TRANSPORTATION, POSSESSION, OR USE OF EXPLOSIVES

"SEC. 301. Chapter 39 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"'§ 837. Explosives; illegal use or possession

"'(a) as used in this section—

"'"commerce" means commerce between any State, Territory, Commonwealth, District, or possession of the United States, and any place outside thereof; or between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof; or within any Territory, or possession of the United States, or the District of Columbia;

"'"explosive" means gunpowders, powders used for blasting, all forms of high explosives, blasting materials, fuzes (other than electric circuit breakers), detonators, and other detonating agents, smokeless powders, and any chemical compounds or mechanical mixture that contains any oxidizing and combustible units, or other ingredients in such proportions, quantities, or packing that ignition by fire, by friction, by concussion, by percussion, or by detonation of the compound or mixture or any part thereof may cause an explosion.

"'(b) Whoever—

"'(1) imports into the United States or introduces, delivers or receives for introduction, attempts to transport, transports, or causes to be transported by financing such transportation or otherwise, in commerce, any explosive, or

"'(2) possesses any explosive which has been imported into the United States, or introduced, delivered for introduction, or transported in commerce,

with the knowledge or intent that it will be used to damage or destroy any building or other real or personal property for the purpose of interfering with its use for educational, religious, charitable, residential, business, or civic objectives or of intimidating any person pursuing such objectives, shall be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both; and if personal injury results shall be subject to imprisonment for not more than ten years; and if death results shall be subject to the death penalty or imprisonment for life.

"'(c) The possession of an explosive in such a manner as to evince an intent to use, or the use of, such explosive, to damage or destroy any building or other real or personal property used for educational, religious, charitable, residential, business, or civic objectives or to intimidate any person pursuing such objectives, creates rebuttable presumptions that the explosive (1) was imported into the United States, or transported in commerce and (2) was imported or transported or caused to be imported or transported in commerce by the person so possessing or using it: *Provided, however,* That no person may be convicted under this section unless there is evidence independent of the presumptions that this section has been violated.

"'(d) Whoever, through the use of the mail, telephone, telegraph, or other instrument of commerce, willfully imparts or conveys or causes to be imparted or conveyed, any threat, or false information knowing the same to be false, concerning an attempt or alleged attempt being made, or to be made, to perform any act prohibited by this section, or travels in commerce with intent to use any explosive in violation of this section, shall be subject to imprisonment for not more than one year or a fine of not more than $1,000, or both.

"'(e) This section shall not be construed as indicating an intent on the part of Congress to occupy the field in which this section operates to the exclusion of a law of any State, Territory, Commonwealth, or possession of the United States, and no law of any State, Territory, Commonwealth, or possession of the United States, which would be valid in the absence of the section shall be declared invalid, and no local authorities shall be deprived of any jurisdiction over any offense over which they would have jurisdiction in the absence of this section.'"

Strike out all after the enacting clause and in lieu thereof insert the following:

"TITLE I

"Obstruction of court orders

"SEC. 101. Chapter 73 of title 18, United States Code, is amended by adding at the end thereof a new section as follows:

"'§ 1509. Obstruction of certain court orders

"'Whoever corruptly, or by threats or force, or by any threatening letter or communication, wilfully prevents, obstructs, impedes or interferes with or willfully endeavors to prevent, obstruct, impede, or interfere with the due exercise of rights or the performance of duties under any order, judgment, or decree of a court of the United States which (1) directs that any person or class of persons shall be admitted to any school, or (2) directs that any person or class of persons shall not be denied admission to any school because of race or color, or (3) approves any plan of any State or local agency the effect of which is or will be to permit any person or class of persons to be admitted to any school, shall be fined not more than $10,000 or imprisoned not more than two years, or both.

"'No injunctive or other civil relief against the conduct made criminal by this section shall be denied on the ground that such conduct is a crime.

"'This section shall not apply to an act of a student, officer, or employee of a school if such act is done pursuant to the direction of, or is subject to disciplinary action by, an officer of such school.'

"SEC. 102. The analysis of chapter 73 of such title is amended by adding at the end thereof the following:

"TITLE II

"Flight to avoid prosecution for destruction of educational or religious structures

"SEC. 201. Chapter 49 of title 18, United States Code, is amended by adding at the end thereof a new section as follows:

"'§ 1074. Flight to avoid prosecution for destruction of educational or religious structures.

"'Whoever moves or travels in interstate or foreign commerce with intent either (1) to avoid prosecution, or custody, or confinement after conviction, under the laws of the place from which he flees, or willfully damaging or destroying or attempting to damage or destroy by fire or explosive any building, structure, facility or vehicle, if such building, structure, facility or vehicle is used primarily for religious purposes or for the purposes of public or private primary, secondary, or higher education, or (2) to avoid giving testimony in any criminal proceeding relating to any such offense shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"'Violations of this section may be prosecuted in the Federal judicial district in which the original crime was alleged to have been committed or in which the person was held in custody or confinement or in the Federal judicial district in which the person is apprehended.'

"SEC. 202. The analysis of chapter 49 of such title is amended by adding thereto the following:

"'1074. Flight to avoid prosecution for destruction of educational or religious structures.'

"TITLE III

"Federal election records

"SEC. 301. Every officer of election shall retain and preserve, for a period of three years from the date of any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate, or Member of the House of Representatives are voted for, all records and papers which come into his possession relating to any application, registration, payment of poll tax, or other act requisite to voting in such election, except that, when required by law, such records and papers may be delivered to another officer of election and except that if a State designates a custodian to retain and preserve these records and papers at a specified place, then such records and papers may be deposited with such custodian, and the duty to retain and preserve any record or paper so deposited shall devolve upon such custodian. Any officer of election or custodian who willfully fails to comply with this section shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"SEC. 302. Any person, whether or not an officer of election or custodian, who willfully steals, destroys, conceals, mutilates, or alters any record or paper required by section 301 to be retained and preserved shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"SEC. 303. Any record or paper required by section 301 to be retained and preserved shall, upon demand in writing by the Attorney General or his representative directed to the person having custody, possession, or control of such record or paper, be made available for inspection, reproduction, and

copying by the Attorney General or his representative.

"SEC. 304. Any record or paper demanded pursuant to section 303 shall be produced for inspection, reproduction, and copying at the principal office of the person upon whom such demand is made or at an office of the United States attorney in the district in which such records or papers are located.

"SEC. 305. Unless otherwise ordered by a court of the United States, neither the Attorney General nor any employee of the Department of Justice, nor any other representative of the Attorney General, shall disclose any record or paper produced pursuant to this title, or any reproduction or copy, except as is necessary in the performance of his official duties, including presentation of any case or proceeding before any court or grand jury.

"SEC. 306. The United States district for the district in which a demand is made pursuant to section 303, or in which a record or paper so demanded is located, shall have jurisdiction by appropriate process to compel the production of such record or paper.

"SEC. 307. As used in this title, the term "officer of election" means any person who, under color of any Federal, State, or local law, statute, ordinance, regulation, authority, custom, or usage, performs or is authorized to perform any function, duty, or task in connection with any application, registration, payment of poll tax, or other act requisite to voting in any general, special, or primary election at which candidates for the office of President, Vice President, presidential elector, Member of the Senate or Member of the House of Representatives are voted for.

"TITLE IV

"Civil Rights Commission extended for two years

"SEC. 401. Section 104(b) of the Civil Rights Act of 1957 (71 Stat. 635; 42 U.S.C., Supp. V 1975c(b)) is amended to read as follows:

"'(b) The Commission shall submit an interim report to the President and to the Congress not later than September 1, 1959, and at such other times as either the Commission or the President shall deem desirable. It shall submit to the President and to the Congress a final and comprehensive report of its activities, findings, and recommendations not later than four years from the date of enactment of this Act.'

"TITLE V

"Commission on Equal Job Opportunity Under Government Contracts

"SEC. 501. There is hereby created a Commission to be known as the 'Commission on Equal Job Opportunity Under Government Contracts,' hereinafter referred to as the Commission.

"SEC. 502. (a) The Commission shall consist of fifteen members appointed by and serving at the pleasure of the President. The Chairman and Vice Chairman shall be designated by the President.

"(b) Members of the Commission who are officers or employees of the United States shall serve the Commission without additional compensation. Members of the Commission who are not officers or employees of the United States shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other expenses incurred by them in the performance of such duties.

"(c) Service of an individual as a member of the Commission shall not be considered to be service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

"SEC. 503. (a) The Commission shall make investigations, studies, and surveys, and shall conduct such hearings, as may be necessary or appropriate in the discharge of duties under this title.

"(b) To implement the policy of the United States Government to eliminate discrimination because of race, creed, color, or national origin in the employment of persons in the performance of contracts or subcontracts to provide the Government with goods or services, the Commission shall make recommendations to the President and to Government contracting agencies with respect to the preparation, revision, execution, and enforcement of contract provisions relating to such nondiscrimination in employment.

"(c) The Government agencies contracting for goods or services to be furnished the Government shall perform such duties as may be requested of them by the President to cooperate with the Commission.

"(d) The Commission shall also encourage, by the development and distribution of pertinent information and by other appropriate means, the furtherance of educational programs by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate discrimination in employment.

"(e) The Commission is authorized to establish and maintain cooperative relationships with agencies of State and local governments, as well as with nongovernmental bodies, to assist in achieving the purposes of this title.

"SEC. 504. The Commission may employ such personnel as may be required for the effective performance of its duties.

"SEC. 505. The Commission shall render to the President annual reports for transmission to the Congress.

"SEC. 506. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this title.

"TITLE VI

"Education of children of members of Armed Forces

"SEC. 601. (a) Subsection (a) of section 6 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), relating to arrangements for the provision of free public education for children residing on Federal property where local educational agencies are unable to provide such education, is amended by inserting after the first sentence the following new sentence: 'Such arrangements to provide free public education may also be made for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children.'

"(b) (1) The first sentence of subsection (d) of such section 6 is amended by adding before the period at the end thereof: 'or, in the case of children to whom the second sentence of subsection (a) applies, with the head of any Federal department or agency having jurisdiction over the parents of some or all of such children.'

"(2) The second sentence of such subsection (d) is amended by striking out 'Arrangements' and inserting in lieu thereof 'Except where the Commissioner makes arrangements pursuant to the second sentence of subsection (a), arrangements'.

"SEC. 602. (a) Section 6(b) (1) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), relating to applications for school construction projects with respect to which Federal aid is requested, is amended by striking out 'and' at the end of clause (F), by striking out the period at the end of clause (G), and inserting in lieu thereof '; and', and by adding after clause (G) the following new clause:

"'(H) assurance that such agency will make the school facilities included in any such project, the application for which is approved after enactment of this clause, available to the Commissioner pursuant to section 10(b).'

"(b) Section 10 of such Act, relating to arrangements for facilities for the provision of free public education for children residing on Federal property where local educational agencies are unable to provide such education, is amended by inserting after the first sentence the following new sentence: 'Such arrangements may also be made to provide, on a temporary basis, minimum school facilities for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children.'

"(c) Section 10 of such Act is further amended by inserting '(a)' after 'SEC. 10.', and by adding at the end thereof the following new subsection:

"'(b) Whenever the Commissioner determines that—

"'(1) any school facilities with respect to which payments were made under section 7 of this Act, pursuant to an application approved under section 6 after the enactment of this subsection, are not being used by a local educational agency for the provision of free public education, and

"'(2) such facilities are needed in the provision of minimum facilities under subsection (a),

he shall notify such agency of such determination and shall thereupon be entitled to possession of such facilities for purposes of subsection (a), on such terms and conditions as may be described in regulations of the Commissioner. Such regulations shall include provision for payment of rental in an amount which bears the same relationship to what, in the judgment of the Commissioner, is a reasonable rental for such facilities as the non-Federal share of the cost of construction of such facilities bore to the total cost of construction thereof (including the cost of land and off-site improvements), adjusted to take into consideration the depreciation in the value of the facilities and such other factors as the Commissioner deems relevant. Upon application by the local educational agency for the school district in which such facilities are situated and determined by the Commissioner that such agency is able and willing to provide suitable free public education for the children in the school district of such agency to whom section 10 is applicable, or upon determination by the Commissioner that such facilities are no longer needed for purposes of subsection (a), possession of the facilities shall be returned to such agency. Such return shall be effected at such time as, in the judgment of the Commissioner, will be in the best interest of the children who are receiving free public education in such facilities, and in the light of the objectives of this Act and the commitments made to personnel employed in connection with operation of such facilities pursuant to arrangements made by the Commissioner.'

"TITLE VII

"Grants to assist State and local educational agencies to effectuate desegregation

"SEC 701. (a) The Congress recognizes that (1) prior to May 17, 1954, the Consti-

tution of the United States has been interpreted as permitting public schools to be segregated on racial grounds provided such schools afforded equal educational opportunities; (2) on May 17, 1954, the Supreme Court of the United States ruled that under the fourteenth amendment to the Constitution segregated education is inherently unequal; (3) the Constitution as interpreted by the Supreme Court of the United States is the supreme law of the land; (4) State and local governments and agencies which had relied upon the 'separate but equal' doctrine are now obligated to take steps toward the elimination of segregation in their public schools; and (5) many of these governments and agencies are faced with serious financial and educational problems in making the necessary adjustments in their existing school systems.

"(b) It is therefore the intent of Congress and the purpose of this title to assist State and local governments and agencies in carrying out their constitutional obligations by sharing certain of the additional expenditures directly occasioned by desegregation programs and by providing information and technical assistance in connection therewith.

"Authorization of appropriations

"SEC. 702. (a) For the purpose of assisting State and local educational agencies which, on May 17, 1954, maintained segregated public schools to effectuate desegregation in such schools in a manner consistent with pertinent Federal court decisions, there are hereby authorized to be appropriated for fiscal year such sums as the Congress may determine.

"(b) Appropriations under this section shall be available for grants to help finance:

"(1) costs incurred by local educational agencies in the provision of supervisory or administrative services, pupil placement, school social worker, or visiting teacher services, and other special, nonteaching, professional services, the need for which is occasioned by the desegregation of their public schools, and

"(2) costs incurred by State agencies in developing and carrying out State policies and programs for desegregation in public schools, including technical assistance to local educational agencies in connection therewith.

"Allotments and payments to States

"SEC. 703. (a) The Commissioner of Education (hereinafter called the "Commissioner") shall for each fiscal year allot to each State, from the sums appropriated pursuant to section 702 for such year, an amount which bears the same ratio to such sums (or to such larger sum as may be specified in the Act making the appropriation) as the number of students who attended segregated public schools in such State during the school year 1953–1954 bears to the number of students who attended such schools during such year in all the States. The number of students who attended segregated public schools in each State during the school year 1953–54 shall be estimated by the Commissioner on the basis of the best available data on the average daily attendance of local educational agencies during such school year.

"(b) From a State's allotment under subsection (a) for a fiscal year, the Commissioner shall, except as otherwise provided in section 705, pay to such State an amount equal to one-half of the expenditures of local educational agencies in carrying out the purposes specified in section 702(b)(1) under applications approved by the State agency (designated as provided in section 704(a)(1)) pursuant to the State plan approved under section 704, and one-half of the expenditures of such State agency in carrying out the purposes specified in section 702(b)(2) under such plan, including its expenditures in administering the State plan. Payments under this section (and section 705) shall be made from time to time by the Commissioner on the basis of estimates of amounts to be expended in a quarter or other period or periods determined by him, with necessary adjustments on account of any overpayment or underpayment for any prior period or periods.

"State plans

"SEC. 704. (a) A State plan shall be approved by the Commissioner for purposes of this title if such plan—

"(1) designates the State educational agency to administer or supervise the administration of the plan, or designates another single agency of the State for such purpose and in such case provides methods for effective coordination between such agency and the State educational agency;

"(2) sets forth the methods and criteria for approving applications of local educational agencies for funds under this title, and describes the activities to be carried on by the State agency with the aid of funds under this title;

"(3) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the State plan;

"(4) provides that the State agency will make such reports to the Commissioner, in such form and containing such information, as are reasonably necessary to enable the Commissioner to assure expenditure of grants under this title solely for the purposes for which made and otherwise to perform his functions under this title.

"(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering or supervising administration of the State plan approved under subsection (a), finds that—

"(1) the State plan has been so changed that it no longer complies with any of the requirements of subsection (a), or

"(2) in the administration of the plan there is a failure to comply substantially with any such requirement,

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that further payments to the State will be limited to parts of or programs under the plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to parts of or programs under the State plan not affected by such failure).

"Local agency applications

"SEC. 705. If the Commissioner determines, with respect to any State for which an allotment has been made under section 703(a) for any fiscal year, that such State will not for such year submit and have approved a State plan under section 704, and either (a) that such State has consented to the making of applications by local educational agencies pursuant to this section, or (b) that such State has indicated that it assumes no responsibility with respect to the desegregation of public schools, the Commissioner shall, notwithstanding the provisions of section 703(b), pay to local educational agencies, with applications approved by him under this section, one-half of the expenditures of such agencies during such year in carrying out the purposes of section 702(b)(1), but such payments may not exceed, in the aggregate, the State's allotment for such year. The Commissioner shall by regulation prescribe criteria and procedures, for approval and withdrawal of approval of applications under this section, which will, in his judgment, best effectuate the purposes of this title.

"Definitions

"SEC. 706. For purposes of this title—

"(1) The term 'public school' means a public school which provides elementary or secondary education, as determined under State law, but does not include a school of any agency of the United States.

"(2) The term 'segregated public school' means a public school to which students on May 17, 1954, could not, under the constitution or laws of the State in which such schools are located or under ordinances or rulings of the appropriate local educational agency pursuant to such constitution or laws, be admitted without regard to race or color.

"(3) The term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

"(4) The term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a city, county, township, school district, or political subdivision in a State; and includes any State agency which directly operates and maintains public schools.

"Federal administration

"SEC. 707. (a) The Commissioner shall collect and disseminate such information on the progress of desegregation in the public schools in the several States as may be useful to educational and other public officials, agencies, and organizations in effecting desegregation in such schools.

"(b) The Commissioner shall, upon request, provide information and technical assistance to State or local officials, which will aid them in developing plans and programs for effecting desegregation in public schools, and, upon request of such officials, shall initiate or participate in conferences dealing with the educational aspects of problems arising in connection with efforts to comply with applicable court desegregation decisions or decrees.

"(c) The Commissioner may delegate to any officer or employee of the Office of Education any of his powers and duties under this title, except the promulgation of regulations.

"(d) No appropriations may be made pursuant to section 702 for any fiscal year ending after June 30, 1961. Prior to the close of January 1961, the Secretary of Health, Education, and Welfare shall submit to the Congress a full report of the administration of this title, together with his recommendations as to whether it should be extended and as to any modification of its provisions he deems appropriate.

"TITLE VIII

"Civil injunction suits

"SEC. 801. Part III of the Civil Rights Act of 1957 (71 Stat. 637) is amended by adding at the end thereof the following new section:

" 'SEC. 123. (a) The Attorney General is authorized, upon written complaint or information on oath or affirmation of any person who is subject to or threatened with the loss of his right to equal protection of the laws by reason of race, color, religion, or national origin, and who is unable because of financial inability or other reason effectively to prosecute a Federal civil proceeding on his own behalf, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any person or persons acting under color of any statute, ordinance, regulation, custom, or usage of any State or

Territory, or subdivision or instrumentality thereof, or who conspires with such person or persons, to deprive or threaten to deprive any person of his rights to equal protection of the laws by reason of his race, color, religion, or national origin.

"'(b) The Attorney General is hereby authorized, upon written request of the duly constituted authorities of any State or Territory, or municipality, subdivision, or instrumentality thereof, to institute for or in the name of the United States, a civil action or other proceeding for preventive relief, including an application for an injunction or other order, against any two or more persons who conspire through violence, threats, or otherwise to prevent or hinder such duly constituted authorities from giving or securing to any person his right to equal protection of the laws.

"'(c) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether any administrative or other remedies that may be provided by law shall have been exhausted. In any proceeding hereunder the United States shall be liable for costs the same as a private person.

"'(d) Nothing in this section shall impair any right secured by the Constitution and laws of the United States, or any remedies already existing for their protection and enforcement.'

"TITLE IX

"Separability

"SEC. 901. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act or the application of such provision to other persons or circumstances shall not be affected thereby."

MUTUAL SECURITY APPROPRIATION BILL, 1960—AMENDMENT

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to the bill (H.R. 8385) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1960, and for other purposes, which was referred to the Committee on Appropriations, and ordered to be printed.

REVISION OF BOUNDARIES AND CHANGE OF NAME OF FORT LARAMIE NATIONAL MONUMENT, WYO.—ADDITIONAL COSPONSOR OF BILL

Mr. McGEE. Mr. President, I ask unanimous consent that the bill (S. 2434) which I recently introduced affecting boundaries and changing the name of Fort Laramie National Monument, Wyo., be altered only to add to my own the name of the senior Senator from Wyoming [Mr. O'MAHONEY]. It was inadvertently omitted at the time the bill was introduced.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JOHNSON of Texas:

Statement by Senator WILLIAMS, of New Jersey, with editorials attached, relating to a fleet of mercy ships to help world's sick.

Statement by Senator WILLIAMS, of New Jersey, with Associated Press release relating to tuberculosis in New Jersey.

By Mr. ENGLE:

Several editorials relating to a speech delivered by him in the U.S. Senate on May 21, in regard to the need for a revision of the U.S. policy on China.

By Mr. RANDOLPH:

Statement by him on passing of M. L. Benedum, July 30, 1959.

NOTICE OF HEARING ON NOMINATION OF DR. JOHN H. WILLIAMS

Mr. ANDERSON. Mr. President, in accordance with section 22 of the Atomic Energy Act of 1954, as amended, the President on July 16, 1959, submitted to the Senate the nomination of Dr. John H. Williams, of Minnesota, to be a member of the Atomic Energy Commission for the remainder of the term ending June 20, 1961, of Dr. Willard Frank Libby, who resigned effective June 30, 1959.

An open public hearing will be held on this nomination by the Senate section of the Joint Committee on Atomic Energy, Thursday, August 6, 1959, in room P–63, the Old Supreme Court Room of the Capitol.

For the information of the Members of the Congress and the public, I request unanimous consent to have printed in the RECORD biographical data on the nominee, Dr. John Harry Williams, as furnished to the Joint Committee by the Atomic Energy Commission.

There being no objection, the biographical data were ordered to be printed in the RECORD, as follows:

DR. JOHN HARRY WILLIAMS

Dr. John Harry Williams, a physicist, has been the director of the Division of Research of the Atomic Energy Commission since April 17, 1958. In this capacity he has directed the Commission's programs of basic research in the physical sciences in the National Laboratories and has administered research contracts totaling more than $25 million annually with 109 universities and colleges.

Dr. Williams came to the Atomic Energy Commission from the University of Minnesota where he was professor of physics and director of the proton linear accelerator project which the university is conducting for the Commission.

The scientific fields in which Dr. Williams worked before coming to the Commission include X-ray natural line widths and spectroscopy nuclear physics, light nuclei reactions, and scattering of light nuclei. He had been a member of the university's physics department since 1934, except for the war years when he served as official investigator for the Office of Scientific Research and Development in 1942–43, and as a member of the Manhattan Engineer District as a group leader in the physics division, Los Alamos Scientific Laboratory, from 1943 to 1946.

Dr. Williams was born in Asbestos Mines, Province of Quebec, on July 7, 1908. He graduated from high school in Kelowna, British Columbia, and received his B.A. degree at the University of British Columbia in 1928. As a teaching fellow at the University of California he received his masters degree in 1930, and as a Whiting Fellow received his Ph. D. in physics in 1931. He received an honorary doctor of science degree from the University of British Columbia in 1958.

From 1931–33 Dr. Williams was a national research fellow in physics at the University of Chicago. He joined the University of Minnesota staff as a physics instructor in 1933, was assistant professor from 1934 to 1937, associate professor 1937–42, and professor of physics since 1946 when he returned from Los Alamos. In 1942 he was naturalized as a U.S. citizen.

Dr. Williams was president of Midwestern Universities Research Association (MURA) from March 1956 to October 1957, after serving as vice president of the organization from the time it was founded in 1954. He has been consultant to the Commission's Los Alamos Scientific Laboratory since 1946 and was a member of the policy advisory board of Argonne National Laboratory at Lemont, Ill. He also was a member of the Board on Neutron Standards and Measurements, National Research Council in 1946–48, and served on the panel on ultra-high-energy accelerators of the National Science Foundation.

Dr. Williams is a member of Phi Beta Kappa, Sigma Xi, and the American Physical Society.

In 1928, he married Miss Vera Martin. The couple make their home at 6604 Wells Parkway, University Park, Md.; they have three children: Lloyd, an architect in Cambridge, Mass.; Ann 18; and Susan, 13.

NOTICE OF HEARING ON NOMINATIONS OF ROBERT D. MURPHY TO BE UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS, AND LIVINGSTON T. MERCHANT TO BE A DEPUTY UNDER SECRETARY OF STATE

Mr. MANSFIELD. Mr. President, on behalf of the Committee on Foreign Relations, I desire to announce that the Senate today received the nominations of Robert D. Murphy, of Wisconsin, to be Under Secretary of State for Political Affairs, and Livingston T. Merchant, of the District of Columbia, to be a Deputy Under Secretary of State.

In accordance with the committee rule, the pending nominations may not be considered prior to the expiration of 6 days.

ONE HUNDRETH ANNIVERSARY OF FOUNDING OF AMERICAN DENTAL ASSOCIATION

Mr. CARLSON. Mr. President, on August 3, 100 years ago, 26 men gathered together in a small room in the International Hotel at Niagara Falls, N.Y., and launched one of our major organizations; namely, the American Dental Association.

This organization has rendered outstanding service in the field of dentistry and has kept this profession abreast of the needs of the times.

The membership has been most generous in providing money in the field of research, which sum in 1958 totaled $10 million.

Our Nation is deeply indebted to the members of this profession and organization.

I ask unanimous consent to have made a part of these remarks an editorial which was written for the August issue of the Journal of the American Dental Association by Dr. Lon W. Morrey, an outstanding leader in the dental field.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE HUNDRED YEARS AGO A HEALTH PROFESSION WAS FOUNDED

One hundred years ago, on the third day of this month, 26 men, gathering together in a small room in the International Hotel, Niagara Falls, N.Y., launched what has come to be one of the Nation's major organizations concerned with health, the American Dental Association.

The 26 founders shared three basic traits: dedication to their profession, dissatisfaction concerning many of its weaknesses, and a determination to improve upon them. These traits the founders somehow handed down to their long line of successors—traits which without question have contributed greatly to the growth and development of the association during its first 100 years.

By the end of the first quarter of the present century the association had grown to such dimensions that it could begin to put the precepts of its founders to practical use. By that time its numerical size and its structural strength enabled it to assume leadership in all aspects of dentistry, notably in dental education, dental legislation, service and research.

During the past quarter of a century particularly, the association has assisted materially in improving the standards of dental education not only in the 47 dental schools in this country but to some extent in dental schools throughout the world. The association's concern with standards of dental education has likewise applied to standards of dental legislation. Almost since its inception the association has aided in the formulation and refinement of legal statutes governing the practice of dentistry, statutes designed for the protection of the public.

Recognizing the need to extend dental service to all segments of society, the association expends thousands of dollars annually on public dental health education, on encouraging the education and training of auxiliary personnel and on the furtherance of various types of dental service plans, particularly on preventive dental care programs for children, including the fluoridation of drinking water.

It is in the field of research that the association probably is entitled to take greatest pride and satisfaction. For years the profession recognized the need for more thorough study of dental pathology. For years it sought funds for that purpose. Not, however, until the association entered the last decade of its first century was it even partially successful. By 1958 the Nation, spurred largely by the dental profession, was appropriating annually approximately $10 million for dental research, more than half of which were Federal funds. The remainder, including some $250,000 appropriated annually by the American Dental Association, comes from private sources. The association, as it closes its first century, takes this occasion to express its appreciation to the Nation's public and private agencies, and particularly to the U.S. Congress, for the growing support given the dental profession in its efforts to eradicate dental diseases. The more than $10 million a year now being appropriated for dental research is a far cry from the $600 which the association, in 1885, concerned with the lack of funds for research, and recognizing its own responsibility in that regard, appropriated for the "prosecution of original investigations * * * for the benefit of the association and the profession at large."

Given this heritage of a hundred years it can be foretold with certainty that the American Dental Association will dedicate itself in the future, as it has in the past, to the eradication of all manner of dental disorders and to the restoration of the oral cavity to normal form and function. Certainly the association's contributions during its first 100 years promise even greater contributions in the future—contributions designed for the benefit of mankind.

RACE RELATIONS IN NEW YORK

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that I may proceed for 6 or 8 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, I urgently bring to the attention of every Member of the Senate, and especially the members of the Judiciary Committee, which is now considering civil rights legislation, an article appearing in the August 3, 1959, edition of U.S. News & World Report entitled "Is New York City on a 'Powder Keg'?"

Mr. President, this article is one of the finest pieces of analytical journalism I have seen on the subject of race relations in a northern city. I almost feel compelled to read the entire article to the Senate, it is of such great importance.

This article indicates the tremendous racial unrest that exists in New York City and the human powder keg that has been created under a system of enforcing integration. The city of New York and the State of New York boast to the Nation that they have the finest—or at least I should say, the most—laws on the books to enforce racial integration, and yet in that city we have the worst racial unrest and the worst prejudice and the worst police problem of any city in America.

I should like to quote one or two points in this article in my remarks. For example, the article says:

New Yorkers are being warned by Police Commissioner Stephen P. Kennedy that "a race riot could cause more destruction of community relations than an atom bomb."

And the article goes on to tell that such a riot is daily on the brink of breaking out.

In Negro areas of that city, it is dangerous for whites to be on the streets, not only at night, as it is in the city of Washington, but in broad daylight. Police are wary of arresting drunks, perverts, and criminals for fear of Negro mobs moving in to cause trouble. The article states that:

It [Harlem] is an extremely difficult area to police and the policemen themselves must have the support of the community. If they have to work in a community that is noncooperative, where prisoners are taken from them, it makes the policing problem that much more difficult.

Individual policemen are discouraged from making any comments that might stir up racial controversy. Privately, however, many of them express bitterness at what they describe as a lack of cooperation by Negroes, often in situations where their own lives are in jeopardy.

Mr. President, I abhor the conditions that exist in the city of New York. I only wish the racial relations in that city were on the high plane and peaceful level that characterize the State of South Carolina and the other Southern States which so often come under attack from the New York press and the other liberal newspapers of the North.

In the State of South Carolina, as I am sure is true in the other Southern States, the whites and Negroes live side by side, work together, and do this in peace and in harmony. It is true we do not have laws on the books enforcing integration, and in some cases we have laws on the books requiring segregation.

This should be ample evidence to critics of the South and its system of segregation that segregation works and integration does not work. Perhaps there are areas of this country and of the world where integration is preferred over segregation. But if I were Governor of New York, I would certainly think in terms of looking back toward segregation as a possible solvent for the terrible conditions which exist in New York today.

There is even reference in the article to a movement of nearly a million Negroes who are following a doctrine of black supremacy. The article says—and these are not my words—

This movement is spearheaded by a so-called Muslim sect, which claims a quarter of a million members among U.S. Negroes. Its leader calls himself Elijah Muhammad. He maintains headquarters in Chicago, but here in Harlem his chief lieutenant is a Negro who is known as Malcom Little, but who also calls himself Malcom X.

These listeners are being told that the white man is the "greatest drunkard, greatest seducer, greatest murderer, greatest adulterer, greatest deceiver on earth." Negroes are promised that they will soon gain control of New York City—and that "white rule" in the United States will be overthrown by 1970. The sect's official magazine is headlined, "The Earth Belongs to the Black Nation—The First and the Last."

Mr. President, I especially propound to the Members of the Senate who are so urgently promoting civil rights legislation on a national basis this question:

Do you want to happen to the entire United States what has happened in New York City?

Mr. President, what is being done on a national scale in the movement for civil rights legislation is with the idea of accomplishing what has already been done in the city of New York and in New York State.

This article states that in New York City Negroes make up 15 percent of the city's population, and yet this small percentage accounts for one-third of all serious crimes in that city.

Mr. President, I submit to the Senate that the Negroes of New York City are the victims of politics and idle promises. For the most part, the Negroes of that city are descendants of Negroes from South Carolina and other southern areas of our Nation. It is not their inherited qualities which have wrought such terrifying violence, crime, prejudice, and hate. It is their environment which has brought this suffering to them.

It follows, with logical reasoning, that this environment was created by the laws under which they live. That being so, if we pass civil rights legislation enforcing integration across the face of this land, we will have the same conditions in every corner of this Nation that we now find in New York City.

I only wish the Negroes in New York City could live in an atmosphere similar to the atmosphere which we have in South Carolina and other Southern States.

In my State of South Carolina, Negroes and whites live in an atmosphere of segregation, but a peaceful atmosphere of mutual respect and one which generates law-abiding citizens with high morals.

I think New York City and the Nation as a whole need more of the condition of the two races abiding together in peace, more of these high moral standards, and more mutual respect such as we have in the South, than they need more civil rights legislation, which will only stir up strife, hatred, disrespect, and low moral standards generating crime and corruption.

Mr. President, I ask unanimous consent that the article from U.S. News & World Report be printed in the body of the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[U.S. News & World Report, Aug. 3, 1959]

IS NEW YORK SITTING ON A "POWDER KEG"?—RACIAL UNREST FORCES ITS WAY TO THE SURFACE

(Tension is boiling to the surface in New York. Tempers, building up, can lead to real trouble between the races. Negro boycotts have developed. There are clashes between police and demonstrators. Harlem is in an angry mood. A member of the board of editors of U.S. News & World Report, at the scene, brings the explosive situation into focus.)

NEW YORK CITY.—Concern is growing here over a wave of racial unrest that threatens to engulf America's biggest and richest city.

New Yorkers are being warned by Police Commissioner Stephen P. Kennedy that "a race riot could cause more destruction of community relations than an atom bomb."

Harlem, the unofficial "Negro capital of America," is being described by one city official as "in an angry mood." Each night, crowds of Negroes gather on street corners to listen to soap-box orators who preach "black supremacy" and the downfall of the white man.

These and similar developments are coming into focus as a result of a single incident that took place on the sultry afternoon of July 13.

That trouble developed when two white policemen arrested a Puerto Rican woman accused of creating disorder in a Harlem restaurant. While she was being taken to the police station, the police car crashed into a safety island.

Within a matter of minutes, a crowd of angry Negroes, estimated at more than 200, gathered menacingly around the police. In the ensuing melee, the two policemen were hit by a bullet accidentally fired from one of their own revolvers.

In the hours that followed, 88 additional policemen were sent to Harlem, and police were reinforced in other Negro areas of the city.

A NEGRO OUTBREAK?

This incident, however, is only one of many in recent weeks in what New York's leading Negro newspaper hails as the outbreak of the "revolt of the Negro"—a revolt that some say will far surpass in scope and tension the bus strike in 1956 in Montgomery, Ala.

Here are some of the events taking place:

Ralph J. Bunche, a prominent Negro diplomat and educator, recently inquired about a membership for his son in the West Side Tennis Club, at Forest Hills, site of the U.S. championships and Davis Cup matches. Mr. Bunche stated that he was informed by the club's president, Wilfred Burglund, that Negroes and Jews were not admitted to membership.

In the wake of strong criticism from city officials and newspapers, Mr. Burglund resigned his post. The club has explained that its membership rolls are open to members of racial and religious minorities.

In Harlem, 40 tenement dwellers are staging a rent strike against white landlords who, they say, have refused to make sanitary repairs to rat-infested buildings.

Negroes are boycotting white-owned liquor stores in Harlem which refuse to buy wholesale supplies from Negro salesmen. Under pressure of Negro picketing seven storeowners have signed agreements stating: "I will refuse to continue doing business with any wholesaler who will not send as a representative a Negro salesman."

Thirteen other liquor stores have capitulated without waiting for pickets to show up. Now the New York chapter of the National Association for the Advancement of Colored People is promising to extend this drive to liquor stores in Negro areas across the city and, eventually, to retail stores of every type that are located in Negro areas.

BOYCOTT OF BUSES

Another boycott is being threatened against the Fifth Avenue busline after complaints from Negro passengers that they were getting discourteous and discriminatory treatment from white bus drivers.

The Negro revolt also is moving into New York City's public schools.

Last year, nine Negro parents refused to send their children to predominantly Negro schools on the ground that such schools were inferior in quality of teaching and curriculum. A court ruling last December upheld the parents' contentions that the schools were inferior, and that the parents were within their legal rights in keeping their children out.

Now a drive is under way in Harlem to stage a mass sitdown of Negro parents next September unless Negro youngsters are permitted to enroll in predominantly white elementary and junior high schools of their choice. As a result, New York City is facing the possibility that some Negro children will be sitting out next year's school term.

Politically, a campaign is underway, led by Representative ADAM CLAYTON POWELL, Democrat, of New York, to force the Democratic machine—Tammany Hall—to give one in every three patronage jobs in New York City to a Negro or Puerto Rican.

NEGRO POWER GROWING

These separate developments, Negro leaders say, are not part of an organized push. But they are seen as proof of a growing population and of growing power of Negroes in this city.

An unofficial census in 1957 showed that 948,000 Negroes were living within the city. Today, their number is estimated at more than 1 million—more than in any other city in the world. Negroes now account for about 15 percent of the city's population, as against only 5 percent in 1940.

A Negro, Hulan E. Jack, is president of the Borough of Manhattan. This job is generally rated second in importance only to that of mayor of New York City. Top-ranking jobs in many city departments are held by Negroes. There are a dozen or so Negro judges in city and State courts here. Altogether, Negroes hold an estimated one-third of the jobs in public transit and about 20 percent of the jobs in the city welfare department.

TROUBLES OF AN "OPEN CITY"

Until recently, this growth in power went relatively unnoticed in a city that takes pride in its reputation for racial tolerance.

New York City's officials openly promote the concept of an "open city"—a place where opportunity is provided equally for all races. Integration is the official policy, backed by a dozen State and city laws that forbid racial discrimination in jobs, public facilities, and housing. These laws are sternly enforced.

Last year, the city put into effect a revolutionary law—one that prohibits discrimination against apartment and home seekers on grounds of race or religion. In the first 14 months of operation, 325 complaints of violation of this law have been made, and the claim is made that the law is helping many Negroes find apartments and homes once barred to them.

Yet many Negro leaders are saying now that these steps are only the beginning of measures to bring full equality to Negroes, and some say that New York City is entering on a phase of racial tension that is the most difficult yet encountered in this city.

EAST SIDE, WEST SIDE

Negroes are flowing out into every borough of the city—east side, west side, all around the town. More than 300,000 live in Brooklyn, about 125,000 live in Queens, and almost as many in the Bronx.

It is in Manhattan, however, and especially in Harlem, that most of the Negroes are to be found and that most of the trouble is developing. One reason for this, according to city officials, is that middle and upper-income Negroes more and more are moving out of Harlem tenements into better parts of the city. What they have left behind is an exceptionally high proportion of low-income Negroes—many of them chronic troublemakers and criminals.

Along with that, Harlem tenements are described as among the worst in the city. Wide publicity is given day by day to the overcrowding of 122,000 people within an area only two-thirds of a square mile—an area where people often live 8 and 10 to a room and where police get daily reports of children bitten, sometimes seriously, by rats.

It is against this background that trouble is developing between Negroes and the police force in Harlem.

CHARGES, COUNTERCHARGES

Charges are heard that Negroes taken into custody are beaten up at police stations, that Negro women are slapped and kicked, that white policemen break into the homes of law-abiding Negroes without search warrants.

Officials at police headquarters acknowledge that some such instances have taken place and do take place. They also say that offending policemen are punished by demotion, fines, or both, upon proof of such offenses. But most such charges, they say, show up as groundless upon investigation.

Last year, 126 complaints of police brutality were filed in New York City—by whites as well as Negroes. A special hearing

panel in the police department, after hearing these complaints, preferred charges against the policemen involved in nine cases. Seven of the nine were found guilty of brutality.

The July 13 outbreak of trouble between Harlem Negroes and police was not the first of its kind—nor, informed Negro leaders say, is it likely to be the last. One Negro says: "There is no doubt about it. People here don't like the police, they are suspicious of the police."

On at least two other occasions in the last 4 years threatening crowds of Negroes have gathered to protest police brutality. On a smaller scale, policemen who arrest a drunk or disorderly person in Harlem often find themselves the target of jeers from gatherings of anywhere from a handful to several dozen bystanders.

SEEKING COOPERATION

Police officials at this time are engaged in an intensive community relations campaign in Harlem. Efforts are being made to secure the support of law-abiding Negroes in reducing Harlem's crime rate. Meetings are held periodically with Harlem leaders. Recently Police Commissioner Kennedy warned:

"It [Harlem] is an extremely difficult area to police and the policemen themselves must have the support of the community. If they have to work in a community that is noncooperative, where prisoners are taken from them, it makes the policing problem that much more difficult."

Individual policemen are discouraged from making any comments that might stir up racial controversy. Privately, however, many of them express bitterness at what they describe as a lack of cooperation by Negroes, often in situations where their own lives are in jeopardy.

NEGRO "MOSLEMS"

What adds to this difficulty is a growth of a "black nationalist" movement that stirs up hatred of the white man.

This movement is spearheaded by a so-called "Muslim" sect, which claims a quarter of a million members among U.S. Negroes. Its leader calls himself Elijah Muhammad. He maintains headquarters in Chicago, but here in Harlem his chief lieutenant is a Negro who is known as Malcom Little, but who also calls himself Malcolm X.

On his periodic visits to Harlem, Muhammad draws crowds of 2,000 to 3,000 Negroes, eager to hear the message of the spiritual leader of America's Moslems.

These listeners are being told that the white man is the greatest drunkard, greatest seducer, greatest murderer, greatest adulterer, greatest deceiver on earth. Negroes are promised that they will soon gain control of New York City—and that white rule in the United States will be overthrown by 1970. The sect's official magazine is headlined, "The Earth Belongs to the Black Nation—The First and the Last."

Nobody knows just how many New York Negroes belong to this sect. Conservative estimates run to somewhere between 7,000 and 10,000. The "Moslems" maintain a restaurant, along with a temple, where every person entering is searched.

Beyond these numbers, however, tens of thousands of Negroes are getting the racist message of Muhammad. Each night, crowds of Negroes gather at street corners in Harlem to listen to zealous young "Moslems" preaching from soapboxes. During the incident of July 13, one such orator picked up his box and, along with several dozen of his listeners, moved down the street to incite further Negroes who were demonstrating against the two white policemen.

DANGEROUS FOR WHITES

Officially, this sect claims to deplore violence. But one Negro newsman reports that whites found on the outskirts of such gatherings are told by Negroes to "move along if you don't want trouble—you're in our territory now." This newsman reports that, at such times, it is very definitely dangerous for whites to be in the area.

Many responsible Negroes in Harlem and other parts of New York City discount the influence of this sect, which, they say, enlists support mainly from unimportant Negroes here. But Negro newspapers give prominent coverage to the statements of "Muslim" leaders, and many leading Negro business and professional men are known to make substantial contributions to the sect.

What many fear is developing out of the revolt of the Negro here is growing tension between the races on both sides of the racial fence, white as well as black.

The move to hasten integration of New York City's schools by transporting elementary and junior high school students from Negro neighborhoods into less crowded schools is predominantly white neighborhoods is meeting opposition from white parents.

"DON'T TREAD ON US"

A few weeks ago, a group of white mothers from the Glendale section of Queens marched around city hall carrying placards protesting the plan to transport about 1,000 children, most of them Negro or Puerto Rican, from overcrowded schools in Brooklyn to schools in Glendale.

Among the signs the white mothers carried was this: "Don't tread on us."

At the same time, in the same vicinity, Negro mothers also were picketing city hall with signs such as this one: "This is New York City—not Little Rock."

White homeowners and apartment dwellers in many parts of the city are moving out as Negroes spread out from Harlem. In Queens, one estimate is that it takes about 3 years for a neighborhood to change from white to black after the first Negro moves in.

In residential areas, New Yorkers are becoming more aware of their race problem than ever before. A white householder in Queens says:

"We're beginning to feel a coldness between the races. The other day, a Negro told me that his white neighbor doesn't talk to him now. My wife and I, in the past, have had Negroes to dinner in our home—and we still do. But now we look around to see if the neighbors notice it."

"DIFFICULT" SCHOOLS?

Top-rated teachers are bitterly protesting proposals that school officials assign them, regardless of their desires, to teaching posts at "difficult" schools which are composed mainly of Negro and Puerto Rican children. At present, such posts are filled on a voluntary basis, and many teachers have said they will seek employment elsewhere rather than be assigned to such schools.

Also stirring resentment among whites is the dispersal of Negroes across the city by means of public housing.

It is now the official policy of the city to discourage location of any public-housing projects in areas occupied mainly by Negroes and Puerto Ricans. Such projects, it is felt, will only build up ghettos, since 40 percent of all public housing for low-income families is occupied by Negroes and another 15 percent by Puerto Ricans.

As a result, about three-fourths of these families in public housing now live in racially integrated projects in predominantly white neighborhoods.

In such projects, white tenants and nearby residents are complaining of a rise in crime, juvenile delinquency, and dilapidation. White families are tending to move out of integrated projects. A Brooklyn project that was equally divided between whites and other groups only a few years ago, now is two-thirds Negro.

COST OF CRIME

New Yorkers are becoming aroused by the mounting costs of crime and welfare that have come to the city with the growth of this Negro population.

Unofficial estimates are that Negroes, with about 15 percent of the city's population, account for a third of its serious crimes. Many of these crimes are committed far beyond the borders of Harlem and other Negro areas. In some categories, such as rape and narcotics violations, the percentage of Negroes involved is believed to be considerably higher than for other offenses.

Negroes, together with Puerto Ricans, are estimated to account for about half of the city's welfare costs—and for a far bigger percentage of the aid to dependent children.

The answer of Negroes, and many white officials in this city, is that these problems can be solved only by providing Negroes and Puerto Ricans with better housing, better schools, and more job opportunities.

Negroes now are embarked on a "revolt" to gain those objectives. The result at this time is to bring New York City's racial troubles into the foreground, and fears are being expressed that these troubles are going to mount in the months ahead.

Mr. KEATING. Mr. President, no one condones law violations. No one should for a moment seek to defend the violation of law by any person of any race, creed or color. However, the incidence of crime in the cities throughout our country, including New York City, has nothing whatever to do with the enactment of civil rights legislation.

What is being sought in the proposed legislation is the guarantee of equal protection of the law for our citizens of every race, creed, and color. We seek to protect the rights vouchsafed by the Constitution of the United States, which we are sworn to uphold. We seek to extend the life of the present Civil Rights Commission, which is seeking, by hearings, to determine the areas where further aid is needed in bringing about the equal protection of the laws to our citizens. The work of this Commission has been thwarted at every turn by those who would obstruct progress in this field. That is the reason why it is necessary to extend the life of the Commission.

There are many other areas which cry out for legislative treatment at this session of Congress. This afternoon I shall send to the desk for printing under the rule some proposed amendments to the bill which is now under consideration in the Committee on the Judiciary, to strengthen the bill and to make it more meaningful—as has been said by other Members of the Senate, to "put meat on the skeleton." Of course we should fight crime wherever it appears in this country. But this fight has nothing to do with the constant struggle to strengthen the civil rights of the people of our land.

Mr. JOHNSTON of South Carolina. Mr. President, the reason why I had the article from the U.S. News & World Report printed in the CONGRESSIONAL RECORD is that it pointed out a fundamental fact which I think is true to life. It is not possible to have a group of people

live segregated for 150 years and then overnight have them not be segregated. One cannot force integration upon people against their own will and have anything but unrest.

There will be unrest in the United States wherever integration is forced. I warn the Members of the Senate and the people of this Nation that God segregated the races at the beginning. The Jewish people segregated themselves, and have kept themselves segregated to a certain extent down through the years. I am not criticizing them for that. But we find that when we have segregation and then force integration upon any people we have a great deal of trouble and unrest. So you face many headaches when you force integration in the United States.

SEGREGATION FOR LIQUOR SALESMEN IN HARLEM ADVOCATED BY NEW YORK NAACP

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial published in the State, of Columbia, S.C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, July 29, 1959]

ONE-WAY STREET

Up Harlem way, this discrimination mania seems to have gotten some organizations into something of a bind.

The New York branch of the NAACP has under way a drive to get Negro liquor salesmen a larger share of the Harlem market. Harlem is, of course, almost all Negro.

Others are charging that this would throw a lot of white salesmen out of work, thus constituting discrimination against whites. The Anti-Defamation League of B'nai B'rith, a national Jewish organization, has volunteered to investigate the situation.

The national organization of the NAACP has thus far not openly taken a stand on the matter. As the Anti-Defamation League points out, this drive has become "an extremely delicate" situation, and the league notes that it and the NAACP have had a long and close association in fighting discrimination.

It is interesting to note that 72 of the 200 wholesale liquor salesmen working Harlem are Negroes.

From this one gathers that discrimination, or antidiscrimination, is strictly a one-way street with the NAACP. They want it fixed, through civil rights legislation and pressure groups, so that whites may not discriminate against Negroes, and everyone must discriminate in favor of Negroes. In fact, the New York NAACP is openly advocating a positive form of segregation when it insists that only Negroes should sell to Negroes.

A BOLD AND IMAGINATIVE MEANS FOR PROMOTING WORLD PEACE

Mr. KEATING. Mr. President, I am proud to be a cosponsor of the great effort to launch a Great White Fleet to help build world peace. I feel this idea can dramatize America's friendship for the peoples of the world, particularly in the uncommitted nations.

This modern Great White Fleet provides an opportunity to combine the traditional American spirit of generosity and enlightened self-interest in a bold and imaginative demonstration of good will. The fleet, launched in the service of humanity, can sail around the world with food, clothing, medicine, and technical assistance for the impoverished masses of Asia, Africa, South America, and the Middle East.

At a time when expenditures for our foreign aid program total in the billions, the cost of maintaining the white fleet would be about $5 million each year—and it is quite possible that part of even this relatively small expense can be privately financed.

To compute the value of the proposed program in terms of dollars is, however, impossible. In the three major fields of feeding the hungry, healing the sick, and instructing the illiterate, such a program would allow American aid to be given in ways that can be clearly, unequivocally understood and identified, in ways that cannot be distorted by propaganda or misunderstood through lack of information.

I have willingly given my support to this proposal as my cosponsorship testifies. Both modest in expenditure and imaginative in method, the Great White Fleet could dramatize the America of the mid-20th century as it brings American aid and friendship to the people of the world.

I commend Life magazine for its pioneering work in this field, in promulgating the idea initiated by Comdr. Frank Manson. I also commend the various Members of the House and Senate who have so vigorously pressed for action on this proposal. I am hopeful positive action will be forthcoming soon.

A fine editorial in the Christian Science Monitor recently discussed the Great White Fleet idea. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GREAT WHITE FLEET

In 1907 President Theodore Roosevelt sent 16 American battleships on a cruise around the world. The Great White Fleet (American warships were then painted white in peacetime) carried its intended message: that the United States was emerging from an era of preoccupation with recovering from its own great civil conflict and with developing a continent under a network of railroads—from an era of taken-for-granted security behind the British Navy—and that it now was a world power.

Today an idea initiated by a young Navy commander, Frank Manson, and now sponsored by Senators HUMPHREY and AIKEN and Representatives BATES and EDMONDSON—a bipartisan group—is being framed into a resolution asking President Eisenhower to recommission from ships now in mothballs a modern Great White Fleet. This would carry aid to disaster-stricken areas throughout the world and technical assistance to nations which welcome it.

There are, of course, practical problems to be solved. Except for emergency rescues, care of the injured, food and shelter, the needs arising from disasters vary greatly. And the fleet could be a long way off from the place it would be needed. But these difficulties are not wholly insuperable. Even tardy, partial aid would not necessarily be futile. And technical assistance (instruction) could be a continuing service.

As a dramatic, impressive, traveling advertisement of Americans' dominant desire to be helpful, not warlike, the idea has enormous possibilities. It certainly should be seriously explored and considered.

GOVERNOR NELSON, OF WISCONSIN, AND BIPARTISAN LEGISLATURE MAKE EXCELLENT RECORD

Mr. PROXMIRE. Mr. President, last November the people of Wisconsin elected our first Democratic Governor in 25 years, Gov. Gaylord A. Nelson. They also elected a Democratic lower house for the first time in a generation; but partly because only half the State senate seats were at stake, the Republicans held a substantial majority in the upper house.

Many fine and able men in both parties have as Governor of States throughout this country failed to accomplish constructive records because they were unable to overcome obstructionism by an opposition party that controlled one or both of the houses of the Legislature.

The Wisconsin Legislature has just finished its regular session, although it will reconvene late next fall. A good part of the State government record for 1959 in Wisconsin has now been written.

How did Governor Nelson meet the test?

Mr. President, I am proud to report that Governor Nelson has made a shining start in what promises to be one of the truly great public careers in this country. Nelson did not get everything he wanted of course. But as most fair-minded observers of both parties agree, his accomplishments were impressive and under the circumstances they were extraordinary. Although as I have said—the 1959 session of the legislature is not yet over—I will gladly match the Nelson record in Wisconsin against that of any other State executive in the country this year, including the Rockefeller accomplishments in New York where the Governor enjoyed a majority in both houses of this legislature. Indeed the Nelson performance surpasses the Rockefeller record.

The Nelson administration has already overhauled and vastly improved the Wisconsin court system. He has accomplished the most comprehensive State reorganization program in Wisconsin history and the first substantial reorganization of any kind in 20 years. He has created a unified and enlarged agency for resource development. All of these reforms had been objectives of the previous Governors who had failed to achieve them despite huge legislative majorities in both houses. Nelson accomplished these things with a small majority in the State assembly and in spite of heavy Republican superiority in the State senate.

He also achieved a recodification of the laws dealing with marriage and divorce, made decisive strides in the campaign against mental illness, and took long strides toward ending secrecy in Wisconsin government.

Mr. President, this record did not just happen because of luck or good fortune.

Two days ago one of the top leaders of the Wisconsin State Senate, Lynn Stalbaum, a highly intelligent and capable State senator from Racine dropped into my office to tell me in part how it was done. He pointed out that Nelson had really brilliant help from the Democratic leader in the State senate, Henry Maier, the minority floor leader, a young man who has become one of the most accomplished and resourceful legislative technicians in the State's history. Maier is a man of very deep convictions. He has a LYNDON JOHNSON legislative competence.

In the Wisconsin Assembly, Nelson has a dedicated, hard-hitting speaker in George Molinaro, who hammered away throughout the session for an honest, responsible, promisekeeping record, and Molinaro, together with Democratic assembly Majority Leader Keith Hardie, and others, succeeded in an assembly record that virtually dotted every "i" and crossed every "t" in the Nelson program.

Of course, some of the Nelson proposals were delayed or killed in the State senate, where the Republicans had a majority. But in all fairness the Republican senators exercised constructive restraint. They deserve a full share of credit for their repeated willingness to recognize the public interest qualities of the Nelson program and approve much of it.

In the last analysis, however, Mr. President, it was Governor Nelson, a 10-year State senator himself until his election as Governor last year, who made the record. State Senator Stalbaum told me that Nelson drove himself around the clock for days toward the end of the session. Nelson is a remarkably charming and ingratiating young man. He, of course, knows the State senators intimately, as one of them himself. He is extraordinarily popular among them in both parties. The Governor has a uniquely swift mind. He is absolutely dedicated to his principles. Nelson used these attributes to striking effect to win a solid record of achievement in the public interest.

Mr. President, I ask unanimous consent that an editorial from the Milwaukee Journal entitled "Divided Legislature Huffed and Puffed, but It Got a Lot Done" be printed in the RECORD. This editorial makes a calm, dispassionate, neutral assessment of the Nelson record.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DIVIDED LEGISLATURE HUFFED AND PUFFED, BUT IT GOT A LOT DONE

Contrary to dire forecasts about results of divided party control in the 1959 legislature, the summing up of its score card to date shows progress and achievement to be big winners.

Of course some good proposals failed and some ungood ones succeeded as always. And some of the weightiest fiscal decisions are to await the November recessed session. But the main session took an impressive number of major steps forward, and finally averted most of the major temptations to mistep.

Some of the credit is due to able executive leadership by Governor Nelson. And the Democratically controlled assembly, though inexperienced and often confused, most often regained its footing after its cliff hanging episodes. The long sitting through most of July was a boon in this respect.

But the key to the situation was the Republican majority in the senate. Its overall influence proved more restraining than obstructive—and some of the restraining of exuberant assembly measures was a good thing. Since every measure needed at least several Republican votes to pass the senate, the many good results of the session were all to some extent a bipartisan product.

Surprisingly, this split legislature resolved a half dozen knotty issues that have been on the agenda for years without result. Its vote to overhaul the courts will be historic; this is the first enactment of a planned, systematic judicial structure since statehood.

Governor Nelson succeeded on his first try, where there had been three decades of failure, at bringing Wisconsin into the ranks of modern States with unified departments of administration—housekeeping agencies. He also won (but with the barest minimum of Republican help in the Senate) creation of a unified and enlarged agency for resource development.

If this legislature did nothing else, the session would have gained fame from these acts alone—milestones on the road to more effective government and more efficient justice.

Other long stalemates ended this year with enactment of a boating regulation law, a new State park financing plan, a solution for the end of Federal supervision over the Menominee Indian Tribe, a billboard control law at least for interstate highways. But the similar control law for the great bulk of mileage off the "I" system still pends.

The session wrote into the statute books another major recodification and modernization of a whole body of laws, dealing with marriage and divorce. This adds to the impressive string of such acts in recent years that have rewritten the cooperative, corporation, and school laws, the criminal, the motor vehicle, and the children's codes.

The session voted important new strides in the public campaign against mental illness. It spelled out in law for the first time a clear public policy against conduct of ordinary public business, at any level of government, behind closed doors. It authorized election of an executive head for Milwaukee county government, a limited but useful step toward meeting the challenges of metropolitan growth.

These are merely outstanding examples of major chores attended to. There was much activity also in the fields of labor and constitutional law. These subjects, plus the big one of fiscal and building program, are too extensive to be summarized here, and will be separately discussed.

Mr. SCOTT. Mr. President, I listened with great interest to the remarks of the distinguished Senator from Wisconsin [Mr. PROXMIRE] praising the Governor of that State, and describing what he had achieved in Wisconsin with a divided government. These accomplishments were attained with a Senate which was of the other party.

I hope the remarks of the Senator from Wisconsin will be carefully read by the Governor of Michigan, because, as we have seen in the press, one of the most common jokes nowadays is to speak of "Michigan on the rocks" as a popular beverage. Failure to work with a divided government in Michigan may perhaps be highlighted by what the Senator from Wisconsin has said.

In the Federal Government we have heard a great deal about divided government. I think we sometimes forget that that is contemplated in our system of checks and balances. The people may sometimes forget that divided government is exactly what members of the Democratic Party asked the people of the country to give them in the election last November. They knew that we had a Republican President. The Democratic Party said to the people, "Give us a Democratic Congress, and the Congress will work with the Republican President."

Therefore, to the extent that that has been accomplished, to the extent success has been achieved, certainly one must credit the accomplishments of a Democratic Congress in a Republican administration. Equally, to the degree to which it has not been achieved, no recrimination will serve as an excuse; and to the extent it has not been accomplished, let the people of the country remember that they accommodated the request for the Democratic Party for a divided government. Now we have it. It is the responsibility of all of us to make it work.

Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Pennsylvania.

THE GREAT WHITE FLEET

Mr. SCOTT. Mr. President, I rise for the purpose of commending the distinguished junior Senator from New York [Mr. KEATING] for what he has said about the Great White Fleet. I realize that I am one of the most junior Members of this body. Let me say in passing that I am delighted that we are to have another Republican Senator in this corner of the Chamber, to keep the Senator from Pennsylvania, the Senator from Vermont [Mr. PROUTY], and the junior Senator from New York from sliding off the bench. We are looking forward to the arrival of our new Chinese-American anchorman.

I believe that our new Senator from Hawaii, if he were present, would gladly join in praise of the Great White Fleet. Disraeli once said that no army is so powerful as an idea whose time has come.

The concept of the Great White Fleet, that of bringing relief to areas visited by disaster, bringing aid, medicines, supplies, help, and technical know-how to the nonindustrial or less fortunate countries of the world, is a magnificent idea. It depends very largely on private enterprise. I hope the Government, in its comparatively minor contribution, and, to a much greater extent, private enterprise, will meet the challenge and bring to fruition this wonderful idea, which would win us far more friends than we could win with much of our foreign aid program, through all the embassies in the world.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senator from Pennsylvania may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. SCOTT. I yield.

Mr. JAVITS. I have identified myself with the group which is working so hard for the Great White Fleet idea. I am very happy to identify myself with my colleague's sentiments. Of course, as he knows, I feel that the foreign aid program stands on a very different footing. We need it urgently; and I do not believe it should complicate this particular idea.

The Great White Fleet can be made a visible symbol of great significance. As we all know, a picture is worth more than many thousands of words. We are thoroughly convinced that the Great White Fleet will be emblematic of our solicitude for our fellow men, wherever they may be, and whatever the particular enthrallment in which they are held at the moment. So I am glad to identify myself with my colleague's views on that subject, and I am pleased to have had the opportunity to join him.

Mr. McGEE. Mr. President, will the Senator from Pennsylvania yield?

Mr. SCOTT. I am very happy to yield.

Mr. McGEE. I could not help being interested in the Senator's comment about his new Republican colleague from Hawaii and his great confidence that Senator-elect FONG will be associated with the proposal to establish a Great White Fleet. I myself am proud of being one of the sponsors of the bill.

I wondered whether the junior Senator from Pennsylvania was welcoming his new colleague in the hope that this would give him greater comfort and friendship as a sponsor of the Great White Fleet, or as more company on a rather lonely side of the aisle.

Mr. SCOTT. I may say to the Senator from Wyoming that I know the new Senator from Hawaii [Mr. FONG]. I am happy that he represents one of the great American ethnic groups, the Americans of Chinese ancestry.

I am delighted that Mr. FONG is a Republican. I am also much pleased that the Governor of Hawaii was elected on a land reform program, an imaginative program. This is a pretty good answer to some of our friends in the other body who say that we in the Republican Party lack imagination. I must confess that at times both parties lack imagination.

I welcome Mr. FONG principally because he is a patriotic American. He will be an outstanding Senator, and will undoubtedly espouse the humanitarian program which envisages the Great White Fleet.

Mr. McGEE. I thank the Senator from Pennsylvania for the clarification.

THE VICE PRESIDENT OF THE UNITED STATES

Mr. SCOTT. Mr. President, as I read the newspapers in my own State and those from various other parts of the Nation, I am delighted to see the acclaim editorial writers and columnists are giving to Vice President NIXON.

It was especially heartening to read the thoughtful comments of Mr. William S. White in his column published in yesterday's Washington Star. Mr. White wrote:

> The very fact he [Mr. NIXON] might one day be President of the United States was the very ultimate reason why he was sent to Russia in the first place. This was done not to assist RICHARD NIXON but to assist the high policy of this country. If it all helps him politically, as well it might, everybody concerned will just have to live with that fact.

I ask unanimous consent to have printed in the RECORD the column by Mr. White, and several other articles and editorials.

There being no objection, the articl and editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star, July 29, 1959]

NIXON SETS KHRUSHCHEV STRAIGHT—VICE PRESIDENT'S STRAIGHT TALK TERMED EFFORT TO AVERT RED MISCALCULATION

(By William S. White)

The so-called striped-pants set, the old career diplomats, tend to tut-tut Vice President RICHARD NIXON'S bare-knuckled politician's approach in Russia. But the truly responsible chiefs at the State Department—those who, under the President, actually run our foreign policy—are delighted by his performance in the first, or Moscow, phase of his mission.

Indeed, it can be stated responsibly, these controlling heads believe that if Mr. NIXON is able to wind up his trip without a major mistake he will have well done all he went to the Soviet Union to do.

Three circumstances have confused many estimates as to the effectiveness of the Vice President's trip. There is the quite unhidden fact of his fierce ambition. Of course, he wants to be President after 1960—as do some of his critics, too. There is the fact that, partly because of his past undoubted partisan savageries, he has enemies who will never credit him with doing anything well. And, most important of all there is this: Some have never understood what his assignment really was and was not.

If the real purposes of his journey are understood, this much can be said with complete confidence: It is not necessary to be for Mr. NIXON for President, or to like him or approve him even in the smallest possible way, to demonstrate that the Moscow phase has gone very well.

It is complained that Mr. NIXON is not a diplomat and has not acted like one. This is absolutely correct—and absolutely irrelevant. It is complained that he has been acting just like a politician. This is absolutely correct—and absolutely intentional. It is complained that he has been trading some tough and highly unreserved words with Nikita Khrushchev. That he has. But there was no mistake in this; quite the contrary.

For to trade such words with Khrushchev and other Soviet leaders was one of the two main reasons Mr. NIXON was sent to Moscow by the administration. His other main purpose was to set at rest, if he could, what our top people are willing to concede possibly were some honest misconceptions by Khrushchev about the United States.

The State Department was fed to the teeth with a series of easy world propaganda victories Khrushchev had scored in his previous conversations with unofficial envoys like former Gov. Averell Harriman of New York and Senator HUBERT H. HUMPHREY of Minnesota. State Department leaders had no criticism of the motives of such envoys. The Department felt, all the same, that they were not in position to do full justice to our side of the world argument.

And the Department wanted some person of great power—Mr. NIXON—not only to put our side to the world but also to warn the Russians against miscalculating our basic determination. The Vice President was briefed up to the neck by departmental experts on these points. He knew just what he was going to do and why. For example, his decision to come home by way of Poland was not sudden, though it looked to be. It was, in fact, a decision made here weeks ago.

For the bottom truth about the Nixon mission is simply this: The time had come when the cold war was too important to be left to the diplomats—as old Premier Clemenceau of France once said that war was too important to be left to the generals. The view of career diplomats and their followers to the contrary, it is politicians and not diplomats who in the end are controlling our system—and the Soviet system, too, if it comes to that. Secretary of State Herter, for example, is a politician, and a good one.

Diplomats, after all, are employees, if elevated ones. Politicians, however dreadful the word, still make the policy—and run the show. This they do because the Constitution gives them the right and because they represent the facts of life, which are the facts of power.

Certainly Mr. NIXON is running hard for President. But the very fact he might one day be President of the United States was the very ultimate reason why he was sent to Russia in the first place. This was done not to assist RICHARD NIXON but to assist the high policy of this country. If it all helps him politically, as well it might, everybody concerned will just have to live with that fact.

[From the Harrisburg Patriot, July 29, 1959]

THE VICE PRESIDENT HAMMERS IT HOME: BASIC UNITED STATES-RED DIFFERENCES ARE NOT ONLY MATERIAL ONES

While thousands of Russians are getting their first eyeful of some material tokens of life in the United States at the American National Exhibition in Moscow, it has remained for Vice President NIXON to guide them on a tour whose sights aren't as readily discernible.

The gaudiest headlines of Mr. NIXON'S mission to Moscow so far have been evoked by the rough and tumble impromptu debates before the gallery of Russian onlookers and the watchful U.S. press corps.

Both Mr. NIXON and Mr. Khrushchev have professed to enjoy such barbed exchanges and, now that some of the dust has settled, are outdoing each other in claiming that no offense was meant or taken.

But it is likely that Mr. NIXON'S biggest impact will, in the end, be found in his formal address at the exhibition's opening.

It was there that the Vice President gave the Russians a thumbnail lecture on what divides the East from the West beyond the model houses, miracle kitchens, and cyclorama.

Our capitalist economics:

"Let us start," said Mr. NIXON, "with some of the exhibits. You see a house, a car, a television set. * * * But can only the rich in the United States afford such things? If this were the case, we would have to include in our definition of 'rich' the millions of American wage earners. * * * There are 44 million families in the United States. Twenty-five million of these families live in houses or apartments that have as much or more floor space than the one you see in this exhibit. Thirty-one million families own their own homes. * * * America's

families own a total of 56 million cars, 50 million television sets and 143 million radio sets. And they buy an average of 9 dresses and suits and 14 pairs of shoes per family each year."

"The 67 million American wage earners are not the downtrodden masses depicted by the critics of capitalism in the latter part of the 19th and early part of the 20th centuries. They hold their heads high as they proudly enjoy the highest standard of living of any people in the world's history. * * * The caricature of capitalism as a predatory, monopolist-dominated society is as hopelessly out of date, as far as United States is concerned, as a wooden plow.

"What about the strikes which take place in our economy, the latest example of which is the steel strike which is going on? The answer is that here we have a first-hand example of how a free economy works. The worker's right to join with other workers in a union and to bargain collectively with management is recognized and protected by the law. * * * No man or woman can be forced to work for wages he considers to be inadequate or under conditions he believes are unsatisfactory."

These are some facts of which the Russian people have been kept in ignorance by their masters. They don't have to take Mr. NIXON'S word for them. But, as the cultural exchange program expands, the chances are that verification will spread, despite the Kremlin's propaganda and suppression.

Perhaps the basic issue that separates the Russians from Americans is this country's concept of freedom. Again, Mr. NIXON didn't indulge in vague, idealistic generalities.

"Let me give you some examples," he said, "of what freedom means to us.

"President Eisenhower is one of the most popular men ever to hold that high office in our country. Yet never an hour or day goes by in which criticism of him and his policies cannot be read in our newspapers, heard on our radio * * * or in the halls of Congress."

And, said Mr. NIXON, he would not have it "any other way. We * * * trust the people. We constantly submit big decisions to the people. Our history convinces us that over the years the people have been right much more often than they have been wrong."

Are the U.S. people, then, united behind the U.S. Government? Or is the Government, as Mr. Khrushchev has contended, unrepresentative of the masses?

This, too, Mr. NIXON illustrated cogently in his democratic exposé in Moscow.

"Any administration," he said, "which follows policies which do not reflect the views of our people on the major issues runs the risk of defeat at the next election. When our elected officials cease to represent the people, the people have the power to replace them with others who do."

It was a simple speech.

Nothing in it was new to American ears. But to Russian ears it represented a primer in democracy.

Perhaps it gave the Russians something to ponder along with their memories of the model house, the automatic washers, and the flashy automobiles they saw in Moscow's Sokolniki Park.

[From the Washington Star, July 29, 1959]

REACTION TO NIXON'S ADVENTUROUS MISSION TO MOSCOW

Vice President NIXON'S encounter with Nikita Khrushchev at the opening of the American exhibition in Moscow confirms our conviction that absolutely nothing that we can possibly say or do will make the Communists change their hostile attitude toward us.

How do the Russian people explain Khrushchev's behavior? As an American of Russian birth and education, plus many years of residence there and close contact with events since 1917, I might shed some light on the subject.

An old Russian adage says "God forbid if a mouzhik (peasant) should ever become a lord master." Khrushchev has given us ample evidence of late of possessing the lowest traits of the lowest mouzhik. He can no more change his manners and tactics than his "svinoye rilo"—pig's snout—as the Russians call his appearance.

An adage applicable to this individual now ruling over 200 million enslaved Russians is: "What the sober man has on his mind, the drunk has it on his tongue." No doubt Nikita had a few shots of vodka before meeting our Vice President, and what he said is precisely the guided thinking of himself and his fellow conspirators.

When will this sorry spectacle end? What could straighten them out? Certainly not the delegation-exchange fallacy now in vogue; certainly not lifting the restrictions on exports of strategic equipment or materials to the Soviet Union; certainly not another summit meeting which might turn out a greater fiasco than the first one in Geneva in 1955. It could only be another opportunity for Khrushchev to berate the President and to insult us before the whole world.

What is good for Khrushchev—our machinery, equipment, and strategic raw materials, or techniacl know-how—is bad for us, because our trade with the Soviets has always been and always will be a one-way street.

ANTHONY MARCUS,
Institute of Foreign Trade, New York.

Three cheers for NIXON. His handling of Khrushchev was superb. We need more world leaders putting this exterminator of 10 million Ukraine kulaks and the liquidator of the 30 thousand Hungarian freedom fighters in his place. Khrushchev said we feared Russia. NIXON soundly squelched that by showing he held no fear. Now if more Milquetoasts throughout the world would show similar courage, Khrushchev would lose his bargaining position and his strength—the fear which he has sown in the hearts of so many by his propaganda blasts—would be dissipated.

Once he realizes he has lost his weapon of fear over the Western World and the neutral bloc, he will be as powerless as Samson after his hair was clipped. Fear can paralyze the strongest of men; but courage can project the weakest to heights unknown.

To what heights then can the free world arrive, if we minimize fear and maximize courage? And by courage, I mean boldly enunciating truth face-to-face with those who supplant truth with the ethics of evil.

J. F. F.

Good for Vice President NIXON and a superb display of real "freedom of speech." Think of the humiliating position we would have found ourselves in if Mr. NIXON had been forced to stand with bowed head before Communist Khrushchev's personal and exuberantly public remarks while Washington pondered what to say. Truly, then we might have seemed "panic stricken."

Naturally, we did not relish what seemed an obvious attempt by the Soviet Premier to put our American political system and its leaders on the same level with communism and Communist leaders, and to downgrade our goodwill expedition. But perhaps as long as we accept Khrushchev's apparent geniality as just an attempt at putting his best Communist-propaganda foot forward, and not as an indication that Communists have given up their dedicated drive to communize the world, we can keep things in their proper perspective.

LILA D. SONNEMANN.

It is alarming to read in Constantine Brown's column that Nikita Khrushchev may be suffering from a mental disorder. This poses an even graver problem to Western military leaders. It is hard enough to figure out what a Communist in his right mind will do.

Averell Harriman thinks that Khrushchev is definitely off base in his viewpoint of the attitude of American labor toward the free enterprise system. If this is true, it might be a good idea for Khrushchev to visit the United States and find out for himself, by personal consultations, plant visits, etc., what the American worker thinks about socialism, free enterprise, etc.

Admittedly, a visit by the Soviet Premier will be repulsive to many people. But if it helps change Khrushchev's mind about the United States, and thereby improves the tense world situation, the visit should be made.

The United States is predominantly a Christian and God-fearing nation. Perhaps when Khrushchev sees what Christians and Jews have done with our country—its wealth, its happiness, its high standard of living for the worker, he may decide that atheism is the wrong solution to the world's problems.

ROBERT S. TRIPLETT.

After reading the account of Vice President NIXON'S discussion with Khrushchev, I feel inclined to ask whether this is really the best representative we can send to Moscow. I do not recall ever hearing about more undiplomatic or nonsensical behavior. And this is the man whom the Republicans would like us to elect President. Heaven help us.

DISAPPOINTED.

Mr. NIXON is doing a remarkable job for America—and for peace. He and Mrs. Nixon deserve the approval of all Americans for standing toe to toe with the Soviet leaders. They are doing a wonderful job of bridging the gap between America and Russia, thus laying the cornerstone for the one world of Wendell Willkie.

ALBERT PRICE.

PHILADELPHIA.

[From the Washington Star, July 29, 1959]

HE'S DOING ALL RIGHT

Some of our amateur political experts, especially those to whom the man's very name is anathema, are taking a dim view of RICHARD M. NIXON'S Russian-Polish tour. They think the Vice President is up to no good and they devoutly hope that he will fall flat on his face.

It is interesting to note, however, that the professionals take a somewhat different view. They realize that the trip can boost the NIXON political stock in this country. Most of them also think, or profess to think, however, that it may help relations between our two countries or that, in any event, it is not doing any harm in this respect. Some of these professional views appear to be colored by the individual's own stake in the game. Thus, Senator KENNEDY, a leading Democratic presidential prospect, comments rather tartly that the trip has been helpful to NIXON. Senator HUMPHREY, another Democratic hopeful, thinks the idea of the trip was very constructive, but he doubts that the Vice President should have gotten into a rough-and-tumble debate with Mr. Khrushchev. The Minnesota Senator says that Mr. Khrushchev is a tough man to handle in such a contest, and, having spent 8 hours with him, he ought to know.

Other Democrats, who are not presidential aspirants in their own right, have been surprisingly favorable in their comments, among them bieng such men as Senators FULBRIGHT and PROXMIRE. The Republicans, of course, with the notable exception of Governor

Rockefeller, whose opinion has not been recorded, would have you believe that the NIXON trip is the answer to all our troubles, and why wasn't something of the sort done long ago.

In our judgment, without attempting to be either pro-NIXON or anti-NIXON, it seems perfectly clear that the Vice President, up to this point at least, has had a successful trip, and this is bound to improve his personal political fortunes. It does not mean, of course, that he necessarily is the best man for the Presidency, or that he has either the nomination or the White House in the bag. Neither does Mr. NIXON's trip, assuming that it will be a bangup success in both Russia and Poland, bring us to the point at which the storm clouds hanging over our relations with the Soviet Union are about to be blown away.

The trip was not made with any such expectation and it would be childish to expect any such result. The most that it can do, again assuming its success, is to help prepare ground for the cultivation of a better understanding between our two countries. This, however, is something which is important, and which should not be underestimated. Soon or late, something is going to have to give in the relationship between the United States and Russia. We hope that the break will come in the form of an easing of mutual distrust and dangerous ambitions. There is no really good reason, economic or otherwise, why this is not an attainable objective. And those among us, in both countries, who seek some petty advantage by fanning the fires of suspicion and fear should not forget that the alternative to a workable live-and-let-live arrangement will almost certainly be a mutually ruinous war. If Mr. NIXON's trip casts a little weight in favor of the former and against the latter it will have been well worthwhile.

[From the Washington Star, July 29, 1959]

CHANGED KHRUSHCHEV UNLIKELY—NO EFFECT ON GOAL OF U.S. SURRENDER SEEN POSSIBLE IN VISIT TO AMERICA

(By David Lawrence)

Many people who watched the boorish, arrogant Khrushchev on television a few nights ago wondered why such a dictator and bully should be humored so much by the American Government. In view of the deliberate distortions of the Nixon-Khrushchev repartee in the officially controlled press and radio of the Soviet Union, the question that naturally arises now is what possible good could come from a summit meeting with such an irresponsible mind.

There is nothing really new being uncovered nowadays about the Khrushchev personality. He has talked for hours with various American officials and other prominent men from Western countries. He is shrewd and skillful in debate. He is used to having his own way and can't understand why the United States doesn't knuckle under at his command.

His point of view hasn't changed a bit since he first grabbed power in the Kremlin. He insists that the way to ease tensions and prevent crises in the world is for the United States to do what he says. There is no middle ground, as he sees it, between capitalism and what he inaccurately calls socialism. In the end, he is sure one will triumph, and he is confident it will be Communist imperialism rather than the system under which America and the West have thrived.

Most of Khrushchev's visitors, including perhaps Vice President NIXON, come away with the idea that maybe it would be a good thing to educate the Soviet Premier by arranging for him to come to the United States for a visit.

But this is a fallacy. Khrushchev can no more be educated than Hitler could have been. The two men are very much alike. There is one little difference—Khrushchev secretly orders his murders and tortures of dissenters, while the Nazi dictator did it openly and boasted about it. Khrushchev is responsible for the execution or exile of thousands of Hungarians. The present Hungarian Government is his slave and captive, as also are the other neighboring countries in Eastern Europe. But Khrushchev resents any mention of captive nations.

What Khrushchev lacks is a sense of decency and dignity and an appreciation of the other fellow's viewpoint. He is as absolute as a czar. The impression has been widely spread that he has an inferiority complex and wants to be invited to stay at the White House so as to show off to his people that he is accepted as a world leader. But even after he did this, he probably would argue just as vehemently that what America and Europe need is communism. He has an obsession on the subject of world conquest.

To accord Khrushchev the kind of invitation he wants is to give him a chance to make propaganda and belittle the very country that would be treating him as its guest. He would distort the purpose entirely on his return home and boast to his people that even America recognizes his prowess in a position of leadership in the world.

In the Soviet Union Khrushchev isn't popular with the people outside the ruling Communist group who are familiar with his personality. He needs prestige at home. One way to get it he thinks, is to be accorded attention by the heads of other governments. He enjoys being sought after. He nevertheless plays constantly at the game of trying to divide the Western allies by appealing to their materialistic interest in trade relationships.

What should the West do about such a dictator? Domestic politics in Britain and a tendency on the part of some British Labor Party people to seek a close working arrangement with the Kremlin complicate the problem for the West. As for France, General de Gaulle declares he wouldn't come to the United States for a summit meeting and says it should be held in Europe if at all. So, even if the United States were agreeable to a meeting with Khrushchev in this country for the summit, French objections would prevail.

Then what about a summit meeting of only President Eisenhower and Nikita Khrushchev in the United States? This would arouse suspicions among our allies. It's true that Prime Minister Macmillan went alone to Moscow, and Khrushchev showed his bad manners by insulting his guest in a public speech.

The British leader, incidentally, was busy for weeks afterward explaining that he wasn't making any separate deals. So it seems that if General de Gaulle will not come, there is no likelihood of a summit meeting in America. If one is held, it will be in Europe, and President Eisenhower would attend reluctantly and then only if progress has been made through the four foreign ministers toward a settlement of the Berlin problem.

Judging by the way the Soviet Premier has handled the visit of Vice President NIXON, nothing substantial would result from a summit meeting. Khrushchev doesn't understand that an American President isn't a dictator and can't make deals. And the only kind of deal the Soviet Premier wants is of the appeasement and surrender variety. This he will never get as long as Dwight Eisenhower is in the White House.

[From the Washington Evening Star, July 29, 1959]

NIXON AND KHRUSHCHEV: TV TWINS—TWO LEADERS CALLED SUPERB AT REPARTEE—PREMIER GIVEN AN EDGE AS A "HAM"

(By Ralph McGill)

MOSCOW.—If RICHARD NIXON and Nikita Khrushchev ever were to give up politics and government and go in for a television act together, they would be assured of profitable contracts and no shortage of sponsors. Both are superb at repartee, but Nikita maybe has an edge. He can ham things up with great skill and has a genius for phrase making.

There was, for example, the meeting between the two at Khrushchev's dacha or villa. It is a 30-minute drive outside Moscow. One turns left off a two-lane highway to a beautiful grove of trees and a two-story house by the Moscow River. This was where he and the Vice President had their private talk. It was held after an afternoon of tea-boat excursions and a social time in which the wives of Messrs. Mikoyan, Kozlov, and Khrushchev joined with Mrs. Nixon.

Vice President NIXON, impressed with the very real beauty of the home and grounds which include flower gardens, said: "Imagine this, just 30 minutes from Moscow. In Washington we must drive at least 2 hours to Camp David."

"Here," said Khrushchev, "if you drive 2 hours you can shoot bears."

Once in the early informal talks, the Vice President remarked that some persons had said he looked like Andrei Gromyko, the Soviet Deputy Foreign Minister.

"Yes," said Khrushchev, "but not inside."

It was unfortunate that the Senate of the United States chose the time of the Nixon visit to adopt the resolution of prayer for the enslaved peoples of the Soviet Union. It is not well known here, of course, that such resolutions go through our Congress routinely. It is our custom to designate weeks to celebrate the strawberry, the apple, the Boy Scouts, girdles, and various other chamber of commerce activities.

But the net result has been beneficial to Khrushchev. He has made many effective references to the enslaved peoples resolution. He has done it by holding the arm of a grinning worker and asking if he looks like a slave. He has mentioned it at their really impressive scientific exhibit by asking if such things could be done by slaves.

On the day of the formal talk the boat trip passed by a number of river beaches.

Mr. NIXON, who can do well in these scenes, has without question earned the gratitude of his Nation by learning a few words of Russian. Until he came along, the Soviet had almost a monopoly on the word peace. Mr. NIXON has given it a good ride. He speaks over and over in Russian for friendship and peace. The result is good. The boats stopped before the eight beaches to let swimmers come up and hold onto the boats and shake hands at each halt.

Khrushchev said: "See our happy slaves." Mr. NIXON retorted: "Mr. Krushchev is good at propaganda."

"Not propaganda," said the roly-poly little man who is remaking Russia nearer to his heart's desire, "the truth."

All this, of course, is being reported by Tass, the Soviet news agency, and by reporters from India and all the Asian countries. They are making much of the slave issue and it has hurt the United States from the propaganda viewpoint. But let us all raise a cheer for Mr. NIXON. Whatever we may think of this controversial man whom many Americans do not like politically, he has done a fine job here. He is a guest, therefore he must have some reticence, but he understands Khrushchev, and if I am any judge of appearances, Khrushchev has a respect for him. Both are good at playing a role, and both know when it is being played.

Some American reporters, lacking a sense of national responsibility, sent back inaccurate stories saying the two men had insulted one another in their famous kitchen debate. This was not true and both have said so. Mr. NIXON is doing a job that could not have been done by President Eisenhower or Sec-

retary Herter. It is one the late John Foster Dulles could not have brought off.

Nothing may come of it in tangible results, or something may, but he has done a fine job for all of us by coming here intelligently alert and prepared.

SENATOR JOSEPH C. O'MAHONEY, OF WYOMING

Mr. McGEE. Mr. President, on the Associated Press news ticker last evening I noted with interest an item which attributes to the national chairman of the Republican Party the following statement:

> The seat of Senator O'MAHONEY will be one of the Republican National Committee's prime targets in the 1960 campaign.

The mention of Senator O'MAHONEY's seat as a prime target moves me to report to Senators the progress which the distinguished senior Senator from Wyoming is making at the summit at Bethesda Naval Hospital. On last Friday, he walked around the hospital room for the first time. This symbolizes, as the doctor said, an approach to the complete recovery of the use of his limbs.

I tried to contact the Senator yesterday afternoon, but he was out for an automobile drive.

This afternoon a group from this body will have a meeting with Senator O'MAHONEY in a legislative conference affecting some bills yet to be introduced and considered by this body.

I thought Senators would like to know that the senior Senator from Wyoming is not only doing very well at this time, but is also in there pitching like the rest of us.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. KEATING. I know that I speak for all Senators when I say that we are perfectly delighted to learn of the fine progress which Senator JOE O'MAHONEY is making in his recovery. There was nothing, I am certain, which was said by the chairman of the Republican National Committee which would in any way be in conflict with those feelings. We rejoice that the senior Senator from Wyoming is making progress. This much beloved, popular Member of the U.S. Senate has been my stanch and true friend for years, beginning when I was a Member of the other body. We all wish him a speedy return to good health.

Mr. McGEE. I appreciate the comments of the junior Senator from New York. I assure him that it was because all of us have a concern in the complete recovery of the senior Senator from Wyoming that I spoke on this subject. Inasmuch as there was much interest in the statement made by the Republican national chairman about the seat of the senior Senator from Wyoming in the Senate, I thought a progress report would be very much in order.

TRANSPORTATION OF FREIGHT BY PROPJET AIRPLANES

Mr. CAPEHART. Mr. President, the wonders of our air age never cease.

The transition from the piston-driven airplane to jet propulsion is proceeding faster than the fondest dreams of a few years ago.

For business, for pleasure, for diplomacy, the jet airplane has become a commonplace instrument of usefulness for the average man.

Now comes the news of another great advancement. I hold in my hand, Mr. President, the announcement of Pan American Airways that it has ordered 12 Lockheed freight carrying planes of the propjet type, each capable of transporting a 35-ton payload across the Atlantic Ocean.

Mr. Juan T. Trippe, the president of Pan American, estimates that deliveries may be made in 1962.

The development of this airplane, Mr. President, is a matter of special pride to me because it is to be propelled by four General Motors propjet engines produced by the Allison Division of the General Motors Corp., in Indianapolis, Ind.

The announcement from Pan American tells the story better than I can, Mr. President, and I ask unanimous consent that a copy of the announcement be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

As a further step in its program designed to effect a drastic reduction in air cargo rates to Europe, to Africa, to the Middle East, to South America, and to the Orient, Pan American World Airways has ordered 12 special long-range Lockheed 207 propjet air freighters at a cost, including spares, of $60 million, Juan T. Trippe, president, announced today. The new 115-ton cargo aircraft will be powered by four General Motors-built Allison propjet engines each of 6,500 horsepower. With continued development support by the Government for the engine as well as development support for the airframe, deliveries are scheduled for early 1962.

The special Lockheed 207, incorporating added range to meet Pan American specifications, can operate nonstop in either direction across the Atlantic carrying a 35-ton payload. The new propjet will have four times the work capacity of the company's largest piston-engined cargo aircraft.

"The low ton-mile cost of Pan American's new cargo fleet," Mr. Trippe said, "should permit cutting nearly in half most oversea cargo and mail rates. This would permit the Post Office Department to move ordinary mail, without airmail surcharge, throughout the world and at a substantial profit. It would also permit nearly half of our oversea parcel post to move by air. Equally important U.S. magazines and newspapers—so useful in the cold war in selling abroad our country's way of life—could be delivered at low cost anywhere in the world by air.

"The development of new cargo business on a volume scale," Mr. Trippe continued, "will permit retention of many skilled Pan American personnel who otherwise would be displaced as a result of the technological impact of the jet age."

Its ability to land on runways as short as 4,000 feet, its truck-bed loading, its long range and great capacity, combine to make the Pan American propjet cargo fleet a useful reserve to the Armed Forces.

Furthermore, the long-term precedent-making contracts recently signed with the seven international unions, representing all organized Pan American personnel, in the air and on the ground, assure the armed services that any military cargo and personnel entrusted to the company will be transported without delay or interruption—even though civilian services were suspended as a result of a possible labor dispute and work stoppage in the future.

Pending delivery of the Lockheed 207, Pan American has arranged for the conversion of many of its passenger-carrying DC–7C's into all-cargo configuration. These long-range piston-engined aircraft, capable of nonstop transatlantic service in both directions, will be for several years the fastest all-cargo planes in oversea service.

The PRESIDING OFFICER. Is there further morning business?

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RESOLUTION TO PERPETUATE MEMORY OF JAMES MADISON

Mr. NEUBERGER. Mr. President, I have introduced in the Senate, Senate Joint Resolution 117, providing for a Federal Commission to develop plans for a memorial in our National Capital to James Madison, fourth President of the United States, and principal author of the Constitution of the United States.

One of the most brilliant lawyers in Oregon, Hon. Robert F. Maguire, has sent me a most thoughtful and informative letter supporting this proposal. Mr. Maguire's comments emphasize the great contribution made by James Madison, not only to the Constitution, but also in translating the high ideals of the American Revolution into a workable and operating government.

It is disturbing that so many obscure figures in history are honored here in Washington, but not the illustrious Madison, who contributed so greatly to the development of our Nation.

Mr. President, I ask unanimous consent that the letter to me of July 27 from Hon. Robert F. Maguire, of Portland, Oreg., be printed in full in the body of the RECORD, where it may serve to stress the reasons for adoption of Senate Joint Resolution 117.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAGUIRE, SHIELDS,
MORRISON, BAILEY & KESTER,
Portland, Oreg., July 27, 1959.

HON. RICHARD L. NEUBERGER,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR DICK: Many thanks for your letter of July 20 enclosing a copy of the CONGRESSIONAL RECORD concerning the joint resolution for the memorial to James Madison. It is most appropriate that the great work which he did in the early days of the then new Nation should be recognized; and it has been a matter of regret to me that except to historians and political philosophers so few people have any conception of its importance and value. This I believe is in large part due to the fact that he was a man of great modesty and that he lacked the dramatic qualities of personality which attract the eye and intrigue the imagination

of the common man. No one, however, who has been interested in the struggle which took place when the articles of confederation were discarded and it was necessary to prepare a framework which would make possible the translation of the high ideals of the Revolution into form and shape that could weather future controversies between conflicting interests and efficiently express the desire of men to govern themselves, can ever forget the remarkable work which Madison performed in these respects.

Although lacking the brilliance of Hamilton, Madison possessed qualities of mind and heart which the former lacked, and had a vision of the possibilities of growth in every man which Hamilton never appreciated or understood, and of course it was Madison's skill not only as an exponent, but as a negotiator, which convinced the people not only of the key State of Virginia, but also many others, that the Constitution should be adopted.

I hope the Congress will not shelve your resolution, but adopt it and give it life.

Sincerely,

ROBERT F. MAGUIRE,
Attorney at Law.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Without objection, it is so ordered.

BEAUTIFUL PENNSYLVANIA

Mr. SCOTT. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Pennsylvania may proceed.

Mr. SCOTT. Mr. President, I am somewhat reminded of the Californian at the wake who found very few people willing to speak good of the deceased. After a suitable interval, when nothing seemed to be happening, and there was a hiatus, this Californian rose and said that if no one had anything to say about the deceased, he would like to talk about California.

As a Pennsylvanian, and recognizing the fact that my senior colleague from Pennsylvania is on the floor, I am reminded that at this time we are in the period of humid weather in Washington. I am fully cognizant of the fact that if this Chamber and our offices were not air conditioned, we would have been home long before this. I should like to call the attention of our desk-bound senatorial representatives from all the other States to the beauties of Pennsylvania, to our shimmering streams along which they could go fishing, to the benign temperatures of our forested areas and our magnificent lakes where they could laze away their leisure hours or swim in our lovely waters, to the beauties of Lake Erie to the pleasures of suburban living in our urban neighborhoods, to the opportunity to travel along our magnificent turnpike and our splendid highway system, which is gradually being enhanced by continuing Federal aid, and which will perhaps be further enhanced if we pass a bill providing for an additional gas tax, if the Members of this body and of the other body can gird up their loins to face the dreadful prospect of any sort of a tax increase. They could indeed enjoy the beneficence of Pennsylvania's countryside and the hospitality of its cities. They could be having themselves a great deal more fun than by staying around Washington wondering when Congress will adjourn or will dispose of pending business.

The lure of Pennsylvania is so great that I may be in danger of talking myself into going home unless something happens around here soon.

I see my colleague, the distinguished senior Senator from Pennsylvania, is on his feet. I have been wondering how he has been able to restrain himself this long without joining in a colloquy with me as to the natural wonders and the magnificent handiwork of man which have combined together to create this great Commonwealth of ours, the beautiful State of Pennsylvania.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the junior Senator from Pennsylvania yield to the senior Senator from Pennsylvania?

Mr. SCOTT. I am happy to yield to my colleague.

Mr. CLARK. Mr. President, I am grateful to my colleague for the eloquent statement he has made of the beauties of the State which he and I are honored to represent in this august body. I respond to the challenge which he gave me to participate in speaking of its glories.

I point out that the nights are cool now in the Poconos; and that the Grand Canyon of Pennsylvania in Tioga County, near Wellsboro, is an inspiring sight—perhaps not quite up to the Grand Canyon of the Colorado, but nevertheless well worth a "look-see" by vacationists.

I further point out that our Commonwealth, while now a wonderful vacation place, will perhaps be even a better vacation place later in the fall when the Senate will be in adjournment, because I think I am correct in saying that we have more wild game in the Commonwealth of Pennsylvania than there is in any other State of the Union, and that the beauties of our Commonwealth range all the way from Delaware County on the southeast to Pike and Wayne Counties on the northeast, to Erie County in the northwest, and to Greene County in the southwest.

We commend, to all our colleagues and to all readers of the CONGRESSIONAL RECORD, Pennsylvania as the great vacation land.

I am sure my colleague would now be glad to yield to the distinguished Senator from Vermont [Mr. AIKEN], who perhaps has something to say on the same subject.

The PRESIDING OFFICER. The Senator from Vermont would like to address the Senate and the galaxy of Senators in attendance.

Mr. AIKEN. Mr. President, I yield myself 2 minutes.

Mr. SCOTT. Mr. President, if necessary I will yield 2 minutes to the Senator from Vermont.

LEAVE OF ABSENCE

Mr. AIKEN. Mr. President, I have been so moved by the nostalgic utterances of the Senators from Pennsylvania that I ask unanimous consent of the Senate to be absent from the Senate until next Monday.

The PRESIDING OFFICER. Without objection, leave is granted.

Mr. AIKEN. I thank the Presiding Officer. Mr. President, I am going to Vermont.

Mr. CLARK. Mr. President, I reserve the right to object only because my good friend the majority leader, whom we expect back on the floor very soon, I think might want to pass upon the very serious question of policy involved in the request of the Senator from Vermont. [Laughter.]

Mr. SCOTT. Mr. President, for that reason, if the Senator will yield, I hope the Senator will defer his alluring suggestion until we can hear from the majority leader who, perish the thought, probably has some matters which he wishes to bring to the attention of the Senate.

Mr. RANDOLPH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from West Virginia?

Mr. CLARK. I am happy to yield to the Senator from West Virginia.

THE ALLUREMENT OF WEST VIRGINIA

Mr. RANDOLPH. Mr. President, it is not difficult to indicate that West Virginia has all the allurements mentioned by Senators SCOTT and CLARK, in greater degree than does their Commonwealth of Pennsylvania. That fact, of course, can be easily substantiated. Just come to our rolling hills, our verdant fields, our broad valleys, our shimmering mountain streams—and you, too, will discover this land overlooked.

I think it is important, however, that we be specific as to the value of Federal projects, in which there is joined the local interest of funds provided and the cooperative effort of the government and the people. By these means we are able to create a monument or a park or a recreation area which has a lasting interest not only to the people of the immediate section but also to people from all parts of the United States.

Mr. President, the urge to be somewhere else holds fascination for millions of persons.

Work-weary people exchange, for a few days or weeks, their tedious tasks for the exhilarating journeys which refresh physical bodies and renew lagging spirits.

Yes; a change of scene is working wonders for those men and women whose routine jobs become so deep they seem like dungeons. Schedules, which are like straitjackets, are ripped away, as we open wide the doors to the roads beyond.

On cushioned tires, over singing rails of steel, in sturdy ships at sea, on graceful wings of flight—a host of happy travelers return to their own doorsteps with minds and souls restored.

The once popular song words, "I was born to wander, I was born to roam" continue to be lived by vacationers and tourists who have been lured "to the faraway places with the strange sounding names."

But, my colleagues, it is not necessary to travel thousands of miles from the Nation's Capital to find rare natural beauty in abundance. Come to West Virginia, and you will find a wonderland.

I invite the attention of the Senate to the work which is being done at the Harpers Ferry, W. Va., National Monument. This park was created many years ago through an authorization of the Congress of the United States, and the countryside which forms the acreage of this scenic and historic section was given to the Federal Government, for administration by the U.S. Park Service, by the States of West Virginia, Virginia, and Maryland. West Virginia acted more promptly than its sister States in providing these necessary lands.

It is my purpose to indicate the attractiveness of the area in question. Thomas Jefferson stood on what is now commonly known as Jefferson Rock, and as he looked eastward down the Potomac River said, "The view from this point is worth crossing the Atlantic Ocean to see."

During the 12 months' period, 2 years ago, 177,000 persons, men, women, and children, visited the Harper's Ferry National Monument. During the past year, the figure rose to 270,000.

I am only indicating that although we like very much to hear about the beauties of a certain region, as in the colloquy between the Senators from Pennsylvania, joined by the Senator from Vermont, about the glories of those States, the Senator from West Virginia would not want the opportunity to pass without specific reference to a historic and scenic area within 1 hour and 15 minutes drive of Washington, D.C., because when we go to that section of the magnificent Mountain State, we shall return to our work refreshed and rejuvenated.

Yet, the Harper's Ferry Monument is only one of a number of National and State park and forest accommodations which offer the jaded urbanite the attractions of nature in the unparalleled beauty of West Virginia. Within an afternoon's drive from Washington are many of the 21 State parks and 10 State forests, comprising nearly 140,000 acres, and all dedicated to healthful leisure-time activities of State residents and tourists alike.

These parks and forests, nestled among high forested mountains with miles of winding trails, offer countless opportunities for outdoor activities. Here is the habitat of deer, bear, grouse, and wild turkey; here are mountain views and vistas, mineral formations and waterfalls; here in season are hillsides ablaze with the blossoms of flowering trees and wild flowers—all creating a wonderland of nature seldom equaled and never surpassed.

Our State parks and forests offer a wide variety of accommodations for the interested tourist and camper, ranging from outdoor facilities for picnicking and camping to deluxe cabins and lodges. Facilities for enjoying the outdoor sports of every season—swimming, sailing, hunting, horseback riding, fishing, and skiing—all are available within the forest and park system of West Virginia.

It is in that spirit, rather than in an attempt to join in a discussion of the comparative delights of Pennsylvania and West Virginia, that I have spoken in this instance. This poem is expressive of my feeling:

MY HERITAGE

(By Virginia Lee Ryan)

To dwell beneath the skies of West Virginia,
And listen to the bird song sounding sweet
To find a verdant pathway in the forest
Where I can feel the grass beneath my feet;

To seek the byways where the crimson flowers
Are smiling daily as I wander by;
To watch the moonlight glorify the waters,
Or see the sun god ruling in the sky;

To lift my eyes up to a purple mountain,
And worship all the beauty of an age;
These things I ask, and these I have been given;
Nor could I claim a richer heritage.

Mr. SCOTT. I thank the distinguished Senator. The general sentiment is "Let's all go home."

Mr. President, I now yield the floor.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

DISPOSITION OF PHILADELPHIA ARMY BASE

Mr. CLARK. Mr. President, I ask that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2210) to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa.

Mr. JACKSON. Mr. President, the pending bill, Senate bill 2210, was reported unanimously from the Committee on Armed Services. The purpose of the pending measure is to authorize the Secretary of the Army to convey to the city of Philadelphia, on or before June 30, 1960, at the fair market value, the real property involved in the Philadelphia Army Base at Philadelphia, Pa. The property in question consists of 53.75 acres of land, together with the appurtenances thereon.

The Philadelphia Army Supply Base was completed at a total cost of $12,850,500. The committee is advised that at the present time the facilities are in a rather bad state of repair. The indications are that about $1,250,000 will be required for the rehabilitation of the existing property.

The committee added an amendment requiring the Secretary of the Army to report back to the Armed Services Committees of the Senate and House prior to the final disposition of the facilities.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The LEGISLATIVE CLERK. On page 2, after line 4, it is proposed to insert a new section, as follows:

SEC. 3. Within at least thirty days prior to execution of the quitclaim deed, the Secretary of the Army shall report to the Committees on Armed Services of the Senate and of the House of Representatives his determination of the fair market value of the property authorized to be conveyed by section 1.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, I rise in support of the bill as amended. The bill was originally introduced in the Senate on behalf of my colleague from Pennsylvania [Mr. SCOTT] and myself.

The importance of the bill to the further development of the port of Philadelphia is difficult to overstate. We are now bringing into the port of Philadelphia the largest cargo tonnage of any port in the United States. While a great part of that tonnage consists of oil and iron ore, a substantial amount of it is general cargo tonnage.

The two piers at the Army base are badly needed by the city of Philadelphia to handle the additional general cargo which has been coming into the port of Philadelphia since the end of World War II. I believe that the proposed arrangement is eminently fair to the Federal Government. The piers are surplus to the needs of the Army. They are badly run down. The city of Philadelphia will have to spend a substantial amount of money to repair them. The bill calls for their conveyance at fair market value.

Because, in my judgment, the acquisition of these piers by the city of Philadelphia will be of great benefit to the whole Delaware River Valley and to the commerce of the Atlantic seaboard south of New York and north of Baltimore, and because, in my opinion, the proposed arrangement with the Federal Government is eminently fair from the taxpayers' point of view, and because the Army has no further need for these piers, I hope very much that the bill will be enacted.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. CANNON. May I ask the distinguished Senator from Pennsylvania whether these facilities are now being used by the military service?

Mr. CLARK. Not actively.

Mr. CANNON. In other words, there is no real need for the property at the moment?

Mr. CLARK. The Senator is correct. If he will examine the report of the committee, he will find a letter dated July 16, to the Senator from Georgia [Mr. RUSSELL], signed by Wilber M. Brucker, Secretary of the Army, stating that he is in accord with the disposition, and that the piers are not needed by the Army.

Mr. CANNON. As I understand, the city will pay such figure as is determined to be the fair market value.

Mr. CLARK. That is correct. We have in mind the formula of our colleague, the senior Senator from Oregon [Mr. MORSE], to the effect that the Government must receive the fair market value. It will receive the fair market value.

Mr. SCOTT. Mr. President, as cosponsor of the bill, I shall take very little time, other than to concur in what has been said by the Senator from Washington and my senior colleague from Pennsylvania.

During the previous Congress I was the author in the other body of a similar bill, and there were bipartisan appearances and negotiations with the Department of the Army. There was much discussion of the so-called city of Stockton formula for the disposition of piers.

What we were all trying to avoid was the possibility that the Army might decide to put the piers up at forced sale. They might then be turned into warehouses, or loft properties, and be lost for future possible national defense needs, as existing ports.

It is my understanding that the city of Philadelphia intends to maintain the piers as operable ports. As the senior Senator from Pennsylvania has said, it will require a considerable sum of money to rehabilitate them.

The Army is desirous of having the piers available for possible future mobilization needs, but has no present mobilization requirement for the piers, and has stated that they are in excess of Defense Department requirements.

The bill conforms with the so-called Morse formula with respect to fair market value.

We have heard of no objection to the bill, and I hope it will be acted upon favorably at this time.

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by the distinguished senior Senator from Oregon [Mr. MORSE].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

S. 2210 would authorize the Secretary of the Army to quitclaim to the city of Philadelphia 53.75 acres, together with improvements, located at the Philadelphia Army Base.

The conveyance would be made at fair market value of the property subject to any terms, conditions or reservations the Secretary of the Army shall determine to be in the public interest.

The bill also contains a committee amendment to the effect that at least 30 days prior to the execution of the deed the Secretary of the Army shall report to the Armed Service Committees of the Senate and House his determination of the fair market value.

In view of the fact that the property would be conveyed for fair market value the bill does not violate the Morse formula.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to convey, on or before June 30, 1960, by quitclaim deed to the city of Philadelphia the real property under his jurisdiction located at the Philadelphia Army Base, Philadelphia, Pennsylvania, consisting of approximately fifty-three and seventy-five one-hundredths acres together with all appurtenances pertaining thereto and all improvements located thereon.

SEC. 2. The conveyance herein authorized shall be made at the fair market value of the property as determined by the Secretary of the Army, and shall be made upon such terms and conditions and shall include such reservations as the Secretary of the Army shall determine to be in the public interest.

SEC. 3. Within at least thirty days prior to execution of the quitclaim deed, the Secretary of the Army shall report to the Committees on Armed Services of the Senate and of the House of Representatives his determination of the fair market value of the property authorized to be conveyed by section 1.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SCOTT. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

EDUCATION AS A NATIONAL POLICY

Mr. CANNON. Mr. President, we have all heard much recently about the importance of education in this Nation. But I believe that unfortunately we have not become fully aware of the role of education in the struggle between communism and democracy.

That is why I was delighted to see a news report this week carried in the Scripps-Howard newspapers which referred to observations made on Soviet education in Leningrad by Vice Adm. Hyman Rickover.

Admiral Rickover has very wisely issued a new warning to us, a new clarion call that we must wake up to the emphasis and advances in education being made today by the U.S.S.R. I quote Admiral Rickover:

A lot of people in our country do not realize what is going on here in schooling.

He said he was "very scared" by Soviet advances in education and that facilities in Russia were better than those of many American colleges, including his own alma mater, the U.S. Naval Academy at Annapolis.

I would like to underscore the remarks made by the father of the atomic submarine who has made so great a contribution to our national defense effort.

I believe, Mr. President, that our forefathers knew the full value of education as a national policy and that they made quite clear their intent, that all men are created equal, and that they be given an equal chance through education to remove the barriers of birth and wealth and replace them with the promise of opportunity. And when they entrusted the political future of this country to the people they envisioned that the people would be educated and fully capable in meeting any condition that arises.

Today we have cause to reexamine that preparedness. We know that America has always been able to produce great leaders at times of national peril, but if our educational system continues to lag behind and fails to keep pace with our advancing technological age, can we be sure in the future?

Mr. President, I need not remind the Members of this body that military security alone is not enough and that our strength in arms will never accomplish our democratic goals which we seek for our own country and for others.

The conflict in the world at this time is centered on the minds of men. Education is the weapon that will decide our eventual victory or defeat in this gigantic struggle. If our schools are allowed to deteriorate, or become outmoded, there will be grave consequences for our future.

The purpose of education is to pass on to our youth the knowledge of past generations and to create the desire to improve and surpass this knowledge. To accomplish this goal it is necessary to have the most intelligent and most highly trained individuals in the role of the classroom teacher. It is impossible to reach our goal with teachers that do not fully understand the knowledge of past generations and lack zest for learning and teaching. The education necessary for such knowledge, on the part of the teacher, is an expensive undertaking. Interest in the job is often dulled by insecurity and a future that promises even less security.

The ability to obtain—and keep—a high caliber teacher greatly depends upon the standard of living we can offer our educators as a whole. The salaries presently offered such individuals who respond to the call of teaching is not adequate, and because of this, our entire national educational structure is being threatened. This critical threat to the American educational system cannot be taken lightly, as it is a threat to every facet of our national life, survival, and security. Education, the great equalizer, has brought us world leadership and is today, in my opinion, even more important as an essential element in retaining this leadership.

Mr. President, the Murray-Metcalf bill as introduced provided for the necessary support for both teachers' salaries and classroom construction. Individuals and organizations requesting that we eliminate support for the teachers salaries are doing so because they are either unable to comprehend the problem or do not want to comprehend it. The latter group appears to be prevalent in most cases that have come to my attention. I might mention that many such pressures are made for purely selfish reasons and lack foresight. Most of these groups are the ones that will profit the most from a well-educated citizenry. Perhaps selfishness and apathy have blinded them to the need for teachers in our society. We cannot permit so destructive a lack of foresight

to do further damage to a system that has taken generations to build and strengthen.

My research, Mr. President, reveals that only 75.3 percent of the elementary teachers in 41 States, the District of Columbia, and Puerto Rico have 4 or more years of college education. This is not a healthy situation, and its effects will be shown as our children advance into high school and higher education. Many intelligent children will be unable to advance to higher education and will become part of a tragic waste of our greatest resource as a progressive nation. This waste is evident before these young students reach the halls of higher education. The Nation's high school graduates in 1956 were a mere 64.7 percent of the number present in the eighth grade in 1951. We cannot afford to have such waste continue without expecting the obvious consequences.

Mr. President, I find it necessary to point out this situation in the elementary schools because some critics voice the opinion that a complete college education is not as necessary for the teacher at this level as it is on the secondary school level. As a trained educator myself, I must take issue with such line of reasoning. The formative years of any child require that he be given the highest type of education possible. What he learns, or does not learn, at this level will determine his rate of achievement for the remainder of his life. Education and resulting achievement can be no stronger than the foundation supplied in the elementary grades. It is rather difficult to teach the child a foreign language if he does not understand his native tongue; it is difficult to teach algebra to a child who does not have a thorough knowledge of simple mathematics; and it is equally difficult to teach history, government, and economics to the child who does not have an understanding of his contemporary world.

The problem of acquiring well-trained teachers cannot be solved by raising standards and allowing salaries to remain static. When educational standards for teachers are raised without an increase in the incentive of salary, we will find teachers who meet such standards rapidly answering the call of higher salaries offered in other fields. This is the case today, Mr. President. It is estimated that at least 14,250 teachers answered this call last year. Recent college graduates trained as teachers saw 20 percent of their number vanish into other fields before arriving in the classroom.

Perhaps most of our dedicated teachers will remain in their occupation regardless of salaries. But this approach to the problem is contrary to all concepts of social justice, progress, and the increasing needs of Americans in a complex world. Furthermore, it does not allow hope of replacing teachers leaving the field in normal turnover and because of increasing economic necessity. The opportunity for acquiring teachers under present systems to relieve overcrowding, serve increased enrollment, add necessary services, and educate or replace the unprepared are almost nil. It is necessary for partially educated teachers to bring themselves up to proper educational standards by in-service training and summer school. However, it is impossible to expect these teachers to spend their evenings and summers studying when all time away from school must be devoted to earning additional money for family support. Working at an extra job is a common practice among teachers and has reached proportions which should make us blush with shame.

No longer is it a matter of success or failure of the individual that is at stake. Today our entire way of life is involved and the risk of neglect is much greater. A combination of dedication, improved standards and adequate salaries for the modern teacher is a necessity. The absence of any of these ingredients could be disastrous for this generation, or surely, the next.

The only honest answer to raising educational standards is to make available the necessary funds for local school districts to compete with other organizations for educated and talented people. This would be beneficial to all economic groups because the end result would be better educated people entering all fields of endeavor after leaving our schools. The greatest demand for workers is in the fields requiring the most ability and the most extensive training.

The companion need for 142,000 classrooms is urgent and recognized by all leaders of our country, in and out of education. This need is stressed by the overcrowded classrooms, half-day sessions, and poor safety conditions of our schools.

Last fall the number of pupils in excess of normal capacity of the accessible publicly owned school plants was 3,442 in my State of Nevada. The figure for the Nation was 1,843,000 pupils in this category.

Financial support to relieve this condition is urgent and must be provided in many areas before this situation worsens.

The population increase in the State of Nevada is a prime example of the problem facing our entire Nation. The total population for the State is 9 percent greater this year than it was a year ago and registered a 73-percent increase over the population figures of the 1950 census. This overall increase in population has reflected on the average daily attendance figures in the schools of my State in the following manner:

Year:	*Average daily attendance in Nevada schools*
1954–55	42,002
1955–56	45,665
1956–57	45,710
1958–59 (midyear)	51,552

The seriousness of the population growth and its effect on our schools can be better understood when we consider that the increase in most States is concentrated in specific areas. For example, Clark County in Nevada has shown an average daily attendance increase from 16,745 in 1954–55 to 22,424 at midyear 1958–59, or 59 percent of the total State increase in average daily attendance.

The purpose of a school building is to provide comfortable shelter and studying conditions for the teacher and the students. However, the most perfect building is of little value to the educational process unless it contains students and a qualified educator. The students are here. In fact, they are here in overflowing numbers. Our foremost concern is with the qualified educator. This, Mr. President, is the real problem today.

We cannot solve this problem by refusing to recognize its existence. Nor can we solve it by avoiding it and accepting a bill that is a halfway measure. Halfway measures are not satisfactory in Government nor in any other phase of life. Such measures have put us in the position of possibly losing what it has taken our Nation more than 175 years to accomplish.

Mr. MORSE. Mr. President, I not only desire to compliment the Senator from Nevada, but to thank him for raising his voice today in support of an adequate educational program for American boys and girls. I do not think the Senator can begin to realize what it means for some of us who have been Members of the Senate for many years and who have taken our annual defeats on Federal aid to education bills, to see new Members, such as the junior Senator from Nevada, rise on the floor and give us the support he has rendered us today.

I shall not now take the time to discuss this program at any length because I have in preparation a major speech on the educational crisis which faces the country, a crisis upon which the Eisenhower administration has turned its back by evading support of an educational program, although it continues to talk about the great contest of the years ahead between communism and freedom.

The Eisenhower administration is not realistic enough, objective enough, and plain honest enough to advocate an educational program for the American people. We should face up to the fact that we are cheating tens of thousands of American boys and girls out of a college education each year because we send them to grade schools and high schools so low in their standards that their graduates cannot qualify for a college education.

Who is the loser? The boys and the girls, of course, but the American people also, and the security of our country most of all, because some way, somehow, we must get it through the heads of the American people that we will lose the fight with Russia if we do not stay ahead of Russia in brainpower.

Educational study after educational study brings back to us the frightening report that Russia is forging ahead of the United States in the development of brainpower through the Russian educational system.

I do not want the United States to duplicate the Russian educational system, but I want it to follow a course of

action which will afford to every American boy and girl who has brainpower the maximum potential for its development, in the interest of national security and in the interest of an expanding economy.

We had a fight on the floor of the Senate the other day concerning a measure containing a provision for educational assistance to veterans. The distinguished junior Senator from Texas [Mr. YARBOROUGH] was the leader in that fight. If I were the junior Senator from Texas, I would be proud to have my descendants read the record which he made on that great bill.

In effect, what were we told by way of administration opposition to the bill? That, after all, it was the patriotic duty of the boys who would be the beneficiaries to serve in the Armed Forces; therefore, we should not supply them with the educational assistance which the Yarborough bill proposed to give them.

Mr. President, what the White House overlooks is that it is cheating America by that kind of opposition to the development of the maximum brainpower of America. This administration is perfectly willing, for example, to send a jet bomber, costing a great sum of money, to Colombia, where it is valueless. It does so on the pretense that it will help hemispheric defense. But the jet bomber could not land in Colombia because that country did not have an airbase suitable for landing a jet bomber. So the Colombian Government had to rent landing space in Panama. That is an example of the lack of foresight of this administration in recommending a foreign aid bill which wastes hundreds of millions of the taxpayers' dollars.

When we propose to strengthen the greatest defense weapon we have, the brainpower of the youth of America, we are confronted with the argument that, after all, American boys ought to serve in the Army without expecting any such largess from the taxpayers; that, after all, if they want to go to college, they can borrow the money. That and similar non sequitur arguments are what we hear from the administration.

Mr. President, there is no better place to spend defense dollars than on the education of the youth of the Nation.

I shall develop some of these points at some length before this session adjourns, because so far as I am concerned, in the campaign of 1960 I intend to take to the American people the sordid record of the Eisenhower administration in the field of education.

Mr. CANNON. I thank the distinguished Senator from Oregon for his very kind remarks. I recognize him as a leader in this field over the years.

I do not believe the Senator from Oregon was on the floor when I commenced my remarks, but I will simply say this: They were prompted by my reading of an article in the newspapers by the great Admiral Rickover, the father of the atomic submarine, who is now visiting in Russia, wherein he expressed his grave concern over our failure to keep pace with the Russians in the educational field. He is there today visiting that area and seeing the progress which is being made in this great opponent country today.

I certainly welcome the association of the Senator from Oregon with my remarks.

Mr. YARBOROUGH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Texas?

Mr. CANNON. I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I congratulate the Senator from Nevada for the remarks he has made and the distinguished Senator from Oregon for his contribution to this subject.

I think one of the most alarming situations that faces the American people today is in the field of education.

As the distinguished Senator from Oregon mentioned, last week the Senate passed a bill to afford a measure, only a measure of education, a maximum of 3 years in the most liberal cases, to the veterans of the cold war. The minute the bill passed we began to see a barrage of Madison Avenue publicity against it, unleashed in the editorial columns of the daily newspapers all over the country, calling it a peacetime giveaway.

But they did not say it was a peacetime giveaway 2 weeks earlier when we passed the $40 billion defense bill for defense in the cold war. They did not call it a peacetime giveaway earlier when we passed a bill authorizing $3,500 million a year for foreign aid. That makes a total of $43,500 million a year for the defense of this country because of the cold war, but when we try to increase the brainpower of the country at an investment of only $300 million a year, which was the cost under the GI bill, the very same newspapers call it a peacetime giveaway.

I wish to point out again, Mr. President, that 45 percent of the young men serve now under the draft. It is unreasonable; it is unjust not to give them a measure of recompense for it.

Mr. President, one great scientist, Admiral Rickover, has been mentioned here. I wish to mention another—Dr. Teller, the father of the H-bomb. In last Sunday's newspapers, Dr. Teller was quoted as saying that the Russians are taking the scientific lead away from the United States, and that if we do not do something to change that situation, we shall have lost the scientific lead by 1969.

Mr. President, how can we do something in that connection? We can do it by educating the youth of America; that is the only answer. Those who are writing editorials and articles about our prospective loss of the scientific lead—and they are supposedly learned men—were led off by the editorial writers of the New York Times; and the Times editorials were copied across the country. However, those who write such editorials and articles are not reading about what happened in connection with the GI bill following World War II.

Certainly, such bills are a very good investment, because they will pay for themselves by means of the benefits which will be received by those who qualify under their provisions. In addition, we shall have gained several thousand more scientists and scientific workers, following their college and university training. Had it not been for the GI bill, the Russians would not have to wait until 1969 to get ahead of us in scientific affairs; instead, they would be ahead of us now, or certainly within the next 3 or 4 years.

Certainly, Mr. President, Dr. Edward Teller, who is known as the father of the H-bomb, is one of our Nation's most outstanding scientists. His estimation of the comparative places of the United States and Soviet Russia in the field of science is of interest to all thinking Americans, and it graphically demonstrates the urgent need to improve our educational facilities and to encourage more of our young people to pursue studies in institutions of higher learning.

In an article written by Dr. Teller for the Associated Press, and published in the Houston Chronicle for July 26—the article is entitled "Russia Taking Science Lead From United States"—Dr. Teller states:

> At the end of World War II there was no question of where the leadership in science was to be found. It was right here in this country.
>
> We had the best scientists, the biggest and best trained group of engineers, the most forward-looking group of men in the applications of science to increase our power over nature and to use this power to the happiness and advancement of all.

Mr. President, I am very glad that the Senator from Nevada [Mr. CANNON] has taken the leadership here in bringing up this question and in pointing out again the colossal failure of this administration to take the lead in the education of the youth of this country. The lag in education is the greatest lag from which our country suffers.

Mr. President, I ask unanimous consent to have the article written by Dr. Teller printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Houston Chronicle, July 26, 1959]

"FATHER OF H-BOMB" SAYS CATCHING UP WOULD TAKE YEARS—RUSSIA TAKING SCIENCE LEAD FROM U.S.

(EDITOR'S NOTE.—The scientist known as the father of the hydrogen bomb is convinced Russia will lead in science in a decade. Here are his views, written exclusively for the Associated Press.)

(By Dr. Edward Teller)

LIVERMORE, CALIF.—At the end of World War II there was no question of where the leadership in science was to be found. It was right here in this country.

We had the best scientists, the biggest and best trained group of engineers, the most forward-looking group of men in the applications of science to increase our power over nature and to use this power to the happiness and advancement of all.

Today there is a question where leadership lies. But there is no question which country is developing scientists most effectively—Russia.

CALLED INEVITABLE

I think there cannot be a shadow of a doubt that 10 years from now Russia will be the unquestioned leader in science.

This is something which I believe we cannot change, no matter what we do today. To educate a scientist is a long drawn out process. It takes many years.

The people on whom this duty will fall in 10 years are learning today. They are in greater number and they are better educated in the Soviet Union than they are anywhere else. And even if we bend all our efforts to change the present situation, all we can hope for is to regain lost leadership later. That we are going to lose our leadership is inevitable.

WIN PRIVILEGE

In Russia, a scientist is a privileged individual. He has all the honor, the comforts, and he has also security. This in Russia means more than it means in our country. We believe, and I think rightly, that all of us should be respected if not honored; that all of us should have a comfortable life, and most of all, the life and liberty of us all should be secure. This is as it should be. But in the Soviet Union a child knows that he can be comfortable only if he is a politician—a successful politician, that is—or a scientist. And he can be secure only if he is a scientist.

I haven't visited the Soviet Union myself, but many of my good scientific friends who have visited there report a friendly reception. When any of my friends happened to mention that he was a scientist, he became a wonderful person. A scientist.

WHIP VERSUS FREEDOM

Now let us consider the position in our country. The poor situation in science stems from a generally good situation of society as a whole; I will try to explain how in my mind these two things are connected. And I certainly don't want to change the general good background to save a detail even if that detail be ever so important.

But first, let me try my hand at the diagnosis. Russian children are driven on by the whip. Ours are not. And I think this is right.

We live in a democracy. All our production is for the masses. All value judgments are for the masses. What is good for just a few is not appreciated. What is good for everyone is paramount.

Intellectual achievement is not, and perhaps never can be, for everybody. This is not appreciated in our democratic society. It has been said that America is anti-intellectual. I believe that this is not so. It is nonintellectual.

EAR FLAPS CLOSE

An intellectual is not resented; he is recognized as a person outside the common society. If he gets something accomplished, he is even greatly honored. He may be put on a pedestal, but he is never, never understood.

When he begins to talk about his specialty to any but his closest colleagues he can, if he wishes to watch, notice the ear flaps coming down. Society says to the intellectual, specifically to the scientist: "Go ahead and play, but leave us alone."

There is a chasm separating both the scientist and the educator from the common crowd.

NOT BLACK MAGIC

I think we should recognize that in this technological age a person cannot be called educated if he does not understand at least in general terms the laws of this world that God has created.

As long as we consider the scientist as a magician, most often as a student of black magic, we shall be ignorant strangers in our technological world.

There is going on today in the world a revolution of the underdog of yesterday.

Who will lead that revolution, we or they? The advantages of direct action, of strict organization, is with them. We have nothing but the ability of the individual. It rests on the individual, on each of us, whether this revolution will bring about a world which will be slave, or a world that will be free.

And the education of the scientist is an integral and important part of that fateful decision.

Mr. CANNON. Mr. President, I should like to express my appreciation to the distinguished Senator from Texas for associating himself with my remarks on the field of education.

Mr. President, at this time I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6769) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 7, 8, 21, 40, 42, 43, and 44 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 4, 6, 9, and 26 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H.R. 3216) relating to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Acting President pro tempore:

S. 1928. An act to provide for the participation of the United States in the Inter-American Development Bank;

S.J. Res. 124. Joint resolution to extend the voluntary home mortgage credit program;

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. Court of Appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 2909. An act relating to the maintenance and travel expenses of judges;

H.R. 3290. An act to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy;

H.R. 3320. An act to amend the act of June 21, 1950, relating to the appointment of boards of medical officers;

H.R. 3321. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes;

H.R. 4068. An act to amend title 10, United States Code, by repealing section 7475, which restricts the increasing of forces at naval activities prior to national elections;

H.R. 4340. An act to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies;

H.R. 6319. An act to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans;

H.R. 6436. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and desiccants, and for other purposes;

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 3216) relating to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court, was read twice by its title and referred to the Committee on the Judiciary.

VISIT TO THE SENATE BY THE HONORABLE SEKIKAZU NISHIMURA

Mr. CARLSON. Mr. President, I wish to present to the Senate a very distinguished guest, and a member of the Japanese Diet. By profession, he is a Christian minister—the Honorable Sekikazu Nishimura.

We are delighted to have him here in the Senate today.

[Applause, Senators rising.]

STATE TAXATION OF INTERSTATE COMMERCE

Mr. WILEY. Mr. President, we recall that earlier this year the Supreme Court issued a rule relating to the constitutional rights of a State to levy taxes on out-of-State firms doing business within its boundaries.

Following the ruling, it has become apparent that serious problems are evolving out of this situation.

Fortunately, the Finance Committee has proceeded with the consideration of bills designed to resolve some of these

problems. As I understand, further consideration will be given to these measures next week.

Among the problems that need to be considered are included:

First. A definition of the kind of activity which would permit the imposition of taxes by States.

Second. Consideration of the degree of retroactive liability of such firms to States within which they do business.

Third. Problems arising out of lack of uniformity among States taxing and tax reporting requirements.

Fourth. The development of an allocation formula to determine the amount of income of a firm which would be taxable within different States; and others.

The Congress, I believe, should make every effort to enact legislation that would not only help clarify the situation but also would help to fairly and equitably resolve the problems arising out of the decision.

Recently, I have received from businesses in Wisconsin a number of communications stressing the need for congressional action in this field. I request unanimous consent that a number of the representative messages be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HON. ALEXANDER WILEY,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR: Our company has been greatly disturbed by the far-reaching effects of recent Supreme Court decisions in regard to the ability of States to tax income on interstate transactions. At the time of these decisions we are sure that the jurists did not realize the unfavorable results of their interpretations.

Not only would such a program be impossible for the States to administer fairly, but it will be a great hardship on companies having business in the various States and will certainly in the long run restrict interstate commerce.

We know that you are well aware of the problems created by these decisions. We also know that several bills have been introduced to restricting State tax jurisdiction to situations where the corporation has a permanent establishment in the form of a plant, warehouse, or office in the taxing State.

We urge you to take an active part in supporting any legislative programs which will correct the undesirable situation created by the recent decisions. Thank you for your consideration.

Yours very truly,

C. A. NELSON,
Treasurer.

JULY 13, 1959.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: We have watched with concern the growing tendency toward State taxation on interstate commerce. We feel that our country has become great because we have had an opportunity to transact business between the various States and parts of our country without tax or tariff restrictions.

It seems to us that this new trend toward State taxation on interstate commerce has a tendency to restrict interstate trade, and certainly it produces a complex tax problem for any manufacturer whose products are distributed in 49 States. The cost of allocating State taxes to each of these States would be tremendous, and this cost would produce no benefits to the consumer, although the consumer, of course, would be compelled to pay for it.

It is for this reason that we are keenly interested in the legislation that has been presented to limit and restrict State taxation on sales of foreign corporations, particularly corporations whose connections with the State involve only sales solicitation, without any office, warehouse, or place of business in the State.

We would like to encourage you to support those bills that would tend to restrict interstate taxation so that small firms like ours will be able to ship merchandise into surrounding States without fear that additional retroactive taxes might be assessed against us in years to come, in addition to the substantial tax burdens that we are already assuming. Your cooperation will be appreciated.

Yours very truly,

LEVERENZ SHOE CO.,
JOHN H. ESCH, *Vice President.*

HON. SENATOR ALEXANDER WILEY,
Senate Building,
Washington, D.C.

DEAR SENATOR WILEY: We are being pressed by the various different States on the State tax of foreign corporation's income from sales within the State, even though the transactions are exclusively in interstate commerce.

The State of California has sent us tax papers for the past years from 1945 to the present, and the sales which we have for those years are so nominal that the cost to prepare those tax papers would cost a small fortune.

The recent Supreme Court decision on State taxation only accelerated the demands, and for a small business to undertake such a mountainous job, it would be a tremendous hardship. This position certainly has a detrimental effect upon business in general.

Multiple State taxes raises the strong possibility that the company would be taxed more than 100 percent of its business, because of overlapping methods of computation in various States.

Besides the additional tax, the cost of doing business will be greatly increased by such additional overhead items as retaining books and records pursuant to the particular taxing regulations; preparation of papers, forms, and reports; copying records; employing accountants and counsel to assure compliance with the varying State law. This problem calls for a solution by devising a congressional policy.

Taxing on out-of-State sales by individual States just won't work for small business, as it does not have the facilities or the human resources to be a collector of revenue.

Trusting that you will voice your objections, we are,

Very truly yours,

J. W. SPEAKER CORP.,
J. W. SPEAKER, *President.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: We are very disturbed with the Supreme Court ruling which makes it possible for individual States to tax a manufacturer's income on profits realized from merchandise sold in their State, but manufactured by other manufacturers of other States in the country.

Certainly you recognize that this will raise complete havoc with costing systems which must take into account the variety of income tax laws which exist in the 30-odd States which now have such tax laws on their books. Also this will serve to increase an already heavy tax burden on the manufacturer. Further you must recognize that the amount of bookwork necessary to comply with such a situation will make it literally impossible for a small manufacturer to keep up with such necessary work. This is an unforeseen and impossible additional burden in our opinion. We trust that proper legislation will be offered and passed to clarify this situation.

We respectfully request your attention to this problem and will appreciate your bringing your influence to bear in the proper direction.

Yours very truly,

NEMSCHOFF CHAIRS, INC.,
LEONARD M. NEMSCHOFF.

DISTINGUISHED PUBLIC SERVICE AWARD TO DR. JAMES E. MOONEY

Mr. WILEY. Mr. President, today it was my privilege, together with the junior Senator from Texas [Mr. YARBOROUGH], to be present at the Pentagon when Dr. James Elliott Mooney received the distinguished public service award. It was conferred by Admiral Burke, on behalf of the Secretary of the Navy.

The citation reads as follows:

DEPARTMENT OF THE NAVY—CERTIFICATE OF AWARD

In appreciation of distinguished public service to the Department of the Navy, the Secretary of the Navy takes pleasure in presenting the distinguished public service award to Dr. James Elliott Mooney for services set forth in the following:

CITATION

For outstanding contributions to the Department of the Navy in fulfilling its mission as executive agent for the United States Antarctic program during the International Geophysical Year. As special assistant, first to the officer in charge, U.S. Antarctic programs, and then to his successor, the U.S. Antarctic projects officer, Dr. Mooney has regularly been called on for counsel, advice, and assistance by the Chief of Naval Operations and his officers principally concerned with the Antarctic, by the Assistant to the Secretary of Defense (Special Operations), by top officials of other departments and agencies, by the scientific community, by numerous Members of Congress, and by prominent persons in private life. His influence and counsel have on numerous occasions been decisive in the development and formulation of the Nation's as well as the Navy's Antarctic policies and programs. Through his broad perspective, his logic and calm persuasiveness, he has been exceptionally successful in bringing together and reconciling conflicting views of different agencies, groups and individuals. His distinguished contribution to the overall success of the Navy in its role in Antarctic Operations is of immeasurable value. In recognition of and appreciation for his invaluable services, this award is approved this 8th day of July 1959.

W. B. FRANKE,
Secretary of the Navy.

A group of distinguished persons was present at the ceremony today. The group included Mrs. Mooney, Admiral Burke, Admiral Dufek, Admiral Erskine, and a number of others. A number of telegrams were received at that time.

I understand that Dr. Mooney soon will go abroad, and will deliver a lecture at Oxford University, and thereafter will visit several other lands, including the Scandinavian countries.

It was my very great pleasure to be present on the occasion of the conferring

of the distinguished public service award on Dr. Mooney. At the time, a telegram was received from the senior Senator from Virginia [Mr. BYRD]; and a telegram was also received from Rear Adm. David Tyree. I ask unanimous consent that the telegrams and other matter be printed at this point in the RECORD.

There being no objection, the telegrams and other matter were ordered to be printed in the RECORD, as follows:

DR. JAMES E. MOONEY: A BACKGROUND SKETCH

A lifelong friend of the famed explorer, Adm. Richard E. Byrd, Dr. Mooney has been one of the leading architects of the initial and continuing phases of the U.S. Antarctic program.

He early distinguished himself in the fields of history and science of modern polar exploration and in 1930, received the American Polar Explorers' award of appreciation tendered him by Admiral Byrd.

Dr. Mooney is the author of a number of books, numerous monographs, and articles which have appeared in leading aeronautical and educational magazines. He was honored by the American Council of the French Legion of Honor in this connection. He was publisher and editor of the Youth Digest (1938-40), which was distributed by the Curtis Publishing Co.

At the age of 36 he was among the youngest university presidents. Dr. Mooney was joint originator of the military-college training program, inaugurated during World War II. He was civilian consultant to Secretary Knox and Admiral Rosendahl on lighter-than-air development, and coauthored with Admiral Rosendahl a publication on the future of the dirigible.

Dr. Mooney was consul of El Salvador and Guatemala, appointed by President Truman and Secretary Byrnes, and a member of numerous boards and committees concerned with development of aviation, education, and air transportation; is a life member of the National Geographic Society and several other associations. He was elected to the Honorary Social Science Franternity, Pi Gamma Mu, and is a member of other fraternities.

One of his text books, "Air Travel," published in 1930, was used extensively in the schools of the country. Three other books written by Dr. Mooney were selected in 1938–39 as among the 10 best texts for young people, by a group of educators and by the New York Times.

Admiral Byrd named a mountain in Antarctica for Dr. Mooney. He often spoke of Dr. Mooney as "as very splendid American citizen."

Dr. Mooney holds three doctorates: Doctor of education, doctor of science, and doctor of humane letters. He is the father of 4 children and grandfather of 11. He has been carried in biographical references such as "Who's Who" for many years.

WASHINGTON, D.C. *July 30, 1959.*

Adm. ARLEIGH A. BURKE,
Chief of Naval Operations,
Department of the Navy:

Circumstances over which I have no control make it impossible for me to be present at 12 today, July 30, 1959, room 4 E 632, Pentagon, at which time the Navy distinguished public service award to to be presented to Dr. James Eliott Mooney. It is pleasing to note that recognition is being given to Dr. Mooney's accomplishments and contributions to the U.S. Antartic project, and I desire to take this opportunity to congratulate him and the Navy on this occasion.

With kindest personal regards, I am,

Faithfully yours,

HARRY F. BYRD.

PEORIA, ILL., *July 29, 1959.*

Dr. JAMES E. MOONEY,
Care Adm. Arleigh Burke,
Chief, Navy Operations:

It is with deep regret that because of important duties elsewhere I am unable to be present on the occasion of the presentation to you of the Navy Distinguished Public Service Award by Admiral Burke. From my close association with you these past several months I know how richly you deserve this high honor. Please accept my heartiest congratulations and warm personal regards.

Cordially,

Rear Adm. DAVID M. TYREE.

WASHINGTON, D.C., *July 30, 1959.*

Dr. JAMES MOONEY,
U.S. Antarctic Project:

My congratulations upon your receiving the Navy public service award. This is a great honor and one which you have earned. Regret that the congressional program prevents me from being present at the ceremony. Warm regards.

STEVEN B. DEROUNIAN,
Member of Congress.

MESSAGE FROM MRS. RICHARD E. BYRD TO DR. JAMES E. MOONEY

I would wish to be with you at this greatly deserved presentation by Admiral Burke, and my family wants both you and Mrs. Mooney to know how delighted we are that you are being honored by the Navy with that splendid award. I am sure that Admiral Byrd will be with you.

Mrs. RICHARD E. BYRD.

Adm. George Dufek has said:

"Dr. Mooney has served his country in a devoted manner over a period of many years.

"For a long time he was a personal friend and close associate of Adm. Richard E. Byrd in Antarctic matters. Upon the death of Admiral Byrd I was very pleased to have Dr. Mooney continue as Special Assistant in the Antarctic Projects Office.

"The vigor and judgment which Dr. Mooney has shown have been outstanding.

"His loyal assistance has been a deciding factor in successfully working out the knotty problems which have arisen with regard to the Antarctic."

WASHINGTON, D.C., *July 30, 1959.*

Dr. JAMES E. MOONEY,
U.S. Antarctic Project:

Please accept my warmest congratulations upon your receipt of the Navy distinguished public service award today. Your outstanding contributions to the role of the Navy Department in fulfilling its mission as a part of the International Geophysical Year highly merit this honor which your many Florida friends are happy to see come to you. With every good wish for continued success in your service to our country with best personal regards, I remain,

Yours faithfully,

SPESSARD L. HOLLAND,
U.S. Senator, Florida.

REMARKS OF ADMIRAL BURKE AT PRESENTATION OF DISTINGUISHED PUBLIC SERVICE AWARD TO DR. JAMES E. MOONEY ON JULY 30, 1959

In my position I have many unpleasant duties to perform, especially within the last 2 weeks. This, in contrast, provides an exceptionally pleasant occasion.

The Navy has had for a long time an interest in the Antarctic, with people like Admiral Byrd who took the first large-scale expedition to the Antarctic, followed by Admiral Cruzen, Adm. George Dufek, and Admiral Tyree.

I see that there are many other Antarctic sailors in the audience.

The Navy is not the only organization which has an interest in the Antarctic. The scientists play an important role and are doing a magnificent job of collecting data.

But, the Navy has provided strong leadership—as evidenced by the minimum number of casualties in the field.

The Navy is needed in the Antarctic to provide leaders to take men and supplies and carry out the logistic work of exploration. This requires leaders that men can look up to and have confidence in. No leader, however, can do it alone. He needs organization of talented and hard-working men.

The Antarctic is valuable to our country but is today respected by many who do not realize its capabilities and resources much like the Louisiana Purchase and Alaska. Some people cannot see the importance but our successors may find it very valuable.

This Antarctic business will continue for a long time and there will be a continuing need for these leaders and their strong organizations.

Dr. Mooney is an example of these men of great ability and knowledge, within the organization, who work extremely hard for the cause. Any characteristics that this job calls for, Dr. Mooney has, and we find him as a man who could do almost everything.

No one man has done more than Dr. Mooney. As special assistant, and later deputy, this man of extensive background, patient, understanding, and knowledgeable, who has been a diplomat, college president, author, and editor has worked extremely hard. There is nothing Dr. Mooney couldn't do if he wanted to, and he has always wanted to do quite a lot.

His go-ahead and drive to accomplish things in this job which calls for a special ability to meet and work with all types of people has been well exhibited.

Receiving medals is no new experience for Dr. Mooney, for the Navy has decorated him many times before, as well as the Joint Chiefs of Staff.

I know that I speak for the whole Navy in recognizing his contribution, and I take great pleasure in presenting this citation which will now be read.

(Capt. Larry Geis, USN, then read the presentation.)

PEORIA, ILL., *July 30, 1959.*

Hon. RALPH YARBOROUGH,
U.S. Senate, Washington, D.C.

It is a great disappointment to me that I am unable to accept your kind invitation to lunch for Dr. Mooney following the ceremonies in Admiral Burke's office. I have great admiration for Dr. Mooney's understanding of Antarctic matters and his completely unselfish dedication to furthering U.S. interest and responsibilities in the Antarctic program dating back to his association with the immortal Admiral Byrd and continuing with Admiral Dufek and now myself. I am delighted that Jim Mooney has received this well deserved recognition.

Very respectfully,

Rear Adm. DAVID TYREE.

Mr. YARBOROUGH. Mr. President, Dr. James Elliott Mooney, now Deputy to the U.S. Antarctic Projects Officer, has been a man of many successful careers: author, editor, aviator, college president, diplomat and polar explorer, and I wish to join the senior Senator from Wisconsin in the tribute he has just presented.

Today it was my privilege to be present at a ceremony in which Dr. Mooney was presented with a distinguished public service award for his services to the U.S. Navy and our Nation in its Antarctic program. His work ranks with that

of such men as Adm. Richard Byrd and Adm. George Dufek.

The award was presented by Adm. Arleigh Burke, Chief of Naval Operations, who commented that Dr. Mooney is performing a job requiring a man of patience, knowledge and understanding.

I join in the salute to this outstanding citizen.

WHAT SHALL WE TEACH?

Mr. ALLOTT. Mr. President, in the last few years there has been a great deal of discussion of the basic problems of education. As a former member of the Subcommittee on Education, of the Committee on Labor and Public Welfare, I have had the real opportunity to hear most of the great educators of the country, as well as most of the great scientists of the country, talk about education.

By means of the bill of last year, we attempted to accomplish certain things which we thought would raise the caliber of education in the United States.

Mr. President, recently Mr. James D. Koerner, executive secretary of the Council for Basic Education, addressed the American Farm Bureau Federation, in Columbus, Ohio, on the subject of, "What Shall We Teach?" His remarks on the basic issue in education are stimulating and important, and I believe they warrant wide reading and discussion. Mr. Koerner did not present his points as unchallenged or incontrovertible facts, but, rather, he presented them as questions to be explored and pursued. In his address he attempted to point out the different schools of thought on the subject of curricula, as follows:

> For example, there is a very large group of people who agree that what we should teach are the academic, intellectual subjects—the so-called hard or basic curriculum. * * * On the other hand * * * there is a very large group who believe the hard curriculum * * * is not all it's cracked up to be—that modern science, especially psychology, has disproved many of the old education truths.

In discussing what the council believes a community should look for in establishing priorities among the things it wants its schools to do, Mr. Koerner states that we must ask the following question, to which only affirmative answers should be the reply:

> 1. Is the subject in question one that only the school, the formal institution of the school, can teach? Or is it one that can be taught, that might well be taught, at home, by the church, by the town recreation center, by the police department, or by some other agency of society?
>
> 2. Does the subject represent a basic part of the student's cultural and intellectual heritage, a fundamental area of man's intellectual activity? Or does it represent a minor field of the intellect, an interesting but secondary outgrowth of some major field, or perhaps a nonintellectual activity altogether that might be nice for students to know about but hardly fundamental?
>
> 3. Is the subject one that, at least at the precollege level, is studied mostly for itself—that is worthy of being studied of and for itself? Or is it a subject studied mostly for its vocational usefulness, a subject whose principal virtue lies in its utility for the student—which has, that is, a more or less immediate utilitarian application in the student's life?

Mr. President, I ask unanimous consent that there be printed in the RECORD some short excerpts from Mr. Koerner's address:

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

> It is no doubt evident by now that our three-criteria test * * * leaves us with only the traditional, academic, intellectual—the basic—curriculum: Language and literature, our own and others: History, at least American and European; geography; mathematics; and the main sciences.
>
> Having established this much, however, we are, I'm afraid, only at the beginning of your job at home. We have said nothing of three closely related problems. * * * The first one is how much of these basic subjects should be offered in public schols. * * * The second related problem is the number of students * * * that should be receiving this kind of education. * * * The third question, perhaps the most significant of all, is the question of quality. One should never forget that the mere establishment of certain subjects as basic, and even the establishment of the number of years they are to be taught and the percentage of students to whom they are to be taught, is no guarantee whatever of good education. * * * You must look to the quality of courses, of teachers, of administrators, not merely the quantity. In fact, the quality will dictate the quantity, not the other way around. * * *
>
> At least 42 of our now 50 States require the study of American history in the schools of those States. And 33 specify study in American Government, civics, citizenship, or the Constitution.
>
> One would therefore expect high school graduates to be in possession of certain fundamental information about their history, and about the political and economic principles upon which their society exists.
>
> The last attempt to measure such information on a really large and representative basis across the country was done 2 years ago by Audience Research, Inc. Of the thousands of high school graduates questioned, many of whom were adults when the survey was made, 67 percent could not name the Senators from their own State, 63 percent could not name their Congressman, 57 percent could not say how often elections are held for the U.S. House of Representatives, 82 percent did not know who would succeed to the Presidency in the event of the death of both the President and Vice President, 52 percent could not identify the Bill of Rights—and 70 percent could not suggest one advantage of the economy of the United States over that of Russia.
>
> There were many more questions, with similar results. And I would not want to press the matter too hard. But I suggest to you, when almost all our States require American history and government be taught in all schools, and with results like these, that one can put no faith in a course, any courses, merely because it is scheduled under an approved name for an approved number of years. What matters is what happens in the classroom. * * *
>
> For many, many years our colleges have had to conduct elaborate remedial programs in such basic subjects as English, mathematics, and foreign languages.
>
> Despite the fact that the students coming to them, representing generally the best of our high school graduates, have just finished studying, say, English for 12 years in public school, it commonly happens that as much as half the entering class must do remedial work in their native tongue; must do rudimentary work again, and again at taxpayers' expense, before they can even be admitted to the regular freshman English course—which is itself a remedial institution. * * *
>
> To satisfy a host of so-called student needs—ephemeral, amorphous, often imagined—we now have a kind of gargantuan smorgasbord of offerings in our schools. I won't bore you with measuring such subjects against our set of criteria for establishing what is important in education. But when you inflict this kind of frivolous nonsense on students, together with some or much vocational work, the basic subjects run a tragic and poor third.
>
> What indeed should we teach?
>
> We should teach the hard curriculum. There is no better way, and perhaps no other way, of allowing the people of a free society to become truly free men.
>
> Whether we look at public education from the point of view of society or of the individual, the primacy of the basic curriculum is perfectly clear. From the point of view of society, the importance, the indispensability, of a constant supply of highly trained manpower, of highly developed practitioners of the arts, or an informed and thinking citizenry, is manifest.
>
> And from the point of view of the individual, the importance of knowing both himself and the Western heritage that is his birthright, and the abiding need of developing some inner resources with which to live in an explosive, crisis-driven world, is equally manifest.
>
> For most people these ends are best attained, or best prepared for, through a schooling that trains and stretches their intellectual capacities, that furnishes their minds generously with substance from the principal areas of human knowledge, that awakens their moral faculty and disciplines their will. * * * And these ends are neither attained nor prepared for through vocational or life adjustment education.
>
> A million former students will testify to the fact that they and all their friends changed jobs, changed occupations, even changed professions, a half-dozen, a dozen, two dozen times before they found what they wanted. Whatever the number of changes, students are almost sure not to know their destinies in high school. The school's best bet is to give them a foundation in basic subjects that will serve them steadily in any vocation as well as in their private lives.
>
> Here is the way that case was put by the President's Science Advisory Committee in its well-publicized report of May 1959:
>
> "The vocational necessities remain, but the best help our schools can now give many students is an intelligent understanding of the world in which they live—a basis on which they can begin to think and learn for themselves so that they will not be lost or supine in the changing world of tomorrow."
>
> At the heart of my comments tonight lies, as I am sure you realize, an idea that has never really been tried in this land of universal education and individual freedom—the elementary idea that if we are going to make representative government work, not to mention providing the free individual with some of those inner resources we discussed earlier, we really have no choice but to expose all our students (excepting only those few whose intellectual equipment is clearly too limited) to a rigorous, academic, liberalizing curriculum. Over 20 years ago, Sir Richard Livingstone, a great English

scholar and a great schoolmaster, put the matter this way (the English, be it remembered, have had a very long experience with the liberal curriculum):

"Some people feel that the cultural subjects are unsuited for the masses. That is a possible view. But to hold it is to accept the most ruthless of class systems, to say that men differ not only in degree but in kind, and that the majority are incapable of studies without which there can be no intelligent idea either of the universe or of the greatness of the human spirit. If the majority of the electorate are incapable of these studies, we must either abandon democracy or resign ourselves to being governed by an electorate which can never know what a state should be."

Mr. ALLOTT. Mr. President, I conclude my remarks upon this subject simply by saying I present my thoughts from the same viewpoint occupied by Mr. Koerner when he presented his views to the Farm Bureau. I do not believe we can ignore answering the questions he has asked. I commend them to my fellow Senators.

CONSTITUTIONAL LAW: THE PEOPLE'S RIGHT TO KNOW

Mr. JOHNSON of Texas. Mr. President, I have been interested in reading an article by the distinguished and learned senior Senator from Missouri [Mr. HENNINGS] on "Constitutional Law: The People's Right To Know," published in the current issue of the American Bar Association Journal—July 1959, volume 45, at page 667.

At a time when there is so much discussion about the alleged executive privilege, this article is most helpful in reaching a better understanding of the fundamental issues involved.

Therefore, I ask unanimous consent that the article be printed as a part of my remarks in the RECORD today.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL LAW: THE PEOPLE'S RIGHT TO KNOW

(By THOMAS C. HENNINGS, Jr., U.S. Senator from Missouri)

When the President recently signed into law the freedom of information bill enacted by the 85th Congress, amending section 161 of the Revised Statutes (5 U.S.C. 22) to make it clear that this statute does not authorize executive department heads to withhold information from the public[1] there was laid to rest an insidious secrecy practice which had developed in the Government in recent years whereby section 161 (the so-called Federal housekeeping statute) was cited by executive departments, and even some of the independent agencies, as authority to withhold information from the public.[2] At the same time he helped to lay one unlawful secrecy practice to rest by signing the freedom of information bill. However, the President in an accompanying statement raised the specter of another, which, if allowed to grow unchecked, could become a much greater danger to our democratic system of self-government than the misuse of the housekeeping statute ever has been.

When he signed the freedom of information bill, the President said:[3]

I have today signed the bill H.R. 2767, to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records. The purpose of this legislation is to make clear the intent of Congress that section 161 of the Revised Statutes shall not be cited as a justification for failing to disclose information which should be made public.

In its consideration of this legislation the Congress has recognized that the decision-making and investigative processes must be protected. It is also clear from the legislative history of the bill that it is not intended to, and indeed could not, alter the existing power of the head of an executive department to keep appropriate information or papers confidential in the public interest. This power in the executive branch is inherent under the Constitiution.

The President did not indicate precisely what he meant by "appropriate information or papers," or from whom such information or papers are permitted to be kept "confidential," or who is empowered to determine what is "in the public interest," but the broad nature of his statement lends strong support to the conclusion that he completely endorses the startling and dangerous thesis advanced by the Attorney General to the effect that the President and the heads of the executive departments, and all those in the executive branch to whom they delegate it, have an unlimited power to withhold from both the Congress and the public any information or papers which they in their own discretion decide should be withheld.[4] This power, said to be inherent "under the Constitution," is referred to generally as the "Executive privilege."[5]

Much has already been said and written about the power of the President and his subordinates in the executive branch of the Government to withhold information from the Congress.[6] Considerably less attention has been given to the power of the President and his subordinates under the Constitution to withhold information from the public. Yet, it is this latter aspect of the subject which seems to present the more vexing constitutional problems, since any broad "Executive privilege" to withhold information from the public must operate in direct derogation of the people's natural and constitutional right to know what the Government is doing (or not doing, as the case may be).

It is the purpose of this article to explore the nature and basis of the people's right to know and to measure against it the so-called Executive privilege to withhold information from the public. In this way, it is believed, the privilege can best be seen in its proper constitutional perspective, and its allowable scope may more accurately be determined.

Freedom of information about governmental affairs is an inherent and necessary part of our political system. Ours is a system of self-government—and self-government can work effectively only where the

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[1] Act of Aug. 12, 1958, 72 Stat. 547, known generally as the "Hennings-Moss Act".

Sec. 22 of title 5 of the United States Code reads: "The head of each department is authorized to prescribe regulations not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution, and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it."

The Hennings-Moss Act adds to section 22 the sentence: "This section does not authorize withholding information from the public or limiting the availability of records to the public."

[2] See S. Rept. No. 1621, 85th Cong., 2d sess., 3 (1958), where it is stated: "Despite the obvious 'housekeeping' nature and purpose of sec. 161, it has been openly cited in recent years by a number of executive departments and agencies as authority for withholding information from the public and limiting the availability of records to the public.

"The committee has found that this section has been specifically cited as such authority by the following executive departments: Department of Agriculture, Department of Defense, Department of Interior, Department of Justice, Department of Labor, Department of State, and Post Office Department". See also H. Rept. No. 1461, 85th Cong., 2d sess. (1958).

Independent agencies found to have cited sec. 22 as authority to withhold information from the public included the Civil Service Commission, the Federal Mediation and Conciliation Service, the Housing and Home Finance Agency, the Interstate Commerce Commission, and the Smithsonian Institution. See Hearings before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, U.S. Senate, 85th Cong., 2d sess., pt. 1 (1958), at p. 28.

[3] White House press release, Aug. 12, 1958.

[4] The doctrine of an unlimited "Executive privilege" to withhold information from the Congress was enunciated by the present Attorney General in 1956 when, as Deputy Attorney General, he issued a 102-page mimeographed "study" entitled: "Is a Congressional Committee Entitled To Demand and Receive Information and Papers From the President and the Heads of Departments Which They Deem Confidential, in the Public Interest?" See Memorandums of the Attorney General Compiled by the Subcommittee on Constitutional Rights, The Power of the Presidents To Withhold Information From the Congress (printed for the use of the Committee on the Judiciary, 1958). In this "study," which bears a striking resemblance to a series of articles published in the Federal Bar Journal 7 years earlier (see Wolkinson, Demands of Congressional Committees for Executive Papers, 10 Fed. B.J. 103, 223, 319 (1949), reprinted in hearings, note 2 supra, at pp. 147–270), the Attorney General said: "The rule may be stated that the President and heads of departments are not bound to produce papers or disclose information communicated to them where, in their own judgment, the disclosure would, on public considerations, be inexpedient." (Memorandums, supra, at p. 70 (Cf. Wolkinson, supra, at p. 348; Hearings, supra, at p. 268.) This doctrine later was extended by the Attorney General to include withholding information from the public when he testified before the Senate Constitutional Rights Subcommittee on March 6, 1958 (Hearings, supra, note 2, at pp. 26–27), and in a letter to Representative GEORGE MEADER, dated Mar. 14, 1958 (id. at 56–58).

[5] See Hearings, supra, note 2, passim.

[6] See, for example, Wolkinson, supra note 2; Bishop, "The Executive's Right of Privacy: An Unresolved Constitutional Question, 66 Yale L. J. 477 (1957): Memorandums of the Attorney General," supra note 2; note, 43 Geo. L. J. 634 (1955); staff report, Special Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce. "Right of Access by Special Subcommittee on Legislative Oversight to Civil Aeronautics Board Files and Records (subcommittee print, Oct. 17, 1957); study by the staff of the House Committee on Government Operations, "The Rights of Congress To Obtain Information From the Executive and From Other Agencies of the Federal Government" (committee print, May 3, 1956).

people have full access to information about what their Government is doing.[7]

History shows that the Founding Fathers were keenly aware of this fundamental truth when they wrote the Constitution. Behind them was the experience of the English people, who for several centuries had been struggling for greater control over their Government, and who in 1771 and 1772, as a result of that struggle, finally had managed to establish the right to have made public the debates of their Parliament.[8]

By 1787, the year the Constitution was written, there had developed in England the concept of a right in the people to know what their Government was doing.[9] There can be no doubt that the framers of our Constitution recognized the existence of such a right and were strongly influenced by it in writing both the original Constitution and the Bill of Rights.[10]

When the original Constitution came to be written, no explicit provision was made concerning the people's right to know. The explanation for this seems to be that the right to know, like many other fundamental rights, was taken so much for granted that it was deemed unnecessary to include it.[11] Some of the express terms of the original Constitution, however, demonstrate an obvious intent to keep secrecy in government at a minimum; and by clear implication they show a recognition of the people's right to information about their Government.

The Preamble of the Constitution reads, in part:

"We the people of the United States * * * do ordain and establish this Constitution for the United States of America."[12]

These words affirm the basic principle upon which our Government was founded, i.e., it is the people who are sovereign and who have granted the Congress, the President, and the Judiciary their powers under the Constitution. Since, under our theory of government, sovereignty resides in the people, it logically and necessarily follows that the people have a right to know what the Government—which they themselves established—is doing, and that Government officials properly may interfere with the free exercise of that right only to the extent the people themselves consent. Thus, while it is not mentioned, the people's right to know is an implicit part of the Preamble of the Constitution.

Article I, section 5, clause 3 of the Constitution contains further recognition and protection of the people's right to know. That section provides:

"Each House shall keep a Journal of its Proceedings, and from time to time publish the same, excepting such parts as may in their judgment require secrecy; and the yeas and nays of the Members of either House on any question shall, at the desire of one-fifth of those present, be entered on the Journal."

As the Supreme Court has stated, the clear purpose of this provision is "to insure publicity to the proceedings of the legislature, and a correspondent responsibility of the Members to their respective constituents."[13] Secrecy in legislature proceedings is permitted, but, it is important to note, only as an exception to a general requirement of full disclosure.

Finally, in article II, section 3 of the original Constitution there can be found additional evidence that the Founding Fathers recognized the right of the people to know about the activities of the Government. That section reads:

"[The President] shall from time to time give to the Congress information on the state of the Union."

The language of this section is mandatory and imposes on the President a positive duty to provide information to the Congress.[14] Nothing is said in this section about the President's giving information to the public, but this omission, if that term accurately may be used, would seem to reinforce the conclusion that the right to know was so much taken for granted by the Founding Fathers that it was not deemed necessary to include it in the original Constitution.[15] To argue otherwise, it would seem, would be to say that since the Constitution does not specifically require it, the President is obliged to give no information to the public—a position which even the most ardent advocates of the "executive privilege" doctrine do not take.[16]

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[7] In the words of James Madison: "Knowledge will forever govern ignorance. And a people who mean to be their own governors, must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both." Quoted in Lasswell, "National Security and Individual Freedom," 62–63 (1950). The same point is made in Angell, "The Press and the Organization of Society," 17 (1922), where it is stated: "If a people are to be in a position to judge the conduct of their government, to decide whether it is doing well or ill, to decide the merits of public policy at all; if, indeed, they are to preserve the capacity for sound judgment, they must have facts before them not only as the government would have them put, but also as those who disagree with the government may desire to put them."

[8] See 1 Anson Law and Custom of the Constitution 158 et seq. (3d ed. 1897).

[9] See *Grosjean* v. *American Press Co.*, 297 U.S. 233 (1946), where after discussing various attempts by the English Government to tax newspapers and advertisements prior to the adoption of the first amendment, the Supreme Court said (at p. 247): "Citations of similar import might be multiplied many times; but the foregoing is enough to demonstrate beyond peradventure that in the adoption of the English newspaper stamp tax and that tax on advertisements, revenue was of subordinate concern; and that the dominant and controlling aim was to prevent, or curtail the opportunity for, the acquisition of knowledge by the people in respect of their governmental affairs. It is idle to suppose that so many of the best men of England would for a century of time have waged, as they did, stubborn and often precarious warfare against these taxes if a mere matter of taxation had been involved. The aim of the struggle was not to relieve taxpayers from a burden, but to establish and preserve the right of the English people to full information in respect of the doings or misdoings of their government."

After referring to the English struggle to establish and preserve the people's "right to full information," the Court in the Grosjean case mentioned several unsuccessful attempts by the Massachusetts legislation to tax newspapers, magazines and advertisements, and went on to say (at p. 248): "The framers of the first amendment were familiar with the English struggle, which then had continued for nearly 80 years and was destined to go on for another 65 years, at the end of which time it culminated in a lasting abandonment of the obnoxious taxes. The framers were likewise familiar with the then recent Massachusetts episode; and while that occurrence did much to bring about the adoption of the amendment, the predominant influence must have come from the English experience."

[10] Ibid. See also Chafee, "How Human Rights Got Into the Constitution," passim. (1952).

Statements by some of those who took part in or influenced the writing of the Constitution and the Bill of Rights are illustrative on this score. See statement by James Madison, who played a leading role in writing both the Constitution, and was chairman of the committee which drafted the first amendment, supra note 7. Thomas Jefferson, as much the father of our constitutional system as any man, stated (with reference to Shay's Rebellion): "The way to prevent these irregular interpositions of the people is to give them full information of their affairs through the channel of the public papers, and to contrive that those papers should penetrate the whole mass of the people." Quoted in Lasswell, op. cit. supra note 7, at page 62.

[11] Chafee, supra note 10, at page 3: "The Philadelphia Convention deliberately refrained from inserting any bill of rights in their document because they thought it unnecessary."

[12] "The words 'people of the United States' and 'citizens' are synonomous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the Government through their representatives. They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty." *Scott* v. *Sandford* (the Dred Scott case), 19 How. 393, 404 (1857). Justice Douglas in his recent book, "The Right of the People" (1958), at page 21, says: "The compact of the Constitution is a compact of we the people. The ultimate political power is in the people. They can alter, revise, or undo what they created any time they choose. While the compact lasts, the various agencies of government are responsible to the people. The people elect their lawmakers and their Chief Executive for limited terms only. Those who exercise authority must have it recurringly renewed at the hands of the people. The people are, indeed, the final repository of all power."

[13] *Field* v. *Clark*, 143 U.S. 649, 670 (1892), quoting 1 Story, Constitution § 840. (3d ed., 1858.)

[14] In the discharge of this duty, the President customarily has sent to the Congress an annual message, and, in addition, special messages as he has deemed them necessary or desirable. See "The Constitution of the United States, Analysis and Interpretation," S. Doc. No. 170, 82d Cong., 2d sess. 462 (1953).

[15] See note 8, 9, 10, supra.

[16] See, for example, Hearings Before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, U.S. Senate, 85th Cong., 2d sess., part 1 (1958) where Attorney General Rogers, a leading exponent of the executive privilege doctrine, testified (at p. 5): "With reference to the right of the public to know generally as distinguished from the legislative branch, it seems to me that there are four principles which it is well to keep in mind:

"1. While the people are entitled to the fullest disclosure possible, this right like freedom of speech or press, is not absolute or without limitations. Disclosure must always be consistent with the national security and the public interest.

"2. In recognizing a right to withhold information, the approach must be not how much can legitimately be withheld, but rather how little must necessarily be withheld. We injure no one but ourselves if we do not make thoughtful judgments in the classification process.

"3. A determination that certain information should be withheld must be premised upon valid reasons and disclosure should promptly be made when it appears that the factors justifying nondisclosure no longer pertain.

"4. Nondisclosure can never be justified as a means of covering mistakes, avoiding embarrassment, or for political, personal, or pecuniary reasons."

When in 1791 the Bill of Rights was added to the Constituton, whatever doubt might otherwise have existed about the recognition and protection of the people's right to know under the Constitution was removed. Even more clearly than the original Constitution, the Bill of Rights, particularly the first amendment, shows a recognition of the right to know.

The first amendment reads, in part: "Congress shall make no law * * * abridging the freedom of speech, or of the press * * *." Without question the free speech and press clause of the Bill of Rights was intended to serve as a guarantee of the people's right to acquire information about the activities of the Government.[17] Implicit in its terms is a right to knowledge, including knowledge about what the Government is doing.[18] James Madison, who played a leading role in writing the amendment, made this very point shortly after the first amendment was adopted when he said with reference to it: "* * * the right of freely examining public characters and measures, and of free communication thereon, is the only effective guardian of every other right."[19] Judge Cooley expressed the same thought many years later when he said in his classic work on the Constitution:[20]

"The evils to be prevented [by the first amendment] were not the censorship of the press merely, but any action of the Government by means of which it might prevent such free and general discussions of public matters as seems absolutely essential to prepare the people for an intelligent exercise of their rights as citizens."

The Supreme Court has yet to recognize explicitly the "right to know" as a constitutional right, but the Court has given strong indication that it deems such a right to exist, both as a natural right protected by the ninth amendment[21] and as a constitutional right protected by the first amendment.[22] In *Grosjean* v. *American Press Co.*,[23] where the scope of the protection afforded by the first amendment was in issue, the Court took occasion to refer to the century-long struggle of the English people "to establish and preserve the right * * * to full information in respect of the doings or misdoings of their Government",[24] and concluded that the predominant influence which brought about the adoption of the first amendment must have come from this English experience. The Court referred also to "the natural rights of the members of an organized society, united for their common good, to impart and acquire information about their common interests",[25] and stated that "* * * the predominant purpose of [the free speech and press clause of the first amendment] was to preserve an untrammeled press as a vital source of public information".[26] The Court added that "since informed public opinion is the most potent of all restrains upon misgovernment, the suppression of abridgment of the publicity afforded by a free press cannot be regarded otherwise than with grave concern".[27]

From these words, it seems only reasonable to conclude that if faced with the precise issue, the Supreme Court would recognize "right to know" as a right which is within the protection of the first amendment as well as the ninth.[28]

The broad scope of protection which the Court probably would afford to the right to know as part of the free speech and press guarantee of the first amendment is indicated by the "preferred position" doctrine enunciated by the Supreme Court in recent years respecting first amendment rights.[29] Under that doctrine, freedom of speech and press has been held to occupy a "preferred position" in the scale of constitutional values, so that laws restricting those rights are not afforded the presumption of constitutionality traditionally given other legislation.[30] Before such laws are to be held valid a clear and present danger must be shown.[31] In the light of this doctrine respecting first amendment rights, it is to be expected that the people's right to know would be afforded a preferred position, and that any law or other governmental action impinging on that right would have to meet the clear and present danger test before being held valid.

THE "EXECUTIVE PRIVILEGE" TO WITHHOLD INFORMATION

Having preliminarily explored and determined the nature and scope of the people's constitutional right to know, we may now properly consider the nature and scope of the "executive privilege" under the Constitution to withhold information from the people. As indicated above, only in this way can the privilege be seen in its correct constitutional perspective. The reason for this becomes clear if we hark back to the basic principle expressed in the Preamble of the Constitution, that it is the people who are sovereign, and the various branches of the Government possess only those powers which the people have given them in the Constitution either expressly or by implication.[32] Once this principle is accepted—and it forms the cornerstone on which our Government is built—the scope of any Executive power under the Constitution, including any privilege to withhold information from the public, obviously must be determined in the light of all the rights and privileges the people have reserved to themselves or provided protection for in the Constitution, including the right to know.

Before turning to a consideration of the constitutional basis for the executive privilege to withhold information from the public, however, it should be useful to note—and thus, perhaps, to eliminate—one common source of confusion concerning the Executive privilege doctrine. Proponents of the Executive privilege frequently cite the constitutional doctrine of separation of powers to support the alleged power of the President and his subordinates to withhold information from both the Congress and the public.[33] Without attempting to pass judgment on the ultimate merit of this proposition as it applies to withholding information from Congress, it can be said that as it is applied to the Congress such an argument has at least some plausibility. However, to invoke the separation of powers doctrine to support any privilege of the President to withhold information from the public would clearly seem to be erroneous, since that doctrine deals with the relationship among the legislative, executive, and judicial branches of the Government, and not the relationship between the people and the Government.[34] To whatever extent any executive privilege to withhold information exists vis-a-vis the public, it must be founded on some other constitutional principle or authority.

Nowhere in the Constitution is the President expressly given power to withhold information from the people. That such a constitutional power must exist in certain circumstances, however, cannot realistically be denied.

Under article II of the Constitution, the President is vested with the Executive power, and he not only is given the duty "to take care that the laws be faithfully executed" (with discretion as to how he discharges that duty), but is made the Commander in Chief of the Armed Forces, and given various other powers, both express and implied, including the exclusive power to represent the United States with regard to other nations. It is inescapable that the proper and effective

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[17] See *Grosjean* v. *American Press Co.*, 297 U.S. 233, 250 (1936), where the Supreme Court said: "The predominant purpose of the grant of immunity here invoked was to perserve an untrammeled press as a vital source of public information * * * since informed public opinion is the most potent of all restraints upon misgovernment, the suppression or abridgment of the publicity afforded by a free press cannot be regarded otherwise than with grave concern."

[18] That a right need not be mentioned specifically in the Constitution to be considered a constitutional right and to be protected as such is demonstrated by the treatment afforded recently by the Supreme Court to the "right to travel." See *Kent* v. *Dulles*, 357 U.S. 116 (1958), where a majority of the Court held that the right to travel is a constitutional right which "is part of the 'liberty' of which the citizen cannot be deprived without the due proces. of law of the fifth amendment."

[19] 6 "Writings of James Madison 398 (1906)."

[20] 2 Cooley, "Constitutional Limitations 886 (8th ed., 1927)."

[21] The ninth amendment reads: "The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people."

[22] For a collection and discussion of various cases in point, see note, "Access to Official Information: A Neglected Constitutional Right," 27 Ind. L.J. 209 (1951).

[23] 297 U.S. 233 (1946).

[24] Id. at 247 (Italics added).

[25] Id. at 243.

[26] Id. at 250.

[27] Ibid.

[28] For further discussion of this point, see Parks, "The Open Government Principle: Applying the Right To Know Under the Constitution," 26 Geo. Wash. L. Rev. 1 (1957).

[29] See *Thomas* v. *Collins*, 323 U.S. 516 (1945); *Thornhill* v. *Alabama*, 310 U.S. 88 (1940); *Cantwell* v. *Connecticut*, 310 U. S. 296 (1940). See also Mason, "The Core of Free Government, 1938–40; Mr. Justice Stone and 'Preferred Freedoms,' " 65 Yale L. J. 597 (1956) passim.

[30] Ibid. See also *West Virginia State Board of Education* v. *Garnette*, 319 U.S. 624 (1943).

[31] Ibid.

[32] See note 12, supra.

[33] Typical of the instances in which an "executive privilege" has been said to exist with regard to both the Congress and the public, and such executive privilege has been said to be based on the separation of power doctrine, is a letter from the Attorney General to Representative GEORGE MEADER, dated March 14, 1958. See hearings before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, U.S. Senate, 85th Cong., 2d sess., part 1, (1958), at pages 56–58. In his letter, the Attorney General said: "You will notice in my statement before the subcommittee that I gave full recognition to the existence of like legislative and judicial privileges based fundamentally on the constitutional separation of powers as is the executive privilege." then went on to say, "* * * You might consider the consequences if such executive, legislative, or judicial privileges did not exist, if the Executive could not assert under the Constitution a privilege against unrestricted legislative and public inquiry."

See also *United States* v. *Reynolds*, 345 U.S. 1 (1953) where the Supreme Court declined to pass on the argument advanced on behalf of the Government that there is an inherent Executive power to suppress documents which is protected in the constitutional system of separation of power.

[34] For a discussion of the separation of power doctrine and its functions in our scheme of government, see *O'Donoghue* v. *United States*, 289 U.S. 516 (1933).

exercise of some of the powers and duties given to the President under the Constitution requires secrecy under certain circumstances. To the extent that this is so, it would seem that the Constitution by necessary implication gives the President power in certain cases to withhold information from the public.[35]

Probably the best example of a constitutional power of the President necessarily involving some secrecy for its effective exercise is his power in the field of foreign affairs. It is easy to imagine the harm that could result to the Nation as a whole if everything the President and his representatives did or said in conducting our foreign affairs was done in public.

The Supreme Court already has recognized a need for secrecy in the conduct of foreign affairs, and has indicated that it recognizes a constitutional power in the President to withhold information pertaining to such matters from both the Congress and the public, where the national interest demands it.[36] The Court has said, in the *Curtiss-Wright* case:[37]

In this vast external realm (of foreign affairs), with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. The Senate Committee on Foreign Relations at a very early day in our history (February 15, 1816), reported to the Senate, among other things, as follows:

"The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee consider this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch." (U.S. Senate, Reports, Committee on Foreign Relations, vol. 8, p. 24.)

It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate plenary and exclusive power of the President as the sole organ of the Federal Government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular, and other officials.

Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiations of the Jay Treaty—a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

"The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of Members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all papers respecting a negotiation with a foreign power would be to establish a dangerous precedent." (1 Messages and Papers of the Presidents, 194.)

The marked difference between foreign affairs and domestic affairs in this respect is recognized by both Houses of Congress in the very form of their requisitions for information from the executive departments. In the case of every department except the Department of State, the resolution directs the official to furnish the information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information "if not incompatible with the public interest." A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned.

These words by the Supreme Court seem clearly to give judicial sanction to the doctrine of "executive privilege" as a doctrine of necessity in the field of foreign affairs, both as to the Congress and the public. The power to withhold information apparently is viewed as a necessary incident to the "very delicate plenary and exclusive power of the President" to conduct foreign affairs.

The need for secrecy thus acknowledged to exist in the conduct of foreign affairs, and the constitutional power to withhold information implied therefrom, undoubtedly pertain also to some other powers and duties given the President under the Constitution. Among these, for example, would be certain powers and duties of the President as Commander in Chief of the Armed Forces. Clearly, to perform his wartime duties as Commander in Chief properly, even in the absence of legislation by the Congress, the President must at times act in secret and at least temporarily withhold information from the public. The safety of the Nation would demand this.[38]

Thus, there seems little question that under the Constitution the President by necessary implication has the power to withhold some information from the public. But the fact that the President possesses such power, and obviously must exercise some discretion as to when to employ it, does not mean, as some proponents of the Executive privilege doctrine assert[39] that such power or discretion is unlimited or may be delegated to any and all subordinates.

To begin, the power to withhold information must, in the words of the Supreme Court in the *Curtiss-Wright* case, "like every other governmental power * * * be exercised in subordination to the applicable provisions of the Constitution".[40] The President cannot, for example, withhold information if by so doing he were to usurp or infringe a power given exclusively to the Congress under the Constitution.

Further, since whatever power he possesses under the Constitution to withhold information from the public is in direct derogation of the people's right to know, the President may not withhold information if by doing so he in any way were to trespass on the protections afforded the right to know in the Constitution, either expressly or by implication. As set forth above, the right to know is given broad protection in the Constitution, particularly in the free speech and press clause of the first amendment, and the President's power to withhold information is circumscribed accordingly.

In addition, the power to withhold information, being one implied from the Constitution on the ground of necessity, exists only where it is clearly essential. Since the power is implied as a necessary corollary to

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[35] The Supreme Court has held on several occasions that the general language of Article II of the Constitution was tailored to give the President broad Executive powers to perform his constitutional duties. See *Myers* v. *United States*, 272 U.S. 52 (1926); *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304 (1936).

[36] *United States* v. *Curtiss-Wright Export Corp.*, 299 U.S. 304 (1936).

[37] Id. at 319.

[38] An illustrative example is presented in *Totten* v. *United States*, 92 U.S. 105 (1876). There the Court said, with regard to a contract made between President Lincoln and the plaintiff whereby the plaintiff had acted as a secret agent for the President during the Civil War (at p. 106): "We have no difficulty as to the authority of the President in the matter. He was undoubtedly authorized during the war, as Commander in Chief of the Armies of the United States, to employ secret agents to enter the Rebel lines and obtain information respecting the strength, resources, and movements of the enemy; and contracts to compensate such agents are so far binding upon the Government as to render it lawful for the President to direct payment of the amount stipulated out of the contingent fund under his control. Our objection is not to the contract, but to the action upon it in the court of claims. The service stipulated by the contract was a secret service; the information sought was to be obtained clandestinely, and was to be communicated privately; the employment and the service were to be equally concealed. Both employer and agent must have understood that the lips of the other were to be forever sealed respecting the relation of either to the matter. This condition of the engagement was implied from the nature of the employment, and is implied in all secret employments of the Government in time of war, or upon matters affecting our foreign relations, where a disclosure of the service might compromise or embarrass our Government in its public duties, or endanger the person or injure the character of the agent. If upon contracts of such a nature an action against the Government could be maintained in the court of claims, whenever an agent should deem himself entitled to greater or different compensation than that awarded to him, the whole service in any case, and the manner of its discharge, with the details of dealings with individuals and officers, might be exposed, to the serious detriment of the public. A secret service, with liability to publicity in this way, would be impossible; and, as such services are sometimes indispensable to the Government, its agents in those services must look for their compensation to the contingent fund of the department employing them, and to such allowances from it as those who dispense that fund may award. The secrecy which such contracts impose precludes any action for their enforcement. * * *"

[39] See note 4, supra.

[40] 299 U.S. at 320.

some other power, it may be exercised only when the effective exercise of some other power requires it. Thus, even in the field of foreign affairs, where the Supreme Court has recognized a need for secrecy, the power to withhold information exists only to the extent that the effective and proper exercise of the President's power to conduct the foreign affairs of the Nation requires it. As regards foreign affairs matters not requiring secrecy in the national interest, there is no power to withhold.

From the foregoing, it may be seen that the President's power to withhold information from the public is indeed an executive "privilege"—not a right—which has relatively narrow limits. Circumscribed as it is by the protections afforded the people's right to know in the Constitution, particularly in the free speech and press clause of the first amendment, and limited further by the protection afforded first amendment rights under the "preferred position" doctrine, the executive privilege to withhold information from the public would seem to exist only in cases where it is necessary in the effective exercise of another Executive power and where divulgence of information would constitute a "clear and present danger" to the national interest. In the absence of enabling legislation by the Congress, information may be withheld from the public by the President only when these two tests are met.

Placed in this framework of limitation, the executive privilege assumes its correct constitutional position, and there is achieved between the people's right to know and the requirements of the Nation's safety the desirable balance referred to by Patrick Henry during the debates prior to the adoption of the Constitution, when he said: [41]

"The liberties of a people never were, nor ever will be, secure, when the transactions of their rulers may be concealed from them. * * * I am not an advocate for divulging indiscriminately all the operations of government, though the practice of our ancestors, in some degree, justifies it. Such transactions as relate to military operations or affairs of great consequence, the immediate promulgation of which might defeat the interests of the community, I would not wish to be published, till the end which required their secrecy should have been effected. But to cover with the veil of secrecy the common routine of business, is an abomination in the eyes of every intelligent man."

APPROPRIATIONS

Mr. MAGNUSON. Mr. President, I intend to bring up the Independent Offices appropriation conference report after a quorum call, but I desire to precede the motion to bring up the conference report with some general remarks about appropriations.

The Senate Committee on Appropriations this morning completed the mark-up of the supplemental appropriation bill. That is about the last appropriation bill to be considered at this session, except that having to do with foreign aid, and probably an emergency or deficiency bill.

During the course of many years of service on the Appropriations Committee naturally, members of the committee try to economize where they can and save money where they can, or at least attempt to get a dollar's worth of service for each dollar of the taxpayer's money which is to be spent whatever the object of the appropriation. I have attended many, many hearings, over several years, as a member of the Appropriations Committee, and we are always confronted with the statement by representatives of departments that they would like to shift offices, shift this, that, or the other, and consolidate.

The word "consolidate" always is used as if it were synonymous with "save." I used to feel that when offices were consolidated they were made more efficient, and probably a saving resulted. I am sure the Senator from Illinois [Mr. DIRKSEN], who served with me for a long time on the Appropriations Committee, will agree with this statement. We miss him there now, because he worked hard. Two or three years after consolidations are made we learn that the consolidations did not result in saving any money. We learn that the number of employees in the agency is the same. Usually the so-called consolidation results in taking a person from one place and putting him in another, to the detriment of those who pay the taxes, and who ought to be served in a reasonable way.

We have learned that consolidations in the name of efficiency and savings are sometimes suggested at the whim of or because of a desire on the part of some persons who wish agencies to be somewhere else. The military, of course, is the prime example of this kind of movement.

I remember when the chairman of the Naval Affairs Committee of the House some years ago was CARL VINSON, and the present majority leader in the Senate was a member of the committee also. At one time we had before us representatives of the Navy who wanted an authorization to build a new airport. Representative VINSON and I asked where it was to be built. We were told it was to be built at Miami Beach. At that time one could not fall out of an airplane without landing on a field in that vicinity.

I remember CARL VINSON saying to Admiral Nimitz, who was chief of navigation, that he had been around Congress a long time, and that when he first came, the Navy wanted to establish a base on the east coast. The Navy had bases at Boston and Savannah. The officials were asked where they wanted to establish a base. They said, "At Newport." It was alleged that there was no other place suitable for a naval base except Newport. A few years later the Navy wanted to build a base on the Pacific Coast. Where did the Navy want it to be built? At San Diego, Coronado Beach. It was alleged that there was no place else on the Pacific coast, from Alaska to the Mexican border, where a suitable base could be built, except at Coronado Beach. Then it was being said that there was no other suitable place to have the airfield except in the vicinity of Miami. The request was denied.

Mr. President, I do not make this statement facetiously. I suppose it is human for persons operating agencies to be motivated by desires to build somewhere else or have their offices somewhere else. In my section of the country, it is like pulling teeth to suggest that an agency should be located in San Francisco or Los Angeles to cover the whole Pacific coast, and to suggest that it would be merely a suburban ride if people wanted to go there, when actually the distance is as much as 1,600 miles.

Now we are running into this problem again. I see the Senator from Vermont [Mr. AIKEN] is on his feet. I hope he will permit me to complete my statement. The Senator from Colorado [Mr. ALLOTT] and I are members of the Appropriations Committee. We find that in the name of efficiency and economy the Veterans' Administration is trying to make consolidations in small offices, with very few persons involved, which are giving services to certain geographic areas which the law says should be given. We have run into two or three cases of that kind. One of the outstanding ones was an attempt to move an office from Reno to Los Angeles. It was said it would save the cost of employing three or four workers. I will bet my bottom dollar it will be found that the employees in Reno will just move to Los Angeles and work there, but the veterans being served in the Reno area will have to go about 700 miles to get any kind of service.

The same thing is happening in Sioux Falls, S. Dak. Perhaps the motives of the Veterans' Administration are all right, but money is not saved, and the service which the law provides should be given is not given by making such a move.

In the committee report we suggested to the Veterans' Administration—and we have also done so informally, and in connection with the testimony—that before they start all over the country to cut out service which is required by law by some of the consolidations which they "dream up," they had better look at the human angles involved and determine actually whether they will save any money. In this case I do not think any money will be saved.

It is necessary to concede a little to provide service in other areas. The Congress said the Veterans' Administration should provide service in such areas, even though it might cost a little bit more to do so, in the same manner as service is provided by the Post Office Department, by the Department of Health, Education, and Welfare, or by the Department of Labor.

I understand that the suggestion has been made for a consolidation in New England. New England is not so small a place as most people think. The distances are pretty great in that area.

It is too late to write a provision into the conference report, but I am hopeful it can be handled in some way. We suggested in the report that the Veterans' Administration should look at the matter again and should keep alive the services rendered by small offices. These services do not amount to much so far as administration is concerned, money-wise, but they are of assistance to a great many people who cannot go to the metropolitan areas. It would cost money for them to do that.

[41] 3 ELLIOT'S DEBATES 170 (1787).

It is too late to cover this matter in the conference report, but if I have the opportunity I suggest that in regard to the New England situation there be the same practices. The same judgment should apply as was the judgment of the full Committee on Appropriations, which unanimously made its recommendation as to the other two situations in the Middle West and in the Far West.

I know of the deep interest of the Senator from Vermont in this matter and of the deep interest of the people of his State. As the Senator knows, I have talked to the Veterans' Administration about the suggestion it has made. I want to suggest to the Veterans' Administration now that if the matter with regard to New England had been called to our attention at the time we were holding the hearings we would have felt the same way about the New England situation as we felt about the other two situations.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. It is not possible to state how very much I appreciate the remarks of the Senator from Washington. I agree with everything the Senator has said.

My interest in the Veterans' Administration appropriation stems from the fact that the Veterans' Administration has indicated its intention to skeletonize the rehabilitation and educational portions of the facilities in the States of Maine, New Hampshire, Vermont, and Rhode Island. I have no authority to speak for New Hampshire, Rhode Island, or Maine, but I can speak for Vermont.

I have never received more vigorous protests over anything proposed by a Government agency since I have been in the Congress. What is proposed would not only inconvenience thousands of veterans, but it would also mean that while there would be an adviser and a skeleton outfit left in Vermont, all that could be done would be to give advice. All decisions would have to be made in Boston from that time on. We know what a delay that would cause.

The boys for whom we are speaking want to sign up for schools and for vocational training and other things, and a few days' time can make a great deal of difference. It may mean the difference between some of them going to school and not going to school.

The excuse given for making this move is that in all New England a saving of $90,000 can be made. I do not know how many thousand veterans would be inconvenienced, but certainly there would be an extremely small saving in relation to the inconvenience caused to the number of individuals involved, even if a saving were made. I do not believe the Veterans' Administration would save $90,000.

Mr. MAGNUSON. If my friend will yield to me, that is what the saving is estimated to be, but I have found, after years of experimenting and experience in this matter, that actually in the long run consolidations do not save money.

Mr. AIKEN. I fully expect that it would cost more money to have two offices than to have one in a State to deal with the same subject. The State facility now makes the final decision in regard to vocational training and the educational programs. I do not know of anyone, other than the statisticians in the Veterans' Administration office, who think any savings would be achieved, much less a saving of $90,000.

I have received vigorous protests from our State officials, from the veterans' organizations in the State, from the labor organizations, and from the industrial organizations, as well as from innumerable individuals. They have protested as vigorously as they know how the skeletonizing of a part of the veterans' facilities, and a very important part, and moving it out of the State.

It is said, "Oh, yes, we will take care of the people who might be laid off. We will take some of them to Boston. We will send one to Cleveland." Who wants to leave his home and go to Cleveland? These jobs would be filled with other people who were more amenable.

I do not wish to imply that Cleveland is not a good place, but if one's home is in Vermont, and one has lived there all his life, one does not want to go to Cleveland.

Mr. MAGNUSON. Who wants to leave Reno to go to Los Angeles?

Mr. AIKEN. It is likely that more people leave Los Angeles to go to Reno than leave Reno to go to Los Angeles. [Laughter.]

I appreciate to the full what the chairman of the subcommittee has said. I add that I had already prepared a bill for introduction, until I learned that the conference report was to come before the Senate today. I should like to read the bill, and, if necessary, I shall introduce it. The title of the bill is "To prohibit the delegation by the Administrator of Veterans' Affairs to employees in any State of supervisory authority over employees in any other State."

The bill reads:

That, unless otherwise expressly provided by law, no authority to exercise supervisory control over employees of the Veterans' Administration who are assigned to duty in any State shall be delegated by the Administrator of Veterans' Affairs to, or otherwise conferred upon, any officer or employee of the Veterans' Administration who is assigned to duty in any other State.

If necessary, I shall introduce the bill. As I said, I came to the Senate Chamber expecting to introduce it.

In view of what the Senator from Washington has stated, I think the Veterans' Administration would be very silly indeed to ignore his words.

Mr. MAGNUSON. I will say to the Senator from Vermont, I must agree that the Veterans' Administration is in a little different category from an ordinary business operation of the Government. It is like the Post Office Department or the Department of Health, Education, and Welfare. It was created to give service. Sometimes it may cost a little more to give service when there are a number of offices.

If we were to follow the same principle in regard to hospitals of the Veterans' Administration, we would build only one veterans' hospital.

Mr. AIKEN. The Senator is correct.

Mr. MAGNUSON. We would not have hospitals all over the country, to which veterans can have easy access. Probably we could take care of the obligation of the Government more cheaply by having only one large hospital, in one large building.

Mr. AIKEN. I am fearful that some persons have that very thought in mind.

Mr. MAGNUSON. Yes.

Mr. AIKEN. We regard the skeletonizing of the local staffs in the handling of the educational and vocational training features of the Veterans' Administration program as simply a whittling process which will go on and on, until eventually we will find our veterans' facilities located in a half dozen of the larger cities of the land.

We know our veterans. They want their service at home. Some of them would rather die than go 1,000 miles from home to get treatment.

Mr. MAGNUSON. The Senator is correct.

Mr. AIKEN. Some professional statisticians whom we have in Washington think centralization would be better for the veterans.

Again I thank the Senator from Washington, because he has performed a most valuable service.

TRANSPORTATION IN RURAL AREAS

Mr. MAGNUSON. While the Senator from Vermont is present I should like to bring to his attention a resolution which he submitted. I think it contains a very fine suggestion. It was referred to the Committee on Interstate and Foreign Commerce. It relates to transportation in rural areas, areas other than urban.

I took the matter up informally with some committee members. Although it is not specifically spelled out in the resolution, we have agreed the proposal would be a good addition to the transportation study. We intend to make it a part of the study.

Mr. AIKEN. I had the feeling that perhaps the committee already had sufficient authority to cover that point, but I submitted the resolution to give emphasis to the peculiar needs of the rural areas. I was sure the Senator from Washington, understanding the rural areas as he does, would incorporate it in his study if it were possible to do so.

Mr. MAGNUSON. We shall be glad to do so.

Mr. AIKEN. It seems that it is included. Therefore I shall not ask for formal action on the resolution.

INDEPENDENT OFFICES APPROPRIATIONS, 1960—CONFERENCE REPORT

Mr. McNAMARA. Mr. President, I understand that last night, when the Senator from Washington was discussing the conference report relating to the independent offices appropriation bill, he referred to the civilian defense features of the bill.

Mr. MAGNUSON. Yes. I wonder if the Senator will permit me to bring the conference report formally before the Senate. Then I shall be glad to yield.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that the conference report on the independent offices appropriation bill is ready for submission. If we are to have the yeas and nays when it is acted upon by the Senate, let us ask for them while there is a good attendance of Senators.

Mr. YOUNG of Ohio. Mr. President, for the information of the majority leader, I propose, after the conference report is submitted, to move that the Senate recede from its amendment numbered one, relating to the civil defense feature. I should like to have the yeas and nays on that motion.

Mr. JOHNSON of Texas. At the proper time, if the Senator will remind us, and if Senators will remain in the Chamber, we can ask for the yeas and nays. The Senator from Ohio can make his motion as soon as the report is laid before the Senate and the Senator from Washington [Mr. MAGNUSON] completes his statement.

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MCGEE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 23.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, the conference report as submitted shows four amendments in disagreement, namely, amendments Nos. 1, 25, 29, and 39.

Amendment No. 1 restores $15 million to the Office of Civil and Defense Mobilization, for Federal contributions. Three million dollars of the restoration is to provide the full amount of $13 million requested for continuing the program of matching State funds for the procurement of civil defense equipment, education, training, and other technical assistance. Twelve million dollars of the restoration is to implement Public Law 85–606 by matching funds of State and local governments for personnel and administrative costs.

Mr. JAVITS. Mr. President, will the Senator yield on that item?

Mr. MAGNUSON. First, let me finish my statement.

Mr. JAVITS. I simply wondered whether the Senator expected to ask the Senate to stand firm on that item and seek a new conference.

Mr. MAGNUSON. That is what I intend to do.

Amendment No. 25 inserts language to allow the use of receipts from the rotation of materials in the stockpile, and provides that materials need not be replaced in such rotation program if they are excess to stockpile requirements.

Amendment No. 29 provides that funds for the construction of public buildings shall be available to GSA for the acquisition of buildings and sites by purchase, condemnation, or otherwise.

Amendment No. 39 transfers $1,890,000 from the National Science Foundation to the Bureau of Public Roads for the construction of a mountain road up Kitt Peak in Arizona.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. YOUNG of Ohio. Mr. President——

Mr. MAGNUSON. I simply wanted to make the motion.

Mr. President, the House has concurred in amendment No. 39, for the transfer of funds for the Kitt Peak road, and has amended amendment No. 25 to deny the use of rotating receipts in the stockpile, and amended amendment No. 29 to make public building funds also available for prepayment of purchase contracts. The House has insisted on its disagreement to amendment No. 1, the Federal contributions item for civil defense.

We now propose to clear 49 of the 50 amendments in the bill, and to go back for a further conference on the civil defense item in amendment No. 1.

Mr. President, I ask that the message from the House be laid before the Senate.

The PRESIDING OFFICER. The first order of business is on agreeing to the conference report.

Mr. ALLOTT. Mr. President——

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. Is not the first order of procedure before the Senate to agree to the conference report, that is, that part as to which both Houses are in accord on all the items?

Mr. MAGNUSON. If the Senator from Florida will permit me to do so, I was about to ask that that be done.

Mr. HOLLAND. The second order of procedure is the amendments of the House in which the distinguished Senator from Washington is asking the Senate to concur. Then we shall hold for later disposition the amendment in dispute which is amendment No. 1 of the Senate.

Mr. MAGNUSON. Yes.

The PRESIDING OFFICER. The first order of procedure is for the Senate to agree to the conference report.

Without objection, the conference report is agreed to.

Mr. MAGNUSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives.

The PRESIDING OFFICER (Mr. MCGEE in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7040, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,

July 23, 1959.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the bill (H.R. 7040) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes", and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: to the extent materials sold under section 3(d) of said act to prevent deterioration are excess to stockpile needs the replacement provisions of said section 3(d) shall not be mandatory: *Provided further*, That the House recede from its disagreement to the amendment of the Senate numbered 29, and concur therein with an amendment, as follows:

After the word "otherwise" in said amendment, insert: ", including prepayment of purchase contracts."

That the House insist on its disagreement to the amendment of the Senate numbered 1.

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 25 and 29.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. MAGNUSON. The bill has now been cleared except for amendment No. 1.

The PRESIDING OFFICER. The Senator is correct.

Mr. MCNAMARA. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MCNAMARA. This item includes $12 million for civil defense funds to meet the matching funds of the various States. Is that correct?

Mr. MAGNUSON. Yes.

Mr. MCNAMARA. Are we not running out to some degree on our commitments to the local civil defense organizations by not providing many of the States with the matching funds to which they are entitled under this program?

Mr. MAGNUSON. That is correct. The Senator from Michigan may recall that last year this program was promoted by civil defense officers in order to secure local participation. Last year the program was not quite in shape at the time the Committee on Appropriations held hearings, but the civil defense group felt that they had gone far enough to ask for some money for grants-in-aid under the law. So an amendment to that effect was adopted on the Senate floor.

At the time we went to conference, it was pointed out that some of the States needed more money. About 16 or 17, as I recall, had not submitted to the Federal Civil Defense Administration the sort of master plan which the Administration had in mind. The other States had done so.

Second, the House committee had some misgivings about an item which they said would start some patronage in the local courthouses, city halls, or State capitols. But the Civil Defense Administration had told us all along that the grant-in-aid money would be given to persons who came under the merit system, which every State has in this particular matter.

The merit systems were established in the States under the Department of Labor, the Department of Health, Education, and Welfare, and the National Institutes of Health. So the States have fairly good civil service merit systems. Some of the States do not call them that.

But now comes this appropriation. In every single State—all 50 of them—the plans have been approved. Every person who will be employed by the State government will be qualified under the same rules and regulations that exist for other Federal agenices which receive grants-in-aid. It is usually the government of the State which acts, not the city or county government, although in some of the larger cities it may be the local authorities.

The Senate has passed this appropriation the second time. We went to conference this time with a long, complicated bill. There were many amendments and many disagreements. We finally agreed to every item but this one.

The Senator from Florida [Mr. HOLLAND], the Senator from Colorado [Mr. ALLOTT], other Senate members of the conference, and I felt that we were duty bound to stand by this amendment, because the Senate had said, not once, but twice, that it wanted this provision in the bill.

The more testimony we received, the more we became convinced that this procedure was the core of the whole matter, that unless we moved this program of civil defense out to the people, and unless they administered it themselves, we would never have any cooperation.

The fire chief in Seattle would not pay as much attention to an official coming from Washington, D.C., and telling him how to take care of the city of Seattle in case of an attack, as he would to a local person, one appointed by the Governor of the State, in handling the general plan of civil defense.

I suppose there is not a member of my subcommittee who does not agree that much money has been wasted in civil defense activities. That may be because we have not effectuated the plan. If the plan is to work at all, it will have to work as it is now proposed. The personnel in the Civil Defense Administration are very competent. I am certain that all Senators know the persons who are responsible for the operation of the program in the respective States. Those persons are also very competent.

The Federal Government will simply provide the grants-in-aid to the State or city, and the State or city will decide on the salaries which are to be paid. There is a liaison. If training is required, the Office of Civil Defense Mobilization can provide it, if the local authorities have the advantage of some equipment.

I would rather not have any civil defense unless it is along the line of the kind of plan I have mentioned in which the people have a local interest. No plan will ever work without local interest. It will never be made to work from the office of a group sitting in Washington or in Battle Creek, telling somebody in Denver what to do. That is why we were so anxious about this particular amendment.

Mr. MAGNUSON subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks today on the matter of civil defense, some tables connected therewith.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FEDERAL CONTRIBUTION

Program and financing

	1958 actual	1959 estimate	1960 estimate
Program by activities:			
1. Attack warning	$1,360,142	$1,135,000	$950,000
2. Communications	8,970,522	7,475,000	6,235,000
3. Public safety devices	454,672	378,000	385,000
4. Medical supplies and equipment	355,888	295,000	310,000
5. Education services	673,378	560,000	480,000
6. Mass care equipment	9,630	10,000	10,000
7. Engineering supplies and equipment	1,209,259	1,010,000	860,000
8. Construction and general equipment	3,716,819	3,107,097	3,340,000
9. Preservation of vital records		300,000	430,000
10. Personnel and administrative costs		(1)	12,000,000
Total obligations	16,750,310	14,270,097	25,000,000
Financing:			
Unobligated balance brought forward	−14,021,528	−14,270,097	
Unobligated balance carried forward	14,270,097		
Unobligated balance no longer available	1,121		
Appropriation	17,000,000	(1)	25,000,000

[1] Supplemental request for 1959 in amount of $3,000,000 for personnel and administrative costs is included in President's 1960 budget as item proposed for later transmission.

GENERAL STATEMENT

The Federal contributions appropriation provides Federal funds to be matched with State and local funds for civil defense organizational supplies, equipment, personnel, and administrative costs. The stimulus thus presented through the matching fund device has greatly influenced the participation of the States and of a great many cities in securing organizational supplies and equipment for civil defense purposes. Through fiscal year 1959, Federal contributions of approximately $96.3 million will have been made to State and local governments for various civil defense matching-fund programs. Recent passage of Public Law 85–606, is expected to greatly increase the momentum of this program.

In addition to declaring that the responsibility for the civil defense of the United States is vested jointly in the Federal Government and the several States and their political subdivisions, Public Law 85–606 provides authorization for the Director to make financial contributions to the States for necessary and essential State and local civil defense personnel and administrative expenses.

This new authorization together with that already provided in Public Law 920 to make financial contributions to the States for civil defense materials and facilities makes it possible to present a coordinated program directed toward improving the civil defense capability of the Nation.

MATERIALS AND FACILITIES

Obligations under the contributions program amounted to $16,750,000 in fiscal year 1958. This represents a sizable increase over past years. It also reflects increased participation by the States, who are attaining an operational capability not heretofore realized. This has occurred despite the difficulties States and local governments have encountered in their limited financial capability.

OCDM accepts applications for matching funds in the following major areas: (a) attack warning, (b) communications, (c) public safety, (d) medical supplies, (e) education, (f) mass care, (g) engineering supplies and equipment, (h) construction and general equipment, (i) preservation of vital records.

Changes in concepts caused by advanced instruments of warfare have necessitated a change in the criteria established for the procurement of many items. For example: It is now desirable to permit the construction of emergency sites of government within the so-called aiming area boundary. Increased blast resistance construction is required but this is offset by the fact that the facility is accessible with only minutes of warning time.

Items of personal equipment (authorized by Public Law 85–606), duplication and storage of vital records, and the cost of rehabilitation of surplus property have recently been made eligible for matching funds.

PERSONNEL AND ADMINISTRATIVE EXPENSES

Federal support for personnel and administration to States and local governments will provide the additional personnel required by these governments to plan and carry out measures necessary for survival. Operational plans at each echelon of government coordinated with the national plan are essential.

The Committee on Armed Services of the House of Representatives said in its report (No. 694, 85th Cong.), "With a few exceptions the States and their political subdivisions have felt it impossible to support and maintain, by themselves, such a civil defense staff."

To assist the States and to assure maximum utilization of funds available under Public Law 85–606, regulations and guidance material have been prepared by OCDM in accord with the provisions of the law.

The States and political subdivisions are prepared to cooperate with the Federal Government in the development of unified civil defense plans.

JUSTIFICATION OF ESTIMATE

Attack warning, $950,000: The attack warning program consists of: (1) Warning devices, (2) interior warning systems, (3) voice sound equipment, and (4) recurring costs and maintenance of devices and control equipment.

To provide the Nation with adequate warning of attack is one of the most important functions of the OCDM. Research into the development of more efficient devices is continually in progress. As improved equipment is introduced it is made available for matching funds. The major portion of the past year's obligations under this activity was spent in public outdoor warning systems. Other substantial amounts were spent on interior warning systems for schools, hospitals, and public buildings; for the recurring costs of the alerting and control circuits and for voice sound systems.

Communications, $6,235,000: The communications program is designed to assist the States and local governments in establishing control centers, procuring adequate telephone and radio equipment, emergency power supplies for communications facilities, and local communications systems to provide channels for command, control, and coordination. These systems are a vital requirement to effect mobilization, movement, mobile support, fallout intelligence, rehabilitation, and to maintain continuity of government during an emergency.

Public safety services, $385,000: Funds appropriated under this heading are to provide the materials and equipment required for the development of a nationwide uniformly equipped civil defense auxiliary. Items purchased from these funds include rescue trucks and equipment, police uniforms, operational equipment, and helicopters used for aerial reconnaissance, traffic control, etc.

Medical supplies and equipment, $310,000: The medical supplies and equipment program is designed to encourage States and localities to develop their own organizations and facilities for (a) casualty care, (b) protective health services, including communicable disease controls and chemical and biological warfare defense, (c) radiological warfare defense, and (d) emergency sanitation. Casualty care organizations and facilities include first-aid stations, emergency treatment centers, emergency hospitals, and reserve supplies for existing hospitals. Supplies include blood collection equipment, blood plasma and blood plasma expanders.

Education services, $480,000: States and political subdivisions are developing programs of training and education and public information designed to implement their emergency plans.

Federal funds are made available in training and education for conducting courses for leaders in skills which are essential to the civil defense program; for purchasing capital items of training equipment needed in the training courses; and for conducting training test exercises to determine operational capability of Government in emergency.

Funds are also made available in public information for the promotion of civil defense activities and to disseminate information on individual and community survival as related to a particular civil defense condition.

Considerable progress has been made in the initiation and conduct of programs in leadership and skills, training, and informing and educating the public. Continued participation by States and localities is anticipated in these programs during fiscal year 1960 because of the more definitive directions coming from operational survival plans. Concerted efforts will be made to inform and educate the public with the contents of these plans and to train them in the skills needed for implementation.

Emphasis will be placed on the testing of the operational capabilities of Government through training exercises. OCDM will encourage States and localities to conduct exercises to test their plans and also to participate in national exercises to test the national plan.

Mass care equipment, $10,000: The objective of this program is to provide assistance to State and local governments in procuring basic items of supply and equipment for the emergency feeding and housing and general welfare of disaster victims. Since the equipment procured under this program is costly and limited in use and expensive to store, it has been difficult to encourage the States and local communities to participate.

Engineering, supplies, and equipment, $860,000: Under this program funds are provided for the purchase of equipment to supply emergency electrical power and safe water supplies. Such equipment includes generating sets, water purification equipment, portable water pumping equipment, lightweight quick coupling pipes and numerous other items which can be quickly pressed into service to provide essential facilities during emergencies.

Funds are also available under this program for civil defense highway signs, road markers, and minimum modification of traffic control systems to provide for a maximum movement of vehicles during an emergency.

Construction and general equipment, $3,340,000: Funds under this activity are to provide financial assistance for the construction or protected facilities (control centers), from which governments may continue to operate during an emergency, and for the construction of training centers. A recent change in the criteria established for the construction of control centers now permits their location within the aiming area boundary.

Preservation of vital records, $430,000: The preservation of essential records is an integral part of the continuity of government program, which is designed, in the event of attack, to preserve leadership and authority, to preserve State and local government, and to strengthen State and local emergency operations. The classification "essential" is extended to those records which are required to:

1. Protect the rights and interests of the individual,
2. Conduct operations of government during an emergency, and
3. Reestablish normal governmentive functions and to protect the rights and interests of governments.

Records preservation, as a major program objective, will be stimulated through the distribution of informational materials, technical assistance by OCDM regional staff and financial assistance through Federal matching contributions. State and local governments will be afforded guidelines for selecting and protecting records vital to continuity of government. Governments will be eligible for matching Federal contributions when they preserve records determined to be essential to emergency operations in a manner insuring availability when and where needed, and by methods providing economical protection and utilization with the necessary degree of record permanence.

Personnel and administration costs, $12,000,000: Public Law 85–606 provides authority for making Federal contributions of not to exceed one-half of the total cost of necessary and essential State and local civil defense personnel and administrative expenses. These contributions will be made on the basis of approved plans for civil defense of the States which are consistent with the national plan for civil defense mobilization.

As was pointed out in the House report on H.R. 7576, the task of developing an adequate civil defense capability at State and local levels requires a staff of experienced, trained, full-time specialists. Through this program the Federal Government will provide a stimulus to State and local efforts. In this way the principles of joint responsibility enunciated in the law will be realized.

Meetings with State and local officials were conducted in order to determine the most acceptable and desirable methods for implementation of this legislation. Items discussed during these meetings included: (1) Functional areas represented, (2) minimum staffing required to carry out responsibilities, (3) number of civil defense employees now available at the various levels of government, and (4) availability of State and local funds to support this program. A list of functions inherent in a national program was prepared and discussed. It was further agreed that the emphasis to be given individual functions would have to vary depending on such factors as terrain, climate, geographic location, etc.

Mr. McNAMARA. Will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Michigan.

Mr. McNAMARA. The Senator from Washington indicates that in the matter of civil defense we did have a commitment with the people at various local levels, whether it be State or city, and that they were encouraged to set up local groups to cooperate in their areas.

They have now spent their money. They have acted on the basis of the promise from Congress that they were to have matching funds. How can we run out on them at this point?

Mr. MAGNUSON. I recognize that there are a great number of cities, although it is mainly States, which have done just that. I know my State has. It has set up an organization under a very fine man.

Mr. McNAMARA. We have General Dougherty in Detroit. He set up an organization on the strength of the commitments from the Federal Government.

Mr. MAGNUSON. In my State the director happens to be Colonel Ralls who, as Senators may recall, was head of the Veterans of Foreign Wars. He is trying to get the cooperation of the American Legion and the Veterans of Foreign Wars. I would rather cut the appropriation for this agency in half than to cut this, I will not say little item, because $15 million is not small, although it is in comparison with the amount which is being spent nationwide, much of which, I must agree with my friend from Ohio, is being wasted.

Mr. HUMPHREY. The Senator may recall that last year I offered an amendment in the Senate providing for the expenditure of $4 million at that time. The Senate adopted this amendment, but it was lost in conference.

Congress enacted Public Law 85–606, which sets up the matching formula. As has been indicated, the States and the localities need the program of expanded training.

I for one feel that the civil defense program goes much farther than some persons seem to think it goes. Let me say that in my State civil defense has saved the people millions of dollars, because those enrolled in it go into action when disasters occur. They have proven themselves efficient in such matters as handling large crowds of people at times when there have been community activities on a large scale.

From the standpoint of emergencies and disasters, exclusive of war, civil defense saves the taxpayers millions of dollars. The volunteers are not paid. What is more, it seems to me such service is a fundamental of good community organization, and I for one think that $12 million is a very, very small sum of money for a Nation of 175 or 180 million people, and the $12 million, of course, is matched by the States.

In our State the State director of civil defense is Col. Hubert Schon, an outstanding man, who has rendered distinguished service. In the city of Minneapolis, the director is Walter P. Halsted, who is nationally recognized as one of the eminent authorities in the field of civil defense organization and administration.

I have received a number of telegrams from my home State of Minnesota, from the Mayor of St. Paul, the Mayor of Minneapolis, and the Governor of the State. I have other messages, all urging the Senate to support the senior Senator from Washington [Mr. MAGNUSON] and his subcommittee to uphold the Senate amendment in the conference. So I hope that will be done.

I went to some length to prepare a statement on this subject. It was my privilege to address a civil defense meeting in New York City a year ago. I returned just 2 weeks ago from the U.S. Conference of Mayors.

Mr. MAGNUSON. It was the Senator's amendment that resulted in this item being included last year.

Mr. HUMPHREY. That is correct.

Mr. MAGNUSON. I might say to the Senator, too, that we should consider that Public Law 85–606 makes civil defense a joint responsibility of the States.

Mr. HUMPHREY. That is true.

Mr. MAGNUSON. The reason for that is, as my friend the Senator from Ohio has said on this issue, that we are wasting a lot of money. There is no question about that. But our proposal, I think, furnishes the only hope to make civil defense effective. On top of that, we have found in the past that some of the well-trained local bodies have been pretty effective when local disasters occurred.

Mr. HUMPHREY. That is what I mean. In fact, within the past year in my State we have had to use our civil defense organization two or three times in great emergencies.

I wish to add a word about waste. I suppose some money has been wasted, but I recall reading a few years ago about a Navy contract for motors for airplanes, the cost running into the hundreds of millions of dollars, motors which, by the time they were produced, were useless, outdated. Where they are now I do not know. I suppose they are being stored in some toy store somewhere. I did not hear one word of complaint about that. Somebody says, "Well, we miscalculated." We can also miscalculate a little bit on civil defense.

One of the best things we have in this country today, in terms of keeping the American people alerted to their responsibilities, is the civil defense organization. Without civil defense in our State, our State budget would have to be substantially expanded, because we need this kind of community organization to take care of our community needs. I hope that the recommendations of the Senator from Washington will be supported.

Mr. President, a week ago I reported on my attendance at the 1959 conference of the U.S. Conference of Mayors. As a former mayor of Minneapolis, I was invited to participate.

One resolution unanimously adopted by the 400 mayors of our larger cities attending the conference dealt specifically with the stand the Senate and its conferees have taken on the Federal contributions for State and local civil defense agencies which is contained in the independent offices appropriation bill, H.R. 7040, now before us.

The mayors, as did the Governors' Special Civil Defense Committee, headed by Governor Rockefeller, of New York, urged that Congress appropriate the funds for civil defense purposes previously authorized by Congress when it unanimously adopted Public Law 85–606. Governors, mayors, and county commissioners, as well as all State and local civil defense directors, took our unanimous passage of Public Law 85–606 seriously. They expect the matching funds needed to implement it.

I point out most emphatically that the heart of the civil defense program embraces the State and local governments. It takes all governmental units, Federal, State, and local to do this job—which is to protect America—national survival in other words. What is at stake is Federal support of a small, professional staff in the States and localities which will rally and coordinate the support of all governmental personnel and resources—all governmental departments and functions—at the State and local level.

Twelve million is a small price to pay to coordinate and direct the resources of our State and local governments, their personnel and some 4 million volunteers. The alternative is outright federalization at a probable cost of $500 million, or more.

Canada has recently established an OCDM to coordinate dominion and provincial functions with most of the operational functions turned over to the military. The first table of organization calls for 40,000 military to do the job now being done in the United States by less than 2,000 State and local civil defense personnel—the "city hallers" referred to by the House subcommittee chairman. Canada has one-twelfth our population. If we should follow in Canada's footsteps and militarize or federalize civil defense, we can look forward to 500,000 military and Federal personnel doing the job at a cost of billions. Let us be sensible.

Let me summarize what I said last August when the Senate stood firm on this issue. I pointed out then that in passing Public Law 85–606, the Senate took one of the most forward steps in nonmilitary defense in 8 years. Among other things, the bill authorized the expenditure of Federal matching funds of not more than 50 percent toward the cost of personnel and administrative expenses of State civil defense employees.

As the senior Senator from Massachusetts pointed out at the time of consideration of the bill, civil defense is lagging in many States. In more than three-fourths of them there are less than 12 full-time civil defense employees. He pointed out quite clearly that no matter how many civil defense volunteers there might be, the services of these men and women may not be used effectively without a strong nucleus of trained leaders, professional people, available for civil defense or national disaster relief activities. The bill authorized a maximum of $25 million appropriations in any single year. President Eisenhower recommended $12 million for this program for fiscal year 1960.

In its report last August on the supplemental appropriation bill, 1959, the Senate Committee on Appropriations said that the appropriations for this purpose should await "the approval of State plans." However, to start the program, the Senate recommended an appropriation of $4 million. This item was lost in conference when the Senate acceded to the House wishes.

Please note now the following paragraphs from the Senate report on fiscal year 1960 appropriation:

EXCERPT FROM SENATE REPORT, OFFICE OF CIVIL AND DEFENSE MOBILIZATION, FEDERAL CONTRIBUTION:

The committee recommends the restoration of $15 million to provide the full budget estimate of $25 million for Federal contributions. Of this restoration, $3 million is to provide the full amount requested for continuing the program of matching State funds for the procurement of civil defense equipment, education, training and other technical assistance, and $12 million is to implement Public Law 85–606 by matching funds of State and local governments for personnel and administrative costs.

As to this new program, enacted on August 8, 1958, the committee is advised that each State has a civil defense agency in being, that each State has submitted a plan which has been approved as in accord with the national plan, and that each State has a civil service system or a joint merit system under standards similar to those now participated in by the Department of Health, Education and Welfare, and the Department of Labor. The committee understands that if such merit standards are not complied with, the law would prohibit the matching of funds in that event.

The committee is assured that these funds are required in order to build a workable nonmilitary defense program for the Nation, and trusts that the quality of the program will warrant such expenditure.

The administration has completely endorsed the position of the Senate conferees.

In my own State our Minneapolis director, Walter Halstead, is the president of the U.S. Civil Defense Council, which is composed of 1,000 county and city civil defense directors. The council has unanimously supported this item. If you have not heard from your mayor or county commissioner—you will, because the U.S. Civil Defense Council, the National Association of County Officials, and the Governors' conference think the Federal Government—our National Government—should financially support nonmilitary defense. This is a burning issue in every State, county, and city in the land. Please don't forget it.

Support for this program has come from my city director, my Governor, who has served as a member of the Governors' Civil Defense Committee, once headed by Governor Harriman and now chaired by Governor Rockefeller, my State director, Col. Hubert Schon, and Mayor Peterson, of Minneapolis. This is a bipartisan issue.

Those who know—our Armed Services Committees, Representatives Carl Durham and Chet Holifield, Senator Russell, Senator Kefauver, the President, the Gaither report, the Rockefeller Bros. report, General Sarnoff, Senator Magnuson, and the committee—all have urged approval of this proposal.

We must support the Senate position. Senator MAGNUSON has taken a position, as have all the conferees, and they deserve our support. If we do not provide Federal financial support as authorized by Public Law 85–606 and by the Senate on August 23 last year, as well as when the Senate enacted Public Law 85–606 on July 23, 1958, we will break faith with Governors, mayors, and State and local civil defense directors.

I ask unanimous consent to have printed at this point in the RECORD telegrams which I have received, a statement I made before the Subcommittee on Independent Offices of the Committee on Appropriations, and a fact sheet in regard to the Office of Civil and Defense Mobilization.

There being no objection, the telegrams, the statement, and the memorandum were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *July 27, 1959.*
The Honorable HUBERT H. HUMPHREY,
Senator from Minnesota,
Senate Office Building,
Washington, D.C.:

I urge you to again support Senator MAGNUSON'S conference committee's recommendation relative to $12 million OCDM administrative matching funds which I understand will be voted on again tomorrow.

ORVILLE L. FREEMAN,
Governor.

ST. PAUL, MINN., *July 27, 1959.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

Would appreciate your continued support on the implementation Public Law 85–606.

JOSEPH E. DILLON.

ST. PAUL, MINN., *July 27, 1959.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

The action of the House in supporting the stand taken by Representative THOMAS to delete the $12 million for OCDM administrative matching funds is of grave concern to all State, county, and municipal officials. All levels of government in Minnesota are looking to you for continued leadership and support to provide that assistance that can only come from the Federal Government. Your continued effort in support of Senator MAGNUSON'S conference committee's recommendation to sustain the $12 million when it comes before the Senate on Tuesday July 28 is solicited.

H. A. SCHON,
State Director, Department of Minnesota Civil Defense.

WASHINGTON, D.C., *July 23, 1958.*
Hon. HUBERT H. HUMPHREY,
U.S. Senate, Washington, D.C.:

The 1958 act making civil defense Federal responsibility instead of solely State and local will be tremendous step toward effective national defense if implemented by Federal matching funds for administration. City governments of United States strongly urge you support Senate conferees favoring $12 million for this purpose in H.R. 7040.

A. J. CELEBREZZE,
President, American Municipal Association, Mayor of Cleveland, Ohio.

ST. PAUL, MINN., *July 24, 1959.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.:

I understand the conference committee on OCDM appropriations to implement Public Law 85–606 is deadlocked. Please contact Senate members on conference committee and request they hold firm for this assistance for State, county, and municipal civil defense.

H. A. SCHON,
Director of Civil Defense, State of Minnesota.

STATEMENT BY SENATOR HUBERT H. HUMPHREY ON BEHALF OF HIMSELF AND SENATOR EUGENE MCCARTHY, BEFORE SUBCOMMITTEE ON INDEPENDENT OFFICES, COMMITTEE ON APPROPRIATIONS, U.S. SENATE, MAY 1959, IN SUPPORT OF ADEQUATE APPROPRIATIONS FOR CIVIL DEFENSE

Mr. Chairman, I am very grateful for this opportunity to present this statement in support of the requested appropriation for the Office of Civil and Defense Mobilization. I am sure you are aware of my tremendous interest in civil defense and of my efforts to include funds for this purpose in the supplemental appropriations bill for 1959. I am still interested in this matter, and I shall continue to press for an adequate civil defense program. By adequate I mean a program capable of realistically defending the civilian population against the horrors of a thermo-nuclear deluge.

A big stride toward realizing this goal was taken last year in the reorganization of OCDM, the adoption of the national plan, and the passage of Public Law 85–606 which set up the program of Federal matching contributions for State and local civil defense units.

The necessity for planning for national survival through military and civil defense was brought clearly into focus by the advent of thermo-nuclear weapons capable of showering catastrophic destruction upon any part of the earth at any time. We are cognizant of the fact that it is now possible for powerful nations to destroy each other without either gaining any semblance of a victory.

Faced, as we are, with the dilemma of destruction or survival in a thermo-nuclear holocaust, I cannot help but be deeply concerned about efforts to delete from the independent offices appropriations bill for 1960 the President's proposed $12 million appropriation to assist State and local civil defense agencies in meeting personnel and administrative expenses. I am concerned because this proposal seeks to establish an adequate civil defense program. Also, I am disturbed by charges that have been leveled at this aspect of the OCDM program. I cannot believe that a Federal contributions program such as that proposed could be wasteful or could create an independent bureaucracy.

The facts which are at my disposal refute such charges. The requested appropriations would provide qualified personnel to carry out the important jobs involved in civil defense planning. Inadequate staffing is presently one of the biggest headaches of our civil defense program.

It is my understanding that Federal matching funds would be allocated to State civil defense directors on the basis of the vulnerability of the target areas and the responsibility of the support areas involved. Funds would be allocated only after local directors have indicated by written plan (1) the purposes and responsibilities of any persons to be hired or already hired, (2) that these persons are qualified to hold their respective jobs, and (3) that the proposed civil defense program is in accordance with the State and national plan for survival and that the proposed program will implement existing State and national plans for survival. If local directors do not live up to these qualifications, Federal funds would be withdrawn by State and Federal authorities.

It is my firm belief that these qualifications would result in standardization of the civil defense program on a national level, thereby making the program more efficient and more effective. I cannot see waste in such a program; neither can I see where the proposed Federal-State-local coordination would lead to independent bureaucracy.

These are the immediate and surface facts, Mr. Chairman. I shall go further. As planned, the newly initiated program would eliminate any evils, kinks or bugs in the program. This must be done if there is ever to be a really effective civil defense program capable of withstanding the devastation of a nuclear attack.

In my opinion, the intent of Congress in enacting this program of Federal contributions to State and local civil defense organizations for administrative expenses was to eliminate impediments and to create an atmosphere in which our civil defense program can attain its peak effectiveness.

For every dollar the Federal Government spends under this matching grant program, a civilian dollar is spent. If the proposed $12 million Federal grant is considered wasteful, then, by the same reasoning, we must also consider the proposed $12 million civilian contribution as wasteful. Certainly this is not the case.

Civil defense officials are definitely in favor of stepping up the program from Federal, State, and local standpoints. But what is more indicative of the value of this program and of the attitude toward it is that the individual citizens involved in the actual work of civil defense also favor such a program step-up. This is evident in the fact that they are willing to spend their time, money and to dedicate themselves unselfishly to the national cause of civil defense. One civil defense director in my

State told me recently: "We have many people driving as much as 120 miles in an evening to attend these training sessions."

I made this point to emphasize, Mr. Chairman, that this is not a game someone is playing, nor is it a scheme to swindle the Federal Government out of money. This is serious work. Civil defense participants realize that what they are doing today may well affect national survival tomorrow.

How long can this wholesome attitude be expected to last under the present conditions of the program?

Without increased Federal participation and assistance, I am afraid that local participation in civil defense will decline and that maybe we will be faced ultimately with the problem of trying to develop a Federal civil defense force.

I am informed, Mr. Chairman, that there is a feeling among some local civil defense directors that if the Federal Government does not consider civil defense necessary, why should they assume entire responsibility. I submit that this is not the attitude of a shirker. This is the attitude of a person who, having given his all for the team, feels down and out because he realizes that the team only made a token effort. One man does not make up a team; local participation is only a part of civil defense.

This matching grant program could be a positive indication of the role the Federal Government intends to play in civil defense, and I am sure that this program would prompt an equally positive attitude from local authorities.

Mr. Chairman, civil defense programs at all levels of government in Minnesota require the assistance that is projected in the proposed appropriation. Without it, I know that many proposed activities will be nipped in the bud and that some programs will be curtailed.

Several months ago, Mr. H. A. Schon, director of civil defense for the State of Minnesota, reported to OCDM that Minnesota has 71 political subdivisions which would participate under the matching funds program. He also reported that it is anticipated that by July 1960 the number of participants would include 87 counties and 95 towns.

Briefly, Mr. Chairman, this new assistance would enable us to: continue planning, perfect organization, provide training on the State and local levels. In order to undertake these and many more tasks in our civil defense program, it is imperative that adequate equipment and adequate, full time, trained staff workers be on hand.

Despite its limited budgets, OCDM has assisted the State of Minnesota and its political subdivisions as best it could. This assistance has resulted in great dividends, but it has not been sufficient. The program must be accelerated now and much more must be done within the next few months if we are to adequately protect the people of Minnesota.

I realize that although Federal assistance must be maximized, it should not be a substitute for local responsibilities. But without adequate Federal assistance, the localities cannot be expected to expand their efforts. It is sufficiently clear to me that sincere efforts have been put forward by civil defense agencies and that these agencies have demonstrated their willingness to institute and perpetuate realistic civil defense programs.

In view of present world situations, I am convinced that we cannot afford to curtail funds either for military defense or civil defense because our national survival is so greatly dependent upon both of these programs.

Therefore, Mr. Chairman, I urge the Committee on Appropriations to favorably report an appropriation in the amount requested in the budget for OCDM. I sincerely hope that each aspect of the OCDM program, including the provisions for Federal matching grants for equipment and personnel and administrative costs, will be fully implemented.

Thank you.

Office of Civil and Defense Mobilization—Fact Sheet

On August 8, 1958, the President signed Public Law 85–606, which, for the first time, establishes civil defense as a joint responsibility of the Federal, State, and local governments. The law authorized the expenditure annually of $62.3 million. However, the President requested only $20.8 million for fiscal year 1960, of which $12 million would be for sharing the administrative costs of civil defense with State and local governments. The only item now in controversy pertains to this item.

The House reduced OCDM's overall requests for fiscal year 1960 from $74,970,000 to $43,735,000—a cut of more than 40 percent. The Senate restored $16 million of the $31,235,000 House cut. The $12 million for matching the administrative and personnel costs of State and local civil defense was denied by the House, and but $1.5 million was authorized for donation of radiological instruments to the States. Funds for research were reduced, and the $5.5 million to educate the public on the effects of radiological fallout was denied. Despite the authorization set forth in Public Law 85–606, the House refused to appropriate funds to carry out the intent of the act which is to strengthen civil defense at the State and local level by providing Federal financial help for personnel and administrative costs.

Public Law 85–606, and the appropriations to support it have the endorsement of the Governors' Conference, Mayors' Conference, American Municipal Association, the National Association of County Officials, and many other organizations, including the AFL–CIO. For civil defense to be effective it must be strengthened at the State and local levels. For that reason it is necessary that Congress provide the funds requested. The alternative is a complete Federal civil defense and disaster relief program at a cost of hundreds of millions of dollars.

The Senate Independent Offices Appropriations Committee restored $15 million cut by the House at the hearing on the OCDM budget on May 25. These appropriations are vital for the strengthening of the Nation's civil defense. Of this amount $12 million was for administrative matching.

The administration favors the matching of Federal funds with the State and local governments in order to strengthen civil defense.

Please let me cite some history. The Senate will recall that last year the Congress passed and the President approved Public Law 85–606, to provide for Federal financial assistance to the States for civil defense personnel and administrative expenses.

Public Law 85–606, was passed for the express purpose of modernizing and strengthening the State and local civil defense organizations throughout the country. Federal financial contributions were authorized to enable the States and cities to increase their capability to effectively carry out their responsibilities in a war emergency. The primary means of accomplishing this was the authority contained in the act to permit the Federal Government to share expenses with State and local governments for the personnel and administrative costs of civil defense which had heretofore been prohibited by the terms of then existing law.

Authority for assisting the States and cities in this most vital activity was recommended by the administration as well as by all serious students of the question of the organization and operation of civil defense in our country. Notable among these was the specific recommendation of the Commission on Intergovernmental Relations—the Kestnbaum committee—that the Federal Government increase its financial participation in the personnel and administrative costs of civil defense at the State and local level. The Governors' Conference for the past 3 years has unanimously supported such a program.

It is essential that the Congress demonstrate to the State and local governments, and through these local governments to the public at large, its increased support of the vital programs of the Office of Civil and Defense Mobilization. The most effective fashion in which the Congress can do this is by appropriating the funds to assist in the support of civil defense at the State and local level. This is the place where the demonstrated support of the Congress is made known to the citizen.

I am convinced that an effective civil defense program makes an important contribution to our overall defense posture and will have a material bearing upon the position of strength from which the United States can effectively conduct its affairs at the foreign relations conference tables.

A great many Members of the Senate have received messages from persons in State and local civil defense affairs urging the support and approval of the Congress of appropriations for this purpose. Members of the Senate should keep faith with those dedicated State and local civil defense workers—and with the public itself—when the Congress approves and enacts the authorizing legislation for the conduct of the program and then fails to provide the money to support it.

The authorizing legislation contained in Public Law 85–606 was approved in August 1958. The Congress has denied supplemental appropriations for the implementation of the program. Last year the reason given for denying funds was that the States had not all submitted their plans required by the terms of the authorizing legislation. All States have now submitted to the OCDM approvable plans according to the recent testimony of Gov. Leo A. Hoegh, Director, OCDM, to the Senate Appropriations Committee.

Another reason given was that no assurance appeared that political consideration, in the appointment of State and local employees would not take precedence over such factors as competency and general qualifications. In this connection Governor Hoegh indicated to both committees considering this matter that State civil defense employees who were to be supported in part by Federal funds from this appropriation were required by the terms of the authorizing legislation and OCDM regulations to be appointed under, and covered by, an approved merit system. All the States submitting plans have indicated compliance with this requirement. I hasten to point out that this does not mean that the Federal Government can tell the States or their political subdivisions that a certain person must be placed in a job. It means rather that the person selected by the State or political subdivision must meet the qualification prescribed by the State Merit System.

The Senate should sustain the members of its conference committee which restored funds for financial contributions for State and local civil defense personnel and administrative expenses.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that data I have had collected with reference to Federal expenditures for civil defense be printed at this point in the RECORD.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

FEDERAL EXPENDITURES FOR CIVIL DEFENSE

The 85th Congress appropriated $45,285,000 [1] for civil defense expenditures for fiscal 1959. This included $2,785,000 for the Office of Defense Mobilization which was merged with the Federal Civil Defense Administration July 1, 1958, as indicated in the following table:

1959 appropriations for civil defense

Appropriations of $45,285,000 were made by Congress for operations of civil defense programs during fiscal year 1959 as follows:

Program:	Amount
Salaries and expenses	$23,285,000
Research and development	2,000,000
Emergency supplies and equipment	20,000,000
Total appropriations	45,285,000

The above consists of appropriations made to:

FCDA, Public Law 85-844	$38,500,000
ODM,[1] Public Law 85-468	2,285,000
OCDM (supplemental), Public Law 85-766	4,500,000
Total	45,285,000

[1] Federal Civil Defense Administration and Office of Defense Mobilization were merged to form the Office of Civilian and Defense Mobilization by Reorganization Plan No. 1 of 1958, effective July 1, 1958.

In fiscal 1958, the Congress appropriated $41,514,000 for civil defense (including ODM activities); for fiscal 1957, $95,760,000 and for fiscal 1956, $70,900,000.

Since enactment of the Civil Defense Act of 1950, FCDA and ODM, now OCDM, have requested $2,195,277,000. They have been granted $509,460,250, or 23.2 percent of the funds requested as the following table reveals:

Funds appropriated for civil defense, 1951-59

Fiscal year	Funds requested	Funds appropriated	Percent
1951	$403,000,000	$33,969,000	8.4
1952	537,000,000	77,021,250	14.3
1953	601,550,000	44,250,000	7.4
1954	153,250,000	49,275,000	32.2
1955	88,511,000	51,486,000	58.2
1956	78,170,000	70,900,000	90.7
1957	125,483,000	95,760,000	76.3
1958	132,380,000	41,514,000	31.4
1959	76,473,000	45,285,000	59.2
Total	2,195,277,000	509,460,250	23.2

Of the total appropriated to date, 46.6 was for stockpiling of emergency supplies, 24.7 for administrative expenses, 22.8 for contributions to States and 1.2 for civil defense functions delegated to other Federal agencies.

STATE EXPENDITURES FOR CIVIL DEFENSE

In fiscal 1958, the States spent an estimated $7,603,000 for civil defense. Per capita expenditures ranged from 26 cents in Delaware to 0.006 of a cent in South Carolina for a national average of 0.045 cent.[1] Mississippi reported no expenditures in fiscal 1958, but 0.012 of a cent in 1957. The following table shows expenditures by State governments for fiscal 1957 and 1958:

State	Total expenditures (thousands of dollars)		Per capita expenditures	
	Fiscal year 1958	Fiscal year 1957	Fiscal year 1958	Fiscal year 1957
All States	$7,603	$9,044	$0.045	$0.053
Alabama	61	41	.019	.013
Arizona	20	20	.017	.018
Arkansas	84	82	.047	.046
California	1,232	1,286	.089	.092
Colorado	46	42	.028	.025
Connecticut	287	426	.127	.189
Delaware	115	73	.264	.167
Florida	40	37	.010	.009
Georgia	200	200	.053	.053
Idaho	16	10	.025	.016
Illinois	109	124	.011	.013
Indiana	79	62	.017	.014
Iowa	27	27	.010	.010
Kansas	25	33	.012	.015
Kentucky	45	31	.011	.010
Louisiana	244	144	.079	.047
Maine	236	206	.250	.218
Maryland	152	354	.053	.122
Massachusetts	651	611	.134	.126
Michigan	193	182	.025	.023
Minnesota	152	308	.046	.093
Mississippi	0	26	-------	.012
Missouri	50	67	.012	.016
Montana	21	21	.032	.032
Nebraska	17	17	.011	.012
Nevada	16	15	.060	.056
New Hampshire	36	37	.063	.065
New Jersey	260	432	.046	.077
New Mexico	10	11	.012	.013
New York	1,464	1,536	.092	.097
North Carolina	228	322	.051	.072
North Dakota	17	53	.026	.082
Ohio	135	425	.015	.046
Oklahoma	75	28	.033	.012
Oregon	130	229	.073	.129
Pennsylvania	432	430	.039	.039
Rhode Island	62	38	.072	.044
South Carolina	14	15	.006	.006
South Dakota	14	11	.020	.016
Tennessee	122	155	.035	.045
Texas	103	150	.011	.016
Utah	30	41	.035	.048
Vermont	31	28	.083	.074
Virginia	76	97	.020	.026
Washington	135	164	.050	.060
West Virginia	30	23	.015	.012
Wisconsin	58	349	.015	.090
Wyoming	23	25	.072	.079

CIVIL DEFENSE EXPENDITURES OF MAJOR CITIES

The 18 major cities in the United States having a population of more than 500,000 in 1950 expended $4,311,000 for civil defense in fiscal 1958, as indicated by the following table. Average per capita expenditure was 0.15 cent.

City	Fiscal year 1958 expenditures	
	Total	Per capita
Baltimore	$254,000	$0.268
Boston	66,000	.083
Buffalo	[1] 237,000	[2].263
Chicago	162,000	.045
Cincinnati	[1] 160,000	[2].221
Cleveland	120,000	.132
Detroit	450,000	.243
Houston	69,000	.116
Los Angeles	434,000	.220
Milwaukee	223,000	.349
Minneapolis	89,000	.170
New Orleans	115,000	.201
New York	1,383,000	.175
Philadelphia	124,000	.060
Pittsburgh	20,000	.030
San Francisco	247,000	.319
St. Louis	72,000	.085
Washington, D.C.	86,000	.107
Total	4,311,000	[2].159

[1] This figure represents combined city-county expenditures.
[2] Average.

Source: Office of Civil and Defense Mobilization.

[1] In addition, FCDA had $14,270,000 available in unobligated funds for contributions to States on a matching basis at the beginning of fiscal 1959. Thus, total funds available for fiscal 1959 amounted to $59,555,000.

[1] Federal expenditures for civil defense in fiscal 1958 amount to 0.24 cent per capita.

Source: Office of Civil and Defense Mobilization.

Mr. MAGNUSON. I yield the floor to the Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, I take the floor to make a motion which has priority over the pending motion, and I propose to speak rather briefly in support of my motion.

Mr. President, I move that the Senate recede from its amendment No. 1.

Mr. MAGNUSON. Will the Senator yield for a moment?

Mr. YOUNG of Ohio. I yield, without losing the floor.

Mr. MAGNUSON. I ask for the yeas and nays on the Senator's motion.

The yeas and nays were ordered.

Mr. MAGNUSON. We can proceed with the discussion of the motion of the Senator from Ohio.

Mr. YOUNG of Ohio. Yes.

Mr. MAGNUSON. So that a vote against the motion would be in support of the position of the Senate conferees in the matter of the restoration of the amount and a vote for the motion would be to accept the position of the House.

Mr. YOUNG of Ohio. May I say, Mr. President, that I agree with my friend, the distinguished Senator from Washington, and may I say also that it had been my intention to ask for the yeas and nays upon my motion that the Senate recede from its amendment No. 1. I am pleased that the Senator from Washington has made that request, which has been granted. There is a clearcut issue presented here.

May I say that I am asking for the yeas and nays on this motion, because this presents the matter directly before the Senate.

Those who vote "yea" vote in favor of eliminating $15 million from the independent offices appropriation bill which is allocated for civil defense, $12 million of that for personnel to add to the already bloated bureaucracy of some 1,800 Federal officials in the Office of Civil and Defense Mobilization, and $3 million for equipment. I shall speak on both of those items.

Quite by coincidence, Mr. President, shortly before I left my office to come to the Senate Chamber this noon, I received a telephone call from Mayor Wilson G. Stapleton, of the city of Shaker Heights, Ohio. Mayor Stapleton is a dean of the Cleveland Marshall Law School. He is also the mayor of Shaker Heights; and he is a leading member, in the State of Ohio, of the Grand Old Party, of which I am not a member. The city of Shaker Heights is a municipality near Cleveland, and has a population of approximately 38,000.

Mayor Stapleton telephoned me, and stated that he was in full accord with my views on civil defense. He stated that during the past 3 years his city of Shaker Heights, Ohio, has contributed $6,300 to civil defense, which the Federal Government has matched.

Mr. JAVITS. Mr. President, will the Senator from Ohio yield to me?

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Does the Senator from Ohio yield to the Senator from New York?

Mr. YOUNG of Ohio. I should like to complete my statement on this point, because in a way I am adverting to a statement which the distinguished Senator from Michigan [Mr. MCNAMARA] made about the Federal Government's running out on a commitment to local governments.

Mayor Stapleton stated that he had in mind urging the city council to act in such a way that no longer would the city of Shaker Heights pay anything whatsoever for civil defense. He said the sirens were sounded last Monday from 12:15 to 12:30, as has been done every week, and that they are continuing this practice. Mayor Stapleton said, "If I permit my community to pay anything further toward this boondoggling outfit, all we can get out of it in the event of an emergency is the doggonedest traffic jam you ever saw."

Mr. JAVITS. Mr. President, will the Senator from Ohio yield now to me?

Mr. YOUNG of Ohio. I yield.

Mr. JAVITS. While we are talking about Ohio mayors, I wish to state that I hold in my hand a telegram which I have received from the mayor of Cleveland, Ohio, A. J. Celebrezze. It may be a strange paradox that my colleague, the Senator from Ohio, has cited the views of the Republican mayor of a small Ohio city, and I am citing the views of the Democratic mayor of one of the largest cities in Ohio.

Mayor Celebrezze's telegram reads as follows:

WASHINGTON, *D.C., July 23, 1959.*

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.:

Nineteen hundred and fifty-eight act making civil defense Federal responsibility instead of solely State and local will be tremendous step toward effective national defense if implemented by Federal matching funds for administration. City governments of United States strongly urge you support Senate conferees favoring $12 million for this purpose in H.R. 7040.

A. J. CELEBREZZE,
President, American Municipal Association, Mayor of Cleveland, Ohio.

Mr. President, all I can say is that Mayor Celebrezze has a great many more hundreds of thousands of citizens to protect than does the other mayor, and probably Mayor Celebrezze is more worried. I would rather rely on his views.

Mr. YOUNG of Ohio. Mr. President, in referring to the statement made by the distinguished senior Senator from New York [Mr. JAVITS] let me point out that the fact that I received that telephone message from the great mayor of Shaker Heights, one of the leading Republicans in the State of Ohio, shows conclusively that once in a while a Republican is correct. [Laughter.]

Let me also say that I received a similar telegram from my personal friend, Mayor Tony Celebrezze, the mayor of Cleveland.

By the way, Mr. President, I take exception to what the senior Senator from New York said. He said Cleveland is one of the largest cities of Ohio. Mr. President, Cleveland is the largest city in Ohio. Cleveland has been very good to me throughout the years; and I am proud that I live in the city of Cleveland, and I am proud to have the friendship of the mayor of Cleveland. I have said to him, and I have stated on this floor, that in view of the fact that purse snatchings are occurring in Cleveland and women in Cleveland have been subjected to crimes of violence on the streets, it seems to me that it would be far better if my friend, the mayor of Cleveland, would take from civil defense the six able-bodied policemen he has assigned to civil defense, and would place them on active duty, patrolling the streets of Cleveland.

Mr. President, at this time I wish to proceed to argue briefly in support of my motion that the Senate recede from its amendment No. 1.

When the appropriation bill containing the appropriation items for the Office of Civil and Defense Mobilization came before the Senate for debate and vote, my vote was the only vote cast against it. I did so in protest against the superannuated bureaucracy of this agency, with its obsolete attitude toward our civil defense program and its inept management of the program.

The other body had originally slashed $15 million from the bloated budget request submitted by this agency. The Senate—my vote notwithstanding—voted to restore this $15 million item. Of that restoration, $3 million was for matching State funds for the procurement of civil defense equipment. The part which I, as a Senator representing the State of Ohio, violently object to is the item for $12 million to match State and local funds for additional salaried personnel.

The other body has insisted on its disagreement to this particular item. I commend the House of Representatives for the stand it has taken in defending the public purse; and I urge the Senate today to concur in the action taken by the House, by supporting the motion I have made that the Senate recede from its amendment No. 1.

Mr. CARROLL. Mr. President, will the Senator from Ohio yield to me?

Mr. YOUNG of Ohio. I yield.

Mr. CARROLL. I know that the distinguished Senator from Ohio has studied this issue very carefully. I should like to have his opinion about the item of $12 million for additional personnel.

Mr. YOUNG of Ohio. I shall give it immediately.

Let me say that at the present time there are, under Federal authority, nearly 1,800 high-salaried civil-defense officials. They are employed under Federal authority alone. If my motion is rejected, and if the $12 million is finally appropriated, it is contemplated by the civil defense authorities to add 4,000 more paid local and State employees—although it seems to me to do so would be unthinkable—to the present number of approximately 1,800 high-salaried bureaucrats, who now are feeding at the public trough, but are not rendering any useful service. In a few moments I shall speak on that matter in detail.

Those are salaried officials. They have not made a single sacrifice in any time of flood, fire, windstorm, or other emergency.

I pay tribute to the fine volunteer workers who, without receiving any salaries, have been called out and have made sacrifices. Two of those civilians workers, let me inform the distinguished Senator from Colorado, were drowned only a few months ago, in the flood in Ohio.

Not one single civil defense official has made any sacrifices. I may say, that the Federal Director of Civil Defense, I am informing the Senator from Colorado, although he may also know it, Leo A. Hoegh, was Governor of the State of Iowa. He enjoyed a salary of $10,000 per annum as Governor. He was defeated, on his record, presumably, when he was running for a second term. Instead of expressing sympathy for his defeat, and it was not necessary to do so, President Eisenhower then appointed him, at a salary of $22,500, to head the civil defense organization in this country. He certainly is one person who is not making a sacrifice.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. Yes.

Mr. CARROLL. I was very much impressed by the remarks of the distinguished Senator from Washington about getting support for the program at the grassroots and by his remarks on the question of new personnel. I have two questions to ask. First of all, let us talk about the $12 million. This is a matching program, is it not?

Mr. YOUNG of Ohio. Yes.

Mr. CARROLL. If a State does not want to pay or participate in the program, the Federal Government cannot force it to do so. I ask the distinguished Senator from Washington if that is a correct assumption.

Mr. MAGNUSON. That is correct.

Mr. CARROLL. Does the Senator from Ohio agree with that assumption?

Mr. YOUNG of Ohio. In the State of Ohio the civil defense officials are politicians, or ex-politicians, having been defeated for reelection to public office. It may be that in the State of Washington the situation is entirely different. Judging the future by the past, I apprehend that, if the officials of the civil defense organization in the State of Ohio are doubled in number as the result of the passage of this appropriation, the additional employees will be for the most part politicians.

Mr. CARROLL. Perhaps the junior Senator from Colorado has not made himself clear. Let us talk about Colorado, because I know nothing about the situation in Ohio. Let us assume that a part of the $12 million will go to the State of Colorado. If the Governor or the State legislature of my State does not want to participate, the State will not get any of these funds and there will be no new employees. Is that correct?

Mr. YOUNG of Ohio. In my opinion, the Senator is absolutely correct in his

conclusion; but let me say it is a tempting morsel to hold before the Governor and legislature of any State that if his State appropriates $100,000 or $500,000, the U.S. Government will add that much.

Mr. CARROLL. The main point I wish to make, which I think is a very good point, is that merely because the Federal Government provides an incentive, the State government does not have to take the bait unless it wants to.

Mr. YOUNG of Ohio. That is correct. It is a tempting bait. I am glad the Senator used that term.

Mr. CARROLL. The second question I wanted to ask is, How are these personnel to be selected, by whom, and under what system?

Mr. YOUNG of Ohio. The only way I can answer the question of my distinguished colleague from Colorado is by saying that in Ohio these appointments outside the civil service have been made by mayors and county commissioners, and in every instance in the State of Ohio they have been political appointments.

Mr. CARROLL. The junior Senator from Colorado has been led to believe, as he understood the remarks of the Senator from Washington, that in the event a State desires to match funds and participate in the program, it must base its selection of employees on the merit system. That is the new concept in this program.

I ask the distinguished Senator from Washington if that statement is correct.

Mr. MAGNUSON. It is correct, and the merit system is exactly the same merit system which exists in similar programs of the Department of Health, Education, and Welfare and the Department of Labor where Federal contributions are made for personnel and administrative costs. All the States have set up a merit system for this purpose. All the employees would have to be under the local or State merit system, based upon an examination and recognized criteria set forth in the approved Federal standards, and not upon political considerations, or otherwise the Federal matching of funds appropriated by the local government would not be permitted under the law. Every State must submit a plan, and the plan must be approved and must conform to the overall Federal plan.

As the Senator from Washington stated in answer to the question of the Senator from Colorado, no State would be forced to join this plan if it did not desire to do so, and if it did not it would not be eligible to get Federal funds.

I have in front of me a table of the costs in all of the States, the total amount of the expenses and the amount of Federal contributions. In no case does the Federal contribution go over 50 percent, but in many cases the State pays more than 50 percent.

In Colorado, for instance, the number of personnel presently is 22. The State spends $136,000. The plan for the State of Colorado is for 54 employees and the estimated total expense would be $285,000, of which the Federal Government would contribute only $119,000. That is the plan for Colorado.

Mr. CARROLL. How much would it cost Colorado?

Mr. MAGNUSON. Two hundred and eight-five thousand dollars.

Mr. CARROLL. And the Federal Government would contribute how much?

Mr. MAGNUSON. One hundred and nineteen thousand dollars.

I may state that I am reading the 1957 and 1958 figures.

In Ohio there are 90 employees. Ohio spent $554,000. Under the plan submitted, Ohio would have 200 employees in that activity and would spend $1,097,000, of which the Federal Government would contribute $535,000. Ohio is participating on a 50–50 basis.

I think these figures should be placed in the RECORD, and I ask unanimous consent that I may do so.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State and local personnel and administrative costs for civil defense

State	Actual costs during 1957		Estimated costs for 1960 with Federal assistance		Amount of Federal contributions [1]
	Number of personnel	State personnel and administrative expenses	Number of personnel	Total personnel and administrative expenses	
Alabama	17	$110,000	100	$435,000	$176,000
Alaska	3	15,000	15	80,000	40,000
Arizona	11	76,000	36	258,000	86,000
Arkansas	13	82,000	39	195,000	97,000
California	458	3,238,000	1,100	6,184,000	1,481,000
Colorado	22	136,000	54	285,000	119,000
Connecticut	61	499,000	112	886,000	240,000
Delaware	9	56,000	32	151,000	53,000
District of Columbia	13	78,000	23	138,000	60,000
Florida	22	212,000	99	691,000	233,000
Georgia	34	286,000	78	613,000	239,000
Idaho	2	10,000	15	94,000	47,000
Illinois	33	282,000	250	1,343,000	512,000
Indiana	26	180,000	46	287,000	107,000
Iowa	7	45,000	21	124,000	67,000
Kansas	11	85,000	22	170,000	85,000
Kentucky	7	44,000	31	148,000	74,000
Louisiana	37	262,000	80	511,000	204,000
Maine	18	101,000	85	319,000	86,000
Maryland	45	394,000	139	890,000	251,000
Massachusetts	160	832,000	405	1,763,000	467,000
Michigan	125	776,000	206	1,286,000	510,000
Minnesota	34	233,000	84	449,000	204,000
Mississippi	5	35,000	125	442,000	120,000
Missouri	51	359,000	87	626,000	267,000
Montana	3	23,000	15	98,000	49,000
Nebraska	9	60,000	20	150,000	75,000
Nevada	3	19,000	12	68,000	34,000
New Hampshire	5	38,000	12	84,000	42,000
New Jersey	73	$689,000	131	$1,203,000	$426,000
New Mexico	3	16,000	9	60,000	30,000
New York	586	4,259,000	1,022	6,723,000	1,741,000
North Carolina	20	141,000	225	923,000	247,000
North Dakota	3	15,000	20	98,000	49,000
Ohio	90	554,000	200	1,097,000	535,000
Oklahoma	18	89,000	50	256,000	128,000
Oregon	31	234,000	65	443,000	148,000
Pennsylvania	99	756,000	400	2,187,000	719,000
Rhode Island	13	71,000	51	193,000	76,000
South Carolina	5	25,000	30	180,000	90,000
South Dakota	3	12,000	21	100,000	50,000
Tennessee	27	170,000	54	340,000	170,000
Texas	47	338,000	310	1,404,000	491,000
Utah	9	47,000	21	130,000	65,000
Vermont	4	29,000	36	161,000	45,000
Virginia	16	102,000	40	260,000	130,000
Washington	39	216,000	95	454,000	184,000
West Virginia	6	28,000	37	115,000	57,000
Wisconsin	44	407,000	83	727,000	268,000
Wyoming	3	23,000	15	85,000	38,000
Hawaii	11	64,000	40	171,000	63,000
Puerto Rico	107	139,000	182	300,000	150,000
Samoa [2]					25,000
Guam [2]					25,000
Virgin Islands [2]					25,000
Total	2,501	16,990,000	6,480	36,378,000	12,000,000

[1] Distribution made on the basis of OCDM formula devised to consider the factors enumerated in Public Law 85-606:

(1) The criticality of the target and support areas with respect to development of the total civil defense readiness of the Nation.

(2) The relative state of development of civil defense readiness of the State.

(3) Population.

(4) A minimum of $25,000 per year for planning purposes.

Adjustments to the distribution based on this formula were then made as necessary to conform to the current planning for fiscal year 1960. Further adjustments to these allocations will be made during fiscal year 1960 as required.

[2] Provides for the minimum of $25,000 for planning purposes only.

Mr. YOUNG of Ohio. Those figures were correct as of 1957. As of this time, they have been very much augmented for the State of Ohio.

Mr. MAGNUSON. The last figures we have were the estimated costs of the plans submitted by all the States, and every State submitted a plan.

Mr. CARROLL. Now we are coming to the crux of the matter. According to the report, there are 22 new employees on the payroll in Colorado.

Mr. MAGNUSON. Yes.

Mr. CARROLL. The proposal could increase the number by as much as 100 percent, but if it were increased by 100 percent, and we increased the cost by approximately $135,000, our State would have to be the activator. The Federal Government does not press down on it and say it must accept the program. The State accepts it voluntarily.

I should now like to ask another question. If, in the judgment of the people

of the State of Colorado, it is wise to participate and spend the sum of $135,000, I ask whether the merit system put into effect will be that of the State of Colorado or a Federal plan.

Mr. MAGNUSON. The merit system would be that of the State of Colorado, which probably has enacted a separate law prior to this time, setting up standards for the people who work in Colorado, the same sort of system that applies to employees in the Department of Labor and the Department of Health, Education, and Welfare, the National Institutes of Health, and similar agencies. Employees in Colorado will come under whatever merit system the State of Colorado has adopted. It would be subject to the Federal standards required under the civil service.

Mr. CARROLL. In other words, the Federal Government would set up standards?

Mr. MAGNUSON. Yes.

Mr. CARROLL. But the examination would be held by the State under the State merit system, if it coincided?

Mr. MAGNUSON. It would be held by the local people.

Mr. YOUNG of Ohio. Mr. President, I wish to give my humble opinion on this matter. On the basis of my own research into this subject, which I have tried to make thorough, I assert that the increase in personnel, if my motion is not agreed to, and if finally the $12 million is appropriated, will be more than a 100 percent increase. Without a doubt in most of the States, and perhaps in all the States, a merit system will operate, which will apply so far as the lower echelon employees are concerned, according to the law of each State. However, I assert that it is true at the present time, and in my opinion it will continue to be true, that the topmost officials are political appointees, given appointments by the Governor, by the mayor, or by the county commissioners.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. The Senator from Ohio is, of course, correct.

I have in my hand the figures for the 1957 personnel. Of course, many of these people were only recently hired, but nationwide the figure is 2,501. Under the proposed plan for the various States, the personnel would be increased to 6,480. That is an increase of more than 100 percent.

The total cost is estimated at $36,378,000, of which only $12 million would be a Federal grant. That would mean a grant of less than one-third, rather than half.

Mr. CARROLL. Mr. President, the Senator from Ohio has made a very important point, and I should like to follow through, if he will yield.

Mr. YOUNG of Ohio. I yield.

Mr. CARROLL. I was under the impression that the State civil service commission set the standards. Is it true that the State would not set the standards, but that the municipality might set the standards? Does the municipality have to match the funds? Does the county match the funds, or must that be done by the State? What is the matching system? Can matching funds be appropriated by a city?

Mr. MAGNUSON. The plans come in from the States. I would suspect that the State of New York would submit a plan, which would be in cooperation with the city of New York. If we were going to employ, let us say, 10 people in New York, they could very well take the New York civil service examination under the merit system in New York for this sort of thing, if it is based upon the so-called Federal standards.

In the State of Wisconsin much of the early work was done in Milwaukee, as a city. The State is now struggling with a small organization, trying to make it more statewide. There the plan would be submitted by the State, naturally in cooperation with, in conjunction with, and after conferences with, let us say, the Milwaukee organization, but Milwaukee might hire a man. That man would come under the merit system of Milwaukee.

If the city does not have a system, then the Federal Government requires and the law requires that the State give an examination similar to the civil service examination, under Federal standards.

Mr. CARROLL. I believe the Senator from Ohio has made a very good point. I was particularly interested in the city of Denver.

Mr. MAGNUSON. I know what the Senator from Ohio has reference to, and the Senator is absolutely correct. That is why this is so important. In the past few years many of the jobs have been simply political. There have been loose organizations, run in a loose way. As I have said, a great deal of money was wasted.

But I am sure the Senators will agree with me when I say that what we propose is the way to make something out of the program. I think this plan is the core. I suppose there will be some political influence even if the persons take the examination.

Mr. YOUNG of Ohio. Mr. President, may I pursue my argument further?

Mr. MAGNUSON. With regard to a new position, naturally if a man knows the Governor, and if he is intelligent enough to take the examination and pass it, and if he likes the work, the Governor may put him on the list for appointment. Somebody has to make up the list. That would not mean that simply because one happened to have some interest in politics or knew somebody in politics, he might not be a very good, competent employee.

Mr. CARROLL. I was not thinking so much of that problem as I was thinking about Denver as a city. Would the city match the funds, or would the State match the funds? That is the problem. The people who match the funds will obviously have much to say about who gets the position. Which jurisdiction will do the matching?

Mr. MAGNUSON. It can be either, or both.

Mr. CARROLL. I see.

Mr. YOUNG of Ohio. It can be the State, or the city.

Mr. MAGNUSON. It can be the State or the city. In the State of Washington the State appropriates X number of dollars, and the city of Seattle, for example, appropriates X number of dollars. It could be either, or both.

In most States, except where there are large urban areas such as New York, or as Milwaukee or Chicago, it is primarily a State operation, by necessity.

Mr. YOUNG of Ohio. Mr. President, pursuing my argument further, I assert that even if there were a requirement in every State of the Union that every added employee in the civil defense set up were to be compelled to be a civil-service employee before he could secure appointment, Senators should support my motion and vote against the appropriation of $15 million.

I say that because it is my belief that the eligible civil-service employees who are on the lists in the States and nationally can be employed in more useful service, and can render more real and needful public service than would be possible in the civil defense organization.

Civil defense, Mr. President, might have been of some value during World War II and for some years thereafter. However, we are now in an age of intercontinental ballistic missiles, hydrogen bombs, and space satellites. Civil defense as it is now being operated in this country is about as useful as flintlock muskets, tallow dips, mustache cups, or Civil War cannon balls. Mr. President, I was about to say it was as useless as women's bustles, but those might come back into style and be of some use.

Civil defense is a useless bureaucracy at the present time.

Speaking very seriously, Mr. President, we and our potential enemy, the Soviet Union, have discovered the secrets of nuclear energy. We have jet aircraft and intercontinental ballistic missiles. We have none in operation at the present time, but the Soviet Union presumably has some in operation. We have ships and submarines to carry the destructive powers of the atom with a speed and directness which stagger the imagination.

It is a fact that the Soviet Union has intercontinental ballistic missiles in operation, which they say can travel at the speed of 20,000 miles an hour. If they were sent from the Soviet Union itself, we would probably have from 15 to 20 minutes' warning.

More horrible to contemplate is the fact that if a missile with a nuclear warhead should be fired off our seacoast by some "trigger happy" Soviet Union submarine commander, and if it were a missile capable of traveling 1,400 miles before striking its target, we would have scarcely any warning whatever.

Yet, with these facts staring us in the face, we continue to fool ourselves and our taxpayers with a civil defense program which is not only childish in its concept of defense in this nuclear age, but wasteful and extravagant in its implementation.

It was stated here today that at present there are more than 2,500 employees on State and local civil defense payrolls, in addition to 1,800 in the Federal bu-

reaucracy. Now we are asked to provide $12 million more to put probably some 4,000 paid jobs in city halls and courthouses. This proposed $12 million—and this is an important matter to which I am referring—represents a waste of Federal funds. It is also an encouragement to State and local governments to waste money. The Senator from Colorado [Mr. CARROLL] aptly referred to the Federal contribution as "bait." This is at a time when our States and municipalities are desperately in need of revenue.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. I yield.

Mr. CARROLL. I thank the distinguished Senator from Ohio for his presentation. He is sincere. He has been working on this problem for many months. He is a dedicated and devoted public servant.

However, it so happens that I cannot go along with him. My senior colleague from Colorado [Mr. ALLOTT], on the basis of his work on this program with the distinguished Senator from Washington [Mr. MAGNUSON], has given me a great deal of information. He, too, is sincerely dedicated to sustaining the principle of civil defense.

I thank the Senator from Ohio, the Senator from Washington, and the senior Senator from Colorado for their patience. There is one thing which convinces me that I must resist the motion of the Senator from Ohio. I have enough confidence in the Governor of my State, the officials of the State government, and those charged with the responsibility of handling the affairs of our cities in the event of some great catastrophe to cause me to believe that, so long as the Federal Government does not force the States and municipalities to take this money, I can continue to have confidence in the judgment and ability of State officials. I do not believe that they would spend the money unwisely.

I thank the Senator.

Mr. YOUNG of Ohio. Mr. President, it is a matter of regret to me that the distinguished Senator from Colorado and I are in friendly, but absolute, disagreement on this subject, because we agree so many times. We served together in World War II, in North Africa and Italy. Over there we saw the nuisance and the danger involved when civilians seek to interfere with the movement of armies.

I very seriously question whether Colorado or any other State would have any greater degree of security in the event of a nuclear attack if 4,000 more people were added to the civil defense payroll to propagandize and perpetuate our already ineffective civil defense organization.

I feel certain that the people of Ohio would not be any more secure if we doubled or trebled the number of salaried civil defense employees in the State of Ohio.

At the some time, I cannot say enough in behalf of the fine volunteer workers. The distinguished senior Senator from Minnesota [Mr. HUMPHREY] referred to the volunteer civil defense workers who have made sacrifices and rendered great service in connection with forest fires, floods, and windstorms. They have rendered distinguished service without even the thought of compensation.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. YOUNG of Ohio. I yield.

Mr. PROXMIRE. I should like to ask the Senator from Ohio if it is not true that it requires some kind of full-time paid staff to obtain and organize the volunteers who are so essential. I have talked with the mayor of Milwaukee, Frank Zeidler. He tells me that this money is desperately needed, and that the civil defense program in Milwaukee can mean a real beginning in saving lives with this appropriation. It is based entirely on the merit system. It is not politically handled in Milwaukee. He tells me that the money is needed for two purposes: First, for the instruction of civilian personnel; and second, for training and organizing volunteer workers.

Mr. YOUNG of Ohio. I shall try to answer as briefly as I can the questions of the distinguished Senator from Wisconsin, who is my good friend. I wish to yield the floor soon.

In my judgment the Armed Forces of the Nation should take over civil defense, because civil defense is a part of the defense of our country. In Canada, where a civil defense system was formerly in operation, the Canadian Government recently abolished civil defense on the part of civilians. The defense of the Dominion has been turned over to the militia of the Dominion of Canada.

Mr. PROXMIRE. Mr. President, will the Senator further yield?

Mr. YOUNG of Ohio. I yield.

Mr. PROXMIRE. I am not sure the Senator is wrong about that; he may be correct. We might have a far more efficient defense program if the Armed Forces were entrusted with that responsibility. At any rate I think it is shameful that we have devoted so little of our resources to civil defense in the nuclear age. However, in the meantime, until we can devise some sort of program for the armed services, some civil defense program must function. We shall not be in a position to have the armed services take over that responsibility for some time. Meanwhile there is the prospect that millions of Americans may be killed. We in Congress have the responsibility of spending this relatively small amount of money—small in terms of the number of people to be protected—to protect the American people until the armed services come forward with a program which will have a chance of being approved.

Mr. YOUNG of Ohio. In answer to the very strong argument made by the Senator from Wisconsin, let me say that we have the means at hand, before the adjournment of this session of the Congress, whereby, with the expenditure of perhaps a few hundred thousand dollars, instead of $12 million, we could do a great deal. We could appropriate money for a series programs over television and over the radio, under the auspices of the American Red Cross and similar agencies, whereby the people could be educated as to the defense of their homes in the event of a nuclear attack or a great disaster.

In addition, under the law enacted by the Congress when we extended the draft for 4 years, we are enrolling young men in the armed services, and every month young men are leaving the armed services for civilian life. Those young men could be trained, while they were serving in the Armed Forces, in first aid and in defense against nuclear attack, as well as in the fundamentals of what to do in their homes, what policy to follow, and what course of conduct to follow, so as to avoid panic. When they return as civilians, as many of our friends who are members of the American Legion have done, they could become leaders, and direct affairs in the event of nuclear attack.

At the present time we have a confused situation. In my home city of Cleveland—and I could go further than Cleveland—not one paid civil defense official in the entire city—or in the entire State of Ohio, so far as I know—has a shelter in his backyard or basement. I believe that in an urban community a civil defense shelter, such as was proposed by the distinguished Governor of New York, which would have to be built in the basement if it could not be built in the backyard, and which he proposed to force people to provide, might become a huge fire trap, resulting in the death of those who occupied it, when otherwise they might be saved by falling on their faces or hiding somewhere.

In Cleveland we have an evacuation system which goes into operation when the sirens sound. The people of Cleveland flee from Cleveland to Lorain. In Lorain there is an evacuation system, and the people of Lorain flee from Lorain to Cleveland. In places such as New York, which has as good a civil defense system as any I know of, the evacuation system has been abandoned, and consideration is now being given to shelters. The State of Ohio and in Washington, D.C., we have evacuation systems plus shelter systems in case of nuclear attack, and a civilian is supposed to run or hide, or both.

The Senator from Wisconsin and others of us who have witnessed the ordinary traffic congestion at 4:30 or 5 o'clock on an ordinary day can imagine the terrific situation if there were a nuclear attack.

These are Federal funds and State-matching funds. We have provided millions of dollars for identification bracelets. The teenagers in the Cleveland schools, in Columbus, and some other places, exchange them as tokens when they are "going steady."

In Columbus, Ohio, they had $76,000 worth of penicillin with an oil base. The medical men have found that that is deadly to many persons. That has deteriorated. The pure food inspectors condemned the whole lot, and there was $76,000 of the taxpayers' dollars down the drain. Some say, "That is only $76,000." Examples like those are too numerous to mention in detail and yet we are proposing to add some $15 million.

Only recently, we had another tragic situation in Ohio. In one county, with the possible exception of two generators of doubtful utility, there was not a single item that would be of any value to a community recovering from a nuclear assault.

The auditor of the State of Ohio, who is a Republican, by the way, has had reports upon the shameful waste and embezzlement of civil defense equipment and maladministration by civil defense authorities resulting in the loss of tremendous sums of money contributed by American taxpayers. Thousands of dollars worth of civil defense equipment could not be located by his auditors. Even worse, there is not a community in the county that would be even a remote target for the missiles of the Soviet Union in the event of war.

The little county of Champaign, in Ohio, with probably only 40,000 or 50,000 people in the entire county had shaving kits, barber kits, garbage cans, outdoor lampshades, typewriters, adding machines and untold other gimcracks as civil defense equipment with which to protect its populace in case of a nuclear attack.

Still, the civil defense agency asks for $3 million more of the taxpayers money for such foolhardy projects that I feel confident are duplicated in hundreds of counties throughout the Nation.

The Nation has permitted itself to be frightened into dumping huge sums of money into any silly scheme which appears to offer some sort of civil defense. Of course, we do have defense in this Nation. It is a well known fact, and testified to positively before the committees of Congress, that in jet-manned airplanes we have a marked superiority over the manned airplanes of the Soviet Union. We have the capability of instant retaliation. If suddenly, after maybe 20 minutes' warning, or without any warning whatever, some of the missile installations in this country should be bombed, our manned jet bombers would be on their way instantly, and that is much better than a wasteful shelter program.

The New York Times, commenting on the Rockefeller shelter program, reported on July 12, 1959:

> A Maginot-line psychology might be created and funds badly needed for offense or active defense might be earmarked for purely passive defense.

Mr. President, today civil defense in our country is, for all practical purposes, a myth.

I assert that the Department of Defense is the proper Department of Government to handle this problem. Let the armed services take over, as they certainly will in the event of a nuclear attack. They have the know-how and the facilities to do the job efficiently and at much less cost to the taxpayers.

Civil defense should be made an integral part of our total defense effort. The draftees who will return to civilian life can be trained in the elements of civilian defense in a nuclear war.

The Red Cross and similar agencies could, at a comparatively small cost, instruct the American people what to do to protect themselves and to recover from a nuclear attack.

Some years ago, shortly after World War II, there was to be an enormous shelter program. Then the shift was to evacuation. The confused civil defense agency has even advocated shelters and evacuation at the same time. Now it is back to shelters. No wonder Americans are bewildered and disgusted with our civil defense program. No wonder that the conferees of the other body are apparently adamant in insisting that they will not increase the $10 million appropriation. I sincerely hope that they will continue that course. If the motion I have made is rejected, I hope that their conferees will continue to try to work out something which will save the taxpayers a great deal of money.

Recently, as I have stated, Gov. Nelson Rockefeller, of New York, recommended compulsory legislation which would force all homeowners in his State to construct shelters in their basements, just as the frontiersman built his log cabin against the Indians. But if the Soviet Union should suddenly attack this Nation, we would not be fighting Indians, TV programs to the contrary.

Very seriously, I say that more than one-half the people of the Nation live either in apartments or in rented homes. Therefore, they cannot provide their own shelters in backyards or within the buildings.

We are not living in the days of the wild west and the frontiersman. This is the nuclear age. We ought to adopt a realistic, sound civil defense program to conform to it. We should have a defense program of which the Armed Forces will be in charge.

On other occasions I have spoken in the Chamber on this subject. Many Senators who have worn the uniform of their country in time of war, as I apprehend a majority of us have done, understand this situation. We know not only from our own experience but also as students of history that immediately upon the outbreak of a great conflict, the Armed Forces of the Nation will take over, and the President of the United States will become a dictator, just as Abraham Lincoln became a dictator in the War Between the States.

When he drafted his Emancipation Proclamation, did he ask Congress to sanction it? The truth is, as we know from our reading of history, that he did not even ask the members of his own Cabinet for their views on it. He simply laid it before them, and that was that. That was the Emancipation Proclamation of a President who had, by the cruel necessity of war, become a dictator.

A young lawyer from Ohio named Clement Vallandigham was the Democratic candidate for Governor of the State of Ohio in 1864. He had never worn the uniform of the Union at any time. But President Abraham Lincoln ordered the military to arrest this civilian. He was tried at a court-martial, was convicted, and was conducted behind the Confederate lines. Later, in some manner, he entered Canada and then came back into Ohio. There he served with distinction, I am told, although I am not quite so old as to be able to remember the circumstances. I simply cite this incident to show that even in a war, which today might be considered a limited war, though there was terrible, ferocious fighting, brother against brother, the President of the United States had to become a dictator, just as the President of the United States would take over in the event we were attacked today.

I assert that a vote in favor of the motion I have made is a vote for the taxpayers. It is a vote not only for their pocketbooks, but it is a vote for their safety. A vote against the motion, in my judgment, is a vote for a further waste of hard-earned tax dollars. It is a vote for more jobs, for more high-salaried bureaucrats feeding at the public trough, and for more foolish spending.

With the threat of a nuclear war only minutes away at any given moment, we can no longer afford the luxury of one more unnecessary and ineffective Government agency.

I assert that we cannot afford the agency of civil defense as it is presently conducted. We cannot afford to permit it to expand and to do further harm and waste. We should do as our allies have done, as Canada has done in turning over the defense to the military, as England has done in turning over the defense to its Home Guard.

Mr. President, we in America should turn all matters of defense of this Nation over to the Armed Forces of our country, pull in our belts, and avoid needless spending such as has been imposed upon the people of this country to the extent of more than $1 billion to date by civil defense authorities, while giving the Nation nothing whatever to show for it. We should authorize and instruct the Armed Forces of our country to do what is essentially an important function in the defense of our Nation.

I hope that my motion will be agreed to by the Senate.

Mr. ALLOTT. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLOTT. Mr. President, I ask unanimous consent that a statement I have prepared be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ARGUMENTS FOR SUSTAINING SENATE POSITION ON CIVIL DEFENSE APPROPRIATIONS

A. The appropriations for contributions for supplies and equipment for civil defense purposes is provided for under the old civil defense law, Public Law 920. In the past, civil defense has received $17 million per year. To date, 65 percent of these funds have been used for communications and warning systems at the State and local level, and the other 35 percent for other essential equipment, such as firefighting, training devices, medical supplies, etc.

The President requested $13 million for this purpose. The House reduced it to $10 million, and the Senate restored the $3 million. These funds will be used for the purchase of supplies and equipment at the State and local level for items very much the same as in the past.

B. Contributions for matching State and local personnel and administrative expenses for civil defense purposes.

1. Public Law 85–606 enacted by Congress in August 1958, fixed the responsibility for civil defense in the Federal, State, and local governments. It established a joint responsibility—a partnership.

2. Public Law 85–606 authorized $25 million annually for matching State and local civil defense and administrative expenses. The President requested $12 million for this purpose for fiscal year 1960.

3. Public Law 85–606 requires the merit system for all civil defense employees at the State and local level.

4. The act requires that the Office of Civil and Defense Mobilization approve all plans. All States have submitted administrative plans and they have been approved. Operational plans will be approved in the future.

5. By this contribution program the Nation will obtain the full use of all government personnel and resources at the State and local level. This is most significant. It would mean that approximately 5 million people now serving those governments would be required to serve the people in case of a nuclear attack. OCDM only matches funds for civil defense staffs and not the other personnel.

6. This is the most economical way in obtaining civil defense capability. Local governments are required to serve people in normal times and in case of natural disasters. Now they would be required to serve in case of man-made disasters if funds are made available. If funds are not made available in time, civil defense would become federalized and instead of spending $12 million a year to obtain the services of State and local governments, it would be most likely we would spend half a billion dollars a year for the federalized program.

7. It will enable us to obtain coordinated national action. This is essential for an effective civil defense. It would be obtained through central direction as a result of the contributions program.

8. State and local government officials, Governors, mayors and county commissioners have fully endorsed this program. They are willing to accept their responsibility on the 50–50 partnership arrangement. There is evidence they are prepared to proceed under this as shown by the fact that during the last session of the legislature in 1959, 32 States have adopted the continuity of government program advocated by OCDM.

9. The most important reason for this appropriation is that the Federal Government would set an example of the need for an effective civil defense. The very action of the Congress in providing these funds would be tangible evidence to the people that the Congress is serious about the need for civil defense.

10. The administration advocated this joint responsibility 2½ years ago. The Congress accepted it when it passed Public Law 85–606 in August 1958. This principle, however, is not in being unless it is implemented by the funds required.

11. We spend billions of dollars for military defense which is all important. A prize fighter not only trains for the offense but also trains for the defense. His jaw has to be hardened so that he can absorb the blow of his adversary. The same is true for total defense. We must have a strong military offense and defense. But we can never say that we have total defense unless we have an effective, sound civil defense.

The very heart of civil defense is the State and local governments. Federal funds are needed in order to strengthen that capability.

The Director of the Office of Civil and Defense Mobilization has emphasized that if these funds are forthcoming, civil defense and defense mobilization will be substantially improved during the fiscal year 1960.

I can also assure you that the President of the United States also has expressed a keen interest in these funds being appropriated for the strengthening of civil defense.

Mr. ALLOTT. Mr. President, I will make my remarks very brief. I see the senior Senator from Florida, a member of the committee, who has been waiting on the floor for some 2 hours, as well as other Senators, and therefore will make my own remarks very brief on this subject. The briefness of my remarks is certainly no guide as to how intensely I feel about this subject.

The President requested $13 million for this purpose, and we in the Senate now are proposing to provide $3 million for equipment and $12 million for personnel.

Public Law 85–606 of 1958 fixed the responsibility for civil defense in the Federal, State, and local governments. It established a joint responsibility, a partnership.

Public Law 85–606 authorized $25 million annually for matching State and local civil defense and administrative expenses. The President requested $12 million for this purpose for the fiscal year 1960.

I might say that the total budget of civil defense was $75 million. The Senate cut this to $59 million, which included $3 million equipment funds and also the $12 million of matching funds for the States.

Regardless of what has been said here, Mr. President, this proposal does require of all personnel in the State or in the county or in the city a rating under a merit system, and if it is under a city or a State merit system, the merit system has to come up to certain standards set by the Federal Government.

The act requires that the Office of Civil Defense approve all plans, and by this contribution program the Nation will obtain the full use of all government personnel and resources at the State and local levels. It would mean approximately 5 million people now serving those governments would be required to serve the people in case of nuclear attack. I hope that my friend from Ohio realizes that this is true. If there is a more economical way of doing it, it is certainly not by putting it in the hands of the military.

Mr. President, because of the lateness of the hour and the desire of other Senators to speak, I shall conclude by saying that we have spent a great deal of money on civil defense. We have spent much money on equipment for civil defense. I would be the last to say that the results which have been produced are those I would personally desire. Neither the President nor any Member of this body can walk away from this session of Congress without realizing that it is his own individual responsibility to do what he can somehow to jell the whole civil defense program and make it work. No one from the President on down in this Government can avoid here and now the responsibility for making a civil defense program which will be effective.

I noticed particularly that my colleagues who have been Governors of States are much concerned about this matter because as Governors they realize that their successors as Governors cannot avoid responsibility for their States. As Members of the Senate we cannot avoid the responsibility of seeing to it that the civil defense is implemented in such a way that it will work effectively.

This item is not for the employment of numerous people to run civil defense, to do every little odd job connected with civil defense. It is only a provision to match funds, to staff civil defense offices at the State, county, and local level—only to staff them, not to man them—and by staffing them adequately and by giving this program a big push at the local level, it is my hope and desire—and if this does not do it, then let us do it in another way—that we will finally set in motion this great program which we must have in this country.

The Senator from Ohio [Mr. YOUNG] made the remark a few moments ago about the fact that we have retaliatory power. We do have retaliatory power, but that is not going to help anybody in this country who comes under attack.

So I urge my colleagues to take up the cudgels on this matter and let us pursue this program to see if we cannot somehow, instead of trying to impose civil defense upon local communities from the top, try to make the local areas of our country pick up this problem themselves and carry it, because that is the only way we will ever have successful civil defense.

Mr. HOLLAND. Mr. President, the bill on which the conference report has been filed is one of the largest appropriation bills on which the Congress has to pass; it calls for appropriations of approximately $6,500 million.

If this item of $15 million were located in any of a number of other parts of the bill, it would not cause the grave concern on the part of every Senate conferee that this item has occasioned. As a matter of fact, many agreements which have been reached in conference have covered much greater compromises in connection with appropriations than the one involved in this case.

The reason for this attitude on the part of the conferees is that we do not wish to subscribe to any philosophy which would make it seem that we take the position that civil defense is not a matter of great importance to our people.

The military forces of approximately 2 million men have important duties to perform, and those duties will fully occupy their time and attention, in the event of hostilities of any sort.

As for the 173 million or more civilians, not only are they entitled to have their part in the common defense of the country—which they will wish to take part in if there is trouble—but it is also completely necessary, for the protection of their homes and businesses and families, that they be trained to take some part in the immense machinery of civilian defense which would have to be established if war were to come again.

Mr. President, this item of $15 million is not of too great consequence, insofar

as the appropriation of funds is concerned; $3 million of it has to do with hardware, and that amount will be subject to matching by the State governments; and the entire amount will be used for the purchase of equipment, to be distributed and made available to the States. Even the junior Senator from Ohio [Mr. YOUNG] does not complain about that item.

The $12 million to which we are addressing ourselves is to be used for the pay of personnel; and the total number would amount to about two for every county in the Nation.

It seems to me that all of us must realize that any threat of war now involves much greater implications and much greater possible dangers to civilians than ever heretofore has been true—particularly in the case of any previous type of war.

For instance, if there were a nuclear attack, not all the people adversely affected by the attack would be killed; many more would be wounded, burned, or otherwise injured for an appreciable period of time. It would be just as idle to say that the military could take care of such a situation, if it were to develop, as it would be for us to attempt to wish ourselves out of the crisis which then would confront us.

So it is necessary that there be trained men and women in the various communities which might be affected, in order to make sure that first aid could be rendered, that medical supplies which were not contaminated would be made available, and that food and water which were not contaminated would be made available. After all, all of those things are entirely necessary in the event of such a war or such an attack.

It seems to me to be completely idle for anyone to take the position that the small amount of money which would be spent in helping coordinate the civil defense effort—and this amount of money is only half or less than half of the total amount needed for this purpose—should not be regarded as an insurance fund, which we would hope would never have to be used in an actual emergency of that sort. But if such an emergency actually developed, it is quite conceivable that every penny we spend now for that purpose would be the equivalent of a dollar or more spent after the emergency actually had developed. So I regard this fund as an important and necessary insurance investment.

I wish to state that I, for one—and this is true of every conferee on the part of the Senate—feel that so much is involved in this instance that we simply cannot afford to surrender not only the position of the Senate on this matter, but also the position of the Congress in assuring the States that the Congress stood ready to contribute with the States on a 50–50 matching basis.

Mr. President, a considerable number of Members of the Senate have had the responsibility of serving as Governors of their States in time of war or in time of the fear or prospect of war. I think they know perfectly well, as I do, having served in such a position, that it is perfectly idle to say that the radio announcers will take care of the situation, by telling the people where to go, what to do, and the like. It is also perfectly idle to say that the Armed Forces—which certainly are not equally distributed in all parts of the country, and in any case would have more than they could do in such a situation—would be able to take care of the function for which the civil defense personnel are now being trained. Certainly it is essential that civilians be ready and prepared to step into the breach.

In my State, during World War II, 338,000 citizens were trained to take some part for their State and their country in the event of such a necessity. We had to protect every foot of the coastline of the State—approximately 1,200 miles—when it was found that saboteurs were being landed from submarines.

Mr. President, does anyone think for a moment that our present potential enemy is more poorly equipped with submarines than was our enemy in World War II, and that there would be less danger to us from saboteurs? That one task, which confronts the 24 maritime States, presents a tremendous responsibility which the Armed Forces could never handle, but which must be shouldered by civilians who are willing to contribute of their time and their energies for the protection of their own families and their own homes.

Mr. President, there are so many other ways in which civil defense necessarily served—and did so with success and effectiveness—during World War II, and there are so many other ways in which it might be called upon to serve in the event of future hostilities, that I think the matter is hardly arguable at all.

I do not base my case for this appropriation item on the fact that we have made commitments which all the States have accepted, although I think that is a sufficient basis for my position. I am strongly of the conviction that we would be doing much less than our duty to our own people if we did not offer them the means of having an adequate and a coordinated program, in which the Federal Government, which has so great a stake, would have certain powers of coordination and certain powers of distribution of the necessary equipment, and would take a part which would show that it was directly interested in the organization of the people on the county and the local levels.

Not only does the Federal Government have a general interest in the program and in coordinating it—and the program is vital to the protection of the Nation—but the Federal Government also has contributed to creating the need. In my own State, every urban center of great importance has also located in or near it some vital defense establishment.

For instance, I do not have to remind my colleagues that the great Canaveral Guided Missile Base has implications which extend over a considerable part of the heavily populated area on the east coast. I do not need to remind my colleagues of the great installations at Jacksonville and at Mayport. Let me say that when I was last there, four great aircraft carriers were there; and it is obvious to all that the presence of those vessels and the presence of those defense installations involve great burdens and implications which are of vital concern to all the people of that area.

I do not have to remind my colleagues of the great Strategic Air Command base in the Miami suburban area, near Homestead, or of the similar situation which obtains in the vicinity of Tampa, where McDill Field is located between Tampa and St. Petersburg. I could also refer to the developments and installations at Pensacola and at Orlando. Great and vital defense installations are located in all those areas. We are happy and proud to have them located there; and I think the Congress should do its part in protecting the populations which serve them and the populations which are affected by them. Our people stand ready to do their part.

So let it not be said that the Federal Government has no interest in cooperating in a program, which it has made necessary in large degree, in some of the communities I have named, or that it has no interest in seeing that the people who work at those defense installations shall have assurance that in the event of some calamity—for instance, even the explosion ahead of time of an atomic weapon or a guided missile, which would have such adverse effects upon all the people—there will be available an adequate number of trained personnel who will be prepared to render the help which will be needed.

I feel deeply about this matter. With all due deference to the convictions and sincerity of my distinguished colleague, the Senator from Ohio, I hope the Senate will not even think of adopting his proposal to recede from our amendment and to postpone until next year the taking of any effective step to show that the Federal Government not only proposes to stand by its commitments in this matter but recognizes that it has a very great stake in it. We should make it clear by our vote that the Federal Government proposes to do all in its power to assist in the organization of our people so that they can play their part in protecting themselves, their businesses, and their firesides.

I hope the motion of the Senator from Ohio will be defeated.

Mr. PROXMIRE. Mr. President, I enthusiastically support the position taken by the distinguished senior Senator from Florida [Mr. HOLLAND], who just spoke so eloquently, and, of course, the position of the committee and the chairman of it, the Senator from Washington [Mr. MAGNUSON].

While I disagree with my colleague from Ohio [Mr. YOUNG], I am sympathetic with one aspect of the amendment, namely, that it would save money. He says it would save $15 million, and indeed it would. But, as the Senator from Florida has said, the $15 million, out of a total of $6½ billion, represents about one-fourth of one percent of the amount in the bill, and amounts to about 4 percent of the cost of the nuclear-powered aircraft carrier which the Senate saw fit to approve a short time ago.

While the Senate seemed to think that aircraft carrier was of some use, it seems one twenty-fifth of the cost of the carrier which this appropriation will cost could be of far greater use in terms of saving American lives.

I think the Senate should disagree to the motion of the Senator from Ohio in the first place because no one has challenged the statement of the Senator from Michigan that the Senate has made a commitment and that the States and cities have acted in good faith on the basis of the commitment that the Senate would make the necessary appropriation.

Secondly, not only will the funds be matched, but, as appears on page 48 of the hearings, the State of Wisconsin has authorized about 63 percent of the cost of the program, and the Federal Government only about 37 percent. Furthermore, at least 90 percent of the work done in this program is volunteer. So this is a good investment in defense. It is the one kind of defense appropriations out of which the Federal Government gets a great deal more than it appropriates for the program. In my own State of Wisconsin, General Carlton, in Milwaukee, and Major General Olson, Adjutant General of Wisconsin, have done an outstanding job. The mayor of Milwaukee has told me that this appropriation is essential if we are to have an effective program of civil defense. He says in Milwaukee they will be able to do something for the first time in an effective way in educating the public on radiation and in monitoring radiation. If we cannot do that, no kind of a civil defense program will be effective in this nuclear age.

Secondly, in rescuing casualties, they will be able to have a competent, trained staffman teach the public how to conduct rescue under the terrible conditions of nuclear attack. Also, Milwaukee will be able to hire an administrator who will be able to train full time in civil defense techniques of all kinds. Finally, they will be able to have a full-time person in charge of communications in the seven counties which surround Milwaukee, so our biggest city can maintain an effective, orderly communications system in the event of an attack, and thus save lives and maintain order. Without that kind of expert communications advice, the civil defense program would be quite ineffective.

Mr. President, there may be a better way to conduct civil defense than the way we are doing it, and I am sure there is. The Rockefeller report and the other reports made to the American people and the Congress insist that we should do far more in civil defense than we have been doing. In view of the tensions existing in the world today, in view of the increased threats by Soviet Russia, I cannot see any justification for our deciding to do less and burying our heads in the sand.

The Senator from Ohio says that we may not have any warning. It seems to me that is an argument for greater, not less, concern with civil defense. We may not have any warning, but we should try to have some survivors. The way to have survivors is to keep people alive. The way to keep people alive is to have some kind of warning system so that they may take warning and try to stay alive.

The experts tell us we are going to have, in the case of a nuclear attack, from 10 million to 50 million or more casualties. If we could save just 1 percent of the lower figure, namely, 100,000, it would certainly be an eminently sound investment for the Senate to make.

Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I, too, wish to oppose the motion made by the Senator from Ohio [Mr. YOUNG] that the Senate recede from its amendment No. 1.

Our very distinguished and very friendly colleague, the Senator from Ohio, has undertaken quite a campaign against civil defense. When we undertake a campaign, we have to expect opposition similar in size and in character.

It seems to me the one basic fallacy in this whole campaign, of which the present motion is a part, and a quite proper one, in order to maintain his position, is that our friend from Ohio wants to turn civil defense over to the military.

Our colleague from Florida [Mr. HOLLAND] has referred to that. If that is to be done, it is a major and considerable step in the direction of operating our country on a different level from the way in which it has been operated heretofore. Personally, I would oppose that step, because it would increase the size of our military forces and give them greater participation in and control over everyday activities in our civilian life than we have tolerated in our country. It represents a very fundamental change, and we had better have our eye on the ball before we fall into something that is going to cause great mischief.

The fallacy of the argument of the Senator from Ohio is that we should stand still, that we should not do anything, that we are wasting money, that we are boondoggling. Well, Mr. President, I am sure I waste money in taking certain trips and doing things that cost me money. But we have got to keep alive. The point is, we are dealing with the question of survival.

The estimates of all the authorities show that the expenditure of this money would be a tremendous benefit in removing people from the hazards of radioactive fallout, in teaching them to leave the outdoors and to exercise a little discipline, which would result in enormous dividends in terms of human lives.

The greater the number of casualties according to the estimates, the greater will be the dividends in terms of the leverage of money spent for civil defense. If it be true that in the event of a nuclear attack there will be millions of casualties, it is also true that a modicum of money spent for civil defense will result in saving hundreds of lives. Of course, what we spend for that purpose simply cannot be compared to the amount we are talking about today.

Another point which I think involves a very grave fallacy relates to the fact that we are not living in a vacuum. How many times must that be repeated on the floor of the Senate? Whether it is with regard to foreign trade, with regard to internal economic policies, or with regard to military and economic assistance abroad, we are not living in a vacuum. The greatest superpower on earth which has ever faced any other superpower is competing with us actively, diligently, with great zeal and vigor, and indeed with evangelism, in every field, including this one.

The Russians have a highly disciplined country. When they tell people to go to a certain place in the Soviet Union, the people go. Their necks are very much accustomed to the yoke. That is not true in our country. Hence we must have this kind of preparation. We must undertake to train the people in a voluntary way, in a way very different from what the Russians can do under their system, where it is simply necessary for an order to be blared out over the radio which goes into every Russian town and village. I understand one of the real blights of Russian life is that the radio "cackles" all day long.

Theirs is an absolutely national system of control. When the Russian citizen is told to go here, to go there, or to go someplace else, in the event it is necessary to go, he will do so. We simply cannot say that about the American citizen, and we do not want to. That is not the way we live. We have to pay for some substitute, and that substitute is the civil-defense program.

Finally, if we needed any further evidence upon the subject, we have the evidence of the experts that this is a very important program even in regard to our relations and bargaining position with the Soviet Union. I am very much impressed, for example, with a statement made in the report of the Committee on Government Operations, which gives us an excerpt from the findings of the study of the Rand Corp., which states:

> There is an enormous difference in the bargaining ability of a country which can, for example, put its people in a place of safety on 24 hours' notice and one which cannot. If it is hard for the reader to visualize this, let him just imagine the situation where the Russians had done exactly that, and we had not. Then let him ask himself how he thinks we would come out at a subsequent bargaining table.

Let us remember that we have an enormous, complex, urban country. The Russians do not. They have comparatively few very large cities. In addition, they have an enormous land mass and an enormous forest area. That is very different from the realization that between Boston and Washington, D.C., a population of approximately 30 million people live in a highly congested area.

I only point these things out, Mr. President, to show that we have a unique problem and that the solution of this problem counts very heavily in the cold war. Let nobody kid himself about the fact that the Russian strategists and the Russian CIA are evaluating exactly what we are doing about civil defense

as a very critical element with regard to how vulnerable we are either to attack or with regard to threats. I agree with the Senator from Minnesota. What is more important is the threats. In other words, we do not have to wait for an attack if we are susceptible to threats, for that is even more satisfactory to the Russians than an attack.

Mr. President, though it be a small amount, as our colleague from Florida says, the stakes are very great, because this item represents our dedication to a policy. Are we going to carry out the public law, the so-called Durham Act, for the reorganization of the civil defense system, or are we going to junk it in its most important element, which is the getting of cooperation from local communities?

Mr. President, let us get an understanding of the size of this problem. For example, the civil defense personnel in New York State alone, in the State and local governments, totals 305,167. I will say that in Ohio the figure is 137,652. The number of people in New York who are paid from civil defense funds is the enormous number of 800. The number of people in Ohio who are paid from civil defense funds is the enormous number of 76.

With that kind of leverage, Mr. President, we certainly cannot complain about the fact that much money is wastefully going down the drain. Suppose we pass the bill and make the appropriation. What are we going to do? We will add about 600 employees in my State, to the 800 I have already mentioned. We will still have considerably more than 300,000 volunteers.

All of us know the genius of American organization is that when volunteers have a central cadre for planning and technical operations, they can really do a job. When there is simply a group of volunteers nothing can be done.

Any Senator who has waged a local campaign knows that he can have 10,000 volunteers but if he does not have a few professionals to organize them and to tell them what to do they will be absolutely wasted. That is the fundamental intent and purpose of this item in the bill.

Finally, Mr. President, as to the question of wasting money, I wish to point out, as my friend and colleague from Wisconsin pointed out, that in the State of New York the total personnel and administrative expenditures involve $6,723,000, and our contribution from the Federal Government is $1,741,000. In short, we are spending about $5 million net on civil defense. The minor contribution we would get from this $12 million would certainly not break down that relationship. In the first place, the money has to be matched on a 50–50 basis immediately. In the second place, there are many expenses in the $5 million the Federal Government will not help us carry.

In short, this is not a boondoggle for the States. This is no boondoggle for the people concerned with it. On the contrary, for the United States of America it is the grimmest kind of grim business, both in terms of bargaining with the Russians and in terms of the defense of our country and the defense of our people.

This will be a very important vote, Mr. President, because it will represent what we intend to do on a major national policy. Do we intend to step away from the problem and leave the people to fend for themselves? I think that would be shocking in terms of the posture we hold in the world. Or do we intend to show a sense of responsibility? I hope very much, Mr. President, that the Senate will back the Senator from Washington [Mr. MAGNUSON] in showing a sense of responsibility by sustaining the committee and standing fast on item one in disagreement.

THE TRUTH ABOUT MICHIGAN

Mr. McNAMARA. Mr. President, my attention has been called to a colloquy in this Chamber earlier today between the junior Senator from Wisconsin [Mr. PROXMIRE] and the junior Senator from Pennsylvania [Mr. SCOTT].

According to the transcript, the Senator from Wisconsin had been discussing how well his State government was functioning—despite a Governor of one party and a State legislature of another.

At this point—again according to the transcript—the junior Senator from Pennsylvania injected himself to suggest that the remarks of the Senator from Wisconsin be read by the Governor of Michigan.

I do not know, Mr. President, why the Senator from Pennsylvania saw fit to inject himself into a Michigan situation about which, as it is plain from his remarks, he knows nothing.

Speaking from a wealth of ignorance, the Senator from Pennsylvania makes slighting reference to the State of Michigan by repeating the canard about "Michigan on the rocks."

Mr. President, I might call the attention of the Senator from Pennsylvania to rule 19 in the Senate rule book which states that "no Senator in debate shall refer offensively to any State of the Union."

However, in the interest of his own education on this subject, I would rather refer the Senator to the CONGRESSIONAL RECORD issues of March 24 through April 8 in which I inserted a number of articles from the Detroit Times giving the "Truth About Michigan."

If the Senator from Pennsylvania is sincere about learning the truth, he will find that the only thing really on the rocks in Michigan is his Republican Party.

STIMULATION OF PRODUCTION AND CONSERVATION OF COAL

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 6596) to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Texas. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MURRAY, Mr. Moss, and Mr. ALLOTT conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the motion of Mr. YOUNG of Ohio that the Senate recede from its amendment No. 1 to the independent offices appropriation bill (H.R. 7040).

Mr. HUMPHREY. Mr. President, the 85th Congress appropriated a very substantial sum of money for civil defense, and yet that Congress, as indicated, did not provide the funds required under Public Law 85–606, the Federal-State sharing program for civil defense expenditures.

Mr. President, I addressed the Senate earlier today on this subject matter, because I support the Senate conferees on the item for civil defense expenditures. I placed in the RECORD at that time a number of exhibits which I believe justify this expenditure.

The Senate subcommittee of the Committee on Government Operations has, through its competent staff, made an analysis of the Federal expenditures for civil defense since the inception of the program, in the postwar years.

I wish also to compliment the Senator from Wisconsin [Mr. PROXMIRE] on his remarks relating to civil defense. The Senator from Wisconsin is most fortunate in having as mayor of the city of Milwaukee one of the outstanding exponents of civil defense organizations and activities, Mayor Frank Zeidler. This man has truly given worthy leadership to the program of civil defense.

I indicated earlier today that in Minnesota the present president of the Civil Defense Officers Association is Walter P. Halstad. He is Civil Defense Director for the city of Minneapolis. He has earned for himself a splendid reputation for outstanding administrative ability, program direction, and program creation.

Col. Hubert Schon, Minnesota State Director of Civil Defense, has been an adviser to the Federal Office of Civil Defense, and has prepared one of the most elaborate, and yet one of the most practical programs of civil defense in the country.

We ought to remember that civil defense is not something separate from our general security structure. It is a fundamental part of it. I have often thought that if the Soviet Union really believed that this country was not only prepared in terms of massive retaliation, not only prepared in terms of a balanced military force—and when I say that, I mean a modern Army, Navy, and Air Force, with strategic as well as tactical weapons, and

also conventional arms and conventional weapons—but also that our country was prepared to take a blow, terrible as that blow might be, and that the civilian population was prepared psychologically as well as physically for the terrible blow which would come in any kind of nuclear warfare, although I realize that the preparation, at best, would be inadequate, nevertheless, such preparation would strengthen our position today in the power struggle which is so evident in every conference in which we participate.

Civil defense is part and parcel of our national security policy. Civil defense for a great Nation such as ours, which is industrialized, which is literally a nation on wheels, a nation of communication and transportation, is as vital to the security of the country as the supply system is to the mobility of an army, an air force, or a navy. Therefore, I believe that the appropriations being asked are timely, are needed, and are, indeed, very modest.

Of course, I could point to examples of waste. But after all, let us not forget that civil defense is, in a sense, a part of the military structure, even though it is civilian in its character. When we look back over the billions of dollars we have spent on our military, we might term some of it waste, too. The B–36 bomber fleet hardly saw action. Hundreds of those planes have been junked. They cost millions of dollars. It might be said that we never needed them, and therefore they represent a waste.

The truth is that possibly those fleets of bombers prevented or forestalled a struggle, and that they represented a premium paid on insurance for our freedom and liberty. I think we should look upon this item as another one of such insurance premium payments.

Mr. RANDOLPH. Mr. President, the Senator from New York [Mr. JAVITS] on April 15, again on June 23, and for a third time on July 29, called to the attention of the Senate the very real reasons why we in this country should be thinking constructively with respect to possible programs for shelters which would go underground to depths which we know must be practical yet effective. The Senator from New York has made a real study of the subject. I have read his remarks very carefully. I listened today to what he said on the subject.

It had been my hope that prior to this time I might discuss with the Senator a very illuminating article on the subject of deep shelters and the success of that type of program in Sweden. We had contact with his office, but I was unable to discuss in detail the article which was published in Industrial International. This magazine is issued monthly in Sweden, in the Swedish language. Once a year there is an International Review, printed in English. In the material for the years 1958 and 1959, there is a most persuasive article on the subject of bomb shelters and the success of that program in Sweden itself. This magazine is published by the Federation of Swedish Employers. The articles are authoritative and have as their authors individuals who have made considerable study of the subjects under discussion.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. YOUNG of Ohio. I am certain the distinguished Senator from West Virginia has knowledge of the fact that there has been testimony before congressional committees to the effect that a Federal shelter program to provide adequate shelters of sufficient depth and with filtering processes which would absolutely filter the fallout, to be effective in the United States would cost between $12 billion and $20 billion. I believe the Senator has read something to that effect.

Mr. RANDOLPH. I am not certain of the amount which would be necessary. We know that in Sweden approximately $20 million has been used in the construction of shelters. One of the shelters which has been most successful has been the underground garage, which serves a dual purpose, as the Senator from Ohio well knows.

An editorial published in the Washington Post and Times Herald of February 25, 1959, commented on such shelters as those being used in England, Norway, and Sweden. But the editor said that nowhere in the United States were public or private shelters being built.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. JAVITS. I am grateful to the Senator from West Virginia for saying what he did about me. I hope, even more, that the Senator from West Virginia will interest himself in this subject.

As the Senator knows, in the State of New York a commission has been appointed by Governor Rockefeller. The commission has issued quite an interesting report on the subject of shelters.

The amount spent by Sweden for civil defense has been about 2 percent of the military budget. If the United States did that, we would be spending about $800 million a year. When we begin to think of what we are spending for military defense, the figures we are talking about indicate that we are falling far short of the amount which is necessary for a matter of such great importance. That is exactly what the Senator from West Virginia, the Senator from Washington, and other Senators have argued.

All of us respect the distinguished junior Senator from Ohio [Mr. YOUNG]. I have affection for him. I served with him in the House.

But I think the cardinal point which the Senator from West Virginia is making is that if we cannot do everything—and no one wants to spend $10 billion or $12 billion if he can avoid it—if we cannot do everything, then we must do something. That is what I think we are all seeking to do.

Mr. RANDOLPH. Mr. President, Sweden spends some 21 percent of its total budget on defense facilities for that nation. I ask unanimous consent that portions of the article from the magazine to which I have made reference, because of the informative material contained therein, be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

ALL TO SERVE

Not just a rallying call, "If War Comes" defined the conditions which would constitute a state of emergency, set up a sytsem of alarm signals, alerted the populace to the dangers of espionage, threatened stiff penalties for spies,[1] and issued detailed instructions for all civilians if war should come. The main point: all ablebodied citizens, women as well as men, would be expected to play a military, civilian defense or war production role. Even if occupied, the nation would fight on, in the pamphlet's phrase, "with weapons other than weapons."

In the coming fiscal year, Sweden will spend one-half billion, or 21.1 percent of its entire budget, on defense. The figure represents an increase of 20 millions over this year, although an actual decrease in the size of the military is envisaged to adjust to technical progress, mainly in missiles, which Sweden will both make and buy. The question of forging atomic armaments for the military arsenal has been tabled for the present, but kept in constant preparedness are the nation's sleek, defensive Navy, its 750,000-man Army which can be fully mobilized in several days, and what is reputedly the third largest Air Force in Europe, equipped with jet fighters made in Sweden.

Traditionally, the objective of Swedish foreign policy, pundits have said, has been to have no foreign policy at all, or none recognizable by a potentially antagonistic foreign power. Most Swedes maintain, however, that political neutrality doesn't imply moral neutrality. Although Sweden will not compromise herself in Russian eyes by joining NATO, her neutrality, says a conservative member of Parliament, is "a neutrality against communism—as everyone knows." A doubt does exist, however, as to whether the Communists, or even all of his colleagues, know it. But in the matter of military preparedness, at any rate, the notion that the defense issue is above party strife has characterized Swedish politics since even before the outbreak of World War II.

IN PERSPECTIVE

Seen against this military and political backdrop, the Swedish civilian defense effort, which has attracted avid attention throughout the world, takes on a significance misunderstood by most of the press, which simply sees the famous below-ground shelters as either impressive engineering feats or humanitarian hide-aways from the world of intercontinental ballistic missiles and hydrogen warheads.

But the effort, according to the men who are making it, is anything but escapist. Based on the premise of survival without surrender, the latest program, recently submitted to the Parliament for approval, calls for the expenditure of $148 million in the next 10 years, will involve around 200,000 conscripted workers, and make use of some of the best administrative and technical brains in the country.

"We're paying a damned high price for protection," says one high CD official. "The cost of capitulation would, at least in the financial sense, be a lot cheaper. We're not pouring all this money into holes in the ground to escape reality. This is our way of trying to accommodate reality. We don't think it's an ostrich attitude."

[1] Since 1950, a dozen spies, not all of them Swedish nationals, have been convicted. The sentences have ranged from 2 years to life imprisonment (which in Sweden cannot exceed 20 years).

To foreigners, the most spectacular—and probably the least understood—part of the elaborate CD program is the planning of 14 huge man-made shelters for nine of the nation's biggest cities. The bill for the 14 will come to $20 million, with Stockholm's four shelters accounting for about half the amount. Although the financing varies somewhat from installation to installation, the Government roughly defrays two-thirds of the cost, the community the rest.

THE USES OF PEACE

Built in peacetime for possible wartime use, all the shelters are designed to make the most of the present. Perhaps overoptimistically, as it has turned out, the original plan foresaw the revenues realized from the peacetime function as actually paying for the community's share in the project.

"Some shelters, especially those in favorable sites, will pay for themselves 100 percent," predicts Gösta Smitt, in charge of the shelter program. "We have one in Stockholm that's being used by the warehouse over it. With real estate as high as it is in the center of the city, it would cost the firm a fortune to get comparable space aboveground. With most shelters, though, we'll be happy, and so will the communities, if 40 percent of total cost is paid by the peacetime use."

In addition to creating new real estate values, the shelters are located, the CD claims, so as to coordinate the basic requirement of protection with the peacetime building plans of the district. As far as possible, the peacetime uses are allowed to decide the form of the shelters, sometimes even the location.

Already finished, or projected for the near future:

Stockholm's Katarinaberget, the world's largest shelter, can hold 20,000 people—in sitting position—in case of attack. To build it, 110,000 cubic meters of rock had to be blasted out of the hill in which the shelter is located. Currently leased to an oil company, the Katarina installation has room for a drive-in bank, a service station, and 550 parked cars which line the 500-meter tunnel that winds through three floors. Cost: $4 million.

Like the Katarinaberget, Stockholm's three other big shelters are designed primarily as garages. The Johannes shelter, known as the Rock Garage to residents of the city, can hold 10,000 people in wartime, 250 cars in peace. Located under the Klara Church near the Central Railroad station, the so-called Klara Garage's 225-meter-long tunnel can hold 15,000 persons or 300 cars. Built for about $3 million and directly connected with the nearby underground railroad, the installation will also serve as a columbarium for cremated parishioners when completed next year. The fourth Stockholm man-made cave will accommodate 500 cars in peacetime and give protection in wartime to 7,000 persons. In Malmö, the country's third largest city, one of the subterranean shelters does peacetime duty as a ballroom.

THE CLASSIC CASE

So far, however, the classic among civil defense constructions, and probably unique in the world for the manner in which its designer has reconciled peacetime possibilities and wartime needs, is Västerås' Mariaberget. Begun in 1951 and finished this past spring, the granite grotto, carved out of a hill near the center of the city, is already functioning as a complete community center with a garage, workshops, adult education classrooms, a gymnasium, experimental theater, restaurant, and shooting range.

By car from Stockholm, Vasterås is a comfortable 2-hour drive west through successive tableaux of identical fir forests and slate-gray lakes just saved from monotony by the elusive northern sun which alternates the mood from gloomy to golden with each turn in the road. But by ballistic missile from the nearest conceivable enemy, the town, with its 69,000 residents, its modern city hall that stands disconsolate over red-roofed factories and homes, and its strategic electrical and metalworking industries, is only minutes, and will some day be only seconds, away.

DETAILS, DETAILS

"Again and again and again." With these words, Gösta Lundin, whose engineering firm served as architect, constructor and interior decorator, recalls early efforts to convince town fathers that attention had to be paid to every detail of the job, even if it meant going over budget. With about 1½ million sunk in the cave, it eventually meant just that, but there haven't been any complaints, Lundin says. "When you're building for permanence underground, the materials not only have to look right, but be right, and not just when it's finished but years later."

Constructed in two below-ground stories with an average of 15 meters of solid granite overhead, the shelter can accommodate 5,500 persons under war condition, with 1½ meters of space allocated to each. Like most shelters throughout Sweden, it is designed to safeguard its inhabitants from the effects of nuclear, biological and chemical warfare for as long as is needed, providing the oxygen and food supply holds out. It can be filled in 3 or 4 minutes through three entrances—one for automobile traffic that enters the gently sloping hill at a very slight incline, a second via elevator from the top of the hill where a girl's school is located, and a third which features wide stairs whose purpose is to prevent panic by segregation.

Also, as in most other shelters, about 30 percent of the expense, and upward of 90 percent of the headaches, arose from the specifications for wartime safety. The multiple exits, widely separated, provide alternative avenues of escape so that people won't be buried alive if one is blocked. Deep baffles are sliced in the main entrance tunnel to pocket as much of the blast as possible before it reaches the 2-foot-thick, 20-ton steel doors, which at the touch of a button seal the narrow entrance in a matter of seconds.

Heating is no problem—5,500 persons crammed together in an underground cave constitute their own heating system, as it were—but ventilation and cooling plagued Lundin every step of the way. The concrete walls and roof are perforated, and there is a layer of space between them and the granite facing so that air is constantly evacuated. Filters screen out radioactive and bacteriological material. If fire rages above ground, threatening to stifle the inhabitants within, the ventilation system can be closed and the trapped air constantly revivified with built-in oxygen machines.

Cooling is guaranteed by a system large enough to provide the entire Nation with ice cream. The shelter is self-sufficient in water and electricity, with an emergency battery set-up synchronized to take over automatically if the power should falter.

"You'd only need a minute or two of complete darkness to plunge the place into panic," Lundin points out.

IF WAR COMES

Behind the peacetime planning of the shelter's layout, the blueprint for catastrophe is shrewdly stenciled. The lamplit mechanical drawing rooms, now used by the town's fledgling draftsmen, can be quickly converted into X-ray rooms, the gymnasium dressing rooms into sanitary surgeries. In the bigger rooms, vertical bars can be hastily erected and canvas tents thrown up to create smaller segments so that panic, the most contagious of psychological diseases, can be dealt with in isolation.

For Lundin, the actual construction of the shelter posed no large engineering problems which his firm had not already encountered in jobs for private mining companies.

"After all," he explains, "a shelter is a house."

Over the years, Swedish engineers, spurred mainly by the mining industry, have developed what are generally acknowledged as the world's most advanced tunnel-driving techniques. As solid granite and gneiss are the major components of the country's geological structure, the tunneling operation is the crucial step in most shelter jobs, except in less rocky southern Sweden where the bunker-type of construction predominates. As underground houses, the shelters are in essence concrete arch constructions within the blasted-out rock, offering protection against the descent of boulders torn loose by pressure waves.

CONSTRUCTION COSTS

Building in granite can sometimes be less expensive than building above it. Lundin estimates that it costs about 1,200 crown per square meter to build underground, about 800 above ground. But this is exclusive of the site cost, which in Stockholm runs about 100 crown per square meter. In the long run, maintenance underground, where there are few dust or dirt problems, is less expensive.

The history of going underground in Sweden, apart from the mines, goes back to stockpiling programs through two world wars: fuel, munitions, electrical installations, and food. The advent of the atomic bomb expanded the program to include military installations and industries of a vital nature.

For the Swedish naval fleet, which must operate in narrow waters on a hit-and-run basis and then be serviced out of sight of prying enemy eyes, Operation Granite has provided a natural, almost a self-evident, solution. The predominant feature of the Swedish coast is the multitude of shallows and islands of hard bedrock, amounting at times to no more than gigantic pillars of granite with sheer cliff faces. After the last war, an ambitious program of building underground harbors was begun. Out of camouflaged entrances to the subterranean sea pens, the largest of which can swallow a normal-sized five-story block of flats, fast destroyers can foray, then return to interior quays for repairs and stores. The Air Force's jet fighters, now built underground, are often hangared there.

INDUSTRY ENTERS

Fifteen years ago, the firm of Bolinder-Munktell, manufacturers of engines, became the first factory to go below. Current showplace of the industrial program, initiated by the Government and to some extent subsidized by it, is the AGA gas-producing plant in a Stockholm suburb. It is not underground in the strict sense of the word, but has been burrowed out of the side of a granite hill, a topographical commonplace in Sweden. Visited by CD officials from many nations, including the United States and Russia, the physical plant consists of a labyrinth of large, well-lighted rooms, soundproof, dustproof, and vibrationproof, factors which make the site ideal for the manufacture of delicate precision instruments. Free from the water hazards of most other rock formations, it guarantees a drier, warmer, more easily regulated atmosphere. The thickness of granite crust overhead varies from 10 to 30 meters, reasonable assurance that the factory is protected against nuclear explosion and radiation.

Since all firms in built-up areas are required by law to provide shelter for workers, the trend in industry is to expand downwards. Hospitals, munition and fuel dumps,

and hydroelectric plants are also being lodged in the earth. Scheduled for operation late this year: the Stornorrfors power tunnel in northern Sweden, the world's largest, with a volume of about 1,600,000 cubic meters of solid rock.

"STANDARD" SAFETY

The big rock shelters are not, as commonly thought abroad, intended to house the civilian population in case of war. They will serve instead as nerve centers for a tight-knit CD cadre which will fight fires, maintain essential services and, in close cooperation with the military, police the ravaged metropolitan areas. Only about 50,000 of Stockholm's 750,000 residents will be expected to stay behind and perform these duties, for which they are now being trained. The rest—if they cannot be evacuated in time—will find protection, if only a bare minimum of it, in the so-called standard shelters underneath all apartment dwellings. While most of the private basement shelters built during the last war for nearly 2 million persons are considered obsolete, the new ones, according to technical director Smitt, can withstand atomic explosions of up to one atmosphere[2] offer considerable protection against radiation, and will even survive the destruction of the houses overhead. Since 1945, the law has required that builders of new housing units provide shelters that satisfy technical specifications worked out in CD research labs. Walls, ceiling and flooring consist of reinforced concrete, and air-purifying plants are included. New regulations soon to go into effect require collapsible pillars so that basements can be quickly compartmentalized, stipulates and filters to block radiation, absorb shock and heat, and sift nerve gases.

The shelter represents about 2 percent of the building's total cost, and is paid by the builder. He gets it back in the rent, however.

"Most Swedes have no idea," Smitt says, "that they pay a small amount each month for home protection. Nobody knows anything about it, but it's there."

The 15,000 standard shelters already built, most of them on the periphery of the big cities, will accommodate about 1 million persons, and they are being added to at the rate of 2,000 annually.

CITY TO COUNTRY

If the shelter system protects the nerve center of the Swedish CD effort, then the evacuation program may be thought of as providing the legs on which nine-tenths of the population will flee to safety from the big cities of Stockholm, Göteborg, and Malmö. In case of war, the cities will be emptied into the countryside—sometimes as far away as 400 kilometers—to be billeted, fed and, if the conflict continues, put to work. Women, children, and the ill will go first (20,000 invalids in Stockholm by special bus). Right now, says evacuation boss Ake Björkman, CD is tagging all of the capital city's 120,000 cars and 15,000 boats, will commandeer more than half of them during evacuation. For the 70 percent of the population who won't use their own cars or bicycles, railroads and buses will be provided.

Björkman is now pondering a plan which will oblige all motorists to keep their gas tanks full in peacetime so that during evacuation they can reach country service stations under their own power, there to be refueled with just the amount needed to get them to their predetermined destinations.

Even bigger than the traffic problem (complicated by the fact that the hastily mobilized army may be heading toward the cities) is the care of evacuees in the country. For some time, CD has been inventorying every rural living unit so that it can pinpoint alternative accommodations for the displaced city dweller. A special Government board is grappling with the immense problem of feeding them (complicated by the fact that the entire food supply, unless stockpiled, could be contaminated overnight by radioactive fallout).

WAR RECORD

Actually, it was out of experiences in the care and feeding of refugees that the present civilian defense administration evolved in 1944. Directed by Eije Mossberg, now almost a legend in his own lifetime after a hectic career as cabinet minister, governor, and business executive, a tiny task force settled 72,000 refugees during the war and, an even tougher tactical problem, moved in 30,000 head of cattle from northern Finland. By the end of the war, the administration was empowered to conscript all citizens from 16 to 65 for CD service of up to 60 days a year.

With only one or two exceptions, the public response has been commendable, asserts Ake Sundelin, the present CD director. One of the exceptions, a well-known woman journalist of extreme pacifist views, went to jail for a month rather than serve.

"Of course we were terribly embarrassed by the incident," Sundelin admits. "But, after all, the law is the law, and to uphold it, we had to prosecute."

The government's response to CD, expressed in appropriations, has been almost as gratifying, he says. Represented graphically, the rate of expenditures resembles a series of jagged peaks, climbing from 2,700,000 crown in 1946–47 to 25 million at the time of the Czech coup, and from there to 60 million during the Korean war. The average for the next 10 years is expected to be about 76 million, over twice what was spent this past year.[3]

MAIN MORAL

It is hard to know what lessons have been learned by the many foreign observers who have come to assess the Swedish experience. Merely technical ones will be probably wasted, since the conditions for shelter construction are peculiarly Swedish and the organizational plans for evacuation tailored to a relatively small population. Perhaps the only lesson is that the effort is being made at all.

This is a bigger lesson than might appear at first glance. For the effort is made notable, perhaps even ennobled, by the fact that the problems which remain to be tackled are so much greater than those already dealt with. Trapped on a technological treadmill which gives every advantage to the weaponmakers, CD administrators must continually alter their plans as new fashions in destruction lend an air of futility, almost of fantasy, to all pretences of keeping up appearances.

The bible for Sweden's CD research men is a 576-page paperback printed by the U.S. Government Printing Office and entitled "The Effects of Nuclear Weapons." It has it own genesis ("In general, an explosion is the release of a large amount of energy in a short interval of time") and it contains its own apocalyptic version of the Armageddon extrapolated from the experience of Hiroshima and Nagasaki, where two entirely outmoded A-bombs killed 106,000 persons and injured 110,000 more in an incredibly brief interval of time.

Its pages are profuse with prophecies and portents of disaster. How would Sweden's rock shelters stand up under an A-bomb attack? CD officials say they'd probably escape unscathed if bombs exploded in the vicinity, but concede that a direct hit at ground level would certainly demolish them. And what would happen in a hydrogen bomb holocaust? The supervisor of the Västerås shelter shrugs his shoulders and says, "Well, this whole town would be one big hole."

Even if not at war, how can Sweden immunize its 175,000 square miles against the effects of fallout if bombs are exploded on the Continent or in England? And how could the evacuation program be set in motion if the enemy turned on Sweden with complete unexpectedness?

For the moment, Director Sundelin points out, Sweden must base its plans on the premise that the nation will go to war only if sucked into the vortex of a major world conflict. If the international situation grows grave, then the plans can be put into effect.

At whose command?

Shaking his head slowly, and running his hand through a boyish mop of hair, Sundelin squints his eyes and then, almost as if to himself, says quitely: "That's a political decision. The politicians will have to decide that. Yes, in the end, that's their responsibility."

Mr. RANDOLPH. Mr. President, the junior Senator from Ohio [Mr. YOUNG] is a beloved friend. I worked with him in the House, and now I work with him in the Senate. However, I think his motion should be defeated. It is for that reason that I have spoken in this manner.

The people of West Virginia have genuine interest in and a cooperative attitude toward the program of civil defense. We have seen its shortcomings. We understand the mistakes which have been made. We are conscious of the errors which have been committed. They are usually administrative. Still, we know that there is a very vital need for a continuance of this type of "back-home" program.

I was impressed by the cogency of the remarks made by the Senator from Florida [Mr. HOLLAND] as he discussed this subject a few minutes ago. I think it is important for me at this time, as one of the Senators from West Virginia—and I know the distinguished junior Senator from West Virginia [Mr. BYRD], who now presides over this body, would want to join with me—to place in the RECORD communications, telegrams, and letters which have been received from the Governor of West Virginia, from county and city officials, pointing out the necessity for a restoration of the moneys deleted by the House and setting forth the reasons why civil defense should be continued in our State as well as in the Nation. The reasons are valid.

Mr. President, I ask unanimous consent that the text of these telegrams be printed at this point in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CHARLESTON, W. VA., *July 28, 1959.*

OCDM funds for administrative matching States and local political subdivisions come

[2] The equivalent of 10 tons of pressure per square meter.

[3] In the United States this past summer, the Senate turned thumbs down to Civil Defense Chief Leo Hoegh's modest request for $13,150,000 to get a prototype shelter program started. The refusal followed a stark warning from the House Military Operations Subcommittee: "The supreme irony of civil defense in the United States is that the American people and many of their elected and appointed policy officials refuse to accept the distasteful facts of reality simply because they are distasteful."

to Senate floor today. Essential that all Senators support Senator MAGNUSON'S conference committee recommendation to restore the $12 million deleted by House. West Virginia counties and cities need this aid.

GOV. CECIL H. UNDERWOOD.
COL. EDGAR M. SITES.

HUNTINGTON, W. VA., *July 27, 1959.*
Senator JENNINGS RANDOLPH,
Senate Office Building,
Washington, D.C.:

Very important to Cabell County that you support Senator MAGNUSON'S conference committee recommendation to restore $12 million deleted by the House.

HAROLD FRANKEL,
Chairman, Cabell County Civil Defense Advisory Committee.

HUNTINGTON, W. VA., *July 27, 1959.*

Cabell County court is very anxious that you support Senator MAGNUSON'S conference committee recommendation to restore $12 million deleted by the House.

IRVIN MORRISON,
President, Cabell County Court.

HUNTINGTON, W. VA., *July 27, 1959.*

Concerning civil defense matching funds, hope you will support Senator MAGNUSON'S conference committee recommendation to restore $12 million deleted by the House.

LLOYD E. WARDEN,
Director, Cabell County Civil Defense.

BUCKHANNON, W. VA., *July 28, 1959.*

Very essential you support Senator MAGNUSON'S conference committee's recommendation to restore the $12 million deleted by House.

HUGH BRAKE,
President, Upshur County Court.

WHEELING, W. VA., *July 28, 1959.*

Urge your wholehearted support of Senator MAGNUSON'S conference committee's recommendation to restore the $12 million deleted by House.

WILLIAM DEIFENBACH,
Deputy Director, Ohio County Civil Defense.

PARKERSBURG, W. VA., *July 28, 1959.*

Request and urge you to support Senator MAGNUSON'S report conference committee's recommendation to restore the $12 million deleted by the House.

WOOD COUNTY CIVIL DEFENSE,
W. P. A. KNICELY, *Director.*
C. B. MONTGOMERY, *Secretary.*

BUCKHANNON, W. VA., *July 28, 1959.*
Senator JENNINGS RANDOLPH,
Senate Office Building,
Washington, D.C.:

Very essential you support Senator MAGNUSON'S conference committee's recommendation to restore the $12 million deleted by House.

J. D. HINKLE,
Mayor, City of Buckhannon.

BUCKHANNON, W. VA., *July 28, 1959.*

Very essential you support Senator MAGNUSON'S conference committee's recommendation to restore the $12 million deleted by House.

MRS. PEARL NUTTER,
Director, Upshur County Civil Defense.

CHARLESTON, W. VA., *July 27, 1959.*

We hereby request your supporting vote tomorrow for MAGNUSON'S conference committee report to restore $12 million to OCDM State matching fund deleted by House of Representatives.

W. L. PENCE,
Director, Kanawha County Civil Defense.

LOGAN, W. VA., *July 30, 1959.*
U.S. Senator JENNINGS RANDOLPH,
Washington, D.C.:

Urge passage of legislation for matching funds to county courts for civil defense.

IRA. J. COOK,
President, Logan County Court.

Mr. RANDOLPH. Mr. President, I express the hope that the motion of the Senator from Ohio will be rejected.

RECIPROCAL OPERATION OF RADIO BROADCASTING STATIONS IN THE UNITED STATES AND THE SOVIET UNION

Mr. BUSH. Mr. President, various suggestions have been made as a result of the visit to the Soviet Union by Vice President NIXON.

Today I made a statement in the form of a press release suggesting that the Soviet Union be permitted to own and operate radio broadcasting stations in the United States, provided we were permitted to do the same thing in Russia. I ask unanimous consent that the statement may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WASHINGTON, July 30.—U.S. Senator PRESCOTT BUSH proposed today that the United States permit the Soviet Union to own and operate radio and television broadcasting stations in this country if we may do the same in Russia.

"Vice President NIXON put his finger on what is perhaps the most important difference between American truth and Russian Pravda yesterday when he criticized the Kremlin for its practice of jamming U.S. broadcasts," Senator BUSH said in a statement issued from his office.

"The Vice President was suggesting that freedom of speech could, better than anything else, lead to understanding between people. Mr. Khrushchev himself, in his telecast repartee with the Vice President, best demonstrated the need for such understanding when he expressed fear that his remarks might not be given a full and honest translation into English when broadcast in this country, which of course they were.

"These expressions by the visiting Vice President and his Kremlin host lead me to suggest a simple exchange of facilities which could open new doors of free speech and mutual respect and understanding between our two nations. I believe this is a fruitful time for us to make available to the U.S.S.R. important television and radio facilities in our country, fully owned and operated by Soviet personnel, if the United States is given similar facilities, under our full control, in Russia.

"Stations operated in the English language by Russians could bring to Americans the full picture of Soviet progress, information and ideas. Our American stations, in Russia, could present, in their language, the full and true story of our American culture, prosperity, and philosophy.

"With the Russians claiming the same dedication to peace that motivates our American diplomacy, this audio-visual exchanging of viewpoints and environments would inspire a truly wholesome competitive race for an increasingly better way of life for people everywhere. It should lead to an Olympics in ideology rivaling in friendly competitive atmosphere the great sports events between nations, with the world as a stadium.

"How much better and more effective this would be than the current arms race."

ORDER OF PROCEDURE

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, in an attempt to accommodate all Members of the Senate, since we will have several rollcalls this afternoon, it appears that at this point it might be desirable to have the conference report on military construction authorization called up, and after it is called up the Senator from Mississippi informs me that he will make a very brief statement on it, and then we can have the yeas and nays ordered on it.

We would then like to call up the Health, Education, and Welfare conference report and have the yeas and nays ordered on it.

Then if there is further discussion in connection with the motion affecting the independent offices motion appropriation bill, or the military construction bill conference report or the HEW conference report, it could take place prior to the consecutive votes.

When we start to have the yeas and nays, we could have the votes follow each other so that Senators will not have to come to the Chamber and then return to their offices.

Therefore, I ask unanimous consent that the Senator from Mississippi be recognized to submit the conference report on the military construction authorization, report No. 729.

Mr. HOLLAND. I do not rise to object, and I shall not object, but it seems to me that since we have completed the argument on the pending measure, the Senator from Texas might include in the unanimous-consent agreement that no further debate will take place.

Mr. JOHNSON of Texas. The Senator from Illinois would like to have 3 minutes on it, and I do not want to deprive him of it.

Mr. HOLLAND. Excepting that it seems to me there would be no use in getting all the Senators here and then having the same debate all over again.

Mr. JOHNSON of Texas. The Senator from Illinois says he will take only 3 minutes, and the Senator from Mississippi says he will take only 1 minute.

MILITARY CONSTRUCTION AUTHORIZATION BILL, 1960—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) to author-

ize certain construction at military installations, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today, pp. 14753–14765, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. Mr. President, on the question of agreeing to the conference report, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I have a brief statement to make on certain major points involved in the conference report.

The report was signed by all the conferees on the part of the House and on the part of the Senate, and has been agreed to by the House. With respect to the net money figures in the bill, there was only about a $14 million increase over the amount in the bill as passed by the Senate. This increase was primarily the result of reinserting in the bill a provision for six hospitals, which had been deleted by the Senate committee because it was felt the cost estimates were too high and unrealistic. It will be recalled that in the Senate committee's report it was pointed out that the committee did not question the need for the hospitals, but only questioned the cost estimates. The Department of Defense did subsequently submit revised figures in a lesser amount, and these were reduced still further by the conferees. It is believed much more realistic figures have now been arrived at, resulting in a substantial savings to the Government.

There are two or three language provisions which I should like to highlight. The first is section 412 of the bill. As the bill passed the Senate, this section would have prevented the appropriation of any funds after December 31, 1959, to or for the use of any armed forces for the design, development, or procurement of aircraft or missiles, unless the appropriation of such funds had been specifically authorized by legislation enacted after that date. It was agreed by the conferees that the words "design" and "development" should be stricken from the language, and that it be directed solely to the procurement of aircraft and missiles, and to include a similar requirement with respect to naval vessels. The conferees also agreed that the date after which authorization legislation would be necessary should be changed from December 31, 1959, to December 31, 1960. The conferees are in agreement that proper discharge of the legislative responsibilities of the Armed Services Committees required a review of these procurement programs, and that a thorough examination into these areas might serve to reduce the enormous cost of defense and be of assistance to the Committees on Appropriations in their consideration of the defense budget. The new section agreed to by the conferees will give the two committees a year to study the field of aircraft, missiles, and naval-vessel procurement, after which the committees will be ready to function in the legislative area and will be prepared to submit to their respective Houses soundly conceived and clearly presented programs for legislative consideration.

The next section I desire to mention is section 415. This section, as it passed the Senate, prohibits the use of mortgage proceeds for the purchase of title insurance and title search in connection with the construction of Capehart housing projects. The section provides that the Attorney General will furnish an opinion as to the sufficiency of title, and the Secretary of Defense will guarantee against any and all losses arising against adverse claims to title. There is good authority, including the Comptroller General of the United States, to support the belief that this type of title search and title insurance by the Government is adequate, and should be acceptable to prospective mortgagees. A measure of uneasiness developed, however, in the minds of some of the Members of the Senate and the conferees, who feared that all prospective mortgagees might not readily distinguish between mortgages on Government property under full and complete guarantee by the United States, and private mortgages where commercial insurance may be a reasonable requirement. For this reason, the conferees added to the section a proviso allowing the Secretary of Defense to purchase commercial title search and insurance if he finds it impossible to secure the mortgages under the new policy established by section 415. However, any cost involved in the purchase of such insurance will be paid from appropriated funds already authorized for use by the Secretary of Defense, and not from mortgage proceeds upon which interest must be paid for a period of 25 years. A provision is made for surveillance by the Armed Services Committees.

Finally, I should like to call attention briefly to section 414 which extends the Capehart housing provisions of the National Housing Act to September 30, 1960, and limits to 20,000 units the number of Capehart units that may be contracted for until that time. Although there were substantial differences in the number of such units authorized in the House and Senate versions of the bill, many of them reflected plans of the Air Force that were not complete at the time when the House was considering the bill. The differences contained in the Senate bill were substantially agreed to, as well as the limitation on the number of units to be contracted for during the next 15 months.

Mr. CASE of South Dakota. Mr. President, the principal items in controversy were the ones the Senator from Mississippi [Mr. STENNIS] has mentioned.

With respect to them, I should like to say that considerable concern was expressed by various Members about the provision on title insurance contained in the bill, as passed by the Senate. When the bill was before the Senate, I was among the Members who expressed the view that perhaps there should be some modification, so as to assure, on the one hand, that housing projects would be permitted to proceed, and, on the other hand, that if a title examination were necessary, there would be some method of paying for it without throwing the burden upon the insurance of the Capehart housing.

I think that double goal was reached by the language now in the conference report, although I should add that experience with the provision probably will be necessary before we know fully how it will affect the military housing program.

The second item I wish to mention is the provision for a review of the military program by the Secretary of Defense. As the military construction bill passed the Senate, it provided that there should be a review by the Joint Chiefs of Staff, and that it should be made known to both the House Armed Services Committee and the Senate Armed Services Committee. The resolving of the so-called controversy between the Nike-Hercules and the Bomarc programs resulted in a revision of the construction program and a provision for the submission by the Secretary of what was called a master plan.

Again, until that has been actually reviewed in the light of the experience in connection with the appropriations made available by the appropriations bill for the military construction program, there will not be the firm decisions which we have a right to expect.

The language contained in the conference report is not nearly so strong as I would have preferred to see used. It provides for a review by the Secretary of Defense, but there is not full assurance that that review will be participated in by the military chiefs.

Personally, I think Congress should have the assurance of the Joint Chiefs of Staff that the program is adequate to meet the defense posture which the country should have at this time.

I hope that when the review is provided by the Secretary of Defense, it will be consistent with the hopes expressed by various Members when the bill was under consideration.

The Senator from Mississippi [Mr. STENNIS] has referred to the so-called Russell amendment—that is to say, the language which brings under review by the Congress the procurement programs for naval vessels, missiles, and aircraft. This is a big departure from anything we have had in our military procurement for many years.

The first review of this authorization will be somewhat experimental; but the Congress should obtain from it better

control over the several programs involving missiles, naval vessels, and aircraft. It should result in the saving of money. It should result in better coordination of our military armaments and vessels and aircraft. I hope it will be successful. I believe it was an epochal step, insofar as military procurement is concerned.

The language used in the conference report was the subject of a considerable amount of discussion by the conferees. Several sessions were required in order to reach agreement on it. I believe it will be a useful instrument for the Congress in getting greater defense for the dollars we spend.

Mr. STENNIS. Mr. President, I move the adoption of the report; and I yield the floor.

INDEPENDENT OFFICES APPROPRIATIONS, 1960

The Senate resumed the consideration of the report of the motion of Mr. YOUNG, of Ohio, that the Senate recede from its amendment No. 1 to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the distinguished minority leader may now proceed for 3 minutes, and that then the Senate proceed to vote on the motion made by the Senator from Ohio [Mr. YOUNG].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, as I understand the parliamentary situation, the pending question is on agreeing to the motion of the Senator from Ohio [Mr. YOUNG] that the Senate recede from its position on the amendment No. 1, which is in disagreement.

I express the hope that the Senate by decisive vote will reject that motion, in which case of course the Senate will insist on its action to provide the extra funds necessary, in my opinion, in order to carry on the civil defense program.

One hundred and thirty-one million dollars of grant funds to the States has been invested for the purpose of setting up the civil-defense program, for which there is joint responsibility.

One year ago this month, as I recall, we had before us a $7 million item; and, before we adjourned, we scolded the civil-defense officials, on the ground that they had no well-worked-out program, no standards, and no merit system.

So now they have produced a merit system and a national plan and criteria for State plans—all of which have been submitted.

So today we have a national plan and State plans which have been submitted and approved; and they require the necessary funds, in order to articulate and carry out the program.

Are we now going to vote to waste the $131 million; or shall we provide sufficient funds to staff the program with the number of personnel and the kind of personnel needed?

I have given a good deal of attention to this matter. I believe I have stated the basic issue involved.

Therefore, Mr. President, I trust that the motion of the Senator from Ohio [Mr. YOUNG] to have the Senate recede from its position on amendment No. 1 will be rejected by the Senate.

DEPARTMENTS OF LABOR, HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1960 — CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time the Senator from Alabama [Mr. HILL] may call up the conference report on the Departments of Labor, and Health, Education, and Welfare, and may make a brief statement regarding it, and that thereafter we may request that the yeas and nays be ordered on the question of agreeing to the report.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. HILL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6769) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today, p. 14743, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. Mr. President, the committee of conference on the bill, H.R. 6769, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1960, has reported a bill totaling $3,950,933,981, which is $105,807,600 under the Senate approved figure, $101,017,800 over the figures approved by the House, and $259,254,400 over the budget estimates.

The conference agreement provides $400 million for the National Institutes of Health, a decrease of $80,604,000 from the figure approved by the Senate, but an increase of $55,721,000 over the House allowance, and $105,721,000 over the budget estimates.

I ask unanimous consent to have printed in the RECORD at this point a table showing the details of increases over the House allowances for the NIH by appropriation account and by activities.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

National Institutes of Health—Suggested increases over House allowances

	Clinical research centers	Primate colonies	General research grants	Fellowships	Training grants	State control program	Chemotherapy contracts	Direct operations	Total increases	House allowance	Conference allowance
General research and services			$4,600,000	$750,000	$4,000,000			$240,000	$9,590,000	$36,404,000	$45,994,000
National Cancer Institute	$500,000		2,859,000	200,000			$4,000,000	390,000	7,949,000	83,308,000	91,257,000
Mental health activities	500,000		806,000	600,000	5,000,000			775,000	7,681,000	60,409,000	68,090,000
National Heart Institute	500,000	$2,000,000	4,193,000		800,000	$1,000,000		1,000,000	9,493,000	52,744,000	62,237,000
Dental health activities				150,000	100,000			44,000	294,000	9,725,000	10,019,000
Arthritis and metabolic disease activities	500,000		7,222,000	100,000	1,000,000			250,000	9,072,000	37,790,000	46,862,000
Allergy and infectious disease activities	500,000		1,957,000	200,000	1,000,000			111,000	3,768,000	30,286,000	34,054,000
Neurology and blindness activities	500,000		4,184,000		2,000,000			1,190,000	7,874,000	33,613,000	41,487,000
Total	3,000,000	2,000,000	25,821,000	2,000,000	13,900,000	1,000,000	4,000,000	4,000,000	55,721,000	344,379,000	400,000,000

Mr. HILL. Mr. President, in both the House and Senate reports on the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for fiscal year 1960 there are specific recommendations for the implementing of specific programs. It is expected that the agencies will begin immediately to take steps to carry out the specific recommendations in both reports.

During the various meetings of the House and Senate conferees, there was considerable discussion concerning the establishment of new and highly specialized forms of regional research facilities under the research grant program of the National Institutes of Health. The conferees agreed on the amount of $3 million for these new research centers, with $500,000 devoted to each of the six Institutes participating in the program.

These research centers, which could provide in various parts of the country highly specialized facilities for the expansion of research knowledge and the more rapid clinical evaluation of new treatments, hold great promise for the expansion of medical research in this country.

The Senate Appropriations Committee, therefore, expects the National Institutes of Health to establish pilot research cen-

ter projects in fiscal year 1960. The committee also expects the National Institutes of Health to prepare a detailed series of recommendations on the establishment and functioning of these research centers so that the Senate Appropriations Committee can plan future action designed to realize the full potential of the regional research center idea.

The Senate had allowed $11 million for the establishment of primate colonies by the National Heart Institute. The conferees have agreed on an allowance of $2 million, sufficient to establish two primate colonies during the year. As authorized in section 433(a) of the Public Health Service Act the funds may be used for such construction as may be required to establish the two colonies.

Mr. President, because there has been some delay in past years in the apportionment of funds for the programs of the National Institutes of Health, I want to read again the language which was unanimously adopted by the Senate Appropriations Committee in reporting this bill to the floor on June 23:

> The committee knows from past experience that the fully effective use of the funds provided in excess of the budget requests is dependent in large measure upon the manner and timing of the availability of such funds for expenditure under the executive branch's apportionment processes. The committee directs the Secretary of Health, Education, and Welfare to keep it fully informed as to the apportionment of funds made available for the NIH programs, with particular emphasis on reporting delays in such apportionment. And the committee admonishes the executive branch not to use the apportionment device willfully to thwart the evident conviction of Congress and of the American people that medical research shall move forward on broad new fronts and without delay.

Notwithstanding the committee's admonition, we have learned that the Department elected to use not the funds made available in the continuing resolution pending passage of the regular bill, totalling $344,279,000 for the NIH, but has directed that obligation be at the 1959 level, or $294,383,000.

The conference agreement provides $186,200,000 for grants for hospital construction, a decrease of $25 million from the figure approved by the Senate, but an increase of $42,500,000 over the House allowance, and the same amount as was available in fiscal year 1959.

The Senate had provided an additional $1,500,000 for grants for library services to allow the full authorization for the fourth year of the 5-year program. The conferees adopted the House allowance of $6 million but added a proviso that the allotments to States should be on the basis of $7,500,000, so that each State may receive the full allotment under the authorization if it has the required matching funds.

The Senate had added $200,000 to the item for "Research and training, Office of Vocational Rehabilitation" to permit a grant of the same amount under section 4(a)(1) of the authorizing statute to the Hot Springs, Ark., project to pay part of the cost of the establishment of special facilities and services which hold promise of making a substantial contribution to the solution of vocational rehabilitation problems common to all or several States. The conferees agreed to the Senate increase, but the House conferees insisted on the addition of language to the effect that this amount is the final special grant for the project.

The conference agreement provides the full Senate increase of $1,050,000 for "Sanitary engineering activities" to permit the establishment of monitoring stations in each State to detect radioactivity.

The full Senate increase of $225,800 to permit the manning of all points of entry on the Mexican border by the foreign quarantine inspectors was agreed to.

The Senate increase to allow the budget estimate for the construction of animal quarters at Hamilton, Mont., was agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the question of agreeing to the conference report.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, as I recall, when the House completed action, the bill was, roughly, $180 million over the budget estimate. Is that correct?

Mr. HILL. It was $158 million over the budget estimate.

Mr. DIRKSEN. When the Senate completed action, it was $390 million over the budget estimate. Is that correct?

Mr. HILL. It was $365 million over.

Mr. DIRKSEN. I was given the figure $390 million. What is the present figure above the budget estimate?

Mr. HILL. It is $259,253,400.

Mr. MANSFIELD. Mr. President, does the conference report include the item for the mouse house at the Rocky Mountain Public Health Laboratory at Hamilton, Mont.?

Mr. HILL. The conference committee agreed to the Rocky Mountain project.

UNANIMOUS-CONSENT AGREEMENT THAT DEBATE BE CONCLUDED ON MOTION OF MR. YOUNG OF OHIO, ON THE MILITARY CONSTRUCTION AUTHORIZATION BILL CONFERENCE REPORT, AND ON THE LABOR-HEW CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that all debate on the motion of the Senator from Ohio [Mr. YOUNG] that the Senate recede on the military construction authorization conference report and on the HEW conference report, be concluded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

INTER-AMERICAN INSTITUTE OF AGRICULTURAL SCIENCES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Executive C, 86th Congress, 1st session.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and, the Senate, as in Committee of the Whole, proceeded to consider Convention Executive C (86th Cong., 1st sess.), a protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences, which protocol was opened for signature in the Spanish, English, Portuguese, and French languages at the Pan American Union in Washington on December 1, 1958. The protocol was signed in behalf of the United States of America on January 7, 1959, which was read the second time, as follows:

PROTOCOL OF AMENDMENT TO THE CONVENTION ON THE INTER-AMERICAN INSTITUTE OF AGRICULTURAL SCIENCES

The Contracting States, with a view to strengthening and expanding the agricultural activities of the Organization of American States, have agreed to effect certain modifications in the Convention on the Inter-American Institute of Agricultural Sciences (hereinafter referred to as "the Convention"), opened for signature at the Pan American Union on January 15, 1944, and for that purpose have resolved to conclude a Protocol of Amendment to the said Convention, as follows:

Article I

The term "State" or "States" shall be substituted for the term "Republic" or "Republics", as the case may be, wherever the latter appears in the Convention.

Article II

Article I of the Convention is amended to read as follows:

"Article I

The Contracting States hereby reorganize the Inter-American Institute of Agricultural Sciences and establish it as an international organization, which they recognize as a legal entity in accordance with their own legislation. As such, the Institute has all the rights, title and interest in and to the assets, lands and other property of any nature whatsoever of the Inter-American Institute of Agricultural Sciences incorporated under the laws of the District of Columbia, United States of America, on June 18, 1942; and it assumes all the obligations for which the Institute as a corporation became responsible.

The headquarters of the Institute shall be located at Turrialba, Costa Rica, and offices may be established at other locations in that country. The Institute may also maintain regional offices or centers in other American countries."

Article III

Article III of the Convention is amended to read as follows:

"Article III

The Board of Directors, the highest authority of the Institute is composed of one representative from each Contracting State. Each State shall appoint as its representative preferably a high official of its Ministry or Department of Agriculture, who is a specialist in agricultural matters. In addition, each State may designate an alternate representative and such advisers as it considers necessary.

The decisions of the Board of Directors require the affirmative vote of an absolute

majority of the Contracting States, except that decisions on budgetary matters require a majority of two thirds.

The Board has the following powers:

To elect the Director of the Institute and to determine his compensation;

To remove the Director;

To consider the draft work program submitted to it by the Director, and to approve annually the work program of the Institute;

To approve the budget of the Institute and to fix the annual quotas of the Contracting States;

To cooperate with the Director in technical agricultural matters;

To approve the Agreement which the Institute, as a Specialized Organization, may enter into with the Council of the Organization of American States to determine the relations that should exist between the Institute and the Organization;

To approve agreements between the Institute and other international organizations with similar objectives;

To receive from the Director an annual report on the activities, general condition, and financial status of the Institute;

To formulate its own Regulations and to approve the Regulations for the administration of the Institute.

The Board shall establish a committee of its members to prepare for meetings of the Board and to carry out such other duties as the Board may entrust to it.

The Board shall hold one regular meeting annually and may hold special meetings when agreed to by a majority of the Contracting States. The meetings of the Board shall take place at the headquarters of the Institute unless the Board decides upon some other place in a particular case."

Article IV

Articles IV, V and VI of the Convention, together with the titles thereto, are replaced by the following Article and title thereto:

"THE DIRECTOR

Article IV

The Director of the Institute shall be elected by the Board of Directors in plenary session for a term of six years and he may be reelected only once. He shall hold office until his successor shall be chosen and shall assume his duties.

The Director, under the supervision of the Board of Directors, shall have ample and full powers to direct the activities of the Institute; he shall be the legal representative thereof; and he shall be responsible for carrying out all orders and resolutions of the Board.

The Director shall have, in addition, the following powers and duties:

To prepare the draft budget and the work program of the Institute for each fiscal year, and submit them to the members of the Board of Directors at least two months before the annual meeting at which they will be considered for approval;

To submit an annual report to the Board of Directors setting forth the work of the Institute during the previous fiscal year and its general condition and financial status;

To make contracts and arrangements for carrying out projects and specific activities which in his opinion will be of benefit to the Institute, subject to the general policies established by the Board of Directors;

To appoint, remove, and determine the compensation of officers and employees, in accordance with the general policies determined by the Board of Directors;

To seek the greatest possible coordination between the activities of the Institute and those of other international organizations with similar objectives.

When he considers it necessary and under his responsibility, the Director may delegate the powers of his office to other officers of the Institute."

Article V

Articles VII and VIII of the Convention, together with the titles thereto, are hereby abrogated.

Article VI

Article IX of the Convention is amended to read as follows:

"Article IX

The Contracting States shall contribute to the maintenance of the Institute by means of annual quotas to be fixed by the Board of Directors on the same basis that is used for determining the quotas for the maintenance of the Pan American Union. The Institute may also accept, from either official or private sources, special contributions, legacies, or donations for carrying out activities that are in keeping with the character and objectives of the Institute.

The fiscal year of the Institute begins on the first day of July and ends on the thirtieth day of June.

The annual quotas of the Contracting States shall be communicated to the respective Governments in advance, and they shall be due on the first day of the fiscal year."

Article VII

The original of the present Protocol, the English, French, Portuguese and Spanish texts of which are equally authentic, shall be deposited with the Pan American Union and opened for signature by the Governments of the American States. The Pan American Union shall inform the Governments with respect to the signatures and the respective dates thereof.

Article VIII

Only American States that are Parties to the Convention may ratify or adhere to the present Protocol.

Article IX

The Pan American Union shall send certified copies of the Protocol to the Governments of the American States for the purpose of ratification or adherence. The instruments of ratification or adherence shall be deposited with the Pan American Union, which shall notify the Governments of each deposit and the date thereof.

Article X

This Protocol shall come into force one month after the date on which all the States Parties to the Convention have deposited their respective instruments of ratification of or adherence to the Protocol.

However, the new quota system established by Article VI of the present Protocol shall not begin to be applied until the first fiscal year commencing six months or more after the date on which all Member States of the Organization of American States have deposited their respective instruments of ratification or adherence, unless all the Contracting States agree, through their representatives on the Board of Directors, to initiate such quota system in a previous fiscal year and agree upon the manner of doing so.

Payment of the first quota of any State becoming a Party to the present Protocol after the new quota system begins to be applied, shall be calculated on the basis of the number of full calendar months remaining in the respective fiscal year.

Until such time as the new quota system begins to be applied, the system provided for in Article IX of the Convention shall continue in effect.

Any instrument of ratification or adherence received after the date on which this Protocol comes into force shall take effect one month after the date of its deposit.

Article XI

The present Protocol, upon its entry into force, shall be deemed to be an integral part of the Convention.

In witness whereof, the undersigned Plenipotentiaries, duly authorized, sign the present Protocol of Amendment to the Convention, at the Pan American Union, Washington, D.C., on behalf of their respective Governments, on the dates appearing opposite their signatures.

I hereby certify that the foregoing is a true and faithful copy of the authentic texts in English, French, Portuguese, and Spanish of the Protocol of Amendment to the Convention on the Inter-American Institute of Agricultural Sciences, opened for signature by the American States at the Pan American Union on December 1, 1958, and that these texts have been duly examined for purposes of coordination by the Permanent Committee of the Board of Directors of the Institute.

December 1, 1958.

(Signed) Wm. Sanders,
(Typed) WILLIAM SANDERS,
Secretary of the Council of the Organization of American States.

Mr. MANSFIELD. Mr. President, this protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences was reported by the Foreign Relations Committee unanimously.

The main purpose of the protocol is to reorganize and strengthen the Inter-American Institute of Agricultural Sciences as recommended by the Inter-American Committee of Presidential Representatives established at the meetings of American Chiefs of State in Panama in 1956. To this end, the protocol reconstitutes the membership of the Institute's Board of Directors to include more agricultural experts and revises the method of financing the Institute to put it on the same basis as the Pan American Union, which is the General Secretariat of the Organization of American States.

The Inter-American Institute of Agricultural Sciences, which has its headquarters at Turrialba, Costa Rica, grew out of a recommendation of the Eighth American Scientific Congress held in Washington in 1940. The Institute was incorporated in the District of Columbia in 1942, and was given permanent international status in 1944 by the Convention on the Inter-American Institute of Agricultural Sciencies—exhibit B, 78th Congress, 2d session. It was recognized as a specialized organization of the Organization of American States in 1949. There are now 15 parties to the convention—namely, all the members of the OAS except Argentina, Bolivia, Brazil, Paraguay, Peru, and Uruguay.

The Institute engages in agricultural research, teaching, and extension activities with the object of encouraging and advancing the development of agricultural sciences in the American Republics.

In its report to the Chiefs of State of the American Republics in May 1957, the Inter-American Committee of Presidential Representatives commented upon the limited activities of the OAS in the field of agriculture despite the importance of agriculture to the economy of the Americas and the large proportion of the working population engaged in agricultural activities. The committee made a number of recommendations in this area, two of which were to, first, change the system of financial contributions to the maintenance of the Institute by adopting the one now in effect for the support of the

Pan American Union and the Pan American Sanitary Bureau; and, second, reorganize the Board of Directors of the Institute so that its members will preferably be directors general or officials of equal rank of the ministries of agriculture of the member states.

Accordingly a committee of the Board of Directors of the Institute was assigned the task of negotiating a protocol making the recommended changes. The resulting document was approved by the Board in November 1958 and was opened for signature at the Pan American Union December 1, 1958. It was signed by the United States January 7, 1959, and sent to the Senate for advice and consent to ratification on March 19, 1959.

On July 27, the Committee on Foreign Relations heard testimony in support of the protocol from Roy R. Rubottom, Assistant Secretary of State for American Republics Affairs, and subsequently voted to report the protocol favorably to the Senate.

The main provisions of the protocol are the two which are mentioned above.

The Institute's Board of Directors, which is now composed of the members of the Council of the OAS, will henceforward be composed "preferably" of high officials of ministries of agriculture of the contracting states who are specialists in agricultural matters.

This, in consequence, makes it possible to eliminate the Institute's Technical Advisory Council and the Administrative Committee, which will be no longer necessary after the Institute is given a Board of Directors composed of specialists in agricultural matters. The reorganization of the Board of Directors will also make it possible to shift the executive headquarters of the Institute to Turrialba, where the operating headquarters are now located, and this in turn makes it advisable to eliminate mention of the position of Secretary, who would no longer be located in Washington. The Director is to be elected by the Board of Directors for a 6-year term, and he may be reelected only once. Finally, the separation of the Board of Directors from the Council of the OAS indicates elimination of the provision of the present convention making the Pan American Union the fiscal agent of the Institute.

The other main change made by the protocol relates to financing the Institute's activities. Under the existing system, parties to the convention contribute $1.25 per year per thousand of population. Under the protocol, the Institute will be financed on the same basis as the Pan American Union—that is, the United States will contribute 66 percent of the total budget and the other members will contribute the remaining 34 percent on the proportionate basis of their United Nations budget assessments.

This change will in fact result in a slight decrease in the percentage of the U.S. contribution; because, although the U.S. population is slightly exceeded by that of Latin America as a whole, some of the more populous Latin American countries have not hitherto participated in the convention and the U.S. population has amounted to about 67 percent of that of the countries which have participated.

At the same time, if the other recommendations of the Inter-American Committee of Presidential Representatives with respect to the Institute are carried out, it must be anticipated that the absolute amount of the U.S. contribution will increase over the years as the budget of the Institute grows and its activities expand. The Committee of Presidential Representatives recommended new activities which would amount to $1,100,000 a year, over a period of years. During the first year, the Committee estimated these expenses at $619,000. Nonrecurring expenditures in connection with this expanded program were estimated at $945,000. This will, of course, be contingent upon action by the new Board of Directors which must act with a two-thirds majority on budgetary matters.

Among the new activities recommended by the Presidential Committee are increased training and research in the Southern Temperate Zone and a regional center for the study of banana and cacao diseases.

The new method of financing cannot, of course, come into full operation until the membership of the Institute and that of the Organization of American States are the same—that is, until all members of the OAS have ratified the convention and protocol. However, after the protocol has been ratified by at least all of the existing members of the Institute, the new system of financing may be instituted by unanimous agreement of the members, an agreement which would include the method of allocating any portion of the budget attributable to the States which have not yet ratified.

In the years since its establishment, the Inter-American Institute of Agricultural Sciences has produced a solid record of accomplishment in scientific and technical developments leading to improved agricultural practices for the mutual benefit of the States concerned. It seems to the committee that the reorganization and strengthening of the Institute provided by this protocol will enable it to render even more effective service. The committee therefore recommends that the Senate give its advice and consent to ratification.

Mr. President, I ask unanimous consent that the letter of the Acting Secretary of State, Christian Herter, to the President of the United States, be incorporated in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, March 7, 1959.

THE PRESIDENT,
The White House.

The undersigned, the Acting Secretary of State, has the honor to lay before the President with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if the President approve thereof, a certified copy of a protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences, which protocol was opened for signature in the Spanish, English, Portuguese, and French languages at the Pan American Union in Washington on December 1, 1958. The protocol was signed in behalf of the United States of America on January 7, 1959.

The Convention on the Inter-American Institute of Agricultural Sciences, which was opened for signature at the Pan American Union on January 15, 1944, entered into force for the United States of America on November 30, 1944 (58 Stat. 1169; Treaty Series 987; S. Ex. B, 78th Cong., 2d sess.; S. Ex. Rept. No. 1, 78th Cong., 2d sess.). That convention established the Institute as a permanent international cooperative enterprise of the American Republics with the purpose of encouraging and developing the advancement of agricultural sciences through research, teaching, and extension activities. The convention is presently in force between the United States of America and 14 of the other American Republics; namely, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, and Venezuela.

By Executive Order No. 9751 of July 12, 1946 (11 F.R. 7713) the Inter-American Institute of Agricultural Sciences was designated by the President as one of the public international organizations entitled to enjoy the privileges, exemptions, and immunities of the International Organizations Immunities Act approved December 29, 1945 (Public Law 291, 79th Cong.; 59 Stat. 669). The Institute was officially recognized in 1949 as a Specialized Organization of the Organization of American States (OAS), as defined in the OAS Charter (Bogota, Apr. 30, 1948; 2 U.S.T. 2394; Treaties and Other International Acts Series 2361). The Institute has its headquarters in Turrialba, Costa Rica.

The protocol of amendment was negotiated by a committee of the Board of Directors of the Institute, under the chairmanship of the U.S. representative. The text thereof was approved by the Board in November 1958 after the governments of all the American Republics had been given the opportunity to comment on it.

As recommended by the Inter-American Committee of Presidential Representatives in its 1957 report to the Chiefs of State of the American Republics, the protocol serves to make two principal amendments in the 1944 convention. First, the Institute's Board of Directors is reorganized so that its membership will be composed preferably of high-ranking officials of the Ministries of Agriculture of the contracting states (art. III of the protocol). The present Board of Directors is composed of the 21 members of the Council of the OAS in Washington, who are not technically familiar with agricultural subjects and are somewhat remote from the scene of the Institute and its operations. This reorganization of the Board is designed to insure that the Institute's program and development will be fully responsive to the technical agricultural needs of the member states, as defined by the interstate officials of the governments concerned.

The other principal amendment made in the convention by the protocol concerns the system of financial contributions by the contracting states for the maintenance of the Institute. In accordance with the terms of article IX of the 1944 convention, each contracting state paid an annual quota of 1 U.S. dollar per thousand of its population until fiscal year 1955–56, when the quotas were raised by unanimous agreement to $1.25 per thousand of population, the level at which they have remained since that time. Article VI of the protocol amends the convention to replace that quota system with the system now in effect for the support of the Pan American Union, which is the General Secretariat of the OAS. Under the latter system, as established by the Council of the OAS on December 21, 1940, the United States each year contributes 66 percent of the Pan American Union's total assessment budget as

approved by the Council, while the remaining 34 percent is divided among the 20 remaining OAS member states in the same proportion as the relative contribution of each to the latest United Nations assessment budget. This system is also used for the support of the Pan American Health Organization, the largest of the OAS specialized organizations.

Assuming that all 21 of the OAS member states shall have become parties to the 1944 convention and the protocol of amendment by the time the Institute's new quota system begins to be applied, the percentage of contribution of each state to the Institute's assessment budget for a given year will be the same as its quota percentage under the Pan American Union scale. The amount of the assessment budget itself, each year, will be determined by the Institute's Board of Directors, the affirmative vote of two-thirds of the total membership to be required, as in the case of the Pan American Union budget.

The purpose of this change in the Institute's quota system, besides that of adopting a more equitable system based to a greater extent upon the national income factor than upon the population factor, is to provide a more flexible system of financing the Institute's program which will be more readily adjustable to the needs and capacities of the member states. It is anticipated that the contracting States will wish to support an expansion in the program and budget of the Institute under the new quota system, to include increased training and research activities in the Southern Temperate Zone of South America, a regional center for the study of banana and cacao diseases and the incorporation into the Institute's regular program of project 39 of the OAS technical cooperation program, all of which were recommended by the aforementioned Committee of Presidential Representatives. The annual quota payments of the United States and of other member states would, in this case, rise accordingly.

If all 21 of the OAS member states should not have become parties to the 1944 convention and the protocol of amendment by the time the protocol enters into force, a problem would exist with respect to the new quota system, namely, the problem of applying the Pan American Union scale of quota percentages, distributed among 21 countries, to the smaller number of countries members of the Institute. In view of this potential problem, the protocol provides in article X that the new quota system will not begin to be applied until all the OAS member states shall have deposited their respective instruments of ratification or adherence, unless all the contracting states agree to initiate the new quota system at an earlier date and agree upon the manner of apportioning the quota percentages attributable to OAS member states not as yet members of the Institute. Under this provision it would be possible to avoid a long delay in the entry into effect of the new quota system in case one or two nonmember states with small quota percentages should fail to become parties to the convention and protocol within a reasonable period of time. In the latter circumstance, it is expected that the member states of the Institute would be able to agree on the method of accounting for any small portion of the assessment budget attributable to the nonmember state or states.

Other changes made in the convention which stem directly from the two basic changes mentioned above include the following:

(a) All references to the Secretary of the Institute are eliminated. Since the reorganized Board of Directors will normally meet at the seat of the Institute, it will no longer be necessary to keep this officer in Washington where the Board presently meets and there will be, therefore, no reason for specifying the position of Secretary in addition to the position of Director.

(b) The Technical Advisory Council and the Administrative Committee are eliminated. There will be no need for the permanent and formal retention of these two advisory bodies after the Board of Directors is reorganized, as the latter is to be composed preferably of specialists in agricultural matters.

(c) The provision in article I of the convention that the executive headquarters of the Institute shall be located in Washington, D.C., is eliminated, as this will not be the case in the future when the reorganized Board of Directors no longer has its seat in Washington. The fact that the headquarters of the Institute will be in Turrialba, Costa Rica, is made clear by the protocol.

(d) Article VIII of the convention, providing that the Pan American Union shall act as fiscal agent for the Institute, is eliminated. The future relations between the Institute and the Pan American Union will be more properly determined in the agreement which the Institute, as a specialized organization of the OAS, is to conclude with the OAS Council when the membership of the Council and that of the Institute's Board of Directors are no longer the same.

Two other changes in the convention should be mentioned. The first paragraph of article I of the convention is amended to clarify the fact that the Institute is established as an international organization, in place of the present ambiguous statement that the contracting states recognize the permanent status of the Institute incorporated in the District of Columbia in 1942. Secondly, the provision in article IV of the convention that the Director of the Institute may be reelected one or more times is amended to permit his reelection only once.

The purpose of the protocol is to strengthen the Inter-American Institute of Agricultural Sciences so that it may serve more adequately as the arm of the OAS for the improvement of agriculture in the Americas. It is to be hoped that all the OAS member states will take prompt action toward ratifying this instrument and bringing it into force, thus enabling the Institute, with an expanded membership, to carry out an eftive hemispherewide program of technical cooperation in agriculture of benefit to all the American Republics.

Article X of the protocol provides that the protocol shall come into force 1 month after the date on which all the states parties to the convention have deposited their respective instruments of ratification of or adherence to the protocol. Any instrument of ratification or adherence deposited by a nonmember state after the date on which the protocal comes into force shall take effect 1 month after the date of its deposit.

Respectfully submitted.

CHRISTIAN A. HERTER,
Acting Secretary.

(Enclosure: Protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences.)

Mr. JOHNSON of Texas. Mr. President, I ask that the yeas and nays on resolution of ratification of the protocol be ordered.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the protocol will be considered as having passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which will be read.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, 86th Congress, 1st session, a protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences, which protocol was opened for signature in the Spanish, English, Portuguese, and French languages at the Pan American Union in Washington on December 1, 1958. The protocol was signed in behalf of the United States of America on January 7, 1959.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that discussion on the protocol be concluded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DUTIES AND RIGHTS OF STATES IN EVENT OF CIVIL STRIFE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Executive F, 86th Congress, 1st session.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate, as in committee of the whole, proceeded to consider the protocol (Executive F, 86th Cong., 1st sess.) to the convention of February 20, 1928, on the duties and rights of states in the event of civil strife, signed in behalf of the United States on July 15, 1957, which was read the second time, as follows:

PROTOCOL TO THE CONVENTION ON DUTIES AND RIGHTS OF STATES IN THE EVENT OF CIVIL STRIFE

The High Contracting Parties, desirous of clarifying, supplementing, and strengthening the principles and rules stipulated in the Convention on Duties and Rights of States in the Event of Civil Strife, signed at Havana on February 20, 1928,

Have resolved, in order to carry out those purposes, to conclude the following Protocol:

ARTICLE 1

Each Contracting State shall, in areas subject to its jurisdiction:

(a) Keep under surveillance the traffic in arms and war material that it has reason to believe is intended for starting, promoting, or supporting civil strife in another American State;

(b) Suspend the exportation or importation of any shipment of arms and war material during the period of its investigation of the circumstances relating to the shipment, when it has reason to believe that such arms and war material may be intended for starting, promoting, or supporting civil strife in another American State; and

(c) Prohibit the exportation or importation of any shipment of arms and war material intended for starting, promoting, or supporting civil strife in another American State.

ARTICLE 2

The provisions of Article 1 shall cease to be applicable for a Contracting State only when it has recognized the belligerency of the rebels, in which event the rules of neutrality shall be applied.

ARTICLE 3

The term "traffic in arms and war material", which appears in the third paragraph of Article 1 of the Convention on Duties and Rights of States in the Event of Civil Strife as well as in this Protocol, includes land vehicles, vessels, and aircraft of all types, whether civil or military.

ARTICLE 4

The provisions of the Convention on Duties and Rights of States in the Event of Civil Strife with respect to "vessels" are equally applicable to aircraft of all types, whether civil or military.

ARTICLE 5

Each Contracting State shall, in areas subject to its jurisdiction and within the powers granted by its Constitution, use all appropriate means to prevent any person, national or alien, from deliberately participating in the preparation, organization, or carrying out of a military enterprise that has as its purpose the starting, promoting or supporting of civil strife in another Contracting State, whether or not the government of the latter has been recognized.

For the purposes of this article, participation in the preparation, organization, or carrying out of a military enterprise includes, among other acts:

(a) The contribution, supply or provision of arms and war material;

(b) The equipment, training, collection, or transportation of members of a military expedition; or

(c) The provision or receipt of money, by any method, intended for the military enterprise.

ARTICLE 6

The present Protocol does not affect obligations previously undertaken by the Contracting State through international agreements.

ARTICLE 7

This Protocol shall remain open in the Pan American Union for signature by the American States, and shall be ratified in conformity with their respective constitutional procedures.

ARTICLE 8

This Protocol may be ratified only by the States that have ratified or ratify the Convention on the Duties and Rights of States in the Event of Civil Strife. This Protocol shall enter into force between the States that ratify it, in the order in which they deposit their respective instruments of ratification.

ARTICLE 9

The original instrument of this Protocol, the English, French, Portuguese, and Spanish texts of which are equally authentic, shall be deposited with the Pan American Union, which shall transmit certified copies thereof to the Governments for purposes of ratification.

The instruments of ratification shall be deposited with the Pan American Union, which shall notify the signatory States of such deposit. A certified copy of this Protocol shall be transmitted by the Pan American Union to the General Secretariat of the United Nations for registration.

ARTICLE 10

This Protocol shall remain in force indefinitely between the Contracting States. It may be denounced by any of them upon one year's notice. Such denunciation shall be addressed to the Pan American Union, which shall notify the other signatory States thereof.

ARTICLE 11

Each Contracting State shall refrain from denouncing the Convention on Duties and Rights of States in the Event of Civil Strife while this Protocol remains in force for that State.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, whose full powers have been presented and found to be in good and due form, sign this Protocol on the dates that appear opposite their respective signatures.

I hereby certify that the foregoing document is a true and faithful copy of the authentic texts in English, French, Portuguese and Spanish, of the Protocol to the 1928 Havana Convention on the Duties and Rights of States in the Event of Civil Strife, opened for signature by the American States at the Pan American Union on May 1, 1957, and that these texts have been duly examined for purposes of coordination by the Special Committee appointed to that end by the Council of the Organization of American States.

WASHINGTON, D.C., *May 1, 1957.*

(Signed) William Manger,

(Typed) WILLIAM MANGER,

Secretary of the Council of the Organization of American States.

Mr. MANSFIELD. Mr. President, the main purpose of the protocol, which also was unanimously reported by the Committee on Foreign Relations, is to clarify, supplement, and strengthen the principles and rules stipulated in the Convention on Duties and Rights of States in the Event of Civil Strife, which was signed at Havana February 20, 1928. This convention obligates its parties, among other things, to prevent the use of their territory for fomenting civil strife in the territory of another party.

The 1928 Havana convention was one of the acts of the Sixth Inter-American Conference, and was ratified by the United States in 1930 with an understanding that certain provisions relating to insurgent vessels should not apply during a recognized state of belligerency. It is now in force for all of the American Republics except Chile, Guatemala, and Venezuela.

The convention lays down certain rules of conduct for the contracting parties in the event of civil strife in one of of them. It binds the parties "to use all means at their disposal to prevent the inhabitants of their territory, nationals or aliens, from participating in, gathering elements, crossing the boundary or sailing from their territory for the purpose of starting or promoting civil strife."

States are also to disarm and intern rebel forces crossing their boundaries; to forbid the traffic in arms and war material, except when intended for the government; and to prevent, within their jurisdiction, the equipping, arming, or adapting for warlike purposes of any vessel intended for the rebellion. Insurgent vessels arriving in a country are to be returned to the government of the state in civil strike and members of the crew are to be considered political refugees. Finally, the convention sets forth the rights of states injured by depredations or other actions of insurgent vessels.

In 1950 an Investigating Committee appointed by the Council of the Organization of American States in connection with a series of Caribbean revolutions recommended, and the OAS Council agreed, that the 1928 convention be broadened to cover additional aspects of revolutionary activity. Negotiations extended over several years, and it was not until February 20, 1957, that the protocol to the convention was approved by the Council. It was opened for signature May 1, 1957, and was signed by the United States July 15 of that year. It has also been signed by nine other American States—Argentina, Brazil, Costa Rica, Cuba, the Dominican Republic, El Salvador, Haiti, Honduras, and Peru—and has been ratified by five States—Argentina, Costa Rica, Cuba, the Dominican Republic, and Haiti.

Following consultation on June 2, 1959, between the Subcommittee on American Republics Affairs of the Committee on Foreign Relations and the Assistant Secretary of State for Inter-American Affairs, the President sent the protocol to the Senate on June 18 with a request for advice and consent to ratification. The committee held a hearing on the matter July 27, at which time Assistant Secretary Roy R. Rubottom presented the Department of State's views favoring ratification. Subsequently, the committee voted in executive session to report the protocol favorably.

The protocol has four substantive provisions:

First, it obligates each contracting state to "keep under surveillance the traffic in arms and war material that it has reason to believe is intended for starting, promoting, or supporting civil strife in another American State," to suspend the shipment of any such material during its investigation of the circumstances, and to prohibit the export or import of any such material which is in fact intended for such purposes. These provisions do not apply when the belligerency of the rebels has been recognized, in which case the rules of neutrality come into play.

Second, the definition of "traffic in arms and war material" in the basic convention is broadened to include "land vehicles, vessels, and aircraft of all types, whether civil or military."

Third, the provisions of the basic convention with respect to vessels are made equally applicable to aircraft.

Fourth, the protocol obligates each contracting state, in areas subject to its jurisdiction and within the powers granted by its constitution, to "use all appropriate means to prevent any person, national or alien, from deliberately participating in the preparation, organization, or carrying out of a military enterprise that has as its purpose the starting, promoting, or supporting of civil strife in another contracting state, whether or not the government of the latter has been recognized." This prohibition extends to the contribution, supply, or provision of arms and war material; the equipment, training, collection, or transportation of members of a military expedition; and the provision or receipt of money, by any method, intended for the military enterprise.

The protocol is not self-executing; but most of the necessary implementing legislation, so far as the United States is concerned, has already been enacted, especially in title 18, United States Code, sections 958–962, and title 50, United States Code, appendix, section 2021, et seq.

These sections generally prohibit the enlistment or recruitment for foreign military service in the United States, the preparation of foreign military expeditions in the United States, and the outfitting of foreign naval vessels for service against friendly powers. They also provide statutory authority for the control of exports.

Attention should be called to the fact that section 960 of title 18, which prohibits, among other things, furnishing money for military enterprises against foreign states, is limited to expeditions carried on from the United States. This is not so broad as article 5 of the protocol which would prohibit the furnishing of money for a military expedition to be launched from the territory of a third country. If this sort of activity is to be prohibited in the United States, additional legislation will be required.

The protocol imposes no substantial obligations on the United States beyond those which have long been self-imposed as a matter of the well-established U.S. policy of nonintervention in the internal affairs of other states. This principle is one of the bedrocks of the inter-American system.

The protocol should serve, however, to define the obligations of all American States more precisely and clearly. As a consequence, it will make it easier for states which want to live up to their obligations to do so; and, by the same token, it will make it more difficult for irresponsible states to default on their obligations.

To the extent that this end is accomplished, it should exert a salutary influence on the present troubled situation in the Caribbean area.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further discussion of this protocol be concluded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

If there be no objection, the protocol will be considered as having been passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will read.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, 86th Congress 1st session, a protocol to the convention of February 20, 1928 on the duties and rights of States in the event of civil strife, signed in behalf of the United States on July 15, 1957.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the motion of Mr. YOUNG of Ohio that the Senate recede from its amendment No. 1 to the independent offices appropriation bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, at the conclusion of which the Senate will proceed to vote on the motion of the Senator from Ohio [Mr. YOUNG] that the Senate recede from its position on amendment No. 1 to the independent offices appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state his parliamentary inquiry.

Mr. JOHNSON of Texas. Will the Chair please state the question upon which the Senate is about to vote? The yeas and nays have been ordered on the motion of the Senator from Ohio [Mr. YOUNG]. Will the Chair state what that motion is, so all Members of the Senate will understand what they are being asked to vote on?

The PRESIDING OFFICER. The motion of the Senator from Ohio is that the Senate recede from its position on amendment No. 1.

Mr. JOHNSON of Texas. Very well. There will be at least 4 rollcalls, following this one, so I hope Members of the Senate will remain in the Chamber, and we shall conclude as quickly as we can.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CLARK. For the benefit of those who came to the Chamber late, would the Chair have the clerk state the amendment? It is a little difficult for us to know what we are being asked to vote on simply by a statement that it is a motion that the Senate recede.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the clerk state the motion.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will state the motion.

The LEGISLATIVE CLERK. Amendment No. 1: On page 3, line 5, strike out "$10 million" and insert in lieu thereof "$25 million".

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio [Mr. YOUNG] that the Senate recede from its position on Senate amendment No. 1. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from California [Mr. ENGLE], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from New Jersey [Mr. WILLIAMS], are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY], are absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from Mississippi [Mr. EASTLAND], would each vote "nay."

On this vote, the Senator from California [Mr. ENGLE] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from California would vote "yea" and the Senator from Wyoming would vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent and, if present and voting, would vote "nay."

The Senator from Vermont [Mr. AIKEN], is absent by leave of the Senate.

The result was announced—yeas 12, nays 71, as follows:

YEAS—12

Clark	Lausche	Neuberger
Douglas	Long	Russell
Gruening	McClellan	Yarborough
Hartke	Moss	Young, Ohio

NAYS—71

Allott	Hart	Monroney
Anderson	Hayden	Morse
Beall	Hennings	Morton
Bennett	Hickenlooper	Mundt
Bible	Hill	Muskie
Bridges	Holland	Pastore
Bush	Hruska	Prouty
Butler	Humphrey	Proxmire
Byrd, Va.	Jackson	Randolph
Byrd, W. Va.	Javits	Robertson
Cannon	Johnson, Tex.	Saltonstall
Capehart	Johnston, S.C.	Schoeppel
Carlson	Jordan	Scott
Carroll	Keating	Smathers
Case, N.J.	Kefauver	Smith
Case, S. Dak.	Kennedy	Sparkman
Church	Kuchel	Stennis
Cooper	Langer	Symington
Cotton	McCarthy	Talmadge
Curtis	McGee	Thurmond
Dirksen	McNamara	Wiley
Dworshak	Magnuson	Williams, Del.
Ellender	Mansfield	Young, N. Dak.
Ervin	Martin	

NOT VOTING—15

Aiken	Engle	Green
Bartlett	Frear	Kerr
Chavez	Fulbright	Murray
Dodd	Goldwater	O'Mahoney
Eastland	Gore	Williams, N.J.

So the motion of Mr. YOUNG of Ohio was rejected.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the motion of the Senator from Ohio [Mr. YOUNG] was rejected.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. MAGNUSON. Mr. President, I move that the Senate insist on its amendment No. 1 and request a further conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference; and I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington [Mr.

MAGNUSON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Mississippi [Mr. EASTLAND], the Senator from California [Mr. ENGLE], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from California [Mr. ENGLE], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent and, if present and voting, would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The result was announced—yeas 76, nays 8, as follows:

YEAS—76

Allott	Hartke	Morse
Anderson	Hayden	Morton
Beall	Hennings	Mundt
Bennett	Hickenlooper	Muskie
Bible	Hill	Neuberger
Bridges	Holland	Pastore
Bush	Hruska	Prouty
Butler	Humphrey	Proxmire
Byrd, Va.	Jackson	Randolph
Byrd, W. Va.	Javits	Robertson
Cannon	Johnson, Tex.	Saltonstall
Capehart	Johnston, S.C.	Schoeppel
Carlson	Jordan	Scott
Carroll	Keating	Smathers
Case, N.J.	Kefauver	Smith
Case, S. Dak.	Kennedy	Sparkman
Chavez	Kuchel	Stennis
Church	Langer	Symington
Cooper	Lausche	Talmadge
Cotton	McCarthy	Thurmond
Curtis	McGee	Wiley
Dirksen	McNamara	Williams, Del.
Dworshak	Magnuson	Yarborough
Ellender	Mansfield	Young, N. Dak.
Ervin	Martin	
Hart	Monroney	

NAYS—8

Clark	Long	Russell
Douglas	McClellan	Young, Ohio
Gruening	Moss	

NOT VOTING—14

Aiken	Frear	Kerr
Bartlett	Fulbright	Murray
Dodd	Goldwater	O'Mahoney
Eastland	Gore	Williams, N.J.
Engle	Green	

So Mr. MAGNUSON's motion was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the motion of the Senator from Washington [Mr. MAGNUSON] was agreed to.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. HOLLAND, Mr. ALLOTT, Mr. SALTONSTALL, and Mr. YOUNG of North Dakota conferees on the part of the Senate at the further conference.

CONSTRUCTION AT CERTAIN MILITARY INSTALLATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the adoption of the conference report on the military construction authorization bill, report No. 729, H.R. 5674.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, there will be a yea-and-nay vote on the adoption of the conference report on the military construction authorization bill. The adoption of the report is recommended by the Senator from Mississippi [Mr. STENNIS] and the Senator from South Dakota [Mr. CASE]. The report is unanimous. The debate has been concluded, and the yeas and nays have been ordered.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The question is on agreeing to the conference report on this question. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent and, if present and voting, would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The result was announced—yeas 85, nays 0, as follows:

YEAS—85

Allott	Hart	Morse
Anderson	Hartke	Morton
Beall	Hayden	Moss
Bennett	Hennings	Mundt
Bible	Hickenlooper	Muskie
Bridges	Hill	Neuberger
Bush	Holland	Pastore
Butler	Hruska	Prouty
Byrd, Va.	Humphrey	Proxmire
Byrd, W. Va.	Jackson	Randolph
Cannon	Javits	Robertson
Capehart	Johnson, Tex.	Russell
Carlson	Johnston, S.C.	Saltonstall
Carroll	Jordan	Schoeppel
Case, N.J.	Keating	Scott
Case, S. Dak.	Kefauver	Smathers
Chavez	Kennedy	Smith
Church	Kuchel	Sparkman
Clark	Langer	Stennis
Cooper	Lausche	Symington
Cotton	Long	Talmadge
Curtis	McCarthy	Thurmond
Dirksen	McClellan	Wiley
Douglas	McGee	Williams, Del.
Dworshak	McNamara	Yarborough
Ellender	Magnuson	Young, N. Dak.
Engle	Mansfield	Young, Ohio
Ervin	Martin	
Gruening	Monroney	

NAYS—0

NOT VOTING—13

Aiken	Fulbright	Murray
Bartlett	Goldwater	O'Mahoney
Dodd	Gore	Williams, N.J.
Eastland	Green	
Frear	Kerr	

So the conference report was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPROPRIATIONS FOR LABOR DEPARTMENT AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—CONFERENCE REPORT

Mr. JOHNSON of Texas. I rise to a point of information. The yeas and nays have been ordered on the question of agreeing to the conference report on the appropriation bill (H.R. 6769) for the Departments of Labor, and of Health, Education, and Welfare, as presented by the distinguished Senator from Alabama [Mr. HILL].

Will the Senator from Alabama state by how much the appropriation is over the amount asked for in the budget?

Mr. HILL. It is $259 million over the budget estimate.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR],

the Senator from Montana [Mr. MURRAY], and the Senator from New Jersey [Mr. WILLIAMS], are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New Jersey [Mr. WILLIAMS], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent. If present and voting, he would vote "nay."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The result was announced—yeas 69, nays 14, as follows:

YEAS—69

Allott	Church	Hennings
Anderson	Clark	Hill
Beall	Cooper	Holland
Bennett	Douglas	Humphrey
Bible	Dworshak	Jackson
Bridges	Ellender	Javits
Byrd, W. Va.	Engle	Johnson, Tex.
Cannon	Ervin	Johnston, S.C.
Carlson	Gruening	Jordan
Carroll	Hartke	Keating
Case, S. Dak.	Hayden	Kefauver
Kennedy	Morse	Schoeppel
Kuchel	Moss	Scott
Langer	Mundt	Smathers
Long	Muskie	Smith
McCarthy	Neuberger	Sparkman
McClellan	Pastore	Stennis
McGee	Prouty	Symington
McNamara	Proxmire	Talmadge
Magnuson	Randolph	Wiley
Mansfield	Robertson	Yarborough
Martin	Russell	Young, N. Dak.
Monroney	Saltonstall	Young, Ohio

NAYS—14

Bush	Cotton	Lausche
Butler	Curtis	Morton
Byrd, Va.	Dirksen	Thurmond
Capehart	Hickenlooper	Williams, Del.
Case, N.J.	Hruska	

NOT VOTING—15

Aiken	Frear	Hart
Bartlett	Fulbright	Kerr
Chavez	Goldwater	Murray
Dodd	Gore	O'Mahoney
Eastland	Green	Williams, N.J.

So the report was agreed to.

Mr. MANSFIELD. I move that the Senate reconsider the vote by which the report was agreed to.

Mr. JOHNSON of Texas. I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6769, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.
July 30, 1959.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 21, 40, 42, 43, and 44 to the bill (H.R. 6769) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes", and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: Strike out the word "continuation" in said amendment and insert in lieu thereof the following: "expansion and improvement."

That the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert the following: "$6,000,000: *Provided*, That allotments to the States for the current fiscal year shall be made on the basis of $7,500,000."

That the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: After the sum named in said amendment insert the following: ", including not to exceed $200,000, to remain available until expended, as the final special grant for the Army-Navy Hospital project at Hot Springs, Arkansas."

That the House recede from its disagreement to the amendment of the Senate numbered 26, and concur therein with an amendment, as follows: After the word "amounts" in said amendment, insert the following: "(not to exceed a total of $384,000)."

Mr. HILL. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 4, 6, 9, and 26.

The motion was agreed to.

Mr. HILL. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a table showing the details of the budget estimates, the House allowances, the Senate allowances, and the conference agreement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1960 (H.R. 6769)

[Figures in brackets not added in totals]

	Appropriations, 1959	Budget estimates, 1960	House allowance	Senate allowance	Conference allowance
DEPARTMENT OF LABOR					
Office of the Secretary	$1,596,800	$1,621,000	$1,611,000	$1,611,000	$1,611,000
Office of the Solicitor	2,632,400	2,695,000	2,695,000	2,695,000	2,695,000
Bureau of Labor Standards	1,728,800	2,680,000	2,488,000	2,488,000	2,488,000
Bureau of Veterans' Reemployment Rights	585,700	592,000	592,000	592,000	592,000
Bureau of Apprenticeship and Training	4,008,700	4,047,000	4,047,000	4,047,000	4,047,000
Bureau of Employment Security:					
Salaries and expenses	7,120,700	7,262,000	7,262,000	7,262,000	7,262,000
Grants to States	325,600,000	328,684,000	315,819,000	315,819,000	315,819,000
Unemployment compensation for veterans and Federal employees	160,800,000	135,000,000	125,000,000	125,000,000	125,000,000
Mexican farm labor program:					
Compliance activities	517,700	873,000	873,000	873,000	873,000
Salaries and expenses (transfer from revolving fund)	(1,673,500)	(1,336,700)	(1,336,700)	(1,336,700)	(1,337,700)
Total, Bureau of Employment Security	494,038,400	471,819,000	448,954,000	448,954,000	448,954,000
Bureau of Employees' Compensation:					
Salaries and expenses	3,054,700	3,080,000	3,080,000	3,080,000	3,080,000
Transfer from war claims fund	(51,090)	(51,700)	(51,700)	(51,700)	(51,700)
Employees' compensation fund, indefinite	(71,000,000)	(62,000,000)	(62,000,000)	(62,000,000)	(62,000,000)
Bureau of Labor Statistics:					
Salaries and expenses	7,989,800	9,465,000	9,419,500	9,519,500	9,519,500
Revision of Consumers Price Index		230,000	230,000	230,000	230,000
Total, Bureau of Labor Statistics	7,989,800	9,695,000	9,649,500	9,749,500	9,749,500
Women's Bureau	503,800	509,000	509,000	509,000	509,000
Wage and Hour Division	11,371,100	11,489,000	11,489,000	11,489,000	11,489,000
Total, Department of Labor	527,510,200	508,227,000	485,114,500	485,214,500	485,214,500
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
American Printing House for the Blind	400,000	400,000	400,000	400,000	400,000
Food and Drug Administration:					
Salaries and expenses	10,917,000	11,800,000	13,800,000	13,800,000	13,800,000
Certification, inspection, and other services (indefinite)	(1,380,000)	(1,410,000)	(1,410,000)	(1,410,000)	(1,410,000)
Freedmen's Hospital	3,105,000	3,190,000	3,190,000	3,190,000	3,190,000
Gallaudet College:					
Salaries and expenses	849,000	892,000	904,000	904,000	904,000
Construction	123,000	150,000	300,000	325,000	325,000
Total, Gallaudet College	972,000	1,042,000	1,204,000	1,229,000	1,229,000

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1960 (H.R. 6769)—Continued

[Figures in brackets not added in totals]

	Appropriations, 1959	Budget estimates, 1960	House allowance	Senate allowance	Conference allowance
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Howard University:					
Salaries and expenses	$4,350,300	$4,617,000	$4,617,000	$4,617,000	$4,617,000
Plans and specifications	123,000	21,000	21,000	21,000	21,000
Construction of buildings	163,000	860,000	860,000	860,000	860,000
Total, Howard University	4,636,300	5,498,000	5,498,000	5,498,000	5,498,000
Office of Education:					
Promotion and further development of vocational education	32,618,581	32,602,081	33,702,081	33,702,081	33,702,081
Further endowment of colleges of agriculture and the mechanic arts	2,501,500	2,501,500	2,501,500	2,501,500	2,501,500
Grants for library services	6,000,000	5,150,000	6,000,000	7,500,000	6,000,000
Payments to school districts	150,000,000	142,300,000	163,957,000	163,957,000	163,957,000
Assistance for school construction	75,400,000	38,500,000	61,135,000	61,135,000	61,135,000
Defense educational activities	115,300,000	150,000,000	150,000,000	150,000,000	150,000,000
Expansion of teaching in education of the mentally retarded		1,000,000	1,000,000	1,000,000	1,000,000
Salaries and expenses	9,627,500	12,800,000	12,800,000	12,800,000	12,800,000
Total, Office of Education	391,447,581	384,853,581	431,095,581	432,595,581	431,095,581
Office of Vocational Rehabilitation:					
Grants to States	51,600,000	51,900,000	51,900,000	51,900,000	51,900,000
Research and training	4,800,000	12,500,000	12,500,000	12,700,000	12,700,000
Salaries and expenses	1,515,000	1,738,000	1,738,000	1,738,000	1,738,000
Total, Office of Vocational Rehabilitation	57,915,000	66,138,000	66,138,000	66,338,000	66,338,000
Public Health Service:					
Assistance to States, general	23,639,000	22,497,000	22,497,000	22,497,000	22,497,000
Grants and special studies, Alaska	2,188,500				
Construction of health facilities, Alaska	6,500,000				
Control of venereal diseases	5,400,000	4,673,000	5,400,000	5,400,000	5,400,000
Control of tuberculosis	6,501,000	5,452,000	5,452,000	6,952,000	6,452,000
Communicable disease activities	6,890,000	8,015,000	8,015,000	8,015,000	8,015,000
Equipment, Communicable Disease Center	1,700,000				
Sanitary engineering activities	13,256,000	14,275,000	14,590,000	15,640,000	15,640,000
Grants for waste treatment works construction	45,000,000	20,000,000	45,000,000	45,000,000	45,000,000
Grants for hospital construction	186,200,000	101,200,000	143,700,000	211,200,000	186,200,000
Salaries and expenses, hospital construction services	1,635,000	1,604,000	1,604,000	1,777,000	1,650,000
Hospitals and medical care	50,624,000	45,600,000	45,600,000	43,633,000	45,600,000
Foreign quarantine activities	4,348,000	4,460,000	4,460,000	4,685,800	4,685,800
Indian health activities	42,327,000	43,500,000	45,500,000	45,500,000	45,500,000
Construction of Indian health facilities	6,010,000	3,087,000	4,587,000	4,587,000	4,587,000
National Institutes of Health:					
General research and services	28,974,000	28,974,000	36,404,000	49,585,000	45,994,000
National Cancer Institute	75,268,000	75,218,000	83,308,000	110,203,000	91,257,000
Mental health activities	52,419,000	52,384,000	60,409,000	79,986,000	68,090,000
National Heart Institute	45,613,000	45,594,000	52,744,000	89,500,000	62,237,000
Dental health activities	7,420,000	7,420,000	9,725,000	10,164,000	10,019,000
Arthritis and metabolic disease activities	31,215,000	31,215,000	37,790,000	51,200,000	46,862,000
Allergy and infectious disease activities	24,071,000	24,071,000	30,286,000	41,000,000	34,054,000
Neurology and blindness activities	29,403,000	29,403,000	33,613,000	48,966,000	41,487,000
Subtotal, NIH	294,383,000	294,279,000	344,279,000	480,604,000	400,000,000
Grants, construction of research facilities	30,000,000	20,000,000	30,000,000	30,000,000	30,000,000
Construction of surgical facilities	335,000				
Construction of animal quarters, Hamilton, Mont		150,000		150,000	150,000
Research facilities construction and site acquisition		150,000	150,000	150,000	150,000
Construction of dental research building	3,700,000				
General office building	9,625,000				
Operations, National Library of Medicine	1,526,000	1,566,000	1,566,000	1,566,000	1,566,000
Construction of library facilities	6,950,000				
Retired pay of commissioned officers, indefinite	(1,627,000)	(1,753,000)	(1,753,000)	(3,920,000)	(1,753,000)
Salaries and expenses	5,666,000	5,816,000	5,816,000	5,816,000	5,816,000
Total, Public Health Service	754,403,500	596,324,000	728,216,000	933,172,800	828,908,800
St. Elizabeths Hospital:					
Salaries and expenses	3,442,000	3,715,000	3,715,000	3,715,000	3,715,000
Major repairs and preservation of buildings and grounds	87,000	330,000	330,000	330,000	330,000
Construction of buildings	125,000				
Total, St. Elizabeths Hospital	3,654,000	4,045,000	4,045,000	4,045,000	4,045,000
Social Security Administration:					
Bureau of Old-Age and Survivors Insurance (trust funds)	(171,221,000)	(191,600,000)	(191,600,000)	(191,600,000)	(191,600,000)
Construction, OASI (trust funds)	(1,210,000)				
Grants to States for public assistance	1,957,960,000	2,033,500,000	2,033,500,000	2,033,500,000	2,033,500,000
Salaries and expenses, Bureau of Public Assistance	2,166,500	2,345,000	2,345,000	2,345,000	2,345,000
Salaries and expenses, Children's Bureau	2,172,000	2,300,000	2,300,000	2,300,000	2,300,000
Grants for maternal and child welfare	45,000,000	43,500,000	46,500,000	46,500,000	46,500,000
White House Conference on Children and Youth	150,000	200,000	200,000	200,000	200,000
Grants for social security training and studies		1,785,000			
Office of the Commissioner	342,000	337,000	337,000	337,000	337,000
Transfer from OASI trust fund	(268,500)	(276,000)	(276,000)	(276,000)	(276,000)
Total, Social Security Administration	2,007,790,500	2,083,967,000	2,085,182,000	2,085,182,000	2,085,182,000
Office of the Secretary	1,971,000	2,151,000	2,061,000	2,061,000	2,061,000
Transfer from OASI trust fund	(287,000)	(318,000)	(302,500)	(302,500)	(302,500)
Office of Field Administration	2,557,000	2,735,000	2,735,000	2,735,000	2,735,000
Transfer from OASI trust fund	(871,200)	(926,000)	(926,000)	(926,000)	(926,000)
Office of the General Counsel	560,400	619,000	589,700	589,700	589,700
Transfers	(528,400)	(546,000)	(537,200)	(537,200)	(537,200)
Surplus property utilization	687,000	703,000	703,000	703,000	703,000
White House Conference on Aging	944,000	452,000	452,000	452,000	452,000
Total, Department of Health, Education, and Welfare	3,241,960,281	3,163,917,581	3,345,309,281	3,551,991,081	3,446,227,081
RELATED AGENCIES					
National Labor Relations Board	13,256,600	14,230,000	14,230,000	14,230,000	14,230,000
National Mediation Board	1,431,800	1,357,000	1,357,000	1,357,000	1,357,000
Railroad Retirement Board (trust funds)	(9,374,300)	(9,460,000)	(9,460,000)	(9,460,000)	(9,460,000)
Federal Mediation and Conciliation Service	3,878,600	3,949,000	3,905,400	3,949,000	3,905,400
Interstate Commission on the Potomac River Basin	5,000	5,000	5,000	5,000	5,000
U.S. Soldiers' Home (trust funds)	(5,761,500)	(10,948,000)	(10,948,000)	(10,948,000)	(10,948,000)
Grand total	3,788,042,481	3,691,685,581	3,849,921,181	4,056,746,581	3,950,938,981

INTER-AMERICAN INSTITUTE OF AGRICULTURAL SCIENCES

As in executive session, the Senate, as in Committee of the Whole, resumed the consideration of the protocol of amendment to the Convention Executive C (86th Cong., 1st sess.), a protocol of amendment to the Convention on the Inter-American Institute of Agricultural Sciences, which protocol was opened for signature in the Spanish, English, Portuguese, and French languages at the Pan American Union in Washington on December 1, 1958. The protocol was signed in behalf of the United States of America on January 7, 1959.

Mr. JOHNSON of Texas. Mr. President, I now ask that the Senate proceed to vote on the resolution of ratification of Executive Calendar No. 7, Executive C, as in executive session. I understand that the yeas and nays have been ordered on this question.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The question is on agreeing to the resolution of ratification. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi, [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from New Jersey [Mr. WILLIAMS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent. If present and voting, he would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The yeas and nays resulted—yeas 83, nays 0, as follows:

YEAS—83

Allott	Byrd, Va.	Church
Anderson	Byrd, W. Va.	Clark
Beall	Cannon	Cooper
Bennett	Capehart	Cotton
Bible	Carlson	Curtis
Bridges	Carroll	Dirksen
Bush	Case, N.J.	Douglas
Butler	Case, S. Dak.	Dworshak
Ellender	Kuchel	Proxmire
Engle	Langer	Randolph
Ervin	Lausche	Robertson
Gruening	Long	Russell
Hartke	McCarthy	Saltonstall
Hayden	McClellan	Schoeppel
Hennings	McGee	Scott
Hickenlooper	McNamara	Smathers
Hill	Magnuson	Smith
Holland	Mansfield	Sparkman
Hruska	Martin	Stennis
Humphrey	Monroney	Symington
Jackson	Morse	Talmadge
Javits	Morton	Thurmond
Johnson, Tex.	Moss	Wiley
Johnston, S.C.	Mundt	Williams, Del.
Jordan	Muskie	Yarborough
Keating	Neuberger	Young, N. Dak.
Kefauver	Pastore	Young, Ohio
Kennedy	Prouty	

NAYS—0

NOT VOTING—15

Aiken	Frear	Hart
Bartlett	Fulbright	Kerr
Chavez	Goldwater	Murray
Dodd	Gore	O'Mahoney
Eastland	Green	Williams, N.J.

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

Mr. MANSFIELD. Mr. President, I move that the vote by which the resolution of ratification was agreed to be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

DUTIES AND RIGHTS OF STATES IN EVENT OF CIVIL STRIFE

The Senate, as in Committee of the Whole, resumed the consideration of the protocol (Ex. F, 86th Cong., 1st sess.) to the convention of February 20, 1928, on the duties and rights of states in the event of civil strife, signed in behalf of the United States on July 15, 1957.

Mr. JOHNSON of Texas. Mr. President, inasmuch as the yeas and nays have been ordered on the question of agreeing to the resolution of ratification of Executive Calendar No. 8, Executive F (86th Cong., 1st sess.) I ask that the yeas and nays be taken now. Let me state that, so far as I know, the vote about to be taken will conclude the yea-and-nay votes to be taken this evening.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification of Executive Calendar No. 8, Executive F, 86th Congress, 1st session.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent and, if present and voting, would vote "yea."

The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The yeas and nays resulted—yeas 82, nays 0, as follows:

YEAS—82

Allott	Hartke	Morse
Anderson	Hayden	Morton
Beall	Hennings	Moss
Bennett	Hickenlooper	Mundt
Bible	Hill	Muskie
Bridges	Holland	Neuberger
Bush	Hruska	Pastore
Butler	Humphrey	Prouty
Byrd, Va.	Jackson	Proxmire
Byrd, W. Va.	Javits	Randolph
Cannon	Johnson, Tex.	Robertson
Capehart	Johnston, S.C.	Russell
Carlson	Jordan	Saltonstall
Carroll	Keating	Schoeppel
Case, N.J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Church	Kuchel	Smith
Clark	Langer	Sparkman
Cooper	Lausche	Stennis
Cotton	Long	Symington
Curtis	McCarthy	Talmadge
Dirksen	McClellan	Thurmond
Douglas	McGee	Wiley
Dworshak	McNamara	Williams, Del.
Ellender	Magnuson	Young, N. Dak.
Engle	Mansfield	Young, Ohio
Ervin	Martin	
Gruening	Monroney	

NAYS—0

NOT VOTING—16

Aiken	Fulbright	Murray
Bartlett	Goldwater	O'Mahoney
Chavez	Gore	Williams, N.J.
Dodd	Green	Yarborough
Eastland	Hart	
Frear	Kerr	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the resolution of ratification was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the action just taken on the protocol.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

OPERATION AND MAINTENANCE OF SPOKANE VALLEY PROJECT, WASHINGTON AND IDAHO

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 994) to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws, which was to strike out all after the enacting clause and insert:

That, for the purpose of providing water for the irrigation of approximately ten thousand three hundred acres of land along and near the Spokane River in the eastern part of the State of Washington and the western part of the State of Idaho, the Secretary of the Interior is authorized to construct, operate, and maintain the Spokane Valley Federal reclamation project. The principal engineering features of said project shall consist of wells, pumps, storage facilities, and distribution systems.

SEC. 2. In constructing, operating, and maintaining the Spokane Valley project, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereof), except that (1) he may extend the base period of any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U.S.C. 485h(d)), as amended, to not more than fifty years, exclusive of a development period if he finds such to be proper, and (2) he may, upon the request of any contracting entity, transfer to it the care, operation, and maintenance of those project works which serve it alone or, upon the request of two or more contracting entities, transfer to them or to any agency designated by them and satisfactory to him the care, operation, and maintenance of those project works which serve them, all on terms and conditions satisfactory to him.

SEC. 3. There is hereby authorized to be appropriated for construction of the Spokane Valley project the sum of $5,100,000 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in the costs of construction as indicated by engineering cost indexes applicable to the type of construction involved herein. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

Mr. JACKSON. Mr. President, I move that the Senate disagree to the House amendments to S. 994, entitled "An act to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws," ask for a conference thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. JACKSON, and Mr. KUCHEL conferees on the part of the Senate.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that committees may file reports during the adjournment of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to inform the Senate it is my information the Appropriations Committee expects to file its report on the supplemental appropriation bill tomorrow. Since the Senate will adjourn over until Monday, it will not consider that bill until Monday at the earliest.

I am also informed the conferees have agreed on the Defense Department appropriation bill. We shall have to wait for House action on that conference report, but we expect to call it up as soon as the House has acted.

THE LATE JOHN FOSTER DULLES

Mr. SALTONSTALL. Mr. President, I think that we have all recognized that John Foster Dulles was a man of great strength of mind and character. The extent of his strength and courage during the last days of his life has been vividly described in a series of three sensitively written articles which have appeared in the Washington Post and Times Herald. The articles were written by Marguerite Higgins, one of America's finest newspaperwomen. I call these articles of the attention of all my colleagues and, for that matter, of anyone who can draw inspiration from a portrayal of the last hours of a truly great man. He died in a mood of rebellion that his time had come before he had completed the labors to which he had devoted the golden period of his career.

I ask unanimous consent that these three articles be inserted in the body of the RECORD immediately following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald, July 26, 1959]

DULLES DEFIED PAIN TO COPE WITH PROBLEMS

(By Marguerite Higgins)

John Foster Dulles insisted on being briefed daily on world affairs until 4 days before he died. Often he requested a reduction in painkilling sedation so that his mental faculties would remain bright and active.

He cleared almost every medical bulletin on his condition. Toward the last, when authors of the bulletins became tactfully vague, he scribbled in the truth: A deterioration in his condition.

One thing emerges from those last days: Mr. Dulles did not fear death; rather, he deeply, even angrily, resented it.

His cancer was not just a dread disease but an enemy to be fought.

"If anything," said a close friend, "Foster was angry that his massive will could not control this thing that was threatening to cut him off from the mission he had set himself."

AS FEW MEN MEET DEATH

Spartan control and a dogged spirit kept his mind and personality alive almost to within hours of his last breath. It was more than his doctors thought possible.

Even for an exceptional man, the way John Foster Dulles met his death was extraordinary, as every person interviewed for this series volunteered to some point.

The beginning of the end came in Mexico City late in 1958.

PLAY-ACTING IN MEXICO

Mr. Dulles had insisted on flying to the inauguration of President Adolfo Lopez Mateos although 5 days earlier he had suffered abdominal pains and worry that the cancer operated on 2 years before might be recurring.

In Mexico City, his pain increased. Robert C. Hill, the American Ambassador, found Mr. Dulles stretched out on his bed, looking ashen, his arms around his stomach.

As an old friend, Hill spoke frankly: "Mr. Secretary, I have a couple of doctors here."

Mr. Dulles looked at him for a moment and then, with a wry smile, said, "For what I suspect may be wrong with me, Bob, the doctors can't be of any real assistance.

"If we called in the doctors it might unduly alarm the people of Mexico. Newspaper speculation would go all over the world * * * I'd rather wait until I get home."

Mr. Dulles managed to get through the arduous official visit, eating nothing but cereal, resting and play-acting so successfully that no one knew how ill he was except Hill, his special assistant, Joseph N. Greene, Jr., and his secretary, Phyllis Bernau.

He had a lifelong aversion to permitting such a personal matter as health to impinge on others. Not many know, for instance, that Mr. Dulles also suffered painful attacks of gout.

TESTS GAVE HOPE

Cancer was a trying enemy, so completely outside his control. For such a person as Mr. Dulles, even taking notice of such an enemy was a form of giving in.

On December 5, when Mr. Dulles entered Walter Reed Army Hospital, the doctors ordered every known medical test, but no test gave any indication of cancer.

The cause of the pain was diagnosed as diverticulitis, an inflammation of the colon. This does not mean the doctors had no suspicion of cancer.

For as they all knew, during Mr. Dulles' operation for cancer in the fall of 1956, the affected part of the intestine had ruptured before the surgeon got to it. Some of the cancer cells might have already spilled out. If so, sooner or later the escaped cells would seed themselves elsewhere in the body.

But doctors cannot diagnose on suspicion alone. The medical facts available gave Mr. Dulles psychological respite from his nagging worries.

But the pains persisted. Back at his desk he still had to take occasional pain killers, although this, too, was a very well-kept secret.

Finally, early in 1959, Mr. Dulles scheduled his heroic swing around Europe to mend Allied fences. What helped him was not the sedatives but the intensive intellectual exercise of negotiating. He recalled later: "When we were working on the solution of our problems, the pain seemed blotted out. But the nights were terrible."

In West Germany, when he finally took leave of his old friend, Chancellor Konrad Adenauer, he permitted himself the second mention of his condition outside his immediate entourage. He confided that he had now developed a painful hernia: "I want you to know from me rather than the newspapers," Mr. Dulles said, "that I am going into the hospital for an operation."

But he said he didn't think it was a recurrence of cancer.

On February 14, the morning after the hernia operation, Maj. Gen. Leonard D. Heaton, director of Walter Reed, entered Mr. Dulles' room.

"Mr. Dulles had instructed us that he wanted nothing but the truth," General Heaton recalls. "And Mr. Dulles took the truth very, very well."

He wanted to know first what could and would be done.

But high on his list of priorities was a telegram to Dr. Adenauer. Mr. Dulles told the Chancellor he was sorry that he had misled him at the airport.

[From the Washington Post and Times Herald, July 27, 1959]

LAST DAYS OF A BRAVE MAN—DULLES, NEAR END, FRETTED ABOUT JOB, TALKED OF HIMSELF AS A "DESERTER"

(By Marguerite Higgins)

On the May morning Winston Churchill and President Eisenhower were due to visit her husband at Walter Reed Hospital, Janet Dulles received a pleasant surprise.

With unusual energy, the Secretary of State was moving about his hospital suite supervising the arrangement of flowers, a portrait of Churchill, and the easy chairs.

Then Mr. Dulles called for a wheel chair.

Astonished, Mrs. Dulles wanted to know why. Her husband did not need one. What about the press reaction?

Mr. Dulles, half squint and half twinkle, said something to this effect: "Yes, but you know how Winston is. He sometimes gets into those wonderful—but lengthy—reminiscences and forgets the pressures on the President's time. * * * If I'm in the wheel chair, I can be wheeled out at my own signal and nobody's feelings will be hurt.

As one of Dulles' doctors recalls: "I have never seen anyone in Mr. Dulles' situation worry so much about anyone else as he did about the President right up to the last. He talked sometimes as if he were a deserter or as if this cancer were a mistake he might have prevented."

LOVED HIS JOB

Of course, Mr. Dulles did want to make a comeback for his own sake, for he loved his job—every trying moment of it—as few men do.

For awhile he and his family and the President did hope he would be able to make it—for a least a little while.

The doctors did not encourage this hope, but they did not contradict it. So tricky and little understood is this type of cancer—a denocarcinoma—that the doctors simply could not give an accurate prediction.

Mr. Dulles avoided discussing, even with his family, the fact that he was going to die. With the doctors it was different. He interrogated them persistently:

"How much time, Doctor?"

After the February 13 discovery of cancer's recurrence doctors could offer him this much within the realm of medical fact: He would get the best known care for his type of cancer—massive X-ray and radioactive gold injections. His age—71 on February 25—was in his favor, for his type of cancer worked more slowly in older people. Also in his favor were his fabulous physical constitution and determined will.

WOULD SET TARGET

"Foster," a close friend recalls, "would set himself a target date when if he did not make so much progress he would resign. Then when the target date arrived he would quietly choose another to give himself more time. I have never seen anyone so determined not to give up."

Only once in this middle period did Mr. Dulles give way in the least to despondency—when several Senators called for his resignation—saying the world situation was too grave for American policy to be in the hands of a sick man.

The Secretary brought up the question on Mr. Eisenhower's fourth visit to Walter Reed on February 23.

The President recalled with mock sternness that during his own illnesses there had been similar reaction from some quarters. Indeed, he remembered Mr. Dulles had been the first to counsel him against paying any attention to such reactions and now Mr. Eisenhower proposed to give the same advice.

Incidentally, the meeting of minds between Mr. Eisenhower and Mr. Dulles did not come naturally. It had been patiently cultivated. In the beginning there was little visible personal rapport between the two men. At the end Mr. Eisenhower said with tears in his eyes: "It's like losing a brother."

SETTLED DOWN

With his decision not to resign, Mr. Dulles settled down to affairs of state with as much intensity as doctors and the debilitating massive X-ray therapy would permit.

He was on the phone of the President almost every day. The team he had left behind at the State Department, led by Christian A. Herter, Acting Secretary of State, came for frequent bedside conferences.

British Prime Minister Harold Macmillan came over for conversations in March about the Berlin crisis.

As he later recalled, Mr. Dulles was in a no-nonsense mood and politely but sharply lit into the British leader for what the Secretary felt was close to a policy of a summit at virtually any price.

A British diplomat said at the time: "If this is the way Mr. Dulles is as a supposed convalescent, what will he be like when they dismiss him from the hospital?"

This dismissal occurred on March 30 when Mr. Dulles took off for an indefinite rest at Hobe Sound, Fla., to put his strength to the test of sun, sand and swimming. His appearance was described on his arrival in Florida as "carefree and jaunty."

No one—let alone Mr. Dulles—realized that in less than 2 weeks he would be back at Walter Reed Hospital dictating his last official document: His letter of resignation.

DULLES STILL RECEIVED BRIEFINGS WITH SPEECH ALMOST GONE

(By Marguerite Higgins)

Only once during his last days did Mr. Dulles indicate to his immediate family that he realized death was near.

This occurred the weekend of April 25, a month before he died.

It was during a conversation with Mrs. Dulles, in which she said that one of their sons, Father Avery Dulles, would be flying to Washington soon from Rome. In bringing this news, Mrs. Dulles had tried to keep her voice as matter-of-fact as possible so as not to give concern to her husband.

"That's wonderful, Janet," Mr. Dulles responded. Then he asked with reference to his other son, John, an engineer in Mexico City, and his daughter, "Are the other children coming, too?" In confirming the fact that the rest of the family had been notified, Mrs. Dulles realized that he knew the truth.

It is clear that the Secretary realized the truth of his condition from the moment that he decided to resign. This decision was made in Florida, where he had gone March 30 to rest and recuperate.

During this holiday, he tried determinedly to make a physical comeback, resting in the sun and swimming daily.

SUFFERS NEW PAIN

Then came a totally new pain, in the back of his neck. At first, he tried to make light of it, referring to it as "this neuralgia." But the pain became more persistent. It was impossible to brush away the obvious implication: his cancer was spreading.

By Friday, April 10, after a trip to a local hospital for an X-ray of his neck, Mr. Dulles yielded to the obvious and decided to return to Walter Reed Hospital.

Meanwhile, he had a frank talk with his brother, Allen W. Dulles, Director of the Central Intelligence Agency, who was vacationing close by in Palm Beach. Sadly, he asked Allen to fly to Augusta, Ga., where President Eisenhower was vacationing, to tell him of his determination to resign.

On Saturday, April 11, Allen went to Augusta and saw the President. But every time he mentioned resignation, Mr. Eisenhower refused to entertain the idea. The President's position was that the only proper course was for the Secretary to get back at once to Walter Reed and be examined by doctors familiar with his case. Until all the medical facts were in, Mr. Eisenhower said, he didn't even want to hear the word "resignation."

The next day, April 12, Secretary Dulles was back at Walter Reed. And that evening occurred a most heartrending episode.

It was connected with a phenomenon in cancer cases known as a remission. This is a temporary period during which the patient suddenly finds his pain lifting and is filled with a feeling of well-being.

REMISSION LIFTS MOOD

It became plain that Mr. Dulles was having such remission when Maj. Gen Leonard Heaton, the hospital director, entered his rooms to greet him. Mr. Dulles was in such ebullient mood that he said to General Heaton:

"I feel so good tonight, Doctor, that I think I may be able to make it after all to the Geneva Foreign Ministers' Conference." The reference was to the East-West conference on the Berlin crisis scheduled to open in Geneva on May 11.

By next morning, the remission had passed and the pain returned full force. X-rays showed that the cancer was spreading. A medical bulletin to this effect was given to the press and the grim facts were splashed across the headlines of Tuesday papers.

That afternoon, Mr. Dulles read the papers somewhat late, as he had taken an unusually long nap. He was especially stung by those papers which implied that he was selfishly clinging to his position.

By now he was convinced that any further delay in announcing his resignation was unwise. On Tuesday night he instructed his special assistant, Joseph N. (Jerry) Greene to telephone White House Press Secretary James C. Hagerty in Augusta and request that his views be conveyed to Mr. Eisenhower.

Early the next morning the President telephoned Mr. Dulles and with deep emotion agreed at last to accept his resignation.

For Mr. Dulles there was only one logical choice of a successor—Christian A. Herter, then Under Secretary of State. He had made this clear as far back as February, on the day he called top members of his staff together just prior to reentering Walter Reed

for the operation that revealed the recurrence of cancer in his abdomen.

After the resignation Mr. Eisenhower made sure that Mr. Dulles did not suddenly feel himself shut off from the stream of great events. So, on April 23, he named Mr. Dulles White House consultant on foreign policy matters with Cabinet rank and a salary of $20,000 a year.

By Friday, 2 days before the end, Mr. Dulles no longer could speak at all, but he could recognize visitors. When General Heaton called that night and said, "Good evening, Mr. Secretary," Mr. Dulles opened his eyes and managed a tiny nod of recognition.

On Sunday, shortly after dawn, the family was summoned to the bedside.

"But," says Mrs. Dulles, "he knew us until the very last. For when I went into the room he reached for my hand."

EXPRESSION OF APPRECIATION TO SENATORS

Mr. JOHNSON of Texas. Mr. President, I want to express my appreciation to all Members of the Senate on both sides of the aisle for their cooperation and for the expeditious manner in which they have so well handled the public business. I am glad we have reached the point where the calendar is in such good shape that it permits the Senate to adjourn over until Monday, in order to give our committees an opportunity to meet and so that Senators may answer correspondence and attend to other business.

We have just finished five rollcalls. One involved the health, education, and welfare of our people and there were only 14 votes cast against the measure. Another involved the defense of our country and the conference report was approved 85 to 0.

By a vote of 76 to 8 the Senate backed up its conferees on a basic issue of civil defense. We have approved two treaties unanimously.

We have demonstrated that this is a can-do, will-do Senate. This will continue to be a productive session as it has been from the beginning.

Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

SENATOR MANSFIELD TO HEAD SUBCOMMITTEE INQUIRY INTO CHARGES CONCERNING AID TO VIETNAM

Mr. JOHNSON of Texas. Mr. President, nothing could be more reassuring to Members of the Senate and to the country at large than to know that the inquiry into charges of waste and mismanagement in this country's foreign aid program is under the able direction of the Senator from Montana [Mr. MANSFIELD].

Senator MANSFIELD has opened a Foreign Relations Subcommittee inquiry into charges concerning aid to Vietnam. And he has set as his goal to find out whether this country is getting its money's worth.

I doubt if there is any Member of the Senate who enjoys the confidence of his colleagues more than Senator MANSFIELD. We know him as a thoughtful man of uncompromising integrity and we also know that he puts his country's interest first and will call the shots exactly as he sees them.

Mr. President, I ask unanimous consent that there be printed in the RECORD as a part of my remarks a story written this morning by the Scripps-Howard writer, Dickson Preston, concerning the inquiry.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, July 30, 1959]

VIETNAM HEARINGS—MANSFIELD EYES AID "CLEAN-UP"

(By Dickson Preston)

Senator MIKE MANSFIELD, Democrat, of Montana, today promised prompt corrective legislation if it is needed to clean up alleged waste and mismanagement in this country's $3-billion-a-year foreign-aid program.

Senator MANSFIELD made the pledge as he opened a Senate Foreign Relations subcommittee hearing into charges that U.S. aid to Vietnam has been squandered because of official bungling and indifference.

The hearing was prompted by a series of articles by Scripps-Howard Staff Writer Albert M. Colegrove which appeared in the Washington Daily News and other Scripps-Howard newspapers last week.

WILL TESTIFY

Mr. Colegrove was scheduled to testify along with top officials of the State Department and the International Cooperation Administration (ICA), which administers foreign aid.

Senator MANSFIELD said Mr. Colegrove's charges were serious and disturbing. But he made clear the subcommittee would take a broad look at how U.S. aid is handled throughout the world, as well as in southeast Asia.

"Mr. Colegrove's articles are merely the precipitant of this inquiry," the subcommittee chairman said in his prepared opening statement.

"For some time, there has been a growing public expression of concern over the administration of aid and related activity not only in Vietnam but elsewhere in southeast Asia and throughout the world.

PURPOSE

"The purpose of this hearing and whatever further inquiry this subcommittee may decide to make is * * * to try to understand clearly what, if anything, is seriously wrong with the administration of the mutual security program.

"I am persuaded that we shall be able to recommend corrective legislation * * * if that is indicated."

Senator MANSFIELD pointed out that he does not intend to question basic U.S. foreign policy nor whether the mutual security program is a good idea. Instead, he said, the issue is how foreign aid is being administered.

QUESTIONS

"To put it bluntly," he said, "are we getting our money's worth? Are they? And if not, what can be done about it in a legislative sense?"

Mr. Colegrove's articles revealed that millions in U.S. cash have been given to the Vietnamese regime and never accounted for; that most U.S. officials never leave Saigon, the capital of the country; that critical ICA employees are warned "Don't rock the boat" on pain of losing their jobs; and that despite $2 billion in aid America has few friends in Vietnam today.

Leonard J. Saccio, deputy director of the ICA said in testimony prepared for the hearings that the charges were "reckless."

SENSATIONAL

Mr. Saccio said the ICA's reaction to Mr. Colegrove's articles was "to doubt that anyone would believe these reckless, sweeping charges, written in such a conspicuously sensational vein."

He declared that Mr. Colgrove was in Vietnam 10 days but "never called on the mission director and never asked to see him" for the purpose of checking his facts. Neither did Mr. Colgrove call on the general in charge of the military assistance program there, Mr. Saccio declared.

"The many erroneous and misleading statements in the articles could have been eliminated if Mr. Colegrove had been interested in factual reporting," the ICA deputy director testified.

Mr. Saccio quoted Mr. Colgrove as saying that "we accomplished our main mission. We have kept Vietnam from Communist conquest and from economic collapse."

The ICA official said his reaction to this was that "to have run a rathole operation as charged by Mr. Colegrove and still have succeeded must come under the heading of the neatest trick of the decade."

FIFTIETH ANNIVERSARY OF THE WRIGHT BROTHERS SUCCESSFUL AIRPLANE DEMONSTRATION AT FORT MYER

Mr. MONRONEY. Mr. President, 50 years ago today marked a very significant advance in aviation. On this day 50 years ago Orville Wright made the first successful demonstration for the military at Fort Myer of the flight of a heavier-than-air aircraft.

It is interesting to note that 50 years ago the Army specifications were that the flying machine must go 40 miles an hour, remain an hour in the air, carry enough fuel to go 125 miles, and be small enough to be carried by an Army wagon.

I ask unanimous consent that following my remarks in the RECORD there may be printed an excellent account of this historical event, by George Kennedy, writing in "The Rambler" column, published in today's Washington Evening Star.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. MONRONEY. Mr. President, I should like to point out, as a part of the anniversary, that today Mr. Juan T. Trippe, president of Pan American World Airways, announced that his company had ordered 12 Lockheed GL–207 turboprop airfreighters for delivery in early 1962.

Earlier Mr. Earl Slick, president of Slick Airways, had announced his company's purchase of six of this same type of modern aircraft.

Two other all-cargo carriers, Flying Tigers and Seaboard & Western, have previously announced purchases of a total of 15 CL–44 cargo aircraft built by Canadair, Ltd., the Canadian subsidiary of the General Dynamics Corp.

Thus the order announced by Pan Am today brings to a total of 33 the number of modern turboprop cargo aircraft which America's commercial airlines will add to our Nation's reserve of modern

high-speed freighters of the sky, aircraft which represent a tremendous airlift asset to our Military Establishment.

If should be noted that this represents an investment by private enterprise of more than $150 million in the very latest, most modern, most economical to operate cargo aircraft.

These 33 aircraft will provide an airlift capacity, because of their greater size and speed, equivalent to about 100 or 125 DC–6A's or Super-Constellations, the best of our current commercial cargo planes.

The combined lift of these planes over a 3,500-mile range, at a speed in excess of 400 miles an hour, at one time, exceeds 2½ million pounds. This amount of cargo can be flown at one time in these 33 planes which have been ordered.

Furthermore, these planes, because of their aerodynamic design, can be flown at a ton-mile cost only about 10 percent greater than the cost of shipping by truck at commodity rates for the same type of cargo.

In closing, Mr. President, I wish to invite attention to the similarity between the thinking in some military minds 50 years ago and the thinking in some military minds today.

In the column to which I have referred it is pointed out:

> The Army at first gave the proposal a cold shoulder. But wiser counsel finally prevailed. Military observations were largely by cavalry or captive balloons. To have a mobile scouting force in the air might be too good to be true but also too good to reject without a trial.

I wish to counsel the high authorities of the Air Force, who are dedicated to preserving a monopoly of the movement of Government freight by MATS, the world's largest airline, that they might take heed of this fact, for there is still no place in our military thinking for the feeling that only that which has been done in the past is suitable for the future.

With the air cargo development which is upon us, we can make a major breakthrough in the development of cargo airlift, for both military and commercial use.

EXHIBIT 1

THE RAMBLER REPORTS ON EARLY FLIGHTS

(By George Kennedy)

Fifty years ago today the Wright Brothers successfully demontrated their airplane at Fort Myer.

The tests of the plane had started in 1908 but had been postponed after the plane crashed on September 17, killing Lt. Thomas E. Selfridge, military observer, and severely injuring Orville Wright.

The tests were resumed in 1909 with a new plane. This afternoon the Early Birds (men who learned to fly before World War I) will place a wreath on the plane, which is in the Smithsonian. Then they will carry the wreath out to Arlington Cemetery and lay it on Lt. Selfridge's grave.

In the evening they will go to the parade grounds at Fort Myer, the scene of the flights, and present a plaque commemorating them.

While the original flight at Fort Myer on September 3, 1908, was witnessed by only a handful of people, mostly newspapermen and soldiers, subsequent flights were witnessed by increasing numbers. The one 50 years ago drew more than 1,000.

Scores of Washingtonians remember seeing the flights. Paul Garber, curator of the Air Museum of the Smithsonian, is one of them. His home was in New Jersey. He was 9 years old in 1909 when his father decided to bring his family to Washington on a visit. Knowing Paul's interest, his mother took him out to Fort Myer.

Paul is an Early Bird, must be just about the youngest of them (he is 59). He learned to make solo flights when he was 16.

The Fort Myer flights were due to the Army's traditional practice of making purchases by competitive bids on rigid specifications. The Wrights had submitted to the Army evidence that they could build a flying machine of great military value.

The Army at first gave the proposal a cold shoulder. But wiser counsel finally prevailed. Military observations were largely by cavalry or captive balloons. To have a mobile scouting force in the air might be too good to be true but also too good to reject without a trial.

The Army's specifications were that the flying machine must go 40 miles an hour, remain an hour in the air, carry enough fuel to go 125 miles, and be small enough to be carried by an Army wagon.

There were 42 bidders, but when the bids were opened few had met the requirement of a certified check for 10 percent. The Wright's bid was $25,000 (which the Army was to pay for their machine) and they enclosed a check for $2,500. One bidder asked $1 million, but enclosed no check. Another said he was in prison, but if they would let him out he would build a flying machine.

When Orville Wright came here in 1908, he hadn't flown in 2 years. The Wrights had been working on their motor. His older brother, Wilbur, was in Paris demonstrating another machine.

The crash came after several successful flights. When Orville recovered, they returned to Dayton and built a smaller, faster machine. Both came here with it in July, 1909. On July 24, Bleriot made his successful cross-channel flight from France to England and there was a general realization that a great change was impending.

Orville did the flying at Fort Myer. On July 27 he made the endurance flight, 70 minutes, with Lt. Frank P. Lahn on board. On the 30th he made the cross-country flight, Alexandria and back over the treetops, with Lt. Benjamin Foulois on board.

It was quite dramatic. The crowd was worried. Would they come back? They were gone for several minutes and then there was a great shout as the little plane appeared over the treetops.

Wilbur Wright died in 1912. Orville lived to 1948. Lahn and Foulois are living—retired generals—but they will be unable to attend today's ceremonies.

RACE RELATIONS IN NEW YORK

Mr. JAVITS. Mr. President, earlier in the day, when I was not present in the Chamber but was attending a committee meeting, the distinguished Senator from South Carolina [Mr. JOHNSTON] I understand made a speech on the floor which might be characterized as a speech concerning my home city of New York, which treated it rather adversely. I advised the Senator from South Carolina [Mr. JOHNSTON] that I was going to make these remarks, so he is aware of the fact that I am making them with reference to his remarks earlier today.

The Senator from South Carolina pointed out that we are having some problems in Harlem, where there is a large Negro population; that we are having some police problems and some problems regarding safety on the streets.

Mr. President, New York is an enormous city with a Negro population of which we are very proud, for our Negro citizens have acquitted themselves as fine citizens. New York has its problems, and it has its problems in Harlem, as everyone who has read the newspapers knows.

My distinguished colleague from New York [Mr. KEATING], who was present on the floor at the time the remarks were made, happily, made reply then and there to the effect that we would not be found derelict in our responsibility to enforce the law. As the Senator stated, surely, we have our troubles, but we are determined to see that the law is enforced equally for all without regard to race, creed, or color.

Mr. President, I should like to join my colleague from New York first in what he said, and I wish to make an additional observation. It seems to me that no one will be fooled by the "dust in the air" technique which is here being employed for justifying any discrimination or segregation on racial or color grounds in the South. Mr. President, the great difference is that in my home city of New York, I am proud to say, the overwhelming weight of public opinion, the overwhelming weight of officialdom, and the deep conviction of those in high public office is that segregation and discrimination are contrary to the fundamental ethical bases and constitutional bases of our country. Therefore, when such exists, when such happens, when strains appear in an area where we have large Negro populations or other minority populations, we shall do our best to cope with the problems. Underlying this is the concept of there being no difference in status before the law in status economically, or in social status as among people on account of their color or on account of their race or creed. Of this we are very proud.

I can only say to my friends in the South, or to those in the South who feel that there ought to be a difference and that a difference in some way ought to be perpetuated, or to those who are irked by the efforts of some such as myself and distinguished Members of this Chamber—the Senator from Illinois [Mr. DOUGLAS], who is present on the floor, has been one of the great leaders in the civil rights struggle—I hope and pray with them that the day will come when there will be an attitude and an atmosphere in which the whole social structure and the whole governmental structure of the South, as I feel is true where I come from, will be designed toward giving every man his due, whatever may be his color.

To those who may be irked by our efforts to secure Federal legislation with regard to civil rights, I say I pray the time will come when a law will be unnecessary, in that the rights will be fully recognized by citizens and by officials without any need for any law, Federal or local. I sincerely express that hope.

I add what I think all of us who have engaged in the civil rights struggle have

always contended. I know that those who differ with us as to the need for a Federal law are sincere—as sincere as we are. I simply think their concepts are those of another day. Exactly as it is their responsibility to carry their point of view strongly forward, so I think it is our responsibility to forcefully present our views.

I take this criticism—and criticism it is about New York City—in good feeling. Indeed, I rather like the idea that our deficiencies are exposed, for I respectfully submit that in weighing the respective deficiencies of the different communities upon this subject we will not be found wanting.

AUTHORIZATION TO PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS AND TO RECEIVE MESSAGES FROM THE HOUSE

Mr. JOHNSON of Texas. Mr. President, notwithstanding the adjournment of the Senate until Monday next, I ask unanimous consent that the President pro tempore be authorized to sign enrolled bills and joint resolutions passed by the two Houses and found to be truly enrolled; and that the Secretary be authorized to receive messages from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF APPROPRIATION BILLS REPORTED DURING ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I believe I previously received consent of the Senate for committees to file reports during the adjournment of the Senate. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. If a report on an appropriation bill is filed tomorrow, under the rule may it be considered on Monday?

The PRESIDING OFFICER. The Chair is informed that it may not be considered before Tuesday, except by unanimous consent.

ESTABLISHMENT OF BUREAU OF NAVAL WEAPONS IN THE DEPARTMENT OF THE NAVY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 580, House bill 7508.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7508) to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I invite the attention of distinguished chairmen of committees to the fact that there are fewer than two dozen general bills on the calendar. We are practically current with all the business of the Senate, so far as Senate action on committee reports is concerned.

Next week we shall proceed to consider most of the two dozen general bills on the calendar, as well as other measures that may be reported and cleared by the policy committee. I am hopeful that each chairman will make a very special effort to see that hearings are concluded and reports are made on any bills upon which the Senate is expected to act during this session. I think we have a very creditable record, and a very substantial record of achievement, but there are many issues which need to be resolved, and I hope that chairmen and members of committees will employ their best talents in the weeks ahead to the end that important measures will be reported from committees and placed on the calendar. We cannot proceed to consider bills which are still in committees. I know that Members of the Senate wish to transact business in the most efficient manner.

Congress will be in session until we have an effective, fair, and equitable antiracketeering labor reform bill. I am confident that before Congress adjourns, it will act upon a civil rights bill. I am confident that it will take action on the subject of housing, as well as upon the subject of roads.

There are certain items of proposed legislation now pending in committees which involve the extension of various acts—Public Law 480, and others. We shall want to act upon it and related subjects which are being considered by other committees. So I appeal to all chairmen of committees to report such proposed legislation as they may find it possible to report, so that these measures can be called up on motion.

I again give notice that it is possible that we shall call up on motion Calendar No. 533, S. 812, the Youth Conservation Corps bill, at an early date, as well as other bills which I have previously listed. all the other bills which I have previously listed.

Mr. President, I desire to inform the Senate that several bills have been cleared by the policy committee, and may be motioned up at any time. Included among those bills are:

Calendar No. 398, H.R. 6190, a bill to direct the Secretary of the Army to convey the Army and Navy General Hospital, Hot Springs National Park, Ark., to the State of Arkansas, and for other purposes.

Calendar No. 524, S. 1282, a bill relating to acreage allotments for durum wheat.

Calendar No. 533, S. 812, a bill to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas.

Calendar No. 559, Senate Joint Resolution 39, a joint resolution to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives.

Calendar No. 563, S. 747, a bill to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

Calendar No. 573, Senate Concurrent Resolution 48, a concurrent resolution to promote peace through the reduction of armaments.

Calendar No. 577, S. 1855, a bill to amend the Mineral Leasing Act of 1920 in order to increase certain average limitations with respect to the State of Alaska.

Calendar No. 579, H.R. 3322, a bill to amend title 10, United States Code, and certain other laws to authorize the payment of transportation and travel allowances to escorts of dependents of members of the uniformed services under certain conditions, and for other purposes.

Calendar No. 580, H.R. 7508, a bill to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance.

Calendar No. 582, S. 1702, a bill for the relief of Franciszek Koszkowski.

Calendar No. 583, S. 1731, a bill for the relief of Pacifico A. Tenorio.

Calendar No. 584, H.R. 4243, a bill for the relief of Peter Sergeevich Deryabin, also known as Theodore Stanley Orel.

Calendar No. 585, S. 1071, a bill for the relief of Nettie Korn and Manfred Korn.

Calendar No. 586, S. 1557, a bill for the relief of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim.

Calendar No. 587, S. 2238, a bill for the relief of Kenzo Hachtmann, a minor.

Calendar No. 588, S. 2021, a bill for the relief of Irene Milios.

Calendar No. 589, S. 1849, a bill to amend the act of August 10, 1939, authorizing the Postmaster General to contract for certain powerboat service in Alaska.

Calendar No. 590, S. 1590, a bill for the relief of the Government of the Republic of Iceland.

PRESERVATION OF SHORELINE AREAS

Mr. DOUGLAS. Mr. President, yesterday the senior Senator from Montana [Mr. MURRAY] introduced Senate bill 2460, a bill to save and preserve for the public use and benefit certain portions of the shoreline areas of the United States on the Pacific coast, the Atlantic coast, the gulf coast, and the Great Lakes. This bill is popularly known as the save-our-shorelines bill, or the S O S bill. I feel very much honored to be

one of the sponsors of the bill. I believe that this is really one of the neglected needs of our country.

A number of years ago I made a canvas of the shorelines on the Atlantic coast, and I was startled and disappointed to learn that there were very few places along the Atlantic coast to which the general public had access. Almost the entire Atlantic coast has been taken over for commercial purposes, by private estates, or, in some cases, by industrial establishments; and the shoreline has been virtually closed to the public.

There has been only one modification of this situation on the Atlantic coast, namely, the Cape Hatteras save-our-shoreline project, which probably will bring 80 miles of access to the sea for the people on the Atlantic coast.

The State of Oregon has done well, but there are very important areas in Oregon, notably, the Oregon Dunes, which need to be saved. I am very happy that the able junior Senator from Oregon [Mr. NEUBERGER] is sponsoring a bill to save that area.

Also there are shoreline areas and islands in California which are very rare in their natural quality, and which, if they are not protected by the public, will shortly be taken over by commercial interests.

There are similar areas in Texas and along the gulf coast.

Personally, of course, I am primarily interested in the Indiana dune region, only 40 miles from Chicago, which is one of the great natural areas, not merely of the Middle West, but of the Nation.

Forty years ago the Federal Government could have acquired the entire 20 miles at the bottom of Lake Michigan, from Gary to Michigan City, at an infinitesimal cost, as compared with the present value. It neglected to do so; and in the intervening years three real estate developments; namely, Ogden Dunes, Dune Grove, and Beverly Shores, have grown up in that area. There has been commercialization.

A small State park was fortunately saved. While in this respect Indiana has done extremely well in establishing the State park, most of the money for the purchase of the land was contributed voluntarily by citizens and industries who were very glad to do it.

There is at present in addition to the Indiana State Park, with about 3 miles of shoreline about 5 miles of magnificent shoreline, with beaches superior to any I know of in the world, which are yet lying idle. Unless we act quickly this land will be taken over by two giant steel mills. One steel mill is planned to be erected by the National Steel Co. headed by George M. Humphrey, the former Secretary of the Treasury. This construction would despoil the dunes for the purpose of constructing a steel mill.

Another area is owned by the Bethlehem Steel Co.; and while the danger there is not as immediate, statements have been made to the effect that another steel mill is to be erected there.

If both these mills are constructed, there will be probably a total of some 10,000 people working in them, and the lake front will be industrialized. Smoke from the mills will pollute the air, and there will be widespread water pollution. In my judgment this will virtually ruin the little State park, which will be close to the steel mills; so we shall have lost even this precious heritage.

A part of our difficulty arises from the fact that the Dunes lie in the State of Indiana and the major population for the area resides in the State of Illinois. This indicates that this problem is not merely a State problem, but a regional problem and, in a certain sense, a national problem. It should not be decided on the basis of State interests, but on the basis of national needs.

This is almost the last hour. The clock is ticking toward midnight. Mr. George Humphrey has served notice that he intends to go through with plans for a steel mill immediately. As I believe is well known, some of us have introduced a bill to acquire about 5,000 acres and 5 miles of shoreline in this region for a national park or national monument. Hearings have been held on the bill. Two members of the subcommittee, namely, the Senator from Utah [Mr. Moss] and the Senator from Alaska [Hr. GRUENING] went out to the Dunes and spent 2 very active days inspecting the entire area by helicopter, by jeep, and on foot. The brought back a most enthusiastic report, which I hope Senators may have the opportunity to read.

Unless Congress acts speedily, we are likely to see this last great region in the metropolitan area which stretches from Gary, Ind., to Milwaukee, Wis., taken over for industrial purposes and ravaged. It is the apparent plan of certain political real estate speculators to have an industrial city built behind the steel mills which, according to my computations, will have a population of at least 50,000. Thus an asphalt jungle will be created a mile or so back from the mills. Options already have been taken on the land.

It was testified before the McClellan committee that a man whose reputation was none too good had approached one of the sheriffs and political figures in this small semirural county in which the Dunes are located and had offered a bribe of approximately $100,000 if the individual would permit the operation of gambling establishments and houses of ill fame in that region.

So apparently all the blessings—or curses, perhaps I should say—of civilization are to be brought into this beautiful rare, natural area; namely, hot, belching steel mills; an urban jungle; a concentrated industrial population; and commercialized vice and gambling.

Those who love the land, and those who want men and women to have the opportunity to enjoy the sky and the water, to appreciate the beauties of nature, and to have the chance for quietness and peace, feel indignant at this prospect. We feel indignant that a future generation should be deprived of the opportunity to take part in these elemental and necessary features of life.

I want to make it clear that I am not opposed to the steel mills coming into Indiana, nor am I opposed to a harbor for Indiana. It has been charged that the senior Senator from Illinois, under the guise of trying to create a dunes national park or monument is in reality trying to prevent Indiana from having a port or constructing steel mills. I say most solemnly that this is not so.

The State of Indiana already has a public 30-foot port at Indiana Harbor, where the heavy ore boats can dock and discharge their cargoes. Indiana has a 30-foot private harbor at Gary, owned by the United States Steel Corp. I should be very glad to see that harbor become a public port. Indiana also has an 18-foot harbor at Michigan City, which lies some 12 or 15 miles east of the area about which I have been speaking. I should be very glad to support a harbor located between Gary and the Illinois line. Experts have said that that is the best place for such a harbor.

I should be very glad to do everything possible to help the steel mills go into this already heavily industrialized area, but I do object most emphatically to the destruction of the Dunes, which are the last remaining beautiful area in this industrial maze.

The population of the Nation is already approximately 176 million. It will shortly reach the 200 million mark. It is said that in another 50 years the United States will have a population of 300 million. Where will the people go for recreation? The countryside is being gobbled up. The 5-day week is established. There are 2 supposed days of leisure. A costly system of highways and superhighways is being built. But where will those highways lead? Where are the places at the end of the highways to which the American families will go?

We are very proud to have the great national parks of the West—Yellowstone, Glacier, Yosemite, Grand Canyon, and the others. But these parks require, for the great bulk of the population, relatively long trips. What are also needed are more accessible, closer in parks in the great industrial areas of the East and Middle West. If we do not act, and act soon, the opportunity to secure them will be gone forever.

I hope, therefore, that the Committee on Interior and Insular Affairs will favorably consider our bill to set aside the Indiana Dunes National Park and will act quickly upon it, because speed is the essence of the situation.

I also hope that the save-our-shorelines bill, which includes the Indiana Dunes, Padre Island, Tex., the Oregon Dunes, Cape Cod, and a number of other regions, may be speedily considered and passed.

The bill which the Senator from Montana [Mr. MURRAY] introduced, and of which I am happy to be a cosponsor, authorizes the appropriation of $50 million. That, I think, would be a good investment for those areas. It provides that there may be private contributions, which probably would come close to an equal amount.

I may say in connection with the Indiana Dunes that I am quite confident

that at least half the purchase price can be raised by private subscription.

The save-our-shorelines bill will provide for an additional grant of $10 million to States to help them acquire State shoreline areas.

I hope very much that the bill which was introduced so quietly yesterday may receive thorough discussion and the speedy action which it deserves. It is aptly named "S O S." That means not merely "save our shorelines." It means: "We are in trouble. We want quick action. Come speedily to the help of the people of the United States."

TWENTY-FIFTH ANNIVERSARY OF THE ACADEMY OF AMERICAN POETS

Mr. JAVITS. Mr. President, I should like to extend my congratulations to the Academy of American Poets on the occasion of its 25th anniversary year for its efforts and remarkable achievements in the field of poetry.

The academy was the brain child of a young woman—now Marie Bullock—born in Paris of American parents and brought up and educated there and on the Continent. Poetry was an essential part of her education and from her great love of the art sprang a great respect and admiration for the poets. When she became the bride of the distinguished New York financier, Hugh Bullock, and came to live in America, she continued to study in her favorite field—poetry. To her dismay she found that the poets in America were not esteemed and recognized as in Europe; nor were they financially secure enough to devote much time to creative work. Marie Bullock determined to do something about it—and the Academy of American Poets, organized in 1934, was the result of her determined efforts.

The objectives of the academy are stated in the academy's charter as follows:

> To encourage, stimulate, and foster the production of American poetry by providing fellowships for poets of proven merit, by granting scholarships, awards, and prizes for poetic achievement, and by such other means as the board of chancellors may from time to time devise and determine.

How has the academy gone about achieving these objectives in the past 25 years? Since 1934 it has granted $5,000 awards for distinguished poetic achievement to 14 poets; encouraged new poetic creativity by insuring the publication of 5 books of poetry through the Lamont Poetry Selection; stimulated college students to a greater interest in poetry by the awarding of $100 poetry prizes to our leading colleges and universities—the number is 21 at the present time. In addition, the academy has been a major educational force in keeping the importance of poetry vitally alive before the public through competitions, contests, and radio broadcasts.

I may add parenthetically, Mr. President, that we have a poet at the Library of Congress, in a very eminent place, and it is a very great distinction for our country.

The board of chancellors, which makes all literary decisions for the academy, is composed of some of the best known names in American literature: J. Donald Adams, W. H. Auden, Witter Bynner, Dr. Henry S. Canby, Max Eastman, Robert Hillyer, Randall Jarrell, Marianne Moore, Robert Nathan, John G. Neihardt, Frederick A. Pottle, and John Hall Wheelock.

This year of 1959, its 25th anniversary year, the Academy of American Poets is enlarging the public interest in poetry through posters in leading bookstores bearing the slogan: "Poetry says it best"; through numerous articles about poetry in magazines; through a special postal cancellation with the academy Pegasus appearing on it and the words: "The Academy of American Poets 25th Year, 1934–59."

I am indebted, Mr. President, to Mrs. Arthur Burns, the wife of Dr. Arthur Burns, so well known to all of us as the former Chairman of President Eisenhower's Board of Economic Advisers, who has called my attention to the fine work of the Academy of American Poets and who suggested that it be commented upon in the CONGRESSIONAL RECORD.

A dinner commemorating the 25th anniversary year will be held at the Waldorf-Astoria on November 4, 1959. Mrs. Dwight D. Eisenhower is the honorary chairman of the dinner. Distinguished poets and prominent figures in all the arts and sciences, government and business are expected to attend.

May the Academy of American Poets continue its fine contributions to our national culture in the years ahead.

HOSPITAL AND MEDICAL CARE FOR THE AGED

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very fine editorial from the Gazette Daily, of York, Pa., Saturday, July 25, 1959, entitled "The Aging."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE AGING

Rugged individualists who can't help feeling that modern welfare-statism is a philosophy of pandering to the lazy and malingering can't understand that the modern world has brought wholly new social problems that require social solutions. These problems are beyond the scope of private solutions.

An example that makes this clear was provided by President Eisenhower in his veto of the latest housing bill to be adopted by Congress. Among other things he said that the country looked to private industry to handle the people's housing needs. But even if this were true in a general way, does it make any sense in terms of the older people in this society when three out of every five of them have incomes of less than $1,000 a year?

Can private industry build low-cost housing for the aged that has virtually, no profit in it, or probably none at all? And this is no small segment of the population. Stemming from advances in science, this is a new social problem of great dimensions. There are already more than 15 million Americans over 65 and by 1970 this fastest-growing part of the population is expected to exceed 20 million.

There is no way that a morally based society can ignore its aging members. It cannot avoid providing them with decent housing, and it can provide it only by using government as the agency to meet much an urgent human need. This is equally true of health care for the aging, and the problem—and the ignoring of it so far—is similar to that in housing.

Obviously, the medical needs of the aging as a group are greater than for any other population group and at the same time—indeed for that very reason—they are the least attractive group to private, or even semipublic, nonprofit, health insurers. As the New Republic magazine notes: "the selling of insurance to this group is costly; the turnover, resulting from limited life expectancy, is much higher than for the population as a whole. Moreover, the greater incidence of illness among those over 65 raises prickly problems about rates."

It is to provide a partial solution to this grave new social problem that Representative AIME J. FORAND of Rhode Island has introduced a bill that would add to the social security system hospitalization benefits for those of retirement age. Yet the House Ways and Means Committee has made it clear that its intention is to study the bill long enough to make it impossible for Congress to vote on it this year.

The rugged individualists may fervently bemoan the creeping welfare state but their resistance to its demands results only in creeping distress for such large numbers of Americans as those who have reached retirement age. This philosophy has too much inhumanity in it to long survive.

Mr. MORSE. Mr. President, this editorial supports the principle of the Forand bill, introduced in the House of Representatives, and I have an identical bill pending in the Senate, which seeks to provide hospital and medical care to the aged after 65, to be paid for by a slight increase in the Social Security payments during the working years of an individual.

I should like to say tonight, that in the years to come it will be interesting to look back upon the present stage of this proposed legislation, because it is going through the stage through which history shows all general welfare legislation usually must go; namely, the stage of attack by way of seeking to give it emotional labels designed to frighten people away from it.

It will take time for the people of this country to come to recognize that the Forand-Morse bills are in no way akin to socialism, creeping, galloping, or any other kind; that the Forand-Morse bills constitute no infringement upon the private practice of medicine, but that the Forand-Morse bills do recognize the moral obligation of the Government to put into effect policies and programs necessary to carry out the general welfare clause of the Constitution.

We can expect the great lobby forces of the country represented by the American Medical Association and other medical groups to try to frighten the American people into believing that medical care will suffer as the result of the enactment of such legislation. We have already reached the stage where the American people are not nearly so concerned about such lobbying arguments as they once were.

The American people are beginning to recognize that the one real problem faced when such measures are suggested is not one of socialism in medical care in the United States, but undue commercialism in connection with medical care in the United States. They are also beginning to recognize—a point I wish to stress tonight—that we cannot justify giving the medical profession the power of taxation in the United States, and in a very real sense, Mr. President, that is exactly what happens when we permit to go unchallenged the medical practice of fee charging that has developed, whereby the medical profession takes unto itself the license to decide what medical fees will be charged those who, in the opinion of the medical profession, have the ability to pay higher medical fees in order that the doctors may take care of the indigents for no fees.

I take the position that power should not be recognized, that it should not be considered a prerogative of the medical profession, but that the duty of the medical profession is to carry out the great humanitarian service of providing adequate care for reasonable fees uniformly applicable to all, leaving to the Government the decision as to what payments shall be made for the care of the indigent, rather than permitting the medical profession to assume a power of taxation upon those receiving medical care who, in the opinion of the medical profession, can pay a higher medical bill than can someone else in the neighborhood or in the community.

What I am now saying I know is not liked by the medical profession. I shall always be counted among those who will fight in the Senate to protect the private practice of medicine, but the private practice of medicine does not carry with it the license to tax, nor to raise the funds to pay for the care of those who cannot pay medical bills.

That problem raises an obligation of government, not a right of the medical profession to solve that problem in accordance with its interests, as it sees them.

Last of all, Mr. President, I wish to say that in my judgment there is nothing the medical profession can do in the long run to prevent the American people from insisting, as they must and should insist, upon a medical care and hospitalization program for the aged, through some such legislation as that which Representative FORAND and I are proposing, because such legislation is a public necessity.

If we really believe in the moral principles we profess, we must recognize that we have the moral duty to do what we can, through government, to relieve the aged from the gnawing psychological fear that what little savings they may have accumulated during a lifetime of hard work will be wiped out in old age by one serious illness.

So, Mr. President, it is my plea again—as I made it in a recent talk to the medical profession—to the medical profession and to the medical societies of the country is, "Come forward and help us work out a cooperative program which will protect the private practice rights for which I think you are entitled to protection, but at the same time will give the American people the protection to which they are entitled; namely, that in old age they shall receive adequate medical care by means of a sound social security program for such care, such as the one which Representative FORAND and I are advocating."

Mr. President, I was greatly pleased with the committee hearings on the House side on the Forand bill. I hope come January of next year we can proceed at an early date on the Senate side with hearings on the Morse bill.

Mr. President, I desire to turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon may proceed.

POSITION OF SENATOR MORSE ON DEMOCRATIC PRESIDENTIAL CANDIDATES

Mr. MORSE. Mr. President, in the Washington Evening Star of July 29 there appeared an article written by one of the most able newspaper columnists in the Nation, Miss Doris Fleeson. The article is captioned "Mousetrapping of Stevenson."

I comment on the article only because of a reference in it to me. My comment is not a critical one, but is only for the purpose of setting the record straight, because not only do I believe that the article is subject to a misinterpretation insofar as my position is concerned, but I know that in three instances, in the case of persons who already have spoken to me about the article, it has already been misinterpreted; and I do not know by how many persons who have not communicated with me it may have been misinterpreted.

In the course of the article, Miss Fleeson wrote as follows:

> Both Oregon Senators still are for Mr. Stevenson, Senator NEUBERGER just having taken the floor of the Senate to reiterate his statement and explain why. Senator MORSE has yet to alter his pro-Stevenson position, though in view of the feuding between the two Oregon Senators, it would be unwise to base any calculations on that circumstance.

Mr. President, in fairness to myself, it should be made very clear, for the record, that for many months I have made clear that I intend to remain uncommitted to any Democratic candidate for the Democratic presidential nomination in 1960. I have made that clear in many statements which I have made in my own State. I have made it clear in scores and scores of letters written to constituents in my State and to Democrats outside my State.

In 1952, Mr. President, as an Independent, I campaigned for Adlai Stevenson in many places in the country.

In 1956, I made a great many speeches for Adlai Stevenson, not only in my own State, but also in other States.

If in 1960 Adlai Stevenson is nominated again by the Democratic Party, this time at the Los Angeles convention, I shall be pleased, privileged, and honored to campaign for him again.

But, Mr. President, I shall follow the same course of action, in support of whoever is nominated by the Democratic Party at the Los Angeles convention in 1960, that I have followed before: Until that nomination is made, I will remain uncommitted to any candidate.

It is not necessary for me at this time to go into any great detail as to why that is my position, and has been previously announced for many, many months.

I am sorry that Miss Fleeson did not know that, because I know her to be exceedingly fair, and desirous only of reporting accurately the position of anyone in public life, in regard to any matter about which she writes. Had she known of my public announcements in regard to this matter, I am sure she would not have written "Senator MORSE has yet to alter his pro-Stevenson position."

I have said to the people of my State that it happens to be my personal opinion that they do not need my advice as to the one for whom they should vote in the Oregon preferential Democratic primary in 1960. They are perfectly capable of making their own choice on this matter.

So, Mr. President, my role as the senior Senator from Oregon will be to invite all the prospective candidates to come to our State, and there to present to the people of Oregon their position on the issues, because in my judgment the selection of the Democratic presidential nominee in 1960 should be determined on the basis of the position he takes on the great issues, domestic and foreign, which face the people of the country in that historic year of election.

In a speech which I delivered in Salem, Oreg., at a convention of the Young Democrats in February of this year, I again made perfectly clear that I was not going to commit myself to any candidate for the Democratic presidential nomination; that I hoped all the presidential candidates would come there.

Mr. President, in the Young Democrats convention in my State in February, without my knowledge—in fact, I first learned of it after I arrived at the convention banquet following the action taken by the Young Democrats in convention assembled—a resolution was passed recommending me as a favorite son candidate in Oregon. I immediately expressed my belief that it was a mistake; that I felt our presidential preferential primary in Oregon had taken on such great national significance that I did not think it should include any favorite son candidacy; that each one of the recognized candidates for the nomination should be urged to come into our State and participate in the primary without in any way being concerned about a favorite son candidate.

In the course of that speech I made the same statement that a short time previous thereto I had made in the Democratic Convention in the State of Wisconsin. I said we should welcome all of these candidates, but there should be emblazoned on our welcome sign this bit of advice, "Pussyfooters stay out."

In closing, I desire to make a comment about that advice. Mr. President, I think the issues before the Democratic Party for 1960 are so important, and the problems facing this Republic are so vital, that the people of my State are entitled to an unequivocal stand on each one of the great issues which confronts the American people on the part of each presidential candidate who comes into our State in connection with the Oregon presidential preferential primary.

I hope that this speech tonight will make clear to all of those candidates that I shall be delighted to participate on the hospitality committee welcoming each one of them into my State as the campaign progresses; but I shall do so as one who takes the position, "Let the best man win"; and, knowing the people of the State of Oregon as I think I know them, my suggestion to them is, the best man will win as determined by the position he takes unequivocally on the great issues which concern Jeffersonian democracy in the State of Oregon and in the Nation.

I ask unanimous consent to have printed at this point in the RECORD the entire text of the Doris Fleeson column from which I quoted, and the affidavit and covering letter I sent to the Oregon Secretary of State stating that I am not a candidate for the Presidency in 1960.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, July 29, 1959]

"MOUSETRAPPING" OF STEVENSON—FORMER ILLINOIS GOVERNOR EXPECTED TO PULL OUT OF OREGON PRIMARY

(By Doris Fleeson)

An exasperated Adlai Stevenson feels he is being mousetrapped by the unusual Oregon primary law and the prospect is that he will soon issue a statement that he does not wish his name put on the Democratic ballot there.

At the same time, he does not wish to remove himself from consideration by the national convention if and when it shows no clear disposition to accept any other presidential aspirant. A General Sherman style of statement absolutely foreclosing his candidacy is therefore not in the cards.

Mr. Stevenson has said no one would refuse an honest draft for the Presidency. But in all conventions, public and private, he distinguishes at least in his own mind the acceptance of a draft and a candidacy.

Only lately he emphasized his position to a close friend as follows: "I won't lift a finger to get the nomination. I won't make a speech, enter a primary, or spend a 4-cent stamp in such an effort. I want to let nature take its course."

The present flurry about the Oregon primary in which a severe blow has been dealt Senator HUMPHREY by Senator KENNEDY shows the determination of others to make nature take a course favorable to them. In such struggles few are permitted to be innocent bystanders—the role Mr. Stevenson delineated for himself.

Senator HUMPHREY had confidently counted on being the second choice of Stevenson supporters in Oregon. At least two defections to Senator KENNEDY of moderate importance have occurred and a third—Representative EDITH GREEN—is reported to be on the way. Mrs. GREEN will introduce Senator KENNEDY at an Oregon meeting very shortly.

Both Oregon Senators still are for Mr. Stevenson, Senator NEUBERGER having just taken the floor of the Senate to reiterate his stand and explain why. In sum, he feels Mr. Stevenson is the best man available to the Democrats and one worthy to follow Jefferson, Wilson, and Franklin Roosevelt.

Senator MORSE has yet to alter his pro-Stevenson position, though in view of the feuding between the two Oregon Senators, it would be unwise to base any calculations on that circumstance.

It does appear that Mr. Stevenson has been put in hazard to some degree while the gain for KENNEDY with a corresponding blow to Senator HUMPHREY is clear. The Oregon primary is not a California nor even Wisconsin in its prestige as a political indicator and a treasury of delegate strength.

But if it can be shown that Senator KENNEDY can cut sharply into Stevenson strength, Senator HUMPHREY is weakened and Mr. Stevenson is certainly not helped.

The complicating factor is that Senator HUMPHREY has been content to accept the role of Mr. Stevenson's heir-apparent, ready if need be to step aside for him. Senator KENNEDY has not. He is for Senator KENNEDY first, last, and all the time.

It is one thing for Mr. Stevenson to stand aside and let Senators KENNEDY and HUMPHREY collide. It will be another if Senator KENNEDY manages to create a tide of popular sentiment for him in a State long thought wholly devoted to Mr. Stevenson.

JULY 20, 1959.

Hon. HOWELL APPLING,
Secretary of State, State of Oregon,
Department of State, Salem, Oreg.

DEAR SECRETARY APPLING: Please find enclosed a notarized affidavit signed by me, stating without qualification that I am not now and do not intend to become a candidate for the presidential or vice presidential nomination of the Democratic Party in the forthcoming presidential preferential primary election in Oregon.

I am informed that many of my wonderful friends and supporters in the Democratic Party of Oregon already are beginning to circulate petitions for signature, addressed to me personally, which urge me to make myself available as a candidate for President of the United States in 1960 and allow my name to be entered in the Oregon presidential preferential primary. Although I am deeply moved by such a demonstration of personal friendship and political loyalty, nevertheless, I am advising my friends that I am not a candidate for the Democratic presidential nomination and I am urging them not to place my name on the ballot of the 1960 Oregon presidential primary election.

The Oregon presidential primary law has my strong support. In fact, for years I have advocated and supported a nationwide Federal presidential primary law. In my opinion, each voter in the United States should exercise a greater influence and voice in the selection of the presidential and vice presidential nominees of our major political parties. A Federal presidential election primary law would accomplish that purpose, and it would be good for the political parties and for the country.

It would help reduce the influence and political control of powerful political forces in our country which too frequently come to exercise undue influence upon national party nominating conventions. A national direct primary law, with the election held on the same day throughout the entire country, would help check some of the political abuses that now rear their ugly heads too frequently in the national party nominating conventions.

However, in the absence of a Federal direct primary law for the nomination of presidential and vice presidential candidates, State primary laws serve a very good purpose. The Oregon presidential primary has come to have great national significance and rightly so. It is my hope that in 1960, the name of each party leader who has recognized, widespread national support for his party's presidential nomination will appear on the Oregon presidential primary ballot. In the case of my party, the list of candidates should include at least the names of Senator Lyndon Johnson, Senator Hubert Humphrey, Senator John Kennedy, Senator Stuart Symington, Gov. Adlai Stevenson, Gov. Pat Brown, Gov. Robert Meyner, Gov. G. Mennen Williams, and any other potential contender for the nomination in the Democratic Party's national convention in Los Angeles. The Oregon delegations to the two nominating conventions should truly reflect the wishes of the people of Oregon on the candidates up for consideration.

If any of the foregoing named Democratic leaders file an affidavit disqualifying themselves from the Oregon presidential preferential primary election, then I think they should be taken at their word when the Democratic Party holds its nominating convention in Los Angeles, unless some truly unforeseen and extraordinary situation develops at the convention that would justify a draft movement. If the Oregon presidential preferential primary election is to serve its intended purpose and exercise its maximum nationwide influence, then those of us who are not interested in seeking the Democratic Party's presidential nomination owe it to our party to sign at a very early date just such a disclaimer of candidacy as I herewith file with you in accordance with the law.

Yours respectfully,

WAYNE MORSE.

AFFIDAVIT

UNITED STATES OF AMERICA,
District of Columbia, ss:

WAYNE MORSE having been first duly sworn, on oath deposes and says:

That, without qualification, I am not now and do not intend to become a candidate for President or Vice President of the United States at the forthcoming presidential election;

That, in accordance with the foregoing statement of intention, I respectfully request that pursuant to my rights under existing Oregon law, the secretary of state of the State of Oregon not place my name on the nomination ballot of the Democratic Party in the forthcoming presidential preferential primary election in the State of Oregon;

That this affidavit is forwarded by me to the Honorable Howell V. Appling, Secretary of State of the State of Oregon, on this date by registered United States mail.

WAYNE MORSE.

Subscribed and sworn to before me this 20th day of July 1959.

ROBERT A. BRENKWORTH,
Notary Public for the District of Columbia.
(My commission expires November 30, 1962.)

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, July 30, 1959, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 1928. An act to provide for the participation of the United States in the Inter-American Development Bank; and

S.J. Res. 124. Joint resolution to extend the voluntary home mortgage credit program.

ADJOURNMENT TO MONDAY

Mr. MORSE. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock 16 minutes p.m.) under the order previously entered, the Senate adjourned until Monday, August 3, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 30, 1959:

DEPARTMENT OF STATE

Robert D. Murphy, of Wisconsin, to be Under Secretary of State for Political Affairs.

Livingston T. Merchant, of the District of Columbia, to be a Deputy Under Secretary of State, vice Robert D. Murphy.

U.S. ATTORNEY

William B. Jones, of Kentucky, to be U.S. attorney for the western district of Kentucky for a term of 4 years, vice J. Leonard Walker, resigned.

SUBVERSIVE ACTIVITIES CONTROL BOARD

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board for a term of 5 years expiring August 9, 1964. (Reappointment.)

IN THE COAST GUARD

The following-named person to be a lieutenant commander in the U.S. Coast Guard:

Thomas H. Carter

The following-named persons to be lieutenants in the U.S. Coast Guard:

Kenneth D. Urfer
Howard E. Mickelson

The following-named persons to be lieutenants (junior grade) in the U.S. Coast Guard:

Richard L. Burns
Francis J. Flynn

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law.

SECOND LIEUTENANT TO FIRST LIEUTENANT

Line of the Air Force

Adams, Ralph E., 54630A.
Adolph, Calvin B., 32266A.
Allen, Charles F., 2d., 32265A.
Allen, Edgar D., 54559A.
Anessi, Thomas J., 29793A.
Auch, Donald J., 32272A.
Avey, Donald B., 54657A.
Barrett, Robert F., 54579A.
Bartke, Albert C., 54547A.
Bass, John R., 54638A.
Beery, Raymond E., 48525A.
Berrigan, Robert B., 32288A.
Berry, Bobby L., 32275A.
Berry, Richard C., 29799A.
Billman, Charles M., Jr., 48477A.
Bliss, Alonzo O., 3d., 29766A.
Boyer, Earle O., 48515A.
Brashear, William J., 48480A.
Brewer, Allen J., 54550A.
Brodie, Richard N., 29897A.
Brownwood, David O., 48510A.
Buntschuh, Robert F., 54634A.
Burke, David P., 29765A.
Burkett, Robert V., Jr., 48523A.
Carter, James A., 54640A.
Cervantes, Manuel, Jr., 54540A.
Clark, James C., 54551A.
Clarno, John T., 48479A.
Cole, George F., 54557A.
Corbin, Richard B., Jr., 32276A.
Corrigan, William J., 48495A.
Cotter, Lawrence R., 29854A.
Cronk, Donald R., 54631A.
Culver, Donald A., 32264A.
Daisley, Roger W., 32267A.
David, Frank C., 54661A.
Davis, Roy L., 48519A.
Dennany, James E., 54602A.
Derhammer, Ned E., 54563A.
Dickson, Henry A., 54677A.
Dickerson, David F., 54548A.
Dietz, Arthur H., 54655A.
Doutt, Thomas L., 32256A.
Dowd, Theodore, 54682A.
Duffy, Robert T., 32277A.
Edsall, Philip V., 54667A.
Edwards, Verlan E., 54642A.
Ely, Frank E., 54668A.
Erickstad, Selmer R., 29801A.
Eversole, Donald L., 32259A.
Faris, Walter S., 32278A.
Farris, Robert H., 32284A.
Flemings, Frederic J., Jr., 54633A.
Foisy, Donald B., 32257A.
Fowler, Leo E., 54678A.
Gallop, Richard W., 32285A.
Garber, James F., 3d., 48482A.
Gargus, John, 48498A.
Gelenter, Julian H., 54679A.
Griggs, James L., Jr., 29855A.
Haderlie, Kermit L., 54665A.
Hall, Harold R., 48494A.
Hall, Ronald K., 32268A.
Hamilton, Richard A., 48481A.
Hanley, Donald L., 54672A.
Harrod, Franklin D., 54553A.
Hatch, Thomas E., 29781A.
Hayes, Joseph M., 48526A.
Heap, Larry A., 54558A.
Herring, Alfred D., 54555A.
Herzog, Robert T., 48509A.
Hilliard, Gerald L., 48507A.
Hoffmeyer, William D., 48531A.
Horton, Glen R., 29900A.
Houchin, Lloyd K., 29899A.
Hughes, Jesse W., Jr., 54635A.
Illies, Keith F., 32260A.
Jenicek, Kenneth A., 54604A.
Johannes, Robert P., 48486A.
Johnson, Elling Z., 29792A.
Johnson, James H., 32274A.
Johnson, Gerald F., 54676A.
Johnson, Richard W., 54644A.
Johnson, Richelieu N., 54641A.
Jones, Douglas N., 48491A.
Jones, Ricker H., 54566A.
Jones, Robert G., 48517A.
Jumper, Howard D., 48485A.
Kellum, Donald A., 54671A.
Kennedy, Eugene C., 32282A.
Kennedy, John M., 54649A.
Kern, David C., 54543A.
Killen, Carrol W., 32286A.
Kinder, Morris B., 54646A.
Kinneer, Billy L., 54653A.
Kopf, John R., 54650A.
Lambert, Carl F., Jr., 54658A.
Lauritsen, Terry N., 29790A.
Lee, Alfred, 54648A.
Leech, Frank J., 54565A.
Lindeman, Robert W., 54645A.
Long, Neal A., 29787A.
Loucks, Charles, 29732A.
MacPherson, John C., 54670A.
Marshall, John A., Jr., 32262A.
Matthews, David W., Jr., 29800A.
McChesney, John R., 29797A.
McDonald, Jack E., 32287A.
McGlone, Ronald G., 48521A.
McGrath, Daniel H., 54673A.
McIntire, John T., 29767A.
Meitz, Robert O., 54643A.
Miller, Frederick J., Jr., 54680A.
Molter, Donald W., 54629A.
Moore, George H., 54546A.
Mulherin, Anthony T., Jr., 48503A.
Nance, James A., 54675A.
Oglukian, Raymond L., 32258A.
Oldam, Paul B., 29804A.
Oydna, Tunney J., 54664A.
Parker, Charles M., 32283A.
Pascoe, Richard M., 32261A.
Peterson, Eddie M., 54616A.
Phares, Lindsay F., 48476A.
Purnhagen, Tom G., 48487A.
Raymond, Robert M., 29795A.
Revill, Lawrence A., 54669A.
Riley, Richard A., 54626A.
Rosenberg, Lewis H., 54619A.
Ryan, Charles J., 48504A.
Salvador, Renalds D., 29784A.
Schuler, Wendell L., 32273A.
Scott, Donald L., 29803A.
Scott, Hugh E., 54666A.
Scott, Walter G., Jr., 48492A.
Searle, Robert A., 54556A.
Sellars, David K., 2d, 54674A.
Shaw, Roger W., 32269A.
Shelton, James H., Jr., 32279A.
Shockley, Jerry M., 54636A.
Snow, Jackie K., 29785A.
Socolofsky, Lowell E., 54544A.
Spanbauer, Robert N., 32271A.
Statler, Harry R., 29791A.
Steeves, Thomas W., 54652A.
Stewart, Clarence A., 54545A.
Stockton, James A., 29901A.
Stroh, Jerry D., 29769A.
Swortzel, Frank R., 48489A.
Tedrick, Thomas D., 29898A.
Thomas, Charles R., 29768A.
Thompson, Donald D., 29782A.
Thompson, Gerald F., 29845A.
Thorley, Milton, 54681A.
Tonini, Gervasio, 48499A.
Uus, Henno, 32514A.
Van Meter, Thomas R., 54538A.
Verble, David E. L., 48518A.
Verrelli, David M., 48505A.
Vipond, John R., 29798A.
Voehl, Richard K., 48528A.
Waddell, Franklin D., 54562A.
Wadsworth, Donald L., 54541A.
Waikem, Frederick U., 54607A.
Walker, Bobby E., 29802A.
Wheeler, Richard W., 32280A.
Wiley, Raymond W., 32270A.
Willingham, James F., Jr., 32263A.
Wing, Richard L., 29764A.
Wink, Frank R., 48514A.
Witte, Robert E., 32281A.
Woodhull, Richard G., Jr., 54637A.
Wyatt, James G., 54542A.
Zeller, Eldon W., 48500A.

MEDICAL SERVICE CORPS

Casimiro, Paul S., 49126A.
Cobb, James B., 55365A.
Hill, Sherwood S., 55366A.
Kelley, Ronald L., 55368A.
Kelsey, Donn R., 49127A.
Strathern, Arthur D., Jr., 55367A.

NURSE CORPS

Hause, Helen E., 51395W.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1959:

POSTMASTERS

ALABAMA

John C. Williams, Jr., Sylacauga.

ARIZONA

Gertrude Schilleman, Camp Verde.
Evelyn M. Linnane, Sanders.

ARKANSAS

Pauline J. Anderson, Bismarck.

CALIFORNIA

Leland E. Stuart, Courtland.
Eugene E. Bullock, Inglewood.
Henry A. Davis, Walnut.
Alfred J. Iller, Jr., Warner Springs.
Walter E. Lang, Jr., Wilton.
Evelyn V. Roseberry, Winters.

COLORADO

Hubert E. May, Alamosa.
Linton L. West, Blanca.
Evelyn L. Henion, Winter Park.

CONNECTICUT

Antoinette A. Diani, Abington.
Nelson A. Potter, Windham.
Arthur W. Hayes, Winstead.

FLORIDA

Thelbert M. Harbison, Altoona.
Charles W. Curtis, Daytona Beach.
Carl S. Ledbetter, De Land.
J. D. Catrett, Eagle Lake.
Gaynelle H. Mutter, Intercession City.
Chester E. Nelson, Longwood.
Audrey S. Duff, Mims.
William P. Bangs, Ormond Beach.

GEORGIA

L. Blake Stiles, Blue Ridge.
Dorace A. Freeman, Sylvania.
Jack D. Carter, Tifton.

IDAHO

Charles W. Choules, Hagerman.
Walter P. Kahler, Mackay.

ILLINOIS

Clare A. Lupton, Assumption.
Louis H. Kauling, Beckemeyer.
Lester W. Black, Downers Grove.
Edward J. Kleen, Elmwood.
Thelma M. Comer, Joppa.
William H. House, Mansfield.
Theodore L. Medcalf, New Baden.
William C. Miller, Seymour.
Allen D. Crist, Stonington.
Lowell T. Green, Strasburg.
Melvin J. Lowery, Tolono.

IOWA

Delbert C. Harken, Ackley.
John R. Cuvelier, Aplington.
Robert G. Crook, Atlantic.
Dale A. Early, Bristow.
Weldon E. Peters, George.
E. Glenn Kennedy, Lewis.
Thomas W. Gidley, Jr., Malvern.
Robert W. Nible, Norwalk.
James F. Cooper, Onawa.
Calvin O. Levorson, Riceville.
Foss M. Gracey, Truro.

KANSAS

John E. Smith, Atchison.
Carl E. Riggs, Burns.
Erma E. Belden, Edmund.
Lynn C. Hill, Goddard.
Alvin E. Scranton, Hill City.
Robert L. Roberts, Kansas City.
Lewis R. Brust, Plainville.
John W. Walker, Udall.

KENTUCKY

Elizabeth G. Keeling, Willisburg.

LOUISIANA

Thelma M. Bodoin, Broussard.
Edward A. Vercher, Cloutierville.
Kenneth L. Hardaway, Plain Dealing.

MASSACHUSETTS

Marion A. McIntire, Charlton City.
Gertrude C. Davidson, West Millbury.

MICHIGAN

Herbert J. Dyble, Bloomfield Hills.
Roy O. Poth, Brown City.
Lewis H. Bishop, Cass City.
Kenneth D. Kerswill, Gladwin.
Robert William Fagan, Holly.
Walter A. Goodwin, Montrose.
Ernest L. Hofacker, Otsego.
Leonard Lundquist, Plainwell.
Albert W. Balfour, St. Clair.
Stewart E. Walter, Smiths Creek.

MISSISSIPPI

Vance H. Dorman, Myrtle.
John H. McCracken, Jr., Walls.

MISSOURI

Harold R. Bond, Cairo.
Clarence W. Yarnell, Clarksburg.
James G. Litzler, Dudley.
Chester P. Sulser, Ellington.
Francis H. Luetkemeyer, Freeburg.
George E. Wolfe, Linn.
Claude I. Bakewell, St. Louis.

MONTANA

Hugh K. Potter, Helena.

NEBRASKA

Ben D. Fussell, Geneva.
John W. Robson, Gordon.
Harlan F. Zimmerman, Nelson.
Paul D. Coder, Wellfleet.

NEW HAMPSHIRE

Roland A. Dorr, Littleton.

NEW JERSEY

William S. Weise, Dumont.
Harry L. Goble, Jr., Great Meadows.
Walter F. Haddock, Midland Park.
Warren W. Fredericks, Sparta.
William B. Conkright, Towaco.

NEW MEXICO

Hattie J. Whitley, Quemado.

NEW YORK

Alfred A. Zottola, Bedford Hills.
Charles P. Buonora, Far Rockaway.
Penelope M. Bolton, Hague.
Elizabeth M. Jones, Hurley.
Earl F. Wheeler, Lindley.
George J. Schneider, Mill Neck.
Sherwin A. Radka, Oakfield.
Charles N. Manuel, Sea Cliff.
John P. Potter, Wells.
Oswald D. Kirkby, Westport.

NORTH CAROLINA

William R. Stanley, New Bern.

NORTH DAKOTA

Arnold O. Jordheim, Walcott.

OHIO

Gene H. Ward, Farmersville.
Ernest J. Rogers, Lowellville.
Frederick W. Scheiderer, Marysville.
George E. Pfeil, Mount Sterling.
Melvin R. Fuller, Oakharbor.
Ralph C. Hershberger, Shanesville.
Roger K. Amstutz, Sulphur Springs.

OKLAHOMA

Jimmie L. Roberts, Davidson.
Valton C. Hurley, Minco.
Floyd B. Walker, Mountain Park.
Lowell E. Kelley, Rocky.
Daniel C. Krachey, Wakita.
Loran D. Rhodes, Webbers Falls.

OREGON

Verda Walker, Culver.
Lloyd L. Ferschweiler, Gervais.

PENNSYLVANIA

Eugene W. Mather, Benton.
Paul R. Faux, Butler.
Virginia K. Eberhart, Clark.
John F. Wolf, Hatfield.
Ernest H. Wiltrout, Maxatawny.
W. Ned Beckley, New Paris.
Margaret T. Silvis, Pleasant Unity.
Gerald Rufus Gearhart, Shadygrove.
Ernest M. Ovell, Weedville.

PUERTO RICO

Gabriel A. Cabrera, Camuy.
Jose M. Vidal, Jr., Juncos.
Regina L. de Lluch, Lajas.

SOUTH CAROLINA

Marvin F. Carpenter, Graniteville.
Alexander H. Woodle, Greenwood.

SOUTH DAKOTA

Edwin Stromwall, Aberdeen.
Ivan G. Holter, Platte.
John K. Farmen, Veblen.

TENNESSEE

Helen D. Norman, Heiskell.
Paul K. Sadler, Red Boiling Springs.

TEXAS

Noah L. Pruitt, Jr., Bronte.
Alene W. Cottrell, Dime Box.
Sam Stowers, Denison.
Robert R. Joyner, Ladonia.
Bill R. Reeves, McLean.
Wage M. Slough, Odessa.
Cassie F. Hudnall, Rhome.
Clarence E. McFarland, Whitesboro.

UTAH

A. Lavar Hinton, Hurricane.

VERMONT

Yvonne H. Jillson, Whitingham.

VIRGINIA

Franklin T. Payne, Aldie.
Elizabeth K. Harman, Bishop.
A. Lee Williams, Clover.
Inez P. Richardson, Fentress.
Dorothy S. Neblett, Kenbridge.
Claude A. Helsley, Maurertown.
Joel F. Coleman, Jr., Prospect.
Joseph E. Bell, Smithfield.
Richard W. Rock, Troutville.

WASHINGTON

Richard L. Van Zandt, Burlington.
H. Lloyd Lopeman, Soap Lake.

WEST VIRGINIA

Donna M. Harmon, Griffithsville.

WISCONSIN

Arlene O. Stoetzel, Beldenville.
William G. Brown, Delafield.
Harold P. Klebenow, Gillett.
Nobert F. Kilsdonk, Little Chute.
Stanley I. Andersen, Loretta.
William W. Lambert, Onalaska.

WYOMING

Lance R. Holbrook, Cheyenne.
M. Everett Knapp, Gillette.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 30, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Matthew 11: 28: *Come unto Me, all ye that labor and are heavy laden, and I will give you rest.*

Most merciful and gracious God, the source of all light to direct us and all power to sustain us, grant that assured by Thy presence and peace, we may discharge our duties without complaint or compromise.

We penitently confess that we are frequently so unresponsive to the solicitations of Thy love and so reluctant to accept the overtures of Thy companionship and counsel.

Deliver our minds and hearts from all feelings of frustration and failure for Thy grace is sufficient for our every need.

Inspire us with the spirit of patience and perseverance whenever we are confronted by problems for which our finite wisdom seems to have no satisfactory solution.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford,

one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 23, 1959:

H.R. 1509. An act for the relief of Leon Oswald Dickey;

H.R. 5447. An act to extend the authority of the Administrator of Veterans' Affairs to maintain offices in the Republic of the Philippines;

H.R. 5676. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1960, and for other purposes;

H.R. 5963. An act for the relief of Ivy May Lee;

H.R. 6325. An act to extend certain traineeship provisions of the Health Amendments Act of 1956; and

H.R. 6435. An act to amend section 105 of the Legislative Appropriation Act, 1955, with respect to the disposition upon the death of a Member of the House of Representatives of amounts held for him in the trust fund account in the office of the Sergeant at Arms, and of other amounts due such Member.

On July 24, 1959:

H.R. 7500. An act to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

On July 28, 1959:

H.R. 269. An act to amend title 38, United States Code, to provide certain allowances and benefits to personnel of the Veterans' Administration who are United States citizens and are assigned to the Veterans' Administration office in the Republic of the Philippines;

H.R. 3269. An act to authorize the payment of veterans' benefits to certain veterans who were discharged as aliens;

H.R. 4693. An act to amend the Bankruptcy Act so as to consolidate the referees' salary and expense funds;

H.R. 5446. An act to provide for the recovery of costs of building space utilized by the Veterans' Canteen Service in the Veterans' Administration;

H.R. 6054. An act to continue until the close of June 30, 1960, the suspension of duties on metal scrap, and for other purposes; and

H.R. 7789. An act to amend paragraph (b) of section 401 of the National Housing Act, as amended.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 3290. An act to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy;

H.R. 3320. An act to amend the act of June 21, 1950, relating to the appointment of boards of medical officers;

H.R. 3321. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes;

H.R. 4068. An act to amend title 10, United States Code, by repealing section 7475, which restricts the increasing of forces at naval activities prior to national elections;

H.R. 6319. An act to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans;

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 252. An act to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France;

S. 716. An act to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes;

S. 1845. An act to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes;

S. 1958. An act to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen;

S. 1965. An act to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies; and

S. 2118. An act to amend section 4488 of the Revised Statutes, as amended, to authorize the Secretary of the Department in which the Coast Guard is operating to prescribe regulations governing lifesaving equipment, firefighting equipment, muster lists, ground tackle, hawsers, and bilge systems aboard vessels, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1960

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight Friday, July 31, to file a conference report on H.R. 7454, making appropriations for the Department of Defense for the fiscal year ending June 30, 1960, and for other purposes, and that the report be printed in the CONGRESSIONAL RECORD under a separate heading in case the House is not in session and a RECORD is printed for the day.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 120]

Anderson, Mont.	Elliott	O'Brien, N.Y.
Auchincloss	Farbstein	Osmers
Barden	Halleck	Rhodes, Ariz.
Barry	Hoffman, Ill.	Preston
Blitch	Horan	Rabaut
Bolling	Kilburn	Rogers, Tex.
Buckley	Lafore	Santangelo
Canfield	Mack, Wash.	Teague, Tex.
Celler	Mitchell	Willis
Davis, Tenn.	Moeller	Winstead
Dooley	Moss	Zelenko
	Moulder	

The SPEAKER. On this rollcall 405 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TENTH SEMIANNUAL REPORT ON ACTIVITIES CARRIED ON UNDER PUBLIC LAW 480, 83d CONGRESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 206)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the tenth semiannual report on activities carried on under Public Law 480, 83d Congress, as amended, outlining operations under the act during the period January 1 through June 30, 1959.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *July 30, 1959.*

COMMITTEE ON EDUCATION AND LABOR

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until 12 o'clock tonight to file a report on H.R. 8342.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROGRAM FOR THE WEEK OF AUGUST 3

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I asked for this time in order to obtain from the majority leader a statement concerning the program for next week.

Mr. McCORMACK. I shall be very happy to do that. Monday we will have

the call of the Consent Calendar. Then there are six suspensions, as follows:

First. House Joint Resolution 113, a bill relating to St. Ann's Churchyard, N.Y.

Second. H.R. 6940, a bill relating to acreage limitation, Mineral Leasing Act, Alaska.

Third. S. 1512, a bill relating to the Federal Land Banks.

Fourth. H.R. 7740, a bill relating to acreage history and allotments, agriculture.

Fifth. H.R. 6861, a bill relating to feed, seed, and roughage programs, agriculture.

Sixth. S. 1289, school lunch-milk bill.

If we do not dispose of all the bills scheduled for this afternoon, I may program one of the bills, if it is not disposed of, for Monday. I am unable to announce that now. But if we dispose of the program we have for this afternoon, the program I have just announced is the program for Monday.

For Tuesday and the balance of the week, the program is as follows: If a rule is reported out on Monday on the labor bill, as we hope and reasonably expect it will, consideration of the labor bill will start on Tuesday and continue until terminated.

As I indicated yesterday, with the exception of any rollcall on a rule, there will be no rollcall votes on Monday or Tuesday, with the indulgence of the House, because of the fact that there are primaries in Mississippi on next Tuesday.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Mr. Speaker, I heard the gentleman say that if a rule is reported out, we would take up the labor bill next Tuesday. Can the Committee on Rules report out a bill before they get a majority report from the committee?

Mr. McCORMACK. I am assuming that everything is in order and that a rule is reported out on Monday. I cannot answer the gentleman's question; but assuming a rule is reported out on Monday, then we shall proceed with the labor bill on Tuesday. If not, we shall proceed with it as soon as possible thereafter.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. ARENDS. I yield.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. I ask the question, under the rules of the House, can the Committee on Rules report out a bill before they get a majority report from the committee?

The SPEAKER. The gentleman from North Carolina [Mr. BARDEN] asked unanimous consent, which was obtained, to have until midnight tonight to file a report of the Committee on Education and Labor on the so-called labor bill.

Mr. HOFFMAN of Michigan. My question is, until a majority of the committee sign the report, can the Committee on Rules consider the bill?

The SPEAKER. The Committee on Rules has the authority to consider any matter which is properly before them. The Chair would certainly hold that this is properly before the Committee on Rules.

Mr. HOFFMAN of Michigan. Still, there is that word "properly." I was asking a simple question.

The SPEAKER. The Chair has answered the question.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1960

Mr. FOGARTY. Mr. Speaker, I call up the conference report on the bill (H.R. 6769) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 734)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6769) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 23, 24, 25, 35, 36, 39, 41, and 45.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 10, 13, 15, 19, 20, 27, and 38 and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,452,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$186,200,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and gree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,650,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$45,994,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$91,257,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,090,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$62,237,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,019,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$46,862,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$34,054,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$41,487,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 6, 7, 8, 9, 21, 26, 40, 42, 43, and 44.

JOHN E. FOGARTY,
WINFIELD K. DENTON,
MELVIN R. LAIRD,
JOHN TABER,
Managers on the Part of the House.

LISTER HILL,
DENNIS CHAVEZ,
RICHARD B. RUSSELL,
JOHN STENNIS,
JOHN O. PASTORE,
MIKE MONRONEY,
ALAN BIBLE,
ROBERT C. BYRD,
THOMAS H. KUCHEL,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
GORDON ALLOTT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6769) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF LABOR

Bureau of Labor Standards

Amendment No. 1—Salaries and expenses: Deletes language inserted by the Senate to authorize the use of funds for payment of rent in the District of Columbia.

Bureau of Labor Statistics

Amendment No. 2—Salaries and expenses: Appropriates $9,519,500 as proposed by the Senate instead of $9,419,500 as proposed by the House.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Gallaudet College

Amendment No. 3—Construction: Appropriates $325,000 as proposed by the Senate instead of $300,000 as proposed by the House.

Office of Education

Amendment No. 4—Promotion and further development of vocational education: Reported in disagreement.

Amendment No. 5—Promotion and further development of vocational education: Provides that the apportionment to the states under section 3(a), (1), (2), (3), and (4) shall be computed on the basis of not to exceed $29,267,081 as proposed by the Senate instead of $30,367,081 as proposed by the House.

Amendment No. 6—Grants for library services: Reported in disagreement. It was agreed that a motion will be made to restore the appropriation of $6,000,000 proposed by the House and stricken by the Senate and to provide that the figure of $7,500,000 inserted by the Senate shall be used as the basis for making allotments to the states.

Amendment No. 7—Defense educational activities: Reported in disagreement.

Amendment No. 8—Expansion of teaching in education of the mentally retarded: Reported in disagreement.

Office of Vocational Rehabilitation

Amendment No. 9—Research and training: Reported in disagreement. It was agreed that a motion will be made to appropriate $12,700,000 as proposed by the Senate instead of $12,500,000 as proposed by the House with a provision that the $200,000 added by the Senate for the project at the Army-Navy Hospital in Hot Springs, Arkansas, is the final appropriation for this purpose.

Public Health Service

Amendment No. 10: Provides that the Surgeon General may employ consultants or individual scientists for limited periods of time at rates not to exceed $19,000 per annum as proposed by the Senate instead of $15,000 per annum as proposed by the House.

Amendment No. 11—Control of tuberculosis: Appropriates $6,452,000 instead of $5,452,000 as proposed by the House and $6,952,000 as proposed by the Senate.

Amendment No. 12—Control of tuberculosis: Provides that, of the total funds appropriated, $4,000,000 shall be available only for grants to States instead of $3,000,000 as proposed by the House and $4,500,000 as proposed by the Senate.

Amendment No. 13—Sanitary engineering activities: Appropriates $15,640,000 as proposed by the Senate instead of $14,590,000 as proposed by the House. From material which the Department submitted to the conferees concerning the effect of the House and Senate action, it was obvious that the Department has failed to make the adjustments necessary to carry out the desires of the House, as expressed in the House committee report, with regard to activities in connection with interstate shipment of milk, shellfish sanitation, and inspection of interstate carriers. The conferees are agreed that the Department should consider the House Report on this matter as being instructions.

Amendments Nos. 14 through 20—Grants for hospital construction: Appropriate $186,200,000 instead of $143,700,000 as proposed by the House and $211,200,000 as proposed by the Senate, and provide for allocation of these funds as follows: for hospitals and related facilities pursuant to part C, $150,000,000 as proposed by the Senate instead of $121,500,000 as proposed by the House; for facilities pursuant to part G, $35,000,000 instead of $21,000,000 as proposed by the House and $60,000,000 as proposed by the Senate; for diagnostic or treatment centers, $7,500,000 instead of $6,500,000 as proposed by the House and $20,000,000 as proposed by the Senate; for hospitals for the chronically ill and impaired, $7,500,000 instead of $6,500,000 as proposed by the House and $20,000,000 as proposed by the Senate; for rehabilitation facilities, $10,000,000 as proposed by the Senate instead of $4,000,000 as proposed by the House; for nursing homes, $10,000,000 as proposed by the Senate instead of $4,000,000 as proposed by the House.

Amendment No. 21—Grants for hospital construction: Reported in disagreement.

Amendment No. 22—Salaries and expenses, hospital construction services: Appropriates $1,650,000 instead of $1,604,000 as proposed by the House and $1,777,000 as proposed by the Senate.

Amendment No. 23—Hospitals and medical care: Restores provision of the House stricken by the Senate which provides that $2,167,000 shall be available only for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act.

Amendment No. 24—Hospitals and medical care: Appropriates $45,600,000 as proposed by the House instead of $43,633,000 as proposed by the Senate.

Amendment No. 25—Hospitals and medical care: Provides $1,000,000 for payments to the Territory of Hawaii as proposed by the House instead of $1,200,000 as proposed by the Senate. The conferees are agreed that if the Federal Government should bear 100 percent of the cost for care and treatment of persons afflicted with leprosy in Hawaii, then the Federal Government should administer the program directly.

Amendment No. 26—Dependents' medical care: Reported in disagreement.

Amendment No. 27—Foreign quarantine activities: Appropriates $4,685,800 as proposed by the Senate instead of $4,460,000 as proposed by the House.

Amendment No. 28—General research and services, National Institutes of Health: Appropriates $45,994,000 instead of $36,404,000 as proposed by the House and $49,585,000 as proposed by the Senate.

Amendment No. 29—National Cancer Institute: Appropriates $91,257,000 instead of $83,308,000 as proposed by the House and $110,203,000 as proposed by the Senate.

Amendment No. 30—Mental health activities: Appropriates $68,090,000 instead of $60,409,000 as proposed by the House and $79,986,000 as proposed by the Senate.

Amendment No. 31—National Heart Institute: Appropriates $62,237,000 instead of $52,744,000 as proposed by the House and $89,500,000 as proposed by the Senate.

Amendment No. 32—Dental Health activities: Appropriates $10,019,000 instead of $9,725,000 as proposed by the House and $10,164,000 as proposed by the Senate.

Amendment No. 33—Arthritis and metabolic disease activities: Appropriates $46,862,000 instead of $37,790,000 as proposed by the House and $51,200,000 as proposed by the Senate.

Amendment No. 34—Allergy and infectious disease activities: Appropriates $34,054,000 instead of $30,286,000 as proposed by the House and $41,000,000 as proposed by the Senate.

Amendment No. 35—Allergy and infectious disease activities: Provides $150,000 for payment to the Gorgas Memorial Institute as proposed by the House instead of $200,000 as proposed by the Senate.

Amendment No. 36—Allergy and infectious disease activities: Deletes language inserted by the Senate to authorize the use of funds available to the Gorgas Memorial Laboratory for plans and specifications.

Amendment No. 37—Neurology and blindness activities: Appropriates $41,487,000 instead of $33,613,000 as proposed by the House and $48,966,000 as proposed by the Senate.

The appropriations for the National Institutes of Health were agreed upon with the distinct understanding of the managers on the part of both the House and the Senate that there should be no reduction in the high standards for determining the acceptability of research projects for financing from these appropriations.

Amendment No. 38—Construction of animal quarters, Hamilton, Montana: Appropriates $150,000 for the construction of quarters at the Rocky Mountain Laboratory, Hamilton, Montana, for small animals as proposed by the Senate.

Amendment No. 39—Retired pay of commissioned officers: Deletes language proposed by the Senate to provide for an indefinite appropriation to make payments for medical care of dependents and retired personnel under the Dependent's Medical Care Act.

Office of the Secretary

Amendment No. 40—Salaries and expenses, Office of the General Counsel: Reported in disagreement.

Amendment No. 41—General provisions: Limits the amount which may be paid to any recipient of a research project grant, for the indirect expenses in connection with such project, to 15 per centum of the direct costs as proposed by the House instead of 25 per centum of the direct costs as proposed by the Senate.

Amendments Nos. 42 through 44—General provisions: Reported in disagreement.

TITLE VI—FEDERAL MEDIATION AND CONCILIATION SERVICE

Amendment No. 45—Salaries and expenses: Appropriates $3,905,400 as proposed by the House instead of $3,949,000 as proposed by the Senate.

TITLE IX—GENERAL PROVISIONS

The managers on the part of the House and the Senate are agreed that no funds are provided in the bill for the reorganization of regional offices or the realinement of regions. Since no funds were even budgeted for such purposes, the legislative intent is clear.

JOHN E. FOGARTY,
WINFIELD K. DENTON,
MELVIN R. LAIRD,
JOHN TABER,
Managers on the Part of the House.

Mr. FOGARTY (during the reading of the statement.) Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I trust the gentleman will take at least some reasonable time to explain the conference report.

Mr. FOGARTY. I am going to do so and, of course, will also yield to our colleague on the gentleman's side for that purpose.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I am delighted that I can report to the House of Representatives an agreement among the House and Senate conferees on the 1960 appropriations for the Department of Labor and the Department of Health, Education, and Welfare—an agreement that I am convinced represents a responsible blend of concern for the public interest and concern for the Nation's economy.

Many days of hearings and many hours of committee deliberations, extending over a period of several months, have preceded the establishment of the final appropriation levels on which we ask your endorsement today. There has been a thoughtful, detailed analysis of the programs of both Departments, based on the presentations of departmental officials, the testimony of non-Federal witnesses, and special materials developed by and for the committee and its staff. It is as the result of such consideration, focused on the demonstrable needs of the individual programs and the opportunities they represent to serve the American people, that our action has been taken.

An agreement reached in conference between the House and Senate is often called a compromise. This is a term that I believe should not be applied to the bill that is before you, which represents rather an unwillingness to compromise on matters that so vitally affect the well-being and indeed the very lives of the people we represent and serve. What we have done, through democratic processes, is to seek a strong consensus on what the level of these appropriations should be. And if it has turned out that the consensus requires setting certain of the appropriations well above and certain others below the levels initially proposed by the administration, this fact has nothing to do with either compromise or partisan politics, but is merely the result of bringing new and different points of view to bear on questions which must ultimately be decided, under the law, by the Congress of the United States.

Mr. Speaker, I will briefly summarize the actions on this bill. The President's budget called for appropriations totaling $3,756,848,581. The bill, as it unanimously passed the House, totaled $3,915,084,181 and was further increased by the Senate to $4,124,076,581, or an increase of $208,992,400. The conference agreement is $4,016,101,981 or a decrease of $107,974,600 from the Senate bill and an increase of $101,017,800 over the House bill. The following table sets forth the pertinent figures with comparisons:

Labor-HEW appropriation bill, 1960

President's budget:	
Definite appropriations	$3,691,685,581
Indefinite appropriations	65,163,000
Total appropriations	3,756,848,581
House bill:	
Definite appropriations	3,849,921,181
Indefinite appropriations	65,163,000
Total appropriations	3,915,084,181
(Over the budget, $158,235,600.)	
Senate bill:	
Definite appropriations	4,056,746,581
Indefinite appropriations	67,330,000
Total appropriations	4,124,076,581
(Over the House, $208,992,400; over the budget, $367,228,000.)	
Conference agreement:	
Definite appropriations	3,950,938,981
Indefinite appropriations	65,163,000
Total appropriations	4,016,101,981
Conference agreement is:	
Under the Senate	107,974,600
Over the House	101,017,800
Over the budget	259,253,400

There are five areas of increase that account for the fact that the bill is substantially above the President's budget. These are hospital construction, the National Institutes of Health, construction of health research facilities, construction of waste treatment works construction, and the school assistance programs under Public Laws 815 and 874. The amounts for these items total $269,617,000 above the budget. Thus the remainder of the bill represents a reduction of over $10 million below the President's budget. The following table sets forth in detail the pertinent statistics regarding these major items of increase:

Major items of increase over the budget in Labor-HEW bill

[In thousands of dollars]

	Amount in—	Over budget
Hospital construction:		
Budget	101,200	
House	143,700	42,500
Senate	211,200	110,000
Conference	185,200	85,000
N.I.H.:		
Budget	294,279	
House	344,279	50,000
Senate	480,604	186,325
Conference	400,000	105,721
Health research facilities:		
Budget	20,000	
House	30,000	10,000
Senate	30,000	10,000
Waste treatment works construction:		
Budget	20,000	
House	45,000	25,000
Senate	45,000	25,000
Public Laws 815 and 874:		
Budget	180,800	
House	225,092	44,292
Senate	225,092	44,292
Summary of major increases over budget:		
Hospital construction		85,000
National Institutes of Health		105,325
Health research facilities		10,000
Waste treatment works construction		25,000
Public Laws 815 and 874		44,292
Total		269,617

Among the many and diverse activities contained within the Departments whose 1960 programs are financed by this bill, the one in which the Congress found itself in most substantial disagreement with the administration is in the field of medical research. The degree of that disagreement is, to a large extent, reflected in the difference between the President's budget proposal and the appropriation level contained in the bill that is now before you.

The medical research items relate primarily to the nine appropriations which finance the Public Health Service's research programs that are located administratively at the National Institutes of Health in Bethesda, Md. I say "located administratively" because more than 80 percent of the funds appropriated to the National Institutes of Health are not spent in Bethesda but are used for grants and awards to scientists and research institutions across the Nation. And 96 percent of the increases over the President's budget carried in the conferees' recommendation is for expenditures that relate to NIH's support of research and training rather than to direct operations.

I shall not take the time here to recapitulate the intense professional and public interest that has been centered on these programs in recent years, interest that has consistently been reflected in congressional action. The Members of the House of Representatives know that they are fine programs, splendidly administered, highly productive, and broadly supported by all segments of our society.

My colleagues here in the House of Representatives will recall that the committee I am privileged to chair was faced with an awkward situation on the budgets for medical research when hearings opened on the Labor-HEW appropriations early this spring. The President's 1960 budget for the National Institutes of Health, exclusive of construction, was $294 million—the same dollar level as the amount appropriated by the Congress for these activities in 1959, and well

below the actual 1959 program level because of increased costs and other factors. Moreover, funds for medical research construction grants were cut by one-third as compared with 1959.

Both the President and the Secretary of Health, Education, and Welfare, Dr. Arthur G. Flemming, indicated that they were not altogether happy with the medical research proposals in the President's budget and also indicated that they were being kept under study and that they might come back with an amendment at a later date. Unfortunately, they were not able to reach agreement on an amendment, and we were forced to hold our initial hearings on the basis of the inadequate information at hand.

We developed our own information in committee, including the fact that the NIH's own request for 1960 had been for $335 million, plus $16 million for an increase in overhead on research grants—a total increase of $57 million over the President's budget—and a figure which, incidentally, has been widely misrepresented as being all the NIH thought it could effectively spend. In point of fact, our committee elicited the information that such a program would finance only half of the meritorious new research grant applications expected to be received and approved in 1960, and would permit expansion of training activities in only two of the eight programs.

Our committee, as you recall, set an initial level of $344 million on these programs, with overhead on research grants at 15 percent, and the full committee and the House confirmed our action.

Our sister committee in the Senate, chaired by the distinguished and able Senator from Alabama, Senator HILL, received extensive testimony from outside witnesses and concluded that there were still further needs to be met and opportunities to be exploited in Federal programs in support of medical research. As a result, the Senate, by an overwhelming majority, voted out a bill which increased the House figure on the NIH appropriations by $136 million, to a total of $480 million.

Those who were named conferees to resolve the differences between the House and Senate bills spent many hours in discussion of the medical research appropriations, with full and frank exchange of points of view. It was gratifying indeed to take part in these meetings and see how the members of the conference committee put aside their partisan differences when the public interest was so clearly at stake.

The conferees have agreed to accept a figure of $400 million for the 1960 NIH appropriations—well under half of the Senate's initial increases over the House, and $106 million over the administration's admittedly inadequate proposal submitted as part of the President's budget last January.

The following table will indicate the basis for the conference agreement. The details are not intended to be absolutely binding in the expenditure of these appropriations if changing conditions indicate that some adjustments should be made in the interest of greatest progress with the total resources provided:

National Institutes of Health—Increases over House allowances

	Clinical research centers	Primate colonies	General research grants	Fellowships	Training grants	State control program	Chemotherapy contracts	Direct operations	Total increases	House allowance	Compromise
General research and services			$4,600,000	$750,000	$4,000,000			$240,000	$9,590,000	$36,404,000	$45,994,000
National Cancer Institute	$500,000		2,859,000	200,000			$4,000,000	390,000	7,949,000	83,308,000	91,257,000
Mental health activities	500,000		806,000	600,000	5,000,000			775,000	7,681,000	60,409,000	68,090,000
National Heart Institute	500,000	$2,000,000	4,193,000		800,000	$1,000,000		1,000,000	9,493,000	52,744,000	62,237,000
Dental health activities				150,000	100,000			44,000	294,000	9,725,000	10,019,000
Arthritis and metabolic disease activities	500,000		7,222,000	100,000	1,000,000			250,000	9,072,000	37,790,000	46,862,000
Allergy and infectious disease activities	500,000		1,957,000	200,000	1,000,000			111,000	3,768,000	30,286,000	34,054,000
Neurology and blindness activities	500,000		4,184,000		2,000,000			1,190,000	7,874,000	33,613,000	41,487,000
Total	3,000,000	2,000,000	25,821,000	2,000,000	13,900,000	1,000,000	4,000,000	4,000,000	55,721,000	344,379,000	[1]400,000,000

[1] Total Senate allowance was $480,604,000.

The general premises on which agreement was reached among conferees were: First, that all meritorious research projects now being supported, on the basis of recommendations by the NIH's scientific advisers, should continue to be supported; second, that there should be ample funds to give support to new projects, representing scientists new to the program, new ideas, and perhaps research institutions that are just joining the Nation's concerted research attack on disease; third, that at the same time as full support is provided for today's medical research effort, we must also invest significantly in resources for the future; and fourth, that high standards must be maintained for determining the acceptability of research projects for financing from these appropriations—on this point there was unanimous and emphatic agreement on the part of all conferees.

MEDICAL RESEARCH AND THE NATIONAL ECONOMY

There are those who will argue against these increases by saying that we can't afford to spend any more money, even on programs that have such a direct and long-range bearing on the people's health.

There are two reasons why investment in medical research is not inflationary in terms of the national economy: First, the product of medical research is a progressive decrease in expenditures for the ravages of disease; and second, the product of medical research is a progressive increase in the productivity of our people.

Expenditures for medical research, therefore, are investments that pay dividends of a kind that can be realized in few, if any, of the other ways of putting money to work for long-term gain. For they are investments in life itself. Yet in total national investment in medical research this year is only about half of the amount of tax funds that will be spent this year to care for the victims of only one of the major diseases of today—mental illness. On a relative scale, the investment is small in comparison with the potential economic benefits that will accrue as, step by step, medical research achieves new knowledge that is bringing and will bring the killing and disabling diseases progressively under control.

I wonder who among us would hesitate if he were weighing whether to spend some money now to protect the health and possibly the lives of his own loved ones? That seems like a foolish question. But that is what those who propose standing still or cutting back on these medical research programs would have us do for the Nation as a whole.

This is not a cold, statistical problem that is governed solely by fiscal consideration. Human lives and human health are involved, and we must be less concerned with giving the appearance of a balanced budget now and more concerned with the long-term economic stability of our Nation—stability that is determined in large part by our productive capacity which in turn is in large part dependent upon the health and happiness and well-being of our people.

One of the standard arguments raised by those who seek to rationalize failure to move forward in medical research is that little is being accomplished and that the support for medical research comes from a limited number of emotionally charged individuals who expect miracles. It is my conviction that it is the rank and file of the American people who want better health, are willing to pay for it, and believe medical research is essential if progress is to be made. They know, for example, that 1 cancer patient out of 3 can now be saved, as compared with 1 out of 4 in 1938, which means that there are now 800,000 persons living in the United States who have been saved from cancer; that advances in research now permit significant reduction in disability and premature death among those who suffer from heart attacks and high blood pressure; that thousands of individuals born with heart defects, once doomed to invalidism and early death, are leading useful and productive lives because of advances in heart surgery;

that progress in the infectious and communicable diseases has revolutionized medical and public health practice in these fields, as illustrated by recent advances against tuberculosis, poliomyelitis, and rheumatic fever; that because of new medical and surgical treatment now available, approximately 80 percent of all people with epilepsy are capable of regular productive employment in a wide range of jobs; that research has led to methods that can reduce tooth decay by 50 percent; that a major cause of blindness among infants has been discovered and eliminated; that with new drugs and methods of treatment and diagnosis, it is possible to prevent crippling in 70 percent of patients suffering from rheumatic disease; and that for the first time discharges from mental hospitals have outnumbered admissions, based on new methods of treatment resulting from research.

These are illustrative. They bespeak progress in human terms. In addition, however, I hold that a strong and sustained medical research effort is sound national economics, and that the twin burdens of large expenditure for medical care and lost productivity because of illness and premature death can be reduced through the application in medical and public health practice of new knowledge derived from research.

CONFEREE AGREEMENT

The elements of the conference agreement on the NIH appropriations can be quite simply stated as compared with the levels to which we agreed in April when the Labor-HEW bill was passed in the House.

Twenty-five million eight hundred thousand dollars is provided for the further support of research in non-Federal institutions. This means that the total amount of this item will provide support for essentially all of the research grant applications that NIH estimates will be received and recommended for approval and payment. This includes new projects as well as continuation of existing projects, and also provides for 20 percent above the new grant estimate to make sure that no worthwhile new project may have to go unsupported for lack of funds. It will be expected that within this amount the NIH will place additional emphasis on research into problems of the kidneys which has been a much neglected field.

Thirteen million nine hundred thousand dollars is provided for training grants and awards beyond the amount covered in the House bill. The bulk of this is applied to training in the sciences basic to medicine and in the fields and disciplines of mental health, where acute shortages continue to exist or threaten.

Two million dollars is provided to expand the fellowships program, with special emphasis on the senior research fellowships which serve such a useful purpose in helping the young investigator establish himself in a university medical research career.

Four million dollars is provided for a field of special interest and promise in the cancer field—the search for chemical agents to treat cancer. These funds are specifically for research contracts with industry, which has much to contribute to the discovery and development of these agents which are now being tested for anticancer activity.

Three million dollars is provided for establishing on an experimental basis several specialized clinical investigative units in environments where they can serve a variety of purposes, including carefully controlled therapeutic and metabolic studies.

Two million dollars is provided on a similar basis to undertake the establishment of one or more animal colonies designed for experimental work involving monkeys and the higher primates.

One million dollars is for broadening the mechanisms for the review and approval of research projects supported by grants, and another $1 million for extensions in those programs of NIH related to the control of heart disease through public health programs.

Three million dollars is provided for the Bethesda operation, for such purposes as strengthening the central staffing and services for the nationwide collaborative program for study of the total range of influences on the unborn and just-born babies, seeking answers to such conditions as cerebral palsy and mental retardation.

There are many instances where special segments of the programs provided for in the bill were identified in the House and Senate reports for special attention and action. We expect the agencies to start at once to so plan these programs as to implement the expressed intentions of Congress.

SUMMARY

I urge your favorable action on this agreement reached by the conferees of the House and Senate Appropriations Committees relative to the medical research appropriations for the National Institutes of Health. You can have confidence, as I have, that these programs are effectively administered in the public interest. And you can act with the knowledge that the meaning of your act will be found in the product of medical search: new knowledge that will protect the life and improve the health of man.

In conclusion I should like to make this point abundantly clear. The action of the House, the Senate and the agreement reached by the conferces on these appropriations for medical research convey the conviction and the intent of the Congress that the Nation shall undertake the mounting of a research effort of a kind and magnitude considerably beyond anything that has been proposed by the administration in its budget request. We must search for new ways to control disease with the same boldness and vigor, the same scope and energy that we have used in other major fields of scientific effort which mean so much to this Nation's future strength and capability.

I want to acknowledge the thoughtful, impartial, and creative contributions of the other members of the committee which I chair. Mr. DENTON, Mr. MARSHALL, Mr. LAIRD, and Mr. CEDERBERG have been most helpful throughout this long and often difficult and frustrating experience. They have demonstrated good judgment, good will, and good leadership, recognizing and acting in the public interest, based on their own conviction of what is best for the people and the Nation. All of us, and all the people, are indebted to them.

Mr. Speaker, I think we have brought a good conference report to the House and I hope that it will be agreed to unanimously.

I yield to the gentleman from Wisconsin [Mr. LAIRD], the ranking minority member of the subcommittee.

Mr. LAIRD. Mr. Speaker, I thank my colleague, the gentleman from Rhode Island, for yielding.

Mr. Speaker, I have had a considerable number of questions asked of me by Members of the House this morning in regard to the increases which the conference committee has included in this report. I believe that the criticism directed at the House conferees by individual Members of the House is not justified. When this bill came from the House committee, it was approved on the floor of the House by a unanimous vote. It was approved because both sides of the committee were in unanimous agreement on the amounts of money recommended by our subcommittee.

Those Members who have criticized the conferees for yielding on $101 million over and above the House bill, I am sure, have no idea how long we were in conference on this bill and how hard we worked to present the position of the House in a fair and adequate manner. The chairman of the House conferees, my good friend and respected colleague, the gentleman from Rhode Island [Mr. FOGARTY] made every effort to support the House-passed bill. This bill was in conference for 4 weeks. We had many meetings, the conferees on the part of the Senate were adamant in their position by insisting on the inclusion of the full $367,228,000, over the President's budget figure which the Senate approved in passing the 1960 HEW-Labor appropriation bill. The other body wanted to send just as big a bill to the President as possible.

This is the best figure that could be arrived at on the part of the House conferees. I feel those who are critical of this conference report on the ground that it may not receive approval of the executive branch may have a point. I cannot give anyone an answer to this question. I can, however, assure you that the House conferees did the best job they possibly could in their efforts to come back with a bill that would be as close as possible to the appropriation figures as approved by the House unanimously on April 30, 1959. The figures included in this conference report represent the very best compromise which could be worked out between the two Houses of the legislative branch of our Government.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LAIRD. I yield.

Mr. GROSS. Do I understand that this bill is almost $260 million above the budget figure?

Mr. LAIRD. This bill is $259,253,400 above the budget submission made to the Congress by the President.

Mr. GROSS. How much is it above the budget when it left the House of Representatives?

Mr. LAIRD. When this bill left the House of Representatives, the total figure was $158,235,600 above the President's budget submission.

Mr. GROSS. So it was increased substantially in the conference with the other body?

Mr. LAIRD. The other body increased this bill by $367,228,000 over President Eisenhower's budget. The Senate increased the bill $208,992,400 over the House passed bill. The House yielded on $101 million and the Senate yielded on $108 million in the conference.

This bill was in continuous conference for a period of four weeks and every effort was made to forcefully present the position of the House of Representatives. I believe that your House conferees did the best possible job they could do under the circumstances on this particular bill.

Mr. GROSS. I wish the conferees had sat until the snow flies rather than succumb to this increase. Let the RECORD show that I am opposed to this conference report. The bill as it left the House, was more than liberal.

Mr. LAIRD. The conferees on this bill set somewhat of a record in the number of meetings the conference committee held in order to get an agreement.

On April 30 when the appropriations bill for the Departments of Labor, Health, Education, and Welfare was passed by the House of Representatives, I discussed the programs of these two Departments in detail. My remarks will be found beginning on page 7222 of the CONGRESSIONAL RECORD for April 30. The bill which was passed by the House on April 30 had the complete support and approval of every member of the House Appropriations Subcommittee for the Departments of Labor and HEW.

I have followed the activities of these two Departments very closely and paid special attention to the work in the field of medical research. This important medical research work not only provides human benefits by giving better health to more people, but also means greater productivity and thereby, economic benefits to families and to the Nation as a whole.

On April 30 I discussed on the floor of the House of Representatives the new medical findings of the past year. It is important for us to give wholehearted support to medical research but this support must be given in accordance with the ability of scientists to use the funds effectively. The House subcommittee will continue to insist that NIH use the highest standards in passing on research and training grant applications. In discussing funds for medical research, it is most important that we look at the request for funds in proper perspective. Every American is deeply concerned with an adequate investment in the improvement of our Nation's health. This concern of our people is clearly reflected in the record of steady progress in the health field during the 7 years since I became a member of the House Appropriations Committee.

There are some Members of Congress who have the attitude that whenever a proposed investment of taxpayers' dollars is found to be in the public interest, greater and greater spending for the same purpose will be even more in the public interest. This unsound thinking seems to be particularly applicable to appropriations for the Department of Health, Education, and Welfare.

It would be no less unreasonable to contend that because the people favor frugal government, all public spending should be cut in half.

I cannot and do not subscribe to either of these extremists' approaches to the problems confronting our country today. I believe the overwhelming majority of our people feel the same way. Continued indefinitely, that kind of government would collapse the Nation from within and in the process destroy individual freedom and responsibility.

The actions of the other body on certain of the HEW appropriations seem to me to rest upon a fallacy with implications almost as serious. This fallacy is that a cascade of taxpayers' dollars will guarantee progress in research. The assumption that dollars alone can produce discoveries seems to underlie the disproportionate increase of 63 percent in a single year, in the appropriations recommended by the Senate for the National Institutes of Health. The trouble with this is not only that the end being sought would not thereby be assured, but that we would also risk lowering present research quality, reducing research support from non-Federal sources, and impairing our already hard-pressed teaching and medical care efforts throughout America.

The Department of HEW is making real progress. It should be pointed out that President Eisenhower's budget request for 1960 for this Department exceeds his request of only 6 years ago by more than one and one-quarter billion dollars—indeed a tremendous growth. For medical research the amount requested by President Eisenhower in this 1960 budget is four times as much as Congress appropriated 6 years ago. The amount included in this conference report is almost six times as much as Congress appropriated 6 years ago. The amount included in the Senate bill was more than seven times as much as Congress appropriated 6 years ago.

This bill provides $400 million in the field of medical research. I feel that there are certain areas of medical research which could have made wiser use of these funds than in accordance with provisions of this conference report. For instance, I feel that there is pressing need for construction funds to be made available for direct help for research facilities on cancer, heart, and other diseases through a direct appropriation made under section 433(a) of the Public Health Service Act as amended. It was the position of the Senate conferees, however, and they are adamant in their position, that section 433(a) of the Public Health Service Act did not give authority to go forward with a construction program because the Health Research Facilities Act was passed with the understanding that it superseded this particular section. The position of the Senate conferees was that section 433(a) was in effect nullified by the enactment of the Health Research Facilities Act.

Today I am introducing authorizing legislation to provide for the expenditure of up to $30 million for direct construction aid for cancer and heart disease research centers. This is necessary because of the position of the Senate conferees that section 433(a) has in effect been nullified.

Mr. Speaker, the bill which I have introduced today is the direct result of correspondence which I have carried on with Dr. H. P. Rusch, director, McArdle Memorial Laboratory, for cancer research at the University of Wisconsin.

Some of the correspondence relating to this request for funds to cover the cost of construction of research facilities is as follows:

THE UNIVERSITY OF WISCONSIN,
THE MEDICAL SCHOOL,
Madison, June 15, 1959.

Congressman MELVIN R. LAIRD,
House of Representatives,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSMAN LAIRD: The enclosed letter and statement are self-explanatory.

As a member of the subcommittee on the Departments of Labor and Health, Education, and Welfare, you are the best informed of all our Representatives from Wisconsin on the subject in question. This is an important proposal and is modest in amount, is nonrecurring, and can accomplish much good. I believe that this should be a popular bill.

Would you be willing to introduce a bill which would embody the ideas expressed in this proposal? If you are willing, we shall gladly furnish more detailed information which you may need to prepare a bill in proper form. I hope it is not too late to introduce such a measure as an amendment before the end of the present session.

Within the next couple of days, copies of this statement will also be sent to each Senator and each Member of the House of Representatives from the State of Wisconsin. In addition, because of their special interests, I will send copies to Senators Hill and Neuberger, Congressman Fogarty and Meader, Drs. J. R. Heller, Director of the National Cancer Institute, Harry M. Weaver, vice president for Research of the American Cancer Society, Sidney Farber, director, Children's Cancer Research Hospital in Boston, and Mrs. Mary W. Lasker, Head of the National Health Education Committee.

Sincerely yours,

H. P. RUSCH, M.D.,
Director.

THE UNIVERSITY OF WISCONSIN,
THE MEDICAL SCHOOL,
Madison, June 15, 1959.

Congressman MELVIN R. LAIRD,
House of Representatives,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSMAN LAIRD: Recently Dr. C. A. Elvehjem, president of the University of Wisconsin called a meeting of several scientists from a number of departments to consider how progress on the cancer problem

could be accelerated. The results of the discussion of this committee are summarized in the enclosed statement. We are convinced that the views expressed would receive the enthusiatic support and approval from other scientists both on our campus and at universities elsewhere. The statement has the full approval of Dr. Elvehjem and Dr. J. Z. Bowers, dean of our medical school.

It is my firm conviction that the need for more space for research in this country should be met before funds are provided for the support of research abroad.

A copy of the enclosed statement is being sent to each of the Representatives and Senators from Wisconsin, as well as to Senators HILL and NEUBERGER and to Congressman FOGARTY. We hope that you will agree with our statement and give this matter your favorable support.

Respectfully yours,

H. P. RUSCH, M.D.,
Director.

THE UNIVERSITY OF WISCONSIN,
Madison, June 15, 1959.

Congressman MELVIN R. LAIRD,
Marshfield, Wis.

DEAR CONGRESSMAN LAIRD: President Eisenhower, in a talk before the American Medical Association on June 9, called for accelerated progress in the fight against cancer. It is our considered opinion that if cancer research is to move ahead, funds must be made available for the construction of research laboratories. We urge that the 86th Congress appropriate at least $20 million to be distributed to carefully selected cancer research laboratories for this purpose without the present requirement of matching funds.

Substantial financial support is being provided for cancer research by both public and private funds. As a result of this support, the number of research projects and trained personnel have steadily increased. We now face a critical shortage of laboratory space. In universities throughout the country, ideas are waiting to be tested and men are anxious to test them, but the ultimate victory over cancer will be postponed unless the needed space is provided.

At the present time funds are available for the construction of health research facilities but are granted only if matching funds are provided by the local institution. This places laboratories which are part of a university and which conduct full-time research concerning a specific disease, like cancer, in a serious dilemma. The pressures of increasing enrollments require that major emphasis at universities be given to the construction of teaching facilities; therefore, some research institutions at universities are being inadvertently handicapped because they cannot obtain the matching funds locally which are needed for expansion.

Some Members of Congress have recently proposed an increase in the expenditure for cancer research for the coming year. We strongly urge that a minimum of $20 million be made available for 1 year for the construction of facilities for cancer research and that such grants be without the requirement of matching funds. This minimum amount would, for example, provide approximately $2 million to each of 10 research centers. It is suggested that these funds be administered by the National Advisory Council of Health Research Facilities of the National Institutes of Health.

Respectfully yours,

Prof. Robert Bock, Prof. Robert Burris, Prof. A. R. Curreri, Prof. David Green, Prof. H. O. Halvorson, Prof. Marvin Johnson, Prof. J. A. Miller, Prof. V. R. Potter, Prof. J. Price, Prof. H. P. Rusch, Prof. F. Skoog.

THE UNIVERSITY OF WISCONSIN,
Madison, June 24, 1959.

Congressman MELVIN R. LAIRD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN LAIRD: In reply to your letter of June 17, I am sending the following information to you:

The serious effort to settle the cancer problem began in this country shortly after World War II. At that time the space available for this purpose was critically short, and Congress appropriated funds for construction facilities for several years. In the intervening years the number of people engaged in cancer research has increased greatly, as can be seen from the fact that membership in the American Association for Cancer Research, which is limited to professional senior investigators with considerable experience in this field, has increased from 558 in 1949 to 1,028 in 1959. The construction of laboratories has not kept pace with the annual increase in trained investigators and assistants eager to work in this field.

Investigations on cancer are being conducted at a number of institutions in this country. The following list by States includes most of the laboratories engaged exclusively or primarily in cancer research:

Alabama: Kettering-Meyer Laboratory, Southern Research Institute, Birmingham.

California: Department of Pathology, University of Southern California Medical School, Los Angeles; Division of Cancer Research, University of California Medical School, San Francisco.

Florida: Cancer Research Laboratory, University of Florida, Gainesville; Medical Center, University of Miami, Miami.

Illinois: Ben May Laboratory for Cancer Research, University of Chicago, Chicago; Department of Cancer Research, Michael Reese Hospital, Chicago; Division of Oncology, Chicago Medical School, Chicago.

Kansas: Department of Oncology, University of Kansas Medical School, Kansas City.

Maine: Roscoe B. Jackson Memorial Laboratory, Bar Harbor.

Massachusetts: Children's Cancer Research Foundation, Boston; Huntington Laboratories, Massachusetts General Hospital, Boston.

Michigan: Detroit Cancer Institute, Wayne State University, Detroit.

Minnesota: Division of Cancer Biology, University of Minnesota Medical School, Minneapolis.

New York: Roswell Park Institute for Cancer Research, Buffalo; Institute of Cancer Research, College of Physicians and Surgeons, Columbia University, New York; Sloan-Kettering Institute for Cancer Research, New York.

Oklahoma: Oklahoma Medical Research Foundation, University of Oklahoma, Oklahoma City.

Pennsylvania: Institute for Cancer Research, Philadelphia.

Texas: M. D. Anderson Hospital and Tumor Institute, University of Houston.

Wisconsin: McArdle Memorial Laboratory for Cancer Research and Cancer Research Hospital, University of Wisconsin Medical School, Madison.

U.S. Government: National Cancer Institute, Bethesda.

The above list is presented for your general information. It is as complete as I could make it at the moment, and several centers may have been inadvertently omitted. I am not suggesting all of the centers named above require additional space at this time. In a few cases the need for additional space has probably been alleviated by recent construction, and some of the institutions would not be eligible if the criteria set forth below were to apply. I am certain, however, that the limiting factor at this time in a number of these institutions is a critical shortage of research space.

Decisions concerning space requirements must be based solely on merit and need. To insure an impartial decision on this matter I urge that recommendations concerning the allocation of such funds be made by the Surgeon General of the Public Health Service on recommendation by the National Advisory Council of the Health Research Facilities of the National Institutes of Health. This organization would be in an excellent position to furnish a more detailed list and could certainly provide a more accurate estimate of the monetary value of existing facilities than is available to me. However, on the basis of my own contact with these institutions, I would say that the capital investment in the existing facilities listed above varies from about $100,000 to about $15 million. The total facilities represented by the list could be estimated at between $50 and $70 million.

As I pointed out in my earlier letter, a single appropriation of $20 million for 1 year would allow 10 institutions to expand their facilities by $2 million each, or, in terms of a total existing valuation of $60 million as listed above, this amount to an increase of about 30 percent in available space specifically committed for cancer research.

In my opinion, the standards of eligibility for the proposed construction grants, which would not require matching funds, must be very high to assure that the money will be spent to the greatest advantage. The criteria for judging grant eligibility and priority should be even more exacting than is the case when matching funds are required.

It is, therefore, suggested that the allocation of funds for construction be based on the following criteria.

1. Eligible institutions should have an established record of outstanding work in cancer research.

2. Eligible institutions or key personnel therein should be affiliated with universities or colleges. Universities are responsible not only for a great deal of research, but it is here that our future investigators are trained, so that a shortage of space handicaps not only our present research progress but that for the future as well.

3. Institutions that should not be eligible for these construction facilities are industrial laboratories and Federal laboratories such as the National Institutes of Health, National Cancer Institute, Atomic Energy Commission, etc.

Sincerely yours,

H. P. RUSCH, M.D.,
Director.

THE UNIVERSITY OF CHICAGO,
Chicago, Ill., July 17, 1959.

The Honorable MELVIN R. LAIRD,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN LAIRD: Dr. Harold P. Rusch, Director of the McArdle Memorial Cancer Research Laboratory at the University of Wisconsin, has written his Senators and Congressmen to the effect that the number of trained personnel and research projects aimed at the control or eradication of cancer has steadily increased and states that the bottleneck at the present time is the absence of adequate laboratory space. I should like to support his request strongly that a minimum of $20 million be made available for construction of facilities for cancer research devoid of the present requirement for matching funds.

For example, at the University of Chicago, and we are not unique, we have planned an

underground research laboratory, to be devoted primarily to the solution of the cancer and heart problems, for which we have had an approved Government fund in the amount of $750,000 for approximately 2 years. As yet we have been unable to raise our share and unless we are successful in the very near future, and there seems little prospect of this, we will have to release the funds and forego our plans. This will badly cripple our cancer research program.

The deficits we are incurring annually as a result of increasing costs of research plus inadequate research overhead are a real handicap. Some of the private universities are now planning medical student tuition of $1,500 within the next year or two and yet the tuition costs probably cover only about 20 percent of the universities' medical education program. The research fellowship program of the Public Health Service and the American Cancer Society have been successful in developing a large number of young scientists who cannot put their ideas into an active research program without some new facilities and unless the universities get some relief in the form of operating expenses and more liberal arrangement for additional space, the problem will proceed from serious to critical in a very short time. I would urge these suggestions by the scientists of the University of Wisconsin receive your strong support because they clearly point out a national need for which the people of this country expect support in the interests of their better health.

Sincerely yours,

L. T. COGGESHALL, M.D.,
Dean.

Mr. Speaker, the bill which I have introduced today reads as follows:

A BILL TO AMEND TITLE VII OF THE PUBLIC HEALTH SERVICE ACT TO PROVIDE FOR AN EMERGENCY PROGRAM OF FEDERAL AID FOR THE CONSTRUCTION OF CANCER AND HEART DISEASE RESEARCH FACILITIES

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VII of the Public Health Service Act (42 U.S.C., sec. 292 et seq.) is amended by adding at the end thereof the following new section:

"EMERGENCY PROGRAM FOR CANCER AND HEART DISEASE RESEARCH FACILITIES

"SEC. 711. (a) In addition to any other amounts authorized to be appropriated under this title, there is authorized to be appropriated for the fiscal year ending June 30, 1961, the sum of $30,000,000, for making grants-in-aid for the construction of facilities for research relating to cancer and heart disease; and any sums appropriated pursuant to this section shall remain available until expended.

"(b) Notwithstanding any provision of section 706 of this title, no grant made under this section shall require the expenditure of any non-Federal funds as a condition of such grant."

I want to assure the House, that the House conferees appointed by the Speaker did the best possible job in presenting the position of the House. The figures are large; this report does represent an increase of $259,253,400 over President Eisenhower's budget. What will happen to this bill when it goes on its way through the Senate and to the executive department? I have no idea.

The House should know why these increases were made—your conferees did not desert the House Bill. It was necessary to compromise our position with the Senate in order to get any bill at all.

Mr. FOGARTY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 17, line 2, insert "under title II of the Vocational Education Act of 1946, as amended, which sum shall be available under such title also for the continuation of programs of practical nurse training in effect prior to August 2, 1956."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: Strike out the word "continuation" in said amendment and insert in lieu thereof "expansion and improvement."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 17, line 23, strike out "$6,000,000" and insert "$7,500,000."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$6,000,000: *Provided,* That allotments to the States for the current fiscal year shall be made on the basis of $7,500,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 19, line 13, insert: ":*Provided further,* That no part of this appropriation shall be available for the purchase of science, mathematics, and modern language teaching equipment, or equipment suitable for use for teaching in such fields of education, which can be identified as originating in or having been exported from a Communist country, unless such equipment is unavailable from any other source."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 19, line 25, insert: ": *Provided,* That section 2 of such Act is amended by adding at the end thereof the following: 'Such grants shall also be available to assist such institutions in meeting the costs of training such personnel.' "

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 21, line 22, strike out "$12,500,000" and insert "$12,700,000."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: After the sum named in said amendment insert ", including not to exceed $200,000, to remain available until expended, as the final special grant for the Army-Navy Hospital project at Hot Springs, Arkansas."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 26, line 5, insert: "*Provided further,* That subsection 654(c) of the Act is redesignated as section 637 and transferred to part D under the heading 'Transfers of allotments between States'; and the word 'title' is substituted for the word 'part' wherever it appears therein, and subsections (d) and (e) of section 654 are redesignated as subsections (c) and (d)."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 27, line 13, insert:

"DEPENDENTS' MEDICAL CARE

"For payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (37 U.S.C., ch. 7), not otherwise provided for such amounts as may be required for the fiscal year ending June 30, 1959."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate numbered 26, and concur therein with an amendment, as follows: After the word "amounts" in said amendment, insert the following: "(not to exceed a total of $384,000,".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: On page 39, line 2, insert: ": *Provided,* That the rate of compensation of the General Counsel shall be that prescribed by the Act of July 31, 1956 (5 U.S.C. 623b(a)), so long as the position is held by the present incumbent."

Mr. FOGARTY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: On page 41, line 11, insert:

"SEC. 209. The Secretary is authorized to make available not to exceed $1,500 from funds available for salaries and expenses under this title for entertainment, not otherwise provided for, of officials, visiting scientists, and other experts of other countries."

Mr. FOGARTY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 42, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: On page 41, line 16, insert:

"SEC. 210. Appropriations to the Public Health Service available for research grants pursuant to the Public Health Service Act shall also be available, on the same terms and conditions as apply to non-Federal institutions, for research grants to hospitals of the Service or to Saint Elizabeths Hospital."

Mr. FOGARTY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 41, line 22, insert:

"SEC. 211. Appropriations under this title available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities."

Mr. FOGARTY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 44, and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. STRATTON. Mr. Speaker, I rise in support of the conference report on H.R. 6769, and want to commend the conferees on the excellent job they have done. In particular I want to express to them my appreciation for having acceded to the other body in connection with amendment No. 13, dealing with appropriations for sanitary engineering activities of the U.S. Public Health Service.

This appropriation as it passed the other body included an additional amount of $50,000 to authorize the U.S. Public Health Service to undertake a pilot study throughout the country into the correlation between naturally radioactive rock outcroppings and the incidence of malformed babies. These funds were included in H.R. 6769 in the other body, Mr. Speaker, at my request, and are specifically mentioned at the top of page 17 of the report—No. 425—issued by the Appropriations Committee of the other body. I recommend to the committee that this money be included because there had just been brought to my attention, after H.R. 6769 had passed this House, the very significant and startling findings of a study recently made in my State of New York by the State Regional Health Officer in Syracuse, Dr. John T. Gentry. According to Dr. Gentry's study, a very close and definite correlation exists between areas of the State in which naturally radioactive rocks crop out above the surface of the earth and the percentage of babies born in these areas with such malformations as cleft palates, harelips, and the like. These findings, if they are true, give us for the first time a specific and rather shocking example of possible genetic effects of radioactivity, even in extremely small but very steady doses.

Because of the significance of such information in this atomic age of ours, it seemed to me, Mr. Speaker, a matter of the highest urgency that the findings of this New York State Health Department study should be checked against findings in other parts of the country where rock outcroppings of an even higher degree of radioactivity occur, so as to determine whether the New York results were in fact borne out elsewhere. The U.S. Public Health Service informed me, however, that they did not have funds to carry out any such study in the coming fiscal year, even on a pilot basis. But they did tell me that $50,000 would enable them to set up such a study, provided I could succeed in getting this amount included in the 1960 appropriation for the Department of Health, Education, and Welfare, which had already passed this House.

Fortunately the subcommittee of the other body, under the chairmanship of the distinguished Senator from Alabama [Mr. HILL], accepted my recommendation to them on this score and included an additional $50,000 specifically earmarked so that this vital study of the genetic effects of radiation over long periods of time could be undertaken without any unnecessary delay. The Members of the other body very kindly approved the recommendations of the subcommittee and of the full committee. And now today, Mr. Speaker, I am happy indeed to see that the conference managers on the part of the House have agreed to the action of the other body on this item which is small in terms of dollars, of course, but with vast implications for the future of our people. I commend them for their sound judgment, and I am proud that once again the able work of officials in New York State has sparkplugged more extensive activity and research elsewhere that will be of benefit to the Nation as a whole.

I urge the adoption of the conference report.

Mr. METCALF. Mr. Speaker, I am grateful to the members of the conference committee from the House for agreeing to the Senate amendment adding the appropriation for the construction of an animal house at the Rocky Mountain Laboratory at Hamilton, Mont.

This construction was one of the items in the budget and will result in considerable saving in construction costs because the animal house will free space in the Laboratory itself for experimental use of a much higher type.

The following description of the mission of the Rocky Mountain Laboratory and the construction contemplated, sets forth the importance of this item:

MISSION OF THE ROCKY MOUNTAIN LABORATORY

The Rocky Mountain Laboratory of the National Institute of Allergy and Infectious Diseases, established to study and bring under control the spotted fever which in the early years of the century plagued the Rocky Mountain area, continues to fulfill its responsibilities to the western region of the United States. It is a world center for research on rickettsial diseases including Q-fever; for work on Colorado tick fever which is important to the health of the people of the Western States; and for work on mosquito-borne diseases, such as western equine encephalitis, which are serious diseases that threaten both man and domestic animals.

The Hamilton, Mont., researchers are in a strategic position with regard to a number of fungus infections, including some that thrive in dry climate, such as the agent of coccidioidomycosis, which causes influenzalike symptoms and may result in lesions of the lung resembling those of tuberculosis. Histoplasmosis and other fungi are also under investigation.

Control of these, and indeed many diseases, rests on knowledge of ecology, epidemiology, pathogenesis and immunology. Such knowledge can only be obtained from studies made in the region where a particular disease is prevalent. Examples of how the Rocky Mountain Laboratory scientists have contributed and are contributing to such fundamental knowledge can be found both in the Laboratory's original achievement in conquering Rocky Mountain spotted fever and in current studies on Q-fever, Colorado tick fever and the fungal diseases of the Western States.

Corollary to such studies are others now underway which have as their goal development of effective vaccines for prevention of infections in man and his domestic animals, or of better diagnostic and therapeutic agents. But the primary importance of the Laboratory rests on its location which permits its scientists to observe at firsthand the natural reservoirs of diseases, their transmission in nature, and the point in a disease's natural cycle where interruption by man and his domestic animals results in spread of a disease to humans, cattle, sheep and horses.

The Rocky Mountain Laboratory of the National Institute of Allergy and Infectious Diseases has evolved from the public health mission of a few men who, working in log cabins, an old woodshed, and an abandoned school building achieved the conquest of Rocky Mountain spotted fever. Today the Laboratory is a modern $2 million research outpost for the Northwest and the Nation.

The relative isolation of the Rocky Mountain Laboratory in the Bitterroot Valley of Montana is only geographic. Scientifically, this medical research institution is a world renowned center for the study of rickettsial infections and other diseases endemic or epidemic in the Western States.

INTERNATIONAL CENTER

Since 1946 the International Northwest Conference on Diseases in Nature Communicable to Man has represented a scientific roundtable for assessing plans and progress against a host of infectious diseases of worldwide importance. In addition to participants from abroad, scientists from almost every State in the Union and several Provinces of Canada have attended this Conference. At the 13th annual meeting last year, held under auspices of the Rocky Mountain Laboratory, new findings on the severity of Colorado tick fever and the threat to public health of increased rodent populations in the Northwest were among the presentations.

Many of the diseases of special regional interest in the Northwest are also public health problems throughout the United States and abroad, although the ecology of these diseases is best studied in the western region where even the relative isolation may permit a sharper focus upon a specific problem.

ROCKY MOUNTAIN SPOTTED FEVER

The story of the conquest of spotted fever represents an important contribution by the Rocky Mountain Laboratory to public health progress and also illustrates how a seemingly provincial public health approach may turn out to be lifesaving for the Nation.

The first studies of spotted fever were begun in 1902 by Drs. L. B. Wilson and W. M. Chowning of the University of Minnesota, at the request of Dr. A. F. Longeway, secretary of the then newly created Montana State Board of Health. At that time spotted fever was known in other parts of the Rocky Mountain region, but in none of them was it as severe as in the Bitterroot Valley, where more than 80 percent of adults who contracted the disease died.

For several years following this initial research, other investigators studied the disease. One of them, Dr. Howard Taylor Ricketts, of the University of Chicago, carried on work in the Bitterroot Valley each spring from 1906 to 1908, and it was he who proved that the Rocky Mountain wood tick, dermacentor andersoni, was the agent responsible for transmitting this disease to man.

Eventually it became apparent, however, that tick-control measures alone would never solve the spotted fever problem. The Montana State Health Department and the U.S. Public Health Service brought their combined resources to bear upon this disease. Finally, an experimental vaccine was developed and proven effective through trials in large numbers of guinea pigs. Several investigators lost their lives in this work with the highly infectious rickettsial organism before adequate safety measures could be devised. Within a few years the output of vaccine rose from only enough to supply 4,000 persons at a cost of about $20 per person to enough for 150,000 at a cost of about 75 cents per person. Finally, in line with Public Health Service policy, the Laboratory turned over production of the vaccine to commercial manufacturers when such production became practical.

In 1930 spotted fever acquired prominence as a national problem when the first diagnosed case was reported in Pennsylvania. Within a few years it became apparent that the American dog tick, Dermacentor variabilis, could transmit the disease. From 1940 to 1950 more cases of this disease were reported in the States of Virginia, Maryland, and North Carolina than in all of the Western States combined. However, better diagnosis and early treatment with broad-spectrum antibiotics and use of vaccine by persons at special risk have greatly reduced the hazard.

The success of the Rocky Mountain Laboratory against spotted fever and the background of scientific information acquired during this work provided a beachhead for mounting an attack on a number of other disease problems, including tick and mosquito-borne infections for which animals are the reservoirs. The work of the Laboratory reached out beyond the Bitterroot Valley to aid adjoining regions. The growing populations of the Western States found this a medical research center with a special emphasis upon their health security.

COLORADO TICK FEVER

The Rocky Mountain wood tick, dermacentor andersoni, which transmits spotted fever, also is an intermediate host in carrying another animal infection to man—the virus of Colorado tick fever.

Several hundred cases are reported each year in the Western United States, including California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming. Visitors to these States have become infected. Outbreaks among residents have been sporadic, including sheepherders in areas of Nevada and Idaho, a group of Nevada college students, and the inhabitants of a monastery. About 1,000 human serums collected in Idaho, Wyoming, and Colorado were tested for the presence of antibodies against Colorado tick fever. Seven percent of the serums was found to possess antibodies, suggesting a surprisingly high incidence of infection, even for endemic rural areas.

The consequences of the fever are not always mild. A hemorrhagic tendency has been observed, virus has been isolated from the blood of cases with central nervous system involvement, and one fatal case has been encountered. No effective chemotherapeutic drug is available against this virus infection.

The Rocky Mountain Laboratory has devised efficient diagnostic tests for this disease, and the virus has been adapted to growth in tissue culture. A vaccine has been developed and proven effective through extensive animal trials. Arrangements have been made to use it experimentally in human volunteers.

Q-FEVER

Q-fever, one of the rickettsial diseases that has worldwide as well as regional importance, is receiving intensive study at Hamilton. The Laboratory is conducting a nationwide epidemiological survey of Q-fever infections in animals and humans. State health departments and agricultural agencies are demonstrating that the infection, which causes a wider range of pneumonialike symptoms, is occurring in areas previously free of the disease.

The discovery of Q-fever in Wisconsin and its prevalence there are of particular concern because this State exports large numbers of dairy cows and the disease could be spread to other areas through shipment of infected cattle. Man contracts the disease through occupational exposure to cattle and other livestock, residence near infected premises, or from household use of raw, infected milk. The illness can be debilitating and sometimes develops into chronic disease.

The Q-fever situation in Ohio is similar to that of Wisconsin, but less advanced. Infections are also being reported by Mississippi, Louisiana, Iowa, Nebraska, North Carolina, and Virginia, and positive serum titers in veterinarians in Pennsylvania point to the presence of the disease in that State.

In the forementioned Q-fever survey, the Rocky Mountain Laboratory is serving as a focal point for receiving and evaluating reports from each of the States on the serological evidence of this infection in livestock and in humans. The Laboratory is also assisting the State health departments and the agricultural agencies in performing tests of human, sheep and bovine serums and of bovine milk samples to detect antibodies against the causating organism, Coxiella burnetii, employing a simple, rapid method developed by a scientist of the laboratory staff.

The laboratory plans to evaluate the data obtained from this coordinated, epidemiological survey, and to determine appropriate measures to be instituted for controlling the spread of Q-fever among livestock and preventing human infections.

TULAREMIA

While still working on spotted fever, scientists at the Rocky Mountain Laboratory found that tularemia sometimes is transmitted by ticks. Although this disease is not as severe as spotted fever, the illness is usually of long duration. It was also found that the tularemia bacterium may be present in streams polluted by infected cattle, sheep and other animals.

Considerable work on this infection led to a number of discoveries and has pointed to the possibility of an improved vaccine for people who handle rabbit carcasses—which are the usual source of human infection—and others at special risk.

In relation to vaccine development, scientists at the Laboratory found several years ago that protecting fractions of the organisms causing tularemia, histoplasmosis, salmonellosis, and certain

other diseases are wholly contained in the cell wall. They are working today on the tularemia bacterium and several other agents to purify the essential immunity-producing fraction and remove all useless or toxic substances. They are hopeful that this research may lead to development of greatly improved vaccines against tularemia and a wide variety of other infectious diseases. For example, a tuberculosis vaccine prepared by these methods is a definite possibility, and a project working toward this goal is underway in one of the units at the Rocky Mountain Laboratory.

EXPANDING NEEDS

With the continuing expansion of the service of the Rocky Mountain Laboratory to the Western States and the Nation, animal experimentation, as used in the Colorado tick fever vaccine study and for other purposes, has increased materially. The Laboratory is an unusually self-sufficient research center because of its relatively isolated location, and animal production is one of the responsibilities it must assume.

Animals are needed to study the efficacy and safety of several of the prophylactic preparations under development at the Laboratory, and are also employed to study host factors in disease and to clarify a number of other biological phenomena related to human infections and, incidentally, to certain poultry and livestock diseases.

The rabbitskin test developed by the Rocky Mountain Laboratory as an index of the immunity produced by an experimental tuberculous vaccine, for example, is a thousandfold more sensitive than previously employed mouse skin tests. The new method makes possible a more critical evaluation of minute fractions of purified protective material in the vaccine studies—but rabbits are relatively large animals, and these studies, which use hundreds of them, are among those now overtaxing the Laboratory animal facilities. Validity of scientific findings is, of course, dependent upon adequate quantitation of results.

Another means of correlating vaccine effectiveness in animals has also been developed in which mice are infected intranasally by a spray of tuberculosis organisms. After 10 days, lung sections are examined, and the presence or absence of organisms is an index of infection or of successful resistance produced under controlled conditions by experimental vaccines. Results are correlated with the other tests, providing a further check on reliability. These procedures, of course, have greatly increased the demands upon the mouse production facility.

The Rocky Mountain Laboratory, with its emphasis upon diseases often involving animal hosts, makes wider use of animal experimentation and has a higher degree of technical skill in this area than many other laboratories. This is the case, for example, in work on the natural history of tick-borne diseases such as the virus-caused Colorado tick fever. While laboratory mice are used in neutralization tests for diagnosing the disease, wild rodents, including ground squirrels, are trapped extensively in the search for reservoir hosts of the virus. These animals do not tax the animal production facilities of the Laboratory, but they employ space that otherwise might be improvised for animal production, although that is a makeshift and uneconomical alternative.

A large wooden building was built more than 10 years ago as a makeshift structure for mice breeding. Its inefficiency has been evident from cross-infections in the mouse colonies. The building is also inadequate for present-day needs.

In the face of expanding research programs, the Laboratory until recently has been able to meet its minimum needs by great and costly exertion in using makeshift and temporary wood structures for breeding animals, in adapting laboratory space for animal rearing during periods of special emergency need, or in placing special orders for shipment of larger animals across country from NIH in Bethesda.

Animals provided by outside breeders do not always meet the standards of the researchers, and the individual producers cannot economically meet the changing needs of various units of the Laboratory. Some have proved dependable, but this means of obtaining animals is very expensive in the overall. The increasing need has made these stopgap arrangements unsatisfactory. Accordingly, plans have been drawn up for an adequate animal production facility.

The proposed building would be approximately 160 by 50 feet, cement slab, single story, cinder block or tile veneer of the simplest type and design and one which would afford the most space for the least money. Cost of the basic construction, including the essential mechanical and service installations such as cage-washing facilities needed in the operation of the building, is estimated at $150,000. The utilities, including heat for the building, would be supplied by connection to the existing steam and power sources of the Laboratory. The building would be constructed on land which belongs to the United States Government and is a part of the present 19-acre plot on which the Rocky Mountain Laboratory is located.

GENERAL LEAVE TO EXTEND REMARKS

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

MILITARY CONSTRUCTION AUTHORIZATION, FISCAL YEAR 1960

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, in view of the fact that this is a very lengthy statement and has already been printed, I ask unanimous consent to dispense with the reading of the statement of the managers on the part of the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman is going to yield time to explain the conference report?

Mr. VINSON. I will accede to the requests that have been made and will explain the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 729)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

"Inside the United States

"Technical Services Facilities

"(Ordnance Corps)

"Aberdeen Proving Ground, Maryland: Training facilities and troop housing, $785,000.

"Letterkenny Ordnance Depot, Pennsylvania: Maintenance facilities, $454,000.

"Redstone Arsenal, Alabama: Operational facilities, research, development, and test facilities, medical facilities, troop housing, and utilities, $5,292,600.

"Savanna Ordnance Depot, Illinois: Supply facilities, $1,160,000.

"(Quartermaster Corps)

"Fort Lee, Virginia: Training facilities and troop housing, $414,000.

"Columbus General Depot, Ohio: Utilities, $2,783,000.

"(Chemical Corps)

"Fort Detrick, Maryland: Research, development, and test facilities, $270,000.

"Dugway Proving Ground, Utah: Reserach development, and test facilities, operational facilities, and utilities, $532,000.

"(Signal Corps)

"Fort Huachuca, Arizona: Operational facilities, research, development, and test facilities, and utilities, $3,230,000.

"(Corps of Engineers)

"Fort Belvoir, Virginia: Operational facilities, medical facilities, research, development, and test facilities, and utilities, $1,376,000.

"(Transportation Corps)

"Fort Eustis, Virginia: Hospital and medical facilities, $4,285,500.

"Charleston Transportation Depot, South Carolina: Family housing, $190,000.

"(Medical Corps)

"Fitzsimons Army Hospital, Colorado: Medical facilities and utilities, $188,000.

"Field Forces Facilities

"(First Army Area)

"Fort Devens, Massachusetts: Training facilities, $59,000.

"Fort Dix, New Jersey: Training facilities, $64,000.

"(Second Army Area)

"A. P. Hill Military Reservation, Virginia: Training facilities, $229,000.

"Fort Knox, Kentucky: Training facilities, maintenance facilities, supply facilities, and community facilities, $2,541,000.

"Fort Meade, Maryland: Training facilities medical facilities, and utilities, $2,530,000.

"(Third Army Area)

"Fort Benning, Georgia: Training facilities and maintenance facilities, $1,090,000.

"Fort Bragg, North Carolina: Operational facilities, maintenance facilities, and community facilities, $1,228,000.

"Fort Campbell, Kentucky: Utilities, $2,300,000.

"Fort Rucker, Alabama: Operational and training facilities and supply facilities, $2,636,000.

"Fort Stewart, Georgia: Training facilities, $238,000.

"(Fourth Army Area)

"Fort Bliss, Texas: Operational and training facilities, troop housing, maintenance facilities, supply facilities, administrative facilities, and utilities, $7,260,000.

"Fort Sam Houston, Texas: Operational and training facilities and maintenance facilities, $840,000.

"Fort Sill, Oklahoma: Operational and training facilities and maintenance facilities, $5,337,000.

"(Fifth Army area)

"Fort Leavenworth, Kansas: Utilities, $160,000.

"Fort Leonard Wood, Missouri: Operational facilities, medical facilities and utilities, $553,000.

"Army Support Center, St. Louis, Missouri: Administrative facilities, $261,000.

"(Sixth Army area)

"Presidio of San Francisco, California: Utilities, $218,000.

"(United States Military Academy)

"United States Military Academy, West Point, New York: Family housing and utilities, $6,303,000.

("Alaska Command area)

"Fort Greely: Family housing and community facilities, $2,395,000.

"Fort Richardson: Training facilities, $321,000.

"(Tactical installations and support facilities)

"Various locations: Family housing, $1,646,000.

"Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities and utilities, $13,194,000.

"Outside the United States

"(Pacific Command area)

"Helemano, Hawaii: Real estate, $90,000.

"Schofield Barracks, Hawaii: Training facilities and community facilities, $1,259,000.

"Camp Buckner, Okinawa: Training facilities, $217,000.

"Pacific Scatter System: Operational facilities, maintenance facilities, troop housing, and utilities, $3,104,000.

"(Caribbean Command area)

"Fort Kobbe, Canal Zone: Training facilities, $228,000.

"(European Command area)

"France: Training facilities, $140,000.

"Germany: Operational and training facilities, maintenance facilities, supply facilities, community facilities, and utilities, $10,338,000.

"Italy: Operational facilities, maintenance facilities, supply facilities, community facilities, troop housing and utilities, $1,973,000.

"(Army Security Agency)

"Various locations: Administrative facilities, operational facilities, maintenance facilities, troop housing, medical facilities, supply facilities, community facilities, family housing, and utilities, $5,573,000.

"(Strategic Army Communications)

"Various locations: Operational facilities, community facilities, and utilities $1,288,000.

"SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $81,830,000.

"SEC. 103. (a) The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"(b) Section 103 of the Act of August 20, 1958 (72 Stat. 636, 638) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this Act.

"SEC. 104. (a) In accordance with the provisions of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Army is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

"Various locations, France, 400 units.

"Army Security Agency, location 12, 157 units and community facilities.

"(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Army is authorized to construct family housing for occupancy as public quarters at the following locations:

"Inside the United States

"ARADCOM Tac Sites, 575 units.
"Fort Huachuca, Arizona, 200 units.
"Fort Eustis, Virginia, 223 units.
"Fort Dix, New Jersey, 200 units.
"Fort Ritchie, Maryland, 27 units.
"Fort Bragg, North Carolina, 367 units.
"Fort Bliss, Texas, 1,000 units.
"Fort Hood, Texas, 800 units.
"Fort Riley, Kansas, 867 units.
"Fort Leonard Wood, Missouri, 800 units.
"Camp Irwin, California, 140 units.
"Fort Ord, California, 500 units.
"Fort Knox, Kentucky, 350 units.
"Fort Devens, Massachusetts, 1,200 units.

"Outside the United States

"Camp Losey, Puerto Rico, 150 units.

"SEC. 105. (a) Public Law 85–241, as amended, is amended under the heading 'Continental United States', in section 101, as follows:

"(1) Under the subheading 'Technical Services Facilities (Ordnance Corps)', with respect to Aberdeen Proving Ground, Maryland, strike out '$2,288,000' and insert in place thereof '$2,613,000'.

"(2) Under the subheading 'Technical Services Facilities (Quartermaster Corps)', with respect to New Cumberland General Depot, Pennsylvania, strike out '$464,000' and insert in place thereof '$597,000'.

"(3) Under the subheading 'Technical Services Facilities (Signal Corps)', with respect to Fort Huachuca, Arizona, strike out '$1,936,000' and insert in place thereof '$2,276,000'.

"(4) Under the subheading 'Field Forces Facilities (Fifth Army Area)', with respect to Fort Leonard Wood, Missouri, strike out '$4,663,000' and insert in place thereof '$5,051,000'.

"(b) Public Law 85–241, as amended, is amended by striking out in clause (1) of section 502 the amounts '$116,915,000' and '$294,394,000' and inserting in place thereof '$118,101,000' and '$295,580,000', respectively.

"TITLE II

"SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities and equipment for the following projects:

"Inside the United States

"Shipyard Facilities

"Naval Shipyard, Boston, Massachusetts: Maintenance facilities, $1,422,000.

"Naval Shipyard, Brooklyn, New York: Maintenance facilities, $365,000.

"David Taylor Model Basin, Carderock, Maryland: Research, development, and test facilities, $318,000.

"Naval Shipyard, Long Beach, California: Subsidence protective measures, $500,000.

"Naval Submarine Base, New London, Connecticut: Troop housing, utilities, and real estate, $3,146,000.

"Naval Shipyard, Portsmouth, New Hampshire: Operational facilities, and maintenance and production facilities, $3,497,000.

"Fleet Base Facilities

"Naval Station, Newport, Rhode Island: Operational facilities, $7,353,000.

"Naval Station, Treasure Island, California: Utilities, $701,000.

"Aviation Facilities

"(Naval air training stations)

"Naval Auxiliary Air Station, Meridian, Mississippi: Operational and training facilities, supply facilities, and administrative facilities; and, at Outlying Landing Field, Bravo, operational and training facilities, utilities, and ground improvements, and real estate, $5,147,000.

"Naval Air Station, Pensacola, Florida: Community facilities, $400,000.

"Naval Auxiliary Air Station, Whiting Field, Florida: Operational and training facilities, and real estate, $2,811,000.

"(Fleet Support Air Stations)

"Naval Air Station, Lemoore, California: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, troop housing, community facilities, and utilities and ground improvements, $26,584,250.

"Naval Air Station, Miramar, California: Operational facilities $305,000.

"Naval Air Station, Oceana, Virginia: Operational facilities, $336,000.

"(Marine Corps Air Station)

"Marine Corps Auxiliary Air Station, Beaufort, South Carolina: Operational facilities, $51,000.

"Marine Corps Air Station, El Toro, California: Operational facilities, $48,000.

"Marine Corps Air Facility, Santa Ana, California: Troop housing, $2,216,000.

"Marine Corps Auxiliary Air Station, Yuma, Arizona: Operational and training facilities, maintenance facilities, and troop housing, $3,851,000.

"(Special Purpose Air Stations)

"Naval Air Facility, Towers Field, Andrews Air Force Base, Camp Spring, Maryland: Operational facilities, maintenance facilities, and troop housing, $1,051,000.

"Naval Air Station, Lakehurst, New Jersey: Utilities, $726,000.

"Naval Air Station, Patuxent River, Maryland: Research, development, and test facilities, $1,050,000.

"Naval Air Material Center, Philadelphia, Pennsylvania: Research, development, and test facilities, $333,000.

"Pacific Missile Range, Point Mugu, California: Operational facilities, maintenance facilities, research, development, and test facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, and utilities and ground improvements; at Point Arguello, maintenance facilities, research, development, and test facilities, ammunition storage facilities, troop housing, community facilities, and utilities and ground improvements; and at various Pacific islands, operational facilities, research, development, and test facilities, and troop housing, $30,000,000.

"Supply Facilities

"Naval Supply Depot, Bayonne, New Jersey: Administrative facilities, $123,000.

"Military Medical Supply Agency, Brooklyn, New York: Administrative facilities, $113,000.

"Naval Supply Depot, San Diego, California: Administrative facilities, $100,000.

"Marine Corps Facilities

"Marine Corps Supply Center, Barstow, California: Utilities, $432,000.

"Marine Corps Base, Camp Lejeune, North Carolina: Operational and training facilities, and ammunition storage facilities, $328,000.

"Marine Corps Base, Twentynine Palms, Califorina: Operational and training facilities, ammunition storage facilities, and utilities, $1,137,000.

"Ordnance Facilities

"Naval Propellant Plant, Indian Head, Maryland: Research, development, and test facilities, $972,000.

"Service School Facilities

"Naval Academy, Annapolis, Maryland: Utilities, $1,025,000.

"Naval Communication Training Center, Corry Field, Florida: Operational and training facilities, $1,000,000.

"Naval Training Center, Great Lakes, Illinois: Troop housing and utilities, $4,712,000.

"Naval Station, Norfolk, Virginia: Real estate, $81,000.

"Naval Training Center, San Diego, California: Utilities, $144,000.

"Medical Facilities

"Naval Medical Research Laboratory, New London, Connecticut: Medical research facilities, $75,000.

"Communication Facilities

"Naval Radio Station, Buskin Lake, Kodiak, Alaska: Operational facilities, $84,000.

"Naval Security Group Activity, Cape Chiniak, Alaska: Operational facilities, $40,000.

"Naval Communication Station, Norfolk, Virginia: Operational facilities, $1,781,000.

"Naval Radio Research Station, Sugar Grove, West Virginia: Maintenance facilities, medical facilities, administrative facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, $3,957,000.

"Naval Radio Station, Washington County, Maine: Operational facilities, maintenance facilities, supply facilities, community facilities, administrative facilities, and ground improvements, $3,179,000.

"Naval Radio Station, Winter Harbor, Maine: Troop housing, $271,000.

"Office of Naval Research Facilities

"Naval Research Laboratory, District of Columbia: Research, development and test facilities, $1,591,000.

"Outside the United States

"Shipyard Facilities

"Naval Ship Repair Facility, Guam, Mariana Islands: Operational facilities, $507,000.

"Aviation Facilities

"Naval Station, Argentia, Canada: Troop housing and community facilities, $4,133,000.

"Naval Air Station, Atsugi, Japan: Operational facilities, $1,640,000.

"Naval Station, Bermuda: Troop housing, $295,000.

"Naval Air Station, Cubi Point, Luzon, Philippine Islands: Operational facilities, $76,000.

"Marine Corps Air Station, Kaneohe Bay, Oahu, Territory of Hawaii: Operational facilities, $47,000.

"Naval Station, Roosevelt Roads, Puerto Rico: Operational facilities, hospital and medical facilities, troop housing, community facilities, and utilities and ground improvements, $3,579,000.

"Naval Air Station, Rota, Spain: Operational facilities, $5,400,000.

"Supply facilities

"Naval Supply Center, Pearl Harbor, Oahu, Territory of Hawaii: Supply facilities, and administrative facilities, $4,796,000.

"Communication facilities

"Naval Security Group Activity, Karamursel, Turkey: Utilities, $105,000.

"Naval Radio Facility, Londonderry, North Ireland: Troop housing, $267,000.

"Naval Radio Station, Lualualei, Oahu, Territory of Hawaii: Utilities and ground improvements, $350,000.

"Naval Security Group Activity, Okinawa: Operational facilities, $2,038,000.

"Naval Radio Station, Sebana Seca, Puerto Rico: Utilities, $86,000.

"Naval Radio Station, Wahiawa, Oahu, Territory of Hawaii: Utilities and ground improvements, $274,000.

"Yards and docks facilities

"Public Works Center, Guam, Mariana Islands: Utilities and ground improvements, and real estate, $10,947,000.

"Naval Station, Guantanamo Bay, Cuba: Utilities, $760,000.

"SEC. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $18,495,000.

"SEC. 203. (a) The Secretary of the Navy may establish or develop Navy installation and facilities by proceeding with construction made necessary by changes in Navy missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interest of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"(b) Section 203 of the Act of August 20, 1958 (72 Stat. 636, 646) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this Act.

"SEC. 204. (a) In accordance with the provisions of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Navy is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

"Naval Station, Bermuda, 100 units.

"(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Navy is authorized to construct family housing for occupancy as public quarters at the following locations:

"Naval Ammunition Depot, Charleston, South Carolina, 40 units.

"Naval Ordnance Test Station, China Lake, California, 500 units.

"Naval Auxiliary Air Station, Fallon, Nevada, 106 units.

"Naval Air Station, Glynco, Georgia, 225 units.

"Naval Station, Key West, Florida, 500 units.

"Naval Air Station, Lemoore, California, 500 units.

"Naval Auxiliary Air Station, Mayport, Florida, 40 units.

"Naval Auxiliary Air Station, Meridian, Mississippi, 320 units.

"Naval Auxiliary Air Station, New Iberia, Louisiana, 178 units.

"Naval Submarine Base, New London, Connecticut, 500 units.

"Naval Station, Newport, Rhode Island, 500 units.

"Naval Mine Defense Laboratory, Panama City, Florida, 42 units.

"Marine Corps Schools, Quantico, Virginia, 450 units.

"Naval Radio Research Station, Sugar Grove, West Virginia, 142 units.

"Marine Corps Base, Twentynine Palms, California, 150 units.

"Naval Auxiliary Air Station, Whiting Field, Florida, 229 units.

"Marine Corps Auxiliary Air Station, Yuma, Arizona, 100 units.

"SEC. 205. (a) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in section 202, '$72,785,000', and inserting in place thereof '$72,935,000'.

"(b) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts '$72,785,000', and '$212,833,000', and inserting respectively in place thereof '$72,935,000' and '$212,983,000'.

"SEC. 206. (a) Public Law 968, Eighty-fourth Congress, as amended, is amended under the heading 'INSIDE THE UNITED STATES' in section 201, as follows:

"(1) Under the subheading 'AVIATION FACILITIES (Naval Air Training Stations)', with respect to the Naval Air Station, Memphis, Tennessee, by striking out '$511,000' and inserting in place thereof '$664,000'.

"(2) Under the subheading 'AVIATION FACILITIES (Marine Corps Air Stations)' with respect to the Marine Corps Air Station, Cherry Point, North Carolina, by striking out '$273,000' and inserting in place thereof '$330,000'.

"(b) Public Law 968, Eighty-fourth Congress, as amended, is amended by striking out in clause (2) of section 402 the amounts '$312,004,000', and '$460,716,000' and inserting respectively in place thereof '$312,214,000', and '$460,926,000'.

"SEC. 207. (a) Public Law 85-241, as amended, is amended under the heading 'INSIDE THE UNITED STATES' in section 201, as follows:

"(1) Under the subheading 'AVIATION FACILITIES (Marine Corps Air Stations)', with respect to the Marine Corps Air Facility, New River, North Carolina, by striking out '$39,000' and inserting in place thereof '$52,000'.

"(2) Under the subheading 'MARINE CORPS FACILITIES', with respect to the Marine Corps Base, Camp Pendleton, California, by striking out '$1,469,000' and inserting in place thereof '$1,596,000'.

"(b) Public Law 85-241, as amended, is amended under the heading 'OUTSIDE THE UNITED STATES' in section 201 as follows:

"Under the subheading 'COMMUNICATION FACILITIES' with respect to the Naval Security Group Activity, Istanbul, Turkey, by striking out '$130,000' and inserting in place thereof '$320,000'.

"(c) Public Law 85-241, as amended, is amended by striking out in clause (2) of section 502 the amounts '$230,356,000', '$48,199,000', and '$337,611,000', and inserting respectively in place thereof '$230,496,000', '$48,369,000', and '$337,941,000'.

"TITLE III

"SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

"Inside the United States

"Air Defense Command

"Duluth Municipal Airport, Duluth, Minnesota: Operational facilities, maintenance facilities, and community facilities, $766,000.

"Geiger Field, Spokane, Washington: Maintenance facilities, $190,000.

"Grand Forks Air Force Base, Grand Forks, North Dakota: Training facilities, maintenance facilities, supply facilities, troop housing, and utilities, $2,309,000.

"Hamilton Air Force Base, San Rafael, California: Operational facilities, and maintenance facilities, $1,285,000.

"K. I. Sawyer Municipal Airport, Marquette, Michigan: Training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, and troop housing, $2,779,000.

"Kingsley Field, Klamath Falls, Oregon: Operational facilities, maintenance facilities, and real estate, $955,000.

"Kinross Air Force Base, Sault Sainte Marie, Michigan: Training facilities, maintenance facilities, supply facilities, and troop housing, $1,755,000.

"McChord Air Force Base, Tacoma, Washington: Maintenance facilities, and utilities, $523,000.

"Minot Air Force Base, Minot, North Dakota: Training facilities, maintenance facilities, supply facilities, troop housing, and utilities, $3,371,000.

"NORAD Headquarters, Colorado Springs Area, Colorado: Operational facilities, and real estate, $10,000,000.

"Otis Air Force Base, Falmouth, Massachusetts: Operational facilities, maintenance facilities, and supply facilities, $1,234,000.

"Oxnard Air Force Base, Camarillo, California: Operational facilities and real estate, $255,000.

"Richards-Gebaur Air Force Base, Kansas City, Missouri: Maintenance facilities, community facilities, and utilities, $866,000.

"Selfridge Air Force Base, Mount Clemens, Michigan: Maintenance facilities, $612,000.

"Suffolk County Air Force Base, Westhampton Beach, New York: Operational facilities, and real estate, $269,000.

"Tyndall Air Force Base, Panama City, Florida: Operational facilities, maintenance facilities, supply facilities, troop housing, and utilities, $4,266,000.

"Alaskan Air Command

"Eielson Air Force Base, Alaska: Community facilities, and utilities, $1,181,000.

"Elmendorf Air Force Base, Alaska: Operational facilities, maintenance facilities, supply facilities, and utilities, $1,150,000.

"Galena Airport, Alaska: Ground improvements, $100,000.

"King Salmon Airport, Alaska: Supply facilities, and utilities, $1,690,000.

"Ladd Air Force Base, Alaska: Maintenance facilities, $250,000.

"Various locations, Alaska: Operational and training facilities, community facilities, and utilities, $16,510,000.

"Air Materiel Command

"Griffiss Air Force Base, Rome, New York: Maintenance facilities, and supply facilities, $676,000.

"Hill Air Force Base, Ogden, Utah: Operational facilities, $341,000.

"Kelly Air Force Base, San Antonio, Texas: Operational facilities, and utilities, $1,180,000.

"McClellan Air Force Base, Sacramento, California: Operational facilities, and supply facilities, $1,548,000.

"Olmsted Air Force Base, Middletown, Pennsylvania: Operational facilities, maintenance facilities, supply facilities, medical facilities, and community facilities, $2,676,000.

"Robins Air Force Base, Macon, Georgia: Supply facilities, and troop housing, $900,000.

"Tinker Air Force Base, Oklahoma City, Oklahoma: Operational facilities, and maintenance facilities, $1,036,000.

"Wright-Patterson Air Force Base, Dayton, Ohio: Research, development, and test facilities, and supply facilities, $12,000,000.

"Air Research and Development Command

"Arnold Engineering Development Center, Tullahoma, Tennessee: Research, development, and test facilities, and utilities, $5,690,000.

"Edwards Air Force Base, Muroc, California: Research, development, and test facilities, and medical facilities, $787,000.

"Eglin Air Force Base, Valparaiso, Florida: Operational facilities, maintenance facilities, and research, development, and test facilities, $833,000.

"Holloman Air Force Base, Alamogordo, New Mexico: Research, development, and test facilities, and utilities, $909,000.

"Laurence G. Hanscom Field, Bedford, Massachusetts: Training facilities, and research, development, and test facilities, $1,952,000.

"Patrick Air Force Base, Cocoa, Florida: Operational facilities, research, development, and test facilities, and real estate, $1,822,000.

"Sacramento Peak Upper Air Research Site, Alamogordo, New Mexico: Research, development, and test facilities, and utilities, $616,000.

"Air Training Command

"Amarillo Air Force Base, Amarillo, Texas: Training facilities, maintenance facilities, supply facilities, and utilities, $1,828,000.

"James Connally Air Force Base, Waco, Texas: Operational facilities, $216,000.

"Lackland Air Force Base, San Antonio, Texas: Training facilities, and utilities, $1,307,000.

"Lowry Air Force Base, Denver, Colorado: Operational facilities, $405,000.

"Mather Air Force Base, Sacramento, California: Operational facilities, maintenance facilities, supply facilities, and community facilities, $1,980,000.

"Perrin Air Force Base, Sherman, Texas: Maintenance facilities, $408,000.

"Sheppard Air Force Base, Wichita Falls, Texas: Operational facilities, maintenance facilities, supply facilities, and hospital facilities, $7,047,600.

"Vance Air Force Base, Enid, Oklahoma: Operational facilities, $250,000.

"Webb Air Force Base, Big Spring, Texas: Operational facilities, maintenance facilities, utilities, ground improvements, and real estate, $2,168,000.

"Air University

"Gunter Air Force Base, Montgomery, Alabama: Administrative facilities, and troop housing, $1,915,000.

"Maxwell Air Force Base, Montgomery, Alabama: Operational facilities, $391,000.

"Headquarters Command

"Andrews Air Force Base, Camp Springs, Maryland: Operational facilities, maintenance facilities, supply facilities, community facilities, and utilities, $20,000,000.

"Military Air Transport Service

"Charleston Air Force Base, Charleston, South Carolina: Operational facilities, maintenance facilities, and community facilities, $822,000.

"Dover Air Force Base, Dover, Delaware: Operational facilities, maintenance facilities, and utilities, $750,000.

"McGuire Air Force Base, Wrightstown, New Jersey: Operational facilities, maintenance facilities, and utilities, $1,083,000.

"Scott Air Force Base, Belleville, Illinois: Supply facilities, $253,000.

"Strategic Air Command

"Barksdale Air Force Base, Shreveport, Louisiana: Maintenance facilities, $110,000.

"Beale Air Force Base, Marysville, California: Supply facilities, and ground improvements, $187,000.

"Bergstrom Air Force Base, Austin, Texas: Operational facilities, $300,000.

"Biggs Air Force Base, El Paso, Texas: Operational facilities, and maintenance facilities, $416,000.

"Blytheville Air Force Base, Blytheville, Arkansas: Maintenance facilities, supply facilities, and troop housing, $1,099,000.

"Bunker Hill Air Force Base, Peru, Indiana: Operational facilities, maintenance facilities, supply facilities, community facilities, and utilities, $1,725,000.

"Carswell Air Force Base, Fort Worth, Texas: Operational facilities, and maintenance facilities, $1,484,000.

"Castle Air Force Base, Merced, California: Maintenance facilities, ground improvements, and real estate, $425,000.

"Chennault Air Force Base, Lake Charles, Louisiana: Utilities, and ground improvements, $350,000.

"Clinton County Air Force Base, Wilmington, Ohio: Hospital facilities, troop housing, community facilities, and utilities, $3,915,000.

"Clinton-Sherman Air Force Base, Clinton, Oklahoma: Operational facilities, maintenance facilities, and supply facilities, $621,000.

"Columbus Air Force Base, Columbus, Mississippi: Operational facilities, supply facilities, and community facilities, $264,000.

"Davis-Monthan Air Force Base, Tucson, Arizona: Operational facilities, and maintenance facilities, $895,000.

"Dow Air Force Base, Bangor, Maine: Operational facilities, maintenance facilities, and supply facilities, $1,071,000.

"Dyess Air Force Base, Abilene, Texas: Operational facilities, $292,000.

"Ellsworth Air Force Base, Rapid City, South Dakota: Operational facilities, and maintenance facilities, $1,445,000.

"Fairchild Air Force Base, Spokane, Washington: Operational facilities, $158,000.

"Forbes Air Force Base, Topeka, Kansas: Operational facilities, $762,000.

"Francis E. Warren Air Force Base, Cheyenne, Wyoming: Administrative facilities, troop housing, community facilities, and utilities, $1,461,000.

"Glasgow Air Force Base, Glasgow, Montana: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, $3,661,000.

"Homestead Air Force Base, Homestead, Florida: Operational facilities, $6,364,000.

"Hunter Air Force Base, Savannah, Georgia: Operational facilities, $410,000.

"Larson Air Force Base, Moses Lake, Washington: Operational facilities, and supply facilities, $1,036,000.

"Lincoln Air Force Base, Lincoln Nebraska: Maintenance facilities, $164,000.

"Little Rock Air Force Base, Little Rock, Arkansas: Operational facilities, $325,000.

"Loring Air Force Base, Limestone, Maine: Maintenance facilities, $48,000.

"MacDill Air Force Base, Tampa, Florida: Maintenance facilities, and supply facilities, $866,000.

"Malmstrom Air Force Base, Great Falls, Montana: Maintenance facilities, $712,000.

"March Air Force Base, Riverside, California: Operational facilities, $6,052,000.

"McConnell Air Force Base, Wichita, Kansas: Operational facilities, and community facilities, $1,039,000.

"McCoy Air Force Base, Orlando, Florida: Operational facilities, maintenance facilities, supply facilities, and utilities, $8,402,000.

"Mountain Home Air Force Base, Mountain Home, Idaho: Operational facilities, and troop housing, $1,361,000.

"Offutt Air Force Base, Omaha, Nebraska: Operational facilities, maintenance facilities, and utilities, $1,802,000.

"Pease Air Force Base, Portsmouth, New Hampshire: Operational facilities, and maintenance facilities, $542,000.

"Plattsburgh Air Force Base, Plattsburgh, New York: Operational facilities, and maintenance facilities, $1,134,000.

"Richard Bong Air Force Base, Kansasville, Wisconsin: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities, $21,533,000.

"Schilling Air Force Base, Salina, Kansas: Operational facilities, $4,147,000.

"Turner Air Force Base, Albany, Georgia: Operational facilities, maintenance facilities, and community facilities, $1,098,000.

"Vandenburg Air Force Base, Lompoc, California: Operational facilities, and real estate, $147,000.

"Walker Air Force Base, Roswell, New Mexico: Operational facilities, and ground improvements, $942,000.

"Whiteman Air Force Base, Knob Noster, Missouri: Operational facilities, maintenance facilities, and supply facilities, $2,406,000.

"Wurtsmith Air Force Base, Oscoda, Michigan: Operational facilities, maintenance facilities, supply facilities, and utilities, $2,484,000.

"Tactical Air Command

"Cannon Air Force Base, Clovis, New Mexico: Maintenance facilities, $800,000.

"England Air Force Base, Alexandria, Louisiana: Operational facilities, maintenance facilities, supply facilities, and utilities, $2,468,000.

"George Air Force Base, Victorville, California: Hospital facilities, $1,820,200.

"Langley Air Force Base, Hampton, Virginia: Maintenance facilities, $540,000.

Myrtle Beach Air Force Base, Myrtle Beach, South Carolina: Maintenance facilities, $151,000.

"Nellis Air Force Base, Las Vegas, Nevada: Operational facilities, and maintenance facilities, $557,000.

"Sewart Air Force Base, Smyrna, Tennessee: Maintenance facilities, $2,249,000.

"Seymour-Johnson Air Force Base, Goldsboro, North Carolina: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and utilities, $3,150,000.

"Shaw Air Force Base, Sumter, South Carolina: Maintenance facilities, $505,000.

"Williams Air Force Base, Chandler, Arizona: Operational facilities, and maintenance facilities, $246,000.

"Aircraft Control and Warning System

"Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, family housing, troop housing, community facilities, utilities, and real estate, $74,651,000.

"Outside the United States

"Military Air Transport Service

"Various locations: Operational facilities, and utilities, $2,199,000.

"Pacific Air Forces

"Hickam Air Force Base, Honolulu, Hawaii: Operational facilities, $1,299,000.

"Wake Island: Supply facilities, troop housing, community facilities, and utilities, $2,211,000.

"Various locations: Operational facilities, maintenance facilities, supply facilities, hospital facilities, medical facilities, troop housing, community facilities, utilities, and ground improvements, $21,778,000.

"Strategic Air Command

"Andersen Air Force Base, Guam: Utilities, $106,000.

"Ramey Air Force Base, Puerto Rico: Operational facilities, and supply facilities, $1,309,000.

"Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, $6,996,000.

"United States Air Forces in Europe

"Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, troop housing, community facilities, and utilities, $15,160,000.

"United States Air Force Security Service

"Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, $4,908,000.

"Special facilities

"Various locations: Operational facilities, $105,000.

"Aircraft control and warning system

"Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, utilities, and ground improvements, $16,987,000.

"SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities for ballistic, strategic, and defense missiles and ballistic missile detection by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $417,541,000.

"SEC. 303. (a) The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"(b) Section 303 of the Act of August 20, 1958 (72 Stat. 636, 655) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this Act.

"SEC. 304. (a) In accordance with the provisions of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Air Force is authorized

to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), or through other commodity transactions of the Commodity Credit Corporation:

"Various locations, France, 300 units.

"Alconbury RAF Station, United Kingdom, 203 units and community facilities.

"Bentwaters RAF Station, United Kingdom, 187 units and community facilities.

"Burderop Park Hospital, United Kingdom, 152 units and community facilities.

"Croughton RAF Station, United Kingdom, 31 units.

"Greenham Common RAF Station, United Kingdom, 135 units.

"High Wycombe RAF Station, United Kingdom, 136 units.

"Lakenheath-Mildenhall Area, United Kingdom, 468 units and hospital facilities.

"Ruislip (West) RAF Station, United Kingdom, community facilities.

"Sculthorpe RAF Station, United Kingdom, 61 units and community facilities.

"Welford RAF Station, United Kingdom, 31 units.

"Wethersfield RAF Station, United Kingdom, community facilities.

"Woodbridge RAF Station, United Kingdom, community facilities.

"Classified locations, 1,083 units and community facilities.

"(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Air Force is authorized to construct family housing for occupancy as public quarters at the following locations:

"Amarillo Air Force Base, Amarillo, Texas, 100 units.

"Blytheville Air Force Base, Arkansas, 470 units.

"Bunker Hill Air Force Base, Indiana, 400 units.

"Cannon Air Force Base, New Mexico, 160 units.

"Chanute Air Force Base, Illinois, 100 units.

"Charleston Air Force Base, South Carolina, 350 units.

"Clinton County Air Force Base, Ohio, 150 units.

"Clinton-Sherman Air Force Base, Oklahoma, 400 units.

"Columbus Air Force Base, Mississippi, 340 units.

"Craig Air Force Base, Alabama, 200 units.

"Dover Air Force Base, Delaware, 250 units.

"Dow Air Force Base, Maine, 480 units.

"Ellsworth Air Force Base, South Dakota, 190 units.

"Francis E. Warren Air Force Base, Wyoming, 156 units.

"Glasgow Air Force Base, Montana, 500 units.

"Grand Forks Air Force Base, North Dakota, 670 units.

"Keesler Air Force Base, Mississippi, 240 units.

"Kinross Air Force Base, Michigan, 520 units.

"K. I. Sawyer Air Force Base, Michigan, 470 units.

"Larson Air Force Base, Washington, 330 units.

"Laughlin Air Force Base, Texas, 110 units.

"Loring Air Force Base, Maine, 114 units.

"Lowry Air Force Base, Colorado, 100 units.

"Malmstrom Air Force Base, Montana, 560 units.

"Mather Air Force Base, California, 230 units.

"Minot Air Force Base, North Dakota, 530 units.

"Moody Air Force Base, Georgia, 200 units.

"Mountain Home Air Force Base, Idaho, 820 units.

"Offutt Air Force Base, Nebraska, 400 units.

"Travis Air Force Base, California, 600 units.

"Perrin Air Force Base, Texas, 200 units.

"Schilling Air Force Base, Kansas, 200 units.

"Vance Air Force Base, Oklahoma, 170 units.

"Vandenberg Air Force Base, California, 600 units.

"Whiteman Air Force Base, Missouri, 350 units.

"Wurtsmith Air Force Base, Michigan, 390 units.

"SEC. 305. (a) Public Law 85-241, as amended, is amended, under the heading 'OUTSIDE THE UNITED STATES' in section 301, as follows:

"Under the subheading 'ALASKAN AIR COMMAND', with respect to Ladd Air Force Base, strike out '$1,630,000' and insert in place thereof '$1,895,000'.

"(b) Public Law 85-241, as amended, is amended by striking out in clause (3) of section 502 the amounts '$160,705,000', and '$607,460,000' and inserting in place thereof '$160,970,000' and '$607,725,000', respectively.

"SEC. 306. (a) Public Law 85-685 is amended, under the heading 'INSIDE THE UNITED STATES' in section 301 as follows:

"Under the subheading 'STRATEGIC AIR COMMAND'—

"(1) with respect to Malmstrom Air Force Base, Great Falls, Montana, strike out '$1,832,000' and insert in place thereof '$2,182,000'.

"(2) with respect to Offutt Air Force Base, Omaha, Nebraska, strike out '$3,265,000' and insert in place thereof '$3,890,000'.

"(3) with respect to Richard Bong Air Force Base, Kansasville, Wisconsin, strike out '$15,552,000' and insert in place thereof '$16,655,000'.

"(b) Public Law 85-685 is amended by striking out in clause (3) of section 502 the amounts '$542,161,000' and '$952,415,000' and inserting in place thereof '$544,239,000' and '$954,493,000', respectively.

"SEC. 307. The Secretary of the Air Force is authorized to make a study of the need for grade separation on 'Old Loop No. 13' which traverses a portion of Lackland Air Force Base, Texas. Expenditure of $25,000 out of appropriations available to the Department of the Air Force is authorized for such study.

"TITLE IV

"General Provisions

"SEC. 401. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended (31 U.S.C. 529; 40 U.S.C. 259, 267), and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 402. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, and IV shall not exceed—

"(1) for title I: Inside the United States, $72,363,100; outside the United States, $24,210,000; section 102, $81,830,000; section 103, $10,000,000; or a total of $188,403,100.

"(2) for title II: Inside the United States, $113,356,250; outside the United States, $35,300,000; section 202, $18,495,000; section 203, $10,000,000; or a total of $177,151,250.

"(3) for title III: Inside the United States, $296,897,800; outside the United States, $73,058,000; section 302, $417,541,000; section 303, $10,000,000; or a total of $797,496,800.

"SEC. 403. Any of the amounts named in titles I, II, and III of this Act, may, in the discretion of the Secretary concerned, be increased by 5 per centum for projects inside the United States (other than Alaska) and by 10 per centum for projects outside the United States or in Alaska. However, the total cost of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

"SEC. 404. Whenever—

"(1) the President determines that compliance with section 2313(b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

"(2) The Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

"SEC. 405. Contracts for construction made by the United States for performance within the United States, its Territories and possessions, under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense determines that because such jurisdiction and supervision is wholly impracticable such contracts should be executed under the jurisdiction and supervision of another department or Government agency, and shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report semiannually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

"SEC. 406. As of July 1, 1960, all authorizations for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in Acts approved before August 31, 1957, and not superseded or otherwise modified by a later authorization are repealed, except—

"(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

"(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts or land acquisitions in whole or in part before July 1, 1960, and authorizations for appropriations therefor;

"(3) the authorization for the rental guarantee for family housing in the amount of $100,000,000 that is contained in section 302 of the Act of July 14, 1952 (66 Stat. 606, 622);

"(4) the authorization for the development of the Line of Communications, France, in the amount of $10,000,000 that is contained in title I, section 102, of the Act of July 14, 1952 (66 Stat. 606, 609);

"(5) the authorization for development of classified facilities in the amount of $6,439,000 that is contained in title I, section 102, of the Act of September 28, 1951 (65 Stat. 336, 343);

"(6) notwithstanding the provisions of section 507 of the Act of August 20, 1958 (72 Stat. 636, 661), the authorization for:

"(a) family housing at a classified installation in the amount of $2,234,000 that is contained in title I, section 101 of the Act of July 15, 1955 (69 Stat. 324, 328);

"(b) classified facilities in the amount of $369,000 that is contained in title I, section 102, of the Act of July 15, 1955 (69 Stat. 324, 328);

"(c) the United States Army, Europe, in the amount of $6,925,000 that is contained in title I, section 101, of the Act of August 3, 1956 (70 Stat. 991, 994);

"(d) the Caribbean Command Area, in the amount of $1,060,000 that is contained in title I, section 101, of the Act of August 3, 1956 (70 Stat. 991, 994);

"(e) classified facilities in the amount of $6,300,000 that is contained in title I, section 102, of the Act of August 3, 1956 (70 Stat. 991, 994);

"(f) land acquisition and obstruction removal for flight clearance in the amount of $754,000 at various locations that is contained in title II, section 201, under the heading 'CONTINENTAL UNITED STATES' and subheading 'AVIATION FACILITIES (Special Purpose Air Stations)' of the Act of July 15, 1955 (69 Stat. 324, 332), as amended;

"(g) operational facilities in the amount of $700,000 at the Naval Air Station, Jacksonville, Florida, that is contained in title II, section 201, under the heading 'INSIDE THE UNITED STATES' and subheading 'AVIATION FACILITIES (Fleet Support Air Stations)' in the Act of August 3, 1956 (70 Stat. 991, 996), as amended;

"(h) the authorization for the construction of family housing contained in the Act of July 15, 1955 (69 Stat. 324), to the extent that section 504 of the Act of August 20, 1958 (72 Stat. 636, 660), made available such authorization for the construction of family housing for the Department of the Army at Carlisle Barracks, Pennsylvania, Fort Benjamin Harrison, Indiana, and Fort Shafter, Hawaii, and for the Department of the Air Force at Sundance, Wyoming, and at four locations outside the United States.

"(i) the authorization for the construction of medical facilities in the amount of $5,000,000 for Camp Jackson (now Fort Jackson), South Carolina, that is contained in title I, section 101, of the Act of July 15, 1955 (69 Stat. 324, 326): *Provided,* That the unit cost per bed does not exceed $20,000.

"(j) medical facilities in the amount of $2,667,000 for Lincoln Air Force Base, Lincoln, Nebraska, that is contained in title III, section 301, of the Act of July 15, 1955 (69 Stat. 324, 344): *Provided,* That this authorization shall expire on January 1, 1961, if not funded prior to that date.

"SEC. 407. Section 515 of the Act of July 15, 1955 (69 Stat. 324, 352), as amended, is further amended to read as follows:

"'SEC. 515. During fiscal years 1959 through and including 1962, the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near military tactical installations for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense, or his designee, that there is a lack of adequate housing facilities at or near such military tactical installations. Such housing facilities shall be leased on a family or individual unit basis and not more than seven thousand five hundred of such units may be so leased at any one time. Expenditures for the rental of such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed $150 a month for any such unit.'

"SEC. 408. Subsection (a) of section 406 of the Act of August 30, 1957 (71 Stat. 531, 556), as amended, is amended to read as follows:

"'(a) Notwithstanding the provisions of any other law, and effective July 1, 1958, no family housing units shall be contracted for or acquired at or in support of military installations or activities unless the actual number of units involved has been specifically authorized by an annual military construction authorization Act except (1) housing units acquired pursuant to the provisions of section 404 of the Housing Amendments of 1955; (2) rental guarantee family housing authorized under section 302 of the Act of July 14, 1952 (66 Stat. 606, 622): *Provided,* That not more than five thousand units shall be contracted for under the authority of such section prior to June 30, 1964; and (3) housing units leased for terms of one year, whether renewable or not, or for terms of not more than five years pursuant to the provisions of section 2675 of title 10, United States Code.'

"SEC. 409. The Secretary of a military department may acquire by lease for indefinite periods of time real property in the Ryukyu Islands needed by the United States Government. Rentals for such leases may be paid in advance from appropriations available for operation and maintenance except advance payments for periods in excess of five years which shall be from appropriations available for military construction.

"SEC. 410. Title 10, United States Code, is amended as follows:

"(a) Section 4774 is amended by adding the following new subsection at the end thereof:

"'(g) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Army may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below major.'

"(b) Section 7574 is amended by adding the following new subsection at the end thereof:

"'(e) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Navy may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below lieutenant commander.'

"(c) Section 9774 is amended by adding the following new subsection at the end thereof:

"'(g) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Air Force may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below major.'

"SEC. 411. To the extent that any authority provided by the Act of August 20, 1958 (72 Stat. 636), or this Act, for the construction of appropriated fund family housing at locations in foreign countries is not utilized, the construction or acquisition of the number of housing units so authorized may be accomplished at the same locations under the authority of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended.

"SEC. 412. (a) The Secretary of Defense shall, on or before January 31, 1960, submit to the President of the Senate and the Speaker of the House of Representatives complete and detailed information with respect to the various types and kinds of aircraft, missiles, and naval vessels being procured by the armed forces of the United States, including the number of each type and kind procured and the cost thereof and the number of each type and kind proposed to be procured and the estimated cost thereof.

"(b) No funds may be appropriated after December 31, 1960, to or for the use of any armed force of the United States for the procurement of aircraft, missiles, or naval vessels unless the appropriation of such funds has been authorized by legislation enacted after such date.

"SEC. 413. Section 109(a) of Public Law 85-685 (72 Stat. 636, 641) is amended by adding the following sentence at the end thereof: 'However, the Secretary of the Army shall not make available to the Administrator of the General Services Administration, or his designee, for sale pursuant to this section, such lands, or interests therein, not exceeding one hundred and eighteen acres for channel straightening, and four hundred acres for a temporary spoil disposal area for a period of ten years, as the Chief of Engineers determines to be necessary for the improvement or maintenance of the Houston Ship Channel Project.'

"SEC. 414. (a) Section 803(a) of the National Housing Act is amended by striking out the last proviso and inserting in lieu thereof the following: '*And provided further,* That no more mortgages shall be insured under this title after September 30, 1960, except pursuant to a commitment to insure before such date, and not more than twenty thousand family housing units shall be contracted for after June 30, 1959, pursuant to any mortgage insured under section 803 of this title after such date.'

"(b) Notwithstanding the authorizations for the construction of family housing contained in subsections 104(b), 204(b), and 304(b) of this Act, the total number of units of family housing contracted for after June 30, 1959, and before October 1, 1960, pursuant to the authority contained in such subsections shall not exceed a total of twenty thousand units. The Secretary of Defense shall determine the total number of units to be constructed by each of the military services in conformity with the provisions of this section. The Secretaries of the three military departments, or the designee of each, shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any determination made hereunder as it affects each such department.

"SEC. 415. Section 403 of the Housing Amendments of 1955 is amended by adding at the end thereof a new subsection as follows:

"'(d) On request by the Secretary of Defense, the Attorney General shall furnish to the Secretary of Defense, or his designee, an opinion as to the sufficiency of title to any property on which it is proposed to construct housing, or on which housing has been constructed, under this section. If the opinion of the Attorney General is that the title to any such property is good and sufficient, the Secretary of Defense is authorized to guarantee, or enter into a commitment to guarantee, the mortgagee, under a mortgage on such property which is insured under title VIII of the National Housing Act, against any losses that may thereafter arise from adverse claims to title. None of the proceeds of any mortgage loan hereafter insured under such title VIII shall be used for title search and title insurance costs: *Provided,* That if the Secretary of Defense, or his designee, determines in the case of any housing project, that the financing of the construction of such project is impossible unless title insurance is provided, the Secretary may provide for the payment of the reasonable costs necessary for obtaining title search and title insurance. Any payments by the Secretary hereunder shall be made from the revolving fund established under section 404(g). Any determination by the Secretary under the

foregoing proviso shall be set forth in writing, together with the reasons therefor. The Committees on Armed Services of the Senate and House of Representatives shall be promptly notified of each such determination, and of the amount of any payment made by the Secretary for title search and title insurance costs.'

"SEC. 416. None of the authority contained in titles I, II, and III of this Act shall be deemed to authorize any building construction project within the continental United States (other than Alaska) at a unit cost in excess of—

"(1) $32 per square foot for cold-storage warehousing;

"(2) $6 per square foot for regular warehousing;

"(3) $1,850 per man for permanent barracks;

"(4) $8,500 per man for bachelor officer quarters;

unless the Secretary of Defense determines that, because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable.

"SEC. 417. Section 4 of the Act of April 3, 1958 (72 Stat. 78), is amended by striking out '$500,000' and inserting in place thereof '$900,000.'

"SEC. 418. Section 404(c)(2) of the Housing Amendments of 1955 is amended by striking the first two sentences thereof and substituting the following language: 'In any condemnation proceedings instituted to acquire any such housing, or interest therein, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421). The amount of such deposit for the purpose of this section shall not in any case be less than an amount equal to the actual cost of the housing (not including the value of any improvements installed or constructed with appropriated funds) as certified by the sponsor or owner of the project to the Federal Housing Commissioner pursuant to any statute or any regulation issued by the Federal Housing Commissioner, reduced by the amount of the principal obligation of the mortgage outstanding at the time possession is surrendered, but any such deposit shall not include any excess mortgage proceeds or "windfalls," kickbacks and rebates received in connection with the construction of said housing as determined by the Department of Defense, or any other Federal agency. The amount of such deposit in any case where the sponsor or owner has not certified the cost of the project to the Federal Housing Commissioner at the time of the enactment of this Act, shall be determined by the Secretary of Defense, or his designee, in accordance with the Act of February 26, 1931 (46 Stat. 1421): *Provided*, That in the event there is withdrawn from the registry of the court by the owner or sponsor a sum of money in excess of the final award of just compensation, this excess shall be repaid to the United States plus a sum equal to 4 per centum per annum on such excess from the time such sum is deposited in the registry of the court: *Provided further*, That any court in which money is deposited as provided in this section shall require the furnishing of security by the owner to protect the United States from any loss by reason of a final award of just compensation of less than the amount deposited: *And provided further*, That the deposit required to be made by this section shall be without prejudice to any party in the determination of just compensation. Unless title is in dispute, the court, upon application and subject to the foregoing provisions of this subsection, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payment shall be made without prejudice to any party to the proceeding.'

"SEC. 419. The Secretary of Defense shall not later than September 15, 1959, report to the Armed Services Committees of the Senate and House of Representatives the results of a complete review of all previously authorized surface-to-air missile sites with the assurance (1) that the review reveals the military necessity for the construction of the sites selected, (2) that the performance and capability of the missiles selected for the respective sites are in consonance with military requirements so as to eliminate, insofar as possible, overlapping of missions and duplication of weapons systems, and (3) that particular attention shall be given to the feasibility of modifying or expediting any of the missile programs for either defense or offense.

"SEC. 420. In carrying out in a foreign country any project authorized by this Act or any other Military Construction Act heretofore or hereafter enacted, currencies of such country acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, Eighty-third Congress) shall, to the extent available and feasible, be used in lieu of dollars. The Department of Defense shall reimburse the Commodity Credit Corporation for any foreign currencies so utilized in carrying out such projects.

"SEC. 421. Titles I, II, and III of this Act may be cited as the 'Military Construction Act of 1959'.

"TITLE V

"Reserve forces facilities

"SEC. 501. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop the following facilities for reserve forces:

"(1) For Department of the Army:

"Army Reserve

"Aberdeen, South Dakota: Training facilities, $168,000.

"Akron (Number 2), Ohio: Training facilities, $574,000.

"Allentown-Bethlehem, Pennsylvania: Training facilities, $302,000.

"Anderson, Indiana: Training facilities, $136,000.

"Ann Arbor, Michigan: Training facilities, $317,000.

"Aurora, Illinois: Training facilities, $302,000.

"Bardstown, Kentucky: Training facilities, $160,000.

"Beaver Dam, Wisconsin: Training facilities, $176,000.

"Bellaire, Ohio: Training facilities, $302,000.

"Bloomington, Illinois: Training facilities, $168,000.

"Bloomington, Indiana: Training facilities, $302,000.

"Bridgeport-Fairfield, Connecticut: Training facilities addition, $64,000.

"Bronx, New York: Training facilities, $98,000.

"Brownsville, Texas: Training facilities, $152,000.

"Butler, Pennsylvania: Training facilities, $136,000.

"Champaign, Illinois: Training facilities, $302,000.

"Chicago Heights, Illinois: Training facilities, $302,000.

"Chico, California: Training facilities, $168,000.

"Cumberland, Maryland: Training facilities, $288,000.

"Dallas (Number 2), Texas: Training facilities addition, $64,000.

"Dayton, Ohio: Training facilities, $48,000.

"Delaware, Ohio: Training facilities, $302,000.

"Detroit (Number 1), Michigan: Training facilities, $602,000.

"Detroit (Number 2), Michigan: Training facilities, $602,000.

"Duluth, Minnesota: Training facilities, $317,000.

"East Saint Louis, Illinois: Training facilities, $156,000.

"El Dorado, Arkansas: Training facilities, $152,000.

"Evanston, Illinois: Training facilities, $574,000.

"Flint, Michigan: Training facilities, $551,000.

"Fort Smith, Arkansas: Training facilities, $152,000.

"Fulton, Missouri: Training facilities, $160,000.

"Gadsden, Alabama: Training facilities, $144,000.

"Galveston, Texas: Training facilities, $152,000.

"Gettysburg, Pennsylvania: Training facilities, $168,000.

"Glens Falls, New York: Training facilities, $176,000.

"Hammond, Indiana: Training facilities, $168,000.

"Harrison, Arkansas: Training facilities, $152,000.

"Jefferson City, Missouri: Training facilities, $288,000.

"Joliet, Illinois: Training facilities, $302,000.

"Kankakee, Illinois: Training facilities, $168,000.

"La Crosse, Wisconsin: Training facilities, $317,000.

"Lafayette, Louisiana: Training facilities, $152,000.

"Malone, New York: Training facilities, $176,000.

"Mankato, Minnesota: Training facilities, $176,000.

"Marion, Ohio: Training facilities, $168,000.

"Meadville, Pennsylvania: Training facilities, $168,000.

"Milwaukee (West), Wisconsin: Training facilities, $602,000.

"Morristown, New Jersey: Training facilities, $317,000.

"Mount Vernon, Ohio: Training facilities, $168,000.

"Muncie, Indiana: Training facilities, $168,000.

"Muskogee, Oklahoma: Training facilities, $288,000.

"New Orleans (Number 1), Louisiana: Training facilities, $520,000.

"Odessa, Texas: Training facilities, $152,000.

"Okmulgee, Oklahoma: Training facilities, $160,000.

"Olean, New York: Training facilities, $176,000.

"Oswego, New York: Training facilities, $176,000.

"Painesville, Ohio: Training facilities, $168,000.

"Pittsburgh (Number 3), Pennsylvania: Training facilities, $574,000.

"Purcell, Oklahoma: Training facilities, $160,000.

"Rolla, Missouri: Training facilities, $160,000.

"Rutland, Vermont: Training facilities, $143,000.

"Sacramento, California: Training facilities addition, $61,000.

"Saint Cloud, Minnesota: Training facilities, $330,000.

"Salem, Oregon: Training facilities, $61,000.

"San Antonio (Number 2), Texas: Training facilities, $520,000.

"San Diego, California: Training facilities, $526,000.

"San Marcos, Texas: Training facilities, $152,000.

"Santa Barbara, California: Training facilities, $136,000.

"Savannah, Georgia: Training facilities, $259,000.

"Springfield, Missouri: Training facilities addition, $73,000.

"Uniontown, Pennsylvania: Training facilities, $220,000.

"Vallejo, California: Training facilities, $302,000.

"Washington, Iowa: Training facilities, $160,000.

"Washington, Missouri: Training facilities, $160,000.

"Washington, Pennsylvania: Training facilities, $136,000.

"Wenatchee, Washington: Training facilities, $168,000.

"Westminster, Maryland: Training facilities, $160,000.

"Various locations: Training facilities minor additions, $1,788,000.

"Land acquisition: Training facilities, $800,000.

"San Jose, California: Parking lot and drill grounds, $1.

"Army National Guard of the United States
(Armory)

"Amsterdam, New York: Training facilities, $55,000.

"Anchorage, Alaska: Training facilities, $276,000.

"Baltimore (Dundalk), Maryland: Training facilities, $215,000.

"Bayamon, Puerto Rico: Training facilities, $150,000.

"Beebe, Arkansas: Training facilities, $45,000.

"Belen, New Mexico: Training facilities, $57,000.

"Benson, North Carolina: Training facilities, $105,000.

"Birmingham, Alabama: Training facilities, $160,000.

"Bound Brook, New Jersey: Training facilities, $80,000.

"Buffalo, New York: Training facilities, $75,000.

"Butte, Montana: Training facilities, $70,000.

"Cape May Court House, New Jersey: Training facilities, $250,000.

"Colby, Kansas: Training facilities, $80,000.

"Coleville, Washington: Training facilities, $150,000.

"De Witt, Arkansas: Training facilities, $45,000.

"Donna, Texas: Training facilities, $99,000.

"Durant, Mississippi: Training facilities, $54,000.

"Elizabeth City, North Carolina: Training facilities, $105,000.

"Elyria, Ohio: Training facilities, $160,000.

"Enosburg Falls, Vermont: Training facilities, $169,000.

"Farmington, Missouri: Training facilities, $115,000.

"Flemington, New Jersey: Training facilities, $80,000.

"Freehold, New Jersey: Training facilities, $80,000.

"Gainesville, Georgia: Training facilities, $90,000.

"Greeley, Colorado: Training facilities, $132,000.

"Hackettstown, New Jersey: Training facilities, $80,000.

"Hazen, Arkansas: Training facilities, $45,000.

"Idaho Falls, Idaho: Training facilities, $105,000.

"Inman, South Carolina: Training facilities, $99,000.

"Iuka, Mississippi: Training facilities, $54,000.

"Johnstown, Pennsylvania: Training facilities, $375,000.

"Jonesville, South Carolina: Training facilities, $99,000.

"Lancaster, Ohio: Training facilities, $160,000.

"Leominster, Massachusetts: Training facilities, $200,000.

"Martindale Army Air Field, Texas: Training facilities, $210,000.

"Milan, Tennessee: Training facilities, $91,000.

"Milwaukee, Wisconsin: Training facilities, $235,000.

"Mount Olive, North Carolina: Training facilities, $105,000.

"New Brockton, Alabama: Training facilities, $70,000.

"Newton, New Jersey: Training facilities, $80,000.

"Norwalk, Ohio: Training facilities, $140,000.

"Olean, New York: Training facilities, $46,000.

"Omaha, Nebraska: Training facilities, $450,000.

"Oswego, New York: Training facilities, $52,000.

"Plentywood, Montana: Training facilities, $63,000.

"Ponce, Puerto Rico: Training facilities, $150,000.

"Princeton, West Virginia; Training facilities, $60,000.

"Quitman, Mississippi: Training facilities, $54,000.

"Ronceverte, West Virginia: Training facilities, $54,000.

"Roswell, New Mexico: Training facilities, $200,000.

"Saint Paul, Minnesota: Training facilities, $565,000.

"Salem, Oregon: Training facilities, $160,000.

"San German, Puerto Rico: Training facilities, $150,000.

"Savannah, Georgia: Training facilities, $600,000.

"Silver City, New Mexico: Training facilities, $60,000.

"Tomahawk, Wisconsin: Training facilities, $160,000.

"Troy, New York: Training facilities, $47,000.

"Tuckerton, New Jersey: Training facilities, $80,000.

"Webb, Mississippi: Training facilities, $54,000.

"Various locations: Training facilities minor conversions, $84,000.

"Army National Guard of the United States
(Nonarmory)

"Bismarck, North Dakota: Maintenance facilities, $57,000.

"Buckhannon, West Virginia: Administrative and supply facilities, $206,000.

"Camp Drum, New York: Maintenance facilities, $308,000.

"Hayward, Wisconsin: Maintenance facilities, $52,000.

"Jersey City, New Jersey: Maintenance facilities, $49,000.

"(2) For Department of the Navy:

"Naval Reserve (Aviation)

"Naval Air Station (Dobbins Air Force Base), Atlanta, Georgia: Operational facilities, supply facilities, and utilities and ground improvements, $838,000.

"Naval Air Station, Dallas, Texas: Operational facilities and supply facilities, $348,000.

"Naval Air Station, Glenview, Illinois: Operational facilities, $59,000.

"Naval Air Station, Grosse Ile, Michigan: Operational facilities and utilities, $771,000.

"Naval Air Station, Los Alamitos, California: Operational facilities, supply facilities, and utilities, $563,000.

"Naval Air Station, New Orleans, Louisiana: Supply facilities and maintenance facilities, $178,000.

"Naval Air Station, Olathe, Kansas: Operational facilities, $192,000.

"Naval Air Station, South Weymouth, Massachusetts: Operational facilities, $76,000.

"Naval Air Station, Willow Grove, Pennsylvania: Operational facilities, supply facilities, and medical facilities, $797,000.

"Naval Reserve (Surface)

"Naval and Marine Corps Reserve Training Center, Beaumont, Texas: Operational facilities, $65,000.

"Naval Reserve Electronics Facility, Champaign, Illinois: Training facilities, $70,000.

"Naval Reserve Training Center, Cleveland, Ohio: Training facilities, $655,000.

"Naval Reserve Training Center, Galveston, Texas: Operational facilities, $204,000.

"Naval Reserve Electronics Facility, Kingsville, Texas: Training facilities, $35,000.

"Naval Reserve Training Center, New Haven, Connecticut: Operational facilities, $323,000.

"Naval and Marine Corps Reserve Training Center, Saint Louis, Missouri: Training facilities, $697,000.

"Naval Reserve Training Center, San Diego, California: Operational facilities, $226,000.

"Naval Reserve Training Center, Whitestone, New York: Operational facilities, $104,000.

"Marine Corps Reserve (Ground)

"Marine Corps Reserve Training Center, Chicago, Illinois: Training facilities, $518,000.

"Marine Corps Reserve Training Center, Johnson City, Tennessee: Training facilities and land acquisition, $330,000.

"Naval and Marine Corps Reserve Training Center, Saint Louis, Missouri: Training facilities, $370,000.

"Marine Corps Reserve Training Center, San Rafael, California: Training facilities, $490,000.

"Marine Corps Reserve Training Center, Tampa, Florida: Training facilities, $391,000.

"(3) For Department of the Air Force:

"Air Force Reserve

"Bakalar Air Force Base, Columbus, Indiana: Supply facilities, and operational facilities, $364,000.

"Davis Field, Muskogee, Oklahoma: Troop housing, and utilities, $92,000.

"Ellington Air Force Base, Houston, Texas: Operational facilities, $823,000.

"General Mitchell Field, Milwaukee, Wisconsin: Troop housing, $43,000.

"O'Hare International Airport, Chicago, Illinois: Operational facilities, maintenance facilities, and utilities, $1,890,000.

"Portland International Airport, Portland, Oregon: Operational facilities, $588,000.

"Richards-Gebaur Air Force Base, Kansas City, Missouri: Supply facilities, $105,000.

"Willow Grove Naval Air Station, Philadelphia, Pennsylvania: Maintenance facilities, supply facilities, and troop housing, $188,000.

"Air National Guard of the United States

"Alpena County Airport, Alpena, Michigan: Operational facilities, $105,000.

"New Orleans Naval Air Station, New Orleans, Louisiana: Operational facilities and supply facilities, $274,000.

"Baer Field, Fort Wayne, Indiana: Operational facilities, $238,000.

"Bradley Field, Hartford, Connecticut: Maintenance facilities, $123,000.

"Buckley Naval Air Station, Denver, Colorado: Operational facilities, $591,000.

"Burlington Municipal Airport, Burlington, Vermont: Maintenance facilities, $123,000.

"Camp Williams, Camp Douglas, Wisconsin: Operational facilities, $82,000.

"Cheyenne Municipal Airport, Cheyenne, Wyoming: Operational facilities, $238,000.

"Dow Air Force Base, Bangor, Maine: Maintenance facilities, $123,000.

"Geiger Field, Spokane, Washington: Maintenance facilities, $245,000.

"Gore Field, Great Falls, Montana: Maintenance facilities and operational facilities, $665,000.

"Gowen Field, Boise, Idaho: Operational facilities, $238,000.

"Haleakala Aircraft Control and Warning Facility, Maui, Hawaii: Operational facilities, $446,000.

"Hickam Air Force Base, Honolulu, Hawaii: Operational facilities, $3,222,000.

"Hancock Field, Syracuse, New York: Operational facilities, $596,000.

"Hector Field, Fargo, North Dakota: Operational facilities, $946,000.

"Hubbard Field, Reno, Nevada: Operational facilities, $259,000.

"Hulman Field, Terre Haute, Indiana: Operational facilities, $238,000.

"Kokee Aircraft Control and Warning Facility, Kauai, Hawaii: Operational facilities, $283,000.

"Little Rock Air Force Base, Little Rock, Arkansas: Operational facilities, supply facilities, and maintenance facilities, $2,323,000.

"Memphis Municipal Airport, Memphis, Tennessee: Operational facilities, maintenance facilities, and supply facilities, $1,825,000.

"Ontario Municipal Airport, Ontario, California: Training facilities, $233,000.

"Peoria Municipal Airport, Greater Peoria, Illinois: Operational facilities, $430,000.

"San Juan International Airport, San Juan, Puerto Rico: Operational facilities, and supply facilities, $943,000.

"Sioux Falls (Foss Field), Sioux Falls, South Dakota: Maintenance facilities, $123,000.

"Springfield Municipal Airport, Springfield, Ohio: Operational facilities, $105,000.

"Truax Field, Madison, Wisconsin: Maintenance facilities, $123,000.

"Tucson Municipal Airport, Tucson, Arizona: Maintenance facilities, $123,000.

"Will Rogers Field, Oklahoma City, Oklahoma: Operational facilities, $317,000.

"(4) For all reserve components: Facilities made necessary by changes in the assignment of weapons or equipment to reserve forces units, if the Secretary of Defense or his designee determines that deferral of such facilities for inclusion in the next law authorizing appropriations for specific facilities for reserve forces would be inconsistent with the interests of national security and if the Secretary of Defense or his designee notifies the Senate and the House of Representatives immediately upon reaching a final decision to implement, of the nature and estimated cost of any facility to be undertaken under this subsection: *Provided*, That the first sentence of section 2233a of title 10, United States Code, shall not apply to facilities authorized by this subsection.

"SEC. 502. (a) Public Law 85–685 is amended under the heading 'NAVAL RESERVE (AVIATION)' in clause (1) of section 603 by striking out the following:

"'Naval Air Station, Denver, Colorado: Maintenance facilities, utilities, and land acquisition, $652,000.'

"'Naval Air Station, Niagara Falls, New York: Operational and training facilities, and utilities, $652,000.'

"(b) Public Law 85–685 is amended under the heading 'AIR NATIONAL GUARD OF THE UNITED STATES' in clause (2) of section 603 as follows:

"(1) With respect to Barnes Field, Westfield, Massachusetts, strike out '$740,000' and insert in place thereof '$1,030,000'.

"(2) With respect to various locations: Runway arrestor barriers, strike out '$300,000' and insert in place thereof '$480,000'.

"(c) Public Law 85–685 is amended under the heading 'ARMY RESERVE' in clause (3) of section 603 as follows:

"(1) With respect to Canton, Ohio, strike out '$40,000' and insert in place thereof '$61,000'.

"(2) With respect to Greenwood, South Carolina, strike out '$85,000' and insert in place thereof '$117,000'.

"(3) With respect to Johnstown, Pennsylvania, strike out '$99,000' and insert in place thereof '$136,000'.

"(d) Public Law 85–685 is amended under the heading 'ARMY NATIONAL GUARD OF THE UNITED STATES (ARMORY)' in clause (3) of section 603 by striking out the following:

"'Bethlehem, Pennsylvania: Training facilities, $45,000.'

"'Carlisle, Pennsylvania: Training facilities, $45,000.'

"'Chester, Pennsylvania: Training facilities, $206,000.'

"'Cincinnati, Ohio: Training facilities, $300,000.'

"'Clayton, New Mexico: Training facilities, $57,000.'

"'Houston (Number 1), Texas: Training facilities, $323,000.'

"'Ligonier, Pennsylvania: Training facilities, $45,000.'

"'Northwest Saint Paul, Minnesota: Training facilities, $130,000.'

"'Princeton, New Jersey: Training facilities, $175,000.'

"'Salem, New Jersey: Training facilities, $15,000.'

"(e) Public Law 85–685 is amended by striking out in clause (1) of section 606 '$11,886,000' and inserting in place thereof '$10,582,000'; and by striking out in clause (2)(b) of section 606 '$11,976,000' and inserting in place thereof '$12,446,000'; and by striking out in clause (3) of section 606 '$28,330,000' and inserting in place thereof '$27,079,000'.

"SEC. 503. The Secretary of Defense may establish or develop installations and facilities under this title without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 504. Appropriations for facilities projects authorized by section 501 for the respective reserve components of the armed forces may not exceed—

"(1) for Department of the Army:

"(a) Army Reserve, $20,916,000;

"(b) Army National Guard of the United States, $8,806,000.

"(2) for Department of the Navy: Naval and Marine Corps Reserves, $8,300,000;

"(3) for Department of the Air Force:

"(a) Air Force Reserve, $4,093,000;

"(b) Air National Guard of the United States, $15,580,000.

"SEC. 505. Any of the amounts named in section 501 of this Act may, in the discretion of the Secretary of Defense, be increased by 15 per centum, but the total cost for all projects authorized for the Army Reserve, the Army National Guard of the United States, the Naval and Marine Corps Reserves, the Air Force Reserve, and the Air National Guard of the United States, may not exceed the amounts named in clauses (1)(a), (1)(b), (2), (3)(a), and (3)(b) of section 504, respectively.

"SEC. 506. This title may be cited as the 'Reserve Forces Facilities Act of 1959'.

"TITLE VI

"SEC. 601. The Secretary of the Army is authorized to convey by quitclaim deed to the city of Santa Cruz, California, all the right, title, and interest of the United States in and to four and five-tenths acres of land, more or less, comprising the United States Army Reserve Center Lighthouse Point site and being a part of the lands known as the United States Coast Guard Santa Cruz Light Station, situated on the northerly side of West Cliff Drive, approximately seven hundred feet south of Pelton Avenue, in the city and county of Santa Cruz, California, and in exchange for said conveyance to accept on behalf of the United States of America from the city of Santa Cruz a deed conveying fee simple title to not less than four acres of land situated within the city of Santa Cruz, California, to be utilized as the site for a United States Army Reserve Center: *Provided*, That the city of Santa Cruz pay to the United States a sum of money representing, in the opinion of the Secretary of the Army, the aggregate of (1) the amount by which the fair market value of the property so conveyed by the Secretary of the Army exceeds the fair market value of the land accepted in exchange therefor; (2) the amount heretofore expended by the Department of the Army in connection with the proposed construction of the United States Army Reserve Center at Lighthouse Point for work and materials which cannot be utilized in connection with the construction of the United States Army Reserve Center on the site to be acquired from the city; and (3) the amount by which the costs for providing adequate foundations, sewer and water facilities, and site preparation for the construction of a United States Army Reserve Center at the site to be acquired from the city exceeds the estimated costs for providing foundations, sewer and water facilities, and site preparation at the Lighthouse Point site.

"SEC. 602. The moneys received by the Secretary of the Army under this title shall be covered into the Treasury of the United States as miscellaneous receipts except that any moneys received under section 601 (2) and (3) of this title shall be credited to the appropriation to which such costs are charged."

CARL VINSON,
PAUL J. KILDAY,
CARL T. DURHAM,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
L. C. ARENDS,
L. H. GAVIN,
WALTER NORBLAD,
FRANK C. OSMERS, JR.,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
HENRY M. JACKSON,
LEVERETT SALTONSTALL,
FRANCIS CASE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On April 16, 1959, the House of Representatives passed H.R. 5674 which was the fiscal year 1960 military construction authorization for the three military departments and the Reserve components. On June 30, 1959, the Senate considered the legislation and amended it by striking all language after the enacting clause and wrote a new bill.

Title I

Army

In the Army title of the bill, the following items were in disagreement:

The deletion by the Senate of the item at Redstone Arsenal, Ala., relating to the conversion of an existing structure for use as a hospital. In this instance, the Senate

receded with an amendment which reinserted the item in the bill but at a reduced cost (the subject of hospitals is dealt with separately and in detail subsequently in this statement).

The second item in disagreement related to the restoration to the bill of the House deletion covering the heating plant and heat distribution system at the Columbus General Depot, Ohio. The House receded with respect to this item permitting it to remain in the bill.

Fort Belvoir, Va.: The item in disagreement at Fort Belvoir covered air conditioning for that portion of the hospital at this installation which is not presently air conditioned. The conferees agreed that the authority requested for air conditioning the entire structure should be granted and the Senate recedes.

Fort Eustis, Va.: Again, in this instance, the Senate had deleted a hospital. The Senate receded with an amendment which reduced the cost of the hospital.

Charleston Transportation Depot, S.C.: The House had inserted authority for the construction of 12 appropriated fund housing units for personnel permanently stationed at the depot. The Senate deleted the item from the bill. The conferees agreed that 10, rather than 12, houses should be constructed at this facility and that the cost per housing unit should be limited to $19,000. An authorization, therefore, was agreed to in a total amount of $190,000, and the Senate recedes with an amendment.

Fort Knox, Ky.: The Department's program as submitted to the Congress included an armament shop at this installation. The Senate deleted the shop and the House recedes.

Fort Bragg, N.C.: Although not part of the construction program as submitted to the Congress, the House approved the construction of a post office at Fort Bragg to replace the inadequate and substandard facilities now existing there. The Senate after consideration of the condition of the present structures and the amount of business carried on by this post office agreed to grant the authority requested, and the Senate recedes.

Fort Rucker, Ala.: In this instance, there were internal changes within the total for this station. The House approved a figure which was $26,000 larger than that approved by the Senate. The House recedes.

Fort Sam Houston, Tex.: The item in disagreement was an aircraft hangar with a shop. The House authorized this item while the Senate deleted it. Upon restudy of the background material supporting the provision of this hangar, the conferees agreed that the authority requested should be granted, and the Senate recedes.

Fort Leonard Wood, Mo.: Here was an internal change in the figure approved, with the House authorizing $40,000 more than the Senate. The House recedes.

Fort Ord, Calif.: The House authorized a storage building for aircraft parts while the Senate deleted the item. The House recedes.

Various locations: This reduction by the Senate represents the largest individual cut in the Army title of the bill. The reduction resulted from the restudy of our antiaircraft defense and the Senate version represents the agreed position of the Department of Defense as a result of the study. The House recedes.

Section 102: The Senate reduced this item by $1.5 million. Again, this reduction is in accordance with the agreed plan referred to above relating to our antiaircraft defense. The House recedes.

Section 103: This section authorizes the Secretary of the Army to proceed with construction made necessary by changes in Army missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interests of national security. A notification procedure to the Committees on Armed Services is contained in the section. As the bill was presented to the Congress, the authority requested was in the amount of $17,500,000. The House cut this figure to $5,000,000. The Senate raised the House figure to $10,000,000.

The House conferees agreed that in view of the rapid changes in weapons development and the necessarily rapid revisions in research and development, the allowance of $10,000,000 was not unreasonable, and the House recedes. It is pointed out that this authorization will expire as of September 30, 1960, except with respect to those projects concerning which the committees have been notified prior to that date. The authority, therefore, is neither continuing nor cumulative.

Title II

Navy

Only eight items in the Navy portion of the bill were in disagreement. They are as follows:

Naval Air Station, Lemoore, Calif.: The House granted authority for the construction of a hospital at this new installation while the Senate deleted it as did several other hospitals in the program on the basis that hospital costs throughout the program were excessive. The Senate receded with an amendment which reduces the cost of the hospital to an amount which the conferees agreed is adequate (hospitals generally are dealt with later in this report).

Marine Corps AAS, Yuma, Ariz.: The House approved the installation of a navigational aid at this installation. Subsequent to the House action the FAA revealed that it was going to install a similar navigational aid in the same area, and the item therefore became unnecessary. The Senate deleted the item and the House recedes.

Naval Air Station, Patuxent River Command: At this installation the House allowed a fueling station for the P6M seaplane. The Senate deleted the item and the conferees agreed that other facilities could be used. The House recedes.

Pacific Missile Range, Point Mugu, Calif.: Here the Senate cut $50,000 from the $30,050,000 figure. The House recedes.

NAS, Rota, Spain: The program for this installation as submitted to the Congress contemplated the expenditure of $11,934,000. After considerable deliberation the House granted the authorization requested. The Senate deleted the item in its entirety but later, upon submission by the Navy of a revised plan, reinserted the item in the amount of $5,400,000. The House conferees have reviewed the revised plan and agreed that it will serve the purposes of this installation. The House recedes.

Naval Radio Station, Lualualei, Oahu, Hawaii: The House granted authority for the construction of ground drainage facilities at this installation. The Senate deleted the item. The conferees agreed that while the facilities requested were desirable, the amount planned for expenditure by the Navy was excessive and, therefore, permitted the authority to remain but reduced the cost to $350,000, with the Senate receding with an amendment.

Section 202: In the classified facilities the House granted the total amount requested. Subsequent revisions in the program and the use of prior authority and funds permitted the reduction of this item subsequent to House consideration. The Senate effected the reduction referred to, and the House recedes.

Section 203: This section is identical in its language with section 103 which is described in detail under the Army title (sec. 103). For the reasons cited under the Army title the House conferees agreed to an authority in the amount of $10,000,000, and the House recedes.

Title III

Air Force

Most of the variances between the House and Senate versions of the bill in title III related to minor items of construction which the House had deleted during its consideration of the bill. The items involved were for the most part parachute and dinghy shops at various installations, explosive storage, land easements, and repair shops. None of these represented substantial amounts, and with respect to most of them the House recedes.

There are set out below only those major items which were in disagreement.

NORAD Headquarters, Colorado Springs, Colo.: This item appeared in the bill as it was submitted to the Congress. The House committee in accordance with its usual policy struck the item from the bill because its location had not been determined and therefore did not appear to be an item of sufficient firmness to warrant approval. Shortly after House action on the bill the Department of Defense established the location of this headquarters and communicated its decision to the House and Senate. The Senate therefore inserted the item in the bill, and since the action of the House was based solely upon the lack of specific location the House recedes.

Laurence G. Hanscom Field, Bedford, Mass.: The House approved a research and professional library at this installation while the Senate deleted the item. The conferees agreed that a library for the purposes stated should be provided at this important installation but reduced the cost of it from $806,000 to $500,000, with the Senate receding with an amendment. The conferees agreed that it should be clearly understood that this library will be available for use by all interested personnel, that is, those connected with Lincoln Laboratories, Mitre (MIT), and ADSID (Air Defense Systems Integration Division).

Sheppard Air Force Base, Wichita Falls, Tex.: The House granted authority for the construction of a hospital at this installation while the Senate, as is indicated previously in this report, deleted it together with several other hospitals on the basis that hospital costs throughout the program were excessive. The Senate recedes with an amendment which reduces the cost of the hospital to an amount which the conferees agree is sufficient to construct an adequate facility (hospitals generally are dealt with later in this report).

Clinton County Air Force Base, Ohio: At this installation, as at the one immediately above, the House authorized the construction of a hospital while the Senate deleted the item. The Senate recedes with an amendment which reduces the cost of the hospital.

Turner Air Force Base, Albany, Ga.: The House authorized the construction of a photographic laboratory at this installation, the facility to be used by MATS in connection with their mapping activities. The Senate deleted the item, and the House recedes.

George Air Force Base, Calif.: As in the case of other installations previously cited, the House approved but the Senate struck out the hospital proposed for this installation. The conferees agreed upon a lower figure for the construction cost of the hospital, and the Senate recedes with an amendment.

Myrtle Beach Air Force Base, S.C.: Authority for an aircraft inspection and repair shop was granted by the House at this station. The Senate deleted the item. The Senate recedes.

Hickam Air Force Base, Hawaii: The House deleted the construction proposed for this facility but the requested authority was granted by the Senate. Based on further, more detailed, information supporting the granting of authority for this construction, the House recedes.

Various locations (Europe): The differences between the House and Senate figures in this case resulted from a number of internal changes and the deletion of a classified facility by the House. The conferees upon reexamination of the classified items proposed, agreed that the authority requested should be granted, and the House recedes.

Section 302: This variance between the House and Senate represents the largest difference between the House and Senate versions in title III. The resultant lower figure which was that granted by the Senate is in consonance with the new antiaircraft defense plan submitted by Secretary of Defense McElroy, and the House for this reason recedes.

Section 303: This section is identical in its language with section 103 which is described in detail under the Army title (sec. 103). For the reasons cited under the Army title the conferees agreed to an authority in the amount of $10,000,000, and the Senate recedes with an amendment.

Capehart housing: There were a substantial number of variances between the House and Senate versions of title III with respect to line items for Capehart family housing. Many of them reflected plans of the Air Force which were not complete at the time the House was considering the bill. After review of the housing needs at the various installations involved the House accepted all of the changes, except that relating to Charleston AFB, S.C., made by the Senate, with the conferees also agreeing that the limitation of 20,000 units for the coming 15 months would remain in the bill.

Section 307: No section similar to this appeared in the House version of the bill. The section would require that all contracts for acquisitions of real estate, grading, landscaping, construction, alteration, etc., at the Air Force Academy which provided for an expenditure in excess of $25,000 would require specific legislation to be enacted hereafter. After a review by the conferees of the status of the construction program of the Air Force Academy it was determined that this provision would not serve a useful purpose and it was deleted, with the Senate receding.

A new section 307 was inserted by the conferees reading as follows:

"SEC. 307. The Secretary of the Air Force is authorized to make a study of the need for grade separation on "Old Loop No. 13" which traverses a portion of Lackland Air Force Base, Texas. Expenditure of $25,000 out of appropriations available to the Department of the Air Force is authorized for such study."

Title IV

General Provisions

Many of the general provisions are identical to those which appeared in previous military construction laws and with respect to these there was no disagreement between the Senate and House versions of the bill.

Variations in the general provisions between the two versions of the bill are as follows:

Section 406: This section preserves certain authorities which would otherwise expire under the law. Among them is subsection (i) dealing with authorization for a hospital at Fort Jackson, S.C. The Senate had agreed to the preservation of this authority but had limited the per-bed cost of the hospital to $16,000. The conferees agreed that the bed cost at this hospital should be brought into general conformity with similar costs at other hospitals and changed the $16,000 figure to $20,000.

Section 408: This section corresponds to section 512 of Public Law 85–685 and would amend section 406 of Public Law 85–241 so as to exempt one additional category of family housing—i.e., rental-guarantee housing, from the present requirement for inclusion in the annual Military Construction Act.

The only difference between the House and Senate versions was the addition by the Senate of a limitation restricting the number of rental-guarantee units to be contracted for to not more than 5,000 units prior to June 30, 1964. The House recedes.

Section 409: This section which relates to the leasing of property in the Ryukyu Islands (Okinawa) did not appear in the House version of the bill. The plans of the Department of Defense with respect to the authority requested in this section had not matured until after House action had been taken on the bill. The House recedes.

Section 412: The House version of the bill contained no provision similar to this. The Senate inserted a provision which would have prevented the appropriation of any funds after December 31, 1959, to or for the use of any armed forces for the design, development, or procurement of aircraft or missiles unless the appropriation of such funds had been specifically authorized by legislation enacted after that date.

The conferees agreed that the words "design" and "development" should be stricken from the language and that it be directed solely to the procurement of aircraft and missiles. The conferees also agreed that the date after which authorizing legislation would be necessary should be changed from December 31, 1959, to December 31, 1960. Also inserted by the conferees was a similar requirement with respect to naval vessels.

The conferees are in agreement that proper discharge of the legislative responsibilities of the Armed Services Committees requires an authorization of the aircraft, missile, and naval vessel procurement programs and that a thorough examination of these areas might serve to reduce the enormous cost of defense and be of assistance to the Committees on Appropriations in their consideration of the defense budget.

To implement this agreement, the conferees agreed to insert a new section 412 which will require the submission to the two Houses of a detailed statement with respect to those portions of the budget which relate to the procurement of aircraft, missiles, and naval vessels and also with respect to the procurement currently being made in these areas.

The new section, therefore, will give the two committees a year within which to make such internal changes in their committee structure as may be necessary and to study the field of aircraft, missile, and naval vessel procurement. After this year of preparation, the committees will then be ready to function in the legislative area and will be prepared to submit to their respective Houses soundly conceived and clearly presented programs for legislative consideration.

The conferees wish to point out that in referring to "aircraft," "missiles," and "naval vessels" it intends to refer only to operational aircraft, missiles, and naval vessels since it is to procurement in this area that the committees are directing this new requirement for specific legislative authorization.

The conferees cannot overemphasize their concern over the large expenditures entailed in procurement of aircraft and missiles under the existing broad statutory authorization, as well as the associated expenditures generated in other major budget categories. The conferees agreed that an effective method for maintaining proper surveillance over this procurement would be in the manner described above. The Senate recedes with an amendment.

Section 413: This section was added by the Senate committee since attention had recently been drawn to the fact that rectification and deepening of the Houston ship channel will require the use of certain areas which lie within the San Jacinto Ordnance Depot. The ordnance depot is being disposed of by the General Services Administration and this section will exclude from the disposal the areas needed for the deepening and rectification of the channel. Planning with respect to this matter had not matured prior to completion of action on the bill by the House. The House recedes.

Section 414: This section, which extends the Capehart Family Housing Act until September 30, 1960, and limits the number of Capehart housing units to an additional 20,000 units during the coming year, was inserted by the Senate committee. Since the President vetoed S. 57, the Housing Act of 1960, the inclusion of the extension of the Capehart Act was indeed provident. The House conferees had no objection to this extension nor to the limitation imposed. The House recedes.

Section 415: The Senate committee during its consideration of the bill inserted language which would have substituted the Government for the title insurance companies in performing functions relating to real property on which Capehart housing is proposed for construction.

The conferees agreed that the Senate language should remain in the bill but should be modified by a proviso which permits the Secretary of Defense to expend funds for title insurance if it is found impossible to finance the construction of a Capehart project without this action. The proviso also grants authority for the use of the Wherry Housing revolving fund to pay the cost involved in obtaining title search and title insurance.

In the utilization of this additional authority, a requirement is imposed that the Committees on Armed Services be promptly notified of each determination by the Secretary of Defense, in this area.

Section 418: This section, which was inserted by the Senate, amends section 404(c)(2) of the Housing Amendments of 1955 in such fashion as to require that the deposit made into the Registry of the Court in condemnation proceedings involving Wherry housing shall be an amount truly representative of the Wherry owner's equity in the project. The section details how this end will be achieved. This section would also provide that where the condemnee draws out of the Registry of the Court an amount greater than the value of the property as ultimately determined by the court, he shall pay to the Government 4 percent per annum on such excess from the time such sum was deposited in the Registry of the Court. The House recedes.

Section 419: In the House version of the bill, there was no section corresponding to Section 419. The Senate inserted language which would require that the Secretary of Defense report to the Armed Services Committees of the Senate and the House with respect to several individual elements relating to air defense.

The conferees agreed that a new section be inserted requiring that the Secretary of Defense report to the Senate and the House of Representatives the results of a complete review of all previously authorized surface-to-air missile sites. The report on this review is to provide assurance that the review revealed the military necessity for the construction of the sites selected; that the performance and capability of the missiles selected for the respective sites are in consonance with the military requirements, so as to eliminate, so far as is possible, any overlapping of missions or duplication of weapons systems.

The new section will require also that the report devote particular attention to the feasibility or desirability of modifying or expediting any of the missile programs for either defense or offense. The Senate recedes with an amendment.

Section 420: This section, which had no corresponding language in the House version of the bill, would authorize the use of funds generated by surplus commodity disposals to be used for military construction generally rather than for family housing and community facilities alone, which is the case today. As worded in the Senate version of the bill, the authorization would apply only to projects authorized by this act. The conferees agreed to modify this language so as to give it application to "any project authorized by law."

Hospitals

During the consideration of the construction bill in the Senate, six hospitals which had been approved by the House were stricken from the bill until, as the Senate report stated, "more realistic cost estimates are forthcoming * * *." The Senate committee stated in the report that it did not intend to imply that these hospitals are not needed, but simply that cost estimates appear to be entirely unrealistic. Subsequent to the Senate consideration of the bill, the Department of Defense submitted further cost estimates on the hospitals which were somewhat lower than those set out in the bill. The conferees were of the view that the costs still could be considered to be too high, and they, therefore, reduced the cost of all of the hospitals by approximately $2½ million.

These projects have been approved; however, it is expected that further investigations by the Department of Defense and the military departments concerned will be made with a view to effecting further savings within the totals whenever practicable. The investigation should include a review of the necessity for the planned mobilization expansion as well as the need for providing additional space for emergency expansion to care for a large input of patients due to unforeseen circumstances such as epidemics and catastrophes.

Revised Plan for Air Continental Defense

The revised plan which is referred to in the Statement in both titles I and III resulted in substantial reductions in these two titles. The plan provides for a reduction and revision in the planned deployment of both BOMARC and NIKE-HERCULES missile sites, and a revision and strengthening of the electronic ground environment so necessary to the control of the weapons and the air battle.

The BOMARC deployment will be on the perimeter of the east and west coasts and the Canadian border. This deployment is in keeping with the Furnas report. The NIKE defenses will continue to provide for the urban areas now protected, and will be extended to certain carefully selected Strategic Air Command sites. Although it does not affect the military construction authorization bill, the plan further provides for putting more funds, some $137 million, into the NIKE-ZEUS anti-missile-missile program for engineering development type of work.

Use of Prior Authorizations

The conferees wish to point out that among the deletions from the program contained in the bill are certain items for which there is a continuing construction requirement to adequately protect certain Strategic Air Command bases and other existing missile sites. It is proposed that this construction will be performed under authorization granted in the fiscal year 1959 law. It is desired, therefore, to make it a matter of record that authority for construction granted by Public Law 85-685 may be used to construct the items referred to above with the specific understanding that there will be construction for no more than 15 new SAC base defenses.

Title V

Reserve Forces Facilities

Under the Senate amendments to the Reserve Forces facilities title of the military construction bill, $57,695,000 was authorized for Reserve facilities projects, whereas the bill as passed by the House provided $57,128,000 for such projects, resulting in a difference of $567,000 in authorization authority.

Although the total dollar authorization contained in the House and Senate version are somewhat different, the Senate version rescinded previous authorizations in the amount of $1,251,000, whereas the House version rescinded only $628,000 of previous authorization. Thus, the actual net difference in the total new authorization was limited to $56,000 and therefore the House and Senate bills provided an almost identical amount of new dollar authorization for Reserve Forces facilities.

Inasmuch as the changes made in the amounts of new authorization and rescissions of previously granted authorization were almost entirely made at the request of the Department of Defense and the National Guard Bureau, the House recedes from its position and accepts the Senate substitutions.

Differences in Dollar Authorizations

As the bill passed the House, the authorities granted in the Army, Navy, Air Force, and Reserve components titles totaled $1,252,608,000. The corresponding authority granted in the Senate version of the bill totaled $1,211,480,000 or $41,128,000 less than the House version. The total agreed to by the conferees for titles I, II, III, and V is $1,225,475,150. This latter sum is $27,132,850 less than the House version and $13,995,150 more than the Senate version.

CARL VINSON,
PAUL J. KILDAY,
CARL T. DURHAM,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
L. C. ARENDS,
L. H. GAVIN,
WALTER NORBLAD,
FRANK C. OSMERS, JR.,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, on April 16, 1959, the House passed H.R. 5674, which was the fiscal year 1960 military construction authorization for the three military departments and for the Reserve components.

On June 30 the Senate considered the House bill and amended it by striking all language after the enacting clause and inserting a new bill.

As the bill passed the House, the authorities granted in the Army, Navy, Air Force, and Reserve components titles totaled $1,252,608,000. The corresponding authority granted in the Senate version of the bill totaled $1,211,480,000 or $41,128,000 less than the House version. The total agreed to by the conferees for titles I, II, III, and V is $1,225,475,150. This latter sum is $27,132,850 less than the House version and $13,995,150 more than the Senate version.

As is usual, there were many items in disagreement between the House and Senate versions. Most of these, I am happy to say were matters of minor importance. There were, however, several substantial differences, both in money amounts and in the language of the general provisions, and I would like to describe these differences briefly in order that the House may know what its conferees have agreed to.

First, the Senate cut from the House bill all authority for six hospitals, two for the Army, one for the Navy, and three for the Air Force. The Senate report on its bill indicated quite clearly that the cuts were made not on the basis that the hospitals were not really needed, but rather that the costs of the hospitals appeared to that body to be excessive.

The total cost of these hospitals as submitted by the Department was about $19,200,000. The House conferees initiated an independent study of the hospitals and arrived at a lower figure. I think it of interest to know that the Senate conferees on an entirely independent basis made a similar study. Each of these studies was made without the knowledge that the other body was engaged in the same pursuit.

As I said, the total cost of the hospitals originally was about $19,200,000. The two independent studies resulted in a total difference between the House and the Senate of only $98,000, which is less than one-half of 1 percent difference. I think that the two studies were profitable, and I believe that with some cutting here and there that the hospitals can be built for the new, lower figure. The new figure is a little over $16,500,000. This is $2,600,000 less than the Department's original estimates.

The six hospitals was, therefore, reinserted in the program at the lower figures.

The next substantial reduction made by the Senate related to both the Army and Air Force titles and directed itself to the matter of our air defense.

The House is aware that Secretary McElroy initiated a completely new study of our air defense and arrived at certain conclusions which will permit the use of both of the principal weapons systems which have been planned while at the same time making internal modifications which permit reductions in the authorization contained in this bill.

In the Army title the reduction was a little over $17 million, while in the Air Force title the reduction was about $29 million.

I, of course, cannot go into the details of this plan since it involves highly classified information, but I can assure the House that both Nike-Hercules and Bomarc will remain in our inventory and perform the functions originally planned for them in substantially the same fashion that we are already familiar with.

An individual item of interest is the authorization requested for the establishment of Norad headquarters at Colorado Springs, Colo. The House struck this item from the bill since its location has not been determined at the time of House consideration. Shortly after this time, however, the location of the headquarters was specifically determined and the Senate inserted the required authorization in the bill. The House conferees agreed that the authorization should now be granted and the agreed item appears in the conference report.

Many of the general provisions appear in this bill year after year, and with respect to these there was, of course, no disagreement.

One of the general provisions which has not appeared in the bill before is section 409 which would grant certain necessary authority for the leasing of property in Okinawa. This was inserted by the Senate but only because plans with respect to this program had not matured at the time the House was considering the bill.

Section 414 will extend the Capehart Family Housing Act. This was inserted by the Senate and it was, indeed, provident in view of the President's veto of the housing bill. This same section also limits the number of Capehart houses to be constructed during the coming year to 20,000. This, I think, is a sound provision since it will require the Department of Defense to take an even closer look at its family housing program to insure that there is no overbuilding at military installations throughout the United States.

I might say in this connection that there are a great number of self-imposed limitations now controlling the construction of Capehart houses, and I feel that these, coupled with the overall imposition of a numerical ceiling, will give us an assurance that only housing that is really needed will be built.

Another section, number 418, which was inserted by the Senate, strives to assure that the deposits made in Wherry condemnations will actually be equal to the Wherry sponsor's equity. There has been some difficulty on this score in the past, and I feel that this section may well help the situation.

Section 420 will permit the use of funds generated through the disposal of surplus commodities to be used in overseas areas, not only for the construction of houses but for any military construction where use of surplus commodity funds is feasible. This, again, is a step in the right direction, and the House conferees were in full agreement with its inclusion in the final version of the bill.

Three other provisions which were in disagreement I have saved until the last since I consider them to be of considerable importance. I will now deal with these three provisions in the order of their importance.

The Senate committee inserted section 419 in the bill. The Senate language would have required a very detailed report to the Armed Services Committees relating to our air defense and related matters.

The report required by the Senate language would have included the opinion of the respective Chiefs of Staff in connection with one particular element of our defense posture.

Another part of it would have required the "latest opinion of the respective Chiefs of Staff" in connection with another area of judgment.

The House conferees, while agreeing that continuing review of matters important to our defense should be encouraged and, indeed, required, did not feel any view should be expressed other than by the man specifically charged by law with this responsibility. That man is the Secretary of Defense. Since all of the conferees, both Senate and House, were agreed in principle with the need for a review of certain elements of our defense situation, agreement was reached that a new section 419 would be inserted in the bill. The new section will require that the Secretary of Defense shall not later than September 15, 1959, report to the Senate and the House the results of a complete review of all previously authorized surface-to-air missile sites with the assurance, first, that the review reveals the military necessity for the construction of the sites selected; second, that the performance and capability of the missiles selected for the respective sites are in consonance with military requirements so as to eliminate any overlapping in this area; and third, that particular attention shall be given to the feasibility of modifying or expediting any of our missile programs.

This new section cannot fail to have an overall beneficial result. In the first place, it will insure a continuing review of these important matters by the Secretary of Defense and at the same time, provide the Congress with specific and detailed information which it must have in order to legislate intelligently.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. McDONOUGH. With reference to the title insurance section that you just described, you say if it cannot be obtained in any other manner or if the builder will not build without the title insurance section——

Mr. VINSON. May I interrupt—then they will have to have title insurance, and the new language also provides a source of funds for the procurement of title insurance, and that is the revolving fund established for procurement and improvement of Wherry housing projects.

Mr. McDONOUGH. At what rate of interest?

Mr. VINSON. I do not know what the gentleman is referring to. Interest rates are not involved.

Mr. McDONOUGH. That is not provided for in the conference report?

Mr. VINSON. No. We do not deal with the question of interest at all.

Mr. McDONOUGH. What other source of funds is there besides title insurance, FHA funds, available in the conference report?

Mr. VINSON. This is the only place. Title insurance costs will come from the Wherry revolving fund. I will now continue with my detailed statement.

Section 415 was another addition by the Senate committee. This section relates to the procurement of title insurance with respect to property on which the construction of a Capehart housing project is planned.

As the Senate language was written, considerable fear was expressed that it would practically bring the Capehart housing program to a halt since it virtually forbade the procurement of title insurance.

Now, I think we can all agree that we cannot dictate to the insurance companies and the banks who lend the money for Capehart projects whether they will or will not have title insurance. It is entirely within their own discretion and best business judgment as to whether they will lend money for these projects. If they will not lend money without title insurance, then the Capehart project stops, and our military personnel are left without the family housing that they should have.

This particular provision was the subject of extended discussions by the conferees but the discussion finally turned out to be a profitable one from the standpoint of the House since the Senate language has now been modified so as to permit the procurement of title insurance if the construction of a Capehart project is impossible without it. Or, to put it another way, if the lenders will not lend without title insurance, then title insurance can be procured.

The new language also provides a source of funds for the procurement of title insurance and that is the revolving fund established for the procurement and improvement of the old Wherry housing projects.

So now we have an agreement, and I think it is a good one, that title insurance can be procured where it is necessary but will be eliminated where it is not necessary.

The last and most important section of the bill which I wish to discuss is section 412. This section relates to what I will call a line item authorization for missiles, aircraft, and naval vessels.

The language inserted by the Senate—and there was no counterpart in the House bill—would have required that no money could be appropriated after December 31, 1959, for the design, development, or procurement of aircraft or missiles unless the appropriation had been specifically authorized by legislation enacted after that date.

In effect, this meant that immediately at the beginning of the next session of this Congress, authorization would be necessary before any aircraft or missiles could be made the subject of an appropriation.

The conferees finally agreed, therefore, that the section should be modified in certain essential respects.

In the first place, the words "design" and "development" were deleted from the Senate language since it is actually operational procurement that should be the subject of any authorizing legislation.

Another very substantial change was the addition of a requirement that the same authorization must be provided for naval vessels.

Based on these considerations, the language was changed so that on or before January 31, 1960, the Secretary of Defense will submit to the Senate and the House complete and detailed information with respect to the various types and kinds of aircraft, missiles, and naval vessels being procured by the Armed Forces, including the number of each type and kind and the cost thereof.

Also, the submission of the Secretary will include the cost and number of each

type and kind of aircraft, missile, and vessel proposed to be procured and the estimated cost of them.

The rest of this new section reads as follows:

No funds may be appropriated after December 31, 1960, to or for the use of any armed force of the United States for the procurement of aircraft, missiles, or naval vessels unless the appropriation of such funds has been authorized by legislation enacted after such date.

Now, why should we provide in the law that aircraft, missiles, and naval vessels be the subject of an authorization bill?

Today, the Armed Services Committee hears the military construction bill which this year totals about $1.2 billion. We work hard on this bill and I think we provide the House all of the information which it needs to have in order to act intelligently on it.

The budget for the current fiscal year for aircraft and missiles is in the order of $9 billion. The shipbuilding appropriation request for this year is $1 billion.

This is a total of $10 billion. Let us look for a moment at the authorizations on which these appropriations are made.

In the case of the Navy, the basic authority is this:

The President may acquire, construct, or manufacture naval airplanes, spare parts, and equipment necessary to provide and maintain 15,000 useful naval airplanes.

Here is another similar Navy authority:

The Secretary of the Navy may procure and construct guided missiles.

The Air Force authority for its missiles and planes reads as follows:

The Secretary of the Air Force may procure guided missiles and 24,000 serviceable aircraft or 225,000 airframe tons of serviceable aircraft, whichever the Secretary considers appropriate.

Now, these authorities could not be broader unless the last remaining limitation was removed and that is the number of aircraft.

In the field of ship procurement, the situation is somewhat better but still is so broad today that the Armed Services Committees consider only a small fraction of the total shipbuilding program each year. This usually relates to antisubmarine vessels and other relatively minor ships which do not fall within the broad categories of the Vinson-Trammell Act.

And I might say that the Vinson-Trammell Act was passed 25 years ago this year—back in 1934. It, with its subsequent amendments, provided enough tonnage for the Navy to build ships for an untold number of years without any further authorization. All the Navy has needed and all it needs today is appropriations.

We are now bringing into the fold for the first time aircraft and missiles and returning to the fold ship construction.

I feel, and I think the House will agree with me, that the legislative committee—the committee which should be the policymaking committee—should have full and detailed information with respect to the tremendous expenditures involved in these programs. It is true that we could obtain the information at any time but, with the responsibility of enacting legislation, information tends to remain exactly that, just "information."

Let me cite a few figures:

A B–58 airplane costs about $12.5 million.

A Navy carrier fighter plane costs about $3.3 million.

An Atlas missile costs $2 million.

A Polaris submarine costs $100 million.

A Bomarc costs $873,000.

And a Nike-Hercules costs $78,500.

When you multiply each one of these by 100, or by several hundred, the cost is simply staggering.

Under the new section 412 of the bill, then, the Armed Services Committee will obtain all of the information which is now furnished the Appropriations Committee. It will consider it, study it, and bring a bill to the floor which will inform the House to the very maximum extent possible consistent with security considerations with respect to these areas of procurement.

The bill will leave research and development of our various weapons just as it is today. We are directing our attention at this time only to procurement of operational aircraft, missiles, and vessels.

I hope that I have given the House a complete picture of what the conferees have agreed upon. The bill contains some 2,000 items, it has been closely studied by the two Armed Services Committees and has been debated on the floor of each House.

The agreement reached by the conferees is, I think, well considered in all its aspects and warrants the support of every Member of the House.

Let me now deal with the subject of our air defense.

Mr. Speaker, one of the most difficult problems which has faced both the Department of Defense and the Congress over the past several years is that of the air defense of the United States.

The problem confronting us today in providing adequate air defenses for the continental United States thus is one which requires the establishment and maintenance of an antiaircraft defensive system.

Controversy between manufacturers and the services over the relative merits and means of employment of antiaircraft weapons has added to the difficulty and confusion. This confusion is reflected in the actions of the House Appropriations Committee which, on the basis of its best judgment, deleted from the fiscal year 1960 Department of Defense appropriations bill a major portion of the money requested for the Bomarc weapon. Similarly, the Senate Armed Services Committee, at the one time, deleted from the bill presently under consideration, substantial authorization for future construction of Nike sites and also restricted the utilization of authority presently authorized and appropriated for this purpose.

The Secretary of Defense agreed with the Senate Appropriations Committee that a decision in this field was urgently necessary and that congressional action would be helpful to him in obtaining such a decision.

Under these circumstances, as the House is aware, the Secretary of Defense requested the Armed Services Committees of the House and of the other body to delay final action on the military construction bill, pending submission by him of an overall air defense plan. This request was agreed to by both committees of the Congress and the Secretary presented a plan to the Armed Services Committee of the other body on June 12. A few days later it was presented to the House Armed Services Committee.

The continental air defense plan, as presented by the Secretary of Defense, represents his best judgment as providing the means necessary to meet the present and future Russian manned bomber threat and at the same time makes provision for accelerating research and development in the anti-missile-missile field. It does not represent the corporate opinion of the Joint Chiefs of Staff as they were unable to agree among themselves and submitted several recommendations which the Secretary of Defense undertook to resolve. The Secretary's final decision in this area was approved by the President.

Those features of the plan involved in the military construction bill were accepted substantially by the other body and are incorporated in the agreement of the managers on the part of the House in the conference report now under consideration.

Generally speaking, the action of the other body and the agreement of your conferees results in a reduction of both the Bomarc and Nike programs. It appeared to the committee of conference, however, that the level of defense recommended by the Secretary of Defense was approximately correct to meet the Russian manned-bomber threat as it presently exists and may be expected to continue for the foreseeable future.

Obviously, it is impossible for me in a public statement to give at this time all details of the plan. I believe I may say, however, without fear of revealing military secrets, that the plan is predicated upon a peripheral defense concept, incorporating three defensive lines along the western, northern, and eastern boundaries of the United States. Certainly it is to our advantage to destroy attacking enemy aircraft as far from our borders as possible, hence, the first defensive line consists of United States and Canadian interceptor aircraft.

A second line of long-range Bomarc missiles will be prepared to attack bombers which escape the interceptors, and finally, close-in defensive positions employing the Nike-Hercules and Nike-Ajax weapons surrounding key industrial centers and SAC bases will be available to attack such of the enemy as may penetrate both the interceptor and Bomarc defense systems.

It seems to me that the plan is a reasoned, intelligent and practical solution which employs the peculiar advantages of all weapons available to us to defend against enemy-manned bombers. It is true that Bomarc is an expensive

weapon when compared to Nike but it is also true that it will destroy the enemy at a distance from our country which to me makes the additional cost worthwhile. Similarly, the Nike has advantages which make it more adaptable for close-in point defense and defense against low-flying aircraft. Both systems are supported by expansion and improvement of our early warning radar lines across the northern reaches of the North American Continent, and by improving and strengthening of the Sage system within the continental United States.

There remains simply the question of judgment, the answer to the question: "How much is enough?" On this question an honest difference of opinion exists among the several members of the Joint Chiefs of Staff, among Members of the House of Representatives and among Members of the other body. I agree that a decision in this area was long overdue and I believe that the House of Representatives is entitled to credit for the action taken by the Committee on Appropriations and by the Armed Services Committee to expedite a decision of this vital and difficult question.

Nevertheless, that decision having been made by the Secretary of Defense and approved by the President, I, for one, would not care to substitute my individual judgment in a matter so vital to our national survival for that of the President, the Secretary of Defense, and their military advisers.

The reduced programs for both Nike and Bomarc installations incorporated in the air defense plan will result in disappointment to some Members and to their constituents who had reason to believe that such installations would be constructed in their areas. Thus, two Bomarc bases, one in Vermont and one in Wisconsin, which has proceeded to the point of inviting bids for construction in one case, and where a contract had been granted in the other, already have been canceled. Similarly, with the exception of certain key SAC bases, new Nike-Hercules installations in the central and southern parts of the United States once planned, will not be built.

I believe I should say at this point that the decisions regarding the location of the sites of both Bomarc and Nike-Hercules weapons included in the air defense plan were made by the Joint Chiefs of Staff on the recommendations of the commander in chief, North American Air Defense Command. They were military decisions and represent the best judgment of military men for the location of these weapons.

Reduction of the numbers of sites in question, together with reduced procurement programs for the weapons to go on such sites, results in substantial savings in money over the original programs recommended for the Bomarc by the Air Force and for the Nike by the Army. These additional funds will be reflected in additional expenditures in the research and development test and evaluation of the Nike-Zeus, the anti-missile missile. The Secretary of Defense also has requested of the Congress an additional $137 million for current obligation for the development and production of machines to mass-produce components of the Nike-Zeus system. Other funds available to ARPA also are being utilized in basic research for other anti-missile missile defense systems.

I would like to say, generally, in connection with Nike and Bomarc sites, that section 419 of the bill as agreed upon by the conferees will require a study and review by the Secretary of Defense of all of the sites selected as a means of determining that the correct sites have been selected, and that military necessity dictates that they be established in those particular locations.

That study by the Secretary of Defense is to be completed and submitted to the Committee on Armed Services not later than September 15 of this year.

In view of that, it is possible, although I consider it improbable, that some revisions may be made in the sites already selected. In any event, no one can say as a matter of absolute certainty that this site will be built or will not be built. On September 15, however, I believe that we will be able to answer questions of this kind.

The air defense plan, as reflected in the construction agreed upon in this conference report, represents an adequate defense against the Russian manned-bomber threat as seen today and as it may continue in the foreseeable future. As this threat decreases the threat to our country from intercontinental ballistic missiles will increase. It is incumbent upon the administration and upon the Congress to assure that no stone is left unturned to solve the problem of defense against enemy ballistic missiles. You may be assured that the Armed Services Committee of the House is alert to this urgent requirement and will assert all of its influence as well as lend its full support toward the prompt solution of this new and dreadful threat to our liberty.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I am glad to yield to the gentleman.

Mr. GROSS. What action did the conference committee take, if any, with respect to the San Jacinto Ordnance Depot?

Mr. VINSON. We provided that 118 acres would be retained for channel straightening and that in addition some 400 acres would be used as an area for spoil disposal in the cleaning out of the channel.

Mr. GROSS. How many acres did the gentleman say?

Mr. VINSON. 118 acres for the channel straightening. We retain the title to that to straighten out the channel.

Mr. GROSS. And you make available for spoilage how many acres?

Mr. VINSON. 400 acres. The other phase of that disposal proposition was not in conference. That had passed and is the law.

Mr. GROSS. I understand that perfectly, but this means another dig into that valuable property.

Mr. VINSON. No. The acreages I mentioned are retained by the Government.

Mr. GROSS. How about the 118 acres?

Mr. VINSON. The Government retains it.

Mr. GROSS. That is 118 acres?

Mr. VINSON. Yes; the Government takes it out of the proposed disposal by GSA.

Mr. GROSS. I thought that was to be turned over for the straightening of the channel.

Mr. VINSON. We hold back the 118 acres, and we also hold back the 400 acres. That is what we are doing. In other words, we are reducing the amount that will be available for sale.

Mr. GROSS. The amount you originally set aside for that purpose perhaps you are reducing, but the fact remains that you are giving away some of this.

Mr. VINSON. The 518 acres are being retained. That is not involved here. We are holding back 118 acres to straighten the channel. We are taking back 400 acres for a spoilage area.

Mr. GROSS. How can you say you are taking back something that you have given away?

Mr. VINSON. Because we have already passed the bill permitting it to be sold. We are curtailing the blanket authorization.

Mr. GROSS. I should like to ask the gentleman this question. Is anybody going to pay for this land that is given for the straightening of the Houston ship channel?

Mr. VINSON. It will belong to the Government. That is the Government's land. Nobody pays for it. The Government does not give it away.

Mr. GROSS. It is going to be given away for that purpose.

Mr. VINSON. It is not given away at all.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I am happy to yield to the gentleman.

Mr. KEOGH. I do appreciate the gentleman's reference in his statement to the new language of section 415. I take from the statement that he made that it is intended by the conferees that the proviso added to section 415 would apply to future projects.

Mr. VINSON. Exactly.

Mr. KEOGH. And that where those projects could not be concluded unless the lender requires either for himself or under State law a policy of title insurance, the Secretary is authorized to enter into that contract.

Mr. VINSON. If it is impossible for any reason to construct a Capehart house without title insurance then the Secretary is authorized by this language to obtain title insurance.

Mr. KEOGH. I should like, if I may, to direct the gentleman's attention to the situation I am told now exists. There are a number of such commitments that have been made. There have been requests for title insurance. The mortgages, however, have not closed. The policy of insurance has not been delivered. I assume that it is not the in-

tention of this legislation to interfere with such existing contracts?

Mr. VINSON. I would say this. In view of the fact that the law as far as Capehart houses are concerned has expired, strictly speaking; everything relating thereto died and is dead today until this bill is passed. I would say that a wise Secretary might examine those applications, look them over, and if he felt that the facts and circumstances warranted title insurance he has the latitude here to insist on title insurance.

Mr. KEOGH. I thank the gentleman very much.

Mr. VINSON. Mr. Speaker, if there are no further questions, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, let me say that I agree with the statements made by the chairman of the committee. I signed the conference report, as a member of the conference committee although possibly in one or two instances I had some grave doubts in my mind as to the workability of one or two such provisions in this conference report.

However, as a whole, our conferees have done an exceptionally good job and I urge the adoption of the conference report.

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FEDERAL CREDIT UNIONS

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 334) providing for the consideration of H.R. 8305, a bill to amend the Federal Credit Union Act, and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8305) to amend the Federal Credit Union Act. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. President, I yield 30 minutes to my colleague on the Committee on Rules, the gentleman from Idaho [Mr. BUDGE], and now yield myself such time as I may require.

Mr. Speaker, House Resolution 334 makes in order the consideration of H.R. 8305, which seeks to amend the Federal Credit Union Act. The resolution provides for an open rule and 2 hours of general debate.

H.R. 8305 would rewrite the Federal Credit Union Act, passed in 1934. A number of the amendments would clarify and modernize the act without making substantive changes. Among the more important substantive amendments are the following:

First. Increases maximum maturities of loans from 3 to 5 years.

Second. Increases signature loan limits from $400 to $1,000.

Third. Provides for loan officers to process loans within specified limits and makes other improvements in the organization of Federal credit unions to enable them to meet their members' needs more efficiently.

Fourth. Liberalizes borrowing restrictions on Federal credit union officials.

Fifth. Authorizes Federal credit unions to cash and sell checks to members for a reasonable fee.

Sixth. Authorizes dividends to be paid semiannually and allows dividend credit for savings received in the first 5 days of a month.

The bill would have no impact on the Federal budget inasmuch as the expenses incurred by the Bureau of Federal Credit Unions are paid out of fees collected from the supervised credit unions.

Although the Federal Credit Union Act has proven to be a remarkably effective instrument during the 25 years in which it has operated, it has not kept pace in many respects with the changes in our economy and the evolving needs of credit unions and their members which have risen during this period. The House Banking and Currency Committee is recommending a series of specific amendments which are designed to bring the act in tune with today's economy.

I urge the adoption of this resolution.

Mr. BUDGE. Mr. Speaker, this year marks the 50th anniversary of the first State credit union law—and the 25th anniversary of the Federal Credit Union Act.

The first credit union in the United States was organized in 1909. The Federal Credit Union Act was passed in 1934.

Today there are more than 9,000 Federal credit unions operating in the United States, its Territories, and possessions, including the District of Columbia—with a membership of over 5 million.

Although the Federal Credit Union Act has been law for only 25 of the 50 years credit unions have operated in the United States—almost half of the 20,000 credit unions which have been organized have been chartered by the Federal Government.

As of December 31, 1958, Federal credit unions had assets estimated at more than $2 billion, and are growing at a rate of approximately $300 million each year. During the past 25 years, less than one-fifth of 1 percent of the dollar amount loans made by Federal credit unions have been charged off as losses.

This bill would rewrite the Federal Credit Union Act. A number of the amendments would clarify and modernize the act without making substantive changes.

Among the more important substantive amendments are the following:

First. Increases maximum maturities of loans from 3 to 5 years.

Second. Increases signature loan limits from $400 to $1,000.

Three. Provides for loan officers to process loans within specified limits and makes other improvements in the organization of Federal credit unions to enable them to meet their members' needs more efficiently.

Fourth. Liberalizes borrowing restrictions on Federal credit union officials.

Fifth. Authorizes Federal credit unions to cash and sell checks to members for a reasonable fee.

Sixth. Authorizes dividends to be paid semiannually, and allows dividend credit for savings received in the first 5 days of a month.

No impact on the Federal budget, inasmuch as the expenses incurred by the Bureau of Federal Credit Unions are paid out of fees collected from the supervised credit unions.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL BANK AMENDMENTS—AMENDING LENDING AND BORROWING LIMITATIONS APPLICABLE TO NATIONAL BANKS AND AUTHORIZING APPOINTMENT OF AN ADDITIONAL DEPUTY COMPTROLLER OF THE CURRENCY

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 333) providing for the consideration of H.R. 8160, a bill to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes, and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8160) to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question

shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE] and I now yield myself such time as I may require.

Mr. DELANEY. Mr. Speaker, House Resolution 333 makes in order the consideration of H.R. 8160, which would amend the lending and borrowing limitations applicable to national banks and would authorize the appointment of an additional Deputy Comptroller of the Currency, among other things. The resolution provides for an open rule and 1 hour of general debate.

H.R. 8160 makes four basic changes in the laws relating to national banks. The first section provides for an additional Deputy Comptroller and increases the surety bonds for the Comptroller and the Deputy Comptrollers. Section 2 increases the limit on borrowing by national banks from 100 percent of capital to 100 percent of capital plus 50 percent of surplus. Section 3 relates to the limit on loans by national banks to one borrower. Section 4 liberalizes some of the restrictions on real estate loans by national banks. The bill would allow national banks to make real estate loans up to 20 years, covering up to 75 percent of the appraised value of the real estate, if the loans are fully amortized. It would also permit loans on leaseholds that run at least 10 years beyond the loan maturity. Finally, it would relax certain existing restrictions on construction loans, exempt from the usual restrictions on real estate loans any loan fully guaranteed by a State or State authority, and allow a bank to take a mortgage as additional security on certain business loans without thereby becoming subject to the real estate loan restrictions.

The bill would have no impact on the Federal budget inasmuch as the expenses incurred by the Comptroller of the Currency in supervising national banks are obtained by assessment against the banks supervised.

H.R. 8160 supersedes H.R. 6092 which was amended by a subcommittee of the House Banking and Currency Committee. H.R. 8160, a clean bill, incorporates the changes made in the original bill.

I urge the adoption of this resolution.

Mr. BUDGE. Mr. Speaker, this bill amends the lending and borrowing limitations applicable to national banks—to authorize the appointment of an additional Deputy Comptroller of the Currency—and for other purposes.

The bill makes four basic changes in the laws relating to national banks:

First. The first section relates to the Office of the Comptroller of the Currency, which supervises national banks. It provides for an additional Deputy Comptroller and increases the surety bonds for the Comptroller and the Deputy Comptrollers.

There are presently three deputies—one was authorized in the original National Bank Act in 1863; the second was authorized in 1909; and the third in 1923.

The volume of work in the Comptroller's Office has been increasing for many years with the growth in national bank assets. In 1923, when the last Deputy Comptroller was authorized, the total assets of national banks were less than $22 billion—as of December 31, 1958, total assets had grown to over $128 billion.

The bill would raise the surety bond required for the Comptroller from $100,000 to $250,000; and for the Deputy Comptrollers from $50,000 to $100,000.

This action is not a reflection on any of the individuals now occupying these offices. The Comptroller's bond was fixed in 1863; and the Deputy Comptrollers' bonds, in 1909. These amounts are now obviously outmoded.

Second. Increases the limit on borrowing by national banks, from 100 percent of capital, to 100 percent of capital plus 50 percent of surplus.

This increase in borrowing authority will permit banks, particularly smaller banks subject to heavy seasonal demands, to meet more adequately the financial needs of their communities, and without unduly increasing the risk involved.

With this enlargement of borrowing power, national banks would still be subject to stricter limits than apply in many States, where State banks may borrow up to the amount of their capital and surplus, and in some instances greater amounts with the approval of the State bank supervisory authority.

Third. Section 3 relates to the limit on loans by national banks to one borrower.

Generally, the limit is now 10 percent of the bank's capital and surplus—but there are 12 exceptions permitting the national banks to make larger loans upon specified types of securities.

Under this bill, a 13th exception would be added, and three of the exceptions would be amended.

The three exceptions to be amended deal with loans secured by refrigerated or frozen foods, discounts by dealers in dairy cattle, loans secured by U.S. Government obligations.

The new exception deals exclusively with installment consumer paper and would apply to all such paper whether negotiable or nonnegotiable.

Fourth. Section 4 liberalizes some of the restrictions on real estate loans by national banks. This bill would allow national banks to make real estate loans up to 20 years, covering up to 75 percent of the appraised value of the real estate, if the loans are fully amortized. It would almost permit loans on leaseholds that run at least 10 years beyond the loan maturity. Finally, it would relax certain existing restrictions on construction loans, exempt from the usual restrictions on real estate loans any loan fully guaranteed by a State or State authority, and allow a bank to take a mortgage as additional security on certain business loans without thereby becoming subject to the real estate loan restrictions.

The bill would have no impact on the Federal budget, inasmuch as the expenses incurred by the Comptroller of the Currency in supervising national banks are obtained by assessment against the banks supervised.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL BANK AMENDMENTS AMENDING NATIONAL BANKING LAWS TO CLARIFY OR ELIMINATE AMBIGUITIES AND TO REPEAL CERTAIN LAWS WHICH HAVE BECOME OBSOLETE

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 332) providing for the consideration of H.R. 8159, a bill to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes, and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8159) to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, House Resolution 332 makes in order the consideration of H.R. 8159, relating to technical amendments in national bank laws. The resolution provides for an open rule and 1 hour of general debate.

H.R. 8159 is designed primarily to repeal various obsolete provisions of the national banking laws, to clarify and eliminate existing ambiguities, and to add new authority relating to, first, change of location of national banks; second, liabilities of national banks to the Federal Deposit Insurance Corporation; third, length of time within which national banks must furnish condition reports; fourth, declaration of dividends of national banks; fifth, receipt of deposits by corporations not examined and regulated; and sixth, use of word "national" in title of national banks.

The bill would have no impact on the Federal budget inasmuch as the expenses incurred by the Comptroller of the Currency in supervising national banks are obtained by assessment against the banks supervised.

H.R. 8159 supersedes H.R. 6093 which was amended by a subcommittee of the House Banking and Currency Committee. H.R. 8159, a clean bill, incorporates the changes made in the original bill.

I urge the adoption of this resolution.

Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE] and pending his use of that time I yield 1 minute to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I have placed on the Clerk's desk this morning and signed a discharge petition on the home rule bill. This afternoon during special orders the gentleman from Wisconsin [Mr. REUSS] and the gentleman from New Jersey [Mr. WIDNALL] will address themselves to this question. I urge Members interested to be on the floor at that time and participate in the discussion. I also urge all Members, who want home rule for the District of Columbia to sign the discharge petition.

Mr. Speaker, I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, about 2 weeks ago the Scripps-Howard papers began a series of articles intended to point up the shortcomings of our aid program in Vietnam. They were widely publicized and, if one is to believe the advanced billing they received, they were going to expose waste, inefficiency, and general misconduct in the administration of the mutual security program in that country.

I have some familiarity with Vietnam, with our aid program in that country, and with our people who are administering it. As chairman of the Far East and Pacific Subcommittee of the Committee on Foreign Affairs I have kept abreast of our operations in that entire area. I have been in Vietnam several times. As a member of the Special Subcommittee for Review of the Mutual Security Programs, I have participated in special studies both of the military and economic aid programs in Vietnam as well as several other countries to which that subcommittee gave special attention. Members of our missions in the Far East countries who return home for consultation or reassignment often appear before my subcommittee or visit with me informally.

I mention these points only to indicate that I and my committee colleagues are not unaware of developments in Vietnam. We have some basis for making assessments and judgments. All of us are receptive to additional information including that which may be unfavorable to our operations.

For these reasons I awaited with more than usual interest the articles by Mr. Colegrove. Perhaps I violate a rule of good presentation when I put my conclusions at the beginning of my remarks. Simply stated my conclusion is that this series of articles represents one of the most feeble efforts in the field of American journalism. The entire series abounds in generalities, innuendos, colored adjectives, and verbs—all of it set in good-sized type and crowned with headlines of ambiguity and misrepresentation.

Members will be interested to know that I called a meeting of my subcommittee last Monday. The Assistant Secretary of State for the Far East, Mr. Parsons, and the ICA Director for the Far East, Dr. Moyer, appeared. In order that the full story could be told it was an executive session. The transcript of the hearings is now being edited for security material and prepared for publication. I urge those Members who may be receiving letters from constituents to delay a full reply until the hearings are available. The various charges are analyzed and detailed answers to the accusations supplied.

Our Ambassador to Vietnam, Mr. Durbrow, and the Director of our ICA mission to that country, Mr. Gardner, both of whom are career Foreign Service officers, have been called back to Washington to report on the situation in Vietnam. They are appearing before the other body today and will be before my subcommittee in a few days. I hope Mr. Colegrove can also testify.

I am taking this time today simply to put the Members on notice that they should not accept these articles at their face value. Mr. Colegrove was sent over to get a story—not the story but a story. I am reliably advised by a responsible reporter that even the editors of the Scripps-Howard chain were worried by the lack of factual support for many of the charges, so much so that no fewer than 60 items were cut out of the series.

Let me take a few minutes to show why I assert that these articles are questionable sources of information. Mr. Colegrove charged that our bureaucrats who cannot abide the mildest criticism have tucked the damning facts away in secret files. If Mr. Colegrove has seen the secret files, then of course they are not secret. If he has not seen them, then I wonder how he knows what is in them. The fact is that Mr. Colegrove made no effort to obtain facts and to check allegations. The Department of State advised us that he interviewed the Ambassador shortly after his arrival in Saigon. He did not check with the Ambassador again. Mr. Colegrove did not see the MAAG chief; he did not interview the USOM Director or Controller. Any of these individuals could have made available to him official files that would have given him a vast amount of factual material upon which he could build a case, even one that was unfavorable to the program.

Mr. Colegrove made this accusation:

> From the moment he boards a U.S. plane, bound for 2 years in Saigon, the average Government worker enjoys more luxurious living and fewer tensions than 90 percent of his taxpaying fellow citizens will ever achieve. There is indeed tension and hardship—among the Vietnamese and especially outside of Saigon. But at least 90 percent of the Americans never leave Saigon over night. For withstanding these hardships, all our Government civilians in Vietnam receive bonuses amounting to 20 percent of their base pay.

The fact is that hardship compensation in Saigon is granted because of the security situation and serious health hazard. During 1958, 44 percent of all official Americans and their dependents visited the American dispensary for medical reasons, but excluding immunization innoculations. Private treatment was received by many others. For the first 6 months of 1959, 81 personnel—about 10 percent—were evacuated from Vietnam—most of them to Clark Field in the Philippines. There were three American deaths in Vietnam during that period. The climate is debilitating. Low standards of sanitation bring a great risk of disease—cholera, typhoid, smallpox, malaria, jaundice, amoebic dysentery, and dengue fever are among the more common diseases. All water for personal use must be boiled. All fresh vegetables must be peeled or washed in chemical solutions.

The general state of unrest prevailing in the country presents a very real danger to American personnel in Vietnam. Occasionally there is open violence. Recently, in the area of Saigon, two American officials were killed by gunfire of dissident elements. Even the Scripps-Howard papers reported that story. Apparently Mr. Colegrove does not read those papers, or if he does, he does not believe what they print.

In October 1957 bombs were exploded in the USIS library, in a MAAG commuter bus, and in the lobby of a MAAG hotel. Travel at night on highways out of Saigon is prohibited. Yet American personnel have visited just about every area in Vietnam. Military personnel average more than 450 trips to the field every month. ICA personnel average 92 official trips per month outside of Saigon. During fiscal year 1959 USIS officers made 35 trips outside of Saigon for a total of 170 days. These are official trips. In addition a great number of unofficial trips are made by American personnel.

Mr. Speaker, I am the first to admit that our aid program is not proceeding with full efficiency. But I hope I am reasonable enough to make balanced judgments that reffect the problems we face and the means we have at our disposal to meet those problems.

Many members of the working press have written stories and articles on the mutual security program that, even though critical, showed a due regard for easily available facts and a capacity to interpret complex situations. But the paucity of facts and the shroud of sensationalism in Mr. Colegrove's articles must prove embarrassing even to the

constant critics of the program. The articles represent a new low in contemporary journalism. They follow the Communist pattern of presenting news. Already these articles are being put to use by the Communists to portray the low quality of our programs and our personnel overseas. Mr. Howard, head of the Scripps-Howard papers, certainly deserves some accolade from Soviets for helping them out.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I am delighted to yield to my friend and colleague.

Mr. GROSS. Did the gentleman say his committee is starting hearings on conditions in Vietnam?

Mr. ZABLOCKI. On the contrary, investigations have been going on for some time. The hearings are continuous. I have stated the Special Subcommittee for Review of the Mutual Security Program gave special attention and study to the military and economic aid programs in Vietnam. The gentleman will learn from our report, the investigations have not been inspired by Mr. Colegrove's articles. We have had a subcommittee looking into these problems for a long time.

Mr. GROSS. Does the gentleman say there is no truth in fact to the charges that have been made?

Mr. ZABLOCKI. If the gentleman has read the articles I am sure he has come to the conclusion that in most instances Mr. Colegrove has negated his first statements by contradictions and certainly has not substantiated his charges.

Mr. COLMER. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. JONES], and I ask unanimous consent that he may speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, we have heard the announcement of the gentleman from New York that there will be some special orders this afternoon to speak on House Resolution 320, and I presume on the bill H.R. 4630 which has been referred to as the home rule bill.

I would like to take this time to call to the attention of the Members of the House, particularly those Members who might be inclined to sign a discharge petition to bring before the House, House Resolution 320, to some of the unusual features in this legislation. I have heard of gag rules. I have heard of closed rules. On occasion and under certain conditions, as with tax bills and other highly technical bills, I have voted for closed rules because there was a necessity that existed. But when you begin to consider a bill of 83 pages, H.R. 4630, and propose to bring that bill before the House for 1 hour's debate, we should consider our action before we subscribe to any such practice.

Also in reading this unusual resolution, which, if adopted would bring before the House H.R. 4630 with only 1 hour's debate, we should consider this carefully, particularly if anyone feels that he wants to subscribe to home rule for the District of Columbia. Of course, we would have some differences of opinion about that. But I am not going to discuss the merits of home rule for the District of Columbia at this time. I want to direct my attention to the resolution which would bring that bill before the House.

To start with, House Resolution 320 provides that only one of four Members of this House will be recognized to move that the House resolve itself into the Committee of the Whole. That in itself is rather unusual, but that, in itself, is not so bad. When we get over into the resolution we find that after this 1 hour's general debate the bill would be subject to amendment only—and get this clear—by one Member. The only person who could offer an amendment or amendments to this bill, and it is a bill containing 83 pages, is the one Member who is recognized to make the motion for the House to resolve itself into the Committee of the Whole. I presume that there are many sections which a Member might feel would require some amendment before the bill is considered and passed by the House—but the only amendments which may be offered are those offered by the Member requesting the rule. One person would determine who can offer an amendment and that amendment would have to be with his approval, with his concurrence. That would exclude any Member who was opposed to any part of this bill from offering any amendments.

Is it not rather unusual procedure, and I will say an unfair procedure, to say that only those who accept this bill, H.R. 4630, may offer amendments? May I make the observation that I doubt if there are very many people in this House who have read the bill. To say that only those who approve everything in the bill, the sponsors of the bill, are the only ones who may offer amendments, is unfair. Presumably, they would be in concurrence with the sponsors because they are asking that the bill be brought before the House for 1 hour's debate. I do not think we could expect many amendments to originate with the sponsors of the bill and those who are supporting it. Yet, if you were opposed to any one section in this bill, you could not offer amendments. There are several features in this bill that I know I would be opposed to. In reading the bill I find that if I have a member of my staff who owns property in the District of Columbia, who is a resident of the District of Columbia for 20 years, who would be interested in voting in the District of Columbia, and surely they should have the privilege of selecting their delegates and members of the assembly, he would be precluded from voting for those people because within the last year he has voted in another election in the State of Missouri, in the instance I mention.

You might have other employees in your office, members of your staff, who could be, under any other conditions, bona fide citizens, people who would be entitled to vote, and yet they would be precluded from participating in the election of the original assembly.

Now, I want to say to you folks that before we commit ourselves to bringing before this House an 83-page bill which would change the whole setup here in the District of Columbia, we better first take a good look at it. We do not know how far reaching the bill is. And, I want to say, with all due deference to those who have been so active in sponsoring this legislation, that hearings are now proceeding in the District of Columbia Committee not only on this bill but on other bills, and surely I do not think that it is the best legislative procedure when a committee is holding hearings to bring up a resolution of this kind; particularly to bring up a bill of this magnitude and covering so many things. And, I cannot in this short length of time attempt to point out to you the things that I think many of us, a majority of us, would like to see changed in this bill, and yet we would have no opportunity of offering an amendment. Just think of the far-reaching effects House Resolution 320 would have, which is here at the desk and which people are being invited to sign. I would like to make the observation—and I think I would be correct in saying—that some people in their exuberance and in their great desire to vote for a home rule bill do not know what home rule is, but they would go up and sign this petition without even reading it. The least we can do, my friends, I think, is to read the resolution and see how you are precluded, if you have any objection to any portion of this bill, from even presenting an amendment.

Mr. MATTHEWS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Florida.

Mr. MATTHEWS. Mr. Speaker, I would like to express appreciation to the gentleman from Missouri for bringing these facts to us. If he would permit me to make just one or two observations, I would be grateful.

As the gentleman pointed out, if you sign this discharge petition, you are saying, "We want just 1 hour's debate on an 83-page bill." Now, to give you just one of the many problems involved, the distinguished gentleman from New York gave a very fine bit of testimony this last week concerning home rule, and he was very frank to say that he felt like some day—he did not say when—perhaps we should have Congressmen and we should have U.S. Senators, indicating, I believe, statehood for the District of Columbia. Now, would you like to have just 1 hour to debate possible statehood for the District of Columbia?

If the gentleman would permit me another observation, I have always felt that one of the greatest problems of the District of Columbia is the problem of finance. You read not long ago about a $2.5 billion proposed transit program for the District. You have read about a $100 million project for the Potomac River. Are you going to limit yourself to 1 hour of debate to ask the question, Who is going to pay for such programs as that?

So, I want to thank the gentleman very much for bringing this to our attention.

Mr. JONES of Missouri. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder how much time the gentleman from New York [Mr. MULTER] was given to express his views when he appeared before the District Committee in behalf of home rule. Can the gentleman give us any idea?

Mr. JONES of Missouri. I am sorry. I cannot give the gentleman that answer.

Mr. MULTER. Mr. Speaker, will the gentleman yield to me to answer that question?

Mr. JONES of Missouri. Yes.

Mr. MULTER. I spent almost the entire morning before the District Committee answering their questions in reference to home rule, and at that time I said, too, that we were willing to compromise with those who are opposed to the bill and give them as much time as they want if they would give us the assurance that they would support the rule and bring the bill before the House so that the House could work its will.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. COLMER. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. JONES of Missouri. I would like to ask the gentleman from New York why he did not include in this resolution the privilege of those opposed to the bill to offer amendments. Can the gentleman answer that?

Mr. MULTER. Yes. The answer is the same that I gave to the committee on Tuesday: because, if we permitted an open rule on this bill, I am sure the bill would be talked to death.

In saying that, I want to make it clear that I respect the opinions and the views of all those who are opposed to home rule for the District. But I say if the gentleman in the well and those who take the same position as he does will join me in bringing before this House a home rule bill, any home rule bill, so the House can work its will, we will give you even a week, if the House is willing to go along with us, within which to debate the bill and offer any amendments.

Mr. JONES of Missouri. Mr. Speaker, may I say to the gentleman that I think he should withhold his petition, particularly this unfair petition, until we have an opportunity to look into it. Hearings are now being held on the home rule bill.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from South Carolina.

Mr. McMILLAN. Mr. Speaker, I want to thank the gentleman from Missouri for taking this time to explain this resolution to the Members of the House. I should like to say that my committee has spent a great deal of time in trying to arrange hearings, in addition to considering a number of other important pieces of legislation pending before our committee that we want to dispose of before we adjourn.

I should like to state that we had 2 hours of hearings Monday morning before our committee for purpose of listening to testimony on all pending home-rule bills. The gentleman from New York usurped about an hour and a half of that time. I do not know how he thinks we can properly legislate on this bill on the floor of the House in 1 hour when it took him an hour and a half to try to explain it in committee.

I should like to state also that during the past 15 years we have spent more time in holding hearings on home-rule bills for the District of Columbia than on all the other bills combined that were referred to the Committee on the District of Columbia. On one occasion we spent approximately 7 weeks, 5 days a week, holding hearings on home rule. Finally we got a bill to the floor of the House, debated it for 2 days and no one here insisted that the bill be enacted into law to the extent that we ever had a final rollcall vote.

I think the Members of this Congress should not be stampeded into signing a resolution such as we have before us just because the Washington Post has asked a number of them to do so.

Mr. JONES of Missouri. I thank the gentleman from South Carolina. I just hope before anyone affixes his name to a discharge petition that he reads the provisions of this and if he thinks they are fair I shall not have any criticism of him for signing it. But certainly, to me, this is the most unfair resolution I have ever seen presented.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Iowa.

Mr. GROSS. Has the gentleman ever seen or heard of a worse gag rule being attempted in the House of Representatives?

Mr. JONES of Missouri. I just stated that.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Mississippi.

Mr. COLMER. As I understand, the gentleman from New York and other sponsors of this so-called home rule and this worst of all gag rules that is proposed here base their whole theory upon the matter of democracy, giving the people a voice. And yet under this monstrosity that is being proposed here in the form of a resolution there is everything but democracy. If I ever saw anything of a totalitarian nature, then certainly this resolution which is proposed and which Members are asked to sign is that. They are asked to bring a bill in here and give 4 Members of the House complete dictatorial power to say what amendments may be offered, what amendments may not be offered, and without even giving the House Committee on the District an opportunity to consider the bill. They propose to discharge the Committee on Rules and the House District Committee from consideration of the bill and bring it in here in a highly dictatorial form.

Mr. JONES of Missouri. I thank the gentleman. I might say that in addition to this unfair resolution which would bring this before us, Members should take a little time to read this bill and find out its limitations, as to those who are permitted to vote, and they should give some consideration to that matter because actually this bill would disfranchise for the first election many of the people, many of the most substantial citizens who should have the opportunity of voting. Under this bill they are disfranchised.

Mr. COLMER. Mr. Speaker, I yield such time as he may require to the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include certain letters and a court decision.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, the following section of the Constitution, which is identified as article I, section 8, should be inserted as a part of the RECORD since the only real problem confronting this committee is a constitutional problem:

> To exercise exclusive legislation in all cases whatsoever, over such District, (not exceeding 10 miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States.

The following is some of the history that points up the reasons for the actions taken by President Washington in designating the 10 miles square on the banks of the Potomac, known as the District of Columbia, as a Federal site to house the seat of the Federal Government and the Nation's Capital.

The basic reason originally may have been that President Washington and the other Government leaders at that time did not want to be killed. When they were run out of Philadelphia, they ran, and we would have, too. But it will not happen now, of course, since the Federal Government has some control over the Federal site which houses the seat of our Government.

President Washington and his staff had the District of Columbia designated as the seat of the Government in 1793, long before there were any persons living in this community other than a few residents since practically all the property between the Potomac River and F Street was under water and the only means of transportation that could be used was by means of boat or horseback.

The Government has spent billions of dollars in filling in the land here on the Potomac River as practically all the property between the Potomac River and F Street was marshland and has been built up by the Federal Government.

We must not forget that the States created this Government and no one else and the States have a right to change our Government whenever they wish and there ought not to be any feeling of hesitancy in going to the people for renewed authority if it is right. If it is right that the seat of the Government should be a Territory, which I very much

doubt, then it is easy to submit a constitutional amendment.

The seat of the Government was moved from Philadelphia since the Congress was invaded by a mob of unruly people from Pennsylvania. The seat of the Government was set up in Princeton, N.J., and there came a great debate as to whether the seat of the Government should be permanently seated in Philadelphia or New York. President Washington decided that the seat of the Government should own a Federal site where no State or city government could possibly have any jurisdiction or conflicting interest with the Federal Government. Hence, that is the reason he designated the 10 miles square on the Potomac River, known as the District of Columbia, for the seat of the National Government.

MILLER & CHEVALIER,
Washington D.C., July 29, 1959.

Hon. JOHN L. MCMILLAN,
House of Representatives,
Washington, D.C.

DEAR MR. MCMILLAN: I submit, first, that we residents of the District should have a vote in national affairs and should in some way be represented in Congress; second, that Congress cannot safely or constitutionally transfer to those who choose to live in the Federal area the important duty of seeing that the seat of government is properly managed, having in mind the all-important purpose for which it has been set aside.

The Government of the United States needs a Federal District conducted primarily to protect and facilitate the activities of the Congress, the President, and the Supreme Court. The District was established for that purpose. Those who choose to live in the District and demand that the citizens of the United States should turn over to them the control of the seat of government overlook the fact that this is no ordinary community and that they are a very small minority compared with the total number of people who have a stake in the proper conduct of Government business in the Federal area.

The Congress ought to consider carefully what the advocates of home rule in the District say as bearing on the following important questions:

"How conscious are these advocates that the Government's interest in the proper conduct of the District is paramount? Is there any indication at all that they would give primary consideration, if charged with the running of the District, to the paramount interest of the United States? Is it not clear that what they are demanding is that the District shall be conducted in their own interest, as distinguished from that of the Federal Government?"

Even if those residing in the Federal area were unanimous in demanding that the United States abandon the management of its seat of government and turn it over to them, or even if they would unanimously pledge themselves to subordinate their own interests as a community to the major interest of the Government in maintaining the area in which the Government primarily functions, the Government would still be unsafe in confiding District government to the residents alone. This is because it is quite impossible for voters of the District fully to understand the Government's problem with respect to maintaining its Federal area, and these voters cannot be counted on to subordinate their own private interests to the interests of the United States. There is a clear difference between the situation in the District of Columbia and that in the cities in the United States which have not been set up by the United States as its seat of government. All other areas are free to pursue their own local interests; those who choose to live in a government reservation must let the United States run the local government.

Sincerely yours,

ROBERT N. MILLER.

MEMORANDUM ON DISTRICT OF COLUMBIA *v.* THOMPSON COMPANY, 346 U.S. 100 (MARCH 8, 1953), AS RELATED TO HOME RULE IN THE DISTRICT OF COLUMBIA

Advocates of home rule in Senate debates and in House hearings urge that the language of the Supreme Court in its opinion in this case (p. 109) upholds the constitutionality of delegation of full legislative power to a legislative assembly for the District of Columbia.

Criminal proceedings on an information were brought against the Thompson Co. for refusing service to three negroes in one of its restaurants in violation of the District of Columbia legislative assembly acts of June 20, 1872, and June 26, 1873.

The District of Columbia municipal court quashed the information on the ground of implied repeal of the above acts by the Organic Act of June 11, 1878 (20 Stat. 102), enacted by Congress. On appeal the municipal court of appeals held that the 1872 and 1873 acts were valid on enactment and that the former as applying to restaurants had been repealed but that the latter act was still in effect. The Court dismissed the count on the 1872 act and reversed the municipal court on the other counts (81 A. 2d 249). Cross-appeal to the U.S. Court of Appeals for the District of Columbia resulted in a decision that the acts were unenforceable and dismissed the entire information.

Certiorari was granted to the U.S. Supreme Court where an opinion by Mr. Justice Douglas reversed the lower court. Two conclusions of law supported its decision.

First conclusion, page 110:

"We conclude that the Congress had the authority under article I, section 8, clause 17, of the Constitution to delegate its lawmaking authority to the legislative assembly of the municipal corporation which was created by the Organic Act of 1871 and that the "rightful subjects of legislation" within the meaning of section 18 of that act was as broad as the police power of a State so as to include a law prohibiting discriminations against Negroes by the owners and managers of restaurants in the District of Columbia."

Second conclusion, page 112:

"We conclude, however, that they were saved from repeal by the third exception clause quoted above."

Decision, page 117:

"We have said that the acts of 1872 and 1873 survived the intervening changes in the government of the District of Columbia and are presently enforceable. We would speak more accurately if we said that the 1873 act survived."

It must be noted that the decision of the Court did not determine anything directly on the question of constitutionality of home rule. Further, the second conclusion is wholly unrelated to the problem of home rule.

Finally, the first conclusion may be significant on the question of the power of Congress to delegate lawmaking to a local legislature in the District of Columbia only after examination of the substance of the Court's findings as related to—

1. A municipal corporation, as contemplated by Congress;

2. The meaning of "rightful subjects of legislation consistent with the Constitution";

3. The provisions of section 18 of the act of 1873;

4. The nature of police powers of a state;

5. Court decisions involving the constitutionality of the act of 1873; and

6. The intent of the scope of delegation of legislative power by the Congress as found in the act, committee reports, and debates of the Congress.

COURT DICTUM

But the proponents of home rule do not find support in the decision or conclusions reached by the Court. They choose to rely on dictum of the Court on page 109 as follows:

"It would seem then that on the analogy of the delegation of powers of self-government and home rule both to municipalities and to territories there is no constitutional barrier to the delegation by Congress to the District of Columbia of full legislative power, subject of course to constitutional limitations to which all lawmaking is subservient and subject also to the power of Congress at any time to revise, alter, or revoke the authority granted."

The Court makes no positive statement. Even if the statement were positive, the result is the same. It ventures no further than to say, "It would seem." This statement adds no single word of support to the proponents of "home rule." If anything it leaves the question of home rule in the District of Columbia precisely where it was before the decision was handed down. The real substance of this statement extracted from the Court's observation is "It would seem * * * there is no constitutional barrier to the delegation by Congress to the District of Columbia of full legislative power, subject of course to constitutional limitation."

The statement also adds the clause "and subject also to the power of Congress at any time to revise, alter, or revoke the authority granted." This entire statement put in simple language is "Congress can delegate legislative authority in the District of Columbia only within the limits stated in the Constitution and may revoke such authority at any time."

In the paragraphs immediately preceding the dictum relied upon by proponents of home rule, the Court treats the subject of home rule in the States.

The Court quotes from *Metropolitan Railway Company* v. *District of Columbia*, 132 U.S. 1:

"Crimes committed in the District are not crimes against the District, but against the United States. Therefore, whilst the District may, in a sense, be called a State, it is such in a very qualified sense."

The Court then observes that the powers exercised by Congress, in the District of Columbia, are not only national powers, but also those of a State. *Atlantic Cleaners and Dyers* v. *United States*, 286 U.S. 427, 435; *Stoutenburgh* v. *Hennick*, 129 U.S. 141.

The Court then states:

"There is no reason why a State, if it so chooses, may not fashion its basic law so as to grant home rule or self-government to its municipal corporations."

Citing the case of *Barnes* v. *District of Columbia*, 91 U.S. 540, 544, construing the Organic Act of 1871 to the effect that—

"A municipal corporation in the exercise of all its duties, including those most strictly local or internal, is but a department of the State. The legislature may give it all the powers such a being is capable of receiving, making it a miniature State within a locality."

Whereupon the Court observes that the foregoing is the theory which underlies the constitutional provisions of some States allowing cities to have home rule.

Then follows the summary or clincher statement.

"So it is that decision after decision has held that the delegated power of municipalities is as broad as the police power of the

State, except as that power may be restricted by the terms of the grant or by the State constitution."

This is masterful reasoning. It is sound constitutional law. The Court has concluded that a State in delegating home rule powers to a municipality may grant as broad powers as the State possesses except as restricted by the terms of the State constitution.

The Court has now developed a clear analogy on which rests its dictum cited by the proponents of home rule. The analogy is that just as a State may grant municipal home rule, except as that power may be restricted by the State constitution, so similarly the Congress may grant home rule in the District of Columbia except as limited by the Constitution.

Mr. COLMER. I yield 5 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS. Mr. Speaker, it seems as though there is some attempt being made to say that anyone who considers himself to be the least bit liberal is duty bound to sign this home rule petition. Well, nobody has to follow me, but as for me, I am not going to sign it and I am serving notice on all the lobbyists downtown that they do not need to waste any time coming around to my office trying to put pressure on me because I am still not going to sign it, even though I think I am considered to be somewhat liberal.

In the first place, I think the method of bringing the bill up is undemocratic and is unbecoming to this House, with 1 hour only of debate and with certain people controlling that debate.

Secondly, I am opposed to the principle because this is the Federal city. It was so designated when the Constitution was written. Anybody who comes here to live knows what the conditions are and, if people who live here are really interested in voting, 90 percent of them can vote by absentee ballot.

Mr. Speaker, I yield back the balance of my time.

Mr. BUDGE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I ask unanimous consent to proceed out of the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. BUDGE. Mr. Speaker, I have no wish to debate the merits or demerits of the so-called home rule bill for the District of Columbia. But, I do feel the rule, which would be adopted by the signing of the discharge petition, should be brought to the attention of the membership of the House. If the Committee on Rules were to report a rule such as this, I am sure the committee would be very resoundingly criticized and properly so.

This is what the resolution, House Resolution 320, provides and this is the rule which would be adopted on the discharge of the Committee on Rules from the consideration of the home rule legislation:

Resolved, That on the adoption of this resolution, the Speaker shall recognize the Representative from New York, Mr. MULTER, or the Representative from Maryland, Mr. FOLEY, or the Representative from Illinois, Mr. SPRINGER, or the Representative from California, Mr. BALDWIN, to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4630) to provide for the District of Columbia an appointed Governor and secretary and an elected legislative assembly and nonvoting Delegate to the House of Representatives, and for other purposes, which bill has remained in the Committee on the District of Columbia thirty days or more without action, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour to be equally divided and controlled by a Member of the House requesting the rule for consideration of said H.R. 4630, and a Member who is opposed to said bill to be designated by the Speaker, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except those offered by direction of the Member requesting the rule.

In other words, one of the four Members of this body who are named in the resolution itself.

The rule reads further as follows:

Amendments offered by direction of the Member requesting the rule may be offered to any part of the bill but shall not be subject to amendment.

Thus it provides not only that the only amendments that may be offered must be offered by a sponsor of the resolution, but that any amendment which is offered shall, in turn, not be subject to amendment.

The resolution reads further as follows:

At the conclusion of such consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. This special order shall be a continuing order until the bill is finally disposed of.

Mr. Speaker, I submit without going into the merits of the legislation, which is in excess of 80 pages in length, that this is not a proper procedure for legislation of this kind. I regret that Resolution 320 has been drafted in this manner. I think any member considering the signing of the discharge petition might well read very carefully the procedure of the House which will result from the adoption of House Resolution 320 and which procedure is set forth in House Resolution 320 as I have previously read.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from New York.

Mr. MULTER. I am sure the gentleman knows it is within the province of himself and other members of the Rules Committee to report House Resolution 320 with or without amendment, and if they saw fit, if they really wanted the House to consider the home rule legislation they could amend that resolution, bring it to the House, and the House could work its will on it just as they can with the discharge petition. The Rules Committee can recommend a week's debate, or an open rule with as much debate as the House desires. In the absence of that, the discharge petition should prevail.

Mr. BUDGE. I would hope that the Rules Committee if given an opportunity would report a rule of much better tenor than this which is called for in the discharge petition which the gentleman has filed to discharge the Rules Committee from consideration. As yet, as the gentleman knows, the legislation itself is not before the Rules Committee but is under hearings in the legislative committee.

In reply to the gentleman I would say that if his purpose is permitted to be successful the Rules Committee would have no opportunity to consider the matter.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Mississippi.

Mr. COLMER. The petition, of course, would discharge the Rules Committee which has had no opportunity to consider the bill.

Mr. BUDGE. That is the very purpose of the petition, I would say to my colleague.

Mr. COLMER. Of course that is the purpose, and the Rules Committee has not even considered the matter because the District Committee which is now considering the bill has not reported it to the Rules Committee.

If such procedure is followed as that suggested by the gentleman from New York and the Rules Committee reported out this bill without a hearing, the gentleman from New York being of a great constructive frame of mind that he is, would be jumping on the Rules Committee for reporting out a bill that had never been reported out of the legislative committee.

Mr. BUDGE. I am sure the gentleman is entirely correct and I am sure the Rules Committee would be subject, and properly so, to censure by the membership of the House if it attempted to report a rule such as that which would be adopted by the discharge petition.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. GROSS. I think it is interesting to note that in the opening paragraph it provides allegedly for responsibility on the part of the people of the District of Columbia, and yet this resolution would strip Congress of its responsibility to legislate—it gives responsibility with one hand and takes it away with the other.

Mr. BUDGE. The gentleman is correct.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. YOUNGER. Does not the gentleman think that the sponsors of this discharge petition might well have planned it this way so that they could not get a majority of the signatures and thus fool the people here in Washington?

Mr. BUDGE. I would not wish to speculate on that; I am simply trying to analyze House Resolution 320 and to point out that the procedure for which it calls

is most extraordinary and, in my opinion, most improper.

Mr. BUDGE. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, someone said one time: Live and learn. Surely we can all learn something from this resolution.

Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. If this resolution were adopted and this bill came before the House could all four of the sponsors offer amendments, or just one of them?

The SPEAKER. The Chair has not read the resolution yet; he does not know.

Mr. HOFFMAN of Michigan. I am sorry, I did not hear the Speaker.

The SPEAKER. The Chair says he has not gone into the resolution that far and does not know what all the debate is about.

Mr. HOFFMAN of Michigan. How about that for a declaration of modesty? Undoubtedly that is true. If he says it is true, of course it is. Then how do you expect a rank and filer, way back in the back ranks, to understand it? I do not know whether it means that just one or all four can offer amendments.

It seems to me from my limited experience here in the House that we are getting into a terrific snarl and, if we try to untangle it, we will be here a long, long time.

The Labor Committee is asking the Rules Committee for a rule on the Elliot bill (H.R. 8342). Way back a week or two ago I made a motion in the Labor Committee that the chairman report out the Kennedy-Ervin bill and that he be instructed to take the proper steps to bring it before the House. The motion was voted down. There was a motion that the Elliott bill, I have forgotten the number, be reported out.

What I tried to learn this morning was what can be done under our procedure to get action in the House on H.R. 8342? I note that the chairman of the committee, the gentleman from North Carolina [Mr. BARDEN], obtained unanimous consent earlier today to have until midnight to file a report. I was trying to learn this morning and still want to know whether or not if the gentleman from North Carolina [Mr. BARDEN] reports that bill out as was authorized by the committee, is it necessary that a majority of the committee file a report—is it proper for the Rules Committee to consider and report out a bill without a committee report?

My assumption has always been that a majority of the committee had to file a favorable report in order to get a bill on the floor for consideration.

That opinion or assumption came from reading the second paragraph of House rule XVIII, which states that "and all bills, petitions, memorials, or resolutions reported from a committee shall be accompanied by reports in writing, which shall be printed," and from volume 4 of Hinds Precedents, page 970:

4655. The House always insists that reports on bills, resolutions, petitions, and memorials shall be in writing. On February 5, 1884, Mr. Judson C. Clements, of Georgia, as a privileged question from the Committee on Foreign Affairs, reported a resolution of inquiry in relation to the absence of foreign ministers, consuls, etc., of the United States from their posts of duty.

Mr. William H. Calkins, of Indiana, made the point of order that there should be a written report accompanying the resolution.

The Speaker said:

Under the rules of the House the report cannot be received unless there is a written report accompanying it. The Chair sustains the point of order.

If the Rules Committee does not or cannot report out H.R. 8342, no doubt the Speaker can do as was previously done—send out the bill under suspension.

I have not yet had an answer to my question which is this: Will the Rules Committee, when the chairman of a committee sends a bill to the Rules Committee, send it to the House though a majority of the committee has not filed a report?

The bandwagon is here and the parade is rolling down the street all right—and the banners and the signs and the songs, thanks to the press, call for action on labor legislation.

There has been a lot of crowding on our side to get on the front seat, and do the shouting, but that is all to the good. That is a laudable ambition. The McClellan committee, the press, radio and TV—with Bob Kennedy as the star—seem to have turned the tide.

There is, as well, a little crowding to get in the limelight on the Democratic side. There, however, the southern Democrats have the stage—front, center, and other sides, except, of course, where the presidential candidates are playing a little music of their own, trying to make political hay out of a situation in which there should be no partisan politics.

Mr. BUDGE. Mr. Speaker, this bill would repeal various obsolete provisions of the national banking laws—would clarify and eliminate existing ambiguities.

The bill would also add new authority relating to—

First. Change of location of national banks.

Section 3 would add a provision requiring the approval of the Comptroller of the Currency before a national bank may change the location of its main office within the limitations of the city, town, or village in which it is situated.

Existing law requires the approval of the Comptroller if a bank desires to change its location to another location outside the city, town, or village in which it is located, but there is no provision requiring the Comptroller's approval for a change within the city.

Second. Liabilities of national banks to the Federal Deposit Insurance Corporation.

Section 10 would exempt from section 5202 of the Revised Statutes (12 U.S.C. 82) (which limits the permissible amount of liabilities of national banks) liabilities incurred under the provisions of the Federal Deposit Insurance Act. This provision would be substituted for an obsolete provision relating to liabilities incurred under the provisions of the Reconstruction Finance Corporation Act.

The Federal Deposit Insurance Corporation is now authorized to make loans to banks to reduce risks or avert threatened losses to FDIC. The amendment would eliminate a possible obstacle to the effective use of such loans. For many years such loans were covered under the exemption for liabilities incurred under the Federal Reserve Act. In 1950, however, the Federal deposit insurance law was removed from the Federal Reserve Act and enacted as a separate law. The amendment in section 10 reflects this action, by exempting liabilities incurred under the separate Federal Deposit Insurance Act.

Third. Length of time within which national banks must furnish condition reports.

Section 11 would change from 5 to 10 days the time within which national banks must furnish to the Comptroller reports of condition after he has issued a call therefor. The 5 days allotted by existing law has proven too short a time to enable many banks to compile the necessary data.

Fourth. Declaration of dividends of national banks.

Section 21 would require the Comptroller's approval before a national bank may declare dividends in any calendar year that exceed the total of its net profits of that year combined with its retained net profits of the preceding 2 years.

The purpose of this section is to prevent excessive dividends to shareholders where such payments would result in the dissipation of needed capital funds. It is not anticipated that it will interfere in any measure with the normal dividend policies of national banks. A conforming amendment to section 9 of the Federal Reserve Act would require that State member banks of the Federal Reserve System comply with this new provision of law—except that in such cases approval of the Federal Reserve Board would be required.

Section 22 would repeal the existing requirement that national banks make reports to the Comptroller of the Currency within 10 days after declaring dividends. It adds to the existing provision of law on reports by national banks a specific authorization for the Comptroller to require reports of dividend payments. This conforms to the existing practice of requiring a report of earnings and dividends of each national bank every 6 months, which makes unnecessary a separate report when dividends are declared. Specific authority is also given the Comptroller to require advance reports of proposed dividends in such cases and under such conditions as he deems necessary to carry out the national bank laws.

Fifth. Receipt of deposits by corporations not examined and regulated.

Section 23 would prohibit any firm from receiving deposits unless it is subject to examination and regulation by State or Federal authority. This amendment arises out of a situation which recently came to light in which a corporation was licensed by a State and authorized to receive deposits, but was

not subjected to examination and regulation. The corporation subsequently became bankrupt with loss to the depositors.

Sixth. Use of word "national" in title of national banks.

Section 25 would expressly require that the name of every national bank shall include the word "national." While it has been the consistent policy of the Comptroller of the Currency to so require, it is believed that this requirement should be made statutory.

No impact on Federal budget inasmuch as expenses incurred by the Comptroller of the Currency in supervising national banks are obtained by assessment against the banks supervised.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tomorrow night to file a report on the bill H.R. 6904.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TECHNICAL AMENDMENTS IN NATIONAL BANK LAWS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8159) to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8159, with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill merely repeals certain obsolete provisions of our banking laws and clarifies some ambiguous provisions. I think I can truthfully say that it makes no substantial change in the law.

Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, H.R. 8159 is a bill designed primarily to clarify or eliminate ambiguities in existing law, and to repeal laws which have become obsolete. I do not believe it necessary to comment in detail on those sections designed exclusively to clarify existing law or to repeal obsolete provisions; instead I suggest those who may be interested in these changes read pages 2, 3, and 4 of the committee report. I will confine my remarks to the five sections of the bill which make substantive changes in the national banking laws.

Section 3 of the bill would require approval of the Comptroller of the Currency before a national bank may move its main office inside the city where located. Present law requires such approval before the main office may be moved outside the city, and before a branch may be moved inside or outside the city.

Section 10 would exempt loans by the Federal Deposit Insurance Corporation from the limit on borrowings by national banks. This simply restores an exemption which was in the law many years and was inadvertently repealed in 1950.

Section 11 would allow a longer time—10 days instead of 5 days—for national banks to file reports of condition with the Comptroller after he calls for them.

Section 21 would require the Comptroller's approval before a national bank may declare dividends in any year that exceed the total of its net profits for that year combined with retained net profits for the preceding 2 years. A similar limit is placed on dividends by State banks that are members of the Federal Reserve System, except that in such cases approval of the Federal Reserve Board would be required. Also the bill would repeal a present requirement as to dividend reports which has served no practical purpose, replacing it with authority to require such dividend reports as may be necessary to carry out the national bank laws.

Section 23 would prohibit any firm from receiving deposits unless it is subject to examination and regulation by State or Federal authority.

Mr. Chairman, the bill will have no impact on the Federal budget, inasmuch as the expenses incurred by the Comptroller of the Currency in supervising national banks are obtained by assessment against the banks supervised. I ask that the bill be passed without amendment.

Mr. McDONOUGH. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, as the chairman of the committee stated, this is a bill to clarify and eliminate existing ambiguities in the National Bank Act and adds some new authority. The subcommittee of the Committee on Banking and Currency held hearings and all interested parties were privileged to express their views.

Mr. Chairman, there is no controversy that I know of of any consequence concerning the bill. I believe the recommendations and the proposals in the bill are necessary to modernize the national bank operations. For further explanation of the purposes of the bill, I yield to the gentleman from California, Mr. HIESTAND, 5 minutes to further explain the nature of the bill.

Mr. HIESTAND. Mr. Chairman, I shall not use the 5 minutes except further to second the statement of the chairman of the subcommittee, the gentleman from Georgia, Mr. BROWN.

This bill provides 25 corrections to our banking laws. Most of them are simply eliminating obsolete measures, taking out of the text such references to the Federal Deposit Insurance Corporation that have become unnecessary, and to the Reconstruction Finance Corporation, which has been discontinued, and a number of others. So far as I know, there was no disagreement and no issue in the committee and no opposition to any one of these corrections. I think the bill should pass without any discussion.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

Mr. McDONOUGH. Neither have we, Mr. Chairman.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the paragraph designated "Seventh" in section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by striking out "or the Home Owners' Loan Corporation".

(b) Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) by striking out "the Federal Home Loan Banks, or the Home Owners' Loan Corporation" in the second paragraph and inserting in lieu thereof "or the Federal Home Loan Banks"; and

(2) by striking out ", or the Home Owners' Loan Corporation" in the third paragraph.

SEC. 2. Section 5168 of the Revised Statutes (12 U.S.C. 26) is amended by striking out "at least fifty per centum" and inserting in lieu thereof "all".

SEC. 3. Section 2 of the Act of May 1, 1886 (ch. 73, 24 Stat. 18; 12 U.S.C. 30) is amended to read as follows:

"SEC. 2. Any national banking association, with the approval of the Comptroller of the Currency, may change its name or change the location of the main office of such association within the limits of the city, town, or village in which it is situated. Any national banking association, with the approval of the Comptroller of the Currency, may change the location of the main office of such association to any other location outside the limits of the city, town, or village in which it is located, but not more than thirty miles distant, by the vote of shareholders owning two-thirds of the stock of such association. A duly authenticated notice of the vote and of the new name or location selected shall be sent to the Comptroller of the Currency; but no change of name or location shall be valid until the Comptroller shall have issued his certificate of approval of the same."

SEC. 4. Section 5140 of the Revised Statutes (12 U.S.C. 53) is amended to read as follows:

"SEC. 5140. All of the capital stock of every national banking association shall be paid in before it shall be authorized to commence business."

SEC. 5. Section 5141 of the Revised Statutes (12 U.S.C. 54) is repealed.

SEC. 6. Section 1 of the Act of May 1, 1886 (ch. 73, 24 Stat. 18), is repealed.

SEC. 7. Section 5151 of the Revised Statutes (12 U.S.C. 63) and section 23 of the Federal Reserve Act (12 U.S.C. 64) are repealed.

SEC. 8. Section 2 of the Act of June 30, 1876 (ch. 156, 19 Stat. 63; 12 U.S.C. 65), is repealed.

SEC. 9. Section 5149 of the Revised Statutes (12 U.S.C. 75) is amended to read as follows:

"SEC. 5149. When the day fixed in the articles of association for the regular annual meeting of the shareholders falls on a legal holiday in the State in which the bank is located, the shareholders meeting shall be held, and the directors elected, on the next

following banking day. If, from any cause, an election of directors is not made on the day fixed, or in the event of a legal holiday, on the next following banking day, an election may be held on any subsequent day within sixty days of the day fixed, to be designated by the board of directors, or, if the directors fail to fix the day, by shareholders representing two-thirds of the shares, at least ten days' notice thereof in all cases having been given by first-class mail to the shareholders."

SEC. 10. Section 5202 of the Revised Statutes (12 U.S.C. 82) is amended by striking out the paragraph designated "Sixth" and inserting in lieu thereof the following:

"Sixth. Liabilities incurred under the provisions of the Federal Deposit Insurance Act."

SEC. 11. The second sentence of section 5211 of the Revised Statutes (12 U.S.C. 161) is amended by striking out "five" and inserting in lieu thereof "ten".

SEC. 12. Section 5213 of the Revised Statutes (12 U.S.C. 164) is amended by striking out "either of the two preceding sections" and inserting in lieu thereof "section 5211 of the Revised Statutes".

SEC. 13. Except as otherwise specifically provided by law, or by the articles of association of the particular national banking association, the articles of association of a national banking association may be amended with respect to any lawful matter, and any action requiring the approval of the stockholders of such association may be had by the approving vote of the holders of a majority of the voting shares of the stock of the association obtained at a meeting of the stockholders called and held pursuant to notice given by mail at least ten days prior to the meeting or pursuant to a waiver of such notice given by all stockholders entitled to receive notice of such meeting. A certified copy of every amendment to the articles of association adopted by the shareholders of a national banking association shall be forwarded to the Comptroller of the Currency, to be filed and preserved in his office.

SEC. 14. The provisions of all Acts of Congress relating to national banks shall apply in the several States, the District of Columbia, the several Territories and possessions of the United States, and the Commonwealth of Puerto Rico.

SEC. 15. Section 5220 of the Revised Statutes (12 U.S.C. 181) is amended by adding after the first sentence the following new sentence: "If the liquidation is to be effected in whole or in part through the sale of any of its assets to and the assumption of its deposit liabilities by another bank, the purchase and sale agreement must also be approved by its shareholders owning two-thirds of its stock unless an emergency exists and the Comptroller of the Currency specifically waives such requirement for shareholder approval."

SEC. 16. Section 1 of the Act of June 30, 1876 (ch. 156, 19 Stat. 63; 12 U.S.C. 191), is amended by striking out ", and enforce the personal liability of the shareholders, as provided in section fifty-two hundred thirty-four of said statutes".

SEC. 17. The second sentence of section 5234 of the Revised Statutes (12 U.S.C. 192) is amended by striking out the semicolon after the word "direct" and all that follows and inserting in lieu thereof a period.

SEC. 18. Section 3 of the Act of June 30, 1876 (ch. 156, 19 Stat. 63; 12 U.S.C. 197), is amended to read as follows:

"SEC. 3. (a) Whenever any national banking association shall have been or shall be placed in the hands of a receiver, as provided in section fifty-two hundred and thirty-four and other sections of the Revised Statutes of the United States and section 11(c) of the Federal Deposit Insurance Act, and when, as provided in section fifty-two hundred and thirty-six of the Revised Statutes of the United States, there has been paid to each and every creditor of such association whose claim or claims as such creditor shall have been proved or allowed as therein prescribed, the full amount of such claims, and all expenses of the receivership, the Comptroller of the Currency or the Federal Deposit Insurance Corporation, where that Corporation has been appointed receiver of the bank, shall call a meeting of the shareholders of the association by giving notice thereof for thirty days in a newspaper published in the town, city, or county where the business of the association was carried on, or if no newspaper is there published, in the newspaper published nearest thereto. At such meeting the shareholders shall determine whether the receiver shall be continued and shall wind up the affairs of the association, or whether an agent shall be elected for that purpose, and in so determining the shareholders shall vote by ballot, in person or by proxy, each share of stock entitling the holder to one vote, and the majority of the stock in number of shares shall be necessary to determine whether the receiver shall be continued, or whether an agent shall be elected. In case such majority shall determine that the receiver shall be continued, the receiver shall thereupon proceed with the execution of the trust, and shall sell, dispose of, or otherwise collect the assets of the association, and shall possess all the powers and authority, and be subject to all the duties and liabilities originally conferred or imposed upon such receiver so far as they remain applicable. In case such meeting shall, by the vote of a majority of the stock in number of shares, determine that an agent shall be elected, the meeting shall thereupon proceed to elect an agent, voting by ballot, in person or by proxy, each share of stock entitling the holder to one vote, and the person who shall receive votes representing at least a majority of stock in number of shares shall be declared the agent for the purposes hereinafter provided; and when such agent shall have executed a bond to the shareholders conditioned for the payment and discharge in full or, to the extent possible from the remaining assets of the association, of each and every claim that may thereafter be proved and allowed by and before a competent court and for the faithful performance of his duties, in the penalty fixed by the shareholders at such meeting, with a surety or sureties to be approved by the district court of the United States for the district where the business of the association was carried on, and shall have filed such bond in the office of the clerk of such court, the Comptroller and the receiver, or the Federal Deposit Insurance Corporation, where that Corporation has been appointed receiver of the bank, shall thereupon transfer and deliver to such agent all the uncollected or other assets of the association then remaining in the hands or subject to the order and control of the Comptroller and such receiver, or either of them, or the Federal Deposit Insurance Corporation; and for this purpose the Comptroller and such receiver, or the Federal Deposit Insurance Corporation, as the case may be, are severally empowered and directed to execute any deed, assignment, transfer, or other instrument in writing that may be necessary and proper; and upon the execution and delivery of such instrument to such agent the Comptroller and such receiver or the Federal Deposit Insurance Corporation shall by virtue of this Act be discharged from any and all liabilities to the association and to each and all the creditors and shareholders thereof.

"(b) Upon receiving such deed, assignment, transfer, or other instrument the person elected such agent shall hold, control, and dispose of the assets and property of the association which he may receive under the terms hereof for the benefit of the shareholders of the association, and he may in his own name, or in the name of the association, sue and be sued and do all other lawful acts and things necessary to finally settle and distribute the assets and property in his hands, and may sell, compromise, or compound the debts due to the association, with the consent and approval of the district court of the United States for the district where the business of the association was carried on, and shall at the conclusion of his trust render to such district court a full account of all his proceedings, receipts, and expenditures as such agent, which court shall, upon due notice, settle, and adjust such accounts and discharge such agent and sureties upon such bond. In case any such agent so elected shall die, resign, or be removed, any shareholder may call a meeting of the shareholders of the association in the town, city, or village where the business of the association was carried on, by giving notice thereof for thirty days in a newspaper published in such town, city, or village, or if no newspaper is there published, in the newspaper published nearest thereto, at which meeting the shareholders shall elect an agent, voting by ballot, in person or by proxy, each share of stock entitling the holder to one vote, and when such agent shall have received votes representing at least a majority of the stock in number of shares, and shall have executed a bond to the shareholders conditioned for the payment and discharge in full or, to the extent possible from the remaining assets of the association, of each and every claim that may thereafter be proved and allowed by and before a competent court and for the faithful performance of his duties, in the penalty fixed by the shareholders at such meeting, with a surety or sureties, to be approved by such court, and file such bond in the office of the clerk of that court, he shall have all the rights, powers, and duties of the agent first elected as hereinbefore provided. At any meeting held as hereinbefore provided administrators or executors of deceased shareholders may act and sign as the decedent might have done if living, and guardians of minors and trustees of other persons may so act and sign for their ward or wards or cestui que trust. The proceeds of the assets of property of any such association which may be undistributed at the time of such meeting or may be subsequently received shall be distributed as follows:

"First. To pay the expenses of the execution of the trust to the date of such payment.

"Second. To repay any amount or amounts which have been paid in by any shareholder or shareholders of the association upon and by reason of any and all assessments made upon the stock of the association by order of the Comptroller of the Currency in accordance with the provisions of the statutes of the United States.

"Third. To pay the balance ratably among such stockholders, in proportion to the number of shares held and owned by each. Such distribution shall be made from time to time as the proceeds shall be received and as shall be deemed advisable by the Comptroller of the Currency, or the Federal Deposit Insurance Corporation if continued as receiver of the bank under subsection (a) of this section, or such agent, as the case may be."

SEC. 19. The fourth sentence of section 2 of the Federal Deposit Insurance Act (12 U.S.C. 1812) is amended to read as follows: "In the event of a vacancy in the office of the Comptroller of the Currency, and pending the appointment of his successor, or during the absence or disability of the

Comptroller, the Acting Comptroller of the Currency shall be a member of the Board of Directors in the place and stead of the Comptroller."

SEC. 20. The text of the Act of November 7, 1918, as amended (12 U.S.C. 33, 34, 34a, 34b, and 34c), is amended to read as follows:

"That (a) any national banking association or any bank incorporated under the laws of any State may, with the approval of the Comptroller, be consolidated with one or more national banking associations located in the same State under the charter of a national banking association on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each association or bank proposing to consolidate, and be ratified and confirmed by the affirmative vote of the shareholders of each such association or bank owning at least two-thirds of its capital stock outstanding, or by a greater proportion of such capital stock in the case of such State bank if the laws of the State where it is organized so require, at a meeting to be held on the call of the directors after publishing notice of the time, place, and object of the meeting for four consecutive weeks in a newspaper of general circulation published in the place where the association or bank is located, or, if there is no such newspaper, then in the paper of general circulation published nearest thereto, and after sending such notice to each shareholder of record by certified or registered mail at least ten days prior to the meeting, except to those shareholders who specifically waive notice, but any additional notice shall be given to the shareholders of such State bank which may be required by the laws of the State where it is organized. Publication of notice may be waived, in cases where the Comptroller determines that an emergency exists justifying such waiver, by unanimous action of the shareholders of the association or State bank.

"(b) The consolidated association shall be liable for all liabilities of the respective consolidating banks or associations. The capital stock of such consolidated association shall not be less than that required under existing law for the organization of a national bank in the place in which it is located: *Provided*, That if such consolidation shall be voted for at such meetings by the necessary majorities of the shareholders of each association and State bank proposing to consolidate, and thereafter the consolidation shall be approved by the Comptroller, any shareholder of any of the associations or State banks so consolidated who has voted against such consolidation at the meeting of the association or bank of which he is a stockholder, or who has given notice in writing at or prior to such meeting to the presiding officer that he dissents from the plan of consolidation, shall be entitled to receive the value of the shares so held by him when such consolidation is approved by the Comptroller upon written request made to the consolidated association at any time before thirty days after the date of consummation of the consolidation, accompanied by the surrender of his stock certificates.

"(c) The value of the shares of any dissenting shareholder shall be ascertained, as of the effective date of the consolidation, by an appraisal made by a committee of three persons, composed of (1) one selected by the vote of the holders of the majority of the stock, the owners of which are entitled to payment in cash; (2) one selected by the directors of the consolidated banking association; and (3) one selected by the two so selected. The valuation agreed upon by any two of the three appraisers shall govern. If the value so fixed shall not be satisfactory to any dissenting shareholder who has requested payment, that shareholder may, within five days after being notified of the appraised value of his shares, appeal to the Comptroller, who shall cause a reappraisal to be made which shall be final and binding as to the value of the shares of the appellant.

"(d) If, within ninety days from the date of consummation of the consolidation, for any reason one or more of the appraisers is not selected as herein provided, or the appraisers fail to determine the value of such shares, the Comptroller shall upon written request of any interested party cause an appraisal to be made which shall be final and binding on all parties. The expenses of the Comptroller in making the reappraisal or the appraisal, as the case may be, shall be paid by the consolidated banking association. The value of the shares ascertained shall be promptly paid to the dissenting shareholders by the consolidated banking association. Within thirty days after payment has been made to all dissenting shareholders as provided for in this section the shares of stock of the consolidated banking association which would have been delivered to such dissenting shareholders had they not requested payment shall be sold by the consolidated banking association at an advertised public auction, unless some other method of sale is approved by the Comptroller, and the consolidated banking association shall have the right to purchase any of such shares at such public auction, if it is the highest bidder therefor, for the purpose of reselling such shares within thirty days thereafter to such person or persons and at such price not less than par as its board of directors by resolution may determine. If the shares are sold at public auction at a price greater than the amount paid to the dissenting shareholders the excess in such sale price shall be paid to such shareholders. The appraisal of such shares of stock in any State bank shall be determined in the manner prescribed by the law of the State in such cases, rather than as provided in this section, if such provision is made in the State law; and no such consolidation shall be in contravention of the law of the State under which such bank is incorporated.

"(e) The corporate existence of each of the consolidating banks or banking associations participating in such consolidation shall be merged into and continued in the consolidated national banking association and such consolidated national banking association shall be deemed to be the same corporation as each bank or banking association participating in the consolidation. All rights, franchises, and interests of the individual consolidating banks or banking associations in and to every type of property (real, personal, and mixed) and choses in action shall be transferred to and vested in the consolidated national banking association by virtue of such consolidation without any deed or other transfer. The consolidated national banking association, upon the consolidation and without any order or other action on the part of any court or otherwise, shall hold and enjoy all rights of property, franchises, and interests, including appointments, designations, and nominations, and all other rights and interests as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics, and in every other fiduciary capacity, in the same manner and to the same extent as such rights, franchises, and interests were held or enjoyed by any one of the consolidating banks or banking associations at the time of consolidation, subject to the conditions hereinafter provided.

"(f) Where any consolidating bank or banking association, at the time of the consolidation, was acting under appointment of any court as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, or committee of estates of lunatics, or in any other fiduciary capacity, the consolidated national banking association shall be subject to removal by a court of competent jurisdiction in the same manner and to the same extent as was such consolidating bank or banking association prior to the consolidation. Nothing contained in this section shall be considered to impair in any manner the right of any court to remove the consolidated national banking association and to appoint in lieu thereof a substitute trustee, executor, or other fiduciary, except that such right shall not be exercised in such a manner as to discriminate against national banking associations, nor shall any consolidated national banking association be removed solely because of the fact that it is a national banking association.

"(g) Stock of the consolidated national banking association may be issued as provided by the terms of the consolidation agreement, free from any preemptive rights of the shareholders of the respective consolidating banks.

"SEC. 2. (a) One or more national banking associations or one or more State banks, with the approval of the Comptroller, under an agreement not inconsistent with this Act, may merge into a national banking association located within the same State, under the charter of the receiving association. The merger agreement shall—

"(1) be agreed upon in writing by a majority of the board of directors of each association or State bank participating in the plan of merger;

"(2) be ratified and confirmed by the affirmative vote of the shareholders of each such association or State bank owning at least two-thirds of its capital stock outstanding, or by a greater proportion of such capital stock in the case of a State bank if the laws of the State where it is organized so require, at a meeting to be held on the call of the directors, after publishing notice of the time, place, and object of the meeting for four consecutive weeks in a newspaper of general circulation published in the place where the association or State bank is located, or, if there is no such newspaper, then in the newspaper of general circulation published nearest thereto, and after sending such notice to each shareholder of record by certified or registered mail at least ten days prior to the meeting, except to those shareholders who specifically waive notice, but any additional notice shall be given to the shareholders of such State bank which may be required by the laws of the State where it is organized. Publication of notice may be waived, in cases where the Comptroller determines that an emergency exists justifying such waiver, by unanimous action of the shareholders of the association or State bank;

"(3) specify the amount of the capital stock of the receiving association, which shall not be less than that required under existing law for the organization of a national bank in the place in which it is located and which will be outstanding upon completion of the merger, the amount of stock (if any) to be allocated, and cash (if any) to be paid, to the shareholders of the association or State bank being merged into the receiving association; and

"(4) provide that the receiving association shall be liable for all liabilities of the association or State bank being merged into the receiving association.

"(b) If a merger shall be voted for at the called meetings by the necessary majorities of the shareholders of each association or State bank participating in the plan of merger, and thereafter the merger shall be approved by the Comptroller, any shareholder of any association or State bank to be merged into the receiving association who has voted against such merger at the meeting of the association or bank of which he is a stockholder, or has given notice in writing

at or prior to such meeting to the presiding officer that he dissents from the plan of merger, shall be entitled to receive the value of the shares so held by him when such merger shall be approved by the Comptroller upon written request made to the receiving association at any time before thirty days after the date of consummation of the merger, accompanied by the surrender of his stock certificates.

"(c) The value of the shares of any dissenting shareholder shall be ascertained, as of the effective date of the merger, by an appraisal made by a committee of three persons, composed of (1) one selected by the vote of the holders of the majority of the stock, the owners of which are entitled to payment in cash; (2) one selected by the directors of the receiving association; and (3) one selected by the two so selected. The valuation agreed upon by any two of the three appraisers shall govern. If the value so fixed shall not be satisfactory to any dissenting shareholder who has requested payment, that shareholder may, within five days after being notified of the appraised value of his shares, appeal to the Comptroller, who shall cause a reappraisal to be made which shall be final and binding as to the value of the shares of the appellant.

"(d) If, within ninety days from the date of consummation of the merger, for any reason one or more of the appraisers is not selected as herein provided, or the appraisers fail to determine the value of such shares, the Comptroller shall upon written request of any interested party cause an appraisal to be made which shall be final and binding on all parties. The expenses of the Comptroller in making the reappraisal or the appraisal, as the case may be, shall be paid by the receiving association. The value of the shares ascertained shall be promptly paid to the dissenting shareholders by the receiving association. The shares of stock of the receiving association which would have been delivered to such dissenting shareholders had they not requested payment shall be sold by the receiving association at an advertised public auction, and the receiving association shall have the right to purchase any of such shares at such public auction, if it is the highest bidder therefor, for the purpose of reselling such shares within thirty days thereafter to such person or persons and at such price not less than par as its board of directors by resolution may determine. If the shares are sold at public auction at a price greater than the amount paid to the dissenting shareholders, the excess in such sale price shall be paid to such dissenting shareholders. The appraisal of such shares of stock in any State bank shall be determined in the manner prescribed by the law of the State in such cases, rather than as provided in this section, if such provision is made in the State law; and no such merger shall be in contravention of the law of the State under which such bank is incorporated. The provisions of this subsection shall apply only to shareholders of (and stock owned by them in) a bank or association being merged into the receiving association.

"(e) The corporate existence of each of the merging banks or banking associations participating in such merger shall be merged into and continued in the receiving association and such receiving association shall be deemed to be the same corporation as each bank or banking association participating in the merger. All rights, franchises, and interests of the individual merging banks or banking associations in and to every type of property (real, personal, and mixed) and choses in action shall be transferred to and vested in the receiving association by virtue of such merger without any deed or other transfer. The receiving association, upon the merger and without any order or other action on the part of any court or otherwise, shall hold and enjoy all rights of property, franchises, and interests, including appointments, designations, and nominations, and all other rights and interests as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics, and in every other fiduciary capacity, in the same manner and to the same extent as such rights, franchises, and interests were held or enjoyed by any one of the merging banks or banking associations at the time of the merger, subject to the conditions hereinafter provided.

"(f) Where any merging bank or banking association, at the time of the merger, was acting under appointment of any court as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, or committee of estates of lunatics, or in any other fiduciary capacity, the receiving association shall be subject to removal by a court of competent jurisdiction in the same manner and to the same extent as was such merging bank or banking association prior to the merger. Nothing contained in this section shall be considered to impair in any manner the right of any court to remove the receiving association and to appoint in lieu thereof a substitute trustee, executor, or other fiduciary, except that such right shall not be exercised in such a manner as to discriminate against national banking associations, nor shall any receiving association be removed solely because of the fact that it is a national banking association.

"(g) Stock of the receiving association may be issued as provided by the terms of the merger agreement, free from any preemptive rights of the shareholders of the respective merging banks.

"SEC. 3. As used in this Act, the term—

"(1) 'State bank' means any bank, banking association, trust company, savings bank (other than a mutual savings bank), or other banking institution which is engaged in the business of receiving deposits and which is incorporated under the laws of any State, or which is operating under the Code of Law for the District of Columbia (except a national banking association located in the District of Columbia);

"(2) 'State' means the several States and Territories, the Commonwealth of Puerto Rico, the Virgin Islands, and the District of Columbia;

"(3) 'Comptroller' means the Comptroller of the Currency; and

"(4) 'Receiving association' means the national banking association into which one or more national banking associations or one or more State banks, located within the same State, merge."

SEC. 21. (a) Section 5199 of the Revised Statutes (12 U.S.C. 60) is amended to read as follows:

"SEC. 5199. (a) The directors of any national banking association may, quarterly, semiannually or annually, declare a dividend of so much of the net profits of the association as they shall judge expedient, except that until the surplus fund of such association shall equal its common capital, no dividends shall be declared unless there has been carried to the surplus fund not less than one-tenth part of the association's net profits of the preceding half year in the case of quarterly or semiannual dividends, or not less than one-tenth part of its net profits of the preceding two consecutive half-year periods in the case of annual dividends: *Provided*, That for the purposes of this section, any amounts paid into a fund for the retirement of any preferred stock of any such association out of its net profits for such period or periods shall be deemed to be additions to its surplus fund if, upon the retirement of such preferred stock, the amounts so paid into such retirement fund may then properly be carried to surplus. In any such case the association shall be obligated to transfer to surplus the amounts so paid into such retirement fund on account of the preferred stock as such stock is retired.

"(b) The approval of the Comptroller of the Currency shall be required if the total of all dividends declared by such association in any calendar year shall exceed the total of its net profits of that year combined with its retained net profits of the preceding two years, less any required transfers to surplus or a fund for the retirement of any preferred stock.

"(c) For the purpose of this section the term 'net profits' shall mean the remainder of all earnings from current operations plus actual recoveries on loans and investments and other assets, after deducting from the total thereof all current operating expenses, actual losses, accrued dividends on preferred stock, if any, and all Federal and State taxes."

(b) The first sentence of the sixth paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended to read as follows: "All banks admitted to membership under authority of this section shall be required to comply with the reserve and capital requirements of this Act, to conform to those provisions of law imposed on national banks which prohibit such banks from lending on or purchasing their own stock and which relate to the withdrawal or impairment of their capital stock, and to conform to the provisions of sections 5199 (b) and 5204 of the Revised Statutes with respect to the payment of dividends; except that any reference in any such provision to the Comptroller of the Currency shall be deemed for the purposes of this sentence to be a reference to the Board of Governors of the Federal Reserve System."

SEC. 22. (a) Section 5212 of the Revised Statutes (12 U.S.C. 163) is repealed.

(b) Section 5211 of the Revised Statutes (12 U.S.C. 161) is amended by inserting after the second sentence the following new sentence: "Every national bank shall make to the Comptroller reports of the payment of dividends, including advance reports of dividends proposed to be declared or paid in such cases and under such conditions as the Comptroller deems necessary to carry out the purposes of the laws relating to national banks, in such form and at such times as he may require."

SEC. 23. Section 21(a)(2)(A) of the Act of June 16, 1933 (ch. 89, 48 Stat. 189; 12 U.S.C. 378), is amended by inserting after "District," the following: "and subjected, by the laws of the United States, or of the State, Territory, or District wherein located, to examination and regulation,".

SEC. 24. Sections 201, 202, 203, 204, 205, 206, 207, 208, 209(a), 209(c), 209(d), 209(f), 209(g), 209(i), 210, 211, 212, 213, 214, 215, and 217 and the last two sentences of section 209(b) of the Act of March 4, 1923 (ch. 252, 42 Stat. 1467; 12 U.S.C. 1151–1322), are repealed.

SEC. 25. Section 5134 of the Revised Statutes (12 U.S.C. 22) is amended by striking out "which name shall be" and inserting in lieu thereof "which name shall include the word 'national' and be".

Mr. SPENCE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8159) to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes, pursuant to House Resolution 322, had directed him to report the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

LENDING POWERS OF NATIONAL BANKS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8160) to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 8160, with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think I am justified in saying that while this bill does make some changes in the banking law, there is nothing really controversial in it. It liberalizes loans that banks will make on real estate and for construction. It enlarges the borrowing power of the banks. It liberalizes several other laws, none of which I think are controversial.

At this time I yield such time as he may desire to the chairman of the subcommittee, the gentleman from Georgia [Mr. BROWN], to explain the changes proposed in the law.

Mr. BROWN of Georgia. Mr. Chairman, the main purpose of H.R. 8160 is to bring up to date some of the laws relating to the lending powers of national banks. National banks are chartered by the Federal Government under laws originally enacted roughly a hundred years ago. Many provisions of these laws are outmoded, and in some cases these outmoded provisions are preventing national banks from providing needed banking services.

One of the important amendments in H.R. 8160 would raise the ceiling on conventional real estate loans by national banks from 66⅔ percent of appraised value to 75 percent of appraised value, where the loan is fully amortized. This will permit loans to home buyers with lower downpayments. The present 66⅔ percent loan limit is too restrictive by today's standards, and should be raised to allow national banks to take a larger part in financing homes in their communities.

Another change in the bill is particularly important to rural areas served by small banks, with heavy seasonal demands for credit. These banks meet these temporary demands by borrowing from correspondent banks. Under the law today, such borrowing cannot exceed the amount of the capital stock of the borrowing bank. The bill would allow the bank to borrow an additional amount up to 50 percent of its surplus. Many banks have substantial surplus funds over and above their capital stock, which should be taken into account in deciding how much they can borrow to meet temporary needs.

The bill would also make four changes in the limit on loans by a national bank to a single borrower. Generally speaking, the law today limits such loans to 10 percent of the bank's capital and surplus. The first change the bill would make is to allow a larger loan—up to 25 percent of capital and surplus—where the additional loan amount is secured by frozen or refrigerated foods. This simply recognizes advances which have been made in methods of freezing, processing, and storing perishable foods since 1927, when this particular provision of law was last amended.

The second change is to treat dairy cattle the same way as livestock are now treated under this law. A loan secured by livestock can now go up to 25 percent of capital and surplus, but this does not now apply to dairy cattle. There is no reason to treat dairy cattle differently from livestock. The bill would correct this.

The third change relates to loans secured by the best security in the world: obligations of the U.S. Government. Today, such loans can go up to 25 percent of capital and surplus if they are in the form of notes. There is no reason for this requirement and the bill does away with it. The important thing about these loans is the security back of them, not the form the loan takes.

The fourth change relates to consumer installment paper purchased from a dealer. Today the law applies the normal 10-percent limit if the paper is nonnegotiable, but there is no limit at all if the paper is negotiable. There used to be good reason to make this distinction, because negotiable paper was much better security. Today, however, conditional sales contracts have been developed which protect the lender just as well as negotiable paper, and in many States such nonnegotiable contracts are mandatory under State laws designed to protect consumers. So today there is no reason to treat negotiable paper differently from nonnegotiable paper. There should be a reasonable limit on the amount of credit a bank extends on this paper, whether it is negotiable or not. Accordingly, the bill applies a limit of 25 percent of capital and surplus to both kinds of paper. If the bank relies primarily on the credit of the original maker rather than the dealer, it can treat the transaction as a loan to the original maker, and it will not count in determining whether the 25-percent limit on credit to the dealer has been reached.

Section 4 of the bill makes several other changes in the law relating to real estate loans by national banks. These include needed authority for construction loans on industrial or commercial buildings, and for loans insured by State authorities such as the Maine Industrial Building Authority. This section would authorize loans on leaseholds which run for 10 years beyond the maturity dates of the loans. It would also allow a bank to take a mortgage as additional security for certain business loans without thereby subjecting the loan to the usual restrictions on real estate loans.

Finally, the bill provides for an additional Deputy Comptroller of the Currency to help meet the additional workload involved in supervising national banks, and increases the dollar amount of the surety bonds for the Comptroller and Deputy Comptroller. All of the expenses of the Comptroller's office in supervising banks are paid out of assessments against the banks.

The net effect of this bill will be to increase the availability and usefulness of banking services to the public. I urge the Members to support the bill.

Mr. McDONOUGH. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I concur in the statement of the chairman of the subcommittee, the gentleman from Georgia [Mr. BROWN], with reference to the fact that this bill provides noncontroversial sections of the financial institutions act, which was not considered by the last Congress. It does broaden the authority and provide additional facilities for the operation of national banks. It increases the limit of borrowing of national banks from 100 percent of capital to 100 percent of capital plus 50 percent of surplus. It relates to the limit on loans of national banks to one borrower. Generally, this limit is 10 percent of the bank's capital and surplus. But, there are several exceptions. The bill makes further revisions in the limit for loans secured by refrigerated or frozen foods and discounts by dealers on dairy cattle and loans secured by U.S. Government obligations.

It liberalizes some of the restrictions on real estate loans by national banks.

This bill would allow national banks to make real estate loans up to 20 years covering up to 75 percent of the appraised value of the real estate, if the loan is fully amortized.

There is evidently no controversy concerning the bill, and the amendments it makes to the Federal Reserve Act.

I yield to the ranking member of the subcommittee, the gentleman from California [Mr. HIESTAND], 5 minutes to further explain his views.

Mr. HIESTAND. Mr. Chairman, I think the chairman of the subcommittee,

the gentleman from Georgia, has pretty adequately explained the bill.

However, I wish to assure the committee that each of the measures it recommends was supported by adequate testimony and there was no opposition. Where we have recommended the raising of loaning limits to 25 percent of capital and surplus, in each case there are proper safeguards to make them sound limits. We are very much in favor of increasing the facilities of the Comptroller of the Currency. That gentleman has a tremendous responsibility. We are heartily in favor of every one of these measures, and I know of no opposition and recommend adoption of the measure.

Mr. BETTS. Mr. Chairman, will the gentleman yield?

Mr. HIESTAND. I yield.

Mr. BETTS. Is there anything in this bill to liberalize lending by Federal land banks?

Mr. HIESTAND. There is nothing in this bill with reference to them.

Mr. BETTS. I thank the gentleman.

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McINTIRE]

Mr. McINTIRE. Mr. Chairman, in 1957 the State Legislature of Maine enacted legislation that established the Maine Industrial Building Authority. Those responsible for the administration of this authority are empowered by that legislation, under conditions laid down by the legislative act, to pledge the credit of the State of Maine in guaranteeing loans for constructing industrial buildings up to a maximum amount of $20 million. This legislation also authorizes that these loans can be made up to 90 percent of the valuation and for a term of years of 25 years. The present banking laws restrict the national banks to lending on the basis of 66⅔ percent of evaluation and for a period of years of not in excess of 20 years. This, of course, is a limitation on the ability of the national banks in the State of Maine to service the Maine Industrial Authority. On February 17, I introduced a bill designated H.R. 4590 to correct this situation. I wish to express my personal thanks and the thanks of the citizens of Maine for the consideration given this matter by the committee. Included in this bill, H.R. 8160, beginning on line 6 there is paragraph 2, which covers the needs in this particular regard.

I want the committee to know that we appreciate their consideration of this matter. This will help us materially in furthering our objectives under the State legislation to which I referred.

Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BARR].

Mr. BARR. Mr. Chairman, the purpose of this legislation which we are considering here today goes quite a bit deeper than merely repealing some obsolete provisions of the law. It not only does that, but it also puts the national banks of this Nation in a position where they can perform the function they should perform in the development of our national economy.

Since World War I this country has been in the peculiarly happy position of having all the credit needed to meet our economic growth except for brief interludes. Today, it seems to me and to many people that perhaps the country is growing up to its monetary supply. Under this legislation we are going to permit the national banks of this Nation to use their credit resources as efficiently and as wisely as possible. I do not think we are giving them the right to be foolhardy; I believe we are giving them the right to meet the credit needs of our growing economy. I urge the Members to approve this legislation.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I have studied this legislation very carefully. I see no reason why it should not be adopted by the House of Representatives today.

I want, however, to point out that this is class legislation; it is designed to help the banking industry, and only the banking industry. The banking industry has not done very much to help America during these recent days of rising interest rates.

What we really need, and what this bill lacks, is a clause limiting the interest rate. We need a national usury law, particularly relating to interest rates on interstate banking transactions.

There is a point at which interest for the use of money and credit becomes evil. In all phases of our American life we see the pressures of rising interest rates. Both the private economy and the Government have been subjected to a rising spiral of interest rates. Pretty soon we will spiral ourselves out of business. We are today closely approaching the point where the interest rate is pushing against the very limits of decency.

Throughout the several States it is generally conceded that 8 percent is the ceiling above which interest rates become illegal, in some cases criminal. Something concrete must be done by this Congress to hold down the cost of interest before we precipitate the collapse of the system of free enterprise which we cherish.

As we read the history of the tottering economies of predecessor civilizations, we find that before the collapse of these economies there existed conditions under which unreasonable charges were made for the use of money and for the use of credit. I hope we can very soon undertake some kind of program here in the Congress to hold down the skyrocketing cost of the use of money.

Mr. SPENCE. Mr. Chairman, I yield such time to the gentleman from Maine [Mr. COFFIN] as he may desire.

Mr. COFFIN. Mr. Chairman, I desire to endorse this legislation. It contains provisions which have been very sorely needed by the Maine Industrial Building Authority which previously has been limited by restrictions in bank legislation. This cures that situation and does a great service to our State.

Mr. Chairman, I rise in support of H.R. 8160. I make particular reference on the section of the legislation which would permit national banks to participate in State guaranteed industrial loan programs such as the Maine Industrial Building Authority of the State of Maine. Language which would have accomplished this objective was included in the Financial Institutions Act of 1958, as considered in the 85th Congress, and was regarded as a noncontroversial section of that legislation. Last year I introduced H.R. 13473 in the 85th Congress which would have provided for the desired change in the Federal Reserve Act. This year I introduced H.R. 86 which is very similar to the wording in this bill.

As you may know, the State of Maine, as well as other States of the Union, has been making a concerted effort to accelerate its economic development. This is a multiple purpose program, but one of its most important phases is the development of new industrial buildings for existing and new industries. Maine, which had pioneered in the field of State development agencies has also pioneered with the establishment of an industrial building authority, which under a $20 million State guaranteed program, provides 100 percent insurance on industrial mortgages given by or at the instance of local nonprofit development corporations organized under Maine law or for the expansion of existing industries. Mortgages may be given up to 90 percent of the value of the property, may be for up to $1 million for any one project, and may be for a term of 25 years.

The program has been welcomed in Maine as an important addition to our capital resources for industrial expansion. The program, which started this year, has at least 10 projects in the works. Great interest has been shown by lending agencies as well as by local communities.

Unfortunately, present restrictions in section 24 of the Federal Reserve Act make it impossible for national banks to participate at the present time, such banks may not take real estate mortgages for more than 66⅔ percent of the value of the property or for terms of more than 20 years.

This change in the Federal Reserve Act will be of benefit not only to the State of Maine, but to the State of Rhode Island, and other States which may establish similar guaranteed industrial loan programs. I urge passage of this most helpful legislation.

Mr. McDONOUGH. Mr. Chairman, I have no further requests for time.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 327 of the Revised Statutes (12 U.S.C. 4) is amended to read as follows:

"SEC. 327. The Secretary of the Treasury shall appoint no more than four Deputy Comptrollers of the Currency, one of whom shall be designated First Deputy Comptroller of the Currency, and shall fix their salaries. Each Deputy Comptroller shall take

the oath of office and give the United States a surety bond in the penalty of $100,000, to be approved by the Secretary of the Treasury, conditioned for the faithful discharge of the duties of his office, and shall perform such duties as the Comptroller shall direct. During a vacancy in the office or during the absence or disability of the Comptroller, each Deputy Comptroller shall possess the power and perform the duties attached by law to the office of the Comptroller under such order of succession following the First Deputy Comptroller as the Comptroller shall direct."

(b) The first paragraph under the heading "Treasury Department" and subheading "Office of the Comptroller of the Currency" in the first section of the Act of March 4, 1909 (35 Stat. 867; 12 U.S.C. 5), is repealed.

(c) Section 209(b) of the Act of March 4, 1923 (42 Stat. 1467; 12 U.S.C. 4, 6), is amended—

(1) by striking out the first two sentences; and

(2) by striking out "the two Deputy Comptrollers now provided for by law" in the fifth sentence and inserting in lieu thereof "the Deputy Comptrollers", and by striking out the semicolon and all that follows in such fifth sentence and inserting in lieu thereof a period.

(d) Section 326 of the Revised Statutes (12 U.S.C. 3) is amended by striking out "one hundred thousand dollars" and inserting in lieu thereof "$250,000".

SEC. 2. Section 5202 of the Revised Statutes (12 U.S.C. 82) is amended by inserting after "or otherwise," the following: "plus 50 percent of the amount of its unimpaired surplus fund,".

SEC. 3. (a) Paragraph (6) of section 5200 of the Revised Statutes (12 U.S.C. 84) is amended by striking out "secured upon" and inserting in lieu thereof "secured by", and by adding at the end of the paragraph the following new sentence: "Obligations of any person, copartnership, association, or corporation in the form of notes or drafts secured by shipping documents, warehouse receipts, or other such documents transferring or securing title covering refrigerated or frozen readily marketable staples when such property is fully covered by insurance, shall be subject under this section to a limitation of 15 per centum of such capital and surplus in addition to such 10 per centum of such capital and surplus when the market value of such staples securing such obligation is not at any time less than 115 per centum of the face amount of such additional obligation, but this exception shall not apply to obligations of any one person, copartnership, association, or corporation arising from the same transactions and/or secured by the identical staples for more than six months."

(b) Paragraph (7) of such section 5200 is amended by adding at the end thereof the following new sentence: "Obligations arising out of the discount by dealers in dairy cattle of paper given in payment for dairy cattle, which bear a full recourse endorsement or unconditional guarantee of the seller and are secured by the cattle being sold, shall be subject under this section to a limitation of 15 per centum of such capital and surplus in addition to such 10 per centum of such capital and surplus."

(c) Paragraph (8) of such section 5200 is amended by striking out "in the form of notes".

(d) Such section 5200 is further amended by adding at the end thereof the following new paragraph:

"(13) Obligations as endorser or guarantor of negotiable or nonnegotiable installment consumer paper which carries a full recourse endorsement or unconditional guarantee by the person, copartnership, association, or corporation transferring the same, shall be subject under this section to a limitation of 15 per centum of such capital and surplus in addition to such 10 per centum of such capital and surplus: *Provided, however,* That if the bank's files or the knowledge of its officers of the financial condition of each maker of such obligations is reasonably adequate, and upon certification by an officer of the bank designated for that purpose by the board of directors of the bank, that the responsibility of each maker of such obligations has been evaluated and the bank is relying primarily upon each such maker for the payment of such obligations, the limitations of this section as to the obligations of each such maker shall be the sole applicable loan limitation: *Provided further,* That such certification shall be in writing and shall be retained as part of the records of such bank."

SEC. 4. (a) The second sentence of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended to read as follows: "A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold under a lease which does not expire for at least 10 years beyond the maturity date of the loan, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association."

(b)(1) The third sentence of section 24 of such Act is amended by inserting after "and (3)" the following: "any such loan may be made in an amount not to exceed 75 per centum of the appraised value of the real estate offered as security and for a term not longer than 20 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within the period ending on the date of its maturity, and (4)".

(2) The third sentence of such section 24 is further amended by inserting before the period at the end of the third sentence a comma and the following: "and shall not apply to real estate loans which are fully guaranteed or insured by a State, or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged, if under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan".

(c) The third paragraph of section 24 of such Act is amended to read as follows:

"Loans made to finance the construction of industrial or commercial buildings and having maturities of not to exceed eighteen months where there is a valid and binding agreement entered into by a financially responsible lender to advance the full amount of the bank's loan upon the completion of the buildings and loans made to finance the construction of residential or farm buidings and having maturities of not to exceed nine months, shall not be considered as loans secured by real estate within the meaning of this section but shall be classed as ordinary commercial loans whether or not secured by a mortgage or similar lien on the real estate upon which the building or buildings are being constructed: *Provided,* That no national banking association shall invest in, or be liable on, any such loans in an aggregate amount in excess of 100 per centum of its actually paid-in and unimpaired capital plus 100 per centum of its unimpaired surplus fund. Notes representing loans made under this section to finance the construction of residential or farm buildings and having maturities of not to exceed nine months shall be eligible for discount as commercial paper within the terms of the second paragraph of section 13 of this Act if accompanied by a valid and binding agreement to advance the full amount of the loan upon the completion of the building entered into by an individual, partnership, association, or corporation acceptable to the discounting bank."

(d) Section 24 of such Act is further amended by adding at the end thereof the following new paragraph:

"Loans made to manufacturing and industrial businesses where the association looks for repayment out of the operations of the borrower's business, relying primarily on the borrower's general credit standing and forecast of operations, with or without other security, but wishes to take a mortgage on the borrower's real estate as a precaution against contingencies, shall not be considered as real estate loans within the meaning of this section but shall be classed as ordinary commercial loans."

Mr. SPENCE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. GROSS. Mr. Chairman, there is a provision in this bill for an additional Deputy Comptroller. Perhaps this new officer is needed, I do not know. I wonder if somebody would briefly comment on the necessity for this new job. I am interested in employment in the Federal Government and the spending of money for that purpose.

Mr. BROWN of Georgia. Mr. Chairman, the Government will not pay a dime toward the salary of this officer; salaries, as well as all expenses of the Office of the Comptroller are paid through assessments charged banks for the supervision they receive from the Office of the Comptroller.

During the last 25 years the work of this office has increased by 4 or 5 times. This additional officer is needed.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. By way of further answering the gentleman's inquiry, may I say, Mr. Chairman, that the Comptroller's Office appeared before the committee and made out a fairly good case for two additional deputy comptrollers. As a matter of fact, the other body last year, after a case had been made out over there, authorized two additional deputy comptrollers. But our committee felt we ought to give them only one at this time and if they can make out a case later, after some experience with one additional deputy we would probably give them another additional deputy.

Let me emphasize that the cost of the operation of this office does not come out of Federal funds or out of the Treasury. They come from funds assessed against the banks that are regulated and controlled by the Comptroller's Office.

Mr. GROSS. Somebody pays for these people. This committee was here with

a bill the other day creating an Inter-American Bank. You set up a new board or new commission and it was said that would not cost anything either. But somebody is going to have to pay.

Mr. MULTER. Yes; that is going to cost money.

Mr. GROSS. You are going to take that out of funds appropriated?

Mr. MULTER. The cost of operation of the Inter-American Bank will come out of the interest that the bank charges.

Mr. GROSS. It comes out of somebody's pocket, does it not?

Mr. MULTER. It comes out of the pocket of the banks, it comes out of the pocket of the stockholders, who would otherwise receive greater dividends.

Mr. GROSS. And out of the pockets of the people who do business with the bank?

Mr. MULTER. Incidentally, of course, what they pay in interest is used to pay both expenses and dividends.

Mr. GROSS. You came to the House and got $450 million for the establishment of the Inter-American Bank. With the international lending agencies already in business there was no valid reason for the creation of this new and expensive setup.

Mr. MULTER. This House having gone along with setting up the Inter-American Bank, we should not now again debate that question. The gentleman should not try to hamstring the Comptroller of the United States in his regulation of our own banks.

Mr. GROSS. I am not going to make an issue out of this, but I would like to know what this deputy is going to be paid.

Mr. MULTER. I think the salaries of the deputy comptrollers and assistants or the aides are fixed by the Comptroller.

Mr. GROSS. By the Comptroller?

Mr. MULTER. By the Comptroller. There is no budgetary or appropriation committee control over these salaries.

Mr. GROSS. Then those salaries can be anything?

Mr. MULTER. We do fix the Comptroller's salary but not that of his deputies.

The CHAIRMAN. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8160) to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes, pursuant to House Resolution 333, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FEDERAL CREDIT UNION ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8305) to amend the Federal Credit Union Act.

CALL OF THE HOUSE

Mr. McDONOUGH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. CHELF. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 121]

Allen	Elliott	Moss
Auchincloss	Fallon	Moulder
Ayres	Farbstein	O'Brien, N.Y.
Baker	Fascell	Osmers
Barry	Frazier	Passman
Becker	Halleck	Pillion
Blitch	Hoffman, Ill.	Powell
Boykin	Horan	Preston
Brown, Mo.	Jensen	Rabaut
Buckley	Kilburn	Rogers, Tex.
Canfield	Kirwan	Santangelo
Carnahan	Lafore	Smith, Miss.
Celler	McDowell	Taylor
Dawson	Mack, Wash.	Thompson, La.
Dooley	Mitchell	Williams
Durham	Moeller	Winstead
Edmondson	Morrison	Zelenko

The SPEAKER. On this rollcall 379 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

FEDERAL CREDIT UNION ACT

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky [Mr. SPENCE].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8305) to amend the Federal Credit Union Act, with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Kentucky [Mr. SPENCE] will be recognized for 1 hour, and the gentleman from California [Mr. McDONOUGH] for 1 hour.

The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I will not take any more time than I feel is absolutely necessary.

The credit union has probably grown faster than any other financial institution in America. The growth of credit unions has truly been phenomenal. I suppose there are more credit unions than National and State banks, and Federal and State savings and loan associations combined. In almost every industrial center you will find credit unions. They are entitled to wise and beneficent laws to protect the great number of workers who are members of these credit unions. When you consider this bill you should take into consideration first the interest of the members. The credit unions should be guided and guarded by laws that are unambiguous, laws that are designed for the protection of the workers of America. The money invested in these unions is not the money that comes from financial manipulation or from financial design. It is money that comes from the sweat and the labor of the people themselves and we should see that they are protected. That objective should be in the minds of the Members of Congress when considering legislation enacted for that purpose.

Mr. Chairman, this bill serves that purpose. It has extended the limit of signature loans to members from $400 to $1,000. It has lengthened the maturity period from 3 to 5 years. It has provided for a loan officer who shall perform the duties heretofore performed by the board of directors in authorizing loans to the members.

I hope that the credit unions will grow in strength and in influence; but the very fact that they are growing so fast, the very fact that they are getting to be a great financial segment of our country, indicates that unless they are guarded by wise laws their usefulness may be impaired. These laws should be enacted after careful study and not as the result of influence. You have an important question presented to you that may mean much in regard to the future usefulness and soundness of these institutions. They do the very useful, patriotic work of encouraging thrift and saving upon which the independence of our people is founded.

Mr. Chairman, I hope we may vote the bill out without amendment.

Mr. McDONOUGH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I concur in practically all of the things that the chairman of the committee has stated concerning the benefits of the Federal credit unions throughout the country. They are a source of thrift and a means of funds to the medium and low income groups that is not otherwise provided, and I believe it is the responsibility of the Congress to protect the interests of the Federal credit unions. They have accumulated assets amounting to some $2 billion. There are some 9,000 credit unions throughout the country, and I am sure that all of us have heard from members of the credit unions in our districts concerning this bill and urging the adoption of it.

The pertinent points that this bill will achieve are to increase maximum maturities of loans from 3 to 5 years. It increases signature loan limits from $400 to $1,000. It provides for loan officers to process loans within specified limits and makes other improvements in the organization of Federal credit unions to enable them to meet their members'

needs more efficiently. It liberalizes borrowing restrictions on Federal credit union officials. It authorizes Federal credit unions to cash and sell checks to members for a reasonable fee. It authorizes dividends to be paid semiannually and allows dividend credit for savings received in the first 5 days of a month.

Much of the service rendered by the credit unions throughout the country is voluntary; there is no salary or any compensation paid for the services of many small credit unions, and for that reason it is something that we should encourage so far as thrift of the average citizen of this country is concerned, who is using and obtaining the benefit of the credit unions, and those who may become participants in other credit unions of their particular crafts or professions.

HISTORY OF CREDIT UNIONS

This year marks the 50th anniversary of the first State credit union law and the 25th anniversary of the Federal Credit Union Act. The Federal Credit Union Act, passed in 1934, has proved to be a most workable and worthwhile program which has assisted over 5 million of our citizens in meeting in part their growing credit needs and at the same time encouraging them to save.

The first credit union in the United States was organized in Manchester, N.H., in 1909 with the first law in the United States on this subject being passed in the State of Massachusetts in the same year. The sponsors of this law, Pierre Jay, then banking commissioner of Massachusetts, and Edward A. Filene, a prominent Boston philanthropist, firmly espoused credit unions as a method by which people with limited financial means could gain a larger share of control over their own economic destinies.

Today there are more than 9,000 Federal credit unions operating in the United States and its Territories and possessions, including the District of Columbia, with a membership of over 5 million. Although the Federal Credit Union Act has been law for only 25 of the 50 years credit unions have operated in the United States, almost half of the 20,000 credit unions which have been organized in this country have been chartered by the Federal Government.

As of December 31, 1958, Federal credit unions had assets estimated at more than $2 billion and are growing at a rate of approximately $300 million each year. It is also important to note that during the past 25 years, less than one-fifth of 1 percent of the dollar amount loans made by Federal credit unions have been charged off as losses.

Mr. Chairman, I urge the adoption of the bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to take the time to put in the RECORD a wire I just received:

The West Virginia Credit Union League representing 115 credit unions and 18,285 credit union members in our State urges you to be present and vote for H.R. 8305 which we understand is scheduled for House floor action this afternoon. This bill contains many amendments we desire to see made in the Federal Credit Union Act. Thank you for your support.

CHARLES H. WESCHLER,
Managing Director.

Mr. McDONOUGH. I thank the gentleman.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. Mr. Chairman, I want to thank the committee and the gentleman in particular, for bringing out this bill. As the gentleman knows, there is no State in the Union that has a stronger Federal credit union system than the State of Illinois with its 800,000 members. I am happy to assure the gentleman that the leadership of that group and the members themselves feel that the amendments offered in H.R. 8305 have long been needed and are essential. I urge the passage of the bill.

Mr. McDONOUGH. I thank the gentlewoman.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, this bill provides for amendments to the Federal Credit Union Act. This act became law 25 years ago this year. It had among its sponsors, at that time, practically all of the Members of the House and the Senate.

There are 26 members of the present Congress, the 86th Congress, who were original sponsors of the Federal Credit Union Act. In the other body: Senators BYRD, CHAVEZ, HAYDEN, HILL, O'MAHONEY, RUSSELL, and DIRKSEN, and in the House of Representatives Messrs. BROWN of Georgia, CANNON, CELLER, COLMER, MCCORMACK, O'BRIEN of Illinois, RAYBURN, SMITH of Virginia, SPENCE, VINSON, WALTER, ALLEN, MARTIN, REECE of Tennessee, TABER, WITHROW, Mrs. ROGERS of Massachusetts, and myself.

During the past 25 years, the act has been administered in a very satisfactory way. The original authors could not help being highly pleased with the success of this law. It has done great good for countless numbers of people.

This is the 50th anniversary year of credit unions in the United States. Fifty years ago, the State of Massachusetts enacted the first State Credit Union Act—that was in 1909. The Federal Credit Union Act was passed, as I have said, 25 years ago.

Today there are about 19,000 credit unions, approximately half of which are State credit unions, and about half of which are Federal credit unions. They are all doing a wonderful job. They are thrift organizations. They encourage people to save, and they encourage self-reliance. When you support credit unions, you are supporting something that, as far as savings are concerned, are of the order of E Bonds. And you are helping people help themselves to carry out many good purposes.

Credit unions are good for the country generally—not just for the 10 million or so people who are served by them directly. For example, they generate low rates of interest. The highest interest charged by a credit union is 1 percent a month on the unpaid balance, which means 6.2 percent interest on a loan amortized over the period of a year. Most improvement loans, such as those made by FHA, are based upon a 5 percent discount rate, which means an interest rate of 9.7 percent. But 1 percent a month amortized over a period of a year is the highest rate any credit union charges; and generally they do not charge that much.

They help poor people. They keep the young people and the less sophisticated people out of the clutches of the loan sharks. This is one of the great benefits of credit unions. Credit-union members who are in distress, who need financial help immediately, when the need is urgent, can be sure they will get that help quickly and without trouble. Further, credit unions help their members finance many kinds of worthy purchases. And credit unions are the only financial institution—remember this—the only financial institution that costs the Government nothing. Credit unions pay their own way. We appropriate no subsidies for them, and we give them no delegation of the Government's power to create money. They pay for all examinations and for all supervision. They do not cost the taxpayers one penny. That is something worthy of consideration.

The loans are made principally upon character and upon worthiness of the purpose for which the loan is to be used. I think the best security on earth is character—character loans. These institutions are old fashioned enough—if I might call it old fashioned—to base a loan upon character as collateral. They base their loans, practically all of them, upon character.

And what do you suppose their losses are? Their losses have been one-fifth of 1 percent over the 50 years they have been in operation. Let me repeat that failures to repay loans have amounted to one-fifth of 1 percent of the amount that has been lent. I doubt if there is any financial institution that can boast of a better record.

Credit unions are operated by local people, and they do a wonderful job.

I believe that this legislation will be met with the unanimous approval of the Members of the House. I am proud of the Committee on Banking and Currency for the consideration it gave to the bill, and for the genuine, careful study given to the questions it is designed to answer. The bill was carefully considered in every way. I will be surprised if there is a single objection to the bill as it is presented.

We have one amendment we would like to have adopted. It is an amendment which would permit the formation of what are called central credit unions. The amendment is quite simple and I know that when you understand it, you will be for it. Unlike State credit unions, Federal credit unions may not deposit funds in another credit union, yet there are times when one credit union has a surplus of funds, at the very

time another has more proper loan demands than it can meet. The amendment will allow what are called central credit unions to be formed, under appropriate safeguards, to accept funds from credit unions having a surplus and to invest funds in other credit unions having more loan requests than they can meet. The subcommittee which first studied the bill recommended this provision. However, the full committee failed to accept it, by a very narrow margin and, instead, the committee put a provision in its report asking the Director of the Federal credit unions, in the Department of Health, Education, and Welfare, to prepare for us, by January 15, a program for central credit unions.

Mr. MULTER. Mr. Chairman, will the gentleman yield for a correction?

Mr. PATMAN. I yield.

Mr. MULTER. It is not in the report, it is a direction in the bill.

Mr. PATMAN. That is right; and I thank the gentleman. It was put into the bill. That makes it more unusual, to put such a request into the bill. We could get that program from the Director by making a request of him. Any Member of the House or Senate could do that, and get the program.

We know that the bill is not likely to pass the other body before January 15, so, this January 15 date does not mean anything. We should pass the bill with the central credit union provision in it. Then, the other body will call Mr. Gannon, the Director of the Bureau of Federal Credit Unions—HEW—and have him as a witness and make sure that the provision we have passed is adequate and satisfactory in his view. If it is not, of course, it can then be changed. But, there is no reason to wait for a report from him.

The majority report on this bill—House Report No. 696—explains the reasoning for the committee's rejection of the central credit union provision—on page 1—as follows:

> The objective of distributing savings throughout a group of credit unions so as to avoid situations where funds lie fallow in some credit unions while others lack funds to make loans is certainly a worthy one. At the same time, we must make sure that any system devised to meet this objective does not involve any unnecessary risk for those who entrust their savings to their local credit unions. We must make sure, too, that if a new institution is created to make loans to officers reasonable precautions are taken to avoid possible abuses resulting from conflicts of interest between officers and members of credit unions. Your committee was not satisfied that the central credit union provisions of H.R. 5777 had been perfected to the point where these conditions were met. Accordingly, your committee did not include provisions for central credit unions in the bill as reported. Instead, the bill contains a provision (sec. 3) directing the Bureau of Federal Credit Unions to consider these problems and present a draft proposal which will include sufficient guidelines and safeguards to insure protection of the members of local credit unions as well as sufficient powers to permit Federal central credit unions to function effectively.

Local Federal credit unions have operated very effectively for 25 years with the safeguards contained in the present law and these are also contained in H.R. 8305. The proposed amendment to permit the chartering and operations of Federal central credit unions has been drafted so that all of the restrictions and safeguards applying to local credit unions, would apply equally to Federal central credit unions.

Since existing safeguards and restrictions have provided ample control for the credit unions and their officers, and since no objections were heard by the committee in regard to the administration of credit unions, I fail to understand how these same restrictions and safeguards could be deemed possibly inadequate when applied to Federal central credit unions and their officers. Furthermore, the amendment is modeled after the statutes of many States which permit such central credit unions. These State chartered central credit unions have a long history of successful and safe operations, so this will not be pioneering any new ground.

I have a telegram here from the Credit Union National Association, who urge that the House of Representatives please put this provision in the bill. I will read it as follows:

> Hon. WRIGHT PATMAN,
> *U.S. House of Representatives,*
> *Washington, D.C.:*
>
> We urge you as chairman of Subcommittee No. 30F, the House Banking and Currency Committee, to do everything possible to reinstate the provisions for Federal central credit unions in H.R. 8305.
>
> CREDIT UNION NATIONAL ASSOCIATION.

The credit unions need the provision, and they need it badly. I want to tell you why they need it. Let us take, for instance, any church, and nearly all churches have a credit union, and I might also point out that workers and employees here in the Federal Government have credit unions. There is, for example, a credit union in the Federal Reserve Board. They have a credit union in the Treasury Department. They have credit unions in nearly every agency of the Government, and in the Congress. And they are doing a wonderful job.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BAILEY. The gentleman is aware of the telegram from the National Association of Credit Unions?

Mr. PATMAN. Yes.

Mr. BAILEY. If they want that amendment of yours in the bill, why have they not notified their State associations, because I just put in the RECORD a wire from our State and they do not say anything about this. They just want the bill passed as it was.

Mr. PATMAN. Time has been short. They did not have time to get the information out. You know, it has been a very short time since the bill was reported out. I assure you they want this central credit union provision.

Let us take a church, for instance, that has an organization in the southern part of town and one in the northern part of town. The church in the southern part of town has people needing to borrow more money than has been put into the credit union. The church in the northern part of town is different; it has more money than is needed for loans, and it is not using its surplus funds. The church in the southern part of town would like to borrow the surplus money that is in the church in the northern part of town and pay interest on it and put it to good use. That would help both credit unions, the credit union with the surplus and the credit union having more loan demands than available funds at the moment. Under existing law, that cannot be done. A State credit union can do that, but a Federal credit union cannot. The amendment that will be offered by the gentleman from Colorado [Mr. JOHNSON], will permit Federal credit unions to have the same kind of central credit unions that the States have. The amendment will do nothing more and nothing less. So I do not think that should be denied to these people.

Some say the bankers would fight this proposal. But I cannot conceive of a banker saying that you ought to deny that credit union in the northern part of town the right to lend funds to the credit union in the southern part of town; that you should require that church in the southern part of town to borrow from the bank or not at all. I do not believe the bankers are going to insist upon that. That would be going too far. I do not think bankers are like that at all. Bankers would like to see these credit unions use their funds and their facilities to help people in the most satisfactory way. I feel sure of that. Remember this—every dollar of the credit unions' money must be deposited in a bank. The credit unions cannot keep their money in a safe. So the banks are better off by reason of the credit unions. The more money people save, the more the banks are benefited.

The credit unions pull in money in small amounts, amounts so small the banks would not want to be bothered with handling it in individual accounts, and they then deposit it in a lump sum in a bank. The bank then has the opportunity to use the money, to make loans with it or buy interest-bearing bonds with it. This helps the banks, so the bankers should not be opposed to encouraging the credit unions.

Credit unions increase bank deposits, and bankers are dependent upon deposits, as you know.

So this is not in opposition to the banks. It will help the borrowers of small means; it will help everybody. It will help insure low interest rates. It will help prevent usury. It will save people from loan sharks.

Credit unions are all thrift institutions; they encourage people to save. When you help the folks in the credit unions you are helping those among the finest people in America. Most of these people are wage earners, not wealthy people. They are in the low income brackets principally, and I believe that we ought to encourage these people in their efforts to save, to help their neighbors and to use their money in responsible ways.

I hope that the central credit union credit amendment which is to be offered

by the gentleman from Colorado [Mr. JOHNSON] is adopted. Really, I wish it would be adopted unanimously. I hope the gentlemen who have been inclined to oppose it will not oppose it. When the bill goes to the Senate, the Senate committee can call Mr. Gannon, the Director of the Federal Credit Unions. He will be asked: Is this central credit union provision the House put in all right? If it is not, the provision will be amended, and I predict that the Senate will do a conscientious job, just as the Banking Committee of the House has done. Let us put the amendment in the bill, Mr. Chairman.

Mr. Chairman, I will insert at this point an article titled "The New Drive Against Alabama Loan Sharks." It appears in the Credit Union for August 1959, as follows:

NEW DRIVE AGAINST ALABAMA LOAN SHARKS

The attorney general of Alabama has apparently achieved a breakthrough against loan sharks. On June 25 the State supreme court sustained a lower court decision holding that the attorney general can proceed against loan sharks through group injunctions charging public nuisance. This novel development may provide an effective weapon against the Alabama sharks who up to now have been having a field day.

Last year an examination of 82 borrower affidavits revealed interest charges running from 11.6 percent to 2,240 percent. The average interest for 319 loans included in this analysis was 301.9 percent. Other borrowers paid even higher rates; some were charged over 3,000 percent. Several affidavits in the files of the State's attorney general show that some victims have paid in excess of 7,000 percent.

Alabama has a basic small loans and usury law which sets a limit of 6 percent on oral and 8 percent on written contracts. But it also says, "The charging of interest at an interest rate in excess of 8 percent per annum shall not be deemed to be a criminal offense." In other words, no teeth.

A battle between the attorney general's office and the loan sharks on new grounds began 4 years ago. During the summer of 1955, the attorney general sought an injunction against a Montgomery loan company on the grounds that it was a public nuisance because it was making illegal interest charges. On appeal, the State's supreme court agreed with the attorney general.

HANDLED BY SPARKS

In 1957 two more injunctions were sought, one of them against 23 lenders in Anniston. The Anniston case was the one which eventually succeeded in the supreme court this spring. In charge of collecting evidence and presenting the case in court was an energetic attorney named Guy Sparks, who happens also to be counsel to the Alabama Credit Union League. Until the Alabama Supreme Court's recent approval of the mass indictment method in the Anniston case, the attorney general was able to act only against individual violators.

A new attorney general, MacDonald Gallion, reopened the State's anti-loan-shark campaign this spring. He obtained injunctions against three Mobile loan companies, enjoining them from charging illegal interest rates and collecting illegal interest on previous loans. Says Gallion: "This is the first in a series of injunctions that will be sought by the attorney general's department on a statewide basis."

Here are three affidavits of loan shark victims obtained by Alabama's attorney general:

James J. Messer, a father of two youngsters, employed as a locomotive repair worker by the U.S. Army, said on January 11, 1958: "I have been dealing with loan companies in Anniston, Ala., off and on since 1932, or maybe longer than that. I have been dealing with them ever since there was only one or two in Anniston. I have owed as high as 13 of them at one time. I know lots of fellows who have really been hurt by them too. I have seen some fellows lose some awfully good jobs on account of them."

Messer reports that the records furnished him by the various loan companies for his income-tax reports show that he made these interest payment during 1949, 1950, 1954, 1955, and 1956:

1949:	
Employees Finance Co	$67.40
Family Loan Co	38.50
Alabama Finance Co	160.00
E-Z Loan Co	97.56
Delta Loan Co	73.40
American Loan Co	72.80
Star Finance Co	98.00
Total	607.66
1950:	
Alabama Finance Co	257.75
Ward Finance Co	95.50
Employees Finance Co	243.76
Family Loan Co	139.90
State Loan Co	199.20
Total	936.11
1954:	
Mutual Loan Co	80.80
Employees Finance Co	51.66
American Loan Co	89.60
State Finance Co	176.30
Alabama Finance Co	180.00
Friendly Finance Co	60.00
Family Loan Co	151.20
Ace Finance Co	53.20
Ward Finance Co	81.00
Dixie Finance Co	40.80
Total	973.56
1955:	
American Loan Co	$175.00
Alabama Finance Co	160.00
Friendly Finance Co	68.80
Ward Finance Co	64.15
Family Loan Co	231.20
Employees Finance Co	83.80
Ace Finance Co	106.40
Dixie Finance Co	66.03
State Finance Co	347.36
Mutual Loan Co	85.40
Total	1,388.14
1956:	
Fidelity Finance Co	61.20
Friendly Finance Co	29.46
State Finance Co	99.15
Ace Finance Co	22.86
Family Loan Co	210.46
Mutual Loan Co	40.46
Calhoun Credit Co	30.46
Gordon's Finance Co	7.60
Time Loan Service	37.56
American Loan Co	149.60
Ward Finance Co	23.60
Total	712.41

Continues Messer in his affidavit: "I have not tried to get the 1957 interest statements from them yet.

"At the present time, I owe several loan companies. I owe Employees, Ace, Family, Calhoun Credit, Mutual Loan Co., State Loan, Gordon's Finance, Time Loan Service, American Loan Co., Fidelity Finance Co., and Ward. I have been dealing with all of them for years.

"At Family Loan I was charged a special low rate in the last 2 years of $12.50 per hundred dollars for 30 days. I paid it all off in 30 days. This was their special low rate. Before then I paid $15 per hundred dollars for 30 days. I made many loans there at these rates.

"At Ace Finance Co., I have always paid $15 interest per 30 days on a hundred dollars, and I've made a lot of loans there at that rate.

"At Mutual Loan Co., I have always paid $7.60 on $50 per 1 month. If you were late you paid 5 cents on each dollar for each week or part of the week you were late. I have made a lot of loans there at this rate.

"At Ward Finance Co., I always paid $7.60 interest on a $50 loan in a month. I have made a lot of loans there.

"Fidelity Finance Co. charged me twenty-some-odd dollars interest on $100 for a month. Recently, they went down to $17 and something on $100 loan for 30 days.

"Time Loan Service always charged me $10 interest on $50 for a month.

"Calhoun Credit Co., always charged me $7.60 a month for $50.

"American Loan always charged me $35 interest on $100 for 3 months. I would pay it off in three equal monthly payments of $45.

"Gordon's Finance always charged me $7.66 on $50 for 1 month in interest.

"I have made many, many loans from all these companies at the interest rates I said over the past years, and right up to now. I've renewed many, many times with all of them. The last time I was near to being out of debt to loan companies was in 1956 when I only owed one of them. From 1938–39 to 1956, I never got out of debt to them.

"I've many many time, more times than I can remember, I have borrowed from one of these loan companies to pay another. I borrowed in 1956 from one of them to pay off all the others. That's how I got down to owing just one in 1956.

"I've been written some bad letters from these loan companies about my debts to them.

"My wife gets angry at me about my borrowing from these loan companies and about owing so many of them. She has fussed at me about it. There is no use in denying that. I don't blame her one bit.

"It would be hard to say just how much interest the Anniston loan companies have gotten off of me. It would be a lot.

"I make $5,700 a year now. This is the most I have ever made in salary. In 1956, I made $5,260, which was my best year before this year of 1957.

"I have got lots and lots of records of my dealings with the loan companies."

Jack Graham, a foundry worker and father of two children, swore to this statement before a notary public on November 13, 1957:

"I work at Rudisill Foundry about 3 days a week. I've been back to work about 6 weeks.

"I first began borrowing from Mrs. Jones in 1942. That was the year that I came to work in Anniston. I needed some money to move my family from Alexander City. I went to see Mrs. Jones. I think she was with Southern Finance then. She was in the Wilson Building on the first floor, and later on she moved down in the basement

"I borrowed $50 from her. I signed to pay back $75. My payments were $7 a week for about 6 months. I paid that note out, but I needed some more money for my family and I borrowed from her again. The same kind of loan. I paid on that note for about 6 months and it seemed like I couldn't get it all paid up. Mrs. Jones told me that I could renew the note and it would be just like a new loan with the same interest.

"I started renewing notes with her. This went on and on and sometimes if I had that note over half paid off, she would let me have the difference between what I owed and $50 and we would make a new note

for $50 with same interest and same $7 payment. Sometimes it would take me nearly a year to get paid up. I would need money for doctor bills and trying to fix up my house and I would borrow again from her.

NEVER OUT OF DEBT

"The amounts that I would get then would usually be $50. The biggest amount that I ever got was $100. The payments would be $7 a week. This has been going on and on since 1942. The most I've gone without owing her anything is about a month.

"I got to owing some other debts. My work got cut down to 3 days a week. I filed a debtor's petition last fall. Mrs. Jones got me to leave her account off. They have changed the names of her place so much, but I reckon she was running the Jones Discount by then. I was to make my payments at the * * * Building. I paid $15 down there and then they started taking the payments out of my pay at the shop.

Mrs. Jones cut my payments to her from $7 a week down to $5 a week. I renewed it one time since then I think I got $15 one time. I made these payments until about 4 weeks before May 8, 1957. About 2 weeks before then I paid $10. I generally carried my payments by the office.

"I had a good record of making my payments on time, but during the summer of 1956, times began to get so tough that I was having a hard time meeting expenses. It looked like it was all I could do to pay the light and water bills, make payments on my furniture, and make the payments on my house to keep them from taking it away from me and keep the notes paid up.

"I had to live closer than hen's teeth to make ends meet. Me and the children and my wife wore old clothes a lot of the time and didn't have enough to eat. It was hard to buy schoolbooks for the children. I was making around $30 to $32 a week.

"During the summer of 1956 a few times I began to be a little late in making the payments to Mrs. Jones because I would have to pay my grocery bill in order to get something for my family to eat the next week. Mrs. Jones then started sending Mr. Tommy Welch around to my house to see about it. The first time he came he said Mrs. Jones told him to tell me that I ought to file a debtor's petition in court and put the names of all the other people I owed, but leave her off the papers in court. She said that was a good way to get the strain off me and that the other fellows couldn't bother me. I told Mr. Welch to tell Mrs. Jones that I would have to study about it.

"He came back the next week and said Mrs. Jones wanted to know what I had decided to do about it. I told him that I couldn't see that it would help too much that way. He urged me to do it and said that the other fellows couldn't do nothing to me and would have to leave me alone and that Mrs. Jones would cut my payments to her to $5 a week and I could pay them weekly all along until I paid them out.

"I decided to go with him and went and filed the debtor's petition and Mrs. Jones paid $25 for me. I went back by Mrs. Jones' office and renewed my note with them and they added the $25 on to it. They said I then owed them $175. Before I renewed it I owed $120. This note had already been renewed twice. I don't remember how much money I had gotten on this note.

"The court was taking $15 a week out of my pay after I made the first $15 payment. I was paying Mrs. Jones $5 a week. That only left me $10 or $12 a week out of my wages to buy food, pay light and water bills and buy coal. It was tough to get by on. I got all the odd jobs I could. I would usually get about $5 a day. Some weeks I could barely get by. Other weeks me and my family would do without things—clothes and food. I kept my payments up with Mrs. Jones until the spring of this year.

"When I would be late on a payment she would send Mr. Welch to see me. He came to my house three times—one time I paid him $10. The other two $5. They said I still owed them $141. The fourth time I saw Mr. Welch, I was walking up Spruce Street and was at the intersection of Bynum Street, sometimes called Second Street. Mr. Welch came up from behind me on Spruce Street in his car. He stopped and called to me. He said he had come to collect his money or kill me one. I said it would be Friday before I would have any money. I had turned around so I could go over and talk with him. I didn't hear him say anything else and he started shooting me with a pistol. He shot me five times. This happened on May 8, 1957.

"I was carried to the hospital. I stayed on the operating table 7½ hours. The first time I was in the hospital for 5 weeks. I was then out 2 weeks and had to go for another operation. That operation was 7 hours. I was in the hospital 3 weeks that time. I thank the Lord that I'm still alive My legs still give me a lot of trouble.

"I've only borrowed money from one other loan company in Anniston. This was in 1942. I don't remember the name of the company. I've always tried to pay my debts. I always thought that Mrs. Jones was charging me what the law allowed for interest on her money. I don't know what the legal rate of interest is but I thought the law took care of that. I've worked mighty hard and always took odd jobs when I could. My family and me have done without a lot of things so I could keep my notes paid up on time. It's still tough to get by on 3 days a week."

Mingo Bracy, a totally disabled World War I veteran, made this statement on February 28, 1955, in Montgomery, Ala.:

"About 7 years ago, in 1948, I made three loans with Leavell Banking Co., located upstairs on South Court Street. I borrowed $50 on the first loan, signed a note for $60 and paid $10 per month. On the second loan I borrowed $20, signed a note for $24 and paid $4 per month. On the third loan I borrowed $10, signed a note for $12 and paid $2 per month.

"When I carried the $16 in each month, Mr. Leavell would separate it and say 'here is a $10 interest payment on your $50 indebtedness.' He would then have me sign a renewal note for $60. Then he would take $4 and say 'here is a $4 interest payment on your $20 indebtedness,' fix a renewal note for $24 and have me sign it. Then he would take $2 and say 'here is a $2 interest payment on your $10 indebtedness,' fix a renewal note for $12 and have me sign it.

"All of this $16 was interest alone; I was not touching the principal. I kept that up for about 7 years. In my best judgment I paid about $1,344 on these debts.

"I am a veteran of World War I and get 100 percent total disability. I receive a check from the Federal Government which now amounts to $202 a month but it was not this much 7 years ago. About then I was only getting about $150 a month.

"About 6 years ago I told Mr. Leavell that I did not want to go bankrupt but I was going to the court and make arrangements to pay my creditors as best I could. Mr. Leavell asked not to carry him to court; that he would get me a lawyer. He sent me to Lawyer Robert Coburn and loaned me $20 to start paying Lawyer Coburn, had me sign another note and sent me back to Lawyer Coburn with the $20 which I paid Lawyer Coburn.

"I did not list Leavell Banking Co. at that time for this reason but Mr. Coburn put me in a debtor's petition. This was in 1949. I kept on paying Leavell off at $16 per month and signing renewal notes. I think I paid the court about $15 per month on my debts. None of the loan companies I owed filed their claim against me.

"I also owed for some furniture at Frank Tennille Furniture Co., and some jewelry at Elebash Jewelers but did not list these in my debtor's petition. I went by and told each of them what I was going to do but that I was not going to list them and have since paid them in full. I was discharged from my petition in June 1952.

"I also borrowed $50 from Mr. Berry when he was manager of Capitol Finance Co. and signed a note for $60. I included him in my debtor's petition which I filed in 1949. After that Mr. Berry left Capitol Finance and went with Boswell Finance Co. He stopped me on the street one day and asked me to come by and get some more money; that he was not going to file a claim in the other proceeding. The first time I borrowed $30 and signed a note for $45. He finally made me pay this in a lump sum and then I borrowed $20, signed a note for $24 and paid $4 per month until I carried him into debtor's petition in August 1954, at which time I also carried Watson Finance Co., Capitol Finance Co. and Leavell Banking Co. I had borrowed $50 from both Capitol Finance Co. and Boswell Finance Co., signed notes for $60 and had paid each company $10 per month for about 3 years. They were ordered to appear on February 21, 1955 before the Referee in Bankruptcy to propound their claims but none of these loan companies filed any claim at all.

"Sometimes when the collectors came by to get heir money I would not have received my Government check. When I told them my check had not come, they would threaten to take me for a ride if I did not pay them. I would rather not name these collectors.

"About 7 years ago I borrowed $50 from Lawyer John Sankey, who operated Star Loan Co. I paid him $10 per month and he would renew the note for $60 each month. Sometimes it would be around the third of the month before I got my Government check and could pay him. He would say that I used to be true as a clock but I was falling down. I kept this up for 3 or 4 years until I included my debt to him in my debtor's petition. In my best judgment I paid him at least $480. He did not file his claim against me in Federal court either."

An Anniston lawyer sums up Alabama's loan shark problem in these words: "We have an ugly situation down here that is costing our people millions of dollars each year in illegal interest. The brunt of this cost falls on those least able to pay. Their situation is daily made worse by the loan companies of Alabama. Far from filling a financial need for these people, the loan companies of Alabama make their financial plight ever worse."

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS of New Hampshire. Mr. Chairman, I rise in support of this bill. Perhaps it would be appropriate for me to point out that in my own home State of New Hampshire the first credit union was formed. That was back in 1909. Since then the credit union movement has grown to be a very important factor and to fill a very real need in our national economy.

I am in full support of this bill which would clarify and modernize as well as add several substantive provisions to the present act. So, Mr. Chairman, I join with my distinguished chairman of the Banking and Currency Committee in asking the House to pass this bill without amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. Chairman, I serve on Subcommittee No. 3 of the Banking and Currency Committee. In the course of the hearings of that committee we took extensive testimony not only with respect to the technical amendments which are contained in the bill reported to the House, but also with respect to the advisability and desirability of giving the Federal credit unions the same rights which most State credit unions have, which is, of course, to join together for a variety of purposes in central credit unions.

The essential purposes of central credit unions have been set forth in the supplemental views contained in the House report filed by a number of members of the committee. Essentially they make it easier for credit unions to operate and free them from certain disabilities so that they may use more effectively surplus capital they may have from time to time, because they have different seasonal needs. Some credit unions have extra funds at one particular time when others do not have such, and need funds, and vice versa.

Also because credit unions have been under very strict and tight restrictions, an officer cannot borrow from the credit union more than he has deposited in the union. You may ask why he should borrow rather than withdraw his deposit. There are a variety of reasons including a sense of ownership, and certain insurance features which would justify, in effect, a man borrowing his deposits rather than withdrawing his deposits.

Testimony with respect to Central Federal credit unions in the affirmative can be found at pages 5, 9, 32, 37, 103, 109, 111, 114, and 149 in the hearings. In the report which is in your hands, the supplemental views set forth, starting at page 8 and continuing on through page 14, contain a portion of this testimony verbatim from the hearings before the subcommittee. By reading this you may know what the position was of the persons who appeared before the subcommittee in support of the idea of the central Federal credit unions. In addition to that, on pages 15 and 16 are additional facts which may be of interest. For example, there are over 25 semi-central credit unions. Now these are central credit unions only for officers of Federal unions and they are organized as Federal officer credit unions rather than as Federal central credit unions. A credit union cannot belong to the officer credit union, but an officer of a Federal credit union may. We would like to permit the Federal officer credit union to become a full-grown central credit union and make it possible for credit unions in that area to pool their funds for additional fluidity that this would give each of the credit unions.

On page 16 of the report, the State central credit unions are listed at length in order that you may know whether in your own State there is any central credit union and that there is substantial favorable experience in those States with central credit unions. We have in my own State of Colorado, a State central credit union, which has built up over a million dollars in assets and can be of very real service to its smaller member credit union.

My first experience with a credit union was just after we were married. My church in Madison, Wis., had a credit union. My wife and I were short of funds and we found the credit union a very simple and proper way for us to secure a small loan to meet our needs. I maintain my membership in that church credit union even though I have long since moved from that city because I felt a sense of concern for and obligation to it.

The testimony contains only one criticism of the language contained in the subcommittee's draft of the bill. Mr. Gannon, Director of the Federal Credit Union Agency, did raise a question with respect to the subcommittee's version, suggesting that it did not have a tight enough limit with respect to the loans which a Federal central credit union might make or investments which a member credit union might make in a central credit union.

In offering the amendment which I shall offer during the amendment period, we have set forth language in correction of that. Also one technical correction has been added to the language reported by the subcommittee. In yesterday's RECORD you will find on page 14654, the entire proposed group of amendments that simply restore the language which was deleted by a very close vote in the full committee, at a time when several members were absent.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. JOHNSON of Colorado. Mr. Chairman, the proposed amendments involve several points in the bill. The amendments are cited on page 14654 of yesterday's RECORD so that you may have the actual language of the amendments before you. Also recited there is the essence of the argument in support of the Federal central credit unions. But in order to complete the correction of the bill, I discovered that we had omitted to correct the language at the very end of the bill, section 3 at page 30, which was inserted by the full committee asking the Director to submit to the Congress a draft of legislation providing for federally chartered Federal unions. My amendment is that he shall submit to the Congress recommendations for any further legislation with reference to federally chartered Federal unions. The language of the amendments I am proposing on behalf of the subcommittee contains the recommendations of the subcommittee. If the Director of the Bureau of Federal Credit Unions has further recommendations which he believes would be desirable, in the event he is not able to make these in time for Senate action this year, we invite him to submit those recommendations to the Congress.

That is the essence of the amendment. It will be offered on behalf of the members of the committee who favor the Federal central credit unions and we will ask for a vote on them en bloc.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. ANDERSON].

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Chairman, I take this opportunity to say that I rise in support of the pending legislation. I want to report that this morning I had a wire on my desk from the managing director of the Kansas Credit Union, which represents 300 credit unions in my State with a membership of over 110,000, all in support of H.R. 8305.

Mr. ANDERSON of Montana. I thank the gentleman.

I would like to point out, Mr. Chairman, that in less than 50 years of activity in the United States, the credit union movement has accomplished much more than many other social movements—and this has been a social movement—have been able to do in centuries of hard work. It is an idea that is really needed and wanted by millions of Americans. It is an idea that obviously works.

The credit-union formula is simple. It combines the world's reliance on money and credit systems with man's innate desire to be useful to his fellow man. The result is 12 million people energetically cooperating with each other to do all they can to help their friends and neighbors to help themselves. Although my college training is that of a chemical engineer, I cannot think of a more perfect formula than that.

Internationally, there are more than 12 million people in more than 80 countries who participate in credit unions.

The full value of the more than 1,000 credit unions in operation in other countries cannot be measured merely in terms of the dollars-and-cents benefits they have brought to these people. Perhaps even more important is the fact that credit unions are democratic organizations. They are organizations in which each member has one vote and one vote only in the operating voice of the credit union. As such, credit unions are teaching thousands of people the real meaning of democracy. In both these ways, credit unions already have proved themselves a strong bulwark against communism in South and Central America.

The U.S. Government, the United Nations, and all freedom-loving nations, long ago recognized this important by-product of the credit union movement, and eagerly support the development of credit unions throughout the world and especially in underdeveloped countries where people have never known the thrill of helping determine their own destiny.

Credit unions are not needed only in other countries, however. Just a quick glance at our own country tells us that the credit union movement has a big job ahead of it right here within our own

boundaries. Our own people are entering a new era of enlightenment in which credit unions undoubtedly will play a big role.

Credit unions are geared to our present day lives. Economists know that production and consumption must be balanced if we are to avoid another great depression. Since the Federal Credit Union Act was passed nearly a quarter century ago, the credit union movement has grown and has discovered new opportunities for usefulness. That is why it is in order today to rewrite the Federal law to meet today's needs. I believe credit unions should be given the foundation for a new era of growth and service.

The records of credit unions have thoroughly substantiated the need for many of these changes. It is a remarkable fact that more than 99⅘ percent of all credit union loans have been repaid. This is a record that any kind of financial institution could be proud of.

In the 85th Congress, I introduced credit union legislation substantially the same as the measure before you today. This legislation is very comprehensive and makes many substantive and technical changes in the law. My original bill had in it a provision for central credit unions as is in the proposed amendment before you today. This would permit federally chartered credit unions to participate fully with others in central credit unions. Many State-chartered credit unions have had this privilege for years. Federal credit unions have been denied this privilege, and I think this should be corrected.

When I read the bill brought out by the committee, I was greatly disappointed to see that they had taken from the legislation introduced in the 85th Congress and again introduced in the 86th Congress the provision for central credit unions. Now a central credit union is simply a mechanism to permit money to flow, either cyclically or seasonally, from surplus capital areas to areas temporarily short of capital.

There are presently many State central credit unions and there is no reason why Federal credit unions should continue to be handicapped by their present inability to band together for the most efficient use of their own money. Flexibility in use of surplus funds which are excess to their needs will enable credit unions to better serve their members, both depositors and borrowers. So, when the amendment is offered by the gentleman from Colorado to rewrite into this legislation the provision for central credit unions which was in the legislation considered by the 85th Congress and which was in most of the original bills with which I am familiar, I certainly hope that my colleagues here will support that amendment.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the gentleman from Wisconsin.

Mr. REUSS. I would like to commend the gentleman from Montana [Mr. ANDERSON], for his leadership in securing good, sound credit union legislation. In the last Congress he was a member of the House Committee on Banking and Currency and took the lead in introducing this legislation; in fact, it was from the gentleman from Montana that I first had a complete explanation of the problems of the credit unions and the need for helpful legislation. Although the gentleman has since left the Committee on Banking and Currency, which is to be regretted, and is now on another committee, his interest in it has continued, and his help in getting this legislation to the floor of the House this afternoon should not go unrecognized.

Mr. ANDERSON of Montana. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asssembled, That the Federal Credit Union Act (48 Stat. 1216; 12 U.S.C., secs. 1751–1772) is amended to read as follows:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Federal Credit Union Act'.

"DEFINITIONS

"SEC. 2. As used in this Act—

"(1) the term 'Federal credit union' means a cooperative association organized in accordance with the provisions of this Act for the purpose of promoting thrift among its members and creating a source of credit for provident or productive purposes;

"(2) the term 'Bureau' means the Bureau of Federal Credit Unions; and

"(3) the term 'Director' means the Director of the Bureau of Federal Credit Unions.

"CREATION OF BUREAU

"SEC. 3. There shall be in the Department of Health, Education, and Welfare a Bureau of Federal Credit Unions, which shall be under the supervision of a Director appointed by the Secretary of Health, Education, and Welfare. The Bureau of Federal Credit Unions and the Director shall be under the general direction and supervision of the Secretary.

"FEDERAL CREDIT UNION ORGANIZATION

"SEC. 4. Any seven or more natural persons who desire to form a Federal credit union shall subscribe before some officer competent to administer oaths an organization certificate in duplicate which shall specifically state—

"(1) the name of the association;

"(2) the location of the proposed Federal credit union and the territory in which it will operate;

"(3) the names and addresses of the subscribers to the certificate and the number of shares subscribed by each;

"(4) the par value of the shares, which shall be $5 each;

"(5) the proposed field of membership, specified in detail;

"(6) the term of the existence of the corporation, which may be perpetual; and

"(7) the fact that the certificate is made to enable such persons to avail themselves of the advantages of this Act.

Such organization certificate may also contain any provisions approved by the Director for the management of the business of the association and for the conduct of its affairs and relative to the powers of its directors, officers, or stockholders.

"APPROVAL OF ORGANIZATION CERTIFICATE

"SEC. 5. The organization certificate shall be presented to the Director for approval. Before any organization certificate is approved, an appropriate investigation shall be made for the purpose of determining (1) whether the organization certificate conforms to the provisions of this Act; (2) the general character and fitness of the subscribers thereto; and (3) the economic advisability of establishing the proposed Federal credit union. Upon approval of such organization certificate by the Director it shall be the charter of the corporation, and one of the originals thereof shall be delivered to the corporation after the payment of the fee required therefor. Upon such approval the Federal credit union shall be a body corporate and as such, subject to the limitations herein contained, shall be vested with all of the powers and charged with all of the liabilities conferred and imposed by this Act upon corporations organized hereunder.

"FEES

"SEC. 6. For the purpose of paying the costs incident to the ascertainment of whether an organization certificate should be approved, the subscribers to any such certificate shall pay, at the time of filing their organization certificate, the amount prescribed by the Director, which shall not exceed $20 in any case; and on the approval of any organization certificate they shall also pay a fee of $5. Not later than January 31 of each calendar year, each Federal credit union shall pay to the Bureau, for the preceding calendar year, a supervision fee in accordance with a graduated scale prescribed by regulation on the basis of assets as of December 31 of such preceding year, but such fee shall in no event be less than $10 nor more than the applicable amount specified in the following table:

"Total assets	Maximum fee
$500,000 or less	30 cents per $1,000.
Over $500,000 and not over $1,000,000.	$150, plus 25 cents per $1,000 in excess of $500,000.
Over $1,000,000 and not over $2,000,000.	$275, plus 20 cents per $1,000 in excess of $1,000,000.
Over $2,000,000 and not over $5,000,000.	$475, plus 15 cents per $1,000 in excess of $2,000,000.
Over $5,000,000	$925, plus 10 cents per $1,000 in excess of $5,000,000.

All such fees shall be deposited with the Treasurer of the United States for the account of the Bureau and may be expended by the Director for such administrative, supervisory, and other expenses incurred in carrying out the provisions of this Act as he may determine to be proper, the purpose of such fees being to defray such expenses as far as practicable. No annual supervision fee shall be payable by a Federal credit union with respect to the year in which its charter is issued, or in which final distribution is made in its liquidation or the charter is otherwise canceled.

"REPORTS AND EXAMINATIONS

"SEC. 7. Federal credit unions shall be under the supervision of the Director, and shall make financial reports to him as and when he may require, but at least annually. Each Federal credit union shall be subject to examination by, and for this purpose shall make its books and records accessible to, any person designated by the Director. The Director shall fix a scale of examination fees to be paid by Federal credit unions, giving due consideration to the time and expense incident to such examinations, and to the ability of Federal credit unions to pay such fees, which fees shall be assessed against and

paid by each Federal credit union promptly after the completion of such examination. Examination fees collected under the provisions of this section shall be deposited to the credit of the special fund created by section 6, and shall be available for the purposes specified in such section.

"POWERS

"SEC. 8. A Federal credit union shall have succession in its corporate name during its existence and shall have power—

"(1) to make contracts;

"(2) to sue and be sued;

"(3) to adopt and use a common seal and alter the same at pleasure;

"(4) to purchase, hold, and dispose of property necessary or incidental to its operations;

"(5) to make loans with maturities not exceeding five years to its members for provident or productive purposes upon such terms and conditions as this Act and its bylaws provide and as the credit committee or a loan officer may approve, at rates of interest not exceeding 1 per centum per month on unpaid balances, inclusive of all charges incident to making the loan; except that no loans to a director or member of the supervisory or credit committee shall exceed the amount of his holdings in the Federal credit union as represented by shares thereof plus the total unencumbered and unpledged shareholdings in the Federal credit union of any member pledged as security for the obligation of such director or committee member. No director or member of the supervisory or credit committee shall endorse for borrowers. A borrower may repay his loan, prior to maturity, in whole or in part on any business day. The taking, receiving, reserving, or charging of a rate of interest greater than is allowed by this paragraph, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person by whom it has been paid, or his legal representatives, may recover back from the credit union taking or receiving the same, in an action in the nature of an action of debt, the entire amount of interest paid; but such action must be commenced within two years from the time the usurious collection was made. Loans shall be paid or amortized in accordance with rules and regulations prescribed by the Director after taking into account the needs or conditions of the borrowers, the amounts and duration of the loans, the interests of the members and the credit unions, and such other factors as the Director deems relevant, but such rules and regulations shall not require payments more frequently than annually;

"(6) to receive from its members payments on shares;

"(7) to invest its funds (A) in loans exclusively to members; (B) in obligations of the United States of America, or securities fully guaranteed as to principal and interest thereby; (C) in accordance with rules and regulations prescribed by the Director, in loans to other credit unions in the total amount not exceeding 25 per centum of its paid-in and unimpaired capital and surplus; or (D) in shares or accounts of savings and loan associations, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation;

"(8) to make deposits in national banks and in State banks, trust companies, and mutual savings banks operating in accordance with the laws of the State in which the Federal credit union does business;

"(9) to borrow, in accordance with such rules and regulations as may be prescribed by the Director, from any source, in an aggregate amount not exceeding 50 per centum of its paid-in and unimpaired capital and surplus: *Provided*, That any Federal credit union may discount with or sell to any Federal intermediate credit bank any eligible obligations up to the amount of its paid-in and unimpaired capital;

"(10) to levy late charges, in accordance with the bylaws, for failure of members to meet promptly their obligations to the Federal credit union;

"(11) to impress and enforce a lien upon the shares and dividends of any member, to the extent of any loan made to him and any dues or charges payable by him;

"(12) in accordance with rules and regulations prescribed by the Director, to sell to members negotiable checks (including travelers checks) and money orders, and to cash checks and money orders for members, for a fee which does not exceed the direct and indirect costs incident to providing such service; and

"(13) to exercise such incidental powers as shall be necessary or requisite to enable it to carry on effectively the business for which it is incorporated.

"BYLAWS

"SEC. 9. In order to simplify the organization of Federal credit unions the Director shall from time to time cause to be prepared a form of organization certificate and a form of bylaws, consistent with this Act, which shall be used by Federal credit union incorporators, and shall be supplied to them on request. At the time of presenting the organization certificate the incorporators shall also submit proposed bylaws to the Director for his approval.

"MEMBERSHIP

"SEC. 10. Federal credit union membership shall consist of the incorporators and such other persons and incorporated and unincorporated organizations, to the extent permitted by rules and regulations prescribed by the Director, as may be elected to membership and as such shall each, subscribe to at least one share of its stock and pay the initial installment thereon and the entrance fee; except that Federal credit union membership shall be limited to groups having a common bond of occupation or association, or to groups within a well-defined neighborhood, community, or rural district. Shares may be issued in joint tenancy with right of survivorship with any persons designated by the credit union member, but no joint tenant shall be permitted to vote, obtain loans, or hold office, unless he is within the field of membership and is a qualified member.

"MEMBERS' MEETINGS

"SEC. 11. The fiscal year of all Federal credit unions shall end December 31. The annual meeting of each Federal credit union shall be held at such time during the month of the following January and at such place as its bylaws shall prescribe. Special meetings may be held in the manner indicated in the bylaws. No member shall be entitled to vote by proxy, but a member other than a natural person may vote through an agent designated for the purpose. Irrespective of the number of shares held by him, no member shall have more than one vote.

"MANAGEMENT

"SEC. 12. The business affairs of a Federal credit union shall be managed by a board of not less than five directors, and a credit committee of not less than three members, all to be elected at the annual members' meeting by and from the members, and by a supervisory committee of three members, one of whom may be a director other than the treasurer, to be appointed by the board. Any vacancy occurring in the supervisory committee shall be filled in the same manner as original appointments to such committee. All members of the board and of such committees shall hold office for such terms, respectively, as the bylaws may provide. A record of the names and addresses of the members of the board and such committees and of the officers of the credit union shall be filed with the Bureau within ten days after their election or appointment. No member of the board or of either such committees shall, as such, be compensated.

"OFFICERS

"SEC. 13. At their first meeting after the annual meeting of the members, the directors shall elect from their number a president, one or more vice presidents, a secretary, and a treasurer, who shall be the executive officers of the corporation. No executive officer, except the treasurer, shall be compensated as such. The offices of secretary and treasurer may be held by the same person. The duties of the officers shall be as determined by the bylaws, except that the treasurer shall be the general manager of the corporation. Before the treasurer shall enter upon his duties he shall give bond with good and sufficient surety, in an amount and character to be determined by the board of directors in compliance with regulations prescribed from time to time by the Director, conditioned upon the faithful performance of his trust.

"DIRECTORS

"SEC. 14. The board of directors shall meet at least once a month and shall have the general direction and control of the affairs of the corporation. Minutes of all such meetings shall be kept. Among other things they shall act upon applications for membership; require any officer or employee having custody of or handling funds to give bond with good and sufficient surety in an amount and character to be determined by the board of directors in compliance with regulations prescribed from time to time by the Director, and authorize the payment of the premium or premiums therefor from the funds of the Federal credit union; fill vacancies in the board and in the credit committee until successors elected at the next annual meeting have qualified; have charge of investments other than loans to members; determine from time to time the maximum number of shares that may be held by an individual; subject to the limitations of this Act, determine the interest rates on loans and the maximum amount which may be loaned with or without security to any member; subject to such regulations as may be issued by the Director, authorize an interest refund to members of record at the close of business on December 31 in proportion to the interest paid by them during that year; and provide for compensation of necessary clerical and auditing assistance requested by the supervisory committee, and of loan officers appointed by the credit committee. The board may appoint an executive committee of not less than three directors to act for it in the purchase and sale of securities or the making of loans to other credit unions, or both. Such executive committee or a membership officer appointed by the board from among the members of the credit union, other than the treasurer, an assistant treasurer, or a loan officer, may be authorized by the board to approve applications for membership under such conditions as the board may prescribe; except that such committee or membership officer so authorized shall submit to the board at each monthly meeting a list of approved or pending applications for membership received since the previous monthly meeting, together with such other related information as the bylaws or the board may require.

"CREDIT COMMITTEE

"SEC. 15. The credit committee shall hold such meetings as the business of the Federal credit union may require and not less frequently than once a month to consider ap-

plications for loans. Reasonable notice of such meetings shall be given to all members of the committee. No loan shall be made unless it is approved by a majority of the entire committee and by all members of the committee who are present at the meeting at which the application is considered; except that the credit committee may appoint one or more loan officers, and delegate to him or them the power to approve loans up to the unsecured limit, or in excess of such limit if such excess is fully secured by unpledged shares. Each loan officer shall furnish to the credit committee a record of each loan approved or not approved by him within seven days of the date of the filing of the application therefor. All loans not approved by a loan officer shall be acted upon by the credit committee. No individual shall have authority to disburse funds of the Federal credit union for any loan which has been approved by him in his capacity as a loan officer. Not more than one member of the credit committee may be appointed as a loan officer. Applications for loans shall be made on forms prepared by such committee, which shall set forth the purpose for which the loan is desired, the security, if any, and such other data as may be required. No loan shall be made to any member which causes such member to become indebted to the Federal credit union in an aggregate amount, upon loans made to such member, which is in excess of $200 or 10 per centum of the credit union's paid-in unimpaired capital and surplus, whichever is greater, or in excess of $1,000 unless such excess over $1,000 is adequately secured. For the purposes of this section an assignment of shares or the endorsement of a note shall be deemed security.

"SUPERVISORY COMMITTEE

"SEC. 16. The supervisory committee shall make or cause to be made, at least quarterly, an examination of the affairs of the Federal credit union, including an audit of its books; shall make or cause to be made a report of its quarterly examination to the board of directors; shall make or cause to be made an annual audit, a report of which shall be submitted to the members at the next annual meeting of the corporation; may suspend by a unanimous vote any officer of the corporation or any member of the credit committee or of the board of directors, until the next members' meeting, which members' meeting shall be held not less than seven nor more than fourteen days after such suspension and at which meeting such suspension shall be acted upon by the members; and may call by a majority vote a special meeting of the shareholders to consider any violation of this Act, the charter, or the bylaws, or any practice of the corporation deemed by the supervisory committee to be unsafe or unauthorized. Any member of the supervisory committee may be suspended by the board of directors. The members shall decide, at a meeting held not less than seven nor more than fourteen days after any such suspension, whether the suspended committee member shall be removed from or restored to the supervisory committee. The supervisory committee shall cause the passbooks and accounts of the members to be verified with the records of the treasurer from time to time, and not less frequently than once every two years. As used in this section, the term 'passbook' shall include any book, statement of account, or other record approved by the Director for use by Federal credit unions.

"RESERVES

"SEC. 17. All entrance fees and charges provided by the bylaws and 20 per centum of the net earnings of each dividend period, before the declaration of any dividends, shall be set aside as a regular reserve against losses on bad loans and such other losses as may be specified in the bylaws in accordance with regulations prescribed under this Act: *Provided, however,* That when the regular reserve thus established shall equal 10 per centum of the total amount of members' shareholdings, no further transfer of net earnings to such regular reserve shall be required except that such amounts not in excess of 20 per centum of the net earnings as may be needed to maintain this 10 per centum ratio shall continue to be transferred. In addition to such regular reserve, special reserves to protect the interests of members shall be established when required (1) by regulation, or (2) in any special case, when found by the Director to be necessary for that purpose.

"DIVIDENDS

"SEC. 18. Annually or semiannually, as the bylaws may provide, and after provision for the required reserves, the board of directors may declare a dividend to be paid from the remaining net earnings. Such dividend shall be paid on all paid-up shares outstanding at the end of the period for which the dividend is declared. Shares which become fully paid up during such dividend period and are outstanding at the close of the period shall be entitled to a proportional part of such dividend. Dividend credit for a month may be accrued on shares which are or become fully paid up during the first five days of that month.

"EXPULSION AND WITHDRAWAL

"SEC. 19. A member may be expelled by a two-thirds vote of the members of a Federal credit union present at a special meeting called for the purpose, but only after on opportunity has been given him to be heard. Withdrawal or expulsion of a member shall not operate to relieve him from liability to the Federal credit union. The amount to be paid a withdrawing or expelled member by a Federal credit union shall be determined and paid in the manner specified in the bylaws.

"MINORS

"SEC. 20. Shares may be issued in the name of a minor or in trust, subject to such conditions as may be prescribed by the bylaws. When shares are issued in trust, the name of the beneficiary shall be disclosed to the Federal credit union.

"CERTAIN POWERS OF DIRECTOR

"SEC. 21. (a) The Director may prescribe rules and regulations for the administration of this Act (including, but not by way of limitation, the merger, consolidation, and dissolution of corporations organized under this Act).

"(b)(1) The Director may suspend or revoke the charter of any Federal credit union, or place the same in involuntary liquidation and appoint a liquidating agent therefor, upon his finding that the organization is bankrupt or insolvent, or has violated any of the provisions of its charter, its bylaws, this Act, or any regulations issued thereunder.

"(2) The Director, through such persons as he shall designate, may examine any Federal credit union in voluntary liquidation and, upon his finding that such voluntary liquidation is not being conducted in an orderly or efficient manner or in the best interests of its members, may terminate such voluntary liquidation and place such organization in involuntary liquidation and appoint a liquidating agent therefore.

"(3) Such liquidating agent shall have power and authority, subject to the control and supervision of the Director and under such rules and regulations as the Director may prescribe, (A) to receive and take possession of the books, records, assets, and property of every description of the Federal credit union in liquidation, to sell, enforce collection of, and liquidate all such assets and property, to compound all bad or doubtful debts, and to sue in his own name or in the name of the Federal credit union in liquidation, and defend such actions as may be brought against him as liquidating agent or against the Federal credit union; (B) to receive, examine, and pass upon all claims against the Federal credit union in liquidation, including claims of members on shares; (C) to make distribution and payment to creditors and members as their interests may appear; and (D) to execute such documents and papers and to do such other acts and things which he may deem necessary or desirable to discharge his duties hereunder.

"(4) Subject to the control and supervision of the Director and under such rules and regulations as the Director may prescribe, the liquidating agent of a Federal credit union in involuntary liquidation shall (A) cause notice to be given to creditors and members to present their claims and make legal proof thereof, which notice shall be published once a week in each of three successive weeks in a newspaper of general circulation in each county in which the Federal credit union in liquidation maintained an office or branch for the transaction of business on the date it ceased unrestricted operations; except that whenever the aggregate book value of the assets and property of a Federal credit union in involuntary liquidation is less than $1,000, unless the Director shall find that its books and records do not contain a true and accurate record of its liabilities, he shall declare such Federal credit union in liquidation to be a 'no publication' liquidation, and publication of notice to creditors and members shall not be required in such case; (B) from time to time make a ratable dividend on all such claims as may have been proved to his satisfaction or adjudicated in a court of competent jurisdiction and, after the assets of such organization have been liquidated, make further dividends on all claims previously proved or adjudicated, and he may accept in lieu of a formal proof of claim on behalf of any creditor or member the statement of any amount due to such creditor or member as shown on the books and records of the credit union; but all claims not filed before payment of the final dividend shall be barred and claims rejected or disallowed by the liquidating agent shall be likewise barred unless suit be instituted thereon within three months after notice of rejection or disallowance; and (C) in a 'no publication' liquidation, determine from all sources available to him, and within the limits of available funds of the Federal credit union, the amounts due to creditors and members, and after sixty days shall have elapsed from the date of his appointment distribute the funds of the Federal credit union to creditors and members ratably and as their interests may appear.

"(5) Upon certification by the liquidating agent in the case of an involuntary liquidation, and upon such proof as shall be satisfactory to the Director in the case of a voluntary liquidation, that distribution has been made and that liquidation has been completed, as provided herein, the Director shall cancel the charter of such Federal credit union; but the corporate existence of the Federal credit union shall continue for a period of three years from the date of such cancellation of its charter, during which period the liquidating agent, or his duly appointed successor, or such persons as the Director shall designate, may act on behalf of the Federal credit union for the purpose of paying, satisfying, and discharging any existing liabilities or obligations, collecting and distributing its assets, and doing all other acts required to adjust and wind up its business and affairs, and it may sue and be sued in its corporate name.

"(c) After the expiration of five years from the date of cancellation of the charter of a Federal credit union the Director may,

in his discretion, destroy any or all books and records of such Federal credit union in his possession or under his control.

"(d) The Director is authorized and empowered to execute any and all functions and perform any and all duties vested in him hereby, through such persons as he shall designate or employ; and he may delegate to any person or persons, including any institution operating under the general supervision of the Bureau, the performance and discharge of any authority, power, or function vested in him by this Act.

"(e) All books and records of Federal credit unions shall be kept and reports shall be made in accordance with forms approved by the Director.

"(f) The Director is authorized to make investigations and to conduct researches and studies of the problems of persons of small means in obtaining credit at reasonable rates of interest, and of the methods and benefits of cooperative saving and lending among such persons. He is further authorized to make reports of such investigations and to publish and disseminate the same.

"(g) Any officer or employe of the Bureau is authorized, when designated for the purpose by the Director, to administer oaths and affirmations and to take affidavits and depositions touching upon any matter within the jurisdiction of the Bureau.

"(h) The Director is authorized, empowered, and directed to require that every person appointed or elected by and Federal credit union to any position requiring the receipt, payment, or custody of money or other personal property owned by a Federal credit union, or in its custody or control as collateral or otherwise, give bond in a corporate surety company holding a certificate of authority from the Secretary of the Treasury under the Act approved July 30, 1947 (6 U.S.C., sec. 6–13), as an acceptable surety on Federal bonds. Any such bond or bonds shall be in a form approved by the Director with a view to providing surety coverage to the Federal credit union with reference to loss by reason of acts of fraud or dishonesty including forgery, theft, embezzlement, wrongful abstraction, or misapplication on the part of the person, directly or through connivance with others, and such other surety coverages as the Director may determine to be reasonably appropriate or as elsewhere required by this Act. Any such bond or bonds shall be in such an amount in relation to the money or other personal property involved or in relation to the assets of the Federal credit union as the Director may from time to time prescribe by regulation for the purpose of requiring reasonable coverage. In lieu of individual bonds the Director may approve the use of a form of schedule or blanket bond which covers all of the officers and employees of a Federal credit union whose duties include the receipt, payment, or custody of money or other personal property for or on behalf of the Federal credit union. The Director may also approve the use of a form of excess coverage bond whereby a Federal credit union may obtain an amount of coverage in excess of the basic surety coverage.

"FISCAL AGENTS AND DEPOSITORIES

"SEC. 22. Each Federal credit union organized under this Act, when requested by the Secretary of the Treasury, shall act as fiscal agent of the United States and shall perform such services as the Secretary of the Treasury may require in connection with the collection of taxes and other obligations due the United States and the lending, borrowing, and repayment of money by the United States, including the issue, sale, redemption, or repurchase of bonds, notes, Treasury certificates of indebtedness, or other obligations of the United States; and to facilitate such purposes the Director shall furnish to the Secretary of the Treasury from time to time the names and addresses of all Federal credit unions with such other available information concerning them as may be requested by the Secretary of the Treasury. Any Federal credit union organized under this Act, when designated for that purpose by the Secretary of the Treasury, shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary of the Treasury.

"TAXATION

"SEC. 23. The Federal credit unions organized hereunder, their property, their franchises, capital, reserves, surpluses, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, Territorial, or local taxing authority; except that any real property and any tangible personal property of such Federal credit unions shall be subject to Federal, State, Territorial, and local taxation to the same extent as other similar property is taxed. Nothing herein contained shall prevent holdings in any Federal credit union organized hereunder from being included in the valuation of the personal property of the owners or holders thereof in assessing taxes imposed by authority of the State or political subdivision thereof in which the Federal credit union is located; but the duty or burden of collecting or enforcing the payment of such a tax shall not be imposed upon any such Federal credit union and the tax shall not exceed the rate of taxes imposed upon holdings in domestic credit unions.

"PARTIAL INVALIDITY; RIGHT TO AMEND

"SEC. 24. (a) If any provision of this Act, or the application thereof to any person of circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"(b) The right to alter, amend, or repeal this Act or any part thereof, or any charter issued pursuant to the provisions of this Act, is expressly reserved.

"SPACE IN FEDERAL BUILDINGS

"SEC. 25. Upon application by any credit union organized under State law or by any Federal credit union organized in accordance with the terms of this Act, at least 95 per centum of the membership of which is composed of persons who either are presently Federal employees or were Federal employees at the time of admission into the credit union, and members of their families, which application shall be addressed to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such credit union does business, such officer or agency may in his or its discretion allot space to such credit union if space is available without charge for rent or services.

"CONVERSION FROM FEDERAL TO STATE CREDIT UNION AND FROM STATE TO FEDERAL CREDIT UNION

"SEC. 26. (a) A Federal credit union may be converted into a State credit union under the laws of any State, the District of Columbia, the several Territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico, by complying with the following requirements:

"(1) The proposition for such conversion shall first be approved, and a date set for a vote thereon by the members (either at a meeting to be held on such date or by written ballot to be filed on or before such date), by a majority of the directors of the Federal credit union. Written notice of the proposition and of the date set for the vote shall then be delivered in person to each member, or mailed to each member at the address for such member appearing on the records of the credit union, not more than thirty nor less than seven days prior to such date. Approval of the proposition for conversion shall be by the affirmative vote of a majority of the members, in person or in writing.

"(2) A statement of the results of the vote, verified by the affidavits of the president or vice president and the secretary, shall be filed with the Bureau within ten days after the vote is taken.

"(3) Promptly after the vote is taken and in no event later than ninety days thereafter, if the proposition for conversion was approved by such vote, the credit union shall take such action as may be necessary under the applicable State law to make it a State credit union, and within ten days after receipt of the State credit union charter there shall be filed with the Bureau a copy of the charter thus issued. Upon such filing the credit union shall cease to be a Federal credit union.

"(4) Upon ceasing to be a Federal credit union, such credit union shall no longer be subject to any of the provisions of this Act. The successor State credit union shall be vested with all of the assets and shall continue responsible for all of the obligations of the Federal credit union to the same extent as though the conversion had not taken place.

"(b) (1) A State credit union, organized under the laws of any State, the District of Columbia, the several Territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico, may be converted into a Federal credit union by (A) complying with all State requirements requisite to enabling it to convert to a Federal credit union or to cease being a State credit union, (B) filing with the Bureau proof of such compliance, satisfactory to the Director, and (C) filing with the Bureau an organization certificate as required by this Act.

"(2) When the Director has been satisfied that all of such requirements, and all other requirements of this Act, have been complied with, the Director shall approve the organization certificate. Upon such approval, the State credit union shall become a Federal credit union as of the date it ceases to be a State credit union. The Federal credit union shall be vested with all of the assets and shall continue responsible for all of the obligations of the State credit union to the same extent as though the conversion had not taken place.

"TERRITORIAL APPLICABILITY OF ACT

"SEC. 27. The provisions of this Act shall apply to the several States, the District of Columbia, the several Territories and possessions of the United States, the Panama Canal Zone, and the Commonwealth of Puerto Rico."

SEC. 2. Section 2113(g) of title 18 of the United States Code is amended by inserting before the period at the end thereof ", and any 'Federal credit union' as defined in section 2 of the Federal Credit Union Act".

SEC. 3. The Director of the Bureau of Federal Credit Unions shall submit to the Congress on or before January 15, 1960, a draft of legislation providing for federally chartered central credit unions.

Mr. SPENCE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. JOHNSON of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Colorado: On page 2, line 3, strike out the semicolon and insert a comma and the following: "and includes a cooperative association (hereinafter called a 'Federal central credit union') whose members are Federal credit unions and credit unions organized in accordance with the provisions of law of any State, the District of Columbia, the several Territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico, and located within a well-defined geographical area, and whose members may also be directors and members of the supervisory and credit committees of such credit unions;".

Page 2, line 16, strike "natural".

Page 8, line 13, after the word "surplus" insert the following: ", but this limitation shall not apply to loans by Federal central credit unions".

Page 8, line 13, strike out the first "or"; and in line 15, after the semicolon insert the following: "or (E) in shares of Federal central credit unions, in a total amount not exceeding 25 per centum of its paid-in and unimpaired capital and surplus. Payments to, and withdrawals from, such central credit unions by a Federal credit union must be specifically authorized by the board of directors of such Federal credit union;".

Page 10, line 10, after the word "that" insert the following: ", other than as provided in section 2(1) with respect to Federal central credit unions,".

Page 10, line 14, after the period insert the following: "A Federal credit union may, by authorization of its board of directors, become a subscriber to, or organizer or member of, a Federal central credit union or other central credit union."

Page 11, line 4, after the period insert the following: "Federal credit unions having membership in a central credit union may be represented at annual or special meetings of the central credit union by one member duly authorized by the board of directors of the member Federal credit union. To the extent permitted by the articles or certificate of incorporation or bylaws of the central credit union, such representative shall have one vote and shall be eligible for office in the central credit union the same as though he were a member as an individual of such credit union."

Page 11, line 10, after the word "members" insert the following: "(which, in the case of Federal central credit unions, shall be deemed to include the duly authorized representatives of the member credit unions)".

Page 15, line 8, after the word "or" add the following: ", except in the case of a loan by a Federal central credit union to a member credit union,".

Page 30, line 5, after the comma, strike out "a draft of legislation providing for" and insert "his recommendations for any further legislation with respect to".

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman.

Mr. McGOVERN. Mr. Chairman, I strongly support this legislation before us, and I ask unanimous consent to extend my remarks in the RECORD immediately following the remarks of the gentleman from Montana [Mr. ANDERSON].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Colorado. Mr. Chairman, I have already indicated the parliamentary history of these amendments. I speak on behalf of those members of the Subcommittee No. 3 and those additional members of the full committee who believe that the bill as reported by the subcommittee should have been reported by the full committee; that is to say, these amendments ought not to have been taken out.

The essence of these amendments is simply to restore on the floor certain language which was taken out by a similar en bloc amendment in the committee.

However, I wish to add that with respect to the one technical point which has been raised by Mr. Gannon in his testimony before the subcommittee, starting at page 123, the amendment has been perfected to the extent that it meets the specific technical objection that was raised. However, the full committee did also add section 3 to the bill, which was not in the bill as reported by the subcommittee, directing the Director of the Bureau of the Federal Credit Unions to submit to the Congress a draft of legislation providing for federally chartered central credit unions. The language of my amendment would simply say that he "shall submit his recommendations for any further legislation with respect to federally chartered central credit unions." This is simply to say that in the event there may be some further feature which comes to his attention at a very early stage in the game, while these central credit unions are still being chartered, we would gladly receive from him any further recommendations.

The Federal central credit unions would operate much the same as any member credit unions. Indeed, the first amendment defines Federal credit unions to include not only the usual credit unions, but also a central credit union.

I call attention again to the full text of the amendments now at your seats, and to be found at page A6569 of yesterday's RECORD.

The committee originally considered a bill which included a series of some 18 technical amendments to the Federal Credit Union Act. There was an alternate proposal submitted by the gentleman from New York [Mr. MULTER], which was a complete recodification of the Federal Credit Union Acts, so that you would have in one place the entire act.

The bill reported by the committee, H.R. 8305, is, in fact, a complete restatement of the Federal credit union law. Most of the 30 pages now in your hands represent existing law, with the exception of some 18 technical amendments which have been agreed upon both by the subcommittee and by the full committee. But the whole purpose of a recodification was vitiated by the action of the full committee in making a series of amendments en bloc, taking out all language with respect to Federal central credit unions and then saying in effect, "We will come back next year and reconsider it," because we will again be in the position of having to pass a 30-page bill to get all the Federal credit union law in one place.

It seems to me far more reasonable to take the action of the subcommittee which carefully considered the measure line by line, item by item, and which heard the testimony, and put the whole thing in a shape so that you have at least a good basic law.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield.

Mr. YOUNGER. The gentleman's purpose is to permit credit unions to invest in each other?

Mr. JOHNSON of Colorado. No; it is for member credit unions to create a central credit union just as the State credit unions now do, as the report shows. This simply gives Federal credit unions the same rights to create a pooled fund both for officers and for the unions themselves, as State credit unions now have.

Mr. YOUNGER. The minority report says that you want to permit credit unions to invest in other credit unions. If the gentleman will go back to the history of this, with which he is probably familiar, that was one of the most vicious things that occurred in the history of savings and loan institutions. It brought about the failure of savings and loan, and froze them at the beginning of the depression. That is why, in the creation of Federal savings and loans they were prohibited from investing in each other and thus freezing their capital.

Mr. JOHNSON of Colorado. There is one significant distinction. The amendment on page 8 says that they shall be permitted to invest in shares of Federal central credit unions. Incidentally, there are no minority views in the report.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. JOHNSON of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. JOHNSON of Colorado. The amendment does not permit credit union A to invest in credit union B. It permits A and B to form a central credit union in which both may invest and from which both may borrow. We have many years of successful experience with precisely this technique at the State central credit union level. This merely duplicates that.

Mr. YOUNGER. If you want to do that at the Federal level, why not bring in a bill creating a Federal bank, the same as we have in the savings and loan and make it an institution?

Mr. JOHNSON of Colorado. We would rather let these people run their own affairs than create a new Federal bureau, frankly.

Mr. YOUNGER. That is the difficulty. The first thing you know, you will have them out there without any supervision and they will probably get into the same difficulty that the savings and loan got into in the early part of the depression.

Mr. JOHNSON of Colorado. On the contrary, I think Mr. Gannon does a very fine job and the States are doing a fine job. I have no fear that the Federal central credit union will be any different or any less successful than we have seen in the fine success of the State central credit unions.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word, and rise in opposition to the amendment, not that I can say the idea is not good, but this is not the place to do it, here and now. We have a good bill that the committee has given consideration to and on which people from various parts of the Nation gave their testimony. As to the substantive material in this bill, I would say that it was almost unanimously agreed to by the credit unions across the country. The proposal of the gentleman from Colorado, in my opinion, is a matter that should be the subject of a subsequent study for this committee to go into in great detail. Testimony on that particular point should be considered because it is a revolutionary move in the Federal credit union movement. Although it has been practiced in the States, it may bring about an enmity to the credit unions in the economic circles of this country, an enmity that they do not now have because it would be setting up a central credit union banking system, in plain English. It is something, I think, even the chairman of the committee, in his opening statement, did not refer to. But, on the contrary, he stated he believed the bill, as written, should be passed. I would like to see this bill passed. I would like to see it passed as written. I think there is practically no opposition to it in the House. The questions and controversies brought into this bill by this amendment just muddies up the waters a little bit, and, in my opinion, although the idea after exhaustive research and study may turn out to be a good idea, it is not a question, in my opinion, that should be resolved at this time in the short time we have to debate this bill especially in view of the lack of information that the average Member of the House may have as to the effect that this amendment would have on the Federal credit unions through the country.

Therefore, Mr. Chairman, I urge a "no" vote on the amendment and that we proceed with the further consideration of the bill.

Mr. CLEM MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this very worthy amendment has been the victim of a slogan. After your subcommittee did hear and did consider this matter at great length in the hearings and did look into it exhaustively, as you would have us do again, the full committee then rejected the subcommittee's recommendation on the basis of a slogan and on the basis of a slogan alone. This slogan is "Self-dealing." Now, what is actually the fact? The facts are that no one can deal with himself as an officer of the central credit union any more than an officer of a local credit union can deal with himself. The local credit unions have an inspiring and unimpeachable record of fair dealing, not of self-dealing. This is a fact. The fact is that exactly the same restrictions apply to the central credit union officers as apply to the local credit union officers. The central credit unions were shown by the subcommittee to be an important, necessary and reasonable addition to the credit union structure. Only one witness spoke in opposition to the central credit union, and this was Mr. Gannon. We satisfied the objection that he had.

The central credit union amendment has the unanimous and wholehearted support of the Credit Union Association. Everyone praises the credit union structure as a model of thrift, careful dealing and so on. They were consulted and they are deeply involved in the framing of this bill. Since they are so universally admired and reliable, is it not fair to suggest that their advice as to central credit unions should also be accepted?

Much was made in the discussion in the full committee about the subject of guidelines. Guidelines are the regulations for central credit union officers as well as local credit union officers. Much was made that these guidelines were some indefinite, vague thing. I made a list of all the restrictions on the officers of central credit unions which I am attaching to my statement here. They are the same as for local credit union officers. They take up 10 sections in this bill. Ten pages of bill are given up to the regulation of the officers of these credit unions. For anyone to say that these officers are not subject to careful regulation and restriction simply does not jibe with the facts which were developed in our subcommittee. There are guidelines aplenty, and the guidelines are sufficient for local credit unions, they are likewise sufficient for Federal central credit unions; they are the same.

I would say to you that failure to enact this amendment subjects credit unions and their officers to needless trouble and redtape. In those States where they must seek credit from other credit unions they must do so on an individual basis, taking up endless hours. Under these circumstances it seems to me that those really sympathetic with credit unions will favor this amendment. The strong case that can be made for this amendment, and the absence of any case on the other side means that this amendment is the test of those who are really friendly to the credit unions. Failure to vote for this amendment is going to be a real indication of your genuine sympathy for credit unions because it has the unanimous endorsement of the credit union movement and the credit union association.

I challenge, and I will yield my time to anyone who can spell out in chapter and verse just what there is in this proposal that is self-dealing or fails to make guidelines adequate. To anyone who can do so I will yield.

Mr. BASS of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. CLEM MILLER. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. I would like to ask this question: Under this amendment would it not be possible for seven directors and members of a local Federal credit union to form a central Federal credit union? Is not that correct?

Mr. CLEM MILLER. Yes.

Mr. BASS of New Hampshire. And would it not be quite likely that those same members would also be part of the management of the Federal central credit union?

Mr. CLEM MILLER. They would, but they would not be able to make any loans to themselves. They would make loans to the local credit unions which would be subject as a borrower to the same restrictions that apply to a local credit union. So it is not self-dealing. It is dealing with the members of his own local credit union.

Mr. BASS of New Hampshire. The gentleman misses the point. Would it not be possible for these seven members to negotiate loans or to manipulate loans between the two credit unions from the central to the local and from the local to the central?

Mr. CLEM MILLER. We object to the use of that word "manipulate." That is a difficulty we had throughout with this bill. I do not like the word "manipulate." Possibly such an arrangement could be made, but it is not fair to use the word "manipulate." That is a loaded question similar to what we in the committee had to contend with until finally the amendment was defeated. I say we should get away from the use of such words as that.

It has been charged that there are not sufficient safeguards, limitations, or guidelines for the operation of Federal central credit unions. Let me enumerate a few of the safeguards and restrictions and guidelines which this amendment to H.R. 8305 would put into effect. The amendment defines the term "Federal credit union" to include a "Federal central credit union" whose members are credit unions and officers and directors of credit unions. Therefore, all subsequent guidelines, restrictions, and limitations on local credit unions in H.R. 8305 would apply equally to the proposed Federal central credit union unless the central credit unions were specifically excluded from those provisions by language in the bill.

Now let me enumerate generally the guidelines for central credit unions already included in H.R. 8305:

Sections 4 and 5 of H.R. 8305 would define the method of organization and the criteria for chartering of Federal central credit unions.

Section 7 of H.R. 8305 would provide the guidelines for reports by, and examination of Federal central credit unions.

Section 8 of H.R. 8305 would define the powers of Federal central credit unions in considerable detail.

Section 11 of H.R. 8305 proscribes guidelines for the meeting of the members of a Federal central credit union. This section would also state that no member of a Federal central credit union would have more than one vote in the election of the managing officials.

Section 12 of H.R. 8305 generally defines the methods by which a Federal central credit union would be managed.

Section 13 of H.R. 8305 specifically provides for the officers of a Federal central credit union.

Section 14 of H.R. 8305 defines in great detail the functions and limitations upon the board of directors of a Federal central credit union.

Section 15 also defines in detail the functions and restrictions placed upon the credit committee of a Federal central credit union.

Section 16 definies in detail the duties and restrictions upon the members of the supervisory committee of the Federal central credit union.

I should be glad to go back throughout H.R. 8305 and pick out phrase by phrase the exact language in these sections which would provide guidelines, definitions, restrictions, and limitations upon the operations of the Federal central credit unions and their officers.

In short, gentlemen, there are at least 10 pages of restrictions, safeguards, and guidelines for central credit unions in this bill which other members of Congress have seemingly had so much difficulty in finding.

Mr. MULTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I accept the challenge of the gentleman from California. I oppose this amendment, and I think my record of activities on behalf of credit unions and with credit unions since 1918 bespeaks the fact louder than words that I am a friend of credit unions and of the credit union movements. If they want to disown me because I take a position against this amendment, it is all right with me.

If you will look at the supplemental views that are a part of the report, House Report 696, you will find on page 15 a list of Federal officer credit unions. Turn the page and you will find on page 16 a list of 55 State central credit unions. The operation of all these associations remains unaffected by this bill.

I felt quite complimented, that the full committee substituted my bill H.R. 3674 for the bill that the subcommittee had reported. We then considered that bill in executive session. Between the date the substitution was made and the date we reported the bill some 6 weeks went by. During this period I asked the people in the credit unions, in the Credit Union National Association and in the State credit union leagues to give study to the matter, to sit down with the Director of the Federal Credit Union Bureau and work out a satisfactory provision for central credit unions. I said that if they did that we could probably get a good central credit union provision. I suggested if they did not do that we would run into controversy that might jeopardize the bill. This provision was the only bit of controversy in this bill. If you will look at the Financial Institutions Act, S. 1451, passed by the other body in the last Congress, you will find the credit union title almost word for word as it is now in this bill. The other body did not consider the matter of central credit unions. If you pass this bill as reported by the full committee, I suggest that the other body will take it almost without hearings. If you put in this amendment calling for central credit unions they will have to have hearings in the other body and it may well take a year or more before we can get this bill through. The credit union people have been telling me as late as today they would like to have this bill and the sooner they get it the better it will be for the credit unions and the credit union movement.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. CLEM MILLER. How can the gentleman explain the telegram that we received from the National Credit Union Association asking that this amendment be adopted? All the people I have talked to connected with the National Association are very, very enthusiastic about this amendment and I would say they have the unanimous support of the credit unions throughout the country. I would like to challenge anyone to produce anybody from a credit union either local or national, who says he is against this amendment.

Mr. MULTER. I do not doubt the gentleman received a telegram from the National Credit Union Association, but you heard the gentleman from West Virginia [Mr. BAILEY], say that his State association sent him a telegram asking for this bill. I have one from the New York State Credit Union Association asking for this bill.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. I have a telegram from the head of the Pennsylvania Credit Union Association. He never said anything except to accept the bill.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. HIESTAND. I have a stack of telegrams in my office from credit unions favoring this bill and some of them specify without amendments.

Mr. CLEM MILLER. To the gentleman from Pennsylvania I would say that the credit unions from Pennsylvania testified at the hearing most eloquently as to the need for a central credit union. The credit union representatives from Michigan, Illinois, and I believe from West Virginia, also testified specifically as to the need for central credit unions. I think the mere lack of putting into their congratulatory telegrams some specific reference to this amendment is not as important as their testimony was in the hearings we had.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I thank the gentleman. As I stated previously, the Illinois credit unions are unanimously for the bill. I would only say that the telegram received from Mr. Brietzke, director of the Credit Union League, might be an exception; but, however, on no other occasion has a telegram been sent me without some suggestion of action on an amendment. I would assure the gentleman that the Illinois Credit Union League wishes the bill as it is without amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MULTER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Washington.

Mr. HORAN. I have several telegrams asking for support of the bill without amendment.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. YOUNGER. From the gentleman's experience, if we are going to go into that field, does he not think it would be wise to pattern your central bank after the Federal Home Loan Bank System for credit unions and do it in a correct financial manner rather than by this amendment?

Mr. MULTER. At this moment I am not prepared to go as far as the gentleman suggested, but I am very anxious that the credit union movement continue as a good, sound movement. I would rather move slowly on this provision and wait until the Federal Director comes in, in January 1960, with his recommendation, and then consider what further we should do. I would rather move slowly on this than risk doing something that may give a black eye to the credit union movement.

Mr. Chairman, I urge defeat of the pending amendment.

Mr. REUSS. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, there has been much discussion here about the welter of telegrams that have been received on this subject. It is a great thing for Western Union. But I think a more important consideration for the Members is not what all of these telegrams say, or do not say, but what are the rights and wrongs of the Johnson amendment.

I believe the amendment is a sound and constructive one. It would do for our credit unions exactly the same thing that has been done by legislation for so many other forms of financial institutions. Just as we have directed that in the armed services there shall be a pooling of surplus supplies, so I think it is wise to direct that there may be a similar pooling of surplus funds, so that they may be marshaled to their best advantage by the credit unions.

It is said that this amendment, if worthy, should be considered later, next year perhaps. Well, I wish to point out that for at least 3 years, so far as I know, credit union legislation has been before the Committee on Banking and Currency of either this House or of the other body. My experience here, Mr. Chairman, is that the legislative mills tend to grind somewhat slowly, and therefore in the interest of getting a broad, comprehensive piece of legislation, I hope that this amendment will be

favorably considered. It has been thoroughly gone over in the subcommittee, and in my opinion it is thoroughly sound.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not rise with any intense feeling, but I am persuaded to be against the amendment, the credit unions have done so well with the laws as they now exist, that before we adopt some radical change in an untried field, we ought to give the matter long and careful consideration.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Texas.

Mr. PATMAN. The subcommittee gave full and complete consideration to it. We had all the witnesses in favor of it and all who wanted to be heard against it. Only one witness testified against it. He made certain criticisms, and we believe we corrected his criticisms. That was Mr. Gannon, who is the Director of the Federal Credit Union.

Mr. SPENCE. The credit unions were organized for a very simple purpose, to stimulate thrift and saving and to enable employees of industry to loan these funds to their fellow employees. When a central credit union is formed it constitutes a quasi-banking system that ought to have standards and direction.

I do not criticize those who are for this amendment. They may think it is a good thing for the credit unions, but I am impelled by my interest in the credit unions to say that I think more consideration should be given to the fundamental change in the whole conception of credit unions than has been given. They have done well under the present organization. They are going to continue to do well. They are going to expand. They are a great segment of our economy and we ought to proceed slowly as we enact the legislation by which they shall be governed. I will vote for the bill, but I do believe that this amendment constitutes a fundamental change from the real conception of credit unions. I have not heard from a single member of a credit union in my district—and there are many of them—who wants this amendment.

Mr. BARR. Mr. Chairman, I arise in support of the amendment. During my first 6 months in this House I have been deeply concerned with banking legislation. On this floor I supported the vault cash bill and the two technical bills that we have considered today which affect the national banks of this country. My basic reason for supporting this legislation is my conviction that the financial institutions of this country should be permitted to operate under modern and up-to-date laws.

The United States is entering what may possibly be a very difficult phase in its economic history. Since World War I, with the exception of a few interludes, we have had a plentiful money supply and plenty of credit. Today it seems to me that the United States has probably grown up to its supply of money and credit. In the next decade this country is faced with a population explosion. Our population will probably jump from about 170 million today to perhaps 220 million by 1970. It is going to take a lot of money and a lot of credit to employ these additional people, to house them, and to make sure that they can live a decent life. It would seem to be national policy for this Nation to encourage a savings program that will help provide this money and credit that we need, and also to make sure that our savings and credit resources are used as efficiently and wisely as possible.

This amendment is designed to let the credit unions use the savings of their members efficiently. Let me give you an example: In my congressional district of Marion County, Ind., there are 93 credit unions. These credit unions have approximately 60,000 members. Some of these credit unions are very large. Some are quite small. All of them, whether large or small, are designed to meet a part of the credit needs of their members. But sometimes the very large credit unions find themselves with a surplus of cash. Many of the smaller credit unions often find themselves short of money to loan their members.

This amendment would authorize the establishment of central credit unions under Federal control. These central credit unions would act as a clearinghouse for all the member organizations. For example, a credit union with excess funds could invest this excess in the central credit union—under Federal supervision and control. Credit unions that are short of funds could in turn apply to the central credit union for loans to meet their current needs. These central credit unions, in other words, are a clearinghouse designed to make sure that the savings of the members work as efficiently as possible. They have no power to create money; they have no power to engage in banking operations; they have only the power to see to it that the savings of these institutions are used wisely and efficiently.

For this reason I believe that this amendment is in line with national policy. It is absolutely necessary that this Nation not only encourage thrift, but also the best use of our savings and credit resources. In the vault cash bill and in the two bills which we have considered today concerning the national banks, this was the basic aim of the legislation. These laws apply to the very large financial institutions of this Nation. The credit union bill applies to the smallest financial institutions in the United States, but the same principle—the principle of the efficient use of our savings and credit—applies with equal force to the credit unions as well as to our great national banks. For that reason, Mr. Chairman, I urge the adoption of this amendment.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. BARR. I yield to the gentleman from California.

Mr. COHELAN. Mr. Chairman, I would like to ask the gentleman in respect to the amendment if he feels that the system of a central operation is an untried operation.

Mr. BARR. No; it is not an untried operation. The gentleman from California very properly pointed out that the savings and loan associations went bankrupt by making improvident investments. The Federal Home Loan was established so that they could lay off their excess and loan back to the people who were short. It is not an untried operation.

Mr. COHELAN. Mr. Chairman, if the gentleman will yield further, I wonder if he is aware that of the 9,539 Federal credit unions in the United States today, over 1,600, or more than 16 percent, are in the State of California. And as a former treasurer of a State credit union in California, I shall ask the gentleman if he knows that we have had a central credit union in the locality from which I come for many years. It is one of the reasons the State credit unions are growing at a very healthy rate.

Mr. BARR. I am quite aware of that. The gentlewoman from Illinois [Mrs. CHURCH], my sister State, has had a remarkably successful operation with central State credit unions.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BARR. I yield.

Mr. JOHNSON of Colorado. I would like to explain to the gentleman and to the Members of the House that, speaking as the one who offered the motion for the members of the committee, I made no effort to ask the national credit union office to put the heat on anybody for this amendment. I proceeded in keeping with the action of the subcommittee on which I sit in support of the supplemental views which we had filed. Insofar as the credit union movement has been sending telegrams around, I made no effort to ask them to support the amendment. I was not even in contact with them with respect to my behavior in this matter and their silence on the matter it seems to me is not in opposition to the amendment but simply in ignorance of the fact that the amendment was to be offered, because the decision was only formally entered in the RECORD as of yesterday, after the Rules Committee had acted.

Mr. PATMAN. Mr. Chairman, I rise in support of the amendment.

May I suggest that the argument has been made that this proposal is an untried proposal. The distinguished gentleman from New York [Mr. MULTER] appeared before the subcommittee that was considering this credit union bill. He made a very fine statement which will be found starting at page 95 of the hearings. I should like to refer to page 99, and I want the Members to follow this with me. The gentleman said that he had been interested in credit unions since 1918; and he has a background of knowledge and information many of us do not have. When he speaks about credit unions from his experience from 1918 to date, he speaks with some knowledge and authority. He knows what has happened. So Mr. MULTER testified, as is shown commencing in the last paragraph on page 99, as follows:

The important changes sought to be accomplished, other than mere form are increasing the lending authority of the credit

unions, giving them authority to operate more smoothly, permitting them to have paid employees under certain circumstances—really not paid employees, but to pay for certain services that are necessary to the smooth operation of a credit union—setting up a so-called central credit union, and let me indicate that that is not new in the credit union movement. Many States have already done just that. They have set up central credit unions within each State, which central credit unions are of assistance to the credit unions organized under State law, as well as to the officers and committeemen who operate, and the directors, who operate the credit unions. The central credit union is a source of credit to officers and directors of credit unions who could not qualify under the law to borrow from their own credit union, because that would involve self-dealing. So they have set up these central credit unions within the States to make credit available to those men if and when they need it, and the provision in the Patman and Multer bills would do the same thing on the Federal level.

Mr. MULTER, with all his experience since 1918, recommends the central credit union. He does it after all this experience. Therefore, Mr. Chairman, I think that we can safely pass this amendment with the understanding that if there is anything wrong about it, that Mr. MULTER has not detected or I have not detected, or any other Member has not detected, the other body will carefully go into this bill and will make sure that any amendment we pass is satisfactory and in the public interest. If it is not, they will change it or take it out entirely.

This means so much. Here is the Federal Credit Union—that is, the Credit Union National Association pleading with the Members of this House today to please pass this amendment. I have a telegram here from the president stating their support of this amendment. They want it passed. It is helpful, it is needed, just as the gentleman from New York [Mr. MULTER] said before our committee. We need it. It is not new. It has been tried before. The States all have it. So why not let the Federal credit unions have it?

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I am glad to yield to the gentleman.

Mr. MULTER. I am sure the gentleman would want to write into this bill, if you do have the central credit union provision, at least you want to write in the same standards, restrictions, and limitations that appear in the law of every State that permits central credit unions. That is what I am suggesting should be done before you take this provision. Make sure you have the same safeguards in the Federal statute that you have in each of the State statutes where the States permit central credit unions.

Mr. PATMAN. I submit this amendment is in exactly the same form that the gentleman from New York recommended before our subcommittee, which passed on this bill. He recommended it then. He said it was all right. He said based upon experience it was all right and it was not new and that the States have it and have been using it for 50 years. So I would like to give the same power to the Federal credit unions.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that debate on this amendment, and all amendments thereto, close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. ANDERSON].

Mr. ANDERSON of Montana. Mr. Chairman, I simply want to reaffirm my support of the amendment proposed by the gentleman from Colorado and to point out that it is nothing radical. It is nothing different and it is not a new proposal. It will not alter in any real way the operation of our Federal credit unions, but it will permit the setting up of Federal central credit unions as presently we have State central credit unions.

If you are worried that this amendment carries a new untried proposal, just turn to page 16 of the committee report and you will see that there are presently operating as many State central credit unions as there are States.

As a sponsor of credit union legislation in this Congress and the preceding Congress, I have carefully studied the language of the many credit union bills which would provide for Federal central credit unions. I think it has been well documented that there are sufficient safeguards and guidelines to provide for the sound operation of central credit unions under Federal law. The amendments to provide for Federal central credit unions have been modeled after the existing State laws which provide for State charter central credit unions.

I would suggest that the opposition to Federal central credit unions arises from reasons other than those recited in the committee report on this bill. By way of illustration let me cite an article which appeared in the New York Journal of Commerce entitled "Credit Unions Pose Rising Threat to Banking World." The first paragraph of this article states:

> Credit unions in the United States are gradually forging ahead in the national race for savings to become one of the most important threats, competitively, to commercial and savings banks since savings and loan associations began their spectacular rise in the 1950's.

Now this sounds very ominous. However, buried farther down in this article are statistics on Federal credit union saving and lending:

> 1. Of all liquid savings in the principal savings media in the United States, credit unions only hold roughly $4 billion of $210 billion, or 1.8 percent of the total.
>
> If savings in the form of life insurance are included in total savings, the credit union share of total savings would drop to approximately 1.5 percent.
>
> 2. Of the total installment credit outstanding as of May 1959, credit unions accounted for approximately 8 percent.

It seems very difficult to understand how these self-help institutions on the basis of facts can possibly pose a great threat to the banking world. However, it seems that the giant commercial banks of the country fear even the minor competition from credit unions and therefore the provisions that would provide for the charter and operation of Federal central credit unions apparently have been stricken from this credit union legislation at their behest.

I ask my colleagues to support the amendment of the gentleman from Colorado [Mr. JOHNSON].

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, I just want to repeat what I said in my opening remarks. We have a good bill here. It has been seriously and thoroughly considered by the committee, There is every danger, in my opinion, that the bill may take much longer to be considered by the other body and finally passed, if it is passed at all in this session of the Congress, if this amendment is added to it. I am sure the Members who were present when the amendment was read realize that this amendment goes all through the bill. There are amendments on many pages of the bill. The committee considered some of the things that are proposed in the amendment, and the bill that was reported is the result of the consideration of the original bill, which was submitted by the gentleman from New York [Mr. MULTER], which excluded this section on the Federal credit unions. I do not believe there is a Member in the House who wants to do anything to injure the Federal credit unions. I think we all want to support them and to help them. I think an amendment of this kind at this time, although it may have virtue, as I said before, it should be considered subsequently by the committee. At this time, it should be defeated and we should proceed to adopt this bill as written.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, our colleague, the gentleman from Texas [Mr. PATMAN], by his reading from the hearings, has amply demonstrated, I think, that I am in favor of the credit union movement, that I am a strong supporter of that movement, and that I even agree with the principle of central credit unions. I am merely urging now that we do not write this provision into this bill at this time. I am urging that this provision be given further study and attention so that we may write into the law at some future date a good, sound provision with proper restrictions and with proper limitations and with proper standards so that the credit union movement can go forward and not be hurt or damaged in any way because of a provision that might not set up the proper standards.

Therefore, Mr. Chairman, I urge the rejection of this amendment and the adoption of the bill as reported by the full committee.

Mr. ALFORD. Mr. Chairman, we have under consideration important legislation pertaining to credit unions—legislation, I am advised, that will be of tremendous help to the farflung

credit unions of this Nation in providing additional services to their members. I fully support this legislation because I have been assured by Mr. T. R. Shirk, of Jacksonville, Ark., member of the board, and James C. Davis, of Little Rock, managing director of the Arkansas Credit Union League, and by the officers of mary other credit unions in my State, that the efficiency of credit union operations will be enhanced by its passage.

Credit unions are important to the economy of Arkansas because they permit members of a group to pool their savings to self-finance a variety of needs. Credit unions in Arkansas are the vehicle by which many members pay hospital bills, buy air conditioners for homes, finance automobiles, ease the burden of income taxes, and at the same time acquire a systematic habit of saving.

Credit unions finance many risks in which banks would not be interested, thus they fit perfectly into the pattern of our economy. Yet they are subject to rigid examination by regulatory agencies to see that they are conducted on sound business principles. Perhaps much of the secret of the credit unions' success lies in the fact that a man does not default on his obligations to the two or three men working alongside him. And, by the same token, those two or three men working alongside him know best of his problems, his habits, and his ability to meet his obligations.

The latest figures available to me show the enormous extent to which credit union operations have grown in my State. I have compiled these totals by taking the report of State-chartered credit unions for the last available year—1957—and adding the report of the federally chartered credit unions for 1958.

These show some amazing figures, including the fact that there are 103 credit unions in Arkansas with a total of 29,958 members. Their total assets are almost $7,500,000. These credit unions have loans outstanding in the amount of $5,585,147; their net income is $317,684; and the dividends they paid totaled $217,154.

What is even more significant to me is that the members of these credit unions have amassed savings totaling $5,762,913—a backlog of assets that might never have materialized had it not been for the habits of thrift encouraged by these credit unions.

With these facts in mind it seems to me we should lend every encouragement possible to the expansion of the services of these worthwhile organizations.

Mr. McGOVERN. Mr. Chairman, I strongly support H.R. 8305, the legislation to amend the Federal Credit Union Act. The credit union program has a splendid record of service to the people of the Nation. This legislation will further increase the effectiveness of credit unions.

Mr. W. O. Knight, Jr., of Sioux Falls, S. Dak., an outstanding constituent of mine, served last year as national president of the Credit Union Association. He is currently serving as managing director of the South Dakota Credit Union League. I have discussed the legislation before us with Mr. Knight and am pleased to join with him in supporting it.

This year marks the 50th anniversary of the first State credit union law and the 25th anniversary of the Federal Credit Union Act. Over 5 million Americans have been assisted in their credit needs by the Federal Credit Union Act passed in 1934.

The proposed amendments to the act contained in H.R. 8305 include the following provisions:

First. Increases maximum maturities of loans from 3 to 5 years.

Second. Increases signature loan limits from $400 to $1,000.

Third. Provides for loan officers to process loans within specified limits.

Fourth. Liberalizes borrowing restrictions on Federal credit union officials.

Fifth. Authorizes Federal credit unions to cash and sell checks to members for a reasonable fee.

Sixth. Authorizes dividends to be paid semiannually and allows dividend credit for savings received in the first 5 days of a month.

As the committee report has stated:

> The bill would have no impact on the Federal budget, inasmuch as the expenses incurred by the Bureau of Federal Credit Unions are paid out of fees collected from the supervised credit unions.

I urge the adoption of the bill as a means of strengthening an already fine credit union program.

Mrs. ROGERS of Massachusetts. Mr. Chairman, in my own district there are a number of very fine credit unions and they have done an enormous amount of good to the people of my district. I heartily endorse them. I noted on the floor the gentleman from Texas [Mr. PATMAN], one of the original sponsors of the Sheppard-Patman Credit Union Act, and the gentleman from Georgia. He and I and a number of others were in the Congress when the first credit union bill was passed. They were kind enough to give us citations just for being on the floor at the time and endorsing it.

Mr. KASTENMEIER. Mr. Chairman, I am proud to lend my support to H.R. 8305, a bill to amend the Federal Credit Union Act. I have taken a particular interest in the activities of Federal credit unions because within my district lies the international headquarters of the organization which has fostered the growth of credit unions throughout the world, the Credit Union National Association, better known by the initials "CUNA." Not too long ago, I had the opportunity to join the gentleman from Texas [Mr. PATMAN] on the floor of this House in commemorating the 25th anniversary of the signing of the original Credit Union Act. Today, I speak on behalf of a measure which acknowledges the worthwhile activities of this organization by increasing the maturity limit on credit union loans from 3 to 5 years and making other minor changes in the Federal Credit Union Act. With these changes, rural credit unions in my own State of Wisconsin could more adequately meet the credit needs of farm families to help them purchase farm equipment and supplies. Federal credit unions would be able to participate more actively in extending loans for home improvement and modernization, and many other benefits would also be derived. And, I am confident that the passage of this bill would aid not only credit union patrons but would help expand the credit union movement as well.

Mr. FASCELL. Mr. Chairman, I rise in vigorous support of the bill under consideration to rewrite and modernize the Federal Credit Union Act.

The growth of the credit union movement in the United States has been sound, steady, and inspiring to observe. It is a shining example of how much of value can be accomplished by men and women, working together toward a common objective for the common good.

Since the first credit union was founded in this country 50 years ago, 19,999 such groups have been created with a present total membership of more than 10 million people, and assets totally well over $4 billion. In the 25 years since the Federal Credit Union Act was passed, more than 9,000 Federal credit unions have been established with a membership of over 5 million persons and assets amounting to more than $2 billion and growing at the rate of $300 million per year.

Significant to note among these details of phenomenal growth is the fact that since the enactment of the Federal Credit Union Act 25 years ago, less than one-fifth of 1 percent of the dollar amount of loans by Federal credit unions have been charged off as losses.

We in Florida are proud of the 518 credit unions now in operation serving a membership of 200,000.

In view of the obvious widespread interest in these organizations both on the State and Federal level, it is entirely fitting and timely that a recodification of the Federal law be made and I commend Committee Chairman SPENCE and Subcommittee Chairman PATMAN for their diligence and intense interest in recommending this legislation to the House. This bill will modernize the operations of one of the fastest growing financial institutions in the country and will enable it to keep pace with the changing needs of the unions and their members which have arisen down through the years.

I hope this legislation which I am both proud and privileged to cosponsor, will have the overwhelming endorsement of the House of Representatives today.

Mr. HECHLER. Mr. Chairman, there are over 100 credit unions in my State of West Virginia, averaging nearly 200 members each. Credit unions are a vital part of our economy, and they are a great boon to the workers of West Virginia. Not long ago, I addressed the State Convention of the West Virginia Credit Union League in Huntington, and I was deeply impressed by the leaders of the credit union movement in West Virginia. This year when we are celebrating the silver anniversary of the passage of the Federal Credit Union Act, I hope that we may take the necessary steps to help

the credit unions perfect their organization and operation through the passage of the needed amendments contained in H.R. 8305.

Mrs. GREEN of Oregon. Mr. Chairman, I do not want this discussion to conclude without rising to compliment the distinguished and beloved chairman of the committee, the distinguished and able gentleman from Texas [Mr. PATMAN], for the work he has done in presenting this bill to the House. I have received a great many letters from credit union officers and members in my own State, urging my support of this bill. After reading the material made available to me on the subject, I felt this was a good bill. After reading the hearings and the committee report, I was more than ever convinced that the pending legislation is beneficial to the millions of Americans with low and middle incomes, and necessary to the continued success of the credit union movement. I intend to vote for the bill and I hope that it becomes law as soon as possible.

Ordinarilly I would not make a special effort to introduce in the RECORD letters from home on a bill unless I felt they were saying something different. Much of what my letters have said has been repeated by the committee members in this debate. However, I do want some of the letters I have received to be set forth in the RECORD because they demonstrate graphically the wide utility of the credit union idea. Here are letters from credit unions composed of Federal employees, credit unions composed of members of a parish church, credit unions comprising the employees of a large timber company, of a clothing manufacturer, or city employees, of trade union members. The credit union idea, Mr. Chairman, is a universal one and deserves universal support.

Under unanimous consent, I ask that there be printed following my remarks some of my letters on this subject.

SCS FEDERAL CREDIT UNION,
CARE OF SOIL CONSERVATION SERVICE,
Portland, Oreg., June 26, 1959.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: I am writing you on behalf of the board of directors and the membership of the Soil Conservation Service Federal Credit Union located throughout the State to enlist your support of H.R. 5777.

We believe the 22 amendments to the Federal Credit Union Act contained in this bill would be a big step forward in the credit union movement. They will provide a means of coping with the present-day problems faced by Federal credit unions throughout the country.

We earnestly urge your support of this measure.

Sincerely yours,
BYRON L. DONEEN,
President.

N.P.T. EMPLOYEES FEDERAL
CREDIT UNION,
Portland, Oreg., June 29, 1959.

Hon. EDITH GREEN,
Congresswoman, Third Oregon District,
National House of Representatives,
Washington, D.C.

DEAR MADAM: By authority of the board of directors of the above-titled organization, I am writing to beseech your support of H.R. 5777, now before the Congress for consideration.

The bill, as proposed, provides 22 most important amendments to the present Federal Credit Union Act, which will bring it up to date, and further serve the original purpose and intent of the law.

The proposed features of this bill have been thoroughly studied and have the wholehearted approval of our leagues; the national association, and credit union members in Oregon.

Any consideration you may deem feasible in support of the bill will be much appreciated by all concerned.

With kindest regards to you and yours, and best wishes for success of your legislative program, I am,

Most respectfully yours,
PHIL REYNOLDS,
Publicity Chairman.

BLESSED SACRAMENT PARISHIONERS,
FEDERAL CREDIT UNION,
Portland, Oreg., June 19, 1959.

The Honorable EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: Our credit union asks your support to assure favorable passage of bill H.R. 5777. This bill provides 22 amendments to the Federal Credit Union Act which will bring the act up to date.

This has the wholehearted approval of our leagues, national association and credit union members in Oregon.

We urgently request your attention to this bill.

Very truly yours,
PHYLLIS A. HOOVER,
Treasurer.

WEYERHAEUSER SPRINGFIELD
FEDERAL CREDIT UNION,
Springfield, Oreg., June 23, 1959.

The Honorable EDITH GREEN,
Representative in Congress,
House Office Building,
Washington, D.C.

DEAR MADAM: I wish to urge your support of H.R. 5777, which provides 22 amendments to the Federal Credit Union Act.

This bill brings the Federal Credit Union Act up to date and helps to install modern business practices that will strengthen the entire credit union movement and services to its members within our Nation.

With over 25,000 credit unions in America, over 18,000 of them Federal chartered credit unions, it is imperative that the Federal Credit Union Act be made just as fine an instrument as possible to serve these citizens of our Nation.

Your support for H.R. 5777 will be greatly appreciated.

Very truly yours,
BRYCE THALMAN,
Treasurer and Manager.

PORTLAND, OREG., *June 25, 1959.*

Mrs. EDITH GREEN,
Representative for the State of Oregon,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: As a member of the Jantzen Employees Federal Credit Union, I am very much in favor of the passage of House of Representatives bill No. 5777, which will provide needed improvements in the current Federal credit union laws.

Thank you for any assistance you may be able to give this.

Yours truly,
Mrs. LILLIAN GALLOWAY.

WADCO EMPLOYEES
FEDERAL CREDIT UNION,
Portland, Oreg., June 22, 1959.

Congresswoman EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: We respectfully request your support of House bill H.R. 5777, which provides 22 amendments to the Federal Credit Union Act. This bill will bring the act up to date.

Your support will be most sincerely appreciated.

Respectfully,
E. L. MAGNUSON,
President.

JUNE 19, 1959.

Hon. EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: I am president of the Bonneville Power Administration Federal Credit Union. We have made a study of House bill H.R. 5777, and feel that this bill would bring the Federal credit union activities up to date and this would be a benefit to the credit unions as a whole.

Our credit union provides a needed service for the Federal employees in this immediate area and the Bonneville Power Administration employees throughout the Northwest.

Anything that can be done by you to help the credit union bill will be a help to thousands of us who use the credit unions. We would appreciate your support of this bill.

Sincerely yours,
LOUIS J. COWAN,
President, Bonneville Power Administration Federal Credit Union.

CITY OF PORTLAND EMPLOYEES
CREDIT UNION,
Portland, Oreg., June 23, 1959.

HON. EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MADAM: The members and officers of the City of Portland Employees Credit Union respectfully request you to do whatever possible to get H.R. 5777 passed at this session of Congress.

This Federal Credit Union Act is needed by all the credit unions to bring the laws and regulations into line with the current problems of financing.

Any assistance you can give will be deeply appreciated by all 3,200 members in our credit union.

Respectfully,
VERN W. TALCOTT,
Treasurer.

PORTLAND, OREG., *June 24, 1959.*

Representative EDITH GREEN,
Third District, State of Oregon,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: I am writing to urge that H.R. 5777 receives your support. This bill will bring up to date the Federal Credit Union Act and make it possible for us to give our members better service.

Your interest in the passage of this bill will be appreciated.

Very truly yours,
E. KENNETH KLUGE.

CLERKS 1092 FEDERAL CREDIT UNION,
Portland, Oreg., June 24, 1959.

Hon. EDITH GREEN,
U.S. Representative, State of Oregon,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: As you undoubtedly know, hearings are now in progress on the Patman bill H.R. 5777 and on behalf of the members of our credit union, I again urge your support of the bill.

I received the copy of the bill from you in April and thank you for this courtesy.

Very sincerely,
(Mrs.) MARIE STRICKLER,
Treasurer.

SWEET HOME, OREG., *June 18, 1959.*

Mrs. EDITH GREEN,
Representative, Third District,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: As a member and officer of a credit union, we ask you to support bill H.R. 5777, providing 22 amendments to the

Federal Credit Union Act. Our credit union is named Willamette National Lumber Co. Employees Federal Credit Union, at Sweet Home, Oreg. We acquired our charter in December 1958 and it has created a lot of interest in our community.

We sincerely thank you.

PHIL STURHOLM,
Treasurer.

PORTLAND POSTAL EMPLOYEES CREDIT UNION,
Portland, Oreg., June 20, 1959.

Mrs. EDITH GREEN,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: I am writing to advise you of our interest in H.R. 5777. Anything you can do to help get this bill reported out of committee will be appreciated.

You are no doubt aware of the beneficial work being done by credit unions. If the 22 amendments to the Federal Credit Union Act embodied in this bill become law, it will be possible for Federal credit unions to give their members still better service in many ways. Our credit union, chartered by the State of Oregon, now enjoys many of the benefits that would be extended to Federal credit unions if these amendments are passed. Therefore, we speak from experience when we recommend these amendments to the Federal law.

Thanking you for any help that you can give us, I am,

Sincerely,

WAYNE S. STEWARD,
Secretary-Treasurer.

FRED MEYER EMPLOYEES FEDERAL CREDIT UNION,
Portland, Oreg., June 18, 1959.

Hon. EDITH GREEN,
Old House Office Building,
Washington, D.C.

DEAR MRS. GREEN: While gratefully acknowledging your past interest in, and support of, credit union problems, we are writing to ask for your continued support, specifically of H.R. 5777 which we understand is presently in committee.

As you undoubtedly know, this bill is thoroughly approved by our informed credit union leaders, and its passage will enable us to give more and improved service to our millions of credit union members throughout the country.

We again thank you for your past and future actions in these matters of importance to so many of your constituents.

Yours very truly,

MILO L. WALKER,
Acting Treasurer.

S. P. BROOKLYN FEDERAL CREDIT UNION,
Portland, Oreg., June 19, 1959.

The Honorable EDITH GREEN.

DEAR REPRESENTATIVE: At our meeting of the board of directors at our June 17, 1959, meeting, a motion was made to write to you requesting your support of H.R. 5777.

Our credit union has a membership of 1,400 and we will appreciate your support in passing this bill.

Yours truly,

CONRAD MORASCH,
Treasurer.

MULTNOMAH STATE EMPLOYEES CREDIT UNION,
Portland, Oreg., June 19, 1959.

Hon. EDITH GREEN,
House Office Building, Washington, D.C.

DEAR MRS. GREEN: I don't know whether you remember me from P.T.A. days, but again I feel there is certain legislation that warrants your support.

At the present time I am an officer in a State credit union which operates very similar to the Federal credit union, having many of the same problems. For this reason, all of us feel that H.R. 5777 is very desirable legislation for the credit union. Also, the credit unions perform a real service for members of the community.

All of us hope that you can see your way clear to support this legislation in an active manner.

Sincerely,

VINNIE J. BELL, *President.*

N. W. GASCO FEDERAL CREDIT UNION,
Portland, Oreg., June 19, 1959.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE GREEN: On behalf of the members and officers of the N. W. Gasco Federal Credit Union, I wish to urge your consideration and support for H.R. 5777.

As you are probably aware, the Federal Credit Union Act was a truly excellent piece of legislation that has helped millions of individuals with small and moderate incomes to save a part of what they earn and provided them with a source of credit at moderate rates. However, like all rules, regulations, and laws the act needs revisions to keep in step with the changing times and conditions within our country. H.R. 5777 provides 22 amendments to the act to bring it up to date, has been thoroughly studied and has the wholehearted approval of the Oregon Credit Union League and of the individual members and officers of our particular credit union.

Sincerely yours,

WILLIAM B. DOWN,
Treasurer.

PORTLAND, OREG., *June 24, 1959.*

Representative EDITH GREEN,
Third District, State of Oregon,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: As an individual, directly involved in credit union activities. I am deeply concerned in the passage of H.R. 5777. This bill provides a number of amendments to the Federal act which I feel will correct some of the policies which have prevented us from giving our members the best possible service.

I respectfully urge that you give this bill your support.

Very truly yours,

GENE KAISER.

JULY 9, 1959.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MADAM: In May of this year, a meeting was held for all the credit unions in the State of Oregon. At this meeting, bill H.R. 5777 was unanimously approved.

We, and I speak for Albina Federal Credit Union as their treasurer, are asking your support of this bill, which we feel will greatly help the lower income groups in their borrowing and saving plans.

Sincerely yours,

G. F. SELBY,
Treasurer, Albini Federal Credit Union.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

The question is on the amendment offered by the gentleman from Colorado [Mr. JOHNSON].

The question was taken, and on a division (demanded by Mr. JOHNSON of Colorado) there were—ayes 33, noes 95.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8305) to amend the Federal Credit Union Act, pursuant to House Resolution 334, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONSTITUTIONAL AMENDMENT TO PROTECT MORAL STANDARDS

Mr. DOWDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DOWDY. Mr. Speaker, I have today introduced a joint resolution proposing an amendment to the Constitution to restore the power of the States to protect the moral standards of their citizens.

Such an amendment has been made necessary by virtue of the decision by the Supreme Court on June 29, 1959, in the case of Kingsley International Pictures Corporation against the Regents of the University of the State of New York, which effectively strikes down every statutory prohibition against obscenity, pornography and immorality that has ever been enacted by any legislative body in this country of ours. If this decision is adhered to, or permitted to stand, then truly we will reach the depths of depravity.

The New York statute provided for denial of a license to motion pictures "which are immoral in that they portray 'acts of sexual immorality as desirable, acceptable or proper patterns of behavior.'" The film involved approvingly portrays adulterous relationship. The opinion of the Court is that the picture advocates an idea, namely, that adultery may be proper behavior, and that freedom to advocate such an idea is guaranteed by the first amendment.

The authors of the first amendment were God-fearing men, and certainly had no idea that their words could ever be so misconstrued and misused.

This amendment should be promptly submitted to the States for ratification.

ADJOURNMENT TO AUGUST 3

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERIM AUTHORITY TO SPEAKER AND CLERK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk may be authorized to receive messages from the Senate and that the Speaker may be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HEALTH FOR SENIOR CITIZENS

Mr. JOHNSON of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a statement.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. JOHNSON of Colorado. Mr. Speaker, for more than 25 years I have been interested in the development of programs, both public and private, to provide economic security in old age. Fortunately, the great human tragedy of mass poverty in old age, dramatized by the great depression, is now largely behind us.

For the past 5 years I have been deeply involved in demonstrating that we can, by a combination of public and private action, provide decent housing and neighborhoods for our senior citizens, at prices they can afford, without subsidy.

The Congress is now considering—through hearings on H.R. 4700—the Forand bill, how a combination of public and private action may provide suitable insurance against the high cost of health hazards in old age.

I believe the Members will be interested in the testimony of President Eisenhower's recent Commissioner of Social Security, Dr. Charles I. Schottland, offered before the Ways and Means Committee on July 14, 1959:

STATEMENT ON H.R. 4700 BY DR. CHARLES I. SCHOTTLAND, DEAN, FLORENCE HELLER SCHOOL FOR ADVANCED STUDIES IN SOCIAL WELFARE, BRANDEIS UNIVERSITY, JULY 14, 1959

Mr. Chairman and members of the committee, my name is Charles I. Schottland, and I am here as the representative of the National Association of Social Workers. By way of further identification, I was Commissioner of Social Security from July 1954, having been appointed to that position by President Eisenhower, to December 1958, when I resigned to become dean of the Florence Heller Graduate School for Advanced Studies in Social Welfare at Brandeis University. Prior to that time, I was director of the California Department of Social Welfare to which position I was appointed by the then Governor, Earl Warren.

Since 1927, when I entered the social welfare field, I have frequently been engaged in programs involving medical care for the aged, and it is out of this experience and study that I have come to some of the conclusions which I am setting forth today.

My testimony today will be brief because I think both the problem and the solution can be briefly stated.

THE PROBLEM

The problem is an easily stated one although one of gigantic proportions. The aged in the United States are increasing rapidly. Today we have 15.5 million persons over 65. Tomorrow at this time there will be 1,000 more such persons since that is approximately the daily net increase. But it is not only a question of large numbers of persons over 65. Because of the improvements in medical care and in our standards of living, more persons are living to a ripe old age. Of all persons 65 and over, more than one-third have passed their 75th birthday. One in seven is in the eighties, and most of them are women; the women exceeding the men by nearly 120 to 100. There are, I understand, more than 5,000 persons in the United States over 100 years of age and some of them are actually working and paying their social security taxes.

With old age have come the usual diseases of age and senility—diseases which are long in duration and chronic illnesses which frequently require expensive care in hospitals.

INCOME OF THE AGED

Any casual analysis of the income position of the aged in the United States reveals the very simple truth that by and large the aged in this country cannot afford to pay for expensive medical care. Sixteen percent of the aged receive old age assistance which means that they meet very strict standards of need. Another million aged persons are receiving pensions because of the death or retirement of a Government employee or railroad worker and almost a million are receiving veterans' pensions because of previous military service. In 1956 and 1957, three-fifths of all people 65 and over had less than $1,000 in money income. Only one-fifth had more than $2,000. Of all couples with a husband age 65 and over, almost half had cash incomes of less than $2,000 in 1956. Half of the aged persons living alone or with nonrelatives had incomes of less than $900. Even this small income is not reasonably certain since much of what goes into these averages comes from employment and other sources which decrease as age increases. Almost half (45 percent) of the total income of the aged comes from income maintenance programs, primarily social security and other public programs.

The problem is simply stated. When the aged have expensive hospitalization or nursing home care frequently amounting to as much as $20 to $30 a day or more, they simply are unable to meet this unusual and expensive medical care bill. While I was Commissioner of Social Security, the Social Security Administration conducted a survey of the OASI beneficiaries in 1957. This revealed that among the aged couples 52 percent had medical bills of more than $200 a year; of the single persons, one-third had medical bills of more than $200. Relate these figures of medical expenditure to the limited income of the aged and the problem is clear—the aged in the United States do not have sufficient income to meet the mounting costs of hospitalization or other long-term care.

THE SOLUTION

What is the solution to the problem? In the United States we have developed one of the highest standards of medical care in the world. Our physicians, our dentists, and other members of the healing arts professions have combined to give us a system of medicine equal to any. We have learned much about the prevention, diagnosis, and treatment of disease, and I think that the medical professions and allied medical groups can take just pride in what they have accomplished, and the contributions they have made to our American society. But the prevention, diagnosis, and treatment of disease is one thing, and the economic arrangements under which persons are able to purchase medical care is another. The former is the province of the physician and the allied medical professions. The latter is the problem of all of us.

Medical care today in the United States is just like any other commodity. It is available to those who have the purchase price. If they do not have the purchase price, some may obtain such commodity by going on relief.

Now there are only a few alternative methods of obtaining the funds necessary to purchase medical care. Let me explore with you these several methods.

(1) The individual: The traditional method of paying for medical care is that of payment through the individual's resources. For many aged, this can result in an excellent medical care program. But as already indicated in the few figures I have presented on the income status of the aged, very few can afford extensive hospitalization or nursing home care. For the average aged person, an occasional doctor's bill or dentist's bill or an occasional pair of glasses or drugs may be met from his income or other resources. But for the vast majority the payment of hospital bills or extensive nursing home care is out of the question. We, therefore, must become reconciled to the fact that payment of medical bills by the individual will not take care of the rank and file of aged people.

(2) Voluntary organizations: A second method of handling the problem would be through philanthropic medical and social welfare agencies. Private hospitals have provided yeoman service in giving medical care to the indigent of our country, but they have reached the point where they are no longer able to serve the increasing aged population. Many of our hospitals face tremendous deficits because of free service to the aged, and Blue Cross and other programs have found it increasingly difficult to finance medical care for this segment of the population. I hope that voluntary effort through hospitals, social welfare agencies, and other such groups will continue, that the sources of funds for such voluntary effort will increase, and that they will continue to make their contribution as voluntary agencies to the solution of this difficult problem. But I think that the representa-

tives of these voluntary agencies engaged in medical care would be the first to admit that they are in no position to make substantial increased contributions to the medical care costs of the 15½ million aged in the United States.

(3) Public assistance: A third method of taking care of the problem would be to provide a very extensive system of public relief or public assistance for persons who cannot pay the medical care bill. This year, almost half a billion dollars will be spent by Federal, State, and local communities to care for the medically indigent through public assistance alone. Many persons receiving old-age assistance are receiving old-age assistance almost entirely because of their medical care needs. In other words, were it not for medical care bills, these aged would be self-supporting or living on their old-age and survivors insurance benefits. I wonder how many Americans feel that it is sound practice to force a person to go on public relief in order to receive medical care. It seems to me that this is unsound in theory and is not in accordance with American tradition. Furthermore, public assistance is a State program. In many States persons without income will not qualify because of other assets, such as real property. In some States the aged do not qualify until they have been in residence for 5 years; and a variety of other restrictions makes it impractical to think of public assistance as an answer to the problem.

(4) Voluntary insurance: Another approach to the problem would be through voluntary insurance. There is no question that voluntary insurance for the aged has made tremendous progress in the United States. The voluntary prepayment of hospital and medical costs has won wide acceptance and today, some 72 percent of the total population are covered by some form of hospitalization insurance. I believe that the insurance industry has made a yeoman effort to make a contribution to the solution of the problem of costs of medical care among the aged. In the past few years the percentage of aged with some form of medical insurance has risen rapidly. In the 1957 survey previously mentioned 43 percent had some insurance protection.

There is no question in my mind that voluntary insurance can make an even bigger contribution to this problem and that it will continue to do so. There is also no question in my mind that it cannot be the answer to the total problem of medical care for the aged. The reasons will be given to you by many witnesses and it is not necessary to labor them here. The high cost of medical care for the aged; the fact that many aged will not be able to afford the premiums; the fact that many aged are such poor risks that the premiums would be very high; the numerous exclusions; the inability of many voluntary insurance programs to carry persons into their 80's and 90's. These and many other factors have already been reported to this committee. Furthermore, voluntary insurance cannot finance, without extremely higher premiums, the many millions already aged and receiving medical care.

The various modifications proposed to these four methods likewise will not solve the problem—public subsidy to voluntary insurance plans, public aid to low income groups needing medical care but not eligible to public assistance—these and many other proposals are stopgap measures which do not offer satisfactory solutions.

(5) Social insurance: It seems to me that the solution to this problem is clear. We have developed in the United States a method of insuring against widespread social risks. We have insured against industrial accident through workmen's compensation; we have insured against old age through old-age, survivors and disability insurance; we have insured against total and permanent disability through this system, and we have insured against the contingency of death of the wage earner. We have also insured against the contingency of unemployment through unemployment insurance. In four States in the Union, we have insured against temporary disability or sickness. All of these have been done through the mechanism of social insurance.

The social security program has become thoroughly accepted by the rank and file of the people of this country as it has by the rank and file of the people of practically every western industrialized country in the world. It is a sound method of insuring against certain risks and it is in the tradition of American values in that it provides for saving during a person's working and productive years so that when the contingency insured against arises, the person will be able to take care of his problems.

The Forand bill (H.R. 4700) sets forth a program based upon this principle of social insurance. I would be happy to make available to the committee additional comments of some of the specifics, but I believe the principle embodied within this bill is sound. Here is an opportunity through a relatively small payroll tax (a tax which I believe the American people are willing to pay) to finance the program contemplated.

I am not impressed with many of the arguments against this proposal. The charge of socialized medicine is not a valid one. The use of the social insurance principle to provide economic arrangements under which medical care bills will be paid has nothing to do with socialized medicine. There is no proposal here for the establishment of Government hospitals or doctors employed by the Government to treat patients. There is nothing here to disturb the traditional patient-physician relationship.

When workmen's compensation was first introduced into the United States, the same arguments were used against it as are now used against the proposal in the Forand bill. It was said at that time that it would destroy the physician-patient relationship and introduce socialized medicine into this country. Certainly, this has not occurred because of workmen's compensation. What has occurred is that workmen's compensation has made it possible for the injured workmen to obtain medical care and for the employer to be safeguarded from suits for injuries on the job. In the four States that provide against temporary disability—namely, New York, Rhode Island, New Jersey, and California—such program has not constituted any threat to the traditional American system of medical practice.

There is nothing in this bill which would prevent the Secretary of Health, Education, and Welfare from developing arrangements with existing organizations such as Blue Cross or with existing hospitals to pay for the cost of medical care to such hospitals in exactly the same way that Blue Cross now reimburses such hospitals.

CONCLUSION

In my experience I have run across numerous tragedies among the aged because of the high cost of medical care. I have seen persons who saved for their old age, who owned their homes and had substantial assets, reduced to destitution because of prolonged illness; I have seen persons go on relief who had always been self-supporting until they reached their 70's and 80's and medical costs forced them to seek public assistance. I do not believe that a society such as ours, conscious of its medical needs, cannot afford good medical care without such hardship and humiliation. In the distant past, men frequently resigned themselves to such a situation. But today our people have made the discovery that there is a way to insure against various social risks; namely, through the device of social insurance—a device that is now keeping millions of Americans from the hardships and poverty which otherwise would have come because of unemployment, old age, death of the wage earner, disability or industrial accidents. The problems of medical care for the aged are national problems in which all citizens have an interest. The Congress has it in its power to make a contribution to the solution of the financial aspects of these problems through H.R. 4700. This bill utilizes the machinery of social insurance which has proved successful and which has been administered soundly, efficiently, and economically in connection with old age, survivor's and disability insurance. In other democratic and free countries, the extension of this principle to medical care has been found successful. It does not involve any fundamental change in the physician-patient relationship. It would be the beginning of a solution to this very vexing problem, and I respectfully express the hope that the members of this committee, after due deliberation and the weighing of all of the testimony and evidence, will give to this approach to the solution of the medical care problems of the aged, the same favorable consideration which they have given to other social insurance programs which have originated in this committee of the Congress.

A SOUND DOLLAR IS THE BASIS FOR FUTURE GROWTH AND SECURITY OF THE NATION

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, we hear much these days from both sides of the aisle about economy, the need for a balanced budget, and the deplorable condition of our Treasury. I have introduced today a resolution which would spell out the intent of Congress in regard to the fiscal policies of the country.

I feel that Congress should state its objectives in regard to these matters and endorse those policies leading to a sound dollar, just as it did in regard to full employment some years ago. My colleagues will recall that the President asked this body in his state of the Union message in January to make it clear that the Government intends to protect the buying power of the dollar.

I believe it is imperative that we let the world know that insofar as Congress is concerned there will always be a sound dollar. There is concern abroad over the value of the American dollar as a result of inflation. And there is also concern at home over the savings our people have been counting on for emergencies and retirement.

The passage of this resolution would place this body on record as endorsing a balanced budget except in time of war or other grave national emergency, endorsing systematic payments on the national debt, and endorsing the reduction of types and rates of taxation.

I include a copy of my resolution:

Whereas the Constitution delegates solely to the Congress the power and duty to lay and collect taxes, pay the debts of the Nation and borrow money on the credit of the United States; and

Whereas the continued appropriation of more money from the Treasury than is received by it is a primary cause of inflation; and

Whereas inflation robs the worker of his wage increase, the businessman of a just return on his investment, and the retired person of his savings; and

Whereas inflation discourages thrift and saving by lessening the value of money saved and thus is contrary to the traditional American way of saving for emergencies and future needs; and

Whereas inflation causes concern in foreign countries as to the stability of the American dollar, thus causing an adverse effect on this Nation's position in the world markets: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that a sound dollar is the basis for future growth and security of the Nation, its people, its industries and businesses and its governments, and that in order to maintain a sound dollar it must be the duty and obligation of the Congress (a) to conduct its business so that income will exceed outgo from the Treasury except in time of war or other grave national emergency and (b) to provide for systematic payments on the outstanding financial obligations of the Nation to reduce the present interest cost of the national debt and its burden on future generations and (c) to use every available means to reduce the rates and types of taxation on individuals and businesses in order to stimulate the growth of the economy and protect the security of the Nation.

TRIBUTE TO ITALIAN-AMERICANS

Mr. ROBISON. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. WEIS] may extend her remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. WEIS. Mr. Speaker, an editorial by Mr. George Sokolsky has come to my attention, and I find it eminently worthy of inclusion in the RECORD.

Unfortunately, because of the activities of a handful of gangsters and hoodlums who happen to be Italians, or Italian-Americans, the entire Italian-American population of this country is occasionally subjected to criticism. This is most unfortunate, and doubly so because Americans of Italian origin or descent have made and are continuing to make tremendous contributions to this country.

Mr. Sokolsky's editorial pays tribute to our Italian-Americans, and I should like to join him in that tribute and include his article in the RECORD:

[From the Rochester Times-Union, July 23, 1959]

OF THE 12 MILLION ONLY 60 WERE PRESENT

(By George E. Sokolsky)

When anyone generalizes from the particular, his logic gets twisted. To assume therefore that all Italians in the United States and their descendants are criminally organized in a body called "the maffia" is to accept not only guilt by association but damnation by birth and nationality.

The maffia was a criminal society organized in Sicily at the beginning of the 19th century and maintained a reign of terror until it was reputedly suppressed by Mussolini. One of its principal activities was kidnaping.

The first record of the existence of the maffia on American soil was in 1890 in New Orleans when a chief of police was killed and 11 Italians were lynched because of it.

At the turn of the century, kidnaping scares were attributed to the Black Hand, which was reputed to be an American emanation of the maffia.

During the era of bootlegging, the genius of the business was Al Capone, although not all bootleggers were of Italian origin. Nor was the entire Capone organization of Italian origin. Nor is there evidence that Capone belonged to the maffia.

What has happened in this country after each wave of immigration is that the process of adjustment to a new environment produces a residue of persons who do not adjust and others who are able to take enormous and sometimes illegal advantages of their opportunities.

To say that the large population of Italo-Americans are all marginal operators is untrue and adds another unfortunate quarrel among our people.

Each wave of new immigrants developed a discrimination against their kind. Perhaps no immigrants to this country had as difficult a time as the Irish who came here after the great famine of 1846 and encountered the sign, "No Irish Need Apply."

As one speaks of waves of immigrants, he refers to periods of intense migration. The fact is that immigrants of all stocks have been here since the beginning of the white man's presence in this country. After all, Christopher Columbus, an Italian, discovered the Americas and John Cabot, an Italian, discovered the coast of North America for the British.

The meeting at Apalachin, in November 1957, of 60 men, all of Italian origin, stimulated renewed interest in the maffia. Whereas there is no testimony to establish that this was a meeting of the maffia, it is generally assumed that it was.

While nobody has been able to ferret out the facts of this meeting, it is generally assumed that it had to do with laying out the areas of operations in dope, prostitution, etc., of the criminals who attended.

Out of approximately 12 million Italo-Americans only 60 were at Apalachin.

But does this prove, for instance, that Italians do not make good citizens? Do we have to balance Enrico Fermi against Vito Genovese? Do we have to balance Frank Sinatra against Lucky Luciano? What does such balancing out prove? It really proves nothing at all. Some men are useful citizens and some are not. It would be like denying Einstein's achievements in science because there was also a Julius Rosenberg.

After all, the largest and one of the most progressive banks in the United States, the Bank of America, was founded by an Italo-American, Amadeo Giannini.

THE AMERICAN AUTOMOTIVE INDUSTRY

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I rise again in defense of the American automobile workers and the American automotive industry, an industry which is the dominant factor in the durable goods field in the United States.

According to a plan approved yesterday by the House Ways and Means Committee, the purchaser of an automobile in 1961 is not only going to buy a motor, a body, four wheels and assorted accessories which he wants, he is also going to buy a concrete slab, a large hunk of cement in a strip of pavement. For yesterday, the chairman of the committee announced a plan providing that on July 1, 1961, 2 percent of the automobile excise tax will be transferred to the highway trust fund for a period of 4 years to July 1, 1965. Once again, that "temporary" excise tax is being primed for extension. It is just too attractive to be resisted, so it continues to haunt the car buyers who have no alternative but to pay it, as automobiles have become an absolute necessity. Although the recommendations of the committee provide for use of the excise tax for 4 years, the highway trust fund program is being extended to June 30, 1976. Need I say more as to the probable fate of the tax in 1965 if this program is adopted?

During most of the 1930's, excise tax rates of 3 percent on cars were in effect. The Revenue Act of 1941, a wartime measure, raised the rate to 7 percent and in November 1951, the rates were again raised by Congress to 10 percent. Under the 1951 law, the rates were to revert to 7 percent on April 1, 1954. However, Congress has enacted legislation every year since that time to keep the emergency rates in force on a temporary basis.

After studying the problem in 1951, Congress thought the tax would discourage automobile purchases and thus civilian production as part of the general mobilization plan. Now it is 1959 and the Korean conflict has long been over, but Congress is still retaining this same means to discourage automobile purchases. Last year we had a depressing recession in the automotive industry which affected almost every phase of American industry. While economists and business leaders are busy trying to think of ways to increase production and employment opportunities in the United States, Congress continues to ignore the original intent of the discriminatory tax and forces it onto the industry which is the largest single user of steel, glass, rubber, cotton, and upholstery leather. This, I simply cannot comprehend.

As I have repeatedly stated, I most assuredly support the construction of modern, efficient, and safe highways to keep pace with our growing needs. But I am violently opposed to linking the discriminatory automobile excise tax to the highway construction program, compelling the auto buyer to invest, as I have said, in a concrete slab. This is indeed an innovation which I cannot accept, and urge my colleagues to give their most serious thought to the problem before committing the temporary excise tax to such future use. If the proposed legislation is approved by the Congress,

I am apprehensive that this temporary tax will never be reduced or eliminated, but rather I fear it will be with us from here to eternity.

HOUSING BILL VETO

Mr. RAINS. Mr. Speaker, I had intended to make considerable remarks today on the President's veto of the housing bill, but owing to the lateness of the hour and the other special orders which are ahead of me, I ask unanimous consent to extend my remarks at this point in the RECORD and, also, that the gentlewoman from Missouri [Mrs. SULLIVAN], the gentleman from Pennsylvania [Mr. MOORHEAD], and the gentleman from Ohio [Mr. VANIK], may likewise extend their remarks following mine.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, July 7 will go down as "black Tuesday" in the history of housing legislation. That was the day that the administration condemned the housing hopes of hundreds of thousands of American families. That was the day the administration said that the Congress was planning to do too much toward eliminating slums. That was the day the administration dealt a cruel blow to the outlook for an expanding and healthy homebuilding industry. That was the day when the administration said that elderly families and others of low income should wait a little longer for decent housing. The President's veto of the housing bill makes it perfectly clear that this "little longer" that we must wait means the length of time that the present administration occupies the White House—unless we can muster the necessary two-thirds to override his misguided veto.

Back in 1953 when this administration first took office we were assured that it would support the successful Democratic programs to provide better housing for America. The President established an advisory committee to study our housing needs and this committee made a number of important recommendations. Now, however, it has become clear that the administration has turned its back on those recommendations and has renounced the basic goal of our national housing policy which is to create a decent home in a decent environment for every American family. Today their position is one of blind opposition and obstinate heel dragging.

Mr. Speaker, the general housing bill which we sent to the White House was the final product of over a year of careful deliberation and study by the Congress. It was a measure which had been compromised more than many of us had wished. But despite our efforts to devise a reasonable bill it has been returned unsigned and we have been rebuffed by an accompanying message which makes intemperate and inaccurate criticisms and which preaches and dictates to the Congress on its responsibilities.

Mr. Speaker, I was frankly appalled at the bickering, partisan tone of the veto message. It is a document unworthy of the prestige and stature of the highest office in our land. I think the President's advisers who concocted its innuendoes, its half-truths, and its deceitful disdain of truth and logic, should hang their heads in shame.

Mr. Speaker, I would like to review that veto message and point out some of the errors and misconceptions it contains. I say "some" because it would take days to cover thoroughly all of its errors of commission and omission.

The President charges that "the bill is extravagant and much of the spending it authorizes is unnecessary." I am certain that the majority of my colleagues are familiar with the real facts of this bill. The total authorization contained in the bill is $1.375 billion, a compromise which is far below the $2.7 billion contained in the original Senate version, and the $2.1 billion authorized in the original House version. In fact it is substantially below the $1.8 billion in the administration's own proposed housing legislation.

If this bill becomes law, the total impact on the budget in fiscal 1960 would be approximately $69 million, less than one-tenth of 1 percent of the total $77 billion budget. This is scarcely an extravagant amount to meet one of our Nation's most pressing problems.

I would also like to try and clarify the price tag which the President has placed on this bill. He has said that the bill authorizes $2.2 billion, although there is no explanation of how this figure was arrived at. It apparently was reached by adding to the new authorizations in the bill the annual contributions which could be paid on the 45,000 units of federally aided low-rent housing authorized by the bill. May I remind my colleagues that these annual contributions are not a new authorization. They were originally contained in the Wagner-Ellender-Taft Housing Act of 1949, and all that the present housing act does is to reinstate a portion of that original authorization. Moreover, the actual payment of these funds would not begin for some time and then would be stretched out over a period of 40 years at a rate of something like $20 million a year.

The opponents of this bill delight in adding up the amounts which would be spent over a period of years and lumping them together in a single amount as though it was all to be spent at once. This is obviously a fallacious approach and one which is not taken on other bills. When the President submits his budget and asks for so much money to run the White House or the Department of Commerce, nobody multiplies that figure by 6 years or 40 years and says that this is what they are asking for. It would not make sense on those bills and it does not make sense on the housing bill. If anyone still has any doubts about the phoniness and hypocrisy of this approach, let me remind them that when the President requested a 2-year authorization for 70,000 low-rent housing units in 1956, no cost estimate for this request appeared in his total of new obligational authority.

One of the most unreasonable and most regrettable charges made in the veto message is the statement that the "authorization of $900 million for urban renewal—telescoped into 2 years—are excessive." The plain truth is that this is too little for the job that needs to be done. If there are any doubts upon this score, let me cite the expert opinion of the President's own 1953 Advisory Committee. That group found that the cost of clearing slums would require a budget of $1.5 billion annually if the job is to be done in 10 years. Every American family has cause to regret that the administration has retreated so far from its early promises—now proved obviously insincere—which it held out in the field of housing. The urban renewal authorizations indicated in the Advisory Committee report are more than triple the amounts contained in this bill, and yet now we are told that even this modest amount is extravagant and unnecessary. The same report shows that if we accepted the administration's urban renewal proposals it would take more than 50 years just to clear the slums that are now standing without doing a thing to eliminate the units that would deteriorate into slum status in that time.

Further, Mr. Speaker, the President apparently gives no weight whatever to the recommendations of the mayors and other local officials who know the grassroots needs. Thus the U.S. Conference of Mayors and the American Municipal Association, groups which represent virtually every metropolis and hamlet in our land, urged $600 million a year for a 10-year period as the rockbottom minimum needed to maintain an effective urban renewal program. The administration's proposals, which would have provided only $250 million a year, scaling down ultimately to a $200 million rate as part of a reduced Federal aid formula are hopelessly inadequate. And indeed there are many of us who felt that the $450 million annual rate—$900 million for a 2-year period—in the vetoed bill was probably inadequate—certainly we felt that any lesser figure would be a betrayal of the objectives of the urban renewal program.

Mr. Speaker, I do not want to fall into the trap of speaking only negatively in the manner that the veto message does. That message completely ignores the positive aspects of the urban renewal program. It ignores the fact that this great program is our main vehicle for eradicating slums and the disease, crime, and delinquency which they breed. Moreover, the funds authorized for urban renewal are actually investments. Experts tell us that for every dollar of public funds invested in urban renewal, approximately $5 in private funds are invested. Together these sums will make our cities better places to live and will inevitably recapture their original cost through the expanded tax base they will create.

The President also objects to the additional authorization for federally aided low-rent public housing on the grounds that we now have a large number of units in the pipeline. This is, of

course, a fact. But all of these units are to meet past demonstrated needs. If we are to continue our progress in the battle against slums, we must provide additional low-rent units.

As a matter of fact, I would like to know just what devices the administration is using to bottle up these units now in the pipeline. I strongly suspect that the complaints which we have heard from local authorities on the bureaucratic problems which they encounter in dealing with Washington have a good deal of merit.

In light of the administration's present inflexible opposition to low-rent housing, it may seem strange that 5 years ago the President himself requested a 4-year authorization for public housing. At that time there were more than 100,000 of these low-rent units in the pipeline. But it is only now that this normal feature of the program is raised as an objection.

Also, Mr. Speaker, the message attempts to mislead the people on the facts of the low-rent housing program. It claims that the units now authorized but not yet built fulfill all needs and make further authorization unnecessary. Is it possible that the President's housing advisers have hidden the fact that the Public Housing Administration now has on hand applications for nearly 60,000 low-rent units? These are not units now in the pipeline. They are awaiting additional authorization from the Congress. If this bill does not become law, they will continue to sit there at the PHA, and the local housing programs which they represent will be blocked. The slum units which they would have replaced will continue to exact their toll of human misery. Surely the President could not have said that we do not need additional low-rent units if he had been told these facts.

The administration itself provided the Subcommittee on Housing with data showing that urban renewal, highway construction and other Government action will displace a total of 248,000 families in a 3-year period, and that half of these families—122,700 to be exact—would be eligible for low-rent public housing. This is an annual rate of more than 35,000 of these priority families alone. In addition to these evicted families for whom the Government has a special obligation, there is the additional need to provide at least some hope to the many unfortunate families now living in slums for whom low-rent housing holds out the only opportunity they have in the foreseeable future of a decent home in which to live and raise their children. Were these facts also hidden from the President?

Coupled with these misstatements of the need for low-rent housing is the false claim that the bill would immediately authorize 190,000 more units. The fact is that this bill authorizes 45,000 additional units. Beyond that, beginning in fiscal 1961, the President would have the power to authorize up to 35,000 units a year if he decided that this was in the public interest, until the original dollar limitation in the Housing Act of 1949 was used up. Now, note that these additional units can be built only if they are authorized by the President. Apparently the President does not share the confidence of the Congress in the wisdom of the American voter.

Mr. Speaker, urban renewal and low-rent housing are inseparable. Any time a Government evicts a family from its home for whatever purpose—slum clearance, highways, or other programs—it has a special responsibility to that family. Clearly thousands and thousands of these families are in the lowest income bracket and are unable to find decent private housing which they can afford. What are the alternatives to low-rent housing? The fact is that there is only one alternative. If slums are torn down, families of lowest incomes will be driven to other blighted areas. If the Congress were to accept the administration's halfway urban renewal program and provide only for tearing down slums without providing for the rehousing of displaced families, it would make a mockery of the national housing policy established in the Housing Act of 1949. We would do better to call it the slum relocation program. However, both Houses of Congress have made it clear that we have no intention of enacting only half an urban renewal program. Nor do we have any intention of abandoning our sympathy and compassion for the unfortunate poor whom the administration would condemn to a never-ending life in the sordid squalor of our slums.

The administration also objects to our effort to provide housing for elderly families at rents which they can afford. The Housing Act would authorize a program of direct loans which would make it possible to provide units for elderly persons at rents fully $20 a month less than those which must be charged under section 207, the regular FHA rental housing program. I do not need to remind my colleagues of the importance of such a saving to a family trying to make ends meet on social security or other modest retirement income.

The administration pretends that the needs of elderly people can be met entirely through the regular FHA program. Now, of course, we are all proud of the FHA programs which have done so much in the field of housing. Certainly they can contribute a great deal in improving housing for the elderly. But it is a fact of life that the rents which must be charged in these projects, particularly in today's tight money market, are far too high for those families whose housing needs are greatest.

The administration also fears that we may make too much progress in meeting the housing needs of our colleges and universities. It also objects that this bill will help institutions of higher learning meet the pressing need for classrooms and scientific laboratories. Mr. Speaker, the Nation can no longer regard higher education as a luxury. It is now a necessity if this country is to maintain its preeminence in the field of science and technology. If anything, we should be concerned about whether we are doing enough in this field. Let us not forget the unmistakable warnings of the sputniks.

The second charge which the President makes against the bill is that it is inflationary. Personally, I am as strongly opposed to inflation as anyone can be. Mr. Speaker, this charge is preposterous. As I have said before, the actual impact of the Housing Act on the 1960 budget amounts to less than one-tenth of 1 percent of the total. Certainly the American people can see through this false charge. Less than $1 out of every $1,000 which the Government would spend this year would go to improve our housing conditions, and this dollar is singled out as the villain which would bring about ruinous inflation. This simply does not make sense.

The administration's charge is even more ludicrous when the bill's actual expenditures—$69 million in this fiscal year—are related to our economy with a gross national product fast approaching $500 billion or one-half trillion dollars.

The fact is that if there is a real danger of inflation in housing today it is because of the pent-up pressure of home buying demands. We must not lose sight of the fact that in 1956, 1957, and most of 1958, new home production in this country declined steadily under the impact of the administration's tight money policies. It is apparent that during this period the demand for housing was not being fully met. As a result, when the Congress passed the Emergency Housing Act in March 1958—during the darkest days of the recession—it gave a tremendous boost to home building, and housing starts rose by more than 50 percent during 1959.

The latest figures on home building show that current levels of activity are still high. However, they are below the peak rates reached in 1950 and again in 1955, and they are below the levels of last fall. Clearly there is still slack in the industry.

Moreover, we must not lose sight of the fact that homebuilding is a long and complex process. The start of construction actually is a fairly late stage in this process. Long before the builder can pour a footing, he must have assembled the land and put in improvements, drawn up his plans, decided on the design of a house, and perhaps most important of all, he must have arranged his financing. Here is the real clue for the outlook for housing starts.

Remember that between the beginning of 1955 and the beginning of 1958, the annual rate of new home production fell by over 500,000 units because of high interest rates and tight money. Now look at the situation today. Interest rates are even higher than before, and it is clear that the mortgage market is becoming tighter every day. I have heard reports that FHA-insured home mortgages in a growing number of areas carry discounts of 7 or 8 points. Heavy discounts still accompany GI home loans in many areas in spite of the recent increase in the interest rate.

Builders simply cannot maintain volume production when lenders demand these heavy discounts. Right now there is still a backlog of financing commitments outstanding which was built up

last year. This includes some commitments outstanding under the FNMA special assistance program authorized by the Emergency Housing Act last year. This backlog of financing commitments may carry housing starts at about their current rate for some months to come. Beyond that, however, the industry is faced with the same bleak prospect it had back in 1955 when the administration tightened up on money and credit.

When housing starts decline, the administration will undoubtedly regard this development as a blow against inflation. But I hold no brief for the scarcity school of economics which maintains that the way to fight inflation is to restrict production. There is a tremendous demand for better housing in this country and we will be far better off if we shape our policies to meet that demand instead of policies designed to cut production, which also inevitably cut down on jobs.

Mr. Speaker, the extremely small amount of actual budget expenditure which this bill will produce in fiscal 1960, plus the prospect that homebuilding will decline, make it obvious that the administration's cries that this bill would be inflationary do not apply to the present fiscal year. Let us turn then to the longer term aspect and see if this bill will create an inflationary danger for the future.

By now everyone has been made aware of the fact that the $900 million authorized for urban renewal in the next 2 years would not result in actual outlays for several years to come. The administration itself has estimated that the original House bill which authorized $1.5 billion for urban renewal would increase outlays for fiscal 1963—3 years from now—by only a little over $100 million. To be exact, their estimate based on the $1.5 billion in the original House version was $127.5 million.

Obviously this is a substantial sum, though it is still not enough by any means to do the job that needs to be done. But since the administration completely ignores the job that needs to be done and looks only at the Treasury's financial statements for guidance, let me meet them on their own grounds.

The administration is somehow trying to say that that $127 million which may be spent for urban renewal grants in 1963 will upset the present budget for fiscal 1960. This, of course, is nonsense. Let us take a look at the budget prospects for 1963.

At this point, I would like to commend the Committee for Economic Development for a very enlightening study entitled "Trends in Public Expenditures in the Next Decade." This highly regarded businessman's group has made a careful study of the outlook for economic growth and Federal revenues. They point out that the normal growth of our country will produce an additional $3 billion in Federal revenue each and every year. Thus, at present tax rates and assuming average growth, the Treasury would receive a total of $87.4 billion in fiscal 1963. This is fully $10 billion more than is expected in the current fiscal year. Also, the Committee for Economic Development estimates that in 1963 our gross national product will be $538 billion, a gain of over $60 billion from the current rate.

Now I have only taken a 3-year period for this comparison. Our growth in the years beyond 1963, measured in absolute terms, will become even greater. The Committee for Economic Development points out that if we do nothing to reduce tax rates between now and 1968, total Federal revenues in that year can be expected to reach $105 billion—$30 billion more than in fiscal 1960. And this assumes constant prices, I am told.

Mr. Speaker, under unanimous consent, I include at this point in the RECORD, the projected figures of the Committee for Economic Development:

Projections of gross national product and Federal revenues, 1958–68

[Billions of dollars]

Fiscal year	Gross national product [1]	Federal revenues [2]
1957 (actual)	432	71.0
1958 (actual)	435	69.1
1959	454	68.0
1960	480	76.8
1961	507	81.3
1962	522	84.3
1963	538	87.4
1964	554	90.5
1968	624	104.6

[1] The economy is assumed to regain high employment by the end of fiscal 1960 and to grow at 3 percent annual rate thereafter.
[2] Assumes no change from present tax rates.

Source: "Trends in Public Expenditures in the Next Decade," Committee for Economic Development.

It is typical of the limited vision of the administration that they feel the modest dollar amounts contained in this bill spread over so many years will bring ruination to our great country. The fact is that we can expect tremendous growth in the years ahead and it is essential that we plan now so that some of that growth can be applied to the critical problems of urban blight and substandard housing. It is tragic that slums still exist in America today and it would be a disgrace if they were permitted to continue into the even greater America of tomorrow.

Mr. Speaker, I yield to no man in opposing inflation. The plain truth, however, is that the vetoed housing bill would pose no inflationary threat whatever, either in the immediate present or in future years. The administration and the Congress are both against inflation. But only the Congress apparently is for the housing legislation the American people need and ultimately will have.

A third charge which the President makes against the housing bill is that it "would tend to substitute Federal spending for private investment." Mr. Speaker, I am amused at the wording of this charge. From that phrase "tend to" I gather that the administration itself feels no confidence in this false claim. I note also that a Government loan is called spending while a private loan is called investment. Once again the President has closed his eyes to the facts.

The veto message attacks the FNMA provisions of the bill on several points. For one thing it objects to the requirement that FNMA pays 100 cents to the dollar when it buys FHA and VA mortgages under its special assistance functions. To me it is an eminently reasonable requirement. These funds are used only for those programs such as military family housing, disaster housing, urban renewal and cooperative housing, where it has been determined that private financing is not adequate and special aid is needed.

The President also objects to the limited authority which would be given to FNMA to make loans secured by FHA and VA mortgages. The Congress made it perfectly clear that this authority was to be used only to supplement and not to replace private financing. If there is any doubt on that, let me quote from the statement of the managers on the conference report:

> In connection with section 305(d) of the conference substitute, which authorizes FNMA to make loans on pledged mortgages under certain conditions, the conferees wish to express their understanding that FNMA will undertake this new function only in areas where financing for mortgage warehousing operations and interim financing arrangements is clearly not available on reasonable terms and conditions.

Again the President and his advisers have plainly decided to ignore the facts.

The President also objects to the urgently needed provisions for college housing and college classroom loans. According to the veto message these loans are made at subsidized interest rates. Actually, the formula used to determine the cost of these loans is the formula in use right now—and is not changed in the bill—which sets the interest rate at a cost to the Treasury on all outstanding obligations in the Federal debt plus one-fourth of 1 percent. Since this insures that these loans cannot be made at an interest cost less than that which the Treasury is paying, I fail to see that this is a subsidy. Even if it were, I do not see that that would be a serious objection to this vital program. In fact the administration itself has requested legislation which would authorize the direct payment of Federal grants—not loans—for college housing, academic and related educational facilities, amounting to 25 percent of the cost, up to $500 million over a 20-year period. This proposal, however, has met with vigorous objections from university presidents throughout the country who strongly prefer the present loan program.

The fourth attack made on the housing bill is that it places needless limitations on the FHA program. By this the administration means that we should give the FHA completely unlimited insurance authority and set it free from congressional control on the volume of its operations. I feel certain that the Congress will never accept this. It is completely reasonable for the Congress to continue its review and scrutiny of the level of FHA operations. Apparently the President's advisers want the Congress to legislate itself out of existence—this is the highest effrontery, Mr. Speaker.

The President charges that failure to remove this ceiling continues the FHA programs on what he calls an uncertain hand-to-mouth basis. This problem has arisen entirely through the fault of the administration. It began last year while Congress was still in session and had under consideration the housing bill. A rapid increase in the use of FHA insurance began to eat up its authorization but the administration refused to make this known to the Congress because it feared, and rightly so, that this would add one more to the many good reasons for passing that housing bill. Therefore the housing agency kept silent and watched FHA's unused authorization dwindle instead of coming to the Congress as it should have to request the additional authorization which it needed. There is no doubt in anyone's mind that we would have been perfectly willing at that point to provide the extra authorization needed. Shortly after that session of Congress ended, the FHA was forced to institute a highly questionable procedure of using agreements to insure rather than true commitments as a device to conserve its authorization. It is a sad commentary on the prestige of our Government when we find one of its important agencies engaged in what is essentially a "check kiting" operation.

Since that time we have had considerable difficulty in getting the Housing Agency to give us a candid appraisal of FHA's situation. Ever since last winter we have been told that FHA's insurance authorization is virtually exhausted, only to learn time after time that it can continue another month or two without further legislation. The administration is still trying to obscure the facts from the Congress because it will point up the urgency of the Housing Act. Right now I am told the FHA has somewhere in the neighborhood of $4.5 billion of agreements to insure outstanding, and only a little more than $1 billion of unused insurance authorization.

The time of reckoning is coming very close. The thousands of new homes started under FHA this spring are now being completed and the FHA is being forced to honor its agreements by actually insuring the mortgage thus making it a charge against the authorization.

Mr. Speaker, I say again that this instance of uncertain hand-to-mouth operation is due solely to the administration's lack of candor in dealing with the Congress. We have already sent to the President a housing bill which would have ended this uncertainty by authorizing an additional $10 billion for FHA insurance. This the President rejected.

The President also objects that some of the improvements which the bill would make in FHA programs would impair FHA's soundness. This is the charge that has been levied against every advance in home financing and mortgage lending practices since the 1930's. In spite of them the record of FHA and VA is one which we can all be proud of. Altogether the Government has been called on to pay out on its insurance and quarantees on only about one-half of 1 percent of the home loans it has insured or guaranteed. The foreclosure rate has been truly negligible.

Naturally the lower downpayments and longer terms provided for in the housing bill are only permissive authority. Borrowers still must meet the standards prescribed by FHA and private lenders in obtaining their loans. But apparently the administration has no confidence in the ability of either private lenders or its own agencies to administer these benefits.

The fifth charge which the President makes against the bill is as unjustified and fanciful as the rest. We are told that the bill contains provisions which are discriminatory and unfair. In particular the veto message complains that the provision in the bill which prohibits rationing of urban renewal funds means that only large cities would benefit. This is completely false. If there was ever a time when it was expected that large cities had an advantage over smaller cities in urban renewal grant funds, it was in the early days of the program. At that time it might have been argued that larger cities were in a position to make early application. The record proves that this did not happen. So far, 386 communities, large and small, have undertaken urban renewal projects. Moreover, the Housing and Home Finance Agency now has the staff and experience to aid smaller communities to make application and receive the benefits of this program.

The hypocrisy of this last charge is emphasized by the next claim which the administration makes. The bill allows cities to get credit for local improvements built up to 5 years before the commencement of the urban renewal project. The administration would have put in a provision that these improvements must conform to a previously approved community renewal program. Now this community renewal program is a provision requested by the administration which is also contained in the bill. It provides financial assistance for communitywide planning. Because it is a new program, it will take some time for these plans to be improved. The real significance of the administration's insistence on this provision, however, is the fact that community renewal programs would be undertaken only by large cities. Smaller cities with simpler planning problems would not need to come under this new program. As a result, the administration's provision would mean that only large cities would get the benefit of being able to receive credit for improvements built prior to approval of the urban renewal project. I am happy to say that the Congress rejected this discriminatory provision of the administration's program and the bill as it went to the White House would benefit all cities, large and small alike.

The veto message also seems to object to the whole idea of noncash grants-in-aid and points out that the local cash contribution so far has averaged only about 14 percent of slum clearance costs. The fact is that provision for noncash grants-in-aid is by no means new. It was in the original Housing Act of 1949. Actually there is no real difference whether a community meets its share of the cost with actual cash or if it invests that money in local improvements and then gets credit for these toward its urban renewal costs.

Mr. Speaker, that ends the list of charges made by the administration against this housing bill. I wish to apologize if I seem to have taken a substantial amount of time to answer these charges, but I felt that it was important to point out the misconceptions and distortions item by item. Every single charge which the veto message makes against this housing bill is unwarranted. This should not be surprising. The housing bill which was sent to the President is the result of more than a year of intensive work and study by the Congress. The committees on both sides of the Hill charged with the responsibility of bringing housing legislation before the Congress have heard testimony representing every point of view on the provisions of the bill. We have carefully weighed every consideration and alternative. In contrast the veto message is a hastily drawn document of half-truths and irrelevant claims.

Mr. Speaker, I do not share the administration's enjoyment in merely opposing for opposition's sake. Because so much of the administration's policy on housing and slum clearance comes from sources such as the Budget Bureau, which has no knowledge or responsibility in these fields, the attacks on the housing bill expressed in the veto message and by statements of administration leaders have completely ignored the substance of this housing bill. Usually they try to treat it as though it were simply a bill to spend money without accomplishing a thing.

This negative attitude of the administration shows up clearly in the six point proposal for housing legislation contained in the veto message. Except for the suggestion that we remove completely the ceiling on FHA authority and extend expiring programs, the message recommends only a token continuation of the urban renewal and college housing programs. Typically it also gives equal priority to the recommendation that the statutory interest rate ceilings be raised for FHA-insured loans to finance rental and cooperative housing. That is one of the certainties in an uncertain world—we can always be sure that any administration housing bill will have at least several provisions seeking higher interest rates.

It appears that the President's advisers have tried to dig down to the very minimum of legislation which they think that they can get away with and announce this as their housing program. If the Congress merely adopted these six points we would rightly open ourselves to the charge of abject capitulation to the special interests who oppose every attempt to meet our national housing needs.

Last year the will of the American people was thwarted by the defeat of the general housing bill. Because of implacable administration opposition we were unable to marshal sufficient votes to achieve passage. But I would remind

my distinguished colleagues that we did not fail by much. The fact is we fell only 6 votes short of getting the two-thirds necessary to pass the bill under the suspension of rules.

Mr. Speaker, apparently the administration is trying to outwait the Congress on housing legislation. It is showing itself to be completely callous to the tremendous backlogs which are building up under our housing programs. Let me point out a few of the effects of the administration's time-consuming opposition to this housing bill.

The Urban Renewal Administration now has on hand applications for $272 million of capital grants. In addition to this, a survey by the American Municipal Association and the U.S. Conference of Mayors shows that applications for at least $238 million more are now ready for submission when additional capital grant funds become available. Altogether this is a backlog of at least $510 million in the urban renewal program. It appears that the administration will not even accept sufficient authorization to meet this backlog, let alone enough funds for this great program to go ahead.

The Community Facilities Administration now has on hand applications for college housing loans amounting to $181 million. That agency has issued what it calls contingent reservations of funds for $140 million of this amount. These contingent reservations of funds state that when and if additional authorization is granted, CFA will make the loan. Meanwhile, our colleges and universities are forced to mark time and defer construction of this greatly needed housing. I would like to point out that here again the administration's request for additional authorization would do little more than meet this backlog without any provision for future applications.

The Public Housing Administration now has on hand applications for nearly 60,000 low-rent public housing units. This fact completely negates the President's contention that the units now in the pipeline will meet all future needs. But again the administration ignores the facts of our housing problems and has not requested even a single unit to meet the needs of our lowest income families.

The Federal Housing Administration has been issuing agreements to insure since last October. These agreements tell a builder that if FHA has any unused authorization when the mortgage is ready for signing, then FHA will insure it. Although these agreements to insure are not actual commitments, thousands of builders throughout the country have gone ahead on the strength of this assurance and started homes with the intention of selling them under the FHA plan. Right now the FHA has outstanding the staggering total of $4.5 billion of these agreements to insure. But at this moment it has available to it the insurance authorization to meet only about one-quarter of that total. If the FHA does not honor these agreements to insure when they become due, I feel that it will smack strongly of dealing in bad faith on the part of the Federal Government. This housing bill would have solved that by granting FHA an additional $10 billion of authorization. But in spite of this threatening cloud hanging over FHA, the President has seen fit to tear up the housing bill.

Mr. Speaker, the veto of this housing bill was an irresponsible action, and particularly in the case of FHA, it is a dangerous gamble. Now after criticizing and lecturing the Congress in his veto message, the President looks to us to bail him out of the difficult position in which he has placed himself and his administration. I frankly am hopeful that the way Congress will bail him out will be by overriding his veto.

I am glad to see that full-dress hearings are underway in the other body on the veto message. I am confident that these hearings will expose the fallacies of the administration's objections to our bill in all their naked clarity.

I am confident also that the inevitable conclusion of that hearing will be that the vetoed housing bill is the very minimum in the way of housing legislation which the majority of Congress and all America is clamoring for. With this conclusion inevitable, in my judgment we should see a final decision to recommend that the Senate attempt to override the veto. As a Senate-originated bill, of course any override attempt must start in that body.

Mr. Speaker, a vote to override the veto will be a vote to reassert the primary responsibility which the Congress has to write the legislation for this country. Such a vote will state flatly that we will not accept dictation from the White House. But it will be something far more important than just that. It will be a vote to revitalize our housing programs. It will be a vote to put into action many important features contained in that bill.

There are four great objectives sought by our bill:

First, it will help us maintain an effective fight against the disgraceful slum problem which afflicts most of our urban centers, large and small.

Second, it has special measures to help meet the housing needs of our lowest income families.

Third, it will unquestionably maintain a healthy construction industry and ward off a threatening slump in homebuilding later this year.

And fourth, it has numerous provisions which are designed to achieve better housing generally for our people by improving the various sales and rental housing programs of the FHA, by stimulating more cooperative housing, by providing for the first time housing which our senior citizens can afford, by setting up a new program to stimulate the construction of needed nursing homes, by continuing the vitally needed college housing loan program, by extending and improving our programs to provide better housing in rural areas, and by improving the military housing program so essential to our national security.

Title I of the bill would make a great many major improvements in the FHA program, including some changes which the administration itself concedes are needed. The bill would liberalize the FHA homeownership program by lowering required downpayments and by permitting a longer repayment period. These changes will make it possible for more families to achieve the goal of homeownership and will also make it possible for them to acquire the homes that are best suited to their needs, particularly in the case of large families.

The bill would also permit FHA to insure home mortgages up to $22,500 in place of the $20,000 present limit. This will also benefit larger families and those in high-cost areas. The programs of rental and cooperative housing under FHA would also benefit from more liberal mortgage ceilings and other improving amendments.

Taken together, these provisions, in my judgment, will at least help prevent housing production from falling below current rates. Without their support I am fearful that a serious decline in housing construction may set in as the hard money policy begins to bite into the economy.

Title I of the bill would also facilitate trade-in home financing to help home buyers use the equity they have in their present homes. This new procedure, which is eagerly sought by the homebuilding and real estate industries, would cut out the duplication of closing costs which presently inhibits trade-in arrangements.

Another important amendment would set up a new program of FHA loan insurance to encourage the construction of private nursing homes. One of the most serious problems facing sponsors of proprietary nursing homes is the difficulty of obtaining financing on reasonable terms, a difficulty which the bill would seek to remedy.

One of the most worthwhile features of the housing bill is the provision designed to avoid unnecessary foreclosures on FHA home loans. This would be done by permitting the inclusion of unpaid interest in the FHA debentures which are issued in the case of foreclosure. Such authority, already granted in the GI program, will encourage lenders to exercise forbearance when default occurs. In addition, the bill authorizes the FHA Commissioner as a last resort to take over the loan when the lender is either unwilling or unable to cooperate in curing the default. Similar authority has existed in the GI loan program since its inception. I would like to emphasize that both of these measures are discretionary rather than mandatory. The recession which began in 1957 highlighted the need for authority of this sort under the FHA program to save the homes of those who are hit by temporary unemployment and who, if given time, could meet their payments. I find it incredible that the administration opposes this provision.

Mr. Speaker, the second title of this bill is extremely important to those of us who think that the time is long overdue for providing a really effective program to build housing for our older families at rents which they can afford.

This bill would authorize a program of direct loans to nonprofit corporations. The maximum interest rate would be set by the same formula now used for college housing loans, which currently means a rate of 3⅛ percent. The loan term could extend to 50 years and the required equity investment would be limited to 2 percent of the project cost. As a result, it would be possible to provide housing under this program at rents fully $20 a month less than required for the same unit if financed under FHA. This program would, in my judgment, be a great step toward providing housing within the means of elderly families. It is time we did something more than talk about this problem, and I am convinced that the new approach proposed in the bill would for the first time turn talk into action and provide a program of which we can all be proud.

The third title of the bill makes a number of improvements in the FNMA program. The requirement that FNMA pay 100 cents on the dollar in its special assistance function would be restored; the ceiling on the size of loan which FNMA could purchase would be raised; an additional $37.5 million would be provided for the purchase of cooperative housing mortgages; and FNMA would be given limited authority to make loans on the security of FHA and VA mortgages.

All of these changes are needed if we are to derive the greatest possible benefit from FNMA's operations. This agency has proven highly successful and has sometimes been the only source of funds for home builders and home buyers in those parts of the country where private mortgage funds are inadequate. Let me emphasize the fact that FNMA is designed only to supplement private financing, not to replace it.

The fourth title of the bill contains the urban renewal provisions. In addition to the capital grant authorization which I have already mentioned, there are a number of extremely important changes in our urban renewal laws. One provision is designed to help our universities and colleges rehabilitate and renew the blighted areas and deteriorating neighborhoods which are threatening to engulf so many of them. To encourage urban renewal activities by colleges, the bill would permit their renewal expenditures to be counted toward the city's one-third contribution, and would also permit a waiver of the predominantly residential requirement.

Another provision would encourage cities to locate low-rent public housing projects in urban renewal areas. By permitting the city's tax exemption on such sites to count as its one-third contribution toward the cost of slum clearance, cities will be more willing to locate some of their low-rent housing on these newly cleared areas. This should help relieve one of the headaches of our city officials who often have difficulty finding suitable land for these projects.

The bill would also make a number of other important changes, such as an increase in the maximum relocation payments for displaced families and businesses and an additional $10 million for the planning grant program.

Title V contains the provisions relating to low-rent public housing. In addition to the units authorized and the Presidential authority which I have already mentioned, it contains an extremely important declaration of policy. This recognizes the vital importance of local pulbic agencies assuming maximum responsibility for such matters as management budgets, auditing, tenant eligibility, and rents. It also lowers the age limits for eligibility to conform to the Social Security Act.

Another important provision would extend and provide additional money for the farm housing research program. Too often in our consideration of housing problems people tend to overlook the fact that many of our rural areas are just as afflicted with slum housing as our big urban areas. The farm housing research program, which I have been proud to sponsor, has great potential in helping us discover the kind of programs we need to meet these problems.

Another section of the bill would extend the voluntary home mortgage credit plan for another 2 years. In many cases, this program has provided the only means of making FHA and GI loans available in our smaller cities and rural areas. It has served as a helpful adjunct to the outstandingly successful direct loan program of the Veterans' Administration.

The bill would also liberalize the limitations governing the purchase of participating interests by savings and loan associations. This will help to achieve a more even flow of mortgage credit by encouraging the transfer of funds from plentiful areas to areas where mortgage capital is in short supply. The bill would also permit Federal savings and loan associations to invest up to 5 percent of their funds in loans to finance the acquisition and development of land for residential use.

Mr. Speaker, I have not tried to cover the housing bill in detail. It was thoroughly reviewed and analyzed on the floor during the debate on its passage, and discussed again in detail when we took up the conference report. I have tried here to point out some of the more important provisions which will go down the drain if the President's veto is allowed to stand. It should be noted that most of these provisions do not involve the expenditure of Federal funds. In many cases they are improvements in the present law which will help us gain the greatest benefit from our housing programs. The need for many of these changes has long been recognized and would have become law if the housing bill had been passed last year. These changes are already overdue and I hope we will not have to wait another year to put them on the statute books.

The housing bill failed last year because of administration opposition. The housing bill is now in jeopardy this year because of the administration's veto and because of the intense opposition we will face from the other side of the aisle in an attempt to override the veto.

I think by now, Mr. Speaker, that everyone knows where the blame lies. It lies squarely at the door of this administration and the majority of Republicans in the Congress.

Mr. Speaker, I normally do not make a practice of giving long speeches. But in this case I felt that our colleagues deserve the whole truth and I have attempted to set forth in full our case against the veto message.

I wish I knew what the final outcome will be. I still have hope that we can muster sufficient votes in the Congress to reject the President's veto and put this great piece of housing legislation on the statute books.

Mrs. SULLIVAN. Mr. Speaker, I want to compliment my chairman of the Housing Subcommittee on the very fine work he has done on the housing bill which the President vetoed. The hearings, chairmaned by the able gentleman from Alabama were long and detailed and the bill voted out by the committee was one of the finest ever offered to the House for action.

Mr. Speaker, when the President vetoed the housing bill he struck a body blow at the housing needs and aspirations of the American people. Perhaps no group was more cruelly affected than our elderly citizens whose need for decent housing at a cost which they can afford is especially urgent, and I want to emphasize—this is not public housing for the elderly.

The administration argues that the present mortgage insurance program set up under the FHA to provide housing for elderly is adequate. Mr. Speaker, I suppose that may be the case for the more fortunate of our upper income senior citizens whose incomes are adequate to afford decent housing at today's construction costs.

But, Mr. Speaker, the administration's contention is clearly false in terms of the vast majority of our elderly citizens. They must have financial help to permit them to occupy decent housing at rents which they can afford.

Title II of the general housing bill which this administration has rejected would be a great step forward toward providing the low cost housing our elderly citizens need. By providing long-term loans at a low interest rate to nonprofit corporations to build housing for the elderly, the bill would really have brought rents down within the grasp of our typical elderly citizens whose income comes largely from social security and other pension payments. The more conservative estimates indicate that the new loan program contemplated by the bill would have permitted monthly rentals at least $20 per unit below the rentals which elderly people must pay under the administration's program.

Mr. Speaker, the Congress is to be congratulated for adopting this much needed and forward looking legislation. Instead of paying lip service to the housing needs of the elderly, as this administration constantly does, we provided in our bill a really effective program which would have gotten to the heart of the problem.

Mr. MOORHEAD. Mr. Speaker, we in both branches of Congress and millions of Americans throughout the country should be deeply indebted to the Senate Banking and Currency Committee for the few days of extremely significant hearings its Housing Subcommittee has held on the President's veto of the Housing Act of 1959.

The bill was tailored to minimum need. It was sent to the President in a spirit of compromise. For these reasons the bill's veto was a great shock—a shock to those of us who had worked for it here and for thousands of local officials, community planners and far-sighted businessmen throughout the country who have been devoting countless hours to the struggle against community decay and blight.

But the message accompanying the veto was far worse than a shock. It was a smokescreen of catchwords and scare phrases designed to conceal the true facts of housing and urban renewal needs. The committee has now dispelled this smokescreen with clear, accurate facts. Sentence by sentence, the veto message has been dissected to reveal in turn each distortion, misstatement and important omission. Significantly, this was done on the very first day of the hearings by both Republican and Democratic committee members who spoke from long years of experience in the housing and urban renewal field. In fact, administration spokesmen from the Budget Bureau and the Housing and Home Finance Agency offered little in defense of the message.

Assistant Budget Director Elmer B. Staats testified, for example, that the veto message was written in the White House and that his advice had not been sought.

Norman P. Mason, Administrator of the Housing and Home Finance Agency, spoke of "people who prepared the veto message" but he was at a loss to name them.

And the President's own Public Housing Commissioner Charles E. Slusser would not say whether or not he agreed with the President's opposition to any new public housing authorization.

Of course it is summer, a time when a good mystery is often recommended to take one's mind off the heat. The puzzle of who wrote the "deliberately misleading" veto message, as Republican committee members call it, and why, would be a dandy mystery for our summertime diversion were it not for the more serious aspects which Senator HOMER E. CAPEHART, a distinguished Republican committee member from Indiana, put in proper perspective when, after concluding the President had been misled by his advisers on the veto message, he said:

> The President of the United States must depend upon someone and what he says the American people have a right to rely upon as being 100 percent accurate. * * * The American people are entitled to be given the facts at all times and when we use words such as spending, not saying expenditures are offset by receipts, the people aren't getting the facts. * * * A President, whether he be a Democrat or a Republican, deserves better treatment. I don't know who's responsible for it [the veto message] and I'd like to know.

Senator JACOB K. JAVITS, Republican, of New York, another committee member, regretted that some of the statements in the veto message were inaccurate.

These are damning indictments of the veto message, Mr. Speaker, particularly so when they come from sources not speaking from political motivation in this instance.

But the hearings showed the criticism to be well justified, as mayors, Governors, educators, labor officials and others in the thick of the battle for better communities proceeded to build a dramatic yet solid case for the need for at least the minimal measures in the bill the President vetoed.

Occasionally in recent years we have heard some criticism of the committee system. It has revolved about the allegation of headline hunting. These hearings, however, did not get all the headlines they deserved. Gathering facts of a legislative need is one of the most important functions of any committee. When this is done, the committee system is performing in the highest tradition of public service.

Facts were presented in the committee hearings with the result that the picture of real need so ably spread upon the record should become a rallying point for a drive to override the veto or, at least, to pass a new bill scarcely any less extensive than the one conferees agreed upon a month ago.

With this purpose in mind, we should review some of the most important instances in which the hearings presented facts to counteract veto message misstatements.

A moment ago I praised the committee's factfinding. It was effective, primarily because of its bipartisanship, because of the statements of such Senators as JOHN SPARKMAN, JOSEPH S. CLARK, HOMER CAPEHART, and JACOB JAVITS ripping aside the sham and nonsense with which the veto message was replete.

Witnesses also did their share in setting the record straight. Among these, none was better qualified than Gov. David L. Lawrence, of Pennsylvania, who, as mayor of Pittsburgh for 13 years, led that city to spectacular success in the urban redevelopment field.

Where the veto message had attempted to condemn the bill as extravagant, inflationary, discriminatory, and having a tendency to divert private capital from certain fields, the committee hearings prove conclusively that the bill is prudent, economic, fair, and designed for some areas of the economy into which private investment has not flowed at anything like the rate which is needed.

Let us examine the veto message versus the facts in the hearing record. The message said:

> Even though we have over 100,000 previously authorized public housing units as yet unbuilt the bill would authorize 190,000 more.

The facts here, as committee members of both parties so amply demonstrated, are that the 100,000 units referred to are in the pipeline, in the land acquisition or reservation stages. They are committed to be built. No uncommitted units remain to meet new needs and, as to the 190,000-unit figure, about 45,000 units would be authorized for new construction immediately under the new bill.

Even if one were to accept the unsupported claim in the veto message about 145,000 units remaining to be built in the years beyond, nowhere did the message state that the number of units to be built each year would be only at the discretion of the President and that no more than 35,000 such units could be built in any one of these succeeding years.

To the bill's modest provisions of $900 million over 2 years for the tremendously important field of urban renewal the veto message applied the term "excessive."

Local government pays part of the cost of urban renewal; hence, projects are not recommended frivolously. The facts are that applications for $272 million in urban renewal funds are pending; applications ready to be submitted total $238 million; and many other applications are being held in abeyance pending new legislation.

Using the 1957–58 application rate of $40 million a month—before rationing was applied—as a guide, it becomes apparent that the bill's modest provisions would be inadequate.

When the veto message raised the false claims that urban renewal discriminated against small cities, Senator CAPEHART pointed out that the message neglected to mention a key provision in the bill limiting any one State to 12½ percent of available funds.

The veto message rejected loans for housing for the elderly on the theory that such financing could be had in the private markets. But here again the veto message does not stand up against the facts—facts contained in FHA figures on average rental figures for privately built apartments. Average rental on such facilities is now $87.50 a month for a one-bedroom apartment and $67.50 a month for an efficiency. Assuming an elderly retired couple was spending as much as one-third of their income on housing, they would have to have an annual income of over $2,430 to $3,150, depending upon the type of privately financed unit rented and many, all too many, of our elderly citizens cannot retire on incomes anywhere near this level.

The bill carried a modest program of long-term loans at reasonable interest rates to colleges for classrooms and dormitories. The provision is clearly designed to meet the needs of many institutions of higher learning, particularly small colleges, who have been simply unable to finance needed expansion and improvements at reasonable interest rates on the private market.

Almost unbelievably, the veto message rejected these two programs for fear they would "displace private financing and lead to Federal spending which is entirely unnecessary."

This is perhaps the strangest argument of all from an administration which, in almost the same breath, pleads

for substantial foreign aid expenditures on the thoroughly justified premise that such spending is related to our protection as a nation.

What can be more related to our national protection, indeed our national survival, than the training of our young men and women to meet the technological challenges thrust upon us by the cold war. Our colleges will have to double their facilities to meet this need.

At the hearings this past Monday, the president of Michigan State University, Dr. John A. Hannah, an educator in whom the President had such confidence that he named him to head his Civil Rights Commission, joined his colleagues in urging reenactment of dormitory and classroom loans. These are but a few of the veto message misstatements which the Senate hearings have corrected.

On the positive side, the hearings did much more. As Governor Lawrence said of the bill, "This is a program for people." The Governor then told what the bill can mean to the people of Pennsylvania.

He told of 51 Pennsylvania cities, ranging in population from 10,000 to 3 million, now engaged in urban renewal programs involving a total of 85 projects. "With the possible exception of depressed area legislation," the Governor said, "there is no issue before the Congress of greater direct importance to Pennsylvania than the continuation of Federal aid for urban redevelopment."

The Governor then covered the interrelated economic effects of such subjects as automation, depressed area legislation and urban renewal aid. And, lest anyone say there is no relation between the latter two programs except that they are both erroneously called giveaway programs, let us look at the relationship with some broad national economic thinking.

Automation is a major cause of pockets of unemployment in Pennsylvania and other of our older industrial States. Automation will create new and better paying jobs for the sons and daughters of today's idled coal miner and steelworker. But what about the 10 to 20 years of wrenching social and economic dislocation for the steelworker and coal miner out of work today?

Area redevelopment legislation, through its training in new skills and its bringing in of new industry, can ease such dislocation and contribute to the Nation's orderly growth.

To these two factors—automation and area redevelopment, Governor Lawrence related urban renewal when he so correctly stated that redevelopment projects show the type of pride in community and local leadership that new business is looking for in deciding where to locate new plants.

The great scholar and churchman, John Henry Cardinal Newman, once wrote an essay entitled "Discipline of Mind," in which he measured a truly educated man by the ability of such a man to see the relationship one to another of the things and ideas of his life.

Measured by such a standard, Governor Lawrence displayed a discipline of mind in economic thinking when he related in proper perspective the great economic-legislative steps which must be taken if we are to continue local, State, and national growth.

We in this House must exhibit that same kind of thinking and legislative drive by first overriding the President's veto of the housing bill and then passing an area redevelopment bill of sufficient magnitude to be of real effect.

The State of Pennsylvania and its local communities are not sitting back idly waiting for help. As Governor Lawrence said:

> We are using every tool within our means to cure our own ills, to solve our own problems, and to keep Pennsylvania among the responsible elements of this great Nation.
>
> Pennsylvania for years has been the only State matching redevelopment dollar for dollar so that renewal of our communities might be accelerated. Since 1949, the State has appropriated $12 million toward this work, nearly $8 million during the past 3 years. Our present budget recommendations propose another $10 million for this purpose.
>
> Slowly, but certainly, we are overcoming our residential, industrial, and commercial blight.

The Governor then told of remaining needs and of the job ahead. What he said about Pennsylvania applies to many States.

John Donne once wrote, "No man is an island." In this day and in this world, the same applies to cities, and States, and nations. Decay of a center city affects an entire metropolitan area. Decline of a metropolitan area affects the State and country.

Urban renewal for our older cities and small towns, conversely, spreads its benefits forth in terms of new jobs and new industries to bolster the economic health of the entire Nation.

Governor Lawrence recalled the recurring statements that the President has enjoyed the distinction of never having had a veto overturned and he suggested: "Now is the time to do so—now is the time to assert the legislative function so carefully built into our Constitution."

With these sentiments, Mr. Speaker, I heartily agree. I urge that we do override the veto of the housing bill as the first great step in carrying out the mandate of the people who sent us here.

Mr. VANIK. Mr. Speaker, I know that a majority of my colleagues share my deep regret at the President's ill-advised veto of the Housing Act of 1959. This measure is one of the most important which has been considered by this Congress. It received the careful attention and study and full debate which a measure of such importance deserves and was approved by a substantial majority.

Housing legislation, of course, is normally a complex matter and this bill was no exception. It contained a wide array of benefits for the Nation. One of the most important of these benefits was the authorization of additional grant authority for slum clearance.

Mr. Speaker, there are few who will dispute the fact that the task of eliminating our slums and rebuilding our cities is one of the most serious domestic challenges now facing us. Even the administration recognizes the need for continuing the urban renewal program, but as is all too often the case, it sets its sights too low. Actually, the urban renewal grant authority contained in the Housing Act had already been compromised and cut more than I would like to see. Nevertheless I feel that it was sufficient to maintain a high level of activity and keep us from losing the momentum built up in a decade of progress under this program.

Now, however, we are being told by the administration that the United States—the richest Nation the world has ever known—cannot even afford this modest amount to attack such a serious problem. This administration which has blandly added $2.5 billion a year to the interest cost of the national debt says that we cannot spend one-fifth of that amount to clear slums. This administration points out that in a very short time our natural economic growth will give us an output of $500 billion a year. But it says that we cannot set aside $1 in a thousand to invest in rebuilding our cities.

Mr. Speaker, urban renewal is one of the best investments that this Nation can make. This is true when measured by human values because it combats the disease and delinquency which slums breed. It is also true when measured in cold dollars and cents. Experience has proved that for every dollar of public funds invested in urban renewal approximately $5 of private funds are invested. This act would generate approximately $5 billion of private investment in our towns and cities.

One special aspect of the importance of this investment is the effect on local government revenues. The administration piously calls on communities to shoulder a larger share of urban renewal costs. They are apparently blind to the financial problems of our cities. One of those problems is the fact that slums produce little tax revenue but impose heavy costs on the city. A meaningful and adequate urban renewal program will make our hard-pressed cities better able to meet their financial responsibilities.

Mr. Speaker, the arguments for expanding the urban renewal program are virtually limitless. Every one of our 7 million slum units represents a case of human misery and every one of them represents a financial burden to the community and to the Nation. I do not see how the administration can be blind to this problem and I do not believe that the Congress will sit idly by and let the urban renewal program be sacrificed to this blindness.

FREEDOM OF THE PRESS

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 40 minutes.

Mr. BAILEY. Mr. Speaker, I have asked for time on the floor for the purpose of bringing to the attention of the Members of the House and to the people

of this country what in my judgment is a very serious complaint about our metropolitan press. We are all strong supporters of the principle of freedom of the press and I am sure that all of us want to see this freedom maintained. There is no stronger bulwark of democracy than freedom of the press; and I, for one, hope that the press will be watchful of itself so that the value of this freedom will not be undermined from within.

The very greatness of the principle that we all support places the press under a heavy obligation to avoid abuse of its great privilege. The press must be very jealous of its freedom but it must be equally jealous of its own conduct in exercising this freedom. It must not confuse freedom with license.

In view of the great influence exerted by the printed word read in the newspapers by millions of people, it is of the utmost importance that the press remain as free of bias in their news columns as is humanly possible. There are great temptations to use the news columns to reinforce editorial opinion in one way or another, including the so-called silence treatment; and, if the temptation is not resisted, the news becomes colored with personal opinions or distorted by a form of private censorship that is not acceptable. The misuse of news in this fashion is incompatible with the responsibility that goes with freedom of the press.

Mr. Speaker, through the years that I have been concerned with tariff and trade legislation in the Congress, during which time I have followed newspaper accounts of this great issue, it has been my experience to find what to me seemed to be a strong bias toward the free-trade policy of the executive branch of the Government by most of the big dailies, particularly in the East. The news on this front all seemed to be of a pattern as if it had come from a central bureau of a totalitarian State. It has been my impression that the amount of space devoted by these newspapers to the so-called liberal trade side was several times that given to its opposition.

I recall a number of instances on this floor when a dozen to a score of Members attacked sharply the administration of the trade agreements program. The press hardly gave an echo. On the other hand, when a strong supporter of the program spoke on the subject, whether he was a Federal official or a businessman, the press would carry full accounts of the statements or speeches. The press bias was indeed so notorious that it almost became accepted just as bad weather is accepted because you cannot do anything about it.

This treatment by the press is certainly not in keeping with the preachments of leaders of the press. They often complain about suppression of news by the Government and I would say more power to them so long as the national security is not involved. The public is entitled to know what our Government is doing; and the press is right in being concerned about suppression of news that could be given to the public without in any way endangering the country.

Yet when the press refuses to print news that is available to it because it does not agree with the policies advocated by those who give rise to the news, it is doubly guilty. The press should know better; and it is not true to its own best interests, not to mention the public interest, when it suppresses or distorts the news.

Last February 24, Mr. Speaker, is an occasion that comes to mind. Some 15 Members of this body attacked the existing administration of the escape clause under the trade agreements program for a period of 2 hours on the floor here. Not a ripple occurred in the columns of the news following this attack.

Of course, opposition to the trade agreements program as such is not news; but what happens on the floor of the Congress is news if it is concerned with controversial issues of a national scope. On that occasion evidence was offered from the long congressional history of the trade agreements program, showing by numerous direct quotations from our several Presidents, Secretaries of State, and other high officials that the trade agreements program had been sold to the people under false colors. The documentary evidence was overwhelming.

The Members of Congress who participated in the attack naturally depended, as they must in nearly all their discussion, upon the press to carry the message to the people. But what was the result?

The message barely got past these four walls. The press did not, for reasons of its own, see fit to let the public know a side of the story that has to this day not been given to it.

What is the function of the press? What should it give in return for its great privilege? Certainly it can be no part of that function to keep the people in ignorance on great issues.

The instance that I have cited here is only one of many.

Recently a complaint on this subject was made to the press. It was contained in a letter written to Mr. J. Russell Wiggins, who is president of the American Society of Newspaper Editors. Mr. Wiggins, it happens, it also executive editor of the Washington Post and Times Herald. The letter speaks for itself and I ask unanimous consent that it, together with subsequent interchanges of correspondence, be made a part of the RECORD at this point as exhibits 1 to 10, inclusive.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The matter referred to is as follows:

EXHIBIT 1

THE NATIONWIDE COMMITTEE
ON IMPORT-EXPORT POLICY,
Washington, D.C., June 18, 1959.

Mr. J. R. WIGGINS,
Executive Editor, the Washington Post and Times Herald, Washington, D.C.

DEAR MR. WIGGINS: I wish to bring to your attention as editor of an outstanding metropolitan newspaper and also as one who has expressed himself abundantly on the evils of news suppression, a complaint relating to dissemination of news that should interest you, not only as editor of the Washington Post but also as president of the American Society of Newspaper Editors,

To be specific, I refer not to suppression of a mere piece of spot news but the systematic and evidently conscious downgrading of one side of news that in contrast on the favored side is disseminated to the point of saturation. The subject is that of tariffs and trade, involving protectionism, freer trade, and the trade agreements program.

The complaint, to repeat, is not against the lack of coverage of the subject. One side has indeed had full attention and generosity showered upon it, reminiscent of the usual treatment expected of a favored issue in a totalitarian press. By and large, with a few exceptions, the American metropolitan press in this field has been indistinguishable from the most craven, fawning and groveling presslings of the dictator-ridden countries of the world.

Many editors or publishers or both who in other directions and other areas have exhibited a fine texture of moral fiber and sensitivity to the great significance of news reporting "without fear or favor," have on the other hand exhibited a grossness of sensibility and shoddy sense of fairness that casts an oblique ray of revealing light across the question of the innate integrity of man.

This obtuseness can only come from a sense of security based in turn on a sense of power believed to be unshakable and therefore gravitates inevitably to the bosom of arrogance. Once upon a time such an attitude, similarly conceived, expressed itself in another field in the truculent words "the public be damned."

In the present case it is not a question of news value. That the subject of tariffs and trade has news value in the judgment of editors and publishers at least is attested to by the amount of printer's ink that has been expended upon it. What has operated to the virtual exclusion of one side of the news has been the selectivity exercised mostly at the editorial levels. Quite surely, such selective practices soon influence the reporters no less than the press services. Reporters become discouraged at writing copy that seldom sees the light of day. The wire services are also greatly influenced by what is and what is not used by their subscribers. In time reporters no longer bother to report news from sources that they know will not prosper in the news columns; and the wire services also lose interest.

Not all tyranny arises from the support of well-stocked arsenals. The pen, it has been said, is mightier than the sword. Those who hold the public pen and write the news unquestionably hold within their hands a power over human beings that is awesome; and therein resides potential tyranny. It is precisely for this reason that freedom of the press is so precious. For the same reason abuse and sullying of this freedom is an act of crime against society. It becomes a moral question.

Why does any moral principle gain adherence and support from the wisdom of society? Evidently the conduct concerned has potential consequences of powerful bearing upon people affected by it.

Editors, who seldom seem backward in moral lectures, should take note that they are not themselves excluded from the realms of moral responsibility. They should dwell more on the reflexive verbs. If they believe that the right hand need not know what the left is doing, that the virtues preached on the editorial page need not be reflected in the character of the news columns, a day of reckoning awaits them. Their influence may not collapse but they will become mere purveyors of

sensation for a profit, peddlers and merchandisers of emotion, thus creating an atmosphere that can lead only to public confusion and debasement of society. The virtue of their editorials then can represent no more than leering hypocrisy raising its head from a bed of cynicism.

In recent times observers have noted that the days of "personal journalism" are drawing to a close. Time was when certain newspapers, some of them proliferated far and wide, did not much more than express the personality, however bizarre, of the owner and publisher. Today, it is said, this era is passing.

This may be granted. The personal editorial domination of past days may be ebbing; but this of itself does not clear the decks for good journalismm. Sometimes domination of news by a philosophy, though much more subtle, may be as offensive and possibly more evil than domination by personal idiosyncrasy and wayward ambition. Philosophy goes to the very lifeblood of government. Freedom of the press can nowhere mean more than in the propagation of of opposition to a philosophy. The possibility of hypocrisy in this sphere may be multiplied by very clever selection of news, positioning of reporters' copy, headlining, adjectival innuendoes, rewrites, deletions, complete dropouts and much else.

The bright, virtuous front page may then become a false mirror of reality, showing to people only what the editorial board, reflecting the owner, wants them to see. Such practice can be justified only by the notion that the minds of people are there to be molded in the image of some editorial philosophy and not there in their own right, entitled to be informed by the media upon which they rely and in which they place their trust for accurate reports from the community and the world.

"The right to know" is as sacred to the progress of civilization as any right, you will agree; and you, I am sure, have said as much yourself. Newspapers, and latterly, of course, radio and television, embody the instrumentality that serves this right in very considerable degree. This function, frequently exercised as a near monopoly, places these media in a strategic spot.

At the same time the concept of "freedom of the press" places them in a privileged sanctuary.

This combination of position and privilege in turn places in their hands great possibilities of abuse while giving them virtual immunity under attack. Such a role by its very nature affronts the native sense of fairplay and good sportsmanship, both of which are held in high esteem in this country.

The media of news dissemination not only manage the news-gathering assignments but process and judge the news brought in by reporters and otherwise. The editors give it shape and set it forth under such conditions of display as reflect their judgment of its weight and value. They may rewrite the raw copy of a reporter almost at will, thus reserving the right to force the story into support of the editor's or publisher's politics or philosophy; and otherwise exercise virtual power of life and death over the news of the day. Not only are the roles of prosecutor, judge, and jury combined in one function but also that of executioner.

Aside from the ministry, which does not conduct a commercial enterprise, there is perhaps no other combination of calling and business as free from regulation and accounting to the public as the newspaper enterprise. This is probably as it should be; but that very fact places a particularly heavy burden of self-discipline on the journalistic profession. This means that the editors and publishers cannot rest on the laurels of exposing others and telling them how they should conduct themselves. They must themselves adhere to a higher code if they are not to convict themselves of heavy-footed hypocrisy.

There unquestionably exist objective measures that can be applied to news no less than to other fields of human conduct. The easy-principled or instrumentalist editor sitting in the chair of judgment, should be restrained from using this piece of news and rejecting that and tinting the other to suit his fancy.

Editors and publishers cannot have it both ways. If freedom of the press is as precious as they say it is, and I believe them to be right, they cannot treat it as a private privilege, to be kneaded in response to private ambitions, phobias and prejudices; nor even as an instrumentality of a crusade. The editorial page, yes; but not the news column by whatever trick of the trade or self-serving mechanism it might be made to do double duty.

If a controversial subject of national importance is much in the news the function of the free press and the "right to know" are not fulfilled unless both sides of the issue are given essentially equal treatment. It is an unfair editorial and journalistic practice to favor the one side by devoting to it the space necessary to present rounded accounts of speeches, statements or declarations made by those supporting that side, and giving such news prominence through headlines and favored display while sharply curtailing the space devoted to expositions and statements of the opposition, quoting only a few conclusions but blanking out the reasoning leading to the conclusions, consigning the item, when it is carried at all, to some inner spot of the newspaper usually reserved for news of minor interest and importance.

The obvious purpose of such treatment is not to give news to the public but to enter the contest from a position of high advantage and to use the newspaper columns to promote one side of the issue while burying the other in oblivion or demeaning it by scant mention and smallness of attention. The public is thus deprived of the necessary data upon which to exercise its judgment, and democracy is subverted.

The morality of newspapers engaging in such practice is on a level with that of the blindfolded boxer in the ring with other blindfolded boxers who removes his blindfold the better to foul and beat his adversaries. The practice of journalism befouls itself and the honor of the profession in such unfair participation in public contests. Shame and ignominy spread over them and the whole profession must sink in public esteem. The great constitutional principle is besmudged.

In the judicial field judges disqualify themselves when they are a party in interest and do not sit in a case in which their self-interest would color their judgment. Newspapers are more inclined under the same circumstances to jump in with both feet.

It is not a sufficient defense to point to the impartial reporting of storms, floods, and disasters and similar innocent items. The test comes in the field of controversial issues. This is the field in which freedom of the press has its real meaning. Where information is incomplete, where views and interests differ and clash: this is the sphere in which free expression, debate, and dissemination of ideas are vital if the people are to find their way. The right to answer, to correct, to refute is basic, if public enlightenment is to prosper.

In the national issue of tariffs and trade in the past 10 years, during which period I have closely observed the struggle and participated in it, the metropolitan press of this country has failed woefully and ignominiously in performing its function. If freedom of the press means anything, the journalistic record of the past 10 years in this field has dishonored the principle and shamefully tarnished its good name.

The position of the protectionist forces has seldom been given to the public in its true light; descriptive adjectives applied to them have generally had condemnatory or deprecatory connotations; the extensive researches and analyses upon which their policies have been based have been mostly ignored, and the space devoted to their cause has hardly been more than 10 percent of that devoted to the subject as a whole. By contrast the freer-trade side has been widely publicized. Quotations from speeches made by public officials and outside leaders in the field have been rounded and elaborate. The reports of such speeches and statements have been given favorable display in competition with other news. Replies from the opposition have been all but ignored, as if they were not worth printing. The editors, acting in behalf of their philosophy of internationalism, have also acted as self-anointed censors, unwilling to allow the reading public to reach its own conclusions about the merit of the issues on the basis of facts impartially presented.

In general the press has echoed the governmental philosophy in this field quite willingly or slavishly, enlisting as eager propagandists on the side of the State. The result has been that newspapers, usually noted for their differences in other fields, have exhibited a most uncommon harmony in this field. The question arises, what is the common bond here?

It is to be noted that newspapers are themselves free of foreign competition and may therefore have little sympathy for those in other branches of business who are less fortunate and may be stricken by it. At the same time newspapers have a considerable economic stake in the importation, free of duty, of their principal raw material, namely, newsprint; and have reason to be grateful to the State Department for binding newsprint on the free list in two or three trade agreements, thus closing with a lock of international commitment the constitutional door through which Congress might move to establish an import duty.

Were there in fact no opposition to the trade agreements program and the manner of its administration it would be necessary to create it for the sake of balance. It is only necessary to reflect on Lord Acton's dictum to recognize the danger of a monolithic union of press and government, such as has been on view in this field for some years.

The general effect has been one of journalistic malpractice.

What is needed is an editorial code that applies inwardly as well as outwardly. The laws of libel do not reach the seat of the complaint. Much more is needed. The press is a public utility and the public has a profound interest in the manner in which the press disposes of its freedom to print and to censor the news.

I trust that I have made myself clear; and I will be interested in any reply that you may wish to make.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

EXHIBIT 2

THE NATIONWIDE COMMITTEE,
ON IMPORT-EXPORT POLICY,
Washington, D.C., June 25, 1959.

Mr. J. R. WIGGINS,
Executive Editor, Washington Post and Times Herald, Washington, D.C.

DEAR MR. WIGGINS: Apropos of my letter of June 18, I wish to call to your attention a news item appearing on the front page of the Washington Post of June 25, 1959. It is entitled, "House Passes States Rights Bill; Southern Democrats Get GOP Help."

The story has the byline of Richard L. Lyons.

While I am no expert on H.R. 3, and have made no particular study of the legislation, the article strikes me as being well balanced in the sense that it gives in a dispassionate manner the position of both sides of the controversial issue and the reasoning in support of each position. There are no adjectives or sly innuendoes designed to reflect on the motives of either side of the question; no injection of the publisher's own predilections in the field, and no shortchanging of one side or favoritism to the other. Mr. Lyons is to be commended for a fine article and the Post is to be congratulated for what appears to be the presentation of a piece of news in the best manner.

Incidentally, I am not acquainted with Mr. Lyons and have never spoken to him, so far as I know.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

EXHIBIT 3

THE WASHINGTON POST
AND TIMES HERALD,
Washington, D.C., July 2, 1959.

Mr. O. R. STRACKBEIN,
The Nationwide Committee of Industry, Agriculture and Labor on Import-Export Policy, Washington, D.C.

DEAR MR. STRACKBEIN: Thank you for your letters of June 18 and 25.

I do not agree that there is a "systematic and evidently conscious downgrading of one side of news." Disagreeing with you on that, there is not much point in debating a remedy for the situation with you.

I wish to thank you for your nice acknowledgment of June 25.

Sincerely yours,

J. R. WIGGINS.

EXHIBIT 4

THE NATIONWIDE COMMITTEE
OF INDUSTRY, AGRICULTURE, AND LABOR
ON IMPORT-EXPORT POLICY,
Washington, D.C., July 6, 1959.

Mr. J. R. WIGGINS,
President, American Society of Newspaper Editors, Washington, D.C.

DEAR MR. WIGGINS: I have your letter of July 2 in reply to my letters of June 18 and 25. My present letter is sent to you in your capacity as president of the American Society of Newspaper Editors.

You dismiss my letter of June 18 and the questions raised in it by simply saying, "I do not agree that there is a 'systematic and evidently conscious downgrading of one side of news.' Disagreeing with you on that, there is not much point in debating a remedy for the situation with you."

Scarcely better evidence of the editorial attitude of which I complained could be found. You disagree. Now, what a colossal fact that is. Obviously you regard your judgment as carrying a finality as impenetrable and immovable as a decree handed down by a czar or a mikado.

I thought we had done with ukases and edicts from the throne. Evidently in democratic America there are still principalities where the news has not penetrated or, having penetrated, has not been recognized.

The first three estates have all been brought under the discipline of the body politic. The fourth estate can hardly be regarded as free of responsibility to the society that it should serve. What kind of freebootery you envision as the peculiar privilege of the editors and publishers you have not elected to say; but it seems to be one of absolutism so far as the editorial sanctum is concerned.

That you have a right personally to disagree with the allegations in my letter goes without saying. That you are justified in dismissing them on that ground I am not at all willing to concede. If you have that privilege and if there exists no procedure for appeal and no body to receive an appeal the defect should be remedied forthwith. It would be an intolerable situation if such a vacuum surrounded so vital a function as the gathering and dissemination of news. Surely we cannot as a society have the editorial function performed in a no man's land lying beyond the pale of inquiry and response.

The star chamber proceedings in monarchical times were utilized as a means of insulating the justice as dispensed by the monarch from the eyes of the public; and such proceedings were in time properly excoriated, condemned, and abolished. What was at stake? Certainly nothing more fundamental than the unbiased informing of the public by the media to which this function is entrusted.

I therefore make formal inquiry of you in your official capacity as president of the editorial society that elected you, what steps are open looking toward an investigation of the allegations made in my letter of June 18. For your information that letter was not written out of impulse or pique, but rather as a result of 10 years of observation and experience and a sincere concern over the integrity of the great institution known as the press.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

EXHIBIT 5

THE WASHINGTON POST AND
TIMES HERALD,
Washington, D.C., July 7, 1959.

Mr. O. R. STRACKBEIN,
The Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy, Washington, D. C.

DEAR MR. STRACKBEIN: This is in answer to your letter of July 6. In your earlier letter and in this letter you make some unsupported allegations as to the general newspaper treatment of a subject in which you are interested. You do not back up your allegation with a single reference, the citation of a single newspaper, or with any facts or figures or quotations from the press. In the absence of any supporting data, I think I am justified in concluding that you are just like any other earnest and sincere lobbyist of some special interest who, by the very nature of his work, is bound to believe that the press as a whole does not give enough attention to the subject in which he is passionately interested.

Nothing that you have submitted suggests to me that there has been any outrageous default on the part of any newspaper in particular, and upon the part of the press as a whole, in the handling of the subject of trade relations and tariffs.

If and when you ever have any factual material I would, of course, be interested in examining it inasmuch as I am naturally much concerned with the general performance of the press and its coverage of all fields of news.

Sincerely yours,

J. R. WIGGINS.

EXHIBIT 6

THE NATIONWIDE COMMITTEE,
OF INDUSTRY, AGRICULTURE, AND LABOR
ON IMPORT-EXPORT POLICY,
Washington, D.C., July 9, 1959.

Mr. J. R. WIGGINS,
President, American Society of Newspaper Editors, Washington, D.C.

DEAR MR. WIGGINS: In your letter of July 7 replying to mine of the 6th, you say that I have submitted no facts, figures or quotations to support my allegations. That is true. This fact, however, in no way justified your dismissal of the complaint with the brushoff contained in your letter of July 2.

You say now that you are justified in concluding that I am "just like any other earnest and sincere lobbyist of some special interest who, by the very nature of his work, is bound to believe that the press as a whole does not give enough attention to the subject in which he is passionately interested."

How you can be thus justified if you have not seen the evidence, as you say, I leave to you to say. However, I doubt if your innocence of the facts is quite as pure white as you simulate.

Be that as it may, I note that you say that if I have any factual material you would, of course, be interested in examining it. This concession I appreciate. It reflects an admirable sense of public responsibility. I would, however, be interested in knowing what machinery is provided in the form of a board or a committee to which such evidence might be submitted. It would seem a bit odd that a complaint, involving a charge of bias, should be resolved by the very agent against whom the complaint is lodged. Therefore, I would appreciate it very much if you made available to me a list, together with addresses, of members of any committee or board in your society that has been established to receive and weigh complaints against the press. I am sure there must be such a committee.

This you will appreciate is not a reflection against you personally. It is merely a means of guarding against the human inclinations to which you yourself are so sensitive, as revealed in your letter (in the paragraph quoted above).

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

EXHIBIT 7

THE WASHINGTON POST
AND TIMES HERALD,
Washington, D.C., July 10, 1959.

Mr. O. R. STRACKBEIN,
The Nationwide Committee of Industry, Agriculture and Labor on Import-Export Policy, Washington, D.C.

DEAR MR. STRACKBEIN: Your letter of July 9 rather puzzles me. If you did not wish to have me examine this problem why have you been writing to me? I certainly did not intend to solicit the privilege of looking at your material.

There is no formal committee in this country which sits in judgment upon the press, and I am sure you know there isn't any such agency. The people who read and buy the newspapers are the ultimate judge of them, and it has been hitherto thought, under our free system of government, that there is no other fit judge.

Sincerely yours,

J. R. WIGGINS.

EXHIBIT 8

THE NATIONWIDE COMMITTEE
OF INDUSTRY, AGRICULTURE, AND LABOR
ON IMPORT-EXPORT POLICY,
Washington, D.C., July 13, 1959.

Mr. J. R. WIGGINS,
President, American Society of Newspaper Editors, Washington, D.C.

DEAR MR. WIGGINS: Your letter of July 10 seems to me to represent little more than fencing to avoid coming down to the substance of my complaint of June 18.

Why you should be puzzled, as you say in your reply, because I prefer to submit evidence in support of my complaint to a committee or similar group rather than to an individual who has already dismissed the complaint on the ground that it represented no more than the aberrations of an earnest and since lobbyist, indicates to me that you are either puzzled easily or wish to dispose of the issue by engaging in fencing tactics.

You say that there is no formal committee in this country that sits in judgment on the press and that I must know this to be a fact.

Perhaps this is what is wrong. I must say that the press, if you correctly represent it, evidently regards itself as being above the law, above human discipline or any of the other restraints to which all other segments of society must submit. Our society demands surveillance of its parts by the whole because human beings are all subject to error, naturally impatient of restraint and generally untrustworthy if left indiscriminately to their private whims and devices.

I had always, at least until now, regarded editors as belonging to the human species rather than visualizing them as tutelaries residing above and beyond the common procession.

If the press does not have a committee, whether formal or not, to which serious charges of malpractice or nonfeasance can be brought, that fact of itself convicts it of arrogance and self-serving practices that could not stand up in a democracy in any other field of human endeavor. It is a position that it can sustain only because it wields a power of possible vengeance and destruction that lies beyond the reach of the citizen—a position that it characteristically defends by taking quick refuge in the sanctuary of freedom of the press.

If ASNE does not have a committee of the kind envisioned in my inquiry it had better set one up if it aspires to be anything other than a social fraternity. I still believe that it must have such a committee and if I cannot get the names from you, the president, I shall of course have to make inquiry elsewhere.

You say that the people who read and buy the newspapers are the ultimate judge of them; and add that it has hitherto been thought that there is no other fit judge. If this principle were extended into other fields we should have no need of a Food and Drug Administration, Bureau of Standards and similar referees that bring objective measures to bear where great abuses might otherwise prevail. We do not rely on the consumers alone.

In saying this I do not suggest a governmental body to look over the shoulders of the press; far from it; but as previously noted, the undesirability of such surveillance makes it all the more necessary for the press to look to its fairness. Instead of reacting in a testy fashion when its practices are questioned it should, to its infinitely greater credit, cooperate.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

EXHIBIT 9

THE WASHINGTON POST
AND TIMES HERALD,
Washington, D.C., July 15, 1959.

Mr. O. R. STRACKBEIN,
The Nationwide Committee on Industry, Agriculture, and Labor on Import-Export Policy, Washington, D.C.

DEAR SIR: I have your letter of July 13.

I have read your letters with care and have patiently tried to explain to you that your unsupported allegations furnish no information upon which to base any kind of an examination of the issues that you raise.

You have a right to your opinion as to whether there should be an American Society of Newspaper Editors' committee to consider complaints against the press, but there is no such committee.

I find your letters insulting and abusive and have no desire to continue a correspondence that has become a nuisance and a bore.

Sincerely yours,

J. R. WIGGINS.

EXHIBIT 10

THE NATIONWIDE COMMITTEE OF
INDUSTRY, AGRICULTURE, AND LABOR,
ON IMPORT-EXPORT POLICY,
Washington, D.C. July 15, 1959.

Mr. J.R. WIGGINS,
President, American Society of Newspaper Editors, Washington, D.C.

DEAR MR. WIGGINS: Your letter dated July 15 seeks to draw the curtain on my complaint. You ask an end to our correspondence because you have found my letters insulting and abusive. I have become a nuisance and a bore, you say.

These somewhat frenetic observations do not obscure the initial complaint nor the desirability of having its substance appraised. You take umbrage at the fact that I have not submitted the evidence to you and you have now refused to honor my request for the name of any committee or group in the ASNE that has been set up for such purposes.

Under the circumstances I must go somewhere else than to the current president of ASNE to find the proper disposition of the complaint. This leaves me a little sad.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

Mr. BAILEY. Mr. Speaker, the writer of the letter was O. R. Strackbein, who is chairman of the Nationwide Committee on Import-Export Policy. As such he has been a leader of the protectionist forces that have sought a measure of defense against destructive import competition in this country. He has spent over 10 years as an active participant in all tariff and trade legislation, having among other things testified numerous times before the House Committee on Ways and Means and the Senate Committee on Finance since 1947.

In his letter to Mr. Wiggins, Mr. Strackbein complained of the press coverage of the tariff and trade issue claiming that it has been very one-sided in favor of the liberal trade position. He asked that he be given an opportunity to present his case to a committee of the society of editors. A reading of the correspondence will reveal that such an opportunity was not provided on the grounds that there is no committee dedicated to hearing complaints of this kind.

Mr. Speaker, it seems very odd indeed that substantial complaints of this kind should not be able to obtain a forum. This is particularly odd, indeed ironic, in a field so intimately involved with freedom of speech and freedom of expression. That the very champions of freedom of the press should put themselves in the position of denying an outlet to a complaint as deep-seated and serious as I know this one to be, is unthinkable. I think it represents a gross miscarriage of a responsibility; and I would think that a second thought might bring about a reversal of the denial.

Mr. Speaker, I know of the interest of all Members of Congress in this matter, and at this time I yield to the distinguished gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, the gentleman from West Virginia has opened a subject this afternoon that deserves attention. I agree with him that some of our press, particularly in the East, but not limited to that, have been guilty of winnowing and shaping the news on the tariff and trade front very much to suit itself. This I acknowledge to be a serious charge and one not to be loosely made; nor am I unmindful of the fact that many newspapers have fulfilled their responsibility to the public in this field. Nevertheless I am convinced that the grounds for complaint are solid and justified by our experience.

The Government of this country was set up on the principle of checks and balances. The reason for this lay in an unwillingness to concentrate too much power in the hands of any one branch, lest the Government become a tyranny. This view represented a deep-seated distrust of the use of unrestrained power by any group. This distrust was based on very practical and even bitter experience.

Very well, we undertook for sound reasons to guard our society against any and all undue concentrations of power. Accordingly we made all branches of the Government either responsive to the people, through elections as in the legislative branch, or subject to restraint from the outside as in the confirmation of Presidential nominees by the Senate, or in veto of legislation by the President, and so forth.

On the other hand, we guaranteed freedom of the press in the first amendment to our Constitution. I think this was right. I think the press ought to be free. I think on the other hand that everyone will agree that freedom in this field as in all others must be limited by the impact of action under such freedom on the rights and prerogatives of others. Freedom of the press to justify itself must therefore bow to responsibility. Without restraint the power wielded by the press could easily become as tyrannical as any other unchecked power, be it legislative, judicial or executive.

I can say that in my judgment, exercised over a number of years of observation, the press has not always given to the public an unbiased account of the news as it has developed in the discussions and often bitter debates on the trade agreements program. A segment of the press has upheld the administration position in support of lower tariffs, the shift of power from Congress to the executive in the regulation of foreign commerce, the domination of the scene by the State Department and the merging of the United States with other countries in an international trade organization for the control of foreign trade.

Such support is the undoubted right of the press; but the press has no right whatsoever to do what I strongly feel it has done, namely, enlist as soldiers in the executive campaigns to extend the trade agreements system, by keeping the opposition out of the news in one case after the other, and by playing up the statements and opinions of the supporters in headlines and front-page displays, all in contrast to the near banishment of the protectionist sentiment. To many of us this has been a disturbing practice.

Mr. Speaker, I am glad that the gentleman from West Virginia has called this

matter to the attention of the House. I do not believe that Mr. Wiggins in his response to the complaint lodged with him reflects the views of the press as a whole. It is to be hoped that the remarks made here today will help in some way to bring about a fairer presentation of the news by those publications which heretofore have failed in that regard.

Mr. BAILEY. Mr. Speaker, I now yield to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, I am happy over this opportunity to add my voice to that of the other Members who have spoken this afternoon. My experience coincides with that of other Members who have found the press of the great cities of this country, those newspapers with the widest circulation and most influence, generally championing the freer trade cause.

In saying this I refer not only to the editorial page but to the news items as well. We are all willing to concede that it is the prerogative of a newspaper to advocate this or that side of a public issue in its editorial columns. It is something quite different, however, when the news columns are themselves converted into means of giving support to and boosting the favored side of a national issue while detracting in numerous ways from the other side.

Mr. Speaker, I have not measured the volume of news on the subject of tariffs and trade since I came to Congress 13 years ago, nor have I determined how many inches have been devoted to the free trade side as compared with the space devoted to the protectionist side. I do not think it is necessary for me to go to a rain gauge and read how much it has rained in order to know that it is raining or that it has rained. It is much the same with news coverage.

I have observed numerous occasions, some of them right here on the floor, when news on the trade question was generated on the side of protectionism with little or no subsequent mention in the press. Most of us speaking here this afternoon, or rather I should say all of us speaking here this afternoon, are mature enough and wise enough in the ways of the world to recognize suppression, distortion or covering up of news. True most of us are perhaps a little prejudiced in favor of our own views and our own interests; but I do not think that we are alone in this. The press itself no doubt suffers from the same defect. It is when the balance is as one-sided as in the coverage of the trade agreements program, that our impression can no longer be ascribed by the greatest stretch of the imagination to mere self-interest or partisanship.

Mr. Speaker, I have been present on this floor on a number of occasions and have participated in several, when a sharp attack was made on the manner in which the trade agreements program has been administered. Ten or more Members from different parts of the country and of both political parties have sometimes enlivened the onslaught. Some of this happened when the trade agreements program was very much before the public through the press. If these attacks were not news it would be very interesting indeed to have a definition of what the press regards as news. It would also be enlightening to learn who on the newspaper staff determines what is and what is not news, what is to be printed and what is to be discarded, what is to be turned into headlines and what is to be hidden in some obscure corner of the newspaper.

By way of further light on the newsworthiness of some of the attacks on this floor against what was being done and what was not being done under the trade agreements program, let me point out that in 1955 when the vote on the trade agreements program at one point hung on the balance of one vote, the press found itself greatly surprised by the vigor and strength of the opposition to the program. The press had become the victim of its own failure to print what was newsworthy. Judging by the treatment that had been given the protectionist forces in the press during the preceding years, months, and days, the press was right, if it believed its own news columns, in dismissing the protectionists as of minor consequence. The mistake exploded in its face when the votes on the floor gave an entirely different result.

We all repose great faith in the press because of its undoubted power but we are often left little more than a prayer and a hope that it will use its great power fairly. The press will surely lose its powers and influence if it continues abuses of the kind that are being deplored here this afternoon.

But what can we do about it? Obviously we do not wish to dominate the press. Freedom of the press cannot abide domination by the Government or any of its branches. Yet if the press itself is at fault or if it is accused of being unfair what can be done about it? Who will hear the complaint? Shall it be the press itself as represented by an individual? Shall it be a committee of the press, selected for the objectivity of its members? Or should outside judges be brought in so that an impartial result might more likely be expected?

It would appear from the correspondence that has been put in the RECORD and which I have read, that there is no such committee representing the press; and if there is any outside committee it has never come to my attention. I think the situation as we find it is a vacuum that badly needs filling. The question is too important to leave to the hit-and-miss of our busy days, simply to drift without attention or concern.

I would like to see some suitable machinery set up by the press itself to which serious complaints might be referred; and publicity given to the complaints, their substance, the evidence supporting them and to the decision reached by the committee or board hearing the complaint. Such a committee or board should be guided by an editorial code of ethics and rules of fair practice in the field of news gathering and dissemination.

If this were done, the public which is greatly benefited by freedom of the press but which also stands to be grievously injured by abuses of this principle, would have a needed referee or umpire and could feel more confidence in the news as a guide to the practice of good citizenship and intelligent voting.

Mr. Speaker, I wish to commend the gentleman from West Virginia for his courage in bringing this matter to the floor and giving us this opportunity of expressing something that has long needed saying. I assure him of my full support in anything that he may do toward awakening the public to the facts in this situation.

Mr. BAILEY. Mr. Speaker, I deeply appreciate the comments of my colleague, the gentleman from Georgia.

Mr. UTT. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. UTT. Mr. Speaker, I wish to associate myself with the remarks of my colleague, the gentleman from West Virginia. I appreciate the fact that he has called attention to this matter on the floor. For many, many years I have been disturbed by reporting which I thought was not objective. Such reporting has not only been limited to the Trade Agreements Act which some newspapers happen to disagree on with the minority of us who believe that American industry, labor, and agriculture should be protected, but it extends to many other fields—political and economic fields. And this situation is to be found not only in the news media of the metropolitan newspapers but also applies to the news media of radio and television.

I have seen a great deal of reporting from Capitol Hill on television and think that it has given to us three times as much space to the side reflected by the editorial side of that television station than by objective reporting as I have seen it on the Hill. It also extends to radio commentators. I would like to cite just one example.

We had on the west coast the Don Lee Broadcasting System of 56 radio stations and some 24 or 26 television stations. There was a client of that chain of stations by name of Lewis, who owned a very large industry. He had on that radio station a commentator for many, many months. The system was purchased by a national chain and immediately they said: "We will not permit you to have that commentator on the network; we are going to be the judge of what commentator you shall have."

They have a practical monopoly granted by the Federal agency, and they said to this man: "You must take off the air, take off the radio, and take off the television this commentator you have had over the years."

This client had to make 26 television scripts and 56 radio takes to send to each individual station for them to use separately because he was not allowed to use the facilities of the chain under the new management. So, although 99 percent of the stations wanted this commentator, yet he was denied access to the air.

Mr. BAILEY. Will not the gentleman from California agree with me that a lot of our news dispensing agencies and groups are just about in the same category as the national bar association or

the national medical association which have been the worst closed shops we know about.

Mr. UTT. I appreciate the gentleman's comments. I happen to be a member of the California bar and I do not quite agree that it is a closed shop, but a man cannot practice law until he has passed the State bar examination and unless he has the required education. I am sure of that.

Nevertheless, to get back to my story of a monopoly of the air and the refusal to carry certain commentators, it would be the same as if a railroad which has a monopoly refused to carry my merchandise because they happen to manufacture the same merchandise. Because they are a monopoly they are going to foreclose me from the use of their public utility.

I think there should be regulations which would give the people the right to the use of the air when that permission has been granted by the Federal boards and Federal bureaus.

So I appreciate the fact that the gentleman from West Virginia has brought this matter up.

I would like to see this matter arbitrated by some individuals from an unbiased standpoint. I would like to see and I would hope out of this discussion we might be able to find some group of citizens who would act as an arbiter between the people and those who actually own the media of news dissemination.

Mr. BAILEY. I want to sincerely thank the gentleman from California for his timely and valuable remarks and the new angle he indicates as an approach to a solution of this problem.

Mr. BOW. Mr. Speaker, will the gentleman yield for a brief comment?

Mr. BAILEY. At the present time I would like to yield to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. BOW. Mr. Speaker, will the gentleman from South Carolina yield?

Mr. HEMPHILL. I yield.

Mr. BOW. To sum up what the gentleman from West Virginia and the gentleman from California have said, freedom of the press does not mean freedom of the press to determine that which the American people should or should not read, but freedom of the press should mean freedom to print all of the news so that both sides of all issues may be known.

Mr. HEMPHILL. I think I understand the gentleman, and I compliment the gentleman on what he seeks to do, which is to get each side of the story told, because it has been my experience that some of the difficulty we have arises from the fact that the people have not been told the full story which goes far and beyond business functions, trade, export or import, reaching into the field of human welfare and human emotions.

Not long ago, as I told this House, a mill in my district was closed. We asked before the closing of the mill for the Government to do something about it because 200 families were directly affected, families who had paid taxes for 50 years, had been citizens and contributed to the welfare of the community and the churches. They, of course, had some reason to expect that the Government of the United States would do something for people in their time of dilemma.

We canvassed the departments here in this bureaucratic city and we found no one sympathetic to our cause. I find vacant homes and silent smokestacks and cobwebs on the looms. Of course, I wonder whether or not if their story had been told throughout this land, the wave of human emotions for fellow Americans put out of work and almost out of the status of dignity because they could not maintain their standard of living, would not have aroused some activity perhaps in the Congress itself.

I have an article which did appear in the newspapers. It is the other side of the story to some extent, and I want to read it. It is the text of a communication from the American Embassy in Tokyo dated July 1, 1959. I may have missed it in the newspapers but, certainly, it was not given wide publicity. It states as follows:

JAPAN'S EXPORTS TO UNITED STATES INCREASE SPECTACULARLY

The increase in Japan's exports to the United States during the first 5 months of 1959 can only be described as extraordinary. Exports during the first 5 months of 1959 reached a total of $385 million compared to $238.6 million in the first 5 months of 1958, an increase of 50.2 percent. Japan's exports to the rest of the world (U.S. exports excluded) dropped by 1.7 percent during this same period.

Imports from the Untied States of $462.7 million for the first 5 months of 1959 were down 4.4 percent from the $483.4 million of the same period last year. Japan's imports from countries other than the United States were up 13.2 percent in this first 5-month period.

Apparently resulting from growing prosperity in the United States, the high level of exports to the United States was supported by increased sales in every major commodity category with the exception of cotton fabrics and canned tuna. The table below tells the story:

Japan's major exports to the United States, January to May 1958 and 1959

[Values in thousands of dollars]

	January to May 1959	January to May 1958	Percent changes, January to May 1959 from January to May 1958
Clothing	$35,299	$25,021	+41.1
Silk fabrics	12,832	7,033	+82.5
Woolen fabrics	12,254	10,275	+19.3
Cotton fabrics	9,841	10,213	−3.6
Raw silk	6,957	3,493	+99.2

The value of Japan's exports to the United States of $85.8 million in May 1959 was 14 percent higher than April 1959 and 65.8 percent higher than May 1958. The value of imports from the United States of $96.2 million in May 1959 was 2.1 percent lower than April 1959 but 2.8 percent higher than May 1958.

American livelihoods are being affected; people in the textile industry are being affected.

I want to read to you from a good report; from some stories which appeared only in the Wall Street Journal, and I compliment them on their alertness and for the stories they gave which I am going to read.

I realize that these are the people whose forebears have participated in every war, and every graveyard in my district has headstones from every war of people who made the great sacrifice and we wonder why the Nation would not be concerned over their difficulties at a later date.

It is important to these people because the textile industry is one of the biggest industries in the United States, and its people are the finest workers we have. I will put the workers in our textile industry up against those of any other manufacturing concern.

Of course, my particular interest would be in those people by whose sufferance I have been honored with my present position. Each time I go home I find someone out of work because of a situation which has not been given the publicity to arouse the American people. I wonder what the situation is.

I have here another article from the Wall Street Journal which I include at this point.

The story is as follows:

MIDWEST INVASION: SEAWAY SPURS DRIVE BY FOREIGN FIRMS TO EXPAND SALES IN UNITED STATES—FRENCH UNLOAD 603 RENAULTS IN CHICAGO—POLES, SWEDES PLAN TO STEP UP SHIPMENTS—"WE'RE STILL DOLLAR HUNGRY"

(By William R. Clabby)

CHICAGO.—While a growing number of American manufacturers fret over rising foreign imports, overseas firms are beginning new assaults on the rich U.S. market.

This morning, for example, an Arabian tumbling troupe from Morocco, a Spanish ballet company and a frenetic group of voodoo dancers from Haiti will begin going through their paces aboard a gaily-bedecked, 7,000-square-foot barge anchored off the end of Navy Pier here. These festivities will signal the opening of the Chicago International Trade Fair, an event which is expected to draw more than one million visitors to the pier within the next two weeks.

While this collection of international talent is entertaining the visiting crowds, some 2,000 foreign businessmen gathered inside the cavernous building on the mile-long pier will be quietly and methodically putting on a show of their own. Their efforts will not be directed particularly toward providing amusement.

A LARGER CHUNK

Instead, these businessmen from overseas will be aiming at carving out a larger chunk of the U.S. market for their firms. Some 100,000 foreign-made products are on display at the 500 exhibits on Navy Pier. This strong sales bid is being bolstered by a powerful new weapon supplied partly by an obliging Uncle Sam—the St. Lawrence Seaway.

Opened only 10 weeks ago, the new waterway already is proving a boon to overseas manufacturers and they are out to make the most of it. Aside from the heavy participation in the fair, foreign countries are busy expanding their commercial staffs here to meet growing demands and individual overseas firms are busy signing up agents or setting up distributorships in the Midwest.

"The Seaway provides a grand opportunity for us to penetrate one of the largest markets in the world, the American Middle West," comments one foreign trade commissioner here. "We don't intend to let that opportunity slip by," he adds.

Figures compiled on Seaway traffic thus far indicate there is little danger of this happening. In May, the first full month of

the Seaway's operation, foreign firms flooded Great Lakes ports with 785,200 tons of cargo, 71 percent more than the 457,593 tons shipped into the lakes a year ago, before the passage to the lakes could handle large ocean-going ships. June totals are not yet available but shipping officials here assert the heavy import pace is continuing.

These newest efforts by overseas firms to crack the U.S. market spell trouble for many U.S. companies. Some here in the Midwest are running into stiff competition from abroad for the first time.

STEEL AND CARS

"Gains are particularly evident in imports of steel, cars and general cargo," reports Maxim M. Cohen, general manager of the Chicago Regional Port District. It is estimated that during the first 2 weeks of the Seaway's operation nearly 15,000 tons of foreign-made steel were unloaded on docks in the Chicago district. This compares with only 48,500 tons unloaded in this area in the entire 12 months of 1958.

The Seaway, of course, is not solely responsible for the import upturn. Foreign firms have been gradually broadening their markets in America for some time. Total imports into the United States in the first 4 months of this year, for instance, stood at $4.7 billion, more than 10 percent above the $4.2 billion in the like period last year.

But there's little question the new Seaway is playing a big part in the acceleration of imports into the Midwest. By avoiding transshipment of goods from Eastern ports, Seaway users say they are racking up transportation savings of as much as 50 percent. In addition, the rapid increase in the number of Seaway sailings is winning customers formerly lost because of the infrequent ship schedules.

On top of all this, the Seaway is bringing new business to foreign firms just because of the mountains of attention focused on it in recent months.

A CONTINUOUS FLOW

"Ever since the Seaway opened this year we have been facing a continuous flow of people coming in here seeking information on how to buy directly from our country," declares Aris Gelletti, assistant to the Italian Trade Commissioner in Chicago.

Gordon Q. Evison, commercial consul for Great Britain here, says: "The water route to the Midwest, for some reason, formerly was looked upon with a jaundiced eye but now, with the deepened channels, it is rapidly becoming an important and integral part of the transportation pattern of foreign firms."

The reason for the change appears simple to many American buyers. Listen to Albert Magsamen, traffic manager for Arthur Salm, Inc., Chicago importers. Whipping out a sheaf of freight bills, Mr. Magsamen begins reading the figures on transportation costs for 10 cases of kitchenware which he recently imported to Chicago via the Seaway. Cost of the shipment, which came from Bremen, West Germany, totaled $81.13, including trucking charges from Calumet Harbor here to Salm's warehouse on Chicago's South Side.

In contrast, Mr. Magsamen looks to a shipment of kitchenware weighing nearly the same which was delivered earlier this year from Bremen, only via New York City instead of the Seaway.

"It cost me $47.18 to get it to New York, then $64.60 to bring by rail to Chicago," he notes. Besides these charges, the Chicagoan paid $2.52 in drayage and $9.50 in forwarder fees for a total cost of $123.80. "That's about 50 percent more," he calculates quickly. "So, the only time I'm using New York is when I need something in a hurry," he explains.

Seaway savings are not always that large, of course, but most times they are sizable enough to convince businessmen that skipping eastern ports and using the waterway is worthwhile.

Montgomery Ward & Co., big mail order house and one of the city's largest importers, notes the savings on shipments of barbed wire from Europe as another example. By way of the Seaway, Ward's says the transportation charge runs $34.45 a long ton (2,200 pounds), including a Seaway toll charge of $1.05. The same wire shipped through New York City would run up a transport bill of $49.01 by the time it reached the same Chicago warehouse, the company adds.

New customers are being added daily, report Chicago shipping executives. Some time this month, for instance, Import Motors of Chicago, Inc., Volkswagen distributors for the Midwest, will begin receiving the little German cars for the first time via the Seaway.

DIRECT FROM GERMANY

"Instead of getting the cars through Baltimore with all that expensive overland shipping, we will start receiving them direct," says Oliver Schmidt, secretary-treasurer of Import Motors. "We will be getting 1,000 cars a month at about a $50-a-car savings." He figures the Chicago firm will still use Baltimore in the winter and, averaging out its transportation costs for the whole year, a Volkswagen buyer should save $25 to $30 a car because of the Seaway Mr. Schmidt declares.

These hefty savings are appealing to foreign firms who have looked longingly at the Midwest as a potential sales territory. This partly explains the heavy representation of oversea companies at the Chicago Fair. The Chicago Association of Commerce and Industry, sponsor of the exhibition, claims it is the largest show of foreign products in U.S. history.

Oddly enough, the biggest single exhibitor is the Japanese Government which, though it lies far from the mouth of the Seaway, is making a big pitch for Midwest business.

"Up to now we have been concentrating our sales efforts in New York City and on the west coast," states Junzo Sato, balding, bespectacled representative of the Japanese Government, "This year we decided to look toward the Midwest now that we have a direct access to such ports as Chicago."

FORTY THOUSAND DOLLARS FOR SPACE

Laying the groundwork for the big assault, the Japanese have rented 10,000 square feet at the fair, shelling out $40,000 for the space alone. In addition, the Japanese are hauling in some 20,000 individual products for display.

"We are still serving the Midwest through New York," notes Mr. Sato, "but at least two or three of our ship lines are studying the feasibility of entering the Seaway." The Japanese official says the Seaway opening already has attracted enough traffic to warrant regular service by two Japanese ship lines to Montreal for the first time.

Another foreign country aggressively seeking to expand sales in the United States is Austria. "The Seaway is making us very, very happy," says young Guenther Gruber, Austrian trade delegate. In between phone calls regarding his country's exhibit at the fair, Mr. Gruber relates the Seaway is playing an important role in Austria's bid to expand exports to the United States.

Austrian aluminum, steel, textiles, motorcycles, and ball bearings are pouring into the Midwest at record rates, the Austrian declares. "Alloyed steel has been particularly strong, although it is hard to assess what part the threat of a steel strike is playing."

SUBSTANTIAL GAINS IN 1959

Though no figures are yet available on Austrian shipments this year through the Seaway, Mr. Gruber says his country is looking for substantial gains in 1959. Last year, the European country poured in $1.5 million in goods into Chicago alone, triple the rate of just 2 years before. There are indications that last year's total will be eclipsed by a big margin this year.

In the first quarter of 1959, for instance, when the Seaway was not yet in operation, Austrian firms shipped $14.6 million of products into the United States, up sharply from the $8.5 million exported to this country a year earlier. The increase is especially welcome to Austrians this year because of their export losses to European countries belonging to the Common Market. "Our trade with Belgium, France, Italy, and the Netherlands fell off in the first quarter," declares Mr. Gruber, "We need to offset such losses and hope the answer lies here in America," he adds.

Communist Poland, surprisingly perhaps, is one of the largest exhibitors at the fair. The Poles have rented 7,500 square feet on Navy Pier in a determined bid to boost sales of capital goods, declares Janusz Wachnowski, a representative of the Polish Chamber of Foreign Trade.

NOT JUST HAMS

Explaining in accented English that Poland now is engaged in a "big effort" to boost sales to the United States, Mr. Wachnowski says his country is emphasizing exports of machine tools and light industrial machinery. "We do not just produce hams, you know," he asserts, although adding that Poland is happy to supply the United States with his food product.

Mr. Wachnowski notes that some Polish machine tools are now beginning to come into the United States and he expects sales to increase gradually, if not rapidly. He estimates that Polish shipments to the United States will reach $35 million this year, about 10 percent ahead of the $32 million exported to this country last year.

Sweden, too, is aiming to increase its rapidly climbing sales to the United States still further. "Individual Swedish firms and government authorities are now planning extensive collective efforts to penetrate the U.S. market," declares Anders Attling, Swedish trade commissioner here. "For one thing," he goes on, "the Swedish Department of Commerce is channeling a larger portion of funds each year into the area of trade promotion in the United States."

Swedish shipments to the United States have risen sharply in recent years and Mr. Attling is counting on them to continue upward. Last year, for example, the Scandinavian country sold some $120 million of goods to U.S. buyers, up from $102 million the year before. "We still have a long way to go to balance our trade with America and so we are still dollar hungry," Mr. Attling explains.

"We're never satisfied," laughingly declares another foreign trade representative stationed in Chicago, when queried on trade with the United States. "The Seaway is presenting us a wonderful opportunity to increase trade and we are exploiting it hard," asserts Marcel Fauriol, commercial attaché to the French consul here.

Just this week, notes Mr. Fauriol, a new French liner dubbed the *Chicago* eased its way up to the docks in the windy city and began unloading, among other things, 603 Renalt autos. It was the largest shipment of autos ever received here by water, he declares. The *Chicago* also carried such traditional French items as perfume and wine.

"This ship was designed specifically for Great Lakes traffic," remarks Mr. Fauriol. "Next year another liner, the *Cleveland*, will join in," he adds.

While the foreign officials are busy expanding their sales, however, U.S. businessmen are undertaking steps of their own to combat the import climb here in the Midwest.

NEW PIPE PLANT

John Madden, president of James B. Clow & Sons, Inc., Chicago cast iron pipemaker,

concedes the Seaway played an important role in that firm's decision to open a new plant in Bensonville, Ill., near Chicago.

Previously supplying the pipe to Chicago from plants in Ohio and Alabama, Mr. Madden declares his company became very much concerned over the impact of the St. Lawrence Waterway, particularly the ability of the Common Market countries and England to undersell us here.

With this in mind, Clow built a $6.7 million cast iron pipe plant and opened it last September. It enabled the firm to chop the price of its pipe by $10 a ton, an 8 percent reduction, largely through lower transportation charges.

"What we did was strictly a defensive move," states Mr. Madden. "If we had not come in here someone else, probably from England, would have," he says.

I also have here some other articles which I think might be important. I find here an article headed "Traveling Tractors," and I include it also as a part of my remarks.

The article follows:

[From the Wall Street Journal, Apr. 20, 1959]

TRAVELING TRACTORS: PRODUCERS SPUR IMPORTS FROM THEIR FOREIGN PLANTS, CITE SAVINGS—HARVESTER GETS FIRST UNITS—OLIVER SEEKS FOREIGN TIE—CASE EXPANDS IN FRANCE—THE UAW STARTS TO WORRY

(By John F. Lawrence)

At a pier in Jacksonville, a crew of husky Negro stevedores was busy a few days ago unloading a shipment of bright red farm tractors from the hold of the British freighter, *Manchester Merchant*.

This work scene in the warm Florida sunshine went practically unnoticed. The shipment was small—only 12 tractors. And the big farm equipment factories in the North were busy with their own affairs turning out a heavy flow of equipment for farm needs this summer.

These 12 tractors, however, have a special significance. They are the first farm machines that International Harvester Co., the world's largest maker of such equipment has imported from abroad. The company will bring in 300 more between now and summer —all made in Harvester's factories overseas. And that's just the start, company officials predict.

A GROWING CROWD

Harvester is not alone in this endeavor. Ford Motor Co.'s tractor division and Massey-Ferguson, Ltd., of Toronto, already are active importers. And now three other major farm equipment companies are considering similar steps. J. I. Case Co., the big Racine, Wis., producer, probably will be the next to take the plunge. Both Oliver Corp. of Chicago, and Minneapolis-Moline Co., Minneapolis, have executives abroad scouting the prospects.

It's a quiet trend, so far; total imports last year were only $23 million, compared to total U.S. production of farm equipment of $1.5 billion. But it holds dramatic possibilities, particularly for American farmers who might expect to gain some of the purchasing economies from low-cost European tractor production that buyers of small foreign cars now enjoy.

Already, a few farmers are beginning to gloat over the bargain they've gotten. "I figure I saved about $1,000 over a U.S.-made model," says Paul H. Betts of Kewanee, Ill., who bought a $3,100 imported Fordson tractor a while back.

SOME WILL LOSE

The import possibilities aren't nearly as pleasant for the 100,000 workers in America's farm equipment factories. Imports last year were up 77 percent from 1957 and were nearly six times as large as in 1952. It is estimated that 1,500 more men would have been needed in factories here if the machinery imported in 1958 had been produced in the United States.

"It's the company's (International Harvester) obligation to keep all the employment in this country it can," snaps Tony D'Allesandro, president of United Auto Workers' Local 1307 at Harvester's big West Pullman Tractor Parts plant in Chicago. His chief, UAW Vice President Duane "Pat" Greathouse, talks of the need of a comprehensive study of the import problem and mentions tariffs as a possibility. (Farm equipment now comes in duty free.)

Much lower labor costs abroad, of course, provide the main impetus for the import surge. Hourly wage rates in European farm machinery factories are as much as 74 percent below those here. Harvester, for example, pays 82 cents an hour in Great Britain, 67 cents in Germany, and 64 cents in France. It pays $2.59 in the United States. In addition, Harvester's British employees work a 44-hour week compared with the standard American 40-hour week. Harvester says fringe benefits also are lower at its foreign plants.

EFFECTS ON SUPPLIERS

For American companies with factories abroad, any increase in imported farm machinery will probably consist of shifting orders and production from one plant to another. But the impact on companies without extensive foreign operations may be much more severe. Also, there is the possibility of less business for U.S. producers of steel, castings, paint, and the dozens of other components which go into farm tool assemblies.

The tractors being brought in this year by American companies are not directly competitive with U.S. models, being either smaller or larger than their American counterparts, much as General Motors Vauxhalls and Opels have little similarity to Pontiacs and Buicks. But, if the expected economies of foreign production prove out, there is nothing to prevent the European factories of U.S. companies from switching to tractor models identical with those now being made in the United States. At the present stage, in fact, tractor imports bear a marked similarity to the foreign car situation of 5 years ago, when import volume was only about 30,000 cars a year. Since then, car imports have gained substantially every year and are expected to reach nearly 500,000—hardly a reassuring comparison for America-firsters in the tractor business.

International Harvester's plan of operation is to concentrate on selling its imported tractors in the Southeast at first and then broaden the program to other parts of the country. Tractors probably won't be the only machines involved. "I think you'll see other items coming in," says Mark V. Keeler, farm equipment vice president. Already plans are being considered for hay balers from the company's French plant and grain planters from its Swedish factory.

J. I. Case's energetic president Marc B. Rojtman, says: "There's a strong possibility we'll import a small diesel tractor; we'll certainly make the decision by yearend." Case is boosting the annual capacity of its French plant to 12,000 units from 5,000, partly to take care of this possible export volume to the United States. This will double the French factory's current 1,100 employment. Case's payroll in the United States at the moment is about 14,000, in comparison.

Ford started importing tractors in 1953 with a large diesel model manufactured in the firm's English factory. Late last year, Ford began bringing in a second diesel model, smaller than the original. It expects its imports, as a result, to climb from the 2,860 units brought in last year.

Oliver Corp. is studying the possibilities of a joint venture with a foreign firm to produce Oliver equipment for import into the United States. Minneapolis-Moline, on the other hand, is involved in a search for low-priced foreign component parts. "We've studied world purchasing for 4 years, but we're just now getting serious," says M-M's president, J. Russell Duncan.

Canadian-based Massey-Ferguson and its major U.S. subsidiary, Massey-Ferguson, Inc., in Racine, probably are furthest along in international procurement practices. "We're working toward a worldwide network of integrated manufacturing facilities that will enable us to produce whatever we need wherever we can do it most economically," explains Albert A. Thornbrough, president, from his Toronto office.

Example: The company buys a transmission from its plant in France and a rear axle from one in England for a tractor it turns out in Detroit.

TWO ABSTAINERS

Of the Nation's eight major producers, accounting for 60 percent of domestic sales of machinery to farmers, only Allis-Chalmers Manufacturing Co., Milwaukee, and Deere & Co. in Moline, Ill., insist they aren't giving any consideration to importing farm equipment. But Deere, which with Harvester sits atop the heap in U.S. sales, is expanding a 2-year-old German operation. It denies intentions of aiming shipments this way but one outside company supplier insists, "I'll give you odds that's part of their purpose."

Even small implement makers are interested. The head of one Missouri concern reports he's already buying 40 percent of his heavy chain needs, used in the tractor hitches on implements, in West Germany. And he confides, "I'm working on a deal to make a license arrangement with a foreign firm to sell my equipment overseas." He could, if competition forced it, turn to importing his own products from this foreign concern, he says.

There's evidence, too, of increased competition from machinery bearing truly foreign trademarks. David Brown, Ltd., of London, has sold about 200 tractors through a west coast distributor in the last 5 years. Now it plans to step up sales efforts. The distributor, Tap Equipment Co., of Los Angeles, plans to increase total dealerships in 4 Far Western States to 50 from a current 15 by yearend.

What sort of savings are possible with foreign production? Harvester figures its imported diesel tractor, priced at $2,802, would cost U.S. farmers as much as $3,350 if it were made here, assuming the tooling were available.

"We pay more for tires overseas," says Jack L. Camp, Harvester vice president of foreign operations, "and there's little overall savings in other materials. The difference is all in wages." There is less automatic machinery in the company's English plant, so 14 percent more man-hours of labor are needed for each tractor, but, even at that, total labor cost per unit is about 60 percent less than in the United States. It costs roughly $150 each to ship the tractors across the Atlantic.

EVEN LARGER SAVINGS

Cost advantages of the French hay baler which the company may introduce here look even more promising; $600 versus $1,800 (after tooling up expenses in the United States).

Because of high gasoline costs in Europe, diesel-powered equipment is about all that is sold farmers there. This produces high volume—and low costs—on diesel engine parts in which U.S. manufacturers are increasingly interested. Minneapolis-Moline, looking for fuel pumping mechanisms for its domestic diesel tractors, thinks it can achieve savings of 30 percent under U.S. prices by buying abroad.

But price alone isn't the reason for the American companies' increasing stake in European production. Since the devastation of World War II, the market for farm machines abroad has increased year by year. U.S. companies have supplied this growing market both by exporting from American factories and setting up new factories abroad. Recently, export volume has been slipping: From $516 million in 1956 to $510 million in 1957 and $435 million last year. But sales from U.S. plants overseas have more than made up for this loss.

AN UNBROKEN RECORD

"We haven't missed once in the last decade in recording a 5-percent annual gain in overall foreign operations, despite the drop in the export portion," enthuses Harvester's Mr. Camp. The company last year produced 80 percent as many tractors overseas as it did in the United States. The total was under 10 percent in 1949, "and you could have put our 1939 production in your right eye," he says.

Actually, as its name indicates, International Harvester has produced some farm machinery abroad since the present firm was organized in 1902. But up to World War II much of the equipment made abroad was not produced here. "It was geared to the needs of particular countries—a mower suited to the speed of a camel," a Harvester official explains. Harvester served foreign markets for tractors by exporting machines produced here.

But at the end of World War II there was a severe dollar shortage abroad and foreign nations were also trying to get on a self-sustaining basis. So they set up import restrictions. "It was a case of produce abroad or walk away from the business entirely," the Harvester official explains. The competitive advantage of producing abroad and shipping to the U.S. only now is becoming apparent, he adds.

Meanwhile the domestic industry has actually shrunk in size since the postwar tractor buying spree that saw more than 600,000 units move to farmers in 1951. Even an improved year in 1958 left tractor production at just 234,000 units. Trade officials figure industry tractor capacity is under 500,000 units a year now.

To get an idea how important foreign plants of U.S. concerns are in the world market, the top three Western Hemisphere firms in foreign tractor production—namely, Massey-Ferguson, Ford, and Harvester—turned out about 182,400 tractors last year in England, France, and Germany. That's 53 percent of the 342,000 tractors produced by all companies, foreign and U.S. combined, in those key nations.

WORLD PRODUCTION

Figures on world farm tractor production are scarce. But Harvester, which is forming a worldwide statistics-gathering group within the company to serve its expanding international interests, makes these production estimates by major country (tractors provide the biggest single chunk of farm equipment sales):

Country:	*1958 production in units*
United States	234,000
Great Britain	140,600
West Germany	118,900
France	83,000
Italy	15,000
Sweden	8,000
Austria	5,000
Argentina	4,500
Canada	4,200
Australia	2,000
Yugoslavia	2,000
Total	617,200

(Production in the Soviet Union is unknown.)

One thing that has slowed development of foreign farm machinery concerns is that European farms, by and large, have remained small. The horse-drawn plow, an unusual sight on the Iowa countryside, is commonplace abroad. "The Continent has not produced bigger units needed for the bigger farms in volume," explains Harvester's Mr. Keeler. He figures they'll soon begin to, now that export markets are opening in Africa and South America.

With nearly half its capacity abroad, it's natural Harvester and others in the trade would find at least a few of their foreign products suitable for U.S. consumption.

Take the case of Ford. Until recently it had no domestic diesel tractor to offer. But farmers were clamoring for the huskier diesel engines, using cheaper diesel oil instead of gasoline, to pull bigger plows around their expanded acreages. The easy answer: Bring in an already successful oversea model.

A SMALLER RUNT

Or consider Harvester's plans. The runt of its domestic diesel line is a 53-horsepower, $4,400 unit. But some farmers seek a smaller one. So the company turned abroad. "It would cost us $35 million in tooling alone to start fresh and equip a production line for the unit here," says Vice President Keeler. It's costing nothing in tooling to import the item from England, he adds.

"Instead of picking the best city in the country in which to make a product, it's a case now of picking the best city in the world," sums up this official.

Planning production operations on a worldwide basis "avoids duplication and triplication of effort," observes Massey-Ferguson President Thornbrough. "I think you'll see more companies thinking in these terms," he adds.

The technique won't be limited to just the farm equipment industry, says Mr. Rojtman of J. I. Case, currently traveling abroad for the second time in two months. "The trend will cover 35 percent of all U.S. industry," he predicts.

Rising imports present some problems to the farm machinery trade. For one thing it appears certain to cut into sales of U.S.-made equipment, at least temporarily. Until two years ago Massey-Ferguson imported a tractor but then quit and turned to components instead. "The tractor was competing with existing Detroit capacity," explains Mr. Thornbrough. "That's the problem some of these others are going to run into," he warns.

NEW PRODUCTS

Some U.S. producers are by no means convinced the trend to importing from their foreign plants will be self-destructive in the long run. "We'd hardly let any U.S. facilities stand idle," declares tall, distinguished Brooks McCormack, Harvester executive vice president. "We'd use the plant to develop a new product," he explains.

"We may lose volume in some items where the biggest volumes are overseas," adds this official. But he reasons buying more from the oversea plants should spur trade in both directions, especially stimulating sales of items in which the U.S. continues to have the volume and the technological edge. "There'll be a lot of whooping and hollering down in Washington about the trend in the short run," he concludes, "but in the long run it's the salvation of our country."

U.S. automation still generally outpaces that of oversea plants in the industry Consider, for example, that a Harvester tractor made in England takes 224 hours of labor. The same tractor made here takes only 197 hours. Partly this is because cheaper labor puts less pressure on the British plant operators to add more automatic equipment. The result is some items made in big quantity here still can be made more economically than the same item made at a low volume and hence high per-unit cost abroad.

Then I continue on. Here is the significant part of this controversy which has been going on. I have been on the losing side of it for some time, but I hope some day to be on the winning side.

Here is an article entitled "Mounting Imports From Japan, Minimum Pay Guarantees Keep U.S. Tuna Fleet in Port."

This article from the Wall Street Journal is as follows:

MOUNTING IMPORTS FROM JAPAN, MINIMUM PAY GUARANTEES KEEP U.S. TUNA FLEET IN PORT

(By Ronald J. Ostrow)

SAN DIEGO, CALIF.—One of the country's more colorful maritime enterprises—the tuna clipper fleet—is being buffeted by financial storms.

Because of mounting imports of frozen tuna from Japan, prices canners offer for the domestic catch fall well below the wage guarantees demanded by unions that man the U.S. ships.

As a result, San Diego's tuna clippers are dwindling. The vessels currently number 125, down from 170 in 1955 and 214 ships in 1952, according to the American Tunaboat Association, which has headquarters at No. 1 Tuna Lane of the waterfront here. The vessels are also known as "bait boats" because they use the hook and line method of fishing.

As far as the rest of the country is concerned, the plight of the clipper has only limited importance. In fact, the price of a can of tuna is nearly 22 percent lower than the price 10 years ago, thanks largely to the flow of fish from foreign ports. But passing of the clipper in this harbor city is a small waterfront tragedy involving what was once a romantic and thriving industry.

Boats are transferring registry to Peruvian and Puerto Rican ports, where they are able to hire cheaper labor to serve as crews. Other boats are selling out to foreign ownership. Still others are equipping themselves for a different type of fishing and few clippers are being built to replace those tuna boats that go down at sea.

Berths available aboard the tuna craft—the industry term for the fleet's total employment at a given date—have fallen steadily from a record 2,730 in 1952 to 1,880 last year and an estimated 1,550 today, according to the tunaboat association. The tuna boats expect to receive between $18 million to $19 million for their catch this year, compared with a record $39.2 million in 1954.

North of here, at Terminal Island, which is close to Los Angeles, the purse seiner fleet also is feeling the pinch.

Purse seiners generally are smaller than the clippers. They use nets to snare schools of tuna, rather than lure the fish with live bait and catching them with unbarbed hook and line, the method of the clipper.

The seiners in the last year have had record catches. But the absence of profit in tuna fishing has kept the purse seiners tied to their Terminal Island berths for more than 7 weeks now.

RED INK OPERATION

Tuna clippers still trying to make a go of it here are falling ever more deeper into the red. "You can safely say that 20 percent of the fleet is operating entirely at the sufferance of their creditors," says Harold F. Cary, general manager of the American Tunaboat Association. There hasn't been a departure in the 125-craft fleet since mid-May.

The tuna industry itself is split as to the basic cause of the clipper demise. Boat

owners and the unions representing crews that sail the ships and do the fishing contend Japanese imports that force the price down are the chief ill. Cure them through a dose of formal or informal controls, and the industry will thrive again, according to their argument. Tuna canners who buy the boats' product, however, disagree; they assert the tuna boats' troubles are due largely to the fixed wage guarantee demanded by the unions that man the craft.

Figures kept by Uncle Sam show that imports of fresh and frozen tuna, nearly 90 percent of them from Japanese boats, soared to a record 234.7 million pounds last year. This was more than 20 times 1949 imports of 9.9 million pounds. In contrast, the tuna catch by domestic-flag vessels fell to 339.2 million pounds from the record 1950 catch of 391 million pounds. So far this year, imports of the fish "are running about double those for 1958," says the American Tunaboat Association.

Five years ago, a ton of yellowfin—the higher priced of the two most common varieties of tuna—brought up to $350 when the clippers unloaded their catch at San Diego. But then the price-depressing inroads of Japanese competition began to be felt. By this time last year, the domestic price had sunk to around $270 a ton.

"In September 1958, the Japanese price f.o.b. Tokyo was $276 a ton; ours was $275," recalls Mr. Cary. This month, the Japanese price has hovered around $220 a ton, while the domestic price has approximated $240 a ton.

A freight and handling charge of about $70 a ton must be added to the Japanese figures for U.S. delivery. Because American-caught tuna carry with them no such freight costs, the Japanese fish are actually selling for more per ton. But both canners and the American Tunaboat Association explain that the Japanese tuna usually is gilled and gutted before delivery, yielding cannery customers 12 to 15 percent more tuna per ton than the American fish. In addition, the Japanese tuna arrives graded according to size, a treatment the domestic catch doesn't receive.

Gilbert Van Camp, Jr., president of Van Camp Sea Food Co., a major canner based in Long Beach, maintains elimination of guarantees demanded by unions that sail the tuna craft would afford the tuna boats a new financial lease on life. "Admittedly, it's pretty tough for the domestic tuna fleet to compete with imports,, but they'd have a better chance of survival if they could get their crews to go along without the guarantees," he says.

The two AFL–CIO unions that man the vessels here, the Cannery Workers and Fishermen's Union and the International Association of Machinists' Tuna Clipper Engineers, in September 1957, demanded and received from reluctant boatowners minimum wage-base guarantees.

PAY BASED ON VOYAGE'S OUTCOME

The fishermen's pay is based on the financial outcome of a voyage; they get a specified share of the boat's revenue after deduction of certain trip expenses.

The guarantees—$270 per ton of yellowfin sold and $230 per ton of skipjack, a smaller tuna which sells for about $40 a ton under yellowfin prices—create a minimum price for the seller at fish auction sales, critics say. If the price the boat receives for its load falls below the guarantee levels, the boatowner is expected to make up the difference out of his own pocket to determine the crew's share of the revenue. If the price tops the minimum level, then the terms of the contract apply, which currently call for the crew to receive 48.13 percent of the revenue, less trip expenses allowed by the contract.

"By simple mathematics, we figure that the guarantees are necessary to give us a decent yearly wage, around $6,000," says Lester Balinger, secretary-treasurer of the Cannery Workers and Fishermen's Union. He emphasizes that the calculation "is based on at least 290 days of fishing a year, which we won't come anywhere near this year."

With the current per ton price of $240 for yellowfin falling well below the $270 a ton guarantee, and faced with mounting repair and maintenance bills, the tuna clippers are tying up at the docks here, rather than go to sea for what they believe would be a sure loss.

I also include as a part of my remarks the following article entitled "Outdoing Detroit?"

[From the Wall Street Journal, July 9, 1959]

OUTDOING DETROIT?—EUROPE'S UP-TO-DATE CAR PLANTS INSTALL PUSHBUTTON MACHINERY—AUTOMATION'S COST SAVINGS MAY INCREASE FOREIGN CAR THREAT TO U.S. MAKERS—LESS DRUDGERY AT DAGENHAM

(By Dan Cordtz)

FLINS, FRANCE.—Standing atop a low platform, a beret-capped young workman nonchalantly flips a sheet of steel from the pile in front of him and sends it clattering down an inclined conveyor to a gigantic, American-built press.

As soon as the sheet—about the size of an office desk top—is in place, the press slams closed and a floor-shaking bang, slicing off excess metal and shaping the first rough contours of what soon will be the inside door panel of a Renault Dauphine automobile. In seconds, the press opens and long mechanical arms reach inside to tug the partially formed stamping on toward the next press.

A few minutes later, at the distant end of the line of 11 such conveyor-linked presses (each performing a different operation on the panel), the intricate finished part emerges—still untouched by any hands save those of the man who fed the steel into the first press.

This scene, variations of which also can be seen in English, Swedish, German, and Italian auto plants, illustrates an important fact about Europe's fast-expanding and aggressive auto industry: Its enthusiastic embrace of automation—once considered almost the exclusive weapon of the giant automakers in the United States.

ADOPTING U.S. TECHNIQUES

"European auto manufacturers," warns an official of Ford Motor Co., "are moving into automation very rapidly and generally are adopting the same techniques used in the United States." In fact, in the view of a high ranking executive of General Motors Corp., "The bigger European car companies are just as up to date as we are."

The probable consequence, in the view of one cocksure European auto chieftain: Even greater growth and increased competitive strength for his own and other non-U.S. companies.

"We have lower wage rates, more stable and less complicated products and, now, the same manufacturing know-how and management efficiency as your companies," he asserts. "How can we lose?"

It remains to be seen if his confidence is entirely justified. But there is no question that the rapid strides toward productive equality taken in the past 10 years have played an important role in the European car makers' development as worthy rivals of the Detroit giants.

Obviously, any increased efficiency among Europe's car makers stands to worry the U.S. auto industry. Already, foreign cars have grabbed a significant slice of the American market. And their share of the pie is increasing sharply. In 1958, about 370,000 foreign cars were sold in the United States. At current rates 600,000 are expected to be sold here this year. The Big Three's new compact-car venture is one reaction to this competition from overseas. But if Europe—through increased automation—is able to turn out cars at even lower prices than they now do, Detroit may well be unable to beat off the rising tide of imports.

A LAYMAN'S TOUR

For an idea of the latest manufacturing techniques of Europe's auto builders, take a brief vicarious layman's tour through some of Europe's major auto plants. There is little to distinguish them from similar plants in the United States. Long lines of transfer machines broach and drill engine blocks, automatic gear cutters shave metal off transmission components and mechanical materials-handling equipment trundles heavy parts around the plants.

In the sprawling Volkswagen plant in Wolfsburg, West Germany, for example, is a sheet metal assembly operation regarded as "most impressive" even by American engineers. Twenty-five individual operations are performed automatically on the door line—including the riveting of hinges. Half a dozen men operate the entire line, which turns out 350 doors an hour.

Equally impressive is the extent to which Ford Motor Co., Ltd., Ford's British subsidiary, has managed to eliminate the usual drudgery from its foundry in Dagenham, England. Put into operation in February 1958, the foundry is the most modern in the world, according to Ford officials. Materials handling is entirely power operated, from the big ladles which carry molten metal to a dumping and shaking device which breaks up the sand casting mold to free the finished iron cylinder block.

Sand for the molds and cores is mixed, cores are packed, and used sand is recovered, all automatically. Even the intense heat of a foundry is subdued by powerful vacuum inlets above the ladles. As a result, Ford turns out 500 tons of iron castings a day in the foundry, with the approximate labor force 1,200 men required to produce 200 tons a day in the old foundry.

A NEW STAMPING PLANT

At Luton, on the other side of London, GM's subsidiary, Vauxhall Motors, Ltd., is reaping the benefits of a $112 million expansion and modernization program of 2 years ago. In the new stamping plant, capacity has been doubled with only a 50 percent increase in employment—primarily as a result of automatic conveyors to speed parts from press to press.

Vauxhall also has increased efficiency greatly in its paint shop. "We now paint the entire car in the time it took us to do the hood (roof), bonnet (hood) and wings (fenders) 10 years ago," says a Vauxhall engineer.

The Poissy plant of Simca, 21 miles outside Paris, is one of Europe's most striking auto factories, with its brightly painted walls and machinery. Among its mechanical devices: A body line where components are fed on 24 conveyors for automatic assembly and welding; a merry-go-round engine test stand where motors are given initial tests in 7 minutes while the 10-bench stand slowly revolves so the engines can be handled efficiently by two overhead conveyors; and a paint shop which Chrysler President L. L. Colbert calls "the nearest thing to a push-button automotive facility in existence."

Other than its Flins plant, rated by a top Ford executive as "the most automatic in the world," Renault operates at Billancourt an installation that includes a model engine line. Utilizing machine tools and transfer machines of its own design, Renault's en-

gine block line performs 725 operations—including 100 checking steps—completely automatically and produces one finished block each 30 seconds.

FIAT AND THE MARSHALL PLAN

In Fiat's giant Mirafiore Works in Turin, Italy—partially financed by a Marshall plan loan of $36 million—the visitor sees perhaps the most generally efficient plant in Europe. The factory is divided into three parts; bodies being assembled on one side and mechanical parts on the other, and all components flowing together to the central section where final assembly takes place.

Moreover, Fiat has designed a startlingly effective warehouse where operators in 17 electric-powered elevators (which also move back and forth along the long storage shelves) keep track of a stock of 73,000 different parts manufactured by Fiat for its suppliers. "This warehouse," claims a company spokesman, "is the most modern installation we have."

Although Europe's progress is impressive to a nontechnical visitor, and even in some instances to American auto executives, most U.S. officials feel confident they still lead comfortably in general manufacturing efficiency.

"For one thing," one of them explains, "the European picture is spotty. One plant will be good, another not so hot. And even in a single plant, there will be first-rate operations and others that are backward by our standards. Take Volkswagen, for example. I was really taken by their sheet metal operations, but over on the assembly line they were putting the lugs on wheel bolts one at a time. In any U.S. plant we'd use multiple nut-runners to tighten half a dozen at once."

NO PIONEERING?

Another American executive asserts that "Europe has done little other than pick up our techniques. They haven't done much pioneering or innovating." This charge, however, is not entirely valid. Renault has been far in the lead in the development of interchangeable machine tools units, which enable the user to replace a cutting head for a newly designed part without having to scrap the entire costly machine. And many European plants have had lessons to offer the U.S. car builders in the construction of unitized (or chassis-less) bodies, expected on the Big Three's forthcoming compact cars.

Ernest R. Breech, Ford's board chairman, and a man who has publicly worried over the rapid rise of European competition, believes that "know-how is still on our side." Referring to tours of U.S. auto plants by European car makers he adds: "We have been opening up all our bag of tricks, but that won't continue. Techniques are still our salvation. The Europeans still aren't as automatic as we are."

Whether or not they are still behind, the Europeans are now deadly serious about closing any gap which may exist. "We still have a lot of room for progress," points out Dr. Heinz Nordhoff, president of Volkswagen.

A LABOR PINCH

There are probably two primary factors in Europe's recent progress. One is the rise in sales volume of most European manufacturers to the point where economies of large-scale production have come into play, and the other is the labor pinch most car makers in Europe have now started to feel.

"In years past," explains P. G. Whare, chief engineer of England's Rootes Motors, Ltd., "we were influenced by our low labor costs against spending on technology. But now we are almost more influenced by the limited availability of labor than by cost."

A Volkswagen official agrees. "We have a real labor shortage in West Germany now," he says. "If we are to expand production the way we want, it will have to be done by using labor more efficiently," he adds.

At the same time higher sales have forced use of labor-saving devices. "Look at the output of the big European plants," urges a Ford official. "It compares favorably with our own. They turn out enough cars that they can put in any automatic equipment we use, and amortize it economically."

Fiat, for instance, turns out more than 2,500 cars a day at Mirafiore and Volkswagen is aiming for a 3,000-a-day pace in Wolfsburg.

In contrast, Plymouth's big Detroit plant, one of the largest in the United States, has a two-shift capacity of about 1,100 cars daily, and the Rambler plant at Kenosha, Wis., which auto men describe as the most productive single auto plant in the United States this year, is turning out about 1,600 cars a day in two shifts. Ford and Chevrolet, the Nation's two largest producers, split their production up among about a dozen assembly plants each.

A BLESSING IN DISGUISE

World War II, in the opinion of some European car executives, proved a disguised blessing to many of them as it wiped out some of the antiquated plants and equipment of the past and forced them to redesign more efficient installations. This was particularly true of Fiat, Volkswagen, and the British manufacturers. Renault, in fact, obtained a highly unusual benefit.

P. E. Besier, now director of the company's machine tool division, was captured with his French army unit in 1940 and held in a German prison camp until the following year. As an officer, he was given no manual work to do and, to occupy his mind, he set about planning Renault's postwar auto plants. Using a pencil stub and scraps of wastepaper, he designed the machines that later gave Renault a running start in the postwar period.

His work, in fact, became even more important as Renault had no dollars with which to purchase machine tools from the United States and Mr. Besier and his colleagues were compelled to design and build nearly all their own. Renault, according to reports of competitors, has recognized Mr. Besier's contributions—past and present—by paying him more money than any other executive in the firm.

As for the future, the eyes of Europe's auto builders are firmly fixed on more automation. "It's sure to come," advises a Simca official. "The small-volume producers who can't afford it will fall farther behind in costs until they bow out. Then there'll be more volume to enable the rest of us to invest still more," he concludes.

My point is, here is a story that is being built up in Detroit today, even though Detroit yesterday thought perhaps it would not feel the impact. It is being felt out in California. I have articles here about bicycles, gloves, binoculars and other products of industry in the United States which are suffering because of the fact that the public of these United States has not been given the true picture or at least a fair part of it or equal time on publicity perhaps. I believe the American people fail to appreciate the difficulties which we are encountering in this particular area. I certainly thank the gentleman from West Virginia for yielding to me.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include newspaper clippings.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BAILEY. Mr. Speaker, I thank the gentleman from South Carolina for his valuable contribution and say to him that on Monday next I have a special order in which I am going to bring to the attention of my colleagues some facts concerning the million American jobs and the hundreds of millions of dollars of American capital that have been enticed abroad and some of the details of the concerns here in this country that are taking their business abroad.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to say to the gentleman from South Carolina that, as I remember it, he had a velveteen industry in his district which was very much hurt, just as the one in my district which was closed down as the result of Japanese competition.

Mr. HEMPHILL. Mr. Speaker, if the gentleman will yield further, that was a gingham industry which we had in South Carolina, the workers in which, up until its closing, were people whose fathers and grandfathers had worked in this plant, who had sent their sons to war, and who expected from this Government some help, and because of the fact that the imports were so terrific, they could not meet the competition of low wages, even though they supported the high wages in this country and they believed in the free enterprise system. But, they found, because of certain things, that they were put out of their jobs and their homes. It was a tragic thing. I sympathize with the gentlewoman from Massachusetts, because I recognize the situation with reference to the velveteen industry.

Mrs. ROGERS of Massachusetts. Mr. Speaker, if the gentleman will yield further, I understand now that Japan is manufacturing commodities that we want. Recently I understand that America wanted to buy some steel from Japan. Japan is producing a great deal of steel, but she would not sell to us.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Washington.

Mr. HORAN. I want to commend my colleague, the gentleman from West Virginia [Mr. BAILEY], for bringing this subject up and discussing it. I happen to have in my district the zinc, lead, and copper industry. And, of course, we have trouble with those. I want to say at this time that the Subcommittee on Appropriations which I serve on, which services the administration of the Tariff Commission, went over the budget this year in an effort to aid them to make studies in these fields, and I think that the Congress should pay attention to the facts, that the Tariff Commission is trying to do a job along the line of the thoughts that you have given us today. I want to again commend the gentleman from West Virginia.

Mr. BAILEY. I thank the gentleman very much.

At this time, Mr. Speaker, I offer a statement prepared by my colleague, the gentleman from Maine [Mr. OLIVER], and ask unanimous consent that it be placed in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. OLIVER. Mr. Speaker, I wish to join the gentleman from West Virginia [Mr. BAILEY] in his complaint about the press treatment of the subject of import competition and the tariff question generally. For some years I have observed this treatment and must say that my impression is the same as that expressed here this afternoon.

The press has not been fair in its news columns and most of the editorials that I have seen have been in support of the progressive reduction of what is left of our tariff. I do not deny to any editor his right to support one national policy as against another. I do believe that even editorials should make some reasonable effort to set forth both sides of important issues. How otherwise are those who look to the newspapers as their guides in public affairs to make up their minds about national issues?

Newspaper publishers and editors know the great responsibility that rests on them in the formation of public opinion. Yet there is evident here this afternoon great dissatisfaction, in which I share, over the inadequacy of the public press in giving to the public the issues involved, in the question of tariff or quota protection to domestic industry from injurious import competition.

What too many newspapers have done has been to take the side of freer trade and champion that side through the news columns no less than the editorial page. Of course, the news items did not confess and spell out this one-sidedness, but there are many ways of supporting one side and demeaning or writing down the other without actually coming out in the open. We are all familiar with the headline techniques by which one side is boosted and given importance while the other side is buried in the inner pages and made to look small and insignificant by small type heads and only a few paragraphs of mention. By omitting most of the substance and concentrating on mere assertions, the weight of reason supporting that side is left out. This, in my opinion, is a reprehensible method of depriving the readers of what they are entitled to know. Actually it does not give them what they have a right to expect. It gives them what the editor wants them to have and withholds from them what the editor does not want them to know.

This sort of practice is in direct violation of the spirit of freedom of the press. That freedom is so strongly upheld, and properly so, because suppression of news may mislead the public. The public in exercising its judgment is victimized and deceived if it is given faulty information; and that is exactly what it is given when one side of an issue is set forth in its best light and given full treatment while the opposing side is shortchanged in the news columns and denied a true forum.

The question arises what recourse has been provided to those who have been victimized? When an issue is not given to the public in equal measure on both sides in the minds of many who are vitally affected by the question, what can they do about it? The press, itself, should make every effort, of course, to be fair in the first place because of the very powerful instrumentality it holds in its hands. In the second place it should be properly sensitive to complaints against bias.

Mr. Speaker, I am aware that in the course of a controversial issue such as the tariff, one side or the other may feel that it has not been given the proper space in the press; and some complaints over press bias are undoubtedly unfounded. In a controversy, surcharged with feeling and emotion, as in a political campaign, there may be complaint from both sides; and the press may indeed be at fault or one or the other side may have expected support and, not getting it, may feel aggrieved.

What we are talking about here is something different. The tariff question has been with us since the birth of the Republic. In the past decade or two the contest has not been one of personalities, but of issues. The question has even taken on broad aspects of bipartisanship. The issue is a broad one. It is an economic question of widespread interest.

The point that must not be overlooked is that the press itself has not been disinterested. Many hundreds of columns of news have been devoted to the question during the past 10 years. The complaint is that the great preponderance of the liberal space devoted to the subject has been in elaboration of the freer trade philosophy to the virtual exclusion of the protectionist philosophy.

The subject has become very complicated because of our international agreements. Since our entry into the General Agreement on Tariffs and Trade we have brought to bear on our trade policy many elements of international relations that previously were absent. The question of congressional authority over foreign trade has become deeply implicated; no less than the usurpation of power by the executive branch. Beyond that the question of whether control over our foreign trade should gravitate into an international organization to the virtual exclusion of the interests of domestic producers has become one of foremost concern.

The columns of the newspapers during the past 10 years may be scanned in vain for a grasp of the great problems involved for that part of American industry that is vulnerable to import competition. On the other hand, all the reasons advanced by the advocate of the trade agreements program may be found in full panoply as given in speeches by private citizens and by Government officials before congressional committees and in releases to the press.

In my judgment the press has indeed been remiss, to put it mildly as possible. I am amazed and disappointed over the attitude toward an airing of this complaint reflected by the president of the American Society of Newspaper Editors, as disclosed in the correspondence that has been put in the RECORD by the gentleman from West Virginia [Mr. BAILEY].

Certainly there is enough smoke here to suggest very strongly that there must be a fire of some formidable proportions and I cannot help but express profound regrets over the dismissal of the complaint in the manner that it has been done. I am sure there is nothing personal involved and hope that the merits of the issue may still be aired in the American tradition.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, I commend the gentleman for calling to the attention of the Members that we have a very serious problem of unemployment because of sundry dislocations in various industries. As a member of the Committee on Banking and Currency, I would call to the attention of the House that our committee has sent to the Committee on Rules depressed area legislation which would offer specific Federal assistance in some of the very communities of which the gentleman is speaking.

Mr. BAILEY. And I want to thank the gentleman for his efforts and tell him that I am using what pressure I can to get action by the Committee on Rules on this matter.

Mr. JOHNSON of Colorado. I appreciate that. I think it is important that we do give specific relief. I think this kind of help is important. As a Member of the Congress, responsible to the whole country, I do not wish to take action which would be harmful to our friends and allies abroad, but I cannot see, if we are willing to vote billions of dollars for aid overseas, why we should not be willing to invest a little money in improving the well-being of the American people and see that no major sector of the American economy is harmed because we have been trying to help others.

Mr. BAILEY. I join you in your efforts.

Mr. Speaker, in conclusion, while I was speaking someone called my attention to the fact that a young lady in the Press Gallery was counting the number of Congressmen on the floor. I want to apologize for this small attendance on the floor at this time, but under the circumstances, after all of the problems we have faced and disposed of this afternoon, I am not too much surprised at the absence of my colleagues. I might remark to the party who called my attention to it that while they were taking the count, the press box should not complain, because there were only two in the Press Gallery at the time the count was going on.

CREDIT UNIONS

The SPEAKER pro tempore (Mr. IKARD). Under previous order of the House the gentlewoman from Massachusetts is recognized for 15 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I shall not take 15 minutes out of mercy to the Members who are on the floor, and because it is very late. But I do ask unanimous consent that what I shall say may be placed at that point in the RECORD just prior to the passage of the credit union bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WASHINGTON AS A NATIONAL SYMBOL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. WIDNALL] is recognized for 60 minutes.

Mr. WIDNALL. Next week it is believed that we will be considering one of the most important pieces of legislation to come before the House this year, the so-called labor-management reform bill. Within that bill one of the main issues is the right to secret ballot of the union member. I know how much the Members of this House on both sides of the aisle really want to see that right given the union members. Paramount and above that right for a group within our society is the right to secret ballot for every American citizen. And it seems to me that there is nothing we could work for harder or want more than that right to vote for people right here in Washington, D.C. I recall, not long ago, in the debate over Hawaiian statehood, arguments made on the House floor that the people themselves did not want the right to vote, they did not want really to manage their own affairs within a State, and that they exhibited no real interest in that right. There is proof positive in what happened this past week. Ninety-three percent of the registered voters went to the polls in Hawaii, a wonderful example for every State in the older Union and certainly showing the keen interest of our new citizens in that right.

I have taken this time this afternoon, together with the gentleman from Wisconsin [Mr. REUSS], in the interest of voting rights and self-government for the people of Washington, D.C.

Mr. Speaker, in any consideration of the proposal that voting rights be extended to the residents of the District of Columbia, it must be recognized that these residents are not the only citizens who are affected. Rather, it must be emphasized that whatever affects the National Capital affects the 173 million citizens of the United States of America. For Washington is more than a home for 850,000 persons. It is also the symbol of the free life which the United States of America preaches as applicable to the rest of the world.

In other words, Mr. Speaker, when we plead for franchise rights for Washington we are pleading for alinement of our Capital with the principles we advance for the world. It is not enough to make Washington beautiful in a topographical sense. It is all very well to boast of Washington as "the city of magnificent distances." But we must bring far more than beauty to our National Capital if we are to expect it to be accepted as the symbol of democracy throughout the world.

It has been said that "beauty is as beauty does." Our National Capital, then, must be judged by not only its physical appearance but also by the picture it presents as a model for good government.

But is it good government when we openly deny the right of 850,000 Americans to manage their own local affairs? If, in effect, we say to the rest of the free world that our Capital is not able to govern itself, are we not by the same token refuting the basic principle of democracy and the capability of the American voter?

To emphasize this point, let me quote from the 1959 report of the Board of Commissioners of the District of Columbia on "State of the Nation's Capital." Said the three Commissioners:

> Congressional policy for the Nation's Capital should therefore insure future development at a standard commensurate with its position as the city of all the people.

That is, Washington is the shrine of American ideals of liberty and justice. It is, to repeat, the symbol of the kind of government we believe best for all peoples around the globe. But when we tarnish that symbol with the denial of the right to vote, we desecrate instead of dedicate the principle we preach.

Surely none of us here in this House can be so thoroughly conversant with the needs of the District of Columbia as are the three Commissioners who conduct the government of the District. What, then, do these three say?

In the same report mentioned, their 1959 report, the Commissioners declare flatly:

> Proposed legislation to provide local self-government is the first, and most important, legislative proposal being made by the Commissioners. Neither the residents of the District, the 49 States (Hawaii had not at that date been yet included), nor the remainder of the free world can understand why U.S. citizens who are residents of the Nation's Capital are denied all forms of the franchise.
>
> While the full franchise as it exists elsewhere obviously is what should be available to the District resident, the least that should be available is the right of local self-government. The Commissioners strongly urge this session of the 86th Congress to grant home rule to the District.

Let me mention here, Mr. Speaker, that in this 1959 report the Commissioners summarize at the conclusion with a list of 34 items of legislation needed of this session of Congress. And first of all the 34 is the request:

> Provide for the District of Columbia an appointed Governor and Lieutenant-Governor, and an elected legislative assembly and nonvoting Delegate to the House of Representatives.

As the chief city of the entire United States, as democracy's most prominent showplace, as the display window of liberty itself, Washington deserves the best. We strive hard to give it health, recreation, educational facilities, beauty—but these are not enough. There must also be in this show window of the world a picture of the personality of our people.

That picture is not bright. Across its face is the saber wound of legislative distrust. Congress says: "We believe in free elections everywhere except in the Capital of our own Nation."

Surely we do not want this false impression to remain. Surely we do not wish the rest of the world to believe us hypocritical. Surely we do not desire that our enemies shall point to the wide spread between what we preach and what we practice.

Let us, then, without further delay, give to the population of nearly a million in the District of Columbia the symbol of freedom possessed everywhere else in our land—the right to vote for those who are to govern. Then, and only then, shall Washington be in line with our traditional concept of liberty and equality for all, regardless of all other factors. Nothing more is asked; nothing less will satisfy.

Mr. LINDSAY. Mr. Speaker, will the gentleman yield?

Mr. WIDNALL. I yield.

Mr. LINDSAY. Mr. Speaker, I thank the distinguished gentleman from New Jersey for his remarks to which I listened with great interest. I am a strong supporter of home rule for the District of Columbia for a multitude of reasons. In the first place, it seems to me just plain common sense. Those who are interested in the subject of economy should realize that in the long run, home rule would mean an economy for the taxpayers of the United States. I can find no reason—no logical reason—for taking the position that a housewife is not more adept at running her own household than her landlord. To me, it makes complete sense and is completely logical that when it comes to running the housekeeping affairs of the District of Columbia, the good people who live here, work here, pay their taxes here, and do all the other things that go with good citizenship surely are in a better position than the Members of Congress to run their shop. We are faced with an extraordinary situation. The administration under President Eisenhower has given strong support to a good bill to provide a measure of home rule for the District. Naturally, the bill is consistent with the Constitution and does not remove the ultimate power and the right of the Congress to supervise the affairs of the District of Columbia. Yet in spite of presidential backing the House of Representatives has once again not seen fit to take any action on this subject. The other body has five times taken such action and, still, this body has done nothing. Thus far it has escaped our attention in discussing this subject that for 70 years, the people of the District enjoyed the freedom and the rights of home rule and, indeed, it worked successfully. The old system was changed to the present one only after a series of incidents and because of circumstances that were

quite separate and apart from the basic problem of home rule. I was interested also in the position taken by James Madison, the principal architect of the Constitution, in the Federalist papers, No. 43. I am sure the statement is familiar to those of my colleagues who have looked into this subject. In that paper he stated:

The inhabitants of the Federal District will have their voice in the election of the government which is to exercise authority over them; and a municipal legislature for local purposes derived from their own suffrages will, of course, be allowed them.

Certainly, on the constitutional point it is agreed that national representation for the District might require an amendment to the Constitution; and, certainly, also, no one would deny that the ultimate authority must remain within the Congress. But within those limits there is complete authority and power for the U.S. Congress to delegate powers and rights within this field.

Mr. Speaker, I hope that by one means or another this body will take action, and successful action, during this session of Congress to remedy a longstanding grievance. I think it is important not only to the District of Columbia but also to the entire country.

Mr. WIDNALL. I thank the gentleman for his contribution.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. WIDNALL. I yield to the distinguished gentleman from Wisconsin.

Mr. REUSS. Mr. Speaker, I heartily agree with the gentleman from New Jersey [Mr. WIDNALL], and I am sure the majority of our colleagues share the belief that the time has come to restore the right of local self-government to the nearly 1 million citizens of the District of Columbia. To me it is a glaring contradiction that those who live in the very shadow of the Capitol are denied the basic privileges of citizenship accorded everywhere to the free peoples of the world.

The other body, Mr. Speaker—for the fifth time in 10 years—has once again endorsed home rule legislation. We all know that during the same time interval no home rule bill has ever been approved by the House District Committee—indeed, the committee's current home rule hearings are the first which have been held since 1952. And these hearings were only announced after my colleagues took the necessary preliminary steps in order to bring a discharge petition to the floor.

An objective analysis of the views of the members of the subcommittee which has jurisdiction over this legislation reveals that an all too solid majority is opposed, on principle, to any form of self-government legislation for the Nation's Capital.

I favor—and have always favored—using the normal legislative process wherever possible. When, however, majority sentiment is frustrated through obstruction of the regular channels, I believe that the majority has no choice but to use the last-resort method—a discharge petition—provided for such contingencies by the rules of this body.

Mr. Speaker, the home rule discharge petition is a perfect textbook example of why the petiton approach was introduced into the rules of the House many years ago. The treatment accorded to District self-government legislation is the exceptional case. Clearly, it is up to the full membership of the House to ensure the democratic functioning of our committees. By signing the petition now on the Speaker's desk, Members will not only return to the citizens of the Nation's Capital the right to run their own affairs, as originally intended by the framers of the U.S. Constitution, but will also reaffirm our faith in orderly, democratic processes.

I include an editorial from the Milwaukee Journal of Monday, July 27, 1959:

HOME RULE FOR WASHINGTON

Once again the Senate has decided to let the residents of the District of Columbia run their own local affairs. It has approved a bill which would create an elected city council and a strong mayor with appointing and veto powers. And the District would get a nonvoting Delegate to the House of Representatives to look after its affairs there.

The plan would in essence restore to the District pretty much the same local management of local affairs that existed from the time Washington, D.C., was founded until 1871. In that year Congress created a Territorial form of government for the District. In 1874 the government was changed to one of three Commissioners appointed by the President.

In 1878 the present commission form of government was set up. And since then Washington residents have had no vote and no voice in their own concerns. Congress has been its city council—even to the point of determining, as it did only recently, whether 10-inch rockfish could be sold in the markets.

The Senate's action doesn't guarantee home rule by a long shot. There are enough votes in the House, a nose count shows, to pass the Senate bill. But it first has to get through the "graveyard"—the House Committee on the District of Columbia.

That committee has in the past been hostile to home rule. Ten of its twenty-five members are southerners, who fear that home rule would in time result in Negro municipal officials. About 53 percent of Washington's residents are Negro.

Yet a determined effort seems to be under way to get 219 House Members to sign a petition forcing the committee to send the bill to the floor for action. Already 175 Members have promised to sign such a petition.

Home rule for voteless Washington is long overdue.

In addition, Mr. Speaker, many expressions of support for extending self-government to the District of Columbia have been received from Governors, mayors, and city councils. Under unanimous consent I include copies of some of them as part of my remarks at this point in the RECORD, as follows:

First. A joint resolution adopted by the Connecticut General Assembly.

Second. Resolutions from the Governors of California, Massachusetts, Minnesota, Nebraska, New Mexico, Nevada, and South Dakota.

Third. A letter from the mayor of Chicago to the City Council of the City of Chicago, and a resolution adopted by the Chicago City Council.

Fourth. A resolution adopted by the City Council of Augusta, Ga.

Fifth. A resolution adopted by Charlotte, N.C., City Council.

Sixth. A resolution adopted by the City Commissioners of San Angelo, Tex.

Seventh. A resolution adopted by the City Council of Bloomington, Ill.

HOUSE JOINT RESOLUTION 201

Resolution memorializing Congress concerning home rule for the District of Columbia

(Adopted by the Connecticut General Assembly, May 28, 1959)

Resolved by this assembly:

Whereas there are 826,000 Federal taxpaying residents in the District of Columbia, our Nation's Capital, who have long lacked any voice in the government of the District of Columbia in which they live; and

Whereas the taxpaying residents of the District of Columbia are without even a voteless delegate to represent them in the Halls of Congress; and

Whereas the U.S. Senate has, during the last decade, four times passed legislation granting home rule to the residents of the District of Columbia; and

Whereas such legislation has four times been killed in the District of Columbia Committee and the Rules Committees of the House of Representatives; and

Whereas it is a matter of grave injustice to deny American citizens the right even to govern themselves as to matters of local interest, and particularly so when they are obliged to bear the costs of such government: Be it

Resolved, That this assembly favors legislation to grant home rule to the District of Columbia; and be it further

Resolved, That this body urges the members of the Connecticut delegation in the House of Representatives of the United States to sign a discharge petition to bring a bill granting home rule to the District of Columbia onto the floor of the House of Representatives in the event that such a bill is again approved by the Senate and bottled up in either the District of Columbia Committee or the Rules Committee of the House of Representatives; and be it further

Resolved, That the clerks of the house and senate are directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from Connecticut in the Congress of the United States.

FRANK J. MONCHUN,
Clerk of the Senate.
ROBERT J. SULLIVAN,
Clerk of the House.
ELLA GRASSE,
Secretary of State.

RESOLUTION

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

EDMUND G. BROWN,
Governor of California.

RESOLUTION

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

FOSTER FURCULO,
Governor of Massachusetts.

RESOLUTION

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Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

ORVILLE L. FREEMAN,
Governor, State of Minnesota.

RESOLUTION

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Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

RALPH G. BROOKS,
Governor of Nebraska.

RESOLUTION

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The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

JOHN BURROUGHS,
Governor of New Mexico.

RESOLUTION

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

GRANT SAWYER,
Governor of Nevada.

RESOLUTION

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C., likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

RALPH HERSETH,
South Dakota.

JULY 8, 1959.

To the Honorable the City Council of the City of Chicago.

GENTLEMEN: At the last annual meeting of the U.S. Conference of Mayors, the conference went on record in favor of home rule legislation to assure local self-government to the residents of the District of Columbia. The Board of Commissioners of that city solicit Chicago support and I transmit herewith a form of resolution for your consideration.

Very truly yours,

RICHARD J. DALEY,
Mayor.

RESOLUTION

Whereas at the U.S. Conference of Mayors held on September 13, 1958, the following resolution was adopted, to-wit:

"Whereas local self-government is the bedrock of free government;

"Whereas the rights and benefits of local self-government should be available to all American citizens;

"Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government;

"Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia;

"Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

"Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city; Now, therefore be it

"Resolved by the United States Conference of Mayors:

"1. That the Congress be, and it is hereby, urged to approve home rule legislation to assure local self-government to the residents of the District of Columbia; and

"2. That the members of the United States Conference of Mayors be, and they are hereby, requested to communicate their individual endorsement of this resolution to their congressional delegation."

Now therefore, be it

Resolved, That the City Council of the City of Chicago supports the action of the conference of mayors in said resolution set forth above and the clerk is directed to send to the Senators and Representatives of the State of Illinois in the Congress of the United States of America a true copy hereof.

RESOLUTION

Whereas local self-government is the bedrock of free government;

Whereas the rights and benefits of local self-government should be available to all American citizens;

Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government;

Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia;

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city: Now, therefore, be it

Resolved by the City Council of Augusta:

1. That the Congress be, and it is hereby, urged to approve home rule legislation to assure local self-government to the residents of the District of Columbia; and

2. That the members of the City Council of Augusta be, and they are hereby, requested to communicate their individual endorsement of this resolution to their congressional delegation.

RESOLUTION WITH RESPECT TO HOME RULE FOR THE DISTRICT OF COLUMBIA

Whereas local self-government is the bedrock of free government; and

Whereas the rights and benefits of local self-government should be available to all American citizens; and

Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government; and

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city; Now, therefore, be it

Resolved by the City Council of the City of Charlotte:

1. That the Congress be, and it is hereby, urged to approve home rule legislation to assure local self-government to the residents of the District of Columbia to the extent it may be authorized and in such manner as will not adversely affect any Federal interest in such District.

RESOLUTION OF THE CITY COMMISSION, CITY OF SAN ANGELO, TOM GREEN COUNTY, TEX.—HOME RULE FOR THE DISTRICT OF COLUMBIA

Whereas local self-government is the bedrock of free government;

Whereas the rights and benefits of local self-government should be available to all American citizens;

Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government;

Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia;

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city: Now, therefore, be it

Resolved by the City Commission of San Angelo, Tex.:

1. That the Congress be, and it is hereby, urged to approve home rule legislation to

assure local self-government to the residents of the District of Columbia, and

2. That the members of the city commission be, and they are hereby communicating their individual endorsement of this resolution to their congressional delegation.

RESOLUTION—HOME RULE FOR THE DISTRICT OF COLUMBIA

Whereas local self-government is the bedrock of free government;

Whereas the rights and benefits of local self-government should be available to all American citizens;

Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia;

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city: Now, therefore, be it

Resolved by the City Council of the City of Bloomington, McLean County, Ill.:

1. That the Congress be, and it is hereby, urged to approve home rule legislation to assure local self-government to the residents of the District of Columbia.

Mr. REUSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, I also ask unanimous consent that all Members may have 3 legislative days within which to extend their remarks on the home rule bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WIDNALL. I yield.

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. MCGOVERN] may extend his remarks in the RECORD following my own, and that the gentleman from Iowa [Mr. WOLF] may extend his remarks following those of Mr. MCGOVERN.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FOLEY. Mr. Speaker, my colleague, the gentleman from New York [Mr. LINDSAY], referred to the constitutional problem that has been bruited about in connection with the efforts by the citizens of the District of Columbia to achieve the restoration of home rule. I would like to take a few minutes to read into the RECORD at this point certain historical references which I believe will stimulate the minds of the Members of this body to explore more fully the constitutional problem with the thought in mind that maybe this problem, which has been resurrected as a possible hurdle to the restoration of home rule, was laid to rest many generations ago.

I am going to read from the Georgetown Law Journal, volume 46, Nos. 2 and 3, published in the spring of 1958, an article prepared by Mr. Roy T. Franchino in pursuance of his efforts to qualify for a doctorate in law at Georgetown University Law School. For the record it should be stated that Mr. Franchino is professor of law at the Washington College of Law of the American University, Washington, D.C., on leave as Fulbright lecturer, University of Padua, Italy; bachelor of science, Seaton Hall University; bachelor of laws, Georgetown University; master of laws, University of Michigan; and member of the bars of the District of Columbia and the State of Michigan.

I shall read but briefly from his lengthy article to support the constitutional aspect of this problem. I read the following:

The Continental Congress during the Revolutionary period had been meeting in several cities due to the exigencies of the conflict and for other reasons. On June 20, 1783, the Congress was assembled in Philadelphia. Word came to it that a mutinous group of soldiers of the Continental Army was marching to Philadelphia for the purposes of obtaining congressional action on delayed back wages. The Congress, through a committee, requested protection by the State, but State officials refused to act until an incident actually took place. The following day, the discontented soldiers arrived and stationed themselves with fixed bayonets in the street before the State House where Congress was assembled, feeling that such pressure would coerce Congress into taking cognizance of their grievance. In spite of this effrontery, Congress completed its deliberations for the day without considering the soldiers' plight. The Members of Congress were permitted to pass through the street unobstructed, but they were not without apprehension that some physical violence might ensue. Congress again appealed to the State authorities to restrain the mutinous group. No action was taken, and Congress was again informed that none would be taken unless some actual outrage were committed to persons or property. It was felt by Congress that a repetition of the menacing actions by the soldiers would not be considered by the State authorities as a sufficient provocation to warrant action. Because of this failure to assure Congress due protection, the assembly was forced to adjourn and reconvene elsewhere. This incident emphasized to Congress the need for a site of its own, independent of any State control. Congress felt that it was unable to command respect, maintain its dignity, or even protect its own peace and safety if required to meet in a city in some one of the States where the public authority and maintenance of public order were entirely under the control of the local sovereign. The Continental Congress needed a site of its own.

Therefore, such a provision was incorporated in the Constitution of the United States, adopted by the requisite number of States in the year 1788. Article I, section 8, clause 17 (hereinafter referred to as the "District clause") specifies that Congress shall have the power "to exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States."

What is the constitutional problem that has been facing the Congress since 1789? Mr. Franchino in his article takes it up as follows:

The provision in the Constitution pertaining to the Capital is relatively brief. It states simply that "Congress shall have power * * * to exercise exclusive legislation in all cases whatsoever, over such District * * * as may * * * become the seat of the Government of the United States." The constitutionality of franchise depends on the legal interpretation of this provision.

The problem revolves around the use of the word "exclusive." Was it intended to exclude all others, including the local inhabitants, or does it merely exclude the States?

To answer this question it is helpful to ascertain the intent of the authors of the Constitution, as evidenced by their statements and the surrounding circumstances.

The Journals of the Constitutional Convention will be of assistance. The Pickney draft of the Constitution, May 29, 1787, provided for a Federal District, but this was not discussed until July 26, 1787. At that time Col. George Mason, of Virginia, spoke in favor of such District and indicated it should not be located in another State especially in a State capital since this would lead to jurisdictional disputes and tend to provincialize the National Capital. Mr. John Langdon, of New Hampshire, also opposed locating the National Capital in a State capital unless the Federal District were excepted from any and all jurisdiction of the individual State. In the discussion, others favored the above points. On August 11, 1787, the necessity of fixing the Federal City in a central location was again discussed. On September 5, 1787, the clause as it now stands was approved.

It is quite clear that the objective of the Founding Fathers was to create a Federal District free from any control by an individual State. If the framers intended to exclude the people from asserting their rights, the Journals fail to show this. In the "Federalist Papers," which are generally recognized as indicative of the intent of the Constitution makers, Madison wrote the following:

"The indispensable necessity of complete authority at the seat of government carries its own evidence with it. It is a power exercised by every legislature of the Union, I might say of the world, by virtue of its general supremacy. Without it, not only the public authority might be insulted and its proceedings interrupted with impunity; but a dependence of the members of the general government on the State comprehending the seat of the government, for protection in the exercise of their duty, might bring on the national councils an imputation of awe or influence, equally dishonorable to the government and dissatisfactory to the other members of the Confederacy. This consideration has the more weight, as the gradual accumulation of public improvements at the stationary residence of the government would be both too great a public pledge to be left in the hands of a single State, and would create so many obstacles to a removal of the government, as still further to abridge its necessary independence. The extent of this Federal district is sufficiently circumscribed to satisfy every jealousy of an opposite nature. And as it is to be appropriated to this use with the consent of the State ceding it; as the State will no doubt provide in the compact for the rights and the consent of the citizens inhabiting it; as the inhabitants will find sufficient inducements of interest to become willing parties to the cession; as they will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them; and as the authority of the legislature

of the State, and of the inhabitants of the ceded part of it, to concur in the cession, will be derived from the whole people of the State, in their adoption of the Constitution, every imaginable objection seems to be obviated."

The first sentence seems to import that this authority was to be all-inclusive without exception. However, the next sentence clearly shows that such all-inclusiveness was not intended since it likens the authority of Congress over this District to that of a State legislature over its State capital. Thus it appears that the Founding Fathers merely desired to transfer general supervisory authority over local government from the State legislatures concerned to the Federal legislature. Assuredly, this meant Congress in its relationship to the District should exercise the same authority as theretofore had been exercised by the ceding State legislatures. This is precisely what Congress did during the period from 1802 to 1871, in enacting provisions for local municipal governments. And the Supreme Court has supported the view equating Congress' relation to the District to that of a State's relationship to its capital or other cities within its borders.

In the fourth sentence, Madison is obviously reflecting on the position that this District should be free from any State control so as not to be obstructed in its actions and not to be subjected to any influence contrary to the national interest. He further states that any subsequent development of the Federal District may result in such supervision by a State that this would increase the dependence of the Federal District upon that State. The sentence reflecting "jealousies of opposite nature," if construed contextually and in the light of the purposes of the Federalist papers to encourage the States to adopt this provision, has reference to the States' concern that the Federal District may reach such a level of development as to embrace fields of jurisdiction of areas normally controlled by the States. This statement was made to impress upon the States that this new entity was "sufficiently circumscribed" so as not to pose a threat to State sovereignty.

In his last sentence Madison clearly indicates that the cession will not preclude Congress from affording the citizens of the ceded area "their voice in the election of the government which is to exercise authority over them" and "a municipal legislature for local purposes, derived from their own suffrage." It is submitted that in the former quote Madison had reference to national suffrage ("national representation") and in the latter local suffrage ("home rule"), for if both are to be construed as applying to local suffrage, the latter quote is surplusage. He referred to "national representation" in the first instance because of its more general scope. Logically, he then referred to the subordinate type of franchise; i.e., voting for a municipal legislature.

Mr. Speaker, I will, as the days and weeks move on, add to the RECORD additional views in this particular article by the very distinguished journalist and student of jurisprudence, Mr. Roy P. Franchino, and from other sources.

Mr. McGOVERN. Mr. Speaker, there are a great many of us in this House who have waited patiently for an opportunity to vote on the issue of home rule. We have waited long enough. We want an opportunity now to vote on H.R. 4630, to restore representative local government to Washington.

So many words have been spoken on this issue over the years that there is little I can add. So I want to let two distinguished residents of Washington speak for me.

One of them was one of the first and the most eminent residents of Washington—the fourth President of the United States, a great Virginian, James Madison. Madison is justly honored for more than his Presidency. He was known as the scholar of the Constitution, and played a leading role in its creation. Along with Alexander Hamilton and John Jay, our first Chief Justice, Madison wrote the "Federalist Papers," that famous explanation of the Constitution which has become the standard and authoritative interpretation of the Constitution.

Madison, in the "Federalist No. 43," clearly stated that the Constitution gives Congress "complete authority at the seat of government." And, right along with this, he explained that the people of Washington "will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them."

Madison is surely an authority no one will challenge as to the meaning of the Constitution and the intent of the Founding Fathers. If more evidence is needed, we might recall that, when Washington was founded, local government was established by Congress almost immediately, in the administration of that great Virginian, Thomas Jefferson. The powers of local government were enlarged in Madison's Presidency, in 1812; and enlarged further in the Presidency of another great Virginian, James Monroe, in 1820. Does anyone seriously argue, in light of these facts, about the constitutionality of home rule?

I would like to add an eloquent statement from another resident of Washington—not a President, or a Founding Father, but a very much present-day Washingtonian who has recently written a statement that, I think, sums up what I feel but could not say half so well:

This is what Bill Gold, writing in his column "The District Line," in the Washington Post has to say:

> It seems that ever since I can remember somebody has always been planning to hold home rule hearings next week or next month, and always there has been an accompanying protest against endless delay, and an attempt to blast the legislation loose with a discharge petition.
>
> By this time I would think that there would be nothing left to say about home rule that has not been said a thousand times before. And it seems reasonable, too, to assume that every Member of Congress has already made up his mind how he feels about universal sufferage, and more specifically, universal sufferage that's universal enough to include the District of Columbia.

Mr. Speaker, I think it is time patience had its reward. It is time to act promptly on home rule for Washington.

Mr. WOLF. Mr. Speaker, I believe that after 10 years of trying, we are entitled to have a vote on home rule for Washington. I hope that this House will take action to bring H.R. 4630 to an early vote.

Washington is a city with serious problems. As their home, Washington and its problems are a matter of great importance to the people who live here. As our Nation's Capital, Washington and its problems should concern all of us. Because it is our Capital and I am concerned, I want to see the people of Washington given a chance to meet these problems.

We all know that Congress simply is not equipped to function as a city council. We know that few Members can find the time to inform themselves, consider the issues, and vote wisely on District legislation. When the District appropriation bill, the most important annual District measure, was before the House this year, less than 30 Members were present to vote on it. Is it any wonder that Washington has problems?

If Members of Congress are concerned about the imbalance of the city's population, they would do well to remember this this imbalance developed under congressional government, not local self-government. As the Washington Post recently observed:

> Those who are worried by the District's changing population should be the first to work for the creation of a responsible local government which could address itself to the community's basic problems.

The people of Washington live under a system we would never tolerate for ourselves or our constituents. They are taxed, without any voice in determining their taxes. Yet they are just as completely denied final say in how their taxes will be spent. Although they must suffer the consequences of the District's problems, they are powerless to do anything to solve them.

At the same time, we are expected to settle such grave questions as whether beer should be sold in the ball park, whether 10-inch rockfish should be sold in the District, what the fee should be for birth certificates, and a thousand other trivial local details. If we were not so busy with these earth-shaking issues, we would have more time for the really serious problems.

Yet the decay of Washington's central city—to take only one problem—is so acute that a voluntary group of local businessmen has undertaken a massive program, for which they will try to raise nearly half a million dollars, to try to deal with it. The slum areas of Washington, to take another problem, are spreading faster than they are being replaced, so that Washington is sliding downhill, backward, toward a slum city.

Yet when home rule is discussed, we say we are worried about protecting the Nation's stake in the Nation's Capital. I think the best thing that could happen to the Nation's Capital, for all our sakes, is to give the people of Washington the power to cope with these problems and save our Nation's Capital from decay and neglect. I believe it is imperative that we get action, and soon, to pass H.R. 4630, and restore local self-government to Washington.

Mr. WIDNALL. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, it is my intention to sign the petition filed today in a final attempt to give this body an opportunity to debate and vote on a

home rule bill for the District of Columbia.

I want to say right here and now that I am well satisfied as to the merits of the proposal. Every American citizen of voting age has a constitutional right to take part in his local government. The people of Washington want and are entitled to that right.

Initially, however, I had doubts that it was either wise or proper to rely on the discharge petition to force a vote on home rule. Even as I speak many of you no doubt ask yourselves similar questions:

"Is it proper to bypass the Legislative Committee?"

"Is this an orderly way to conduct the business of the House?"

"What are the authorities for taking such a step?"

"Is it necessary?"

For those of you who, like myself, are newcomers to Congress the answers to these questions are equally as important as our questions about the merits of home rule legislation—for this is the first time a discharge petition has been filed in the 86th Congress.

To answer these questions I read the debate on establishing and modifying the modern discharge rule—rule XXVII, section 4—in the House.

In one form or another, Mr. Speaker, this House has had a discharge petition rule since June 17, 1910. Although there have been several attempts since then to adopt a more "liberal" or more "workable" rule, my study of the legislative history uncovered no serious attempt to discard it. To the contrary, for five decades this body has relied on the discharge rule as necessary to assure orderly procedure.

Among its champions are many of the greatest leaders and Parliamentarians of the House in this century: Champ Clark, of Missouri, and William B. Bankhead, of Alabama, both former Speakers; Charles R. Crisp, of Georgia, twice House Parliamentarian and many terms a Member; and, I am proud to relate, two of our own colleagues, former Speaker JOE MARTIN, of Massachusetts, and the chairman of the Appropriations Committee, the Honorable CLARENCE CANNON, a former Parliamentarian whose command and respect for the House rules is unsurpassed.

The discharge rule was first adopted in 1910 as part of the rules reform that followed the czarlike rule of Speaker Joseph Cannon. Champ Clark, then the minority leader and his party's ranking member of the Rules Committee, did much to bring about its passage. Assuring his colleagues that "I will never advocate a proposition that clogs legislation in the House," Champ Clark told them that the discharge rule "simply provides the machinery by which the House can consider a bill when a committee fails, refuses, or neglects to report when the House so desires."

In drafting the rule the committee relied to a great extent on the version introduced by the Honorable Swagar Sherley, of Kentucky. Mr. Sherley outlined the need and purpose for it when he proposed it as an amendment to the House rules on March 31, 1910. He said:

> Generally speaking, the ordinary and orderly procedure of the House is essential if we are to do business, but what I want is in those cases of crisis and emergency that we can bring a matter up in an authorized way. And when a day comes where parties are more or less disintegrated, where a political majority is not necessarily the legislative majority, I want the will of the House to be expressed without having a revolution in order to get that expression. It ought not to be necessary to depose a speaker or to go through the extreme scenes we have recently gone through for a majority of the House to express its will on a proposition. I give you a method by which you can do it orderly and decently in due course.

Representative Sherley crystallized the great issues involved in that paragraph. First he expressed what we all feel—a high regard for "the ordinary and orderly procedure" of the House. Then he emphasized the necessity for having such an authorized procedure when ordinary processes fall. He pointed out that the discharge petition was not an extreme, but rather a means of avoiding extremes so the House might work its will without "revolution."

The rule has been changed six times since Mr. Sherleys' version was debated nearly 50 years ago. Most of the changes simply altered the number of signatures needed to complete a petition. It began at 218; it is now 219, but in between it has stood at 150 and 145 and attempts were made to require as few as 100 signatures.

It was this proposal, introduced by Mr. Crisp, of Georgia, a Democratic member of the Rules Committee, that was eloquently supported by our distinguished colleague from Missouri [Mr. CANNON].

The gentleman's remarks, part of the great 5-day debate on amending the discharge rule in the 68th Congress, brought well deserved applause from his colleagues. I quote from his address:

> The great value of the rule would be its moral effect. It would have a most salutary effect on a recalcitrant committee which desired to pigeonhole a bill.
>
> The committee would realize, perforce, that unless the bill was reported the rule would be invoked and they would prefer to report of their own volition. In that respect it would be one of the most valuable provisions that could be incorporated in the rules of the House.
>
> Its adoption would eliminate the last stronghold of inflexibility in the procedure of the House, and would make our rules beyond question one of the most effective and efficient systems of procedure in use in any parliamentary body in the world of like constitutional limitation.

Later during that debate in 1924 Mr. Bankhead, of Alabama, announced his support of the Rules Committee proposal to reduce to 150 the signatures required to discharge a committee:

> It is needed because the committees deliberately and wantonly—if I may use that expression—refuse to present bills here in order to give the House an opportunity to consider them.

I was also interested to note that our present Speaker, the distinguished gentleman from Texas, took a dim view at that time of any discharge rule that would become effective with as few as 100 or 150 signatures—although he joined the great majority of all members in adopting a rule calling for 145 signatures in the 72d Congress.

My friend on the other side of the aisle will be especially interested in the stand taken by the Honorable JOE MARTIN at the time the present discharge rule was adopted in the 74th Congress:

> I say without hesitation we are taking a backward step today if we increase the number required to discharge the committee from 145 to 218.

Each time the discharge rule has been amended there was a great deal of debate about the proper form it should take. But the important thing it seems to me is not that the discharge rule has been debated and amended, but rather the important point is that there has been no meaningful effort at all to repeal it.

Mr. Speaker, I made this study to allay my own doubts about the propriety of legislating by discharge petition. I hope it will also reassure my colleagues who have asked themselves similar questions. It is well to make clear at the outset that the discharge petition is a means for "a majority of the House to express its will on a proposition, orderly and decently in due course," as the Honorable Swagar Sherley prophesied 50 years ago.

Home rule legislation has been stalled by the committee for more than 10 years. To debate, in this instance, whether or not it is necessary to discharge the bill, it seems to me, would be on the same level with debating whether an automobile needs a battery. The answer is "yes," if you want to get going.

Mr. ASHLEY. Mr. Speaker, the other body has, for the fifth time in 10 years, approved overwhelmingly the return of voting rights to the people of the District of Columbia. And, as we have done for 10 years, the Members of this House continue to wait for an opportunity to vote on this legislation. Also, as we have done for 10 years, we continue to urge, to request, to ask, and to speak about home rule—but never, in all those years, to vote.

How long is this situation to go on? How many times must the Senate go through the process of hearings, debating, and voting, only to see their efforts die for lack of action here? How long must we go on arguing and debating, taking the time of Members and of this House to talk about legislation on which we are more than prepared to vote?

Ten years is long enough, Mr. Speaker. Even the most deliberate legislative process should be completed in that time. This issue should be settled once and for all. Let us vote on it, and be done with it. If the House rejects home rule, then we can go on to other matters. If the House supports home rule, then there is surely no longer a proper excuse for refusing to let the House voice its approval. Either way, this can and should be quickly settled by submitting the case to the House for decision.

To put an end to this 10 years on a treadmill, I urge that we decide this matter at an early date. If the oppo-

nents of home rule can be granted 10 years of obstruction, surely its supporters are entitled to a few hours for debate and vote.

Mr. Speaker, the views I express today are supported by the vast majority of the people of Ohio's Ninth District whom I have the privilege of representing. The following resolution, adopted recently by the city council of Toledo, Ohio, is clear proof that home rule is a matter of interest and concern to all thinking Americans.

RESOLUTION NO. 121–59 OF THE CITY COUNCIL, TOLEDO, OHIO

RESOLUTION ON HOME RULE FOR THE DISTRICT OF COLUMBIA

Whereas local self-government is the bedrock of free government; and

Whereas the rights and benefits of local self-government should be available to all American citizens; and

Whereas the residents of the District of Columbia are denied the rights and benefits of local self-government; and

Whereas the Congress of the United States has the authority to assure local self-government by granting home rule to the District of Columbia; and

Whereas the principle of home rule has been endorsed by a substantial majority of the residents of the District of Columbia; and

Whereas the Board of Commissioners of the District of Columbia have unanimously endorsed proposals for granting home rule to their city: Now, therefore, be it

Resolved by the U.S. Conference of Mayors:

1. That the Congress be, and it is hereby, urged to approve home-rule legislation to assure local self-government to the residents of the District of Columbia; and

2. That the members of the U.S. Conference of Mayors be, and they are hereby, requested to communicate their individual endorsement of this resolution to their congressional delegation.

Adopted June 29, 1959, recess session.

JOHN W. YAGER,
Mayor.

Attest: C. F. DIEFENBACH,
Clerk of Council.

Mr. SCHWENGEL. Mr. Speaker, year after year the Congress has been confronted with increasingly forceful demands from the residents of the District of Columbia for the reestablishment of local self-government in the Nation's Capital, and a growing number of citizens throughout the Nation have voiced their support of this movement for District home rule.

Heeding these urgent demands, the Senate has passed bills, which would give the residents of the District a voice in their local government, four times during the past 10 years. But none of these legislative measures ever reached the floor of the House. Despite the loud and widespread demands for Washington home rule, the Senate-approved bills were deliberately held up and permitted to die in the District of Columbia Committee of the House of Representatives. They were pigeonholed by a small group of determined members, bent on defying the will of the major portion of the entire population of this country and their respective representatives in the Congress.

How much longer will the representatives, who favor the return of home rule to the District of Columbia, permit the District Committee to deny the House the right to debate and vote on this great issue?

The continued denial of self-government for the residents and taxpayers of the District of Columbia is fast becoming a national scandal. Throughout the land, loud impatient voices are being raised against congressional failure to reestablish home rule in the Nation's Capital. Countless newspaper editorials have urged passage of home rule legislation and a large number of resolutions calling for District self-government have been adopted by citizens' organizations here in Washington and elsewhere throughout the country.

The Commissioners of the District of Columbia, in their 1959 report to Congress, placed top legislative priority on their recommendation for legislation to provide local self-government. They made an urgent appeal for passage of home rule legislation during this session of the 86th Congress.

In 1952 and again 1956, both major political parties, in their respective platforms, called for Washington home rule.

The President, in his yearly state of the Union message, has consistently advocated legislation to provide local self-government for the District of Columbia.

There is nothing new in this home-rule proposal. As far back as the time of the Founding Fathers of this Nation, the principle of self-determination was advocated for the District of Columbia. With respect to the Federal Capital, James Madison wrote these words:

> They will have their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages will, of course, be allowed them.

And so it was that the District of Columbia did have home rule for 72 years, from 1802 to 1874. The people of the District were deprived of their right to vote in 1874, after a congressional investigation of the Washington municipal debt. But their disenfranchisement was meant to be only temporary—while the Congress searched for a solution to the District's financial problems. As a stopgap measure, the Congress established the present Commission form of government. That was in 1874.

Now, I ask my distinguished colleagues, is not 85 years long enough for the people of Washington to wait for the abolition of the so-called temporary municipal government in which they have no vote and the reestablishment of home rule?

Why does the subcommittee of the District Committee—year after year—obstinately block home-rule legislation? Is it because its members fear that the membership of the House may vote favorably on the proposal to reestablish home rule in the District of Columbia? Is it because they have no confidence in the ability of the people of the District to run their own municipal government? Or, to be more specific, is it because they are determined to deny the Negro—as well as the non-Negro-residents of the District—their basic right to have a voice in their local government?

Gentlemen, we can no longer allow a small group within the House District Committee to ignore the principles of democracy by refusing to permit this body to debate and vote on a bill which has been sponsored by 24 House members. In the absence of any indication that the District Committee will report the bill, we have no other recourse but to exercise our right to bring the home-rule measure to the floor of the House by means of a discharge petition. The Multer-Springer bill must be pried from the stubborn clutches of that small group of members within the District Committee who have demonstrated undeniable bias in their consistent refusal to report any form of home-rule legislation. Every member of this body who believes in the inherent right of every American community to self-government, is invited to join me today in signing the petition to discharge the committee from further consideration of the home-rule measure so that the House may have the opportunity to consider passage of this important piece of legislation.

Mr. RHODES of Pennsylvania. Mr. Speaker, I am pleased to join my colleagues in support of the District of Columbia home rule bill.

The citizens of Washington, our Nation's Capital, are among the very few in the entire free world who are not permitted to have a voice in their own government, nor have the privilege of voting for the President and Vice President who are residents of the Capital and who exercise the authority of the executive branch of our Government.

We in Pennsylvania are pleased that our Governor, David Lawrence, has taken such a positive and forthright stand in favor of District of Columbia home rule legislation. As former mayor of the city of Pittsburgh, Governor Lawrence appreciates the complex administrative and legislative problems involved in conducting the governmental affairs of a large city. He realizes that a matter of basic democratic principle is involved in this fight for home rule and that in these perilous times, Congress does not have the time to preoccupy itself with problems capable of being resolved by any responsible city council in the Nation.

Mr. Speaker, under unanimous consent, I include in the RECORD a resolution signed by Governor Lawrence, of Pennsylvania, stating his views in favor of home rule legislation:

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, July 7, 1959.

As the Governor of one of the United States, I desire to express my firm position for immediate home rule for the people of the District of Columbia.

The time has come to redress the denial of suffrage to these patriotic, long-suffering American citizens.

Just as the boundaries of the United States have been extended during the past year to thousands of new Americans who have achieved statehood, it is no more than proper that the people of Washington, D.C.,

likewise be given the right to govern themselves.

Please accept this expression of my stand in this matter as an endorsement of the pending bill, the passage of which would accomplish this objective.

DAVID L. LAWRENCE.

Mr. VANIK. Mr. Speaker, I believe the time has come to restore the rights of local self-government to the nearly one million citizens of the District of Columbia. It is inconceivable that those who live in the very shadow of the Capitol, which symbolizes freedom and democracy, should be denied the basic privileges of citizenship accorded to the free peoples of the world everywhere.

The Senate, for the fifth time in 10 years, has passed home rule legislation. During this same period of time no home rule bill has ever been cleared by the House District Committee. Arbitray home rule hearings, which were held on July 28, were indeed the very first which have been held since 1952.

In view of this opposition in principle, in any form, to home rule legislation, the normal legislative processes of committee action must necessarily be abandoned and short-circuited in favor of the extraordinary method of presenting the matter to the House of Representatives through a discharge petition.

Under the bill sought to be discharged by this petition, the District of Columbia would be governed by an elected legislative assembly of 15 members, a Governor and secretary appointed by the President for a 4-year term with power to veto council actions, which veto may be overridden by two-thirds of the members of the legislative assembly, a Board of Education created by the legislative assembly, and a non-voting delegate in the House of Representatives, with powers of a territorial delegate, elected by the qualified voters of the District for a 2-year term. This bill would provide the new home rule government with the authority to manage the affairs of the District of Columbia and remove this responsibility from Congress, which has not achieved a distinctive record as administrator of the affairs of the District of Columbia.

DISTRICT OF COLUMBIA HOME RULE

Mrs. DWYER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. DWYER. Mr. Speaker, during the present session of Congress, many of our colleagues have taken part in a number of debates on the floor of this House in an effort to present the merits of legislation providing home rule for the District of Columbia.

I have been privileged to be a part of this effort, and I recall especially that at the time this body passed the Hawaiian statehood bill several of us expressed the hope that the nearly 1 million citizens of the Nation's Capital might soon share the full freedom we accorded then to the 350,000 citizens of our island State. The elections in Hawaii this week confirmed how genuine is the spirit of freedom and how greatly our people desire to undertake the responsibilities of full-fledged citizenship.

These debates, I believe, have served to acquaint us with the persuasive arguments supporting home rule for the District of Columbia. I would summarize these arguments in three principal categories.

First, we cannot be true to the fundamental ideals of our American way of life if we continue to deny to the citizens of Washington the right to govern themselves. If we believe in democracy, if we believe in representative government, if we believe in the principles to which we have sworn allegiance all our lives, then we are obliged to help restore self-government to the people of the District. It is as simple and fundamental as that.

Second, it has long been evident that Congress—burdened with world responsibilities—simply does not have sufficient time to deal adequately and responsibly with the great variety of details involved in functioning as Washington's City Council. I believe I understand the importance of making a proper determination of the length of Potomac River rockfish which have to be returned to the river. I recognize the need to decide whether birth certificates should cost 50 cents or 75 cents. And I can appreciate the importance of judging whether a pension should be awarded to the director of the fireman's band.

These and the thousands of other daily problems and decisions that arise in the life of a great city should not be minimized. They are important to many people and to a sound civic life, but in the grand scheme of Congress' responsibilities, they are relatively insignificant. To do full justice to them would involve the sacrifice of precious time and attention from the duties we were elected to fulfill, both to our districts and our Nation. This sacrifice we cannot afford to make.

Third, the future of our Nation's Capital is important to all of us, and I believe it can best be assured by returning the responsibility for local government back to the people themselves. The fight against slums and blight and other ravages of age, and the struggle for civic development and improvement require great resources of imagination and dedication. Cities like Chicago, Pittsburgh and Philadelphia have demonstrated that progress can be made. But their experience also demonstrates that the full-time efforts of city authorities and the encouragement they can provide to private citizens is essential.

Of all American cities, Washington should be the ideal example. Yet this city, the Nation's Capital, is prevented from achieving its fullest development, from putting its best face forward, by an outmoded form of government which discourages civic enterprise and civic responsibility.

Mr. Speaker, I have considered the many objections to home rule which have been advanced by its opponents, but I find none of them persuasive or convincing. Least of all do I find the constitutional argument to be significant. In my own investigation of the question, I have found that leading constitutional authorities explicitly hold that Congress has full power to delegate its legislative authority over the local affairs of the District of Columbia. And this view has been sustained by the Supreme Court of the United States in an impressive series of decisions dating from the middle of the 19th century to the present time.

I am confident, Mr. Speaker, that a majority of this House favors home rule for the District of Columbia. I believe that a majority of Members desire an opportunity to vote on home-rule legislation, an opportunity that has been denied to us for many years. The rules of this House provide a means whereby the majority can insist on the right to vote by means of a petition. I have signed the petition now on the Speaker's desk, and I urge our colleagues to do the same.

HOME RULE FOR THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 1 hour.

Mr. REUSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I take this time to say a congratulatory word to the gentleman from New Jersey [Mr. WIDNALL] and the gentleman from Wisconsin [Mr. REUSS] for having taken this time, even though late in the day, and to all of those who have participated and will participate in these special orders dealing with this most important subject.

Earlier in the day those of us who were on the floor heard some remarks about the discharge petition which I placed upon the desk today and which has already been subscribed to by a goodly number of our colleagues. An attempt was made to deride the form of the petition and to indicate that this was something unusual and something bad, dictatorial and totalitarian, to use the language of some of those who spoke against the signing of this discharge petition. One gentleman took the time to say that the speaker now addressing the House had taken an hour and a half, as he used the term, "had usurped" an hour and a half of time on Monday, before the District of Columbia Committee, expounding his views on why the District of Columbia should have home rule.

At another time I shall place before this distinguished body all of the testimony that was adduced that morning,

because, true that I took about an hour and a half before the committee on Monday morning, but you will see when the transcript is made available to you that I had uttered hardly two sentences when I was besieged by questions from the opponents of home rule, and all of the hour and a half from that point on was devoted to answering their questions. And their questions indicated in no uncertain terms that the same men who are now in control of the Committee on the District of Columbia and who have been in control of it for the last 10 years have no intent—and I say this without attempting to impugn their motives in the slightest—they have no intent of bringing before this body or of reporting to this body a home rule bill of any kind or description.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield.

Mr. UDALL. I know in this body the gentleman from New York [Mr. MULTER] needs no defense nor does he need defenders. The fact that he was pilloried on the floor earlier today for following the procedures provided for under the rules of the House, I am sure does not distress him. But, let me say in support of the gentleman, speaking as one Member and a Member who is not a veteran by any means, but who has been here for 5 years, it seems to me we reach a time in legislative affairs as in personal affairs when quite properly our patience runs out.

Having been here for a relatively short period of time, one can point, however, to the fact that there have been no hearings and there has been no action taken whatsoever. Yet those who sit astride the great thoroughfare provided for the processing of legislation complain when we ultimately do what we have to do, when we take the only detour provided under the rules of the House. It comes with bad grace, it seems to me, and I would say that to any Member of the House, for anyone to criticize those who take the detour provided for under the rules of the House when they, themselves, have blocked the regular avenues of legislation. So, I think, as far as fair play is concerned, our colleague has and deserves the full support of those who believe in the rules of the House and who believe in the regular procedures because the procedure that he has followed here today, in my view, is the regular procedure and I, for one, commend him for it.

Mr. MULTER. I thank the gentleman. The gentleman has made the point I sought to make, which is that we are proceeding with this discharge petition in accordance with the rules of the House. I have no illusions about what will happen with this petition. Those who are opposed to home rule will not sign the discharge petition. Those who want home rule will sign the petition, with this reservation, that there are some men who have a feeling about signing a discharge petition, but who will vote for home rule, if it gets to the floor. I find no fault with them, but I think we do have a right to call to task those Members who are opposed to the rule and who have it within their control to report a bill out of the Committee on the District of Columbia. We have a right to take them to task when they complain about a harsh rule when it is within their power to bring forth a bill that can be fairly and completely discussed at length on the floor of the House under a rule that would be to their liking.

I offered a challenge earlier in the day on the floor, as I did on Tuesday, to the committee—I am sure every supporter of home rule will join with me in saying that we will give them any kind of a compromise they ask for—as to length of time of the debate and as to the kind of amendments that can be offered; as to who can offer the amendments, in exchange for only one commitment from them—namely, that they will join us in bringing before the House a home rule bill so that the House can work its will thereon. All of us, despite the epithets hurled earlier in the day—and we will hear more of them as time goes on—believe in majority rule. When the majority has spoken, we will bow our heads, if we happen to be in the minority, and hope the day will come when we will be in the majority. But no man, no woman, no Member of this body has a right to stand up and say that they will not let the House work its will on any piece of legislation, particularly one that goes to such fundamental rights as this home rule bill.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield.

Mr. JOHNSON of Colorado. I simply want to say that about an hour and a half or 2 hours ago, the gentleman from New York [Mr. MULTER] was in the majority and I was in the minority, and that was on another matter. I trust we will both live to see the day in this House when we are both in the majority.

Mr. MULTER. I thank the gentleman.

Mr. Speaker, will my colleague, the gentleman from Wisconsin yield further?

Mr. REUSS. I yield.

Mr. MULTER. I think that is the spirit in which this country moves forward. We agree today—and we are in the majority. When we disagree, we can do it agreeably even when one or the other necessarily must be in the minority. But that is the American way—discussing these things fully, frankly, and fairly—we arrive at what is best for our country. I am sure that in the not too distant future we will bring this home rule bill to the floor and the House will work its will, and the people of the District of Columbia will have restored to them their right to participate in their own government.

Mr. REUSS. I thank the gentleman from New York.

Mr. RIVERS of Alaska. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield.

Mr. RIVERS of Alaska. Mr. Speaker, I commend the gentleman from Maryland, our colleague [Mr. FOLEY], for his valuable contribution in regard to the constitutionality of this home rule legislation. I, from experience, have observed and history records that the Congress has found the delegation of its legislative power to a limited extent to be a very useful and effective procedure. It has been pointed out that the Congress in 1871 gave the District of Columbia a bill comparable to the bill, H.R. 4630, which would give a legislative assembly to the District and an appointive governor and secretary and a voteless delegate in the House of Representatives. That legislative assembly, pursuant to its organization in 1871, did function for a few years until the Congress in the exercise of its exclusive power over legislation in the District of Columbia chose to repeal that home rule law and take away from the people of the District what it had already given.

What I have in mind as a practical proposition is that, although the Congress has the exclusive legislative power over the District of Columbia under article 1, section 8 of the U.S. Constitution, that section does not preclude to a limited extent the delegation of that power in the proper process of carrying out governmental functions. The best example I can think of is the oneline organic act of the Territory of Alaska, which was granted to the Territory in 1912 under the complete power that Congress has over Territories.

Under that organic act, in nearly all local and domestic matters, the power to legislate was delegated to a territorial legislature. The Congress reserved the power to repeal or nullify any act of that territorial legislature. It took affirmative action by the Congress to nullify such an act. For 46 years the Alaska Legislature did legislate in matters of domestic concern within the Territory, and the Congress never nullified a single one of those acts.

The Congress with plenary power over Territories has exercised that power through delegating legislative authority to our territorial legislative assemblies in the same way that it has the power to do so in the District of Columbia. What is wrong, therefore, with a little practical delegation? The bill itself, H.R. 4630, provides on page 13 that all acts of the assembly shall at all times be subject to repeal or modification by the Congress of the United States, "and nothing herein shall be construed to deprive the Congress of the power of legislation over said District in as ample a manner as if this act had not been enacted."

The key to the problem is that some limited delegation of legislative power is entirely valid where control of the delegated power is reserved to the Congress and the extent of such delegation is specified as in this bill. Reserving the basic power to nullify anything that this lesser body may do, leaves unimpaired the exclusive legislative power vested in the Congress over the District of Columbia. I therefore have no doubt but what a court would hold that this bill is founded on sound legal principles.

Mr. Speaker, as citizens of the newest State, we Alaskans can sympathize keenly with the people of Washington, D.C., who want the vote in running their own city government. We know how unsatisfactory it is to be dependent

upon a busy Congress, absorbed with national affairs, for the solution of local problems.

Under the proposal which I am cosponsoring, Congress would change the status of the 800,000 citizens of the District of Columbia so that they would be able to elect a local legislative assembly for the passage of local laws and the spending of their local tax money.

Since 800,000 Americans are being unnecessarily prevented from voting at the local level in contravention of the basic American principle of self-government, I regard this proposed home-rule legislation for Washington, D.C., as a matter of national importance deserving of nationwide support.

Since there is considerable diversity as to both the form and substance of pending proposals to give the people of Washington, D.C., so-called home rule, I would like to be specific as to the exact legislation which I support and the reasons therefor.

I have felt all along that the only real solution would be a constitutional amendment by virtue of which the residents of Washington, D.C., would be allowed to vote for President and elect voting representatives to the Congress. Realizing, however, the substantial length of time which must elapse before this basic correction can be attained, I settled upon what appears to me to be the most immediately feasible step in the right direction, and introduced H.R. 4638, which provides for a presidentially appointed Governor and Secretary, an elected legislative assembly, and a nonvoting Delegate to the House of Representatives. This bill, which is largely based upon the formula used for so many years as a limited grant of local self-government to our territories, is identical with H.R. 4630, introduced by our colleague, ABE MULTER, of New York, and which, I understand, is the basic bill under consideration at this time by this committee.

This is the bill with regard to which I wish to register my support. The idea of a federally appointed Governor is consistent with the idea frequently mentioned that Washington, D.C., should remain a Federal city with the Federal Government assuming a fair proportion of the cost of developing and maintaining it as America's showplace.

Likewise, the veto power which could be exercised by such federally appointed Governor should somewhat allay the fears of those who oppose the mayor-council form embodied in the Morse bill which recently passed the Senate, but with regard to which the Senate might recede if the House enacts and sends over to the Senate H.R. 4630.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I wish to commend the gentleman and the others who have spoken this afternoon. I particularly appreciated listening to the expert discussion of the history of this provision of the constitutional aspects of the matter by our colleague the gentleman from Maryland [Mr. FOLEY]. I believe this will be most instructive to many people who have to answer for the history of the United States. It was my misfortune not to have heard this lecture.

Just a few days ago a large number of foreign students and young leaders of personnel called upon me. Their primary concern, because of the news of the day, was why we did not have home rule in the District of Columbia, in the Capital of this great democracy. I did my best in my ignorance at that time to explain the historical and constitutional reasons as I understood them. I am sure I could have made a more effective explanation had I already heard the remarks of the gentleman from Maryland.

It should be noted that this is a unique problem only insofar as there is no other jurisdiction over the District of Columbia. There are many Federal properties over which we have exclusive jurisdiction located in the various States. State legislatures have taken steps to provide the necessary right to citizenship and all other rights which the persons resident upon those Federal properties have; but in the District of Columbia only the Congress can grant the necessary relief.

The measures which are pending, the measures which have been referred to, and the measures which have already passed the other body are intended to provide within the framework of the existing Constitution such relief as seems appropriate. It may well be that we should amend the Constitution, but that is not the immediate question before us.

I hope the Members of the House will sign the discharge petition and that we may take action.

I wish, Mr. Speaker, to have the RECORD note that I have received a great deal of correspondence from citizens in my own district who earnestly seek my report for legislation of this sort. Indeed, I am not aware of any dissent within my district from the proposition that the Congress ought to complete action long overdue of providing home rule for the District of Columbia.

Mr. Speaker, I am proud to be a Member of the Congress that welcomed the gentleman from Alaska [Mr. RIVERS] as the first full Member of the House of Representatives from Alaska. I am happy also to be a Member of the Congress which voted statehood for Hawaii and I trust before I run for reelection I shall also be a Member of the Congress which gives full home rule within the Constitution to the District of Columbia.

I thank the gentleman for yielding to me.

Mr. GIAIMO. Mr. Speaker, several months ago this House passed the necessary legislation which later resulted in Hawaii becoming a State of this great Union. I voted in favor of statehood for Hawaii and I can honestly say that it was one of the most exciting and rewarding days of my life to have participated in this great body on a matter which resulted in the extension of our system of statehood to a former Territory. It was a pleasure and gratification which does not come to many persons—for that I am grateful.

However, when I look at the plight of the disenfranchised Americans who live in the District of Columbia; when I see the lack of interest in District matters on the part of some of my colleagues; when I see this great body, rightfully concern itself with affairs of the United States and of the world, having to also concern itself with the local problems of the District of Columbia, then my pleasure and gratitude on the accomplishment of statehood for Hawaii becomes somewhat diminished.

This is the Congress of the United States not the common council of the District of Columbia. It is fitting and proper that we should concern ourselves with national and international problems and understandable that there might be a lack of interest on the part of some of us in problems of the District of Columbia. These problems would best be handled by a local District of Columbia governing body elected by and directly responsible to the inhabitants of the District of Columbia.

I can see no sound reason for failing to restore self-government to the inhabitants of the District. I can see no good reason to continue to deny to the Americans living in the District the rights and privileges of American citizens in the States. Let us put an end to this inferior status for the District of Columbia inhabitants.

My own State of Connecticut recognized the inequities which exist in the District of Columbia and our general assembly on May 28, 1959, adopted a joint resolution memorializing Congress to sign a discharge petition to bring a bill granting home rule to the floor of the House of Representatives in the event such bill be bottled up in the several committees of the House.

I urge the signing of this discharge petition now on the Speaker's desk and I urge the adoption of legislation designed to return to the citizens of the District of Columbia the right to conduct their own affairs and their own local government.

DISTRICT OF COLUMBIA HOME RULE

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. BOWLES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. BOWLES. Mr. Speaker, I was pleased today to perform what I sincerely consider to be a solemn duty to the disfranchised people of the District of Columbia by adding my signature to the petition to discharge from committee the long-delayed legislation for home rule for our Nation's Capital.

This legislation is nothing new, nothing radical, and I feel should not be considered controversial. It merely provides for the people of Washington a

voice in their own affairs, as was intended by the Founding Fathers of our country. The legislation merely reinstates a right which was "temporarily" taken away some 75 years ago.

With all due respect to those who oppose any measure granting the citizens of the District of Columbia a voice in their own affairs, I have often wondered if those same Members do not have serious doubts about the wisdom of continuing the present system when, on District Day, this great body wrestles with such problems as whether the fee for birth certificates in the District of Columbia should be 50 or 75 cents or what should be the legal length for rockfish caught in the Potomac River.

With the countless national and world problems we are faced with in this National Legislature, how can we possibly continue to condone a system by which we devote a major proportion of our workweek to the daily operation of one municipality?

The people of my State and district are concerned, and rightly so, by the failure of Congress to provide some measure of representation for the voteless citizens of Washington. Connecticut, the birthplace of the first written Constitution in America, the "Fundamental Orders of 1638," has always jealously guarded the rights and privileges guaranteed to its citizens. It is only fitting that the citizens of Connecticut should protest when these same rights and privileges are denied to others.

On May 28 of this year the General Assembly of the State of Connecticut adopted Joint Resolution 201, a resolution memorializing Congress concerning home rule for the District of Columbia.

The resolution states:

> It is a matter of grave injustice to deny American citizens the right even to govern themselves as to matters of local interest, and particularly so when they are obliged to bear the costs of such government."

It further states that the Connecticut General Assembly, the elected representatives of the 2.3 million citizens of my State, favors legislation to grant home rule to the District of Columbia and urges the members of the Connecticut delegation in this House to sign a discharge petition to bring such legislation to the floor.

Mr. Speaker, I need no urging. For those who may, I would like to bring to their attention a petition from the Democratic Town Committee of Scotland, Conn. It is typical of the attitude of the people of Connecticut on this situation, and is but one of many I have received from constituents on this subject.

The petition states in part:

> Let us, once and for all, remove this injustice directed at the people of the District of Columbia and give them the opportunity to run their own "house."

Mr. Speaker, let us indeed, once and for all, correct this injustice and at the same time free our own hands for the vital work we were sent here to do.

THE CURIOUS ACTIVITIES OF THE FEDERAL RESERVE IN OPPOSING THE WAYS AND MEANS COMMITTEE'S "SENSE" RESOLUTION ON DEBT MANAGEMENT

Mr. REUSS. Mr. Speaker, on Wednesday, July 8, the House Committee on Ways and Means completed its action on the President's request concerning the interest ceiling on Government bonds. The action is reported in the CONGRESSIONAL RECORD Daily Digest for July 8, 1959:

INTEREST CEILING ON GOVERNMENT BONDS

Committee on Ways and Means: Completed its decisions on provisions to be included in a bill, which the chairman will introduce, to authorize the President, upon a finding by the President that the national interest requires it, to authorize the Secretary of the Treasury to offer Treasury long-term issues and E and H savings bonds at rates of interest in excess of the existing ceilings. The authority given to the President is for a period of 2 years.

In addition, the bill will contain language expressing the sense of the Congress that the Federal Reserve System, while pursuing its primary mission of administering sound monetary policy, should, to the maximum extent consistent therewith, utilize such means as will assist in the economical and efficient management of the public debt and in so doing the System should, where feasible, bring about needed future monetary expansion by purchasing U.S. securities, of varying maturities.

The "sense" resolution is in no way inflationary. It does not require the Federal Reserve to expand the money supply by any particular amount, or indeed to expand it at all. It simply directs the Federal Reserve, in cases during the next 2 years where it does more to expand the money supply, to do so by the method of purchasing U.S. securities, of varying maturities, rather than by the method of further lowering bank reserve requirements.

HOW DEBT MANAGEMENT WILL BE HELPED

The "sense" resolution would help in the efficient and economical management of the public debt in three ways:

First. Since the earnings of the Federal Reserve System substantially revert to the Treasury, it would result in a saving to the taxpayers of many millions in interest charges on the national debt.

Second. It would moderate somewhat the downward fluctuations in the prices of U.S. securities, and thus make them less unattractive to investors.

Third. It would make Treasury financing more orderly by reducing the chances of "attrition"—where securityholders refuse to accept exchanges and instead demand repayment in cash.

According to all press accounts, the administration at first accepted the "sense" resolution.

But on Monday, July 13, Federal Reserve Board Chairman William McChesney Martin, Jr., spent much of the day closeted with the President. According to the Wall Street Journal, he told the President that the "sense" resolution would introduce "printing-press money."

CHAIRMAN MARTIN'S FAMOUS LETTER

On Tuesday, July 14, Chairman Martin wrote his famous letter to the gentleman from Pennsylvania [Mr. SIMPSON], chairman of the Republican Congressional Campaign Committee and ranking Republican member of the Committee on Ways and Means. Mr. Martin's letter, which was made public only last Monday, July 27, follows:

> BOARD OF GOVERNORS OF THE
> FEDERAL RESERVE SYSTEM,
> *Washington, D.C., July 14, 1959.*
>
> The Honorable RICHARD M. SIMPSON,
> *House of Representatives,*
> *Washington, D.C.*
>
> DEAR MR. SIMPSON: This response to the request contained in your letter of July 13 puts in writing the gist of the comments I made in the executive session meetings of the Ways and Means Committee on the amendments to the legislative proposals originally offered by the administration.
>
> It is my considered judgment we are facing a serious financial situation. The limitation on interest rates is unrealistic in the light of present market quotations and denies the U.S. Treasury the tools essential to effective balanced handling of its borrowing needs. By statute the Treasury is now limited, because of the ceilings, to the issue of short-term securities which, under present conditions of rising prosperity, is dangerous. These short-term obligations can readily be converted into money at the option of the holder. In effect, they are a substitute for money, and thus could swell the flow of money far beyond that needed to purchase available goods and services at current price levels. The threat of a money flow out of hand has a major impact on the cost of living and places a burden on all of us.
>
> It serves no useful purpose at the moment to argue whose fault it is that we are in our present predicament. The fact of the matter is we are in it. The committee is not being asked to vote whether interest rates should or would go up or down, but merely to grant the Treasury authority to exercise its best judgment in meeting an existing problem. We are discussing a crucial matter—the credit of the United States. Failure to deal with this could (and I was careful not to threaten or assert that it necessarily would) have the most serious implications. It was my duty to warn of this, much as I disliked the task. These are the basic facts with which we were dealing and any amendments must be considered in this light.
>
> The amendment to retain the statutory ceilings but permit them to be disregarded if the President found the national interest so required did not seem to me to present unworkable problems. Accordingly, I did not raise objections, although I prefer the original.
>
> The "sense of the Committee" amendment is quite a different matter. I object to this on principle. The Open Market Committee and the Federal Reserve Board are given the responsibility under the Federal Reserve Act for regulating the money supply. If the Congress wishes to spell out the means of doing this, it should amend the Federal Reserve Act and not tack this on to a debt management bill.
>
> Furthermore, under present conditions, I am convinced that this amendment, when stripped of all technicalities, and regardless of whether the language is permissive or mandatory, will cause many thoughtful people both at home and abroad to question the will of our Government to manage its financial affairs without recourse to the printing press. To me this is a grave matter. We are here dealing with trust and confidence which is the keystone of sound currency. Therefore, I must oppose this proposal as vigorously as possible, as I did during the hearings.
>
> The amendment limiting the President's authority to 2 years is, in my judgment,

unsound. It could be a source of embarrassment to both the next President and the then Secretary of the Treasury.

I have tried as faithfully as possible to summarize what I actually said during the hearings, and not to introduce new ideas. May I, in conclusion, thank you and all the members of the Committee for the courtesy and consideration shown me and my associates throughout the meetings. I am taking the liberty of sending a copy of this letter to Chairman MILLS.

Sincerely yours,

WM. MCC. MARTIN, Jr.

THE "PRINTING-PRESS MONEY" HOAX

At his press conference the next day, on Wednesday, July 15, the President took up the cry. He was "concerned deeply" about the "sense" resolution, he said, which he described as "one that implies that we should embark on what we would, and I think the Federal Reserve would count, would call unsound financial operations."

The Eisenhower-Martin talk of "printing-press money," fortunately, failed to convince anyone much. Even thoughtful conservative publications have played a cooling stream of common sense upon this inflammatory talk. Business Week on July 18, 1959, said in part:

The committee, headed by Representative WILBUR MILLS, recognized that failure to act would place the onus for the Treasury's plight on Congress. It decided to give the Treasury greater freedom but placed the responsibility squarely on the White House. Given the political realities, this is an understandable compromise.

But the President has objected both to the 2-year limitation and to an additional amendment which suggests that the Federal Reserve should seek to assist the Treasury by more flexible open-market operations when consistent with administering a sound monetary policy.

This amendment has alarmed many faithful supporters of the Fed, who have interpreted it as an all-out attack on the independence of the central bank.

There is nothing in the amendment itself to support such an extreme view. It is, in fact, a very moderate statement. It does not seek the restoration of the pegged market that made the Fed an engine of inflation. It does not lessen the Fed's authority, nor does it strip it of the weapons it possesses. It merely points out that it is the sense of Congress that the Fed's open-market operations should show greater flexibility.

The implication is plain that the committee feels the money managers have been unduly rigid in their insistence that in carrying out open-market operations the Fed should deal only in bills and should never buy or sell the longer term securities. Many observers who can be counted as good friends of the Fed share this opinion of the "bills only" doctrine. Allan Sproul, former president of the New York Federal Reserve Bank, for example, recently criticized the money managers for their unswerving allegiance to orthodox high church policies. Sproul thinks that the Fed should assist the Treasury's debt operations whenever it appears necessary.

This is the practice followed by every other central bank in the Western World. Only the Fed has followed a hands-off policy.

There is some hope that this attitude may be changing. The Fed is now at pains to point out that it really follows a bills usually policy rather than bills alone. If this is the case, it can certainly live with the committee's amendment as easily as the Treasury can.

But some Fed supporters insist that Congress wants to curb the Fed's hard-won independence. It cannot be denied that congressional critics have frequently accused the Fed of acting as a fourth branch of government, responsible and responsive to no one. For its part, the Fed has taken the position it must remain free of administration pressure; otherwise, it will revert to its position as a handmaiden of the Treasury. It draws support for its position by arguing that its authority derives from Congress, not from the Executive.

Now the committee is seeking to make the Fed responsive to Congress. It is not seeking to put the Fed in a subordinate position but is indicating that the Treasury's subordinate position should be replaced by something approaching equality.

We think there is merit in this position. The committee's solution is far from ideal, but even under the best of circumstances, it is doubtful that a perfect solution could be achieved. In recognizing that the U.S. Treasury deserves special treatment, the committee has hit at the heart of the matter.

The fact is that the national debt, which is close to $290 billion, can have an enormous influence on our economic position. To handcuff the debt managers, to treat their problem as if it were the same as that of any private borrower, is to accept a doctrinaire and unrealistic approach. The Treasury must have freedom, and the Fed should provide as much support and cooperation as possible—consistent with carrying out its own policy. The committee's bill seeks to encourage it to do just that.

THE AMERICAN BANKER'S ARTICLE

The American Banker for July 28, 1959, said:

WHAT PRICE BILLS

It seems a pity that the Federal Reserve Board once again has gotten itself into a bad hole with its silly "bills only" policy on open market operations. The House Ways and Means Committee wants to write into the bill designed to free the Treasury from coupon rate limitations a "sense of Congress" resolution calling for Federal Reserve open market operations in Treasury issues of varying maturities. The tricky phrasing would tie this in with Treasury debt management. A great pother promptly was started against any such resolution by William McC. Martin, as Chairman of the Fed and the Treasury also is said to have come around to the view that it is undesirable.

Of course it is undesirable if it is construed as a directive on open market operations. There is no need for such a resolution, but there is also no need for a "bills only" policy which invites congressional intervention. The "bills only" policy is mere idle pretense, just as is the Congressional limitation on Treasury debt or on Treasury bond coupons. Any emergency wipes all such pretenses out. A year ago the Treasury jumped to the support of its 2⅝s of 1965 to the tune of $589 million, and on the next Treasury refinancing the Federal Reserve open market portfolio acquired $1,090 million certificates, $10 million notes and $114 million bonds.

Other instances of this kind could be cited, such as the sustained Treasury bond purchase program at the start of World War II, when the market went to pieces. But it may be more to the point to note the views of Allan Sproul, the only central banker of real stature we have had since the days of Gov. Benjamin Strong and Board Adviser Walter W. Stewart. Mr. Sproul was for the "bills only" policy during most of his tenure as head of the Federal Reserve Bank of New York, but he changed his mind on more mature reflection and has since advocated its abandonment. Essentially the whole thing is extremely simple: Why tie your own hands?

And on July 19, 1959, the Washington Post said:

LET CONGRESS SPEAK

We do not altogether understand the active opposition of the Federal Reserve Board and Treasury Secretary Anderson to the amendment of the interest rate bill pending in the House. This amendment would merely state that it is the sense of Congress that the Fed ought to consider some judicious purchases of long-term Government bonds, consistent with its overriding obligation to promote monetary stability. If the opponents of this mildly worded amendment persist in being too stiff necked about it, they may well lose any chance to obtain the elimination of the interest rate ceiling, to which the House Banking Committee has agreed and which is vitally necessary if the heavy pressures on the short-term money market are to be eased.

After all, the Constitution gives Congress the power to coin money and set its value, and the Fed is a creature of Congress, set up to help discharge this important function. If Congress wishes merely to express its feelings on a vital issue of current monetary and debt management, without in any way diluting the full legal authority it has previously delegated to the Federal Reserve, the latter could well afford to let the advice be given, treat it respectfully and continue to steer by its own lights with appropriate explanations. Of course congressional advice cannot be ignored, and the Fed may feel some inhibition in even having to consider it. But perhaps this is the price the Board must pay for the basic independence which it values so highly and which we think it should have. Certainly that will not be compromised by letting Congress and other independent organs of Government have their say-so, too.

CHAIRMAN MARTIN'S TESTIMONY

But not until Monday of this week, July 27, was there an opportunity for the Congress to ask Mr. Martin to stand up and state publicly the basis for his two objections to the "sense" resolution, as set forth in his July 14 letter.

In his appearance last Monday before the Joint Economic Committee, he was asked concerning both of his two stated objections: first, that the "sense" resolution should be an amendment to the Federal Reserve Act; and, second, that the "sense" resolution would introduce "printing-press money."

As to the first objection, the following colloquy took place:

Representative REUSS. I take it that that first objection of yours is an objection in the realm of legislative tidiness, and that this first objection would disappear if the legislation enacted by Congress were an amendment to the Federal Reserve Act.

Mr. MARTIN. There is no question at all but that the Congress has the power to do what it wants.

Representative REUSS. But this first objection of yours, I gather, would be cured by proper labeling?

Mr. MARTIN. I want to make no mistake about it, though. I think it would be a mistake to do it, but that would be completely limited.

Representative REUSS. As far as objection number one goes, that would be satisfied.

Mr. MARTIN. That is right.

Thus disappears the Fed's first objection. I am assured by Mr. Charles J. Zinn, law revision counsel, House Committee on the Judiciary, that in the normal course of law revision, the "sense" resolution would constitute an

amendment to the Federal Reserve Act, thus meeting Mr. Martin's meticulous requirement.

SENATOR DOUGLAS-CHAIRMAN MARTIN

As to the second objection, that the "sense" resolution introduces "printing-press money," the colloquy between Mr. Martin and the chairman of the Joint Economic Committee, the senior Senator from Illinois [Mr. DOUGLAS], is illuminating:

The CHAIRMAN. Do I understand you to say that when the Federal Reserve carries out open market operations such as is advocated in the Reuss resolution, that this is inflationary?

Mr. MARTIN. Under present conditions, Senator, in the context in which we are operating, I felt, I know that Mr. REUSS is perfectly sincere in believing——

The CHAIRMAN. We are all sincere. It is a question of accuracy; that is all. We are just as sincere as Mr. REUSS. I hope I am just as sincere as you are. So let us sweep that off the boards. The question is whether the Reuss resolution is inflationary. I think you said it is.

Mr. MARTIN. In my judgment it is. In my judgment it will not help the Treasury and it is inflationary.

The CHAIRMAN. It is inflationary?

Mr. MARTIN. In the present context.

The CHAIRMAN. I seem to be interrupting, but I always think you have finished your sentence. I note in the letter to Congressman SIMPSON you termed the Reuss resolution as one that would involve printing-press money.

Mr. MARTIN. That is not quite correct. I said that stripped of all its technicalities, whether it was permissive or mandatory, it would make many thoughtful people, both in this country and abroad, think that this country did not have the will to manage its affairs without resorting to the printing press.

The CHAIRMAN. Then I take it that what you are saying is that since open-market operations increase member bank reserves and permit member banks to lend more credit, which this will do, that this is inflationary. Now, may I ask why is it any more inflationary than lowering the percentage of reserves which the member banks must maintain? In the first case you increase the reserves of the member banks so that with the same percentage reserves they can loan more money. In the other case you lower the percentages so that with the same reserves, in absolute terms, they can lend more credit. In each case they, not the Government, lend more credit. Now, why is it inflationary to increase the lending capacity of banks through open-market operations, but not inflationary to increase the lending capacity of banks by lowering reserve ratios? Now, this astonished me, Mr. Martin, coming from so able a man as you, who is surrounded by such eminent authorities on money, credit, and interest rates.

Mr. MARTIN. Senator, I can only answer that by saying that both will have the same end result.

The CHAIRMAN. I do not think the reporter caught that, Mr. Martin.

Mr. MARTIN. I said both will have the same end result, Senator.

The CHAIRMAN. It will increase lending by member banks?

Mr. MARTIN. In terms of reserves. Now, under present conditions our problem is not increasing the reserves any more than a reasonable amount, so far as the flow of money is concerned, to sustain and improve the business situation. Anything beyond that, any use of the credit mechanism to create a lack of savings by bank-financed operations, will be inflationary. Now, the judgment on that in the context in which we are operating is that I have heard nobody advocating that our policy is too easy. They are all advocating that our policy is too tight.

The CHAIRMAN. Now, you are addressing yourself, if I may say so, to the quantity of bank credit to be issued rather than to the method by which the increase is to take place. Assume, and I think you have said this, yourself, assume the bank credit should expand at the rate of 3 percent a year, what difference does it make so far as the effects on prices are concerned whether this is caused by open market operations, increasing the absolute quantity of member bank reserves, or by lowering reserve ratios, permitting the banks to create more credit on the same absolute terms of reserves? In each cause you can get your 3-percent increase. I do not see that one is more inflationary than the other. I am at a loss to understand how you would denounce open market operations as a means of expanding bank credit and at the same time reserve your accolade for the lowering of reserve requirements.

Mr. MARTIN. I do not denounce that means, Senator.

The CHAIRMAN. I thought you were. You called that printing-press money.

Mr. MARTIN. No.

Representative CURTIS. Let use be fair as to what the gentleman said. Let him say it and not you say it.

The CHAIRMAN. My memory may be faulty, but I think in your letter to Congressman SIMPSON——

Representative CURTIS. Read the whole thing.

The CHAIRMAN. "Cause many thoughtful people both at home and abroad to question the will of our Government to manage its financial affairs without recourse to the printing press." Are you one of the thoughtful people who think that the use of open-market operations would lead to the adoption of printing-press money, the issuance of printing-press money, or are these thoughtful people other than yourself?

Mr. MARTIN. Let me put it this way: the atmosphere in which we are operating is such that we are not in any context of producing easier money, and let me address myself to that 3-percent figure. Perhaps it has never been wise to use that because you are one of the foremost exponents of velocity as well as quantity in making up the measurement of the money supply. I merely am trying to point out that so far as the reserves which we are putting into the market today, they must not be put in the context of increasing reserves beyond what is essential to a steady flow of money in the stream.

The CHAIRMAN. There is a rollcall going on. I have to leave. In conclusion I will merely say this: I do not think there is the slightest bit of difference so far as increasing the lending capacity of the banks is considered. The question is how much you want to increase. That is another point and as one who believes in the quantity theory of money, I do not want to see it rapidly outrun the index of the real national product, but there is this vital difference, however: When you lower the reserve ratios the banks are able to create this credit without any cost to themselves and without any income to the Government. But when you use open-market operations, the Government gets approximately one-sixth of the amount of credit thus credited and makes added earnings. It has no disadvantage, but it makes added earnings.

Now, I have tables here which I will submit for the record, some compiled by my staff, some compiled by the staff of the committee. I will choose simply the ones which we compiled which show that the policy of lowering reserve ratios, which the Board under your leadership has followed since 1953, if that expansion of credit had been created by open-market operations, the net increase of revenue to the Government, 90 percent of the net profits in this period would have amounted to $415,800,000. That would have enabled the Government to have brought bonds during that time, reduced its borrowings and, therefore, improved the financial position.

There are other tables which we have which I will also make part of the record and submit to you as verification which would indicate that if we were to change our policy in the future, that then after the 10th year we would be saving around $85 million a year and that this would distinctly ease our financial condition and help us very much. Now, $85 million to the Chairman of the Federal Reserve Board may not be very much, but to the Senator from Illinois it is a great deal.

THOUGHTFUL PEOPLE

It will be seen from this colloquy that Mr. Martin finally had to admit that the method of expanding the money supply recommended by the "sense" resolution has precisely the same end result as the method which the Federal Reserve is insisting on following. When pinned to the mat, Mr. Martin sought to slide out by saying that he, himself, did not mean that the "sense" resolution called for "printing-press money"—it was just that the "sense" resolution would cause "many thoughtful people both at home and abroad" to believe that we were turning to the "printing press." When asked by Senator DOUGLAS directly whether he was one of the "thoughtful people," Mr. Martin tactfully started talking about something else.

Thus the Federal Reserve has had its day in court. It has completely failed to substantiate its two objections to the "sense" resolution.

SPEAKER RAYBURN'S STATEMENT

Meanwhile, Speaker RAYBURN has well summed up the whole matter in his statement of July 23:

The Committee on Ways and Means moved promptly on the legislation to remove the statutory ceiling on the interest rate of long-term bonds, because it was aware that the request of the President deals with one of the most important issues facing us. Both the committee and I are fully aware of the gravity of the problems involved.

In substance, the committee gave the President the flexibility which he requested in the management of the public debt. The committee added two provisions to the legislation requested by the President.

First, instead of removing the ceiling permanently, the committee placed a 2-year limitation on the authority granted to the President.

Second, the committee required that before bonds could be issued at rates of interest above the existing ceiling, the President must make a finding that it is in the national interest to do so.

The only other provision which the committee added to the legislation was a declaration of the sense of Congress relative to the management of the public debt. This section states the concern of the Congress over the continuing rising costs of financing the public debt. It expresses the hope that further increases in interest rates can be avoided or minimized without interfering with efficient debt management and the Federal Reserve's efforts to preserve a sound currency.

Here is the language in question:

"It is the sense of Congress that the Federal Reserve System, while pursuing its primary mission of administering sound monetary policy, should, to the maximum extent

consistent therewith, utilize such means as will assist in the economical and efficient management of the public debt and in so doing the System should, where feasible, bring about needed future monetary expansion by purchasing U.S. securities, of varying maturities."

This is what the language does. It expresses the sense of Congress that the Federal Reserve System should assist the Treasury in the management of the public debt in a way that is consistent with the System's primary mission of administering a sound money policy. This language further expresses the preference of Congress that when it is necessary for the Board to carry out its function of expanding the supply of money and credit, this could be done whenever feasible by its purchase of U.S. securities. This language does not require or even urge any expansion of the credit supply that would not be desirable and necessary for economic growth. The language of the bill says simply that it is the sense of the Congress that wherever feasible this needed growth of the money supply could be provided through the purchase of Government securities. There is nothing new, unreasonable or irresponsible in this procedure. I need only to point out that the Federal Reserve Banks already hold $26 billion of U.S. Government securities.

I have been forced to the conclusion that the Federal Reserve authorities have reached a point in their thinking where they consider themselves immune to any direction or suggestion by the Congress, let alone a simple expression of the sense of Congress. It appears that the fault of the suggested committee bill was not that the language itself was wrong, but that the Congress dared even to speak to the Federal Reserve, a creature of Congress.

The failure to move this bill is the failure on the part of the administration to understand that the Congress cannot be expected to be unconcerned about what might happen in the exercise of the authority granted to the President under the bill. It is the failure of the administration to accept the right of the Congress to express its concern within the statute, that this authority should not be exercised in ways which are not in the public interest. It is the failure of the administration to accept the right of Congress to place a time limit upon the exercise of this very substantial authority so that the Congress may, from time to time, reexamine the way that the authority is being exercised.

Since the responsible solution of this problem is of great importance to the country, it is disappointing that the Republican members of the Committee on Ways and Means have decided to play politics with it, particularly at a time when conferences were being held with responsible administration officials in an effort to resolve this problem. Every Republican member of the Committee on Ways and Means must have known of the efforts on the part of the leadership of the Congress and the Democratic members of the Committee on Ways and Means in meeting with representatives of the administration seeking a solution to this problem. They must have known that I, along with others, have been making every effort to resolve this problem in a way that is of the best interest to our country. We are not wedded to the language suggested by the committee, and despite the political activities of the committee minority, we will continue to make every effort to develop an effective solution to this problem. In my opinion, this is a matter far too important to get involved in partisan politics.

ECONOMIC WELFARE OF FOREIGN NATIONS

The SPEAKER pro tempore (Mr. IKARD). Under previous order of the House the gentleman from Missouri [Mr. CURTIS] is recognized for 10 minutes.

Mr. CURTIS of Missouri. Mr. Speaker, on June 16, 1959, during the debate on the Mutual Security Authorization Act, I placed in the RECORD a series of questions which relate largely to the fiscal aspects of the entire subject of our foreign relations, not just the fiscal aspects of what is called the mutual security program. These will be found on pages 10966 and 10967 of the CONGRESSIONAL RECORD. Through the courtesy of the chairman of the House Foreign Affairs Committee, my colleague, the gentleman from Pennsylvania, THOMAS E. MORGAN, I have received answers to these questions. I think this is material that is of value to the House membership and accordingly I am placing it in the RECORD. This material, of course, to be meaningful must be collated and commented upon. When I obtain additional information I expect to take the floor to discuss the subject matter rather fully.

At the present time there are two points I would like to make:

First. A test of whether or not a country is actually moving ahead economically is the increase of its gross national product but even more important, whether there is an increase in per capita national gross product. It is quite interesting to note that in the 4 years, 1955, 1956, 1957, and 1958, that many of the countries that we are supposed to be helping, do not show increases in gross national product and per capita gross national product. In fact, some show decreases. Certainly we should be asking ourselves the question of what have all the many programs we have in such countries been doing for them if they have not been moving ahead.

The second point I want to stress at this time is one of encouragement, as to whether or not the Development Loan Fund is serving the purpose of cutting down the request for outright grants as it was intended to do. In the answer to my question in regard to this subject there is this statement:

> When the loans made under the older programs are added to those made by the Development Loan Fund we find that only 6 percent of total aid in fiscal year 1956 was on a loan basis. For fiscal year 1957 the figure was 21 percent; for fiscal year 1958, the first year of Development Loan Fund, it was 29 percent; and this year it has risen to 42 percent.

This is very impressive. Herein follows the questions I posed with the answers:

First. What has been the increase or decrease in trade in dollar amounts between the United States and the individual recipients of aid under this program in the past year? Has trade increased or decreased?

The attached tables indicate U.S. trade with the principal aid recipient countries. Since changes from one year to the next are not very meaningful to indicate trends several years are included in the tables. In general they show a general increase in trade. This is most notable in the trade figures with Western Europe. U.S. exports to Western Europe increased from nearly $3 billion in 1950 to $4.8 billion in 1958. This increase is even more startling when it is considered that unlike in 1958, the 1950 data are predominantly foreign aid exports from the United States. During the past 9 years, the overall OEEC trade gap was reduced from $4.7 to $3.4 billion; the gap in trade with the United States was also reduced.

In evaluating last year's trade figures it is well to remember that world trade, including U.S. trade, was subject to sharp temporary disturbances in 1956 and 1957 mainly due to the Suez crisis. Therefore it is more appropriate to compare 1958 trade figures with these of 1955 than with the intervening 2 years. Such a comparison would show a healthy increase of total U.S. exports by 13 percent, an increase in imports of 12 percent, and an increase in the balance on goods from $2,753 to $3,263 million.

U.S. exports to Western Europe

[In millions of dollars]

	U.S. exports (excluding special category) [1]									
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Western Europe, total	3,987	2,958	4,138	3,381	2,906	3,400	4,187	5,172	5,694	4,463
Spain, Finland, Yugoslavia	95	107	270	172	205	232	330	421	382	364
OEEC	3,892	2,851	3,868	3,209	2,701	3,168	3,857	4,751	5,312	4,099
United Kingdom	671	516	909	683	594	696	930	910	1,100	838
France	466	342	434	369	343	335	360	562	589	427
Germany [2]	817	440	520	446	356	494	596	785	956	733
Italy (including Trieste)	463	357	473	422	304	316	369	535	678	492
Greece	152	94	99	69	53	51	79	93	86	72
Turkey	83	61	64	68	70	87	102	116	140	127
Other OEEC	1,240	1,041	1,369	1,152	981	1,189	1,421	1,750	1,763	1,410

[1] The exclusion of "special category" exports from statistics by country was inaugurated in May 1949. Therefore, 1949 data are not strictly comparable with succeeding years.

[2] Data for 1949–51 include a small amount of exports to Eastern Germany.

Far East—Trade statistics

[Millions of U.S. dollars]

Country	Calendar year	Trade with United States [1]	
		Exports to—	Imports from—
Total, Far East	1954	774	1,546
	1955	1,009	1,579
	1956	1,046	1,985
	1957	1,084	2,672
	1958	1,202	1,634
Burma	1954	1	8
	1955	1	5
	1956	2	6
	1957	2	12
	1958	1	7
Cambodia	1954	9	1
	1955	10	3
	1956	10	6
	1957	10	3
	1958	9	7
Laos	1954	--------	[2]
	1955	--------	[3] 1
	1956	--------	[3] 4
	1957	--------	[3] 6
	1958	--------	2
Vietnam	1954	[4] 13	[4] 21
	1955	16	32
	1956	8	61
	1957	11	66
	1958	5	62
Indonesia	1954	149	91
	1955	167	96
	1956	141	141
	1957	148	133
	1958	172	61
Japan	1954	283	849
	1955	457	774
	1956	543	1,065
	1957	607	1,626
	1958	671	834
Korea	1954	[5] 14	[4] 109
	1955	[5] 8	[4] 159
	1956	[5] 11	[4] 230
	1957	[5] 5	[4] 316
	1958	2	216
Philippines (imports f.o.b.)	1954	246	331
	1955	240	356
	1956	242	301
	1957	225	337
	1958	274	291
China (Taiwan)	1954	[5] 5	[4] 89
	1955	[5] 6	[4] 97
	1956	[5] 6	[4] 114
	1957	[5] 4	[4] 105
	1958	11	102
Thailand	1954	[4] 54	[4] 57
	1955	[4] 104	[4] 56
	1956	83	57
	1957	72	68
	1958	57	52

[1] Source: Country statistics.
[2] Not available.
[3] Customs reports.
[4] Estimated by ICA/W.
[5] Foreign exchange statistics.

Latin America—Trade statistics

[Millions of U.S. dollars]

Country	Calendar year	Trade with United States [1]	
		Exports to—	Imports from—
Total, Latin America	1954	3,398	3,427
	1955	3,514	3,417
	1956	3,867	3,802
	1957	3,824	4,565
	1958	3,591	4,054
Argentina	1954	122	141
	1955	118	154
	1956	117	239
	1957	113	307
	1958	133	249
Bolivia	1954	63	25
	1955	61	31
	1956	57	39
	1957	33	43
	1958	9	29
Brazil	1954	579	537
	1955	602	309
	1956	735	355
	1957	660	548
	1958	566	530
Chile	1954	187	140
	1955	201	162
	1956	244	162
	1957	192	231
	1958	156	149
Colombia	1954	518	421
	1955	431	421
	1956	435	406
	1957	369	288
	1958	333	185
Costa Rica	1954	51	47
	1955	44	52

[1] Source: Country statistics.

Latin America—Trade statistics—Continued

[Millions of U.S. dollars]

Country	Calendar year	Trade with United States	
		Exports to—	Imports from—
Costa Rica—Continued	1956	34	50
	1957	43	57
	1958	36	42
Cuba	1954	369	367
	1955	401	423
	1956	431	488
	1957	468	452
	1958	528	546
Dominican Republic	1954	71	55
	1955	64	64
	1956	59	71
	1957	65	73
	1958	72	76
Ecuador	1954	65	46
	1955	55	47
	1956	56	42
	1957	56	48
	1958	56	47
El Salvador	1954	76	51
	1955	69	52
	1956	50	55
	1957	63	59
	1958	49	45
Guatemala	1954	68	56
	1955	73	70
	1956	83	82
	1957	73	80
	1958	66	79
Haiti	1954	25	31
	1955	15	26
	1956	14	29
	1957	18	24
	1958	23	25
Honduras	1954	44	35
	1955	36	36
	1956	47	40
	1957	42	44
	1958	28	36
Mexico	1954	365	647
	1955	463	701
	1956	481	838
	1957	452	890
	1958	458	886
Nicaragua	1954	29	38
	1955	30	45
	1956	25	43
	1957	28	47
	1958	24	84
Panama	1954	16	45
Panama (total trade includes Colon Free Zone).	1955	19	45
	1956	17	50
	1957	21	58
	1958	24	84
Paraguay	1954	6	6
	1955	6	4
	1956	7	3
	1957	8	6
	1958	8	10
Peru	1954	88	130
	1955	98	150
	1956	115	179
	1957	115	191
	1958	124	167
Uruguay	1954	33	45
	1955	16	44
	1956	25	33
	1957	13	56
	1958	9	22
Venezuela	1954	623	564
	1955	712	581
	1956	835	607
	1957	992	1,063
	1958	892	809

Near East and south Asia—Trade statistics

[Millions of U.S. dollars]

Country	Calendar year	Trade with United States [1]	
		Exports to—	Imports from—
Egypt	1954	19	51
	1955	26	63
	1956	14	72
	1957	22	47
	1958	18	52
Greece	1954	15	46
	1955	24	70
	1956	23	78
	1957	30	83
	1958	37	73
Iran	1954	[2] 20	[2] 51
	1955	[2] 35	[2] 55
	1956	[2] 42	[2] 47
	1957	[2] 33	[2] 50
	1958	42	106
Israel	1954	14	79
	1955	16	93
	1956	19	117

[1] Based on country statistics, except where noted.

Near East and south Asia—Trade statistics—Continued

[Millions of U.S. dollars]

Country	Calendar year	Trade with United States [1]	
		Exports to—	Imports from—
Israel—Continued	1957	20	109
	1958	18	105
Saudi Arabia	1954	[2] 59	[2] 44
	1955	[2] 59	[2] 72
	1956	[2] 77	[2] 77
	1957	[2] 41	[2] 69
	1958	72	59
Sudan	1954	4	3
	1955	3	3
	1956	4	3
	1957	3	6
	1958	4	2
Ceylon	1954	25	8
	1955	37	10
	1956	30	9
	1957	31	14
	1958	27	22
India	1954	185	155
	1955	195	189
	1956	184	198
	1957	276	358
	1958	191	313
Pakistan	1954	24	21
	1955	31	32
	1956	31	26
	1957	38	120
	1958	27	112
Turkey	1954	58	72
	1955	49	111
	1956	60	86
	1957	90	122
	1958	56	127

[2] Based on U.S. Customs data.

Second. What has the increase or decrease of American private investment been in these countries in the past year in dollar amounts?

It is estimated on a preliminary basis that new U.S. private investment (not including reinvested subsidiary earnings) in the Latin American, Asian, African, and Middle East areas totaled about $1,050 million during 1958. This figure is substantially higher than the corresponding totals for 1954 and 1955 but is well below the totals for 1956 and 1957, about $1,280 million and $1,650 million respectively, which were abnormally high because of extraordinary petroleum investments.

Third. What has been the increase or decrease in gross national product of these countries? And in per capita gross national product?

Fourth. How much offshore procurement in dollars—has there been last year in each of these countries? Has it been increasing or decreasing over a period of the past few years?

I. Total ICA commodity expenditures, and source of procurement

[Thousands of dollars]

Fiscal year	Total	United States	Offshore
1955	984,971	774,861	210,110
1956	1,042,951	706,992	335,959
1957	1,235,907	708,355	527,552
1958	1,012,758	524,004	488,754

II. Total military assistance program offshore procurement contracts placed for equipment and supplies

[Millions of dollars]

Fiscal year:	Total
1955	166.3
1956	72.1
1957	143.1
1958	41.4
1959 (programed)	91.6
1960 (programed)	51.8

Total and per capita GNP, by country—By region

Country		Unit	Calendar years— 1955	1956	1957	1958 (estimated)
EUROPE						
Austria	Total GNP (in 1957 prices)	Million dollars	4,194	4,419	4,670	4,825
	Per capita GNP	Dollars	601	632	667	689
Belgium-Luxembourg	Total GNP (in 1957 prices)	Million dollars	10,570	11,022	11,170	11,166
	Per capita GNP	Dollars	1,152	1,193	1,200	1,193
Denmark	Total GNP (in 1957 prices)	Million dollars	4,376	4,461	4,761	4,786
	Per capita GNP	Dollars	973	985	1,043	1,040
France	Total GNP (in 1957 prices)	Million dollars	43,555	45,692	48,666	50,061
	Per capita GNP	Dollars	1,007	1,047	1,104	1,125
Germany	Total GNP (in 1957 prices)	Million dollars	44,672	47,523	49,905	51,202
	Per capita GNP	Dollars	908	955	989	1,005
Italy	Total GNP (in 1957 prices)	Million dollars	22,915	23,618	25,003	25,770
	Per capita GNP	Dollars	477	489	516	530
Netherlands	Total GNP (in 1957 prices)	Million dollars	8,654	9,013	9,216	9,280
	Per capita GNP	Dollars	805	828	836	831
Norway	Total GNP (in 1957 prices)	Million dollars	3,680	3,832	3,942	4,022
	Per capita GNP	Dollars	1,073	1,107	1,128	1,137
Portugal	Total GNP (in 1957 prices)	Million dollars	1,905	1,962	1,996	2,042
	Per capita GNP	Dollars	217	222	224	227
Spain	Total GNP (in 1957 prices)	Million dollars	9,633	10,101	10,912	11,142
	Per capita GNP	Dollars	335	346	371	376
United Kingdom	Total GNP (in 1957 prices)	Billion dollars	59.7	60.8	61.9	61.1
	Per capita GNP	Dollars	1,165	1,181	1,199	1,178
Yugoslavia	Total GNP (in 1957 prices)	Million dollars	2,895	2,920	3,508	3,443
	Per capita GNP	Dollars	165	164	195	189
AFRICA						
Ethiopia	Total GNP (in 1957 prices)	Million dollars	794	805	845	805
	Per capita GNP	Dollars	45	45	47	44
Ghana	Total GNP (in 1957 prices)	Million dollars	780	757	809	775
	Per capita GNP	Dollars	170	161	169	161
Liberia	Total GNP (in 1957 prices)	Million dollars	90	95	94	(1)
	Per capita GNP	Dollars	90	95	93	(1)
Libya	Total GNP (in 1957 prices)	Million dollars	85	100	112	118
	Per capita GNP	Dollars	77	89	98	102
Morocco	Total GNP (in 1957 prices)	Million dollars	1,654	1,713	1,570	1,679
	Per capita GNP	Dollars	195	199	180	191
Somalia	Total GNP (in 1957 prices)	Million dollars	37.5	36.5	40.9	41.0
	Per capita GNP	Dollars	29	28	31	31
Tunisia	Total GNP (in 1957 prices)	Million dollars	457	497	453	508
	Per capita GNP	Dollars	122	131	119	132
NEAR EAST—SOUTH ASIA						
Afghanistan	Total GNP (in 1957 prices)	Million dollars	(1)	600	620	635
	Per capita GNP	Dollars	(1)	48	49	49
Ceylon	Total GNP (in 1957 prices)	Million dollars	1,158	1,128	1,201	1,160
	Per capita GNP	Dollars	133	126	131	123
U.A.R. (Egypt)	Total GNP (in 1957 prices)	Million dollars	3,065	3,190	3,254	3,314
	Per capita GNP	Dollars	134	136	136	135
Greece	Total GNP (in 1957 prices)	Million dollars	2,369	2,530	2,750	2,882
	Per capita GNP	Dollars	283	300	323	336

			Fiscal year ending Mar. 31— 1955–56	1956–57	1957–58	1958–59
India	Total GNP (in 1957 prices)	Billion dollars	27.0	27.8	27.1	28.6
	Per capita GNP	Dollars	70	71	68	71

			Calendar years— 1955	1956	1957	1958 (estimated)
Iran	Total GNP (in 1957 prices)	Million dollars	2,355	2,500	2,700	2,750
	Per capita GNP	Dollars	120	126	134	134
Iraq	Total GNP (in 1957 prices)	Million dollars	1,030	1,020	990	1,065
	Per capita GNP	Dollars	164	159	151	160
Israel	Total GNP (in 1957 prices)	Million dollars	1,395	1,540	1,702	1,838
	Per capita GNP	Dollars	804	842	882	914
Jordan	Total GNP (in 1957 prices)	Million dollars	110	165	155	130
	Per capita GNP	Dollars	77	111	102	84
Lebanon	Total GNP (in 1957 prices)	Million dollars	522	597	618	500
	Per capita GNP	Dollars	368	413	419	333
Nepal	Total GNP (in 1957 prices)	Million dollars	(1)	(1)	350	365
	Per capita GNP	Dollars	(1)	(1)	40	40
Pakistan	Total GNP (in 1957 prices)	Million dollars	5,361	5,520	5,502	5,557
	Per capita GNP	Dollars	65	66	65	65
Saudi Arabia	Total GNP (in 1957 prices)	Million dollars	(1)	(1)	(1)	(1)
	Per capita GNP	Dollars	(1)	(1)	(1)	(1)
Sudan	Total GNP (in 1957 prices)	Million dollars	755	780	490	680
	Per capita GNP	Dollars	74	75	74	61
Turkey	Total GNP (in 1957 prices)	Million dollars	9,126	9,486	9,792	10,000
	Per capita GNP	Dollars	378	383	384	381
FAR EAST						
Burma	Total GNP (in 1957 prices)	Million dollars	1,009	1,041	1,134	1,100
	Per capita GNP	Dollars	52	52	56	54
Cambodia	Total GNP (in 1957 prices)	Million dollars	[2] 350	390	424	415
	Per capita GNP	Dollars	[2] 80	86	92	89
China (Taiwan)	Total GNP (in 1957 prices)	Million dollars	890	930	986	1,045
	Per capita GNP	Dollars	94	95	98	100
Indonesia	Total GNP (in 1957 prices)	Million dollars	4,870	5,120	5,500	5,200
	Per capita GNP	Dollars	60	62	65	60
Japan	Total GNP (in 1957 prices)	Million dollars	24,000	26,000	27,900	28,630
	Per capita GNP	Dollars	270	289	307	312
Korea	Total GNP (in 1957 prices)	Million dollars	2,770	2,833	3,213	3,402
	Per capita GNP	Dollars	129	130	145	150

[1] Not available.

Total and per capita GNP, by country—By region—Continued

Country		Unit	Calendar years— 1955	1956	1957	1958 (estimated)
FAR EAST						
Laos	Total GNP (in 1957 prices)	Million dollars	[1]	97	99	100
	Per capita GNP	Dollars	[1]	49	50	50
Philippines	Total GNP (in 1957 prices)	Million dollars	4,570	4,820	5,000	5,150
	Per capita GNP	Dollars	205	211	215	215
Thailand	Total GNP (in 1957 prices)	Million dollars	1,930	2,020	1,945	2,100
	Per capita GNP	Dollars	95	98	92	98
Vietnam	Total GNP (in 1957 prices)	Million dollars	1,870	1,950	1,900	1,960
	Per capita GNP	Dollars	156	160	153	156
LATIN AMERICA						
Argentina	Total GNP (in 1955 prices)	Million dollars	8,100	8,420	[2] 8,500	
	Per capita GNP	Dollars	424	432	[2] 428	
Bolivia	Total GNP (in 1957 prices)	Million dollars	245	235	[2] 240	
	Per capita GNP	Dollars	77	73	[2] 73	
Brazil	Total GNP (in 1955 prices)	Million dollars	10,050	10,500	[2] 10,300	
	Per capita GNP	Dollars	172	175	[2] 168	
Chile	Total GNP (in 1955 prices)	Million dollars	1,570	1,570	[2] 1,500	
	Per capita GNP	Dollars	232	226	[2] 214	
Colombia	Total GNP (in 1955 prices)	Million dollars	2,220	2,370	[2] 2,400	
	Per capita GNP	Dollars	175	183	[2] 181	
Costa Rica	Total GNP (in 1955 prices)	Million dollars	305	270	[2] 290	
	Per capita GNP	Dollars	321	273	[2] 280	
Cuba	Total GNP (in 1955 prices)	Million dollars	2,230	2,410	[2] 2,630	
	Per capita GNP	Dollars	364	385	[2] 410	
Dominican Republic	Total GNP (in 1955 prices)	Million dollars	520	560	[2] 600	
	Per capita GNP	Dollars	206	215	[2] 222	
Ecuador	Total GNP (in 1955 prices)	Million dollars	730	745	[2] 785	
	Per capita GNP	Dollars	198	196	[2] 202	
El Salvador	Total GNP (in 1955 prices)	Million dollars	450	455	[2] 485	
	Per capita GNP	Dollars	205	201	[2] 207	
Haiti	Total GNP (in 1955 prices)	Million dollars	270	310	[2] 250	
	Per capita GNP	Dollars	82	93	[2] 74	
Honduras	Total GNP (in 1955 prices)	Million dollars	315	330	[2] 315	
	Per capita GNP	Dollars	190	193	[2] 178	
Mexico	Total GNP (in 1955 prices)	Million dollars	6,720	7,165	[2] 7,525	
	Per capita GNP	Dollars	226	235	[2] 239	
Nicaragua	Total GNP (in 1955 prices)	Million dollars	310	305	[2] 305	
	Per capita GNP	Dollars	249	238	[2] 233	
Panama	Total GNP (in 1955 prices)	Million dollars	270	275	[2] 285	
	Per capita GNP	Dollars	297	294	[2] 297	
Paraguay	Total GNP (in 1955 prices)	Million dollars	200	190	[2] 195	
	Per capita GNP	Dollars	127	119	[2] 119	
Peru	Total GNP (in 1955 prices)	Million dollars	1,500	1,550	[2] 1,560	
	Per capita GNP	Dollars	160	161	[2] 157	
Uruguay	Total GNP (in 1955 prices)	Million dollars	1,570	1,580	[2] 1,565	
	Per capita GNP	Dollars	600	594	[2] 580	
Venezuela	Total GNP (in 1955 prices)	Million dollars	5,200	5,460	[2] 5,730	
	Per capita GNP	Dollars	899	917	[2] 934	

[1] Not available. [2] Estimated.

Fifth. How much did private U.S. banks lend to investors in the economic endeavors—also social and political endeavors—of these countries?

Preliminary estimates indicate that short term and longer term U.S. private banking claims on foreigners in Latin America, Asia, Africa, and the Middle East totaled about $2.4 billion at the end of 1958 as compared with about $2.1 billion at the end of 1957 and about $1.8 billion at the end of 1956. These figures do not, of course, include credits to domestic enterprises which may, in part or in whole, have been used in their business activities in the less developed countries; data on such credits are not available.

Sixth. (A) How much did the Export-Import Bank lend last year and what are the balances and record of payments?

Loan commitments made by the Bank in the calendar year 1958 totaled $967 million compared with disbursements of $784 million.

Balances of loans outstanding as of December 31, 1958, were $3,314 million.

Repayments during the year totaled $316.8 million.

Lending activities of the Bank in 1958 were generally higher than in previous years. Loans made to Latin American countries reached the highest dollar volume of lending by the Bank in the Western Hemisphere in the last 25 years.

Sixth. (B) How much did the International Bank for Reconstruction and Development lend last year and what are the balances and record of payment?

Loan commitments made by the IBRD in the calendar year 1958 totaled $770 million compared with disbursements of $540.9 million.

Balances of loans outstanding as of December 31, 1953, were $3,275 million.

Repayments during the year totaled $40.3 million.

Total loans approved net of cancellations:

	Million
1947	$497
1948	28
1949	219
1950	262
1951	207
1952	281
1953	256
1954	273
1955	396
1956	503
1957	472
1958	764
Grand total	4,158

Seventh. What is the ratio of Development Loan Fund loans to loans received from other free world sources?

The rate of loan commitments of the Development Loan Fund during the first year of its effective operation—that is, during calendar year 1958—amounted to about $650 million. A gradual expansion of the operations is expected over the next few years. Because this is a new program, actual disbursements were only a fraction of the commitments; it is reasonable to assume that for at least a year or two the rate of expenditures will lag behind loan commitments.

Bilateral government economic assistance expenditures by the other free world industrialized countries extended to the less developed areas amounted to about $1.2 billion in 1958. This represents an increase from an average of about $650 million in the years 1954–56.

In comparing these magnitudes it should be remembered that about 90 percent of the aid given by the other free world countries goes to the oversea dependencies of the European metropolitan powers and to other areas with which they have close political and economic links. A very small portion of Development Loan Fund loans is likely to go to the same area.

Eighth. Has the Development Loan Fund, indeed, served the purpose of cutting down the requests for outright grants as it was intended to do? Congressman FORD testified earlier this year that this had been the case. What did the committee find the dollar figures to be on the cutback? In relation to the amount of loans?

The amounts used for bilateral economic aid, exclusive of technical cooperation, have been $1,239 million for fiscal year 1956, $1,349 million for fiscal year 1957, $1,068 million for fiscal year 1958, and $1,058 million for fiscal year 1959.

You will note a sharp decline of almost $300 million in fiscal year 1958, the first year of Development Loan Fund operation.

Some parts of bilateral economic aid, excluding Development Loan Fund, have been used on a loan basis. These amounts are $74 million for fiscal year 1956, $283 million for fiscal year 1957, $124 million for fiscal year 1958, and $64 million for fiscal year 1959.

When the loans made under the older programs are added to those made by Development Loan Fund, we find that only 6 percent of total aid in fiscal year 1956 was on a loan basis. For fiscal year 1957 the figure was 21 percent, for fiscal year 1958, the first year of Development Loan Fund, it was 29 percent, and this year it has risen to 42 percent.

Ninth. The committee's report on the operation of the investment guaranty program is ambiguous. On page 44 the committee states that only $160 million out of $500 million remains available and applications now exceed $1 billion. Yet on the very next page the committee quotes, I suppose with approval, the statement of the chief of the investment guarantee division, as follows:

> It is our belief that the war risk guarantee, to make any appreciable contributions to the stimulation of private investment, should be broadened to include revolution, insurrection and civil disturbances arising therefrom.

Well, a program that attracts a $1 billion backlog certainly sounds like one that is making an appreciable contribution. If the division chief thinks $1 billion is not an appreciable contribution I believe the committee and the Congress should have some idea what he thinks the adjective "appreciable" means, $20 billion?

Mr. Warden's testimony was limited to pointing out that the war risk guaranty authority in its present limited form has made no appreciable contribution to the program or even to the volume of pending applications. The billion dollars in pending applications and the contracts written to date are the result almost wholly of the convertibility and expropriation authorities.

If the war risk authority were expanded as indicated it is expected that it would add to the total amount of American investment encouraged to go abroad, although it is improbable that Mr. Warden intended to leave the impression that he could estimate approximately the magnitude of the additional investment which might be so encouraged.

Tenth. What is the total amount of Public Law 480 funds that are presently available for the same purposes listed in the mutual security bill? The committee report seems to list only those funds obligated. What the Congress needs to know is what funds have been generated and how much agricultural surplus there is available that might reasonably be generated into Public Law 480 funds in the ensuing fiscal year?

The United States has concluded as of December 31, 1958, Public Law 480 sales agreements totaling the equivalent of $3.3 billion. Actual sales have been consummated as of that date for which the foreign currency equivalent of $2.5 billion has been paid. Of this, $1.1 billion has already been expended. The balance remaining in Treasury accounts as of December 31, 1958, was $1.4 billion equivalent. Of the total of $3.3 billion of sales agreements, $2.1 billion was earmarked for use within the foreign country, of which $273 million was for military grants, $216 million for economic grants, and $1,646 million for economic loans. Of these amounts $195 million had been dispersed for military procurement, $68 million for grants for economic development, and $493 million for loans for economic development. Thus, there is a potential balance, when all sales have taken place, of the equivalent of $1,378 million in foreign currencies which will be able to be used for military procurement grants, grants for economic development, and loans for economic development.

It should be borne in mind that these currencies do not replace dollars and the mutual security program presented to the Congress takes fully into account the possible uses of these currencies to meet local currency requirements in the countries being assisted.

So far as the future is concerned, this will depend upon the action taken by the Congress in authorizing further Public Law 480 sales and on the negotiation of sales agreements. Again, the mutual security program projects estimates of such sales in the various countries being assisted and takes fully into account the extent to which these availabilities of agricultural commodities reduce the need for financing of imports through dollar grants or loans.

Eleventh. What is the total amount of counterpart funds available for these programs? Again the committee seems to report those which have been obligated, not those which are available. What additional counterpart funds—if any—are still generated and might be generated in the ensuing fiscal year?

Counterpart (country-owned)

Unobligated or uncommitted deposits, June 30, 1959	$127,573,000
New deposits estimated for fiscal year 1960	753,155,000
Total available for obligation	880,728,000

Twelfth. What are the unobligated balances previously appropriated for this program? The obligated but unspent funds are listed but it is hard to figure the unobligated balances.

Unobligated and unreserved balances available in subsequent years

[In millions]

1950	$575.9
1951	873.3
1952	602.0
1953	2,116.3
1954	2,463.6
1955	48.6
1956	338.1
1957	764.2
1958	231.4
1959 (estimated)	[1] 292.9

[1] $46,000,000 military and $246,900,000 Development Loan Fund. An additional $14,000,000 could be utilized for programs in fiscal year 1960 if permissive legislation is provided in the fiscal year 1960 Appropriation Act.

Two hundred and forty-six and nine-tenths million dollars of this fiscal year-end figure represents funds which, although not technically obligated in the form of signed loan agreements, are considered to be effectively obligated through issuance of formal letters of commitment constituting a pledge by the United States to make the funds available, and funds thus committed will not be available for any other use.

Thirteenth. What are the dollar balances of trade of the countries benefiting under this program?

These figures appear for each country on the yellow divider sheets which constitute the first page of each country statement in the presentation books.

Fourteenth. On page 64 of the report the committee devotes a paragraph to "Use of Excess Government Property for Economic Assistance" and states:

> There is now authority to utilize excess property under the act either by purchasing it at the price established in accordance with law by GSA or the holding agency, or possibly in special circumstances at no cost in accordance with applicable regulations.

Now we are talking about sizable sums when we get into surplus property. We have been disposing of around $7 to $8 billion of surplus property generated by the military establishments a year for several years. In the report of the Appropriations Committee on the military appropriation bill this year, it was stated that there is about $26 billion of surplus property waiting to be disposed of in the Military Establishment. We have been averaging about 8 cents on the dollar on the property sold.

Just how much surplus property in dollar value does the committee think might be channeled into the foreign aid program for this fiscal year? A couple of billion or maybe only a few hundred million?

All material excess to U.S. defense requirements is carefully screened against the needs of the military assistance program. All defense excesses are so screened, but it should be clear that only those excesses can be applied against military assistance program requirements that meet a real need. As pointed out by Assistant Secretary of Defense Irwin on page 134 of the hearings:

> In fiscal year 1959, $331 million of excess materiel is programed for our allies and $85 million in fiscal year 1960.

STATEMENT BEFORE SPECIAL SUBCOMMITTEE ON RADIATION OF CONGRESSMAN DANTE B. FASCELL ON DISPOSAL OF ATOMIC WASTES

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. FASCELL. Mr. Speaker, I strongly protest the proposals which are under consideration for disposing of atomic waste products in the water bodies of the earth. I feel that the possibility of contamination that we and future generations might suffer for this action is one which must be resolved to the complete satisfaction of the American people before any further disposal actions are authorized by the Atomic Energy Commission.

Notwithstanding scientific and technical testimony that there is no dangerous contamination, Mr. Speaker, doubt exists in the minds of Americans and other people of the world which is valid and reasonable. Community horror at recommendations of the National Academy of Sciences for dumping waste materials off the cost of south Florida is an example of the psychological effect which is being reflected by Americans at similar proposals. The dumping of the material in or near fisheries or tourist beach areas could prove disastrous to these multi-million-dollar industries in view of public wariness. Future plans for obtaining a large source of our food and water supply from the oceans could be affected since numerous areas for possible disposal have been used, more are under consideration for selection and many more would be needed in the future.

I certainly recognize the beneficial effects of the uses of atomic energy and radiation; however, the program of disposing of atomic waste products needs more scientific attention. A different, inexpensive neutralizing process must be found. Our health and the well-being of future generations are at stake; and it is our responsibility to determine to our complete satisfaction that we are not creating more future problems.

The consideration which this subcommittee is devoting to this question is commendable, essential, and will be of inestimable value in helping the public to deal with something of which it has a definite fear and uncertainty.

I submit that, in principle, it is just as erroneous to risk the possibility of dissipating contamination in water as it is in air or land. We have made analogous errors in the past. Just note what it is costing us today to attempt to correct the adverse effects of smog and water pollution. What will be the cost in the future to rid ourselves of the much more potentially dangerous accumulated atomic pollution in the air, land, and water, if ever, indeed, we can.

CAN CASTRO SAVE CUBA?

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. PORTER] may extend his remarks at this point in the RECORD and include therein extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. PORTER. Mr. Speaker, can Castro save Cuba? The fact is that he did save Cuba from Batista's corruption, torture, murder, and shame. He provided inspired leadership for the people of Cuba in their overthrow of the tyrant Batista. Now they look to Castro for a democratic, a free and prosperous Cuba. This is a big order.

Harold H. Martin, in the lead article in the Saturday Evening Post, August 1, 1959, writes with sympathy and discernment about the tremendous problems Castro has taken on.

It is one thing to knock over a dictator, another to correct evils of centuries in a short time.

To most fairminded men—

Martin writes—

his sincerity, his honesty, and his patriotism are unquestioned. His powers of judgment and his mental balance are still in doubt.

Ask yourself, How would your judgment and mental balance be if you had been through what Castro has been through and if you were faced with what he is faced?

I believe Castro can save Cuba. Sympathy and understanding are what Cuba needs and deserves from the United States and the rest of the world. She has been through a terrible ordeal. She has a multitude of crises immediately ahead of her. She believes in Castro and will follow his leadership.

Castro is far from perfect when compared to the model leader Cuba needs—and who does not exist anywhere except as a sort of unmentioned ephemeral yardstick which Castro's critics from time to time apply to him.

Above all, in my opinion, Castro needs to understand the necessity for a legitimate, organized opposition, a development that can only come through setting a date for elections in the reasonable future—that is, an immediate announcement of an election date sometime before the end of 1960.

Castro is the absolute ruler of Cuba in terms of power. As long as he does not use police state methods of repression against his opponents, as long as he does not shout down critics as "counter-revolutionary," freedom will continue to exist in Cuba and in fairness Castro cannot be compared to Batista or Trujillo.

Under unanimous consent I am including the text of Mr. Martin's excellent article. "Can Castro Save Cuba?" as follows:

CAN CASTRO SAVE CUBA?

(By Harold H. Martin)

In Cuba, in the little bodegas where the people go for groceries, beer, and gossip, they tell the story of Fidel Castro and the impulsive young lady in New York. Charmed by Mr. Castro's magnetic presence, his beard, his large and limpid eyes, and his ceaseless flow of hoarsely eloquent Spanish, she had, they say, by some means made her way to his room by night.

"Fidel," she whispered, gently rousing the sleeping hero, "I am eager to serve the revolution. What is it you wish of me"?

Mr. Castro, the story goes, sat up in bed, his whiskers bristling fiercely. "Tractors," he bellowed. "Tractors, seeds, and fertilizers."

The chances are a thousand to one that this episode never happened, for the Cubans, as a people, are very fond of making jokes. It does serve, however, sharply to illuminate one facet of Mr. Castro's character: his profound concern with the plight of the Cuban farmer, and his determination to lighten the guajiro's—the peasant's—burden, no matter what economic chaos may ensue.

For nearly 7 years, in prison, in exile, and as a hunted rebel in the cloud-hung hills of the Sierra Maestra, Mr. Castro was obsessed with one thought—the overthrow of President Fulgencio Batista, whom Castro and a majority of Cubans looked upon as a thief and a tyrant. When, on last New Year's Eve, Batista fled Havana to lonely exile in the Dominican Republic, Castro turned his attention to another matter which had pressed heavily upon his mind—the sweeping land reform which would destroy forever the economic pattern under which Cuba had operated since Spanish days.

It is Castro's dream, and he stubbornly insists that it shall come to pass no matter how the well-to-do may suffer, that Cuba shall no longer exist as the feudal domain of a few hundred great "latifundistas." The absentee landlords who drew their wealth from the Cuban earth—and spent it in Havana, Miami, and New York—shall no longer rule their vast estates from afar. They shall, instead, see their huge holdings broken up and divided among the hungry campesinos—the tenants, sharecroppers, squatters, and wandering day laborers of the Cuban countryside.

His goal, he explains, is simply this: He is determined that, for the first time in Cuba's history, every rural Cuban will live in his own floored house with a tin roof on it; will gather coconuts from his own trees, milk his own cow, and feed his spindle-legged, big-bellied children on corn, beans and plantains raised on his own small plot of fertile ground.

This is not, as his critics claim, a vision of the new Cuba which has only recently appeared to him in a cloud. Six years ago, while on trial for leading an abortive attack on an army barracks in Santiago, Castro told his judges, "We call on the people. On the 700,000 Cubans who are without work, but who desire to earn their bread honestly without fear of having to emigrate from their country in search of sustenance; on the 500,000 camp workers who dwell in miserable shacks, who work 4 months of the year and are hungry the rest, who do not have an inch of land to plant. * * * We call on the 100,000 small farmers who live and die working a land that is not theirs, who cannot love it, nor improve it, nor plant a cedar or an orange tree to beautify it because they do not know the day when a sheriff or a rural guard will come to tell them they have to go."

Once these landless have received their land, he has even more golden visions—of a Cuba where elected officals do not steal public funds, where soldiers and police neither rob nor terrorize the populace, where teachers paid for teaching actually teach, and where doctors and nurses carry inoculations and healing medicines into regions where the only physician the people ever saw was the local "curing man" with his spurious patent

nostrums and his violent homemade purges made of roots and bark.

With a fine disregard for the financial facts of life as they have applied to Cuba in the past, Castro is also resolved that the country shall free itself of its thralldom to sugar, the one great money crop on which the island's economic life depends. He seeks instead a varied agriculture, in which the old basic crops—sugar, tobacco, coffee, rice and cattle—would be supplemented by fruits, fibers, fish and winter vegetables, and a balanced economy in which light industries would process the products of the Cuban earth, giving year-round jobs to the thousands of Cubans who are out of work from one sugar harvest to the next.

"Fidel," a friend explained, "is determined that every Cuban shall have a job, a full belly, a roof over his head, and shall know how to read and write. The trouble is he wants all this by next September."

Whether Castro's headlong efforts to bring these good things to pass will bring peace, prosperity and honest government, or another bloody uprising to the troubled island, is a matter for bitter debate throughout Cuba today. The poor and landless see him as saint and savior, and have a touching faith that his program will succeed. The workmen of the cities are waiting impatiently for some sign that they shall share in the blessings that to be bestowed upon the campesino. The conservatives are preaching moderation, while the Communists cry for even more radical reforms. The Catholic Church, to which 84 percent of Cubans belong, is divided in its views. The old, Spanish, landholding families tremble at the trouble they are convinced the future holds. The young, militant, "social-justice" Catholics see on the horizon the gleam of a new and happier day. The cattlemen, the owners of the great sugar estates, the coffee planters and the rice growers foresee nothing but disaster, not only for themselves but also for the economy as a whole, and 12,000 tobacco planters are openly defying the new laws.

However their points of view may differ, nearly all Cubans will agree that Castro's revolution is not merely a change of the palace guard in the ancient Latin-American pattern, in which one group of rascals is ousted by another. It is, instead, a transcendental change that is shaking the country to its foundations. For good or evil, Castro's ideas, if he can carry them out, will alter the course of Cuban history forever.

At the pace events are moving in Cuba today, the next few months should prove whether Castro has the wisdom, the strength and the powers of leadership to unite a country in peace as he led it in rebellion. To most fairminded men, his sincerity, his honesty and his patriotism are unquestioned. His powers of judgment and his mental balance are still in doubt.

"There is great good will there, a greatness of heart," said one of his ministers—who has since been fired. "But wisdom? It is too early yet to know."

Whatever Cubans think of Castro—and their evaluations range from the angry sugar planter who bluntly described him as a "Communist and a lunatic" to those who, despite Castro's indifference to the church, see in him qualities that are almost Christ-like—there are few who will deny that the reforms he seeks in Cuba are long since overdue.

Few countries have been so callously looted by her politicians as has Cuba. Since 1909, when, after the war with Spain, we finally left her to the management of her own affairs, she has been a consistent victim of venal governments. In elections that were often a mockery of the democratic process, she has chosen a series of presidents who in many instances were more flagrant boodlers than the royal governors of Spanish days. Some, like Machado and Batista, Cubans remember bitterly as both robbers and assassins. Others, like Carlos Prio Socarras and Ramon Grau San Martin, were merely amiable plunderers of the public treasury.

The coming of Dr. Castro, laying down his grim law that theft of public funds will be punished by death before a firing squad, has given to the cynical and suspicious Cuban voter a hope he has never known before. For the first time in living memory, the people have a leader who, for all his faults, they sincerely believe will give them an honest government.

The new attitude of the Cuban official toward his job is illustrative by a sign on the door of Castro's minister of the treasury, Rufo Lopez Fresquet. In rough translation from the Spanish, it warns bluntly: "We must get used to being honest."

"That may seem strange to a North American," said Mr. Lopez Fresquet, beaming amiably through his spectacles. "But to us it is a proud thing. It means a new day has dawned in Cuba. For I am being conservative when I say that the Batista government stole at least a third of the country's $350 million budget every year."

Castro and his bearded rebels lost no time in punishing those whom they believed to have been guilty of grand-scale larceny. Many took flight as the rebel columns approached Havana—including Batista, who, the Castro government estimates, personally managed to get away with more than $40 million. Others, less fleet of foot, were caught and tried. Those found guilty merely of misuse of public funds were given 30 years in prison. Those convicted of beating, torturing, maiming, or killing persons suspected of supporting the revolution were promptly shot.

These trials, which were televised, broadcast and described in detail in the press, were drumhead court-martial, with bearded rebels sitting as judge and jury, and they caused a wave of horror to sweep the outside world. There was no murmur of protest in Cuba, however, except from those accused and their next of kin.

A priest who had supported the revolution explained why this was so. To the people who had had their fingernails ripped off, their eyes gouged out, their backs lacerated by the whips of Batista's soldiers and police, who had seen their sons and fathers and husbands tortured and beaten until they died, this was merely just retribution for the crimes the Batistianos had committed. In every little village in Cuba there was at least one Batista follower marked for death for his past cruelties. In the cities there were hundreds. If the revolutionary government had not carried out these swift punishments, the priest said, the people themselves would have hunted their oppressors down and slaughtered them in the streets. The trials, barbaric as they were, forestalled a greater barbarism.

It is also well to remember, the priest pointed out, that the Latin is of a more volatile and explosive nature than the North American. It is not unreasonable, to a Cuban, that a man should seek to kill a political opponent, nor that a man should be willing to die for a political ideal. It is a recklessness that particularly afflicts the young Cuban male. At an age when college students in the States are engrossed in panty raids or jamming themselves into telephone booths, Cuban students are more likely to be fighting in the streets over some matter of politics. These can be very bloody affairs, and, while a student at the University of Havana, Castro himself is said to have killed two political foes in the course of a wild melee in which much shooting and stabbing were going on. The priest does not know whether Castro killed two men or not. It would, he said, have been in keeping with his character, for he was fanatically devoted to his own beliefs.

"He was a great dreamer, a great reader of philosophy and history. Sometimes, when you spoke to him, his thoughts seemed far away. For this he was known to his fellow students as 'Loco Fidel'—Crazy Fidel. But Fidel was not crazy. His mind was occupied with matters beyond their grasp."

Is Castro at heart a dictator—or a statesman?

The priest shrugged. "From the soles of his feet to the top of his head, he is a 'strong man.' It is his character. He cannot admit defeat. In athletics it was he who rallied the basketball team when his school was being beaten. On the track, he ran as anchor man on the relay team, so he could make up what others had lost. On camping trips no mountain was too steep for him to climb, no river too swift and wide for him to swim, with a rope in his teeth to pull the others across."

It was this spirit, the priest said, that made the revolution. It inspired and held together, with a kind of religious fervor, the ragged band of rebels who overthrew an army of 30,000 and liberated 6 million people from tyranny. On the other hand, the priest pointed out, although it is Castro's nature to brook no criticism and bow to no opposition, his mind, conditioned by his reading, is full of democratic ideals—of concepts of freedom, justice, and the rights of the individual.

A great many people, however, believe that Castro's political thinking never progressed beyond the dormitory bull-session level of his college days. He is, they think, a fuzzy-minded liberal who has been so busy fomenting revolution that he has had no time to develop a political philosophy. This, like every other fixed opinion about Castro, can be debated.

"His," said one educated Cuban, "is a political mind by nature. It is not a military mind, nor an economic mind. He has been called naive. But he is about as naive as was your President Franklin D. Roosevelt. He, too, was considered naive in economic matters, and he was not a soldier. But, guided by a sure political instinct, he led you to victory in a great war, and his economic revolution changed the face of your country."

Whatever his other qualities may be, Castro is a sentimental man, with a flair for showmanship. When, in May, he decided that the time had come to announce the great land reform which was to be the capstone of his revolution, he chose to return with his ministers to his old hideout in the steep and roadless mountains of the Sierra Maestra.

The ministers, and Mr. Castro, were airlifted to the mountain aerie by helicopter. The television and newsreel cameramen, the radio broadcasters and journalists who were to record the great event for history had to make their way by military plane from Havana to Manzanillo in Oriente Province, and by truck and jeep to La Vega, a tiny village in the foothills, where the road ended. From La Vega, by horse and mule, and on foot, stumbling on the steep and slippery trails, swearing fervently in Spanish, and sustaining themselves by frequent libations of brandy mixed with honey, in the forenoon of the third day they topped the last great ridge of the Valley of La Plata.

There they found Mr. Castro. He was taking his ease on a bed in the corner of the little thatch-roofed house which had served as his headquarters in the first days of the revolt. Around him thronged the country people—the men and women from the surrounding mountains, who tilled slopes so steep that a man could literally break his neck by falling out of his own cornfield.

The room was full of beards, and cigar smoke, and the babble of voices. A woman

reached out and laid her hand on Castro's knee. "Fidel," she said, "you must solve my problem. My coffee trees are old. I must have money to plant more coffee trees."

A man interrupted. "Fidel," he said, "you must help me. A friend has stolen my cow * * *."

Over the heads of those who crowded around the bed, those in the back passed scrawled notes, each presenting some personal plea for help. Castro, stroking his beard thoughtfully, listened to each one read each note, and tucked it in the pocket of his green blouse.

It was, one Cuban reporter said, much as it must have been in the days when Jesus walked the roads, and the people crowded around to touch the hem of His garment, hoping to be healed; except that these people were hoping to be healed of their poverty, their isolation and their ignorance. Many were asking for money, but many, too, were asking for roads, clinics and schools.

Castro, still lying down, lifted a hand for silence and began to speak.

He told the people they were his friends. They had hidden him when he was hunted. They had fed him when he was hungry. They had sheltered him from the rain. And he would not forget this. But he could not give them money for food, for soon the money would be gone and the food would be eaten, and nothing would have been attained. It would be foolish, too, he said, to try to give them plows and tractors, for tractors could not work on these steep hills. This was a country where cattle could be raised in the valleys, and coffee grown on the slopes; but the labor must be done by hand.

He could not put a little school in every valley either, for this would be uneconomic. Nor could there be a hospital in every cove. But he had a better plan. He could see to it that good roads were built throughout the mountains, so that people could bring their cattle and their coffee to market in trucks instead of by mule train as in the past. And where these roads crossed, he would have little villages built. Here there would be a doctor and a nurse and a school, and a community center where there would be experts who could tell them about raising cattle and coffee and other things. And there would be a cooperative store, where they could sell their products, and buy food and clothing and shoes at cost.

The people listened silently, and it was hard to tell from the look on their worn, coffee-brown faces whether or not they were pleased. Castro rose and made his way through the crowded room to where a hundred others were gathered outside. A cow had been killed and cut into pieces the size of a man's fist, and the meat was being cooked in an iron pan, over an open fire, by a woman in slacks who wore a pistol in her belt. Old men with gaunt, starved faces were taking chunks of meat in their hands, spreading salt on it, and cramming it hungrily into their mouths. Pigs grunted underfoot, and lean dogs snuffed about.

Somebody brought Castro a plate of meat and a fork. He stood, talking to the crowd, waving the fork about as he talked, biting chunks from the piece of meat.

The meat was good, he said, but the people, when they had their cattle cooperative, would raise better meat. The government would provide the cows. At first, though, they would be plain cows, not fine ones, until the people had learned how to take care of cattle.

When he finished talking, he and the president, Señor Urrutia, and the ministers of state set off up a steep and slippery slope to another house farther up the hill, a house hidden in thick jungle, where the rebel radio had broadcast in the early days. Castro went up easily, with springy strides. "I could climb this mountain with my eyes shut," he said. His ministers found the going rougher, and some of the more corpulent rode mules.

There, after the signing of the land law, Castro proved that he had not been joking when he told the people they would have a cattle cooperative in the hills. At dusk, in a pelting rain, a rebel captain with a beard like a swarm of bees came slipping and sliding down the mountain on a mule. He paused at the stable where a group of tired journalists had strung their hammocks. Fidel, he said, had handed him 150,000 pesos—which is equal to $150,000—and told him to go immediately to the flatlands to buy cows for the people.

"No bulls?" somebody asked.

"One bull for each 25 cows," the bearded rebel said. "Fidel thinks of everything." He flogged the mule, which was not much larger than a goat, and set off over the mountain alone in the darkness and the rain, carrying the 150,000 pesos.

That night from the dirt floor beneath the hammocks, where a group of mountain men were sleeping on beds of palm fronds, there came a sputter of Spanish. A bilingualist journalist in a hammock began to laugh. "They are complaining," he said in English. "They thought Fidel was going to fly over, dropping money from a plane."

The disillusionment of the mountain men, who were to receive cows instead of cash, was nothing to the anguish the landowners suffered when they read, in detail, the provision of Castro's law dividing up the land. Some land reform had been expected. Under the old pattern of ownership, a few hundred hereditary owners, and foreign investors, owned nearly three-fourths of the Cuban farmland. More than 200,000 families owned no land at all. They were squatters, tenants, sharecroppers, and wandering laborers, whose lives were tuned to the cycle of the sugar harvest. In the 3 months of the zafra—the cutting of the cane—they worked in the fields at $3 a day. There were so many hands seeking work, however, no man could expect to work every day. If he was lucky, he went to the fields 1 day out of every 2 or 3. His income, therefore, ranged from $90 to $150 for the time of harvest. On this he must feed and clothe and shelter his family for the 9 months of the tiempo muerto—the dead time—when there were no jobs. Nobody actually starved during the dead time, for there was always a coconut to be found, or a breadfruit, or a relative who would share a dish of rice and beans. But a man was always gaunt from hunger.

Under this system the countryman had shriveled. He was, a survey made by the Catholic Church discovered, 13 pounds lighter than his city brother and an inch shorter in height. He died earlier, though not from hard work, for he had too little work to do, but from tuberculosis and the intestinal parasites that drained him of his strength. In 50 years of freedom, Cuba, the survey showed, had developed the highest standard of living in Latin America. But this standard was still only a third as high as that of the poorest and most backward of the North American States.

The great landowners had waited "with their quills up, like frightened porcupines," knowing that some reform must come. The operators of the great American sugar farms were troubled, but fairly calm. They knew that most of their approximately 2 million acres of sugar lands were vulnerable. But they had noted hopefully that Castro, since his return from the States, had toned down his sharp attack on his neighbor to the north. He no longer spoke of international oligarchies and colonial exploiters. No longer, also, did he refer bitterly to the fact that the napalm and the bombs that Batista's planes had dropped on rebel hideouts had been provided by the United States, nor to the fact that our Ambassadors had remained friendly to Batista long after his high crimes and misdemeanors had become known. The wave of anti-Americanism that had flared in Cuba in the first days of Castro's triumph had swiftly ebbed. His friendly welcome in the States had mollified him, it seemed.

The American sugar interests, therefore, had reason to hope that the land law, as it applied to them, would be a reasonable one. The reality left them stunned.

The law ended foreign ownership of cane-producing lands. It required foreign and Cuban millowners to sell their cane lands, and it prohibited foreigners, in the future, from owning agricultural lands. It subjected to expropriation some 9,999,000 acres of land, of all types, owned both by Cubans and by foreigners. And, worst blow of all, it provided not prompt and reasonable payment, but payment in 4½-percent peso bonds, to be retired over a period of 20 years. Nor was compensation to be based on actual value of the land, but on the value at which it had been returned for taxes in the past. The land thus taken over was to be divided among the tenants, the squatters, the sharecroppers, and the itinerant day laborers who had worked it—a vital minimum of 67 acres to each family.

In New York a spokesman for the sugar companies was almost incoherent in his rage. This, he said, was confiscation. It was communism. It was lunacy, and the U.S. Congress, which sets Cuba's sugar quota, should take action.

In Cuba, cattlemen, coffee growers, and tobacco farmers, among them men who had fought with Castro in the hills and who considered themselves as dedicated revolutionaries as Castro himself, were equally as violent in their protests.

"If Fidel goes wrong—and he is wrong in this," one bewhiskered rebel said, "I will be the first to go to the hills to fight him."

Castro, in the face of the rising storm, was adamant. "We will not change a comma of the law," he said. "Cuba is no longer dedicated solely to the service of her millionaires." Later he ordered the government to "intervene"—that is, to take over the cattle lands.

It was the letter, not the spirit, of the law which aroused the greatest criticism. It is to be administered by an Agrarian Reform Institute, whose president is Mr. Castro, but whose director is a rebel subchieftain, Capt. Antonio Nuñez Jiménez, who is known to be a dedicated leftist and believed by many to be a Communist. Under the law the institute would supervise the sale, exchange, division, and even the inheritance of the land. To help the inexperienced peasant operate his property, the institute would set up cooperatives, to dispense tractors, seeds, fertilizers, warehouse space, loans, and technical aid.

How this great reform, and all the other good things which have been promised the people will be financed does not seem to perturb Castro, nor his treasury minister, Mr. Lopez Fresquet. The till was nearly empty when the revolutionary government came in, but, stirred by mingled emotions of fear and patriotism, taxpayers in great numbers have been reporting, shamefacedly, that they had made grievous errors in their tax returns in the past. This windfall of conscience money poured nearly $120 million, in excess of last year's collections, into the treasury in the past 6 months. Many big companies paid their 1959 taxes in advance to help tide the new government over, and some $20 million found in the safe-deposit boxes of Batista's followers was confiscated. Another $20 million came in as outright gifts to the land-reform program from school children, clerks, workers, and employers. Most of this was spent by the donors themselves to purchase tractors, plows, harrows, and seed drills, which are now proudly displayed in show windows and vacant lots.

How the Government will finance the great school, health and public-works programs of the future, if the predicted blight falls upon the land as a result of Castro's disruption of the sugar economy, is another matter. Castro, who seems to have a most un-Cuban distaste for gambling, believes he can double the $100 million tourist trade by selling Cuba, not as a Las Vegas for gamblers, but as a beautiful and happy land where the middle-class American would want to bring his wife and family. Merely by spending tax money honestly, more than $100 million a year will be saved, he argues. The little man who never paid taxes before will become a taxpayer, he says, once he owns his own land and is producing not only for his own subsistence but also for the market.

Cuba's tangled tax laws in the past were a loophole lawyer's dream. The new tax laws, according to the Columbia-educated Mr. Lopez Fresquet, who drew them up, are simpler and presumably much tougher to evade.

In both Mr. Castro's land reform and his economic measures, many conservative Cubans see a strong resemblance to the economic leveling processes practiced by the Soviet Union. Few though, other than the angriest, will accuse Castro of being a Communist, nor do they believe that Cuba is in any immediate danger of turning Red. The Catholic Church, which keeps a sharp and baleful eye on the Communists, estimates that they are weaker today than they have been in 20 years, and that under their present aging and discredited leadership, they constitute no great threat. They have lost their grip on the labor unions, in elections which saw 90 percent of the important posts going to 26 of July candidates, and their efforts to swing onto the coattails of the revolution have been rebuffed by Castro, who still remembers bitterly that Red labor leaders failed to support his call for a general strike in 1958.

"Fidel is no Communist, nor can he ever be," one Cuban said. "A Communist must accept the discipline of the party. Fidel cannot accept discipline from anybody."

Be this as it may, Castro obviously listens to men of strongly radical views, including his brother Raul, who commands the armed forces, and the Argentine revolutionary, "Che" Guevara. Many others of his close associates are strongly anti-American and leftist in their political views, though their attitudes seem to stem more from a fiery nationalistic pride than from Red indoctrination.

The land reform is anticommunistic in concept, for it will make of each peasant a capitalist in miniature. To give a man land, however, and then forbid him to sell it, mortgage it or divide it among his sons, and to strictly supervise his use of it, does violence to the basic idea. To many thoughtful Cubans this is, at best, state socialism. At worst it is collectivism in the Soviet pattern.

"Fidel has said that his is not a Red revolution, it is an olive-green revolution," wrote the conservative Diario de la Marina's sharp-tongued columnist, "Volcano." Actually, "it is a watermelon revolution, green on the outside, red on the inside."

Before the land law divided the country, Cuba had lived in a state of happiness bordering on euphoria. In every little village there was a burgeoning spirit of hope, of anticipation, a certainty that the future would be bright. Citizens painted their houses, weeded their yards, planted flowers. Mayors ordered potholed streets paved, sewer lines laid down, water systems established. Sometimes, in their zeal, they had every street in town torn up at once, bringing traffic to a halt. Hospitals that were pesthouses under Batista, lacking medicine, mattresses and equipment, found that by calling on Castro's government at Havana they could acquire these things. Mayors asked for cement mixers, mosquito-spray machines and garbage trucks—and got them. Teams of doctors and nurses, sent out by the Government, went into areas of rural Cuba where neither doctor nor nurse had ever been seen before. Young Catholic students, calling themselves Rural Commandos, walked and rode, by horse and muleback, into the roadless mountains, teaching the people basic rules of health and sanitation, making a survey of their needs, and reporting to the Government.

The people, in the beginning, believed in Castro and his dream of a new Cuba. The powerful hierarchy of the church held high hopes for his reforms.

"Agrarian reform," said Monsignor Evelio Diaz, the auxiliary bishop of Havana, "falls clearly within the spirit and sense of Christian social justice that has been defended by the Popes. Let each of us who profess to be Christians ask ourselves if we can live with a clear conscience in the face of so much misery that surrounds our less-fortunate brethren. In the light of Christian charity the least we can do is to give a helping hand to those who now are undertaking the task of alleviating these people's plight by means of agrarian reform."

There is little feeling of Christian charity today in the hearts of those whose lands are to be taken by the state. Their opposition is vociferous. Time will tell whether it is also strong enough to bring down Castro's government. If that should happen, Cuba inevitably will be drenched in blood again, and the whole hemisphere will be the weaker for her failure. For Castro's revolution set hopes ablaze throughout all Latin America. If he can succeed in bringing peace, prosperity, and democratic government in Cuba, other dictators—including, perhaps, the most solidly entrenched of them all, Mr. Trujillo, the feudal baron of the Dominican Republic—soon may be driven from their palaces.

Castro has said that Cuba's destiny is to export not revolutions but revolutionary ideas. In Miami, New York, and Washington, though, wherever the hopeful Dominican and Nicaraguan exiles gather to plot and plan the liberation of their countries, they know that Cuba is friendly to their cause. Already exile armies, allegedly trained on Cuban soil, have made their first abortive moves against the Dominican dictator.

If Castro fails, as well he may—if he is killed, or in frustration kills himself, as his political idol, Eduardo Chibas, did in 1951, or if opposition to his measures forces him to become just another strong man in the ancient pattern—then the slow progress of democratic government in the Caribbean will have been set back a generation. No one yet can say which way the cards will fall.

"Not long ago," a troubled Cuban said, "when a man lifted his glass to toast a friend, he said, 'Tomar á mañana'—Drink to tomorrow. It was a happy toast. Today he says, 'Pobreza con dignidad'—Poverty with dignity. His friend may answer, 'Hambre con esperanza'—Hunger with hope. There is a difference in spirit, as you can see."

H.R. 2729—THE EQUAL PRICING BILL

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, I would like to read the text of a statement made by Mr. George J. Burger, vice president of the National Federation of Independent Business, before the Commerce and Finance Subcommittee of the House Interstate and Foreign Commerce Commitee on July 21, 1959, on my bill, H.R. 2729. I believe Mr. Burger's statement speaks for itself in stressing the importance of this legislation.

The statement follows:

STATEMENT OF GEORGE J. BURGER, VICE PRESIDENT, NATIONAL FEDERATION OF INDEPENDENT BUSINESS, WASHINGTON, D.C., BEFORE COMMERCE AND FINANCE SUBCOMMITTEE, HOUSE INTERSTATE AND FOREIGN COMMERCE COMMITTEE, JULY 21, 1959, ON H.R. 2729

I am George J. Burger, vice president and Washington representative of the National Federation of Independent Business. I am appearing here solely for the membership of the federation.

We represent independent business and professional people in all vocations of the industries from all parts of the country. We have the largest directly supporting membership of any business organization in the country. The membership totals at this moment a little in excess of 130,000—all independent business and professional men—all voting members, so that when I appear here today I am speaking officially for in excess of 130,000 independent businesses of all descriptions. Our members, and they alone, determine our stand on national legislation and issues by their signed mandate ballots which they lay right on your desks at Washington, D.C. We are the only business organization of this kind.

Mr. Chairman, it is our hope when these hearings are concluded that there will be no delaying action by the committee in making its report on H.R. 2729, properly termed the "equal pricing" bill. Let it be understood by the committee that this measure has one, and only one, aim: making certain that the independent businessman who is forced into competition with factory-owned stores operated by his supplier gets an even break on the buying price of the merchandise he handles, in short, gets an even start in his competition with his supplier's factory-owned stores. From then on it is up to the factory-owned store and the independent, by their own individual operating efficiency, to establish the retail prices they offer customers.

I mention the foregoing only to emphasize the fact that this is not a price fixing bill, that it is definitely not a bill aiming to hijack the public through increased prices. We are all well aware of the ravages that constantly increasing price levels are creating in our country, and we are not about to suggest anything that would intensify this trend.

As to my authority for being before you, I refer you to our mandate No. 246 in which we posed the following issue, with accompanying explanations "for" and "against" in a poll of our nationwide membership.

"H.R. 2729, EQUAL PRICING

"A bill to require manufacturers who sell through factory-owned stores and independent dealers, to put their independents on the same buying price basis as their factory-owned stores

By Representative BENTLEY, of Michigan

"Argument for H.R. 2729: Simple justice is all this bill seeks for independents who are compelled to compete with their suppliers' factory-owned stores. It does nothing more than require that suppliers give them an even start with factory stores in the race for sales and profits. The fact is that many suppliers have wheeled and dealed through fac-

tory stores, many times cutting their independents' throats. This has put these independents square behind the eight ball, cutting the values in their inventories, making them bad credit risks for banks, drying up their sales, and squeezing their profits. This is not fair, and must be corrected.

"Argument against H.R. 2729: No one should tell a manufacturer how he should price his merchandise. If he finds it possible to sell cheaper through his own factory stores, then consumers should get the benefit. Further, even if independents should find this distasteful, they have no complaint. No competition is pleasant. And competition is the life of our economic system. Independents who do not like this type of competition should look up other sources of supply. Many in some fields marked by manufacturer competition have done just this, and are making out well. There is no need for a bill like this, that does no one any particular good."

And in mandate No. 247 we reported the results of this poll, based on mandate ballots which the nationwide independent business and professional man membership had laid on the desks of their Congressmen at Washington, D.C.:

"Here's the national summary of votes on issues in mandate 246. This has been sent to all Congressmen and Senators, all congressional committees, and all agencies and individuals in the executive branch of our Government, for their information:

	"For	Against	No vote
	Percent	*Percent*	*Percent*
1. H.R. 2729, equal pricing	86	11	3
2. S. 748, curb union 'pressure' tactics	95	4	1
3. H.R. 1272, reduce Government reports burden	89	8	3
4. H.R. 686, insurance payment of estate taxes	71	18	11
5. S. Con. Res. 1, Government spending control	74	20	6"

As to the need for this bill to be made law, take a look at the following points:

1. For the past 30 or more years there's been an increasing trend on the part of the big manufacturers, out after continued volume and growth at any cost, to open up their directly owned and operated, or subsidiary owned and operated, retail outlets, even though these might be in competition with their previously established independent retail outlets. This trend is continuing.

2. The experience of independent retailers who have had to compete with these outlets has proved the competition of these factory outlets is not just competition with the weapons held by the manufacturer, which he usually puts at the disposal of his factory outlets, it's just plain economic murder.

In case you should want proof of this:

1. Read over the hearings held by the Senate Small Business Committees and the Senate Banking and Currency Committees on the rubber tire bill (a measure to bar tiremakers from the retail field) during the years 1941–46. Page after page of testimony proves that when the tiremaker stores go out after business the independent doesn't stand a chance because due to the fact that the manufacturer has a manufacturing profit to fall back on, he can operate his stores at or near cost, and will do so.

So that the committee will have a full understanding of the birth of the manufacturers' retail stores, well do I recall at that time, being an active independent tire dealer handling the product of Goodyear and some others, and at the same time president of the Tire Dealers National Association, we discovered the operation of these retail stores in New York City, Newark, N.J., Columbus, Ohio, Pittsburgh, Pa., and Springfield, Ill. (1925). When we discovered this I immediately requested a conference with the then sales manager of the Goodyear Tire & Rubber Co., the late L. C. Rockhill. I questioned the justification for the establishment of these stores. Goodyear, like many others, had efficient independent dealer distribution nationwide serving the requirements of the public in a most satisfactory way. I further advised him that if this was the trend it was the beginning of the end of independent tire dealers. He was most alarmed that I would broadcast any such statement.

He stated to me at that time that the reason for the establishment of these stores was that they had taken, as an example, the successful operation of the retail stores by a well known paint company. He mentioned at the time a certain leading brokerage house promoting stock in that paint corporation.

A few months later the dealers met in annual convention at the Chase Hotel, St. Louis, Mo. The subject matter before Nation's dealers in that convention was the entrance of the manufacturer in the retail field, not alone through their retail stores but in their expanded operation in direct sales to the ultimate consumer (commercial accounts).

Well do I recall that historic meeting and that at that time B. F. Goodrich Co., one of the major rubber companies, was without any company-owned stores. Their officials watched the action of that convention and told me in plain words that if the dealers didn't take an affirmative stand to condemn the operations of these stores that the Goodrich Co., in due time, would open up a similar chain of stores.

Competent legal authority had rendered opinions to the dealers that if they did not take affirmative action in opposition to this move they would sooner or later drive a nail in their coffin. No affirmative action was taken by the dealers in this convention and it might be found that this was due to certain intrigue or pressure.

I think it is necessary that we review the high spots in that major case of the Federal Trade Commission, Docket No. 2116, dated March 5, 1936. It may be found that this was one of the most major antitrust actions since the earlier action on the Standard Oil of New Jersey case.

There was in existence at that time a contract relationship between the Goodyear Tire & Rubber Co. and the Sears, Roebuck Co. Under that contract Goodyear manufactured a private brand tire for the Sears Co., known as "All-States," and to a degree that contract may have established or laid the foundation for the tremendous growth of the Sears Co. these past 30 years.

The Goodyear president stated in the Commission's report, which comprises 100 pages:

"The great body of Goodyear dealers, through which Goodyear tires are marketed, constitutes unquestionably, we think, the most efficient medium of distribution and service available to the tire consuming public the world over."

The Commission's report continues:

"During the years indicated below respondent had the following number of sales contracts with service station dealers who were furnished tires by the various factories of respondent:

	"Contracts
"1927	26,071
"1928	28,161
"1929	27,166
"1930	24,946
"1931	25,621
"1932	24,664
"1933 (approximately)	25,000

"The exact total number of service station dealers in the entire United States in 1926 is not known, but the most reliable estimate is 100,000.

"When respondent sells tires to its service station dealers as hereinbefore described, it ships the tires by freight, express, and truck from the respective factories located in Akron, Ohio, Los Angeles, Calif., and since 1929 at Gadsden, Ala., either direct to the customer or to branch warehouses located in the principal distributing centers of the United States from which said tires are distributed to the respective customers located in the territory contiguous to these branch warehouses, and there has been and now is a continuous course of interstate commerce in tires flowing from the factories of respondent to respondent's customers located throughout the several States of the United States.

"Respondent's competitors, hereinbefore named, in 1926, and prior thereto, followed generally the same system of sale and distribution as followed by the respondent as described herein, recognizing the independent retail tire dealer as the most efficient medium of distribution and service available for the tire consuming public, although respondent and some of its competing manufacturers had at that time made a few sales to wholesalers and jobbers under private brands."

"Firestone established its own retail store outlets as fast as its independent dealers became crippled or impotent. Such line of action was open only to manufacturers who had extensive financial resources such as respondent and Firestone. Firestone actually spent between $25 million and $30 million in the establishment of company-owned stores and in their operation as retail sales agencies has sustained losses of some $7 million during the period from 1928 to 1933. Respondent's experience was quite similar. It likewise invested in a string of retail chain stores taking over in the process its larger independent retail dealers in the period between 1927 and 1933, and during that time established more than 200 retail stores. Respondent suffered a loss of about $9,500,000 in the operation of its retail stores."

I mention this to the committee as it is possible that testimony may be presented by rubber manufacturers similar to the statement made by the B. F. Goodrich Rubber Co. in its appearance before the Senate Small Business Committee during the hearings of that committee on June 18 and 19, 1959, as to their justification for opening these retail stores—that the public and also some of the larger buyers demanded this service, where they said:

"Retail tire stores operated by tire manufacturers came into being because of the economic necessity of maintaining retail distribution in those markets where adequate independent dealer representation could not be found."

A close study and review of the 100 page report FTC Docket 2116 dated March 5, 1936, "In the matter of the Goodyear Tire & Rubber Co." will show the present operation of leading tire manufacturers definitely discloses that the pattern they are using now in destroying the lifeblood of efficient independent tire sales and servicing institutions is exactly the same pattern they were using in the first instance in the contract relationship of the Goodyear Tire & Rubber Co. with the Sears, Roebuck Co.

The same pattern is now being carried out in full force by certain major rubber companies, either through their own retail establishments or direct deals to commercial users as was done in every move made during the life of the Goodyear-Sears contract, and such moves duplicated by other leading tire manufacturers as it applied, at that

time, to the bulk of the business—passenger tire renewal sales.

The FTC reports in Docket No. 2116, as follows:

"Of the total industry sales of replacement tires, independent dealer sales were:

	"Percent
"1926	89.8
1927	89.1
1928	84.5
1929	74.1
1930	69.3
1931	66.3
1932	64.5
1933	63.8"

Mr. Chairman, as to the need for justifiable relief from the monopolistic actions by certain major rubber companies through Government help or law, I am calling to the attention of the committee the front page of the National Independent, which publication has national distribution in the rubber tire industry. I am referring to the issue of September 1941 "Asks Action by FTC."

"ASKS ACTION BY FTC—BURGER CHARGES CONSTANT EVASION OF ROBINSON-PATMAN LAW—DEALERS SUFFER FROM UNJUSTIFIABLE PRICE DISCRIMINATIONS, HE SAYS

"NEW YORK, September 15.—George J. Burger today publicly announced that for the past 6 months he has repeatedly contacted various officials of the Federal Trade Commission, presenting for their consideration four specific problems that have been for the past 20 years menacing the business existence of all independent tire dealers.

"Reason for the delay in announcing these activities was given as a desire on the part of Burger to complete his labors on these matters before giving them any publicity. Further, he said that he desired to feel certain that his work had taken effect before saying anything about it.

"Hits company-owned stores

"The initial contact was made with this Government agency shortly after he commenced working independently as a tire trade consultant. The opening gun in the campaign with the FTC was fired about April when a compilation of the replies received on a nationwide company owned store questionnaire was given to that agency. For the next month Burger concentrated his attention on that subject. Additional investigations were made during that time."

Then note issue of July 1944, "Exposé of Tire-Company-Store Competition":

"EXPOSÉ OF TIRE-COMPANY-STORE COMPETITION

"(By George J. Burger, tire-marketing consultant, representative of Tire Independents in the Nation's Capital)

"Militant independents continue demand for tire-bill enactment

"NEW YORK, July 31.—The purpose behind the operation of the tire-company retail store is something of a deep, dark mystery. That is to say, it is a mystery to those who are unacquainted with the steady march of business concentration in the tire industry.

"To attempt to understand the thinking in the minds of the men who fix the marketing policies of the tire industry, it is necessary to study the vacillating past-performance record of the major tire makers.

"Back in 1925 the Firestone Tire & Rubber Co. declared 'We would not countenance the retailing of tires for our personal gain.'

"Twenty years ago the B. F. Goodrich Co. said: 'The dealer is the right means for the distribution of tires to the public and it is our intention to cooperate actively in any movement having to do with the welfare of this very essential element in the industry.'

"Back in 1925, the Goodyear Tire & Rubber Co. fostered an aggressive campaign to make dealers out of Goodyear employees and proclaimed at that time 'the best evidence of the attractiveness of the Goodyear service station franchise is the fact that Goodyear employees themselves seem to be willing to take their own medicine.'

"Twenty years ago the United States Rubber Co. declared, 'While we do not make a practice of retailing tires from our branches, we do sell some national and large corporation accounts direct. We endeavor to favor the dealers with this business whenever possible, but there are some instances where accounts insist on buying direct from the manufacturer, and as the manufacturers have generally shown a disposition to deal with them direct, we have done likewise.'

"It is apparent from these age-old sales policies that the major tiremakers at one time in the history of the industry were strongly opposed to the operation of company-owned retail stores. That was nothing more than good, sound, plain common sense.

"Major-tiremaker opposition to the operation of company-owned retail stores didn't hold firm and fast as it might have done, as it should have done.

"On the strength of one faulty premise piled high on others, tire-company-owned retail stores were started, projected, and expanded through the years. Today more than 20,000 factory-controlled retail outlets are in operation up, down, and across the length and breadth of the land.

"These company-owned retail stores constantly compete—day in and out—with the independent dealers who are the lifeblood customers of the manufacturers who own and operate the maker-to-consumer outlets.

"In strictest sense of its interpretation the character of competition sponsored by these tire-company-owned stores is not legitimate competition. In reality it is cutthroat competition pitting one major maker against another. It is destructive competition manipulated for market conquest, more than for anything else.

"This company-owned store competition has been destroying independent tire dealers and independent tire manufacturers for the past 20 years. If permitted to continue, there can be but one ultimate result.

"Eventually the tire-company-owned retail store could and would wipe out all semblance of free enterprise in the tire industry. It is, in fact, doing that very thing at this very moment. Major makers are well acquainted with this situation.

"At the same time militant tire independents are fully aware of the dangers of the company-owned retail store in the postwar marketing life of America. They know they are doomed to destruction unless the Congress of the United States takes positive steps to insure their preservation.

"There is only one proper solution of the cutthroat competition sponsored by the tire-company-owned retail store. It cannot be stabilized—and harmonized—in tune with independent enterprise, within the law. Therefore, it must be eliminated. Only the Congress has the power to do this.

"Only the Congress can save the day for America's tire independents by enacting the rubber-tires bill as the law of the land. Keep writing. Keep fighting."

The November 1947 issue of the National Independent discloses: "Increases in Company-Owned Stores Direct Truck Tire Sales, Types of Customers Sold, Tell Real Story":

"INCREASES IN COMPANY-OWNED STORES DIRECT TRUCK TIRE SALES, TYPES OF CUSTOMERS SOLD, TELL REAL STORY

"(By George J. Burger, tire marketing consultant, representative of Tire Independents in the Nation's Capital)

"The recently issued University of Akron tire sales trend report presents several extremely interesting facts on the truck tire market—that segment of the tire replacement market the complete independent tire dealer must penetrate if he is to continue as a factor of any importance in the industry. The full significance of these facts has generally been lost in the rash of joy that has broken out over statistical indications tending to indicate that independent distribution has registered, as against 1941, marked gains.

"In order, these facts are: (1) On a unit sales basis, company-owned stores in 1946 sold 36.8 percent more replacement truck tires than they did in 1941, (2) on a unit sales basis, manufacturer sales of truck tires in the replacement market in 1946 were 13.8 percent greater than they were in 1941, and (3) in 1941, the last normal peacetime tire sales year, manufacturer sales (direct to consumer and through company-owned stores) of replacement truck tires accounted for fully 23.8 percent of all replacement truck tires sold.

"Of some importance is the observation that statistics presented in the Akron report indicate that in 1946 the weight of manufacturer retail sales effort swung to operations through company-owned stores. This contrasts with conditions in 1941, the last normal tire sales year, when the emphasis was on direct to the consumer tire sales.

"The University of Akron report asserts that in terms of 1941 base, company-owned stores passenger-tire-wise outgained 'distributors and dealers' while truck-tire-wise 'distributors and dealers' outgained the company-owned outlets.

"Be this as it may, the fact—and a most significant fact—remains that unitwise manufacturer participation in the replacement truck tire field was greater in 1946 than it was in 1941. The full significance of this fact—completely overlooked to present—is found in repeated reliable independent dealer statements that the company-owned store and manufacturer direct sales effort is directed and concentrated on the highest profit-potential segment of the tire market, that area where for the least effort and the smallest dollar expense, the greatest return can be had. In short, they say the tiremakers concentrate on the cream of the market—cream that independents must have to nourish themselves back to health.

"Consideration of the fact that manufacturer-direct and company-store solicitation effort is concentrated on big users of the Greyhound, Fifth Avenue Coach, and National Dairy Products variety suffices to prove this claim. Certainly the effort and expense involved in soliciting such accounts—in proportion to expected dollar volume return—is not as great as the effort and expense involved in soliciting the multitude of small local little truck tire volume consumers. Fact of the matter is that dealers claim it is far more expensive for them to keep up with this local trade than it is for the tiremakers to keep up with the national account and the large local account trade.

"Further significance is found in the fact that connections with this cream segment are (through low prices and other special devices) least likely to be interrupted by competition, and that this cream segment is most likely to remain active and profitable—most likely to remain a real market—good times and bad. In this connection it is not at all out of order to observe that through merger and consolidation the influence of this cream segment over the buying habits of greater and yet greater shares of the entire truck tire replacement market definitely diminishes the field of potential dealer endeavor.

"By way of clarification of this assertion, it is only fair to ask whether, come depression times, National Dairy is (under presently existing business conditions) more likely to vanish as a market than is the

local, small creamery company, whether the local, individual hauler is more likely to survive than is the national transportation combine whose business has been preempted directly by some tiremaker. Obviously, under presently existing conditions of antitrust law enforcement, the smaller, low volume consumer represents at best a marginal market. All this being so, is it not rational to assume that the gains racked up by the tiremakers selling in the retail field during 1946 will prove more permanent than the gains racked up by distributors and dealers?

"Even further significance is found in the fact that usually low prices offered to members of this 'cream' market segment reflect throughout the entire truck tire field to the decided detriment, both directly and indirectly, of all truck tire dealers, reducing their profit margins to the vanishing point on truck tire sales to the consumers they can contact and sell.

"Vivid example of just how this happens is furnished in the story of the smaller tire buyer who, after securing quotations from a local independent, contacted one of his customers—a large, national account located several States away, and was offered, by that account a buying price almost $20 per casing under the best independent dealer quote. Naturally this local buyer took advantage of the offer. Undoubtedly he called this to the attention of some of his fellow business men—all to the disadvantage of the independent truck tire dealer.

"This concentration on the 'cream' segment of the truck tire replacement market therefore has the following effects on independent dealers: (1) It forces them to rely on higher cost (and so smaller profit volume) business, (2) it deprives them of increasingly wider spheres of a market they must successfully penetrate if they are to survive, and (3) it builds bad trade public relations for them, thereby diminishing their hopes for future success. In this way manufacturer direct sales and sales through CO stores (two peas in the same pod) are not too gradually throttling the life out of independent distribution in the tire field.

"This, specifically, accounts for assertions by 'self-appointed spokesmen for so-called independent tire dealers' (thank you, B. F. Goodrich) that sales by CO stores and by the tire makers direct 'to certain large truck tire users' have 'deprived independent tire dealers of such a substantial share of business which rightfully belongs to them that they can no longer continue their business profitably.'

"In this lies the full significance of the facts presented in the University of Akron report."

Then note October 1950 issue (reprint of issue of May 1941) "Dealers Blast Company-Owned Stores":

"DEALERS BLAST COMPANY-OWNED STORES—SAY MANUFACTURER OUTLETS MENACE THEM—SEE SMALL TIRE MAKERS, DEALERS FIGHTING COMMON THREAT

"NEW YORK, May 12.—Dealers operating in more than 24 States and the District of Columbia were unanimous in terming the operations of manufacturers retail stores as highly dangerous to their businesses. Such was, in effect, the kernel of all reports received in response to a questionnaire mailed to independent tire dealers by the editors of this paper.

"While some were not as caustic as others in their castigation of the manufacturer setups, all agreed that in the long run either the independents or the company-owned stores would have to give way completely. And, according to these same reports, the outlook for success for independents is not too bright right now because the tire maker controlled outlets were said to be supplied with weapons beyond the reach of the average dealer.

"One prominent retailer remarked in this regard, 'I know a couple of days ago, a store of one of the big companies had a list of truck tires which they were offering at 25 percent off net billing, with an extra 10 percent for service to any dealer that would service the tires. Their excuse was that these tires were of the old making—for example, they liquidated their 975–20 because the new tires coming through would be marked 1000–20, they to get first crack at blemished seconds, of any obsolete size. As an example of this, one manufacturer just dropped over 1,000 550–17 first line tires, all in wrappers, at a price of $3 each. Now these tires are being offered to customers desiring them at $4.50.'"

With reference to the lead story in the November 1947 issue of the National Independent it is interesting to note that this analysis of a release made by Dr. Warren W. Leigh, of the University of Akron, in substance was compiled by a then staff member of the House Small Business Committee. I cite this because it may be found that every so often these major rubber companies, to justify their operations, quote the reports issued from Dr. Leigh, of the University of Akron.

It is to be noted that his figures were to be used by the B. F. Goodrich Co., in their statement before the Senate Small Business Committee on June 19, 1959.

The Goodyear Tire & Rubber Co. spokesman before the same committee on June 19, 1959, answering the question of Senator BARTLETT: "We are to understand, then, that you have had no substantial problem in connection with the company-owned stores as they relate to your dealer reactions?" answered: "No, sir, we have not."

The Goodyear witness further advised the committee: "Experience in tire marketing teaches that there are certain areas of marketing both geographical and commercial in which even an experienced and competent dealer cannot economically serve the needs of the purchasing public."

The United States Rubber Co. spokesman told the same committee on June 19, and I quote:

"The purpose of that policy is to establish ourselves on markets where we are not effective at the present time; that is, the entire purpose of the store program is that we have found over a long period of time that there are just some markets where we are not effective at all and, therefore, it is desirable to get a store where we cannot get a dealer."

If the committee will kindly refer to my statement before the full committee on March 20, as to the United States Rubber Co.'s actions in opening up stores you will come to the conclusions that of all tire manufacturers they had less valid reasons than any and all other tire manufacturers combined.

The spokesman for the Firestone Tire & Rubber Co. told the Senate Small Business Committee in their appearance before that committee on June 19:

"We have a small business; we have decided that we very reluctantly have had to do it, and during the period we have been shifting over to that kind of business, we have had a number of our stores, and I am going to come to that.

"As the dealers need more margin to operate on competitively, the rubber companies over a period of time give them this and give it to their stores, and I assure you this, they are treated on the same basis, purchasing basis."

It is interesting, Mr. Chairman, to note in a recent AP story it said:

"Firestone sales, net, set records in 6 months. Firestone Tire & Rubber Co. reported sales and net income for the 6 months ended April 20 were the highest the company ever has recorded in a first 6-month period, despite 2 weeks during which most domestic plants were closed by a strike.

"Net sales were $568,158,972 compared with $490,854,806 for the half year to April 30, 1958, an increase of 15.7 percent. Net income of $29,940,606, or $3.47 a share, compared with $21,264,682, or $2.52 a share a year earlier."

Now here's the real story:

Read the returns on the survey which Burger Tire Consultant Service conducted among some 4,000 independent tire dealers nationwide in 1954 on this subject. In particular, review the remarks of dealers who were forced to compete against their own factories' company owned stores, and for the committee's attention, the complete results of the survey were presented to the Federal Trade Commission, Department of Justice, and to the House and Senate Small Business Committees.

Some 77 percent of the Goodyear dealers who replied said that prices set by manufacturers selling direct or through their stores were so low as to deny them a chance to remain competitive and make a profit.

Some 90 percent of the Firestone dealers who replied said that prices set by manufacturers selling direct or through their stores were so low as to deny them a chance to remain competitive and make a profit.

Some 100 percent of the Goodrich dealers who replied said that the prices set by manufacturers selling direct or through their stores were so low as to deny them a chance to remain competitive and make a profit.

An average 75 percent of the foregoing dealers of all three manufacturers charged that tire manufacturers operating their own stores do not give independent dealers the same buying prices and services they offer their own outlets * * * and consequently, an average 84 percent said they knew of cases wherein tire manufacturers operating their own stores undersold their own dealers through these stores.

Gentlemen, I've been talking about percentages * * * but never forget for a single moment that these percentages represent real, live, flesh and blood independent businessmen, many of them your own constituents, who are daily struggling for their livelihood and that of their employees on the Main Streets of America.

In the Pennsylvania Tire Co. contest survey conducted through Fuller & Smith & Ross Inc., Cleveland, Ohio, dated July 1957, the report states:

"Twenty-five percent of the entrants protested against what they termed inequitable advantages enjoyed by company-owned stores that sell in direct competition against both dealers handling the same brand and dealers handling competitive brands of tires.

"In brief, they complained that the independent tire dealer cannot meet the competition of company-owned stores because of the differences in their respective wholesale buying prices."

You may be told by succeeding witnesses that the public and other users of the product desire these services of these major rubber companies, which we know from actual experience in that industry is just plain bunk as the practices they are pursuing in our Nation are spreading into other nations. I bring to your attention a communication from the Queensland Automobile Chamber of Commerce of Brisbane, Australia, dated July 2, 1959:

"Thank you very much for your most interesting letter of May 12. I am sorry that pressure of business here has prevented me from acknowledging your kindness before.

"Thank you also for the April issue of Small Business News, the copy of CONGRESSIONAL RECORD, the copies of H.R. 2729 and

S. 52, and for the March issue of National Independent. I have very thoroughly read your letter and the material you sent, and have come to the conclusion that the tire industry in Australia has headed the same way that the American industry went some years ago.

"What you have told us is both useful and interesting. I have also noted how very closely the problems in your tire industry parallel the problems of American petrol retailers. The problems of antitrust and antimonopoly action are well known to us and the preview you have given us of what may be in store for the tire section of the retail motor industry (and Queensland Automobile Chamber of Commerce covers the whole field) is most significant to us."

I do recall in the late thirties or in the early forties receiving a similar communication from independent tire dealers in Madras, India.

Apparently the argument put forth by some of these major rubber companies as to the treatment of independent dealers on parity with their own retail stores is open to question as it is well to note the communication we received just about the time action was taking place before the committee on H.R. 2729. Please note the importance of this letter:

"It is surely hard for fellows like us to express our thanks and appreciation to you gentlemen, and the men who are working on this H.R. 2729, equal pricing. Please convey our sincere thanks to all and everyone among your group and our Government who have seen fit to do something to help us small businessmen.

"About 6 weeks ago I wrote you that I have been a (major tire) dealer for 38 years, buying direct from their factory branch in (midwestern city). I have never failed to discount a bill over these years. Our purchases were in the bracket of $25,000 to $50,000—discount of 27½ off code price. We had been told by * * * salesmen that we were doing a good job for them.

"Much to our surprise, after doing business with them for 38 years, they opened a store across the street from us—or 50 feet away to be exact * * * products are good and we like to sell them, so after they opened this store we still sell * * * tires, tubes, and batteries.

"Now this is what happened a week ago, and for which I say again thanks to you and those fine Congressmen for all their efforts on behalf of fellows like us: Our regular * * * salesman came in our store and told us we were being put in a class with their stores, which meant our new buying price would be 30 percent off code. Also they will rebate on all purchases since January 1, 1959, to equalize this price. This rebate will be close to $600. He also told us after quite a talk that now they would go along with us any time to meet competition on special sales to county, State, and so forth.

"I told this salesman we sure owe thanks to George Burger, his men, and our honorable Congressman for getting them in line. I also told him that I did not think a manufacturer should be allowed in the retail business.

"I hope you accept this letter in the same spirit it has been written. I again want to say thanks to you men and the Congressmen who are doing something for us small fellows."

It's a safe conclusion that the operation of these tire manufacturers will expand—all at the expense of the independent tire trade, and without question of doubt, they will take over and control the recapping industry. History repeats itself in that industry, hence the reason why H.R. 2729 is long overdue if we are to preserve independent sales and servicing institutions in the rubber tire industry.

Bear in mind, in a review of the testimony of the late William M. Jeffers, then Rubber Administrator and at that time then president of the Union Pacific Railroad, to the Senate Small Business Committee, note the warning he gave, from a national security standpoint, it was most important that the many, many thousands of tire sales and servicing institutions be maintained to serve the best interest of this Nation during the time of war.

Also bear in mind—call it what you may—monopolistic practices carried on by certain large industries will sooner or later be copied by other large industries and where will this leave the free enterprise system and John Q. Public?

In my appearance before your committee on March 20, I covered the subject matter as to the plight of the independent glass industry, and the competition they faced from producers entering the retail field.

Well do I recall where this was first brought to my attention early in 1942 or 1943 where an independent retailer in Macon, Ga., entered suit in the Federal court against the Pittsburgh Plate Glass Co. as to alleged violation of the Robinson-Patman Act. The lower court decided the case in favor of the glass company.

At that time a clerk of the Senate Small Business Committee had reasons to write his views on the decision of the judge in that case, so apparently what followed on in later years, as reported to us, was that the operation of the major glass company in the retail field was becoming of considerable concern to the independents in that industry.

We do recall a case reported to us from Warren, Ohio, as to the action of a certain major glass company as it applied to an independent business establishment, and when we reviewed the complaint, with apparently alleged supporting facts—I think the action would have made a wonderful television story for Alfred Hitchcock in view of the principles involved in the deal to destroy the business of the independent.

The concern of the independents in that industry was again brought to our attention from an independent in a nearby area, in which he said:

"We purposely delayed answering your letter of November 7, because we felt that the figure of 600 retail shops to be opened by Pittsburgh Plate Glass Co. within the next 2 years was exaggerated.

"We have since discovered that the remark was originally attributed to the manager of the Philadelphia Division of Pittsburgh Plate Glass Co. as a sort of threat to the independent small shops in that area, in an effort to force them to buy more Pittsburgh products.

"A later story has it that another representative of PPG, at one of the recent conventions, stated that they are considering opening 150 shops.

"At this writing we have no affirmative information that PPG is opening any additional retail and installation shops, although the story is still being circulated. We do feel certain that PPG is considering additional shops to the approximately five opened in Boston in 1955–56, and three opened in Philadelphia this year; this information is factual.

"Naturally, PPG is not going to reveal its plans until they are ready to make the actual move."

Approximately 2 weeks later an additional report as follows, was received from the same federation member:

"The information below just reached my desk this morning. While we have no direct personal knowledge of the opening of these shops, our source of information is extremely reliable. We do not know if this information concerning PPG shops is all-inclusive:

"[Last 6 months]

"City:	*"Number of shops*
Odessa, Tex	1
McAllen, Tex	1
Portsmouth, Va	1
Petersburg, Va	1
Richmond, Va. (to be opened shortly)	1
Danville, Va	1
Winston-Salem, N.C	1
Greensboro, N.C	1
Des Moines, Iowa	1
Boston, Mass. (includes surrounding area)	3
Philadelphia, Pa. (reports are that from 6 to 9 more to be opened shortly)	2
Camden, N.J. (to be opened shortly)	1
Miami, Fla	1
Tampa, Fla	1
Anniston, Ala	1
Pensacola, Fla	1"

Then we have also received a considerable number of complaints from others in the glass industry from: New Jersey, Pennsylvania, Iowa, California, Delaware, Ohio, Missouri, Minnesota, and Montana.

Then I do recall a spokesman for the glass dealers from St. Louis, Mo., conferring with me here as to their problems faced from the glass producers, and I understand they had many conferences with officials from the Federal Trade Commission, and apparently with no relief forthcoming.

Then again, by invitation, I was requested to address a group of leading independent glass dealers in New Haven, Conn., in June 1958. It was the same story, Mr. Chairman, of their concern.

The subcommittee of the Senate Small Business Committee held extensive hearings on the problem July 30 and 31, and October 9 and 10, 1958, and this 794-page print should, in itself be convincing arguments for the need for adoption of H.R. 2729.

Apparently, as we have said earlier in this statement—what one big industry will do to monopolize and encroach upon the independents' distribution will be followed by others, and note the letter we received from a Federation member in Tucson, Ariz.:

"We would like to know in what position we stand with reference to appointed distributorship of Waste King products.

"It is our impression that a distributor is designed to sell dealers, contractors, etc.

"After months of intensive sales, contacts and paying a salesman, we find ourselves in the unique position of looking ridiculous to our dealers by quoting them prices whereby we realize a gross 10-percent markup—and their telling us that they can buy direct from Waste King at prices below our costs.

"We are confused, dumfounded and totally discouraged in this matter and wonder if there is any potential point in our remaining in business with situations like this existing.

"Is there any possible answer that you can give us that can be satisfactory for this type of distributor system, or is it a foregone conclusion that there will be no small businessman?"

We have had the same complaint from independents in the paint industry, and if time permitted we could recheck our files and present the committee with the factual reports as we received them.

We have also had similar complaints from independent businesses as it relates to their suppliers of plumbing equipment and supplies.

It may be found that the House Small Business Committee may have more current information on this.

It is significant and important to note that the Wall Street Journal reported on the operations of the Crane Co. as to their retail stores, as follows:

"EVANS METHODS TO BOLSTER CRANE CO. PROFITS STIR RIFT WITH LANDA, LEAD TO RESIGNATIONS

"CHICAGO.—By the close of business today, Thomas Mellon Evans, chairman of Crane Co., will have closed 33 of the firm's 137 wholesale branch outlets in the 2 months he has headed the company.

"The pruning of what are figured to be unprofitable branch outlets—being replaced by independent wholesalers—is only one of the swift steps Mr. Evans has taken to bolster the sagging profits of the major plumbing fixture maker. What progress he has made so far in this direction is not known, since no quarterly earnings reports have been due out since Mr. Evans became chairman."

Read the testimony given before Senate Judiciary Committee on May 21, 1954, by Mr. Charles Raney, Jr., owner of a long established, successful tire business in Akron, Ohio, the heart of the rubber tire industry, when he said: "If I thought that the past and present trends in the (factory direct) distribution of tires were to continue without correction, I would sell my business without further consideration and attempt to obtain employment with one of the major rubber companies, because as surely as time passes, there is where we dealers would eventually be if we wished to remain in the tire industry. How can I, as an independent tire dealer, hope to compete with my own suppliers, when they are attempting to make deals direct with the consumer at prices very near those that I pay and in some instances considerably below?"

In testimony before Senate Judiciary Committee, on May 21, 1954, on the subject of the rubber tire bill, Mr. George H. Frates, then exclusive Washington, D.C., representative of the National Association of Retail Druggists, had this to say: "We are in favor of passage of S. 175 (rubber tires bill) which is now pending before your committee. It might seem at first blush that there is a wide variance between the retailing of automobile tires and the retailing of drugs and drug sundries, therefore, we respectfully wish to call to the committee's attention the fact that the invasion of one field, if financially successful, presupposes the entry into another area. If a company is permitted to manufacture, distribute, and retail a given product under our free enterprise system, that act is their privilege. Our concern, however, stems from the utter unfairness of a manufacturer selling his own wares at retail for a price substantially lower than other retailers handling this same item—this applies to services as well as merchandise. We believe this manipulation is accomplished by rigged discounts and is a violation of fair dealing in the marketplace. A manufacturer who competes with his retailing distributors and engages in predatory price cutting uses the tools of a monopolist."

In an address at the Temple University Shoe Retailing, on February 15, this year, an independent shoe industry spokesman said: "Most of our problems, monopolywise, stem from producers (through one means or another) going into competition with their customers. With the ax they have, we don't have a chance."

In testimony before the Senate Small Business Committee, March 21, 1958, a spokesman for independent glass dealers, had the following to say: "The issue in question is the legality and morality of dual distribution. I still maintain that if Pittsburgh Plate Glass is not restrained and continues to open retail shops, we, the glass dealers, will not be in a position to compete with them. Legislation is urgently needed."

Complaints about the unfair competition offered independent service station operators and oil jobbers are too well known to require repeating. Just walk down the streets of this Washington, D.C., and talk with a few representative independents in this field, and you'll find them in agreement that oil refinery direct competition is something that they just can't cope with. Read, if you will, the complete exposé of this type of factory-direct competition and what it means to independent businessmen published by the Investigatory Commission in the State of Montana.

Get into the paint industry, television servicing industry, and others and you'll find the same sorry story as is told in tires, drugs, oil, and glass industries. Independents are increasingly being frozen out of the picture because their suppliers are going direct to their customers and offering prices that are either lower than the indepndents buying prices or so close to them that it is not possible to sell and make a profit.

Now, I've been talking about the effect of this unfair competition on the independents in these industries. How about others? Well, consider the service firms, accountants, lawyers, bankers, insurance agents, etc., who can do business with independent locally owned firms, but who are all too often frozen out of the picture when factory-owned stores move in, with their headquarters and connections in distant cities. Consider the many small manufacturers who depend on independents exclusively to distribute their products. Caught in the squeeze of this unfair pricing, their outlets are increasingly milked of their vitality * * * now what happens to a small manufacturer without outlets to distribute his goods?

With these points in mind, let me take you back over the effort we have put forth to bring about the badly needed buying price fairness in pricing between independent dealers and their suppliers' factory-owned store chains.

Time and again we have gone to Congress with a plea for enactment of a law to prohibit manufacturers from operating factory-owned stores or selling in direct competition, in a monopolistic manner, with their independently owned outlets—only to have our pleas fall on deaf ears.

Times without number we have beaten on the doors of the Federal Trade Commission and the Department of Justice for action to secure fairer pricing opportunities between independent dealers and the factory stores operated by their suppliers * * * only to get "action is impossible now" as an answer.

Then this past fall I asked for, and was granted, a private conference with four Federal Trade Commission Commissioners (December 10, 1958). For a full, uninterrupted 2 hours and 15 minutes we talked this problem over, and at long last I found the full and bitter truth: that this agency, which administers the Robinson-Patman law, the statute that aims at promoting fair pricing opportunities, the statute which is the independent businessman's Magna Carta, does not permit any use in price discrimination cases involving manufacturer owned stores.

In short, so far as the independent who is being murderously squeezed by his supplier's factory-owned stores is concerned, and who is looking for relief * * * well, he's just very definitely up the creek without a paddle. For those independents who write in to tell us about this, we can, now, have only one answer: "That's tough, buddy, that's tough! Just join the crying line to the right."

And that is why, after meeting with the Federal Trade Commission last fall, we moved immediately to work with a Congressman for introduction of legislation that might offer independents some ray of hope (there's no other legislation on the horizon that will do this). That's why Congressman BENTLEY took the action that he did. It's why I'm before you today pleading for action on H.R. 2729.

Another note, the need for this action is becoming more pressing with each passing day.

For instance, some 20 years ago the Federal Trade Commission ordered the United States Rubber Co. to, among other things, close down its company store chain because of their unfair competition against the firm's independent dealers. The rubber manufacturer escaped the impact of this order by announcing it had closed these stores. Today the United States Rubber Co. has announced it will open up new factory stores in competition with its dealers and others.

Secondly, as recently as February 6, a Wall Street Journal article reported that the General Shoe Co. is planning to open 50 new retail stores in the low-price women's shoe field. It goes without saying that what one company does, others will follow. That was the history of the tire industry. It is the history of the shoe industry. It will be the history of other industries.

That's one more compelling reason why we urge you to report H.R. 2729 favorably for congressional action, to give all independents some means of assurance that there will be fair pricing opportunities for them.

As the committee is aware, both the Federal Trade Commission and the Department of Commerce have given adverse reports on H.R. 2729. Such objections were met in valid arguments, FTC objections being answered as it appears in the CONGRESSIONAL RECORD of April 30, 1959, and Commerce Department objections being answered as appears in the CONGRESSIONAL RECORD of May 7, 1959. I think it's a safe conclusion that all members of the committee have been advised of this action.

We have also been questioned by members of the committee as to what injury would be sustained by the Federal Government in its direct purchases. In each instance we have advised that, due to heretofore ruling of the then Attorney General, the Honorable Homer Cummings, the Government would be exempt. Our view has been confirmed by letter dated July 2, 1959, together with a copy of the original ruling, by the Acting Assistant Attorney General, Mr. Robert Bicks, and I quote:

"In reponse to your letter of June 25, 1959, I am attaching a copy of the opinion of Attorney General Cummings, dated December 28, 1936, in which he concludes that the Robinson-Patman Act does not apply to Government purchase of supplies.

"The same conclusion was reached in *General Shale Products Corp.* v. *Struck Construction Co.*, 37 F. Supp. 598 (1941), aff'd 137 F. 2d 425 (1942) cert. den. 318 U.S. 780 (1943)."

"APPLICABILITY OF ROBINSON-PATMAN ACT TO GOVERNMENT CONTRACTS FOR SUPPLIES

"The Robinson-Patman Act of June 19, 1936, which makes it unlawful for any person engaged in commerce to discriminate in price between different purchasers of commodities in the circumstances therein stated, is not applicable to Government contracts for supplies.

"DEPARTMENT OF JUSTICE,
"December 28, 1936.

"To the SECRETARY OF WAR.

"SIR: I have your letter of October 30, requesting my opinion concerning the application of the Robinson-Patman Act (approved

June 19, 1936, c. 592, 49 Stat. 1526) to Government contracts for supplies.

"The statute reads, in part, as follows:

" 'Section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (U.S.C., title 15, sec. 13) is amended to read as follows:

" 'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided*, That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered.'

"Aside from the proviso, the above quoted portion of the statute differs from section 2 of the act of October 15, 1914, in no respect save as indicated by the underscored words, which did not appear in the earlier statute. The language of the proviso is different from that of the corresponding proviso in the earlier statute, but the change does not bear upon the question which you have submitted.

"In my opinion of April 20, 1936 (38 Op. 452), to the Secretary of War concerning contracts with motor vehicle carriers, it was pointed out that statutes regulating rates, charges, etc., in matters affecting commerce do not ordinarily apply to the Government unless it is expressly so provided; and it does not seem to have been the policy of the Congress to make such statutes applicable to the Government. As Mr. Justice Brandeis observed in *Emergency Fleet Corporation* v. *Western Union Telegraph Company*, 275 U.S. 415, 425, 'it may be doubted whether the prescribed rule requiring equality of treatment would ever be violated by giving to the Government preferential rates.'

"The act of June 19, 1936, merely amended the act of October 15, 1914, as above pointed out, and, insofar as I am aware, the latter act has not been regarded heretofore as applicable to Government contracts. The practice in this respect indicates that it has been customary in the past for those dealing with the various agencies of the Federal Government to grant to them special prices on contracts for supplies. Such prices are often below the regular market for similar material supplied to the regular trade, due, perhaps, to an estimated lower cost of doing business with the Government because of quantity purchases and absence of credit risk, solicitation expense, etc., although it may often be impossible to evaluate such factors with exactness.

"It has been suggested that the force which would ordinarily be attributed to this practice may be weakened because of the probability that the prices named have seldom, if ever, violated the statute, even assuming its application. Perhaps this is true. It is also conceivable that if the past practice is maintained the prices hereafter named to the Government will seldom, if ever, violate the amended statute, likewise assuming its application; and this would seem to supply another reason for avoiding a construction that would make the statute applicable to the Government in violation of the apparent policy of the Congress in such matters, in the absence of any clear indication that it intended to depart from that policy in this instance.

"It is therefore my opinion that the act of October 15, 1914, as amended by the act of June 19, 1936, is not applicable to Government contracts for supplies.

"Respectfully,

"HOMER CUMMINGS."

Our opinion is further substantiated by letter dated July 9, 1959, received from Mr. C. D. Bean, Commissioner, General Services Administration, Federal Supply Service, and I quote:

"This is in reply to your letter of July 1, 1959, addressed to Mr. Franklin Floete, Administrator, with which you enclosed a copy of H.R. 2729 of the 86th Congress, 'To amend the Federal Trade Commission Act so as to prohibit certain practices in commerce by any manufacturer or producer who distributes his product in commerce through his own retail outlets, direct to consumers and also through other retail outlets.'

"As regards the Robinson-Patman Act, I believe that the ruling by Attorney General Homer Cummings to which you refer must be the opinion dated December 28, 1936 (38 Op. Atty. Gen. 539) to the effect that the Robinson-Patman Act is not applicable to Government contracts for supplies. This opinion was applied in *General Shale Products Corporation* v. *Struck Construction Company, et al.*, 37 F. Supp. 598 (1941).

"Thank you for bringing this matter to our attention."

When organized labor, totaling many millions, desire legislative relief, Congress does not expect individual workmen to appear and give testimony, so, holding to that rightful pattern, when efficient small business desires relief they must look to accredited spokesmen in their behalf. This might be considered by some as taking undue liberty, on our part, but nevertheless the membership of the National Federation of Independent Business, as I said in the opening statement, has the largest individual membership of any business organization in this Nation, and I repeat, numbering in excess of 130,000 individual members—all voting members. And, by the way, I am more than pleased to advise the committee that our membership, in the fiscal year just ended, showed a healthy increase of approximately 33 percent.

No one knows better than do those of us here in the legislative office the fear in the minds of the average independent businessman to come forward and lay the facts on the line. His concern is fear of retaliation and this applies not only to the distribution end, but also in the production end. In other words, it would appear that we are entering a phase in our economy of captive groups. So we believe we are honestly and truthfully speaking for the best interests of independent business of this Nation, and are asking that your committee will recognize this and will give a speedy, favorable report on the bill, H.R. 2729 in the present session of the Congress.

Give this ray of hope to all small business nationwide, and it will not alone do that but it will also be an indication to any and all manufacturers who may be carrying on an unequal race with their independents that a time has come at last that Congress says "stop," before more drastic legislation will have to be enacted to save small business and the free enterprise system of this Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. POWELL (at the request of Mr. MCCORMACK) for an indefinite period, on account of illness.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. CURTIS of Missouri, for 10 minutes, today, and to revise and extend his remarks.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WILLIAMS and to include extraneous matter.

(At the request of Mr. ROBISON, and to include extraneous matter, the following:)

Mr. ARENDS.

Mr. CURTIN.

Mrs. ST. GEORGE.

Mr. SIMPSON of Pennsylvania.

(At the request of Mr. JOHNSON of Colorado, and to include extraneous matter, the following:)

Mr. BARING.

Mrs. SULLIVAN.

Mr. MCDOWELL.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 252. An act to authorize Col. Philip M. Whitney, U.S. Army, retired, to accept and wear the decoration tendered him by the Government of the Republic of France. To the Committee on Foreign Affairs.

S. 716. An act to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes. To the Committee on the Judiciary.

S. 1845. An act to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes. To the Committee on Post Office and Civil Service.

S. 1958. An act to amend title 46, U.S. Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seaman. To the Committee on Merchant Marine and Fisheries.

S. 1965. An act to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies. To the Committee on Interstate and Foreign Commerce.

S. 2118. An act to amend section 4488 of the Revised Statutes, as amended, to authorize the Secretary of the Department in which the Coast Guard is operating to prescribe regulations governing lifesaving equipment, firefighting equipment, muster lists, ground tackle, hawsers, and bilge sys-

tems aboard vessels, and for other purposes. To the Committee on Merchant Marine and Fisheries.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2067. An act to authorize the Honorable Thomas F. McAllister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 2909. An act relating to the maintenance and travel expenses of judges;

H.R. 3290. An act to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy;

H.R. 3320. An act to amend the act of June 21, 1950, relating to the appointment of boards of medical officers;

H.R. 3321. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes;

H.R. 4068. An act to amend title 10, United States Code, by repealing section 7475, which restricts the increasing of forces at naval activities prior to national elections;

H.R. 4340. An act to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies;

H.R. 6319. An act to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans;

H.R. 6436. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and desiccants, and for other purposes;

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 1928. An act to provide for the participation of the United States in the Inter-American Development Bank; and

S. J. Res. 124. Joint resolution to extend the Voluntary Home Mortgage Credit Program.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 2067. An act to authorize the Honorable Thomas F. McAlister, judge of the U.S. court of appeals, to accept and wear the decoration tendered him by the Government of France;

H.R. 2909. An act relating to the maintenance and travel expenses of judges;

H.R. 3290. An act to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy;

H.R. 3320. An act to amend the Act of June 21, 1950, relating to the appointment of boards of medical officers;

H.R. 3321. An act to amend title 10, United States Code, with respect to crediting certain service as a member of the Women's Army Auxiliary Corps and for other purposes;

H.R. 4068. An act to amend title 10, United States Code, by repealing section 7475, which restricts the increasing of forces at naval activities prior to national elections;

H.R. 4340. An act to amend sections 43 and 34 of the Bankruptcy Act (11 U.S.C. 71, 62) to simplify the filling of referee vacancies;

H.R. 4413. An act to provide improved opportunity for promotion for certain officers in the naval service, and for other purposes;

H.R. 6319. An act to amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans;

H.S. 6436. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and desiccants, and for other purposes;

H.R. 6587. An act to authorize certain generals of the Army to accept and wear decorations orders, medals, presents, and other things tendered them by foreign governments;

H.R. 6714. An act for the relief of Abraham Fye;

H.R. 6717. An act for the relief of Mrs. Kathrene LeTang;

H.J. Res. 280. Joint resolution consenting to an interstate compact to conserve oil and gas; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

ADJOURNMENT

Mr. JOHNSON of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 51 minutes p.m.), under its previous order, the House adjourned until Monday, August 3, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1255. A letter from the Comptroller General of the United States, transmitting a report on the review of selected phases of the low-rent housing operations of the Boston Housing Authority, Boston, Mass.; to the Committee on Banking and Currency.

1256. A letter from the Administrator, General Services Administration, transmitting a report on lease agreements which do not bind the Government for periods in excess of 10 years which were entered into during the period January 2, 1959 through June 30, 1959, pursuant to Public Law 85-493; to the Committee on Government Operations.

1257. A letter from the Acting Secretary of the Interior, transmitting a copy of an application for a loan of $214,000 for the Haights Creek Irrigation Co. of Kaysville, Utah, pursuant to the Small Reclamation Projects Act of 1956, as amended June 5, 1957 (71 Stat. 48); to the Committee on Interior and Insular Affairs.

1258. A letter from the Comptroller General of the United States, transmitting a copy of the report on the audit of the Alaska International Rail and Highway Commission for the period from its inception on July 30, 1957, to June 30, 1959; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H.R. 2236. A bill to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy; with amendment (Rept. No. 735). Referred to the Committee of the Whole House on the State of the Union.

Mr. McGINLEY: Committee on Interior and Insular Affairs. H.R. 6179. A bill to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.; with amendment (Rept. No. 736). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURDICK: Committee on Interior and Insular Affairs. Senate Joint Resolution 16. Joint resolution to designate the lake to be formed by the waters impounded by the Dickinson Dam in the State of North Dakota as "Edward Arthur Patterson Lake"; without amendment (Rept. No. 737). Referred to the House Calendar.

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 5412. A bill to amend the act of June 14, 1926, as amended, to provide that lands conveyed under such act for State park purposes shall not be subject to the 640-acre limitation contained in such act; with amendment (Rept. No. 738). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Interior and Insular Affairs. House Joint Resolution 113. Joint resolution to provide for the honorary designation of St. Ann's churchyard in the city of New York as a national historic site; without amendment (Rept. No. 739). Referred to the House Calendar.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. H.R. 8284. A bill to amend the National Science Foundation Act of 1950, as amended, and for other purposes; with amendment (Rept. No. 740). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H.R. 8342. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; without amendment (Rept. No. 741). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN:

H.R. 8458. A bill making funds available for the Freeport, Ill., flood-control project; to the Committee on Appropriations.

By Mr. ASPINALL:

H.R. 8459. A bill to authorize the Governors of Guam, the Virgin Islands, and American Samoa to nominate cadets for appointment to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

By Mr. BROYHILL:

H.R. 8460. A bill to amend the Civil Service Act of January 16, 1883, to eliminate the provisions of section 9 thereof concerning two or more members of a family in the competitive civil service; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.R. 8461. A bill to amend the act of September 2, 1958, establishing a Commission and Advisory Committee on International Rules of Judicial Procedure; to the Committee on the Judiciary.

By Mr. DURHAM:

H.R. 8462. A bill to amend the Atomic Energy Act of 1954, as amended; to the Joint Committee on Atomic Energy.

By Mr. FASCELL:

H.R. 8463. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. FRIEDEL:

H.R. 8464. A bill to amend the act of October 24, 1951, to provide salary increases for the police for the National Zoological Park; to the Committee on House Administration.

By Mr. HALPERN:

H.R. 8465. A bill to amend title II of the National Housing Act to authorize a decrease in the premium charged for the insurance of mortgages under that title, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARRIS:

H.R. 8466. A bill to revise sections 831 to 835, inclusive, of title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles"; to the Committee on the Judiciary.

H.R. 8467. A bill to repeal section 303(b) of the Interstate Commerce Act, as amended, relating to the water-carrier bulk commodity exemption, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LAIRD:

H.R. 8468. A bill to amend title VII of the Public Health Service Act to provide for an emergency program of Federal aid for the construction of cancer and heart research facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. McDOWELL:

H.R. 8469. A bill to provide for a preliminary examination and survey of Little Mill Creek, a tributary of Christina River, New Castle County, Del., for the purpose of flood control; to the Committee on Public Works.

By Mr. MOORE:

H.R. 8470. A bill to limit the power of the States to impose income taxes on income derived exclusively from the conduct of interstate commerce and to bring about greater uniformity in State taxation of business income derived from interstate commerce; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 8471. A bill to prevent discrimination in any public or semipublic place or by any public or semipublic transportation against members of the Armed Forces because of race, color, or creed; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H.R. 8472. A bill to authorize the Governors of Guam, the Virgin Islands, and American Samoa to nominate cadets for appointment to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

By Mr. QUIGLEY:

H.R. 8473. A bill to require the establishment of congressional districts composed of contiguous and compact territory for the election of Representatives, and for other purposes; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H.R. 8474. A bill to amend the Tariff Act of 1930 to require that foreign films, recordings, and similar articles imported for public exhibition or broadcasting be clearly marked so that the viewers and listeners as well as the importers and exhibitors will be apprised of their foreign origin; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H.R. 8475. A bill to amend section 203 of the Federal Property and Administrative Services Act of 1949 to provide for the donation of surplus property to public libraries which are tax supported in whole or in part; to the Committee on Government Operations.

By Mr. WILSON:

H.R. 8476. A bill authorizing the conveyance of certain property in city of San Diego to the State of California; to the Committee on Armed Services.

My Mr. FASCELL:

H.R. 8477. A bill to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years; to the Committee on Veterans' Affairs.

By Mr. HECHLER:

H.R. 8478. A bill to establish a national policy on intergovernmental relations and to provide for its implementation through an Intergovernmental Relations Report of the President, a Council on Intergovernmental Relations, an Intergovernmental Reference Service, and a Joint Committee on Intergovernmental Relations; to the Committee on Government Operations.

By Mr. MORRISON:

H.R. 8479. A bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RIVERS of South Carolina:

H.R. 8480. A bill to provide that the Secretary of Defense shall undertake and carry out a program to provide for the continuity, expansion, support, and development of scientific and other activities relating to Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H.R. 8481. A bill to provide that the Secretary of Defense shall undertake and carry out a program to provide for the continuity, expansion, support, and development of scientific and other activities relating to Antarctica; to the Committee on Interior and Insular Affairs.

By Mr. BOWLES:

H.R. 8482. A bill to provide for stabilization and orderly marketing in the poultry industry; to the Committee on Agriculture.

By Mr. CLEM MILLER:

H.R. 8483. A bill to provide for stabilization and orderly marketing in the poultry industry; to the Committee on Agriculture.

By Mr. SISK:

H.R. 8484. A bill to provide for stabilization and orderly marketing in the poultry industry; to the Committee on Agriculture.

By Mr. COOLEY:

H.R. Res. 482. Joint resolution designating the week of November 20–26, 1959, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. DOWDY:

H.J. Res. 483. Joint resolution proposing an amendment to the Constitution relating to the power of the States to protect moral standards; to the Committee on the Judiciary.

By Mr. HOEVEN:

H.J. Res. 484. Joint resolution designating the week of November 20–26, 1959, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. McGOVERN:

H.J. Res. 485. Joint resolution favoring assistance to other nations in the establishment and improvement of their educational systems; to the Committee on Foreign Affairs.

By Mr. BREWSTER:

H. Con. Res. 366. Concurrent resolution declaring the sense of Congress on the use of a Great White Fleet in support of American foreign policy; to the Committee on Armed Services.

By Mr. CUNNINGHAM:

H. Con. Res. 367. Concurrent resolution that it is the sense of Congress that a sound dollar is the basis for future growth and security of the Nation; to the Committee on Ways and Means.

By Mr. JUDD:

H. Con. Res. 368. Concurrent resolution expressing the sense of the Congress against the seating of the Communist regime in China as the representative of China in the United Nations; to the Committee on Foreign Affairs.

By Mr. ZABLOCKI:

H. Con. Res. 369. Concurrent resolution expressing the sense of the Congress against the seating of the Communist regime in China as the representative of China in the United Nations; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H. Res. 335. A resolution relative to the office of the Official Reporters of Debates and the office of the Official Committee Reporters; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 8485. A bill for the relief of Lawrence K. Luce; to the Committee on the Judiciary.

By Mr. DORN of New York:

H.R. 8486. A bill for the relief of John Capetanakis; to the Committee on the Judiciary.

By Mr. LANKFORD:

H.R. 8487. A bill for the relief of Profulla Chandra Khaund and Nirupoma Barthakur Khaund; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 8488. A bill for the relief of Chin-yung Wen; to the Committee on the Judiciary.

By Mr. STRATTON:

H.R. 8489. A bill for the relief of Fernando Manni; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Campaign Against Tuberculosis in New Jersey

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Thursday, July 30, 1959

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a statement prepared by the junior Senator from New Jersey [Mr. WILLIAMS], with an Associated Press release of July 18 referred to in his statement.

There being no objection, the statement and release were ordered to be printed in the RECORD, as follows:

The battle against disease throughout the world has attracted considerable attention in the Senate and House this year, and with good reason. From small town councils to the specialist committees of the United Nations, a new optimism about final victory over affliction is in the making.

Dr. Roscoe P. Kandle, who became the New Jersey State Health Commissioner this month, had some very interesting things to say recently about the possible victory over tuberculosis in that State. His interview with an Associated Press reporter also deals with other matters. I attach hereto an Associated Press release of July 18 from the Atlantic City Press.

STATE HEALTH CHIEF SEES DEATH OF TUBERCULOSIS

TRENTON.—New Jersey's new health commissioner thinks tuberculosis in this State can be completely wiped out.

And he thinks his department needs to make the same sort of intensive drive against polio by getting everyone vaccinated.

Dr. Roscoe Kandle, 50, of Pitman, a soft-spoken, slightly balding man with a varied health work background, has been on the job since July 1.

He replaced his close personal friend, Dr. Daniel Bergsma of North Haledon.

Bergsma resigned after 10 years in office to become associate medical director of the National Foundation (for infantile paralysis).

In some ways it has been old home week for the new director. He was head of the department's division of preventable diseases for a year in 1947. Many of his friends are still on the job.

SOUTH JERSEY POST

Before that he was southern district health officer, responsible for Camden, Cumberland, Gloucester and Salem Counties.

Kandle said in an interview his fondest wish is to finish the job of tuberculosis control.

"I'm tremendously impressed at the progress we've made," he said, "but we need to settle down and ferret out each source case.

"Our aim is complete eradication—and I think it will come."

The Pitman native said that on polio it gets harder to sell vaccination as the nonimmunized group gets smaller.

"People ought to want to protect their own children," he added, and pointed out they can get free shots at many clinics if they can't pay a doctor.

Kandle said diphtheria was brought under control when 65 percent of the people had been vaccinated, but polio may require 90 percent vaccination.

OTHER POINTS

On other points, he said:

1. Prospects are not so good for effective air pollution control because of automobile exhaust and other fumes. "I don't know how clean the air is going to get," he said, and both New York and New Jersey are "sinners."

2. The department can work on malnutrition in babies and older folks as a way to cut down some mental illness.

3. While Bergsma wanted a big program of State aid for health agencies, Kandle feels "you have to live within your budget."

Since leaving the New Jersey Health Department 10 years ago, Kandle has been in many positions around the country, including field director of the American Public Health Association.

He feels New Jersey's health services to its 5,600,000 citizens are better than the average in the United States.

Kandle operates out of a modernized air-conditioned headquarters in midtown Trenton—at 129 East Hanover Street.

Kandle and his wife are now seeking a home in the Trenton area.

They have three children—George, a Princeton Seminary student; John, Eastern New Mexico University student, and Catherine, 9.

Interest Rate Ceiling Limitation

EXTENSION OF REMARKS
OF
HON. RICHARD M. SIMPSON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 30, 1959

Mr. SIMPSON of Pennsylvania. Mr. Speaker, tomorrow will mark the lapse of 7 weeks since the Committee on Ways and Means concluded public hearings on legislation requested by the administration 8 weeks ago to permit more flexible debt management. The administration requested the repeal of statutory interest rate ceilings on savings bonds and marketable bonds in order to facilitate efficient and economical debt management and to prevent any further erosion of the dollar from mounting inflationary pressures.

After the conclusion of those hearings 7 weeks ago the committee held extensive executive session on the administration's legislative request. Approximately 3 weeks ago we reached the point in those executive sessions where the majority of the committee had approved several controversial amendments and had instructed the chairman of the committee to introduce legislation embodying these tentative decisions. No further action has occurred.

Mr. Speaker, it appears that the "sit and wait" policy of the Democratic House leadership that has been applied to many other urgent legislative matters has been extended to include this most serious of all matters involving public confidence at home and abroad in the integrity of the national credit. The Republican members of the Committee on Ways and Means have made repeated efforts to have the Democratic leadership abandon its ostrichlike sit-and-wait policy in favor of a straightforward position of responsible action to give to the Secretary of the Treasury the necessary tools to safeguard against national financial crisis. On July 22, 1959, the Republican members of the committee joined in addressing a letter to the Speaker pointing out the urgent considerations that required prompt action on the administration's legislative proposal. We indicated that our reason for writing directly to the Speaker was in recognition of press statements attributed to him that "the legislation would not receive House consideration in the absence of administration concurrence in the amendments tentatively approved by the majority members of the committee." In our letter to the Speaker the Republican members of the committee also called attention to the fact that the majority-approved amendments were inflationary, destructive of public confidence, and costly in terms of debt management.

On July 27, 1959, I received in the mail a carbon copy of a document that appeared to be a statement by the Speaker issued to the press responding to our letter of July 22, 1959. Neither I nor any other Republican member of the Committee on Ways and Means has received any direct comment on this matter from the Democratic House leadership. So that the membership of the House may be informed in regard to this statement by the Speaker I will at this point in the RECORD insert the text of that statement.

SPEAKER RAYBURN'S STATEMENT IN REPLY TO THE LETTER SIGNED BY REPRESENTATIVE SIMPSON AND OTHER REPUBLICAN MEMBERS OF THE COMMITTEE ON WAYS AND MEANS, JULY 23, 1959

The Committee on Ways and Means moved promptly on the legislation to remove the statutory ceiling on the interest rate of long-term bonds, because it was aware that the request of the President deals with one of the most important issues facing us. Both the committee and I are fully aware of the gravity of the problems involved.

In substance, the committee gave the President the flexibility which he requested in the management of the public debt. The committee added two provisions to the legislation requested by the President.

First, instead of removing the ceiling permanently, the committee placed a 2-year limitation on the authority granted to the President.

Second, the committee required that before bonds could be issued at rates of interest above the existing ceiling, the President must make a finding that it is in the national interest to do so.

The only other provision which the committee added to the legislation was a declaration of the sense of Congress relative to the management of the public debt. This section states the concern of the Congress over the continuing rising costs of financing the public debt. It expresses the hope that

further increases in interest rates can be avoided or minimized without interfering with efficient debt management and the Federal Reserve's efforts to preserve a sound currency.

Here is the language in question:

"It is the sense of Congress that the Federal Reserve System, while pursuing its primary mission of administering sound monetary policy, should to the maximum extent consistent therewith, utilize such means as will assist in the economical and efficient management of the public debt and in so doing the System should, where feasible, bring about needed future monetary expansion by purchasing U.S. securities, of varying maturities."

This is what the language does. It expresses the sense of Congress that the Federal Reserve System should assist the Treasury in the management of the public debt in a way that is consistent with the System's primary mission of administering a sound monetary policy. This language further expresses the preference of Congress that when it is necessary for the Board to carry out its function of expanding the supply of money and credit, this could be done whenever feasible by its purchase of U.S. securities. This language does not require or even urge any expansion of the credit supply that would not be desirable and necessary for economic growth. The language of the bill says simply that it is the sense of the Congress that wherever feasible this needed growth of the money supply could be provided through the purchase of Government securities. There is nothing new, unreasonable, or irresponsible in this procedure. I need only to point out that the Federal Reserve banks already hold $26 billion of U.S. Government securities.

I have been forced to the conclusion that the Federal Reserve authorities have reached a point in their thinking where they consider themselves immune to any direction or suggestion by the Congress, let alone a simple expression of the sense of Congress. It appears that the fault of the suggested committee bill was not that the language itself was wrong, but that the Congress dared even to speak to the Federal Reserve, a creature of Congress.

The failure to move this bill is the failure on the part of the administration to understand that the Congress cannot be expected to be unconcerned about what might happen in the exercise of the authority granted to the President under the bill. It is the failure of the administration to accept the right of the Congress to express its concern within the statute, that this authority should not be exercised in ways which are not in the public interest. It is the failure of the administration to accept the right of Congress to place a time limit upon the exercise of this very substantial authority so that the Congress may, from time to time, reexamine the way that the authority is being exercised.

Since the responsible solution of this problem is of great importance to the country, it is disappointing that the Republican members of the Committee on Ways and Means have decided to play politics with it, particularly at a time when conferences were being held with responsible administration officials in an effort to resolve this problem. Every Republican member of the Committee on Ways and Means must have known of the efforts on the part of the leadership of the Congress and the Democratic members of the Committee on Ways and Means in meeting with representatives of the administration seeking a solution to this problem. They must have known that I, along with others, have been making every effort to resolve this problem in a way that is of the best interest to our country. We are not wedded to the language suggested by the committee, and despite the political activities of the committee minority, we will continue to make every effort to develop an effective solution to this problem. In my opinion, this is a matter far too important to get involved in partisan politics.

Mr. Speaker, having read in the press on the evening of July 23 the reaction of the Democratic leadership to our letter of July 22 charging unwarrantedly that our letter was a political play instead of a responsible request for responsible action, I issued a statement on July 24, 1959, responding to the charge of the House Democratic leadership. So the record may be complete on this point I will also place my statement in the RECORD at this point.

The Honorable RICHARD M. SIMPSON, Republican, of Pennsylvania, ranking Republican Member of the House Committee on Ways and Means, today expressed regret that the Speaker of the House of Representatives had unwarrantedly chosen to characterize as a political play the pledge of support from the 10 Republican Members of the Committee on Ways and Means to assist in obtaining favorable House action on the administration's request for legislation to remove statutory interest rate ceilings to facilitate economical public debt management.

Mr. SIMPSON stated that the Speaker's reaction to the Republican joint letter of July 22, 1959, is an indication of the Democratic House leadership's vulnerability to the charge that if the Democratic leadership continues to thwart House action on this measure the Democratic majority in the House must accept the responsibility for the consequences of failure to act on a measure that involves the soundness of the Nation's currency and the integrity of the Nation's credit. Mr. SIMPSON noted that while neither he nor any other Republican Members of the Committee on Ways and Means had received a reply from the Speaker to their letter of July 22, the Speaker had claimed in a press statement "the leadership of the Congress and the Democratic members of the Committee on Way and Means are seeking a solution to this problem." Mr. SIMPSON acknowledged encouragement from the fact that the Democratic House leadership recognized the matter as a problem but he said "I find difficulty in reconciling that statement by the Speaker to a press statement of July 16, 1959, attributed to the Speaker saying 'we can sit here and wait'."

Mr. SIMPSON said that one of the considerations that had prompted the committee Republican members to urge action on this important legislation is their concern that the Democratic House leadership had decided to sit and wait in taking action on this important measure in the same way "the Democratic leadership has been sitting and waiting on effective farm legislation, a suitable housing bill, and a labor bill that will protect the rights of all American citizens." He went on to say, "The Democratic leadership in the Congress seems to have effectively adjourned the Congress without the awareness of the Members."

Mr. SIMPSON said: "I presume if and when the Democratic House leadership makes its decision as to what is good for the Nation with respect to public debt management, it will permit the entire House membership to vote on legislation meeting the approval of that leadership without regard to the President's recommendation."

Mr. SIMPSON noted that the Speaker's criticism of the Federal Reserve Board was totally unwarranted and constituted a rebuke by a highly placed Government official of other Government officials who are earnestly doing their patriotic best to fulfill their responsibility as prescribed by law.

In connection with his statement Congressman SIMPSON released the text of a letter he had received from the Honorable William McChesney Martin, Chairman of the Board of Governors of the Federal Reserve System on the Democratic proposed amendments to the administration's legislative proposal

The complete text of Mr. SIMPSON's statement follows along with the text of Mr. Martin's letter:

"TEXT OF THE STATEMENT BY THE HONORABLE RICHARD M. SIMPSON

"I sincerely regret that the Speaker of the House of Representatives has unwarrantedly chosen to characterize as a political play the pledge of support from the 10 Republican members of the Committee on Ways and Means to assist in obtaining favorable House action on the administration's request for legislation to remove statutory interest rate ceilings to facilitate economical public debt management.

"It is a matter of public record that a substantial cleavage exists among House Democrats on this legislative proposal and our pledge of unanimous support by Republican committee members and the expression of expected supports from at least 140 Republican Members of the House were intended to give encouragement to the House Democratic leadership to break the existing stalemate and deal forthrightly with this important issue involving confidence in the soundness of our dollar and in the integrity of our credit.

"While neither I, nor to my knowledge any other Republican member of the Committee on Ways and Means, has received a reply from the Speaker to our letter of July 22, the Speaker apparently has said to the press that the leadership of the Congress and the Democratic members of the Committee on Ways and Means are seeking a solution to this problem. I am encouraged that the Democratic House leadership has recognized and is seeking a solution to this problem, but I find difficulty in reconciling that statement by the Speaker with a press statement of July 16, 1959, attributed to the Speaker saying 'we can sit here and wait.'

"One of the considerations that weighed persuasively with the Republican membership of the Committee on Ways and Means in urging the Speaker to end the committee bottleneck was our concern that the Democratic House leadership had adopted a sit-and-wait policy on this important matter in the same way that the Democratic leadership has been sitting and waiting on effective farm legislation, a suitable housing bill, and a labor bill that will protect the rights of all American citizens. The Democratic leadership in the Congress seems to have effectively adjourned the Congress without the awareness of the Members. I presume if and when the Democratic House leadership makes its decision as to what is good for the Nation with respect to public debt management, it will permit the entire House membership to vote on legislation meeting the approval of that leadership without regard to the President's recommendation.

"The Speaker has unjustly expressed criticism of Federal Reserve authorities. This criticism is totally unwarranted and constitutes a rebuke by a highly placed Government official of other Government officials who are earnestly doing their patriotic best to fulfill their responsibility as prescribed by law. The Speaker in seeking to cast responsibility for this Democratic caused stalemate on the Federal Reserve authorities is criticizing recognized monetary authorities who are conducting themselves with impeccable propriety on this important issue. In his criticism of the Federal Reserve the Speaker seems unmindful of the virtually unanimous criticism expressed by financial

writers of the amendments tentatively approved by the Democratic majority on the Committee on Ways and Means. An example of such criticism appears in the July 13, 1959 publication of Aubrey G. Lanston & Co. Inc., who are foremost specialists in Government securities. An excerpt from that publication states the following with respect to the amendment which would require the Federal Reserve to peg Government bond prices:

"Some things, however, are clear. The management of money, credit and debt is an art the practice of which is replete with complexities. The means by which these arts are practiced very definitely are not matters in which Congress can afford to meddle whimsically or for purposes of advancing partisan objectives. The manner in which, and the methods by which Federal Reserve open market operations are conducted may not be subjected to black-and-white analyses. But, certainly, the national interest dictates that the choice of methods be left to the experts, and that the actual decisions with respect to these matters be left to the experts who are charged with the responsibility. Certainly, too, Federal Reserve officials know better than the House Ways and Means Committee what the Fed can and cannot do in the Government market if the public interest is to be served."

The Speaker in stressing what he interprets as the permissive character of the proposed amendment also seems unmindful of statements made on the House floor by Democratic House Members indicating that perhaps the amendment would be mandatory on the Federal Reserve.

On July 13, 1959, I addressed a letter to the Chairman of the Board of Governors of the Federal Reserve System, the Honorable William McChesney Martin, Jr., at the request of several members of the Committee on Ways and Means asking the Chairman to evaluate the amendments that had been tentatively adopted by the House committee majority. Because I was uncertain as to the scheduling of subsequent activity by the committee on this legislation, I asked that Chairman Martin expedite his reply. His answer contained nothing that he had not previously brought to the attention of the committee before the Democratic majority had approved these amendments. I consider that his answer contained his earnest and patriotically expressed views on this very serious matter.

In view of the aspersions that have been cast upon the Federal Reserve authorities, I feel it only proper that the text of Chairman Martin's reply to me should be released at this time. It is appropriate that the American people should be permitted to judge whether he is acting as an obstructionist as has been alleged or instead is constructively working as a responsible Government official who is knowledgeable in monetary affairs to find a correct solution to a very grave national issue.

(There is attached the text of the letter to the Honorable RICHARD M. SIMPSON from the Honorable William McChesney Martin, Jr., Chairman, Board of Governors, Federal Reserve System).

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, July 14, 1959.

The Honorable RICHARD M. SIMPSON,
House of Representatives,
Washington, D.C.

DEAR MR. SIMPSON: This response to the request contained in your letter of July 13 puts in writing the gist of the comments I made in the executive session meetings of the Ways and Means Committee on the amendments to the legislative proposals originally offered by the administration.

It is my considered judgment we are facing a serious financial situation. The limitation on interest rates is unrealistic in the light of present market quotations and denies the U.S. Treasury the tools essential to effective balanced handling of its borrowing needs. By statute the Treasury is now limited, because of the ceilings, to the issue of short-term securities which under present conditions of rising prosperity is dangerous. These short-term obligations can readily be converted into money at the option of the holder. In effect, they are a substitute for money, and thus could swell the flow of money far beyond that needed to purchase available goods and services at current price levels. The threat of a money flow out of hand has a major impact on the cost of living and places a burden on all of us.

It serves no useful purpose at the moment to argue whose fault it is that we are in our present predicament. The fact of the matter is we are in it. The committee is not being asked to vote whether interest rates should or would go up or down, but merely to grant the Treasury authority to exercise its best judgment in meeting an existing problem. We are discussing a crucial matter—the credit of the United States. Failure to deal with this could (and I was careful not to threaten or assert that it necessarily would) have the most serious implications. It was my duty to warn of this, much as I disliked the task. These are the basic facts with which we were dealing and any amendments must be considered in this light.

The amendment to retain the statutory ceilings but permit them to be disregarded if the President found the national interest so required did not seem to me to present unworkable problems. Accordingly, I did not raise objections, although I prefer the original.

The sense of the committee amendment is quite a different matter. I object to this on principle. The Open Market Committee and the Federal Reserve Board are given the responsibility under the Federal Reserve Act for regulating the money supply. If the Congress wishes to spell out the means of doing this, it should amend the Federal Reserve Act and not tack this on to a debt management bill.

Furthermore, under present conditions, I am convinced that this amendment, when stripped of all technicalities, and regardless of whether the language is permissive or mandatory, will cause many thoughtful people both at home and abroad to question the will of our Government to manage its financial affairs without recourse to the printing press. To me this is a grave matter. We are here dealing with trust and confidence which is the keystone of sound currency. Therefore, I must oppose this proposal as vigorously as possible, as I did during the hearings.

The amendment limiting the President's authority to 2 years is, in my judgment, unsound. It could be a source of embarrassment to both the next President and the then Secretary of the Treasury.

I have tried as faithfully as possible to summarize what I actually said during the hearings, and not to introduce new ideas. May I, in conclusion, thank you and all the members of the committee for the courtesy and consideration shown me and my associates throughout the meetings. I am taking the liberty of sending a copy of this letter to Chairman MILLS.

Sincerely yours,

WM. MCC. MARTIN, JR.

Mr. Speaker, the time has come when effective leadership must be brought to bear in obtaining floor consideration of this important administration request for legislation. It is no coincidence that financial writers and editorial comment have been virtually unanimous in criticizing the committee-approved amendments to this legislation. Political machinations and leadership equivocation have no appropriate place in this consideration. We are confronted with the fact of grave consequences assuredly detrimental and potentially disastrous if we do not provide the Secretary of the Treasury with the authority he must have in managing a public debt of $285 billion and in refinancing the $75 billion of Federal obligations that will mature in the next 12 months.

Mr. Speaker, as the Republican members of the Committee on Ways and Means indicated to you in our July 22 letter, the Republican administration and the Republican membership in the Congress are willing to accept the responsibility for removing the statutory ceilings on interest rate on Government securities to facilitate the economical management of the public debt. The Democratic majority in the House must accept the responsibility for unwise action or no action at all; the American people will bear the brunt of the consequences if the Democratic House leadership persists in "sitting and waiting."

There is legislation before the House, H.R. 8304, which I have introduced as ranking Republican on the Committee on Ways and Means carrying out the administration's recommendations in this area. It is urgent that the House be allowed to work its will with respect to this legislation.

M. L. Benedum, a Great and Good West Virginian, Has Passed Away, Leaves a Lonesome Place Against the Sky

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EXTENSION OF REMARKS
OF
HON. JENNINGS RANDOLPH
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Thursday, July 30, 1959

Mr. RANDOLPH. Mr. President, in this forum 2 weeks ago I observed that on Thursday, July 16, Michael L. Benedum would sit quietly in his living room reading congratulatory letters on his 90th birthday anniversary.

But today, Mr. President, the same Mr. Benedum, an outstanding native West Virginian, who enjoyed a fabulous career as the most successful oil wildcatter in history, and who also possessed the great quality of maintaining concern and compassion for the well-being of his fellowman, passed to the greater reward.

In response to an inquiry from Editor Randal Strother of the Clarksburg Exponent, Clarksburg, Harrison County, W. Va.—the county in which Mr. Benedum and I were born and in which his philanthropic gifts have exceeded $2½ million—I issued a statement today on Mike Benedum's passing.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD my statement as released to the Exponent.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RANDOLPH

M. L. Benedum traveled the extra mile to build successes of both his business endeavors and his philanthropic activities.

Possibly no native West Virginian had a more outstanding industry career. He was creative and courageous but, more importantly, he was considerate of the needs of his fellow men.

No one typified to a greater degree his quality of Christian citizenship.

Mr. Benedum was a firm believer in the philosophy that man is only temporarily a trustee of the wealth acquired through God-given talents. Consequently, he had a real awareness of his Christian responsibilities.

The fruits of his labors were wisely and frugally conserved, and it was properly said of him that only of friendship and good cheer was he a spendthrift. Great though he was in the industry which endowed him with much wealth, Mr. Benedum will best be remembered for the generosity of his gifts of time, energy, and worldly substance to the church, to education, and to philanthropy in general.

From my youth, and during my private and public service, his dedicated life has been my personal inspiration.

A Food Stamp Plan as Part of Public Law 480

EXTENSION OF REMARKS
OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1959

Mrs. SULLIVAN. Mr. Speaker, the House Committee on Agriculture today opened hearings on the various proposals before Congress for distributing more surplus food to our needy, particularly through H.R. 1359, my bill to establish a food stamp plan. I appreciate very much the courtesy and kindness of Chairman COOLEY in permitting me to open the hearings and to discuss the proposed mechanics of a food stamp plan. I suggested today that H.R. 1359 be made a part of Public Law 480 for reasons I think are persuasive.

Because of the widespread interest among so many Members of Congress in the food stamp issue, as demonstrated last year in the 197 to 187 rollcall vote we had here on August 18 on this same measure, and as demonstrated by the many questions and comments made by members of the Committee on Agriculture during the 2 hours I testified this morning, I believe a good purpose might be served by placing my testimony in the CONGRESSIONAL RECORD for general review.

TABLE SHOWS PERCENTAGES OF RELIEF RECIPIENTS RECEIVING FOOD

I am also submitting for printing in the RECORD, a breakdown I have made of the reports and statistics from the Department of Health, Education, and Welfare as to the number of public assistance beneficiaries in each State, on the one hand, and of reports from the Department of Agriculture on the number of such welfare recipients receiving surplus food under the present distribution program. I have then struck the rough percentage figures to show what proportion of the provably most needy people in each State is actually receiving surplus food under the present program. These, I emphasize, are approximate rather than exact figures as to welfare recipients, but I have doublechecked them over a period of several months and I know they vary month to month within a very narrow range from those I have used.

Under unanimous consent, therefore, Mr. Speaker, I submit, first, my testimony this morning as follows:

AIDING THE FARMER BY PROVIDING MILLIONS OF NEW CUSTOMERS FOR NUTRITIOUS FOODS THROUGH A FOOD STAMP PLAN

(Testimony of Congresswoman LEONOR K. SULLIVAN, Democrat, of Missouri, before House Committee on Agriculture at opening of hearings on H.R. 1359 by Mrs. SULLIVAN, and related bills for establishing a food stamp plan for distribution of surplus food to the needy, Thursday, July 30, 1959, 10 a.m.)

Chairman COOLEY and members of the committee, I am grateful to the chairman for scheduling full committee hearings on this legislation. In the three previous Congresses in which I have introduced this bill—or one very much like it—the hearings were usually conducted by subcommittee and I found afterward that the committee members who opposed the plan most vigorously in committee or on the House floor were almost always those who had not participated in the subcommittee hearings and thus, perhaps, were not fully aware of the opportunities provided in this legislation not only to help our needy but to help the farmer, too.

H.R. 1359, by the way, is the same bill which a majority of the members of this committee voted for last year and which a majority of the Members of the House of Representatives also supported in a roll call vote on August 18, on which the tally was 196 to 187. As you know, the bill was considered under suspension of the rules requiring a two-thirds majority, so the bill did not pass despite majority support.

MILLIONS OF AMERICANS HAVE INADEQUATE DIETS

This year, I trust we can finally see it enacted. Many of those on the Republican side of the House who opposed the bill last August are no longer in Congress and their successors, I trust, will support this kind of bill to assure a better diet for the 7,000,000 or more Americans not now able to afford minimum levels of nutrition.

We are now sending frozen chickens to the United Arab Republic, and other foods of all kinds to Yugoslavia, Poland, India, and other countries all over the world—yet for our neediest here, we can provide only some corn meal or wheat flour, some powdered milk, and that's about all. We should be ashamed of ourselves for permitting this situation to exist, in the midst of such abundance of food—a blessing from God. The surplus is such that we are desperately trying to give it away and dump it all over the world and are in effect paying some countries to take it away. We even subsidize the shipping in some cases—pay the ocean transportation costs.

BILLIONS SPENT IN FEEDING HUNGRY OF OTHER COUNTRIES

This committee has just completed extensive hearings on Public Law 480, the basic legislation for foreign distribution of surplus American food. We have spent many billions in giving food away overseas in these past 5 years. I am not against aiding the people of other nations, sharing our abundance with them, promoting peace by helping to feed the hungry. I merely want to point out that we also have hungry people here. And we are not doing, in proportion, nearly as much for them as we are for the underprivileged and undernourished of other lands. The figures prove it. More surplus food is sent as a giveaway overseas than is donated in the United States—even including the gifts of food to the school lunch program.

AMEND PUBLIC LAW 480 TO INCLUDE FOOD STAMP PLAN AND GIVE FIRST PRIORITY ON SURPLUS FOR OUR OWN NEEDY

Since Public Law 480 includes in title III, authority for domestic distribution of surplus food to our needy, and since Public Law 480 will shortly have to come before the House for renewal and extension, I would like to suggest now that H.R. 1359 be written into Public Law 480 as an additional program. The language for accomplishing that could be worked out easily and quickly, and we would thereby achieve two important purposes: One, we would assure that the first priority on distribution of foods in surplus go to our own needy rather than to the needy of other countries—under present law, the Department of Agriculture apparently contends it is not permitted to give away some surplus items here if any foreign country wants to arrange to obtain those same items under Public Law 480; and secondly, we would assure prompt House consideration of this plan as a logical provision of legislation dealing with the whole question of surplus distribution. We saw last year how H.R. 13067 was locked up in the Rules Committee so that it could come up for a vote only under the suspension of the rules procedure which led to its demise.

I believe Chairman COOLEY agrees with me that this bill now belongs as part of Public Law 480, and I earnestly urge that it be so included.

HARD CORE OF 7 MILLION NEEDY

Now, Mr. Chairman and colleagues, let me tell you why I think this legislation is so vital not only to our own needy but to the American farmer as well. We have, as I said, more than 7 million Americans not now able to buy even the barest minimum diet. These are the people on various forms of public assistance. They are—most of them—in dire need in either good times or bad. They form a hard core of the needy aged, the needy disabled, the blind, the families without income except what comes from public agencies or private charities. Their monthly checks do not cover minimum needs. In addition, in bad times—in recession—the ranks of the needy are swelled by millions more temporarily without jobs who may have used up their unemployment benefits—or who were not eligible for unemployment compensation. Many of them cannot get on public assistance regardless of need, in certain States, if they are "employable." Nevertheless, they still have to eat.

Here in Washington, in the Nation's Capital, Eve Edstrom of the Washington Post did a heartrending series of articles a year or so ago about hungry children rooting in garbage cans for something to eat. Out of this came a surplus distribution program here and a movement to provide more school lunches. But the problem Eve Edstrom wrote about in Washington was not an isolated one—it can be duplicated in cities all over America.

PRESENT DISTRIBUTION PROGRAM A FAILURE

We have the food. We have, as I said, such an abundance of food, it is now considered by Mr. Benson to be a great calamity.

It could be a great blessing if properly used. It is not now properly used to help our own needy—that is clear and undeniable.

True, we have a surplus distribution program in operation in this country. But it is a very inadequate program. Only one-third of our counties participate in it because of its cost. And the figures show, too, that only one-third of our public assistance recipients throughout the country receive any of the food—2⅓ million out of 7 million. If you take into account another fact, the statistics are even more discouraging—of the 2⅓ million relief recipients receiving surplus food, 400,000 are in Puerto Rico, one-quarter million each are in New York and Pennsylvania and Michigan. Another 175,000 are concentrated in Mississippi. For the rest of the States, therefore, in most cases anyway, far fewer than one-third of the relief recipients receive any surplus food. For instance, in the chairman's State of North Carolina, there are nearly 180,000 people on various forms of public assistance, but none of them receives any surplus food. In South Carolina there are 85,000 on public assistance, but none of them receives surplus food. It is not distributed to the public assistance people in Oregon, Nebraska, Louisiana, Idaho, Florida, or Delaware, to name a few. In my State, Missouri, only about 15 percent of the people on public assistance receive surplus food; in Texas and Wisconsin it is about the same; in California it is about 3 percent; in Georgia about 8 percent; in Massachusetts about 2 percent; in North Dakota about 4 percent; the same in Washington State, and so on. Of course, some of the States do much better than that, but on the whole it is a very spotty program as to coverage, and a completely unsatisfactory program in operation. It is a cruel hoax—a fraud—an illusion.

Any member of this committee who would disagree with me on that has just not bothered to go down to the distribution centers in the cities of our country and see this program in operation—not just in the distressed mining areas, but in any large city participating. People—old people, crippled, undernourished people—stand in long lines once a month or so to obtain big bags of flour or corn meal and some dried skim milk they cannot carry. There used to be some cheese and butter—but not now. Once, years ago, there was some canned beef. That was disposed of in one vast splurge—and then it was gone and there was never any more.

NO VARIETY IN FOODS DISTRIBUTED

When you investigate this present distribution system in places like Kentucky, West Virginia, the mining areas of Pennsylvania and Ohio and elsewhere, or talk to Members of Congress from those areas, you find it is a scandal—a crime against humanity. The costs of distribution far outweigh the value of the food. There is no variety.

Those are strong words, and I mean every one of them. I don't care how fine—how pious and decent—Mr. Benson and his aides may be in their personal lives—in this program they are participating in a cruel and inhumane thing when you stop to consider how much good—how much real good—could be accomplished with this surplus food. Even the chairman of the Republican National Committee concedes it is woefully inadequate. Of course, he blames the law for that; I blame the administration of the law.

Let me point out something that every one of you knows better than I—that the farmers of this country—most of them—are in real difficulty. You have struggled to devise legislation which can help the farmer, and you have received precious little help from the administration. And now you find that the House Members from city districts like mine are looking more and more askance at your proposals for aiding agriculture.

CITY FOLKS SEE NO RELATION TO FARM PROGRAMS

Why? Not because we are against the farmer. We know the farmer must be prosperous if the goods we make in the cities are to be sold. A prosperous farmer is a good customer for city industry.

But if I may say so, I would point out that most—nearly all—legislation you bring forward to aid the farmer neglects completely to tie your objective of reasonable farm prices into the companion problem of helping us to assure an adequate diet for all of our citizens. A food stamp program would establish that bond. It would provide at least 7 million new customers—regular customers—for the output of the average farm. Can you devise any better legislative device for increasing the consumption of farm commodities than by bringing in more customers—regular customers—for food items those people are not now buying?

FOOD STAMPS WOULD COVER ALL FOODS IN SURPLUS SUPPLY

As I have set up the program under H.R. 1359, the food stamp plan would provide for distribution through the stores of not just the storable surpluses but of the kind of foods, too, which can be acquired under section 32. We all know the Department has not used section 32 authority as Congress intended it to be used to help the farmer. We have had to force its greater use in the school lunch program, for instance.

There is no reason—no good reason—why fresh fruits and vegetables, and meats, when they are in such surplus as to cause marketing difficulties and depressed farm prices, cannot be utilized in season in a food stamp plan. There are hundreds of millions of dollars set aside each year from customs receipts—30 percent of customs receipts—for use in removing farm surpluses from the market. We have the maximum permissible annual carryover of $300 million in this fund, plus the additional $200 million or more made available each year—much of which is never used.

IS SECTION 32 WORTH CONTINUING?

This raises the question: If section 32 funds are not to be used both to help the farmer and the needy, then why continue section 32? By what right should this money be made available each year just to help the farmer, if no one else gets any benefit from it? If we cannot use it both to help the farmer and the needy in our cities, by providing more variety in the diets of our 7 million at the bottom of the economic ladder—people who go without the kind of food they need—then it seems to me that the usefulness of the section 32 program is over as far as the average citizen and taxpayer is concerned.

We all pay tariffs on imported goods, and the farmer no more so than anyone else. This fund has in it $500 million right now which could be used to reduce the national debt, if it is not going to be used to help those who need help. A food stamp plan, on the other hand, would provide a real incentive to the full use of the section 32 funds and authority.

DIRECT FARM PAYMENTS EXCEED 1 BILLION YEARLY

One last point and then I will try to answer your questions:

It has been suggested by some of the members of this committee that relief—public welfare—is not the job of the Department of Agriculture. That is true. But it seems to me that in first accumulating billions upon billions of dollars worth of food, then in dumping billions of dollars worth of food overseas for currencies we will probably never use to any significant extent except to give it back to the countries involved, and now in paying out more than $1 billion a year in direct cash payments to farmers, and another billion a year just to store our surplus food—there should also be room—there must be room—in such a program to aid the farmer by getting him more customers—7 or 8 million more regular customers each week for fresh eggs and fresh milk and an occasional half pound of bacon, or some fresh fruits and vegetables in season, or some chickens—all items at present well under parity.

WHY POWDER EGGS AND MILK?

We now buy up milk and eggs and powder them and give the powdered milk and powdered eggs away. Why not give out fresh milk and fresh eggs? Eggs are only at 58 percent of parity. We seem to be able to send chickens to Egypt but we can't provide them to our poorest here even though the price to the farmer is at 56 percent of parity. Apples here are at 53 percent of parity. Citrus fruits go up and down—they're up now—but often they are way down. Why not distribute some surplus oranges or grapefruit in season to our provable needy? A food stamp plan provides the machinery for using our surplus—not storing it or dumping it.

I do not agree with some Members who believe the surplus distribution program should be switched over to the Department of Health, Education, and Welfare. It would mean complete duplication in two separate departments of surplus food distribution systems—one for the needy, another for the school lunch and other programs. The responsibility for using this food properly—effectively—lies in the Department of Agriculture, although my bill also includes consultation with Health, Education, and Welfare, and also Labor. The Agriculture Department has failed to use its authority to institute any effective food distribution program. Congress must force it to be done.

FOOD STAMP PLAN SAFER FROM VETO IN PUBLIC LAW 480

The only effective way of accomplishing that now would appear to be through the inclusion of a food stamp plan as part of Public Law 480. I am not unmindful of the fact that a veto could stop my food stamp bill much more effectively standing by itself than as part of Public Law 480, which the administration wants and needs. I ask your help, therefore, in working it out in this fashion.

And I sincerely believe that such a step would be one of the most effective things you could do at this point to help the hard-pressed small farmer who raises the varieties of foods needed for an adequate diet. Adding 7 or 8 million Americans to the number of his customers able to obtain a decent diet would be a tremendous help in boosting farm sales and farmers' income.

Thank you.

STATISTICS ON RELIEF RECIPIENTS RECEIVING SURPLUS FOOD

Now, Mr. Speaker, I submit the tabulation I have prepared on the number of persons in each State on various forms of public assistance, the number of such persons and the percentage of such persons receiving surplus food under the present distribution system. The figures, as I said, are rough—but generally accurate:

TABULATION PREPARED BY REPRESENTATIVE SULLIVAN SHOWING STATE-BY-STATE PARTICIPATION IN PRESENT FOOD DISTRIBUTION PROGRAM BY PERSONS ON PUBLIC ASSISTANCE

The following figures and percentages are rough approximations based on monthly estimates from the Department of Health,

Education, and Welfare and on periodic reports from Department of Agriculture. There may be some variation from month to month:

State	Number on assistance	Number on assistance receiving food	Approximate percentage welfare class receiving
Alabama	207,000	46,000	22.0
Alaska	6,410	0	0
Arizona	46,000	21,000	45.0
Arkansas	98,000	89,000	90.0
California	622,000	20,000	3.0
Colorado	93,000	20,000	22.0
Connecticut	58,000	800	1.5
Delaware	13,000	0	0
District of Columbia	20,000	20,000	100.0
Florida	185,000	0	0
Georgia	182,000	13,000	7.0
Hawaii	16,000	0	0
Idaho	16,000	0	0
Illinois	114,000	58,000	50.0
Indiana	91,000	49,000	55.0
Iowa	80,000	45,000	55.0
Kansas	62,000	12,000	20.0
Kentucky	150,000	75,000	50.0
Louisiana	251,000	0	0
Maine	44,000	26,000	58.0
Maryland	50,000	22,000	49.0
Massachusetts	168,000	4,000	2.0
Michigan	316,000	220,000	70.0
Minnesota	109,000	27,000	25.0
Mississippi	175,000	150,000	86.0
Missouri	245,000	35,000	14.0
Montana	24,000	235	1.0
Nebraska	35,000	0	0
Nevada	8,000	853	10.0
New Hampshire	15,000	4,600	30.0
New Jersey	96,000	14,000	15.0
New Mexico	39,000	29,000	75.0
New York	509,000	262,000	50.0
North Carolina	179,000	0	0
North Dakota	18,000	769	4.0
Ohio	345,000	61,000	18.0
Oklahoma	181,000	113,000	62.0
Oregon	58,000	0	0
Pennsylvania	362,000	271,000	75.0
Puerto Rico	239,000	400,000	[1] 165.0
Rhode Island	36,000	8,600	24.0
South Carolina	85,000	0	0
South Dakota	24,000	13,500	57.0
Tennessee	147,000	36,000	25.0
Texas	368,000	47,000	13.0
Utah	28,000	18,000	65.0
Vermont	15,000	4,700	31.0
Virgin Islands	1,700	0	0
Virginia	66,000	6,900	10.0
Washington	139,000	5,000	4.0
West Virginia	109,000	85,000	78.0
Wisconsin	107,000	17,000	16.0
Wyoming	8,800	5,000	57.0

[1] Estimates of persons on public assistance from HEW; estimates of persons on public assistance receiving surplus food from Department of Agriculture.

TEXT OF H.R. 1359

Mr. Speaker, because the bill itself clearly outlines the proposed mechanics of an effective food stamp plan in language which I believe is clear and understandable, I now submit for inclusion at this point in the RECORD the full text of H.R. 1359 as follows:

[86th Cong., 1st sess., in the House of Representatives, January 7, 1959, Mrs. SULLIVAN introduced the following bill; which was referred to the Committee on Agriculture]

H.R. 1359

A bill to provide for the establishment of a food stamp plan for the distribution of $1,000,000,000 worth of surplus food commodities a year to needy persons and families in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to promote the general welfare, raise the levels of health and of nourishment for persons whose incomes prevent them from enjoying adequate diets, and dispose in a beneficial manner of food commodities acquired by the Commodity Credit Corporation or the Department of Agriculture in carrying out price support operations or diverted from the normal channels of trade and commerce under section 32 of the Act of August 24, 1935, as amended, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is hereby authorized and directed to promulgate and put into operation as quickly as possible, but not later than January 1, 1960, a program to distribute to needy persons in the United States through a food stamp system such surplus food commodities.

SEC. 2. In carrying out such program, the Secretary shall—

(1) distribute surplus food made available by the Secretary for distribution under this program only when requested to do so by a State or political subdivision thereof;

(2) issue, or cause to be issued, pursuant to section 3, food stamps redeemable by eligible needy persons for such types and quantities of surplus food as the Secretary shall determine;

(3) distribute surplus food in commercially packaged form, preferably through normal channels of trade;

(4) establish standards under which, pursuant to section 3, the welfare authorities of any State or political subdivision thereof may participate in the food stamp plan for the distribution of surplus foods to the needy;

(5) consult the Secretary of Health, Education, and Welfare, and the Secretary of Labor, in establishing standards for eligibility for surplus foods and in the conduct of the program generally to assure achievement of the goals outlined in the first section of this Act; and

(6) make such other rules and regulations as he may deem necessary to carry out the purpose of this Act.

SEC. 3. The Secretary shall issue, to each welfare department or equivalent agency of a State or political subdivision requesting the distribution of surplus food under section 2(1), food stamps for each kind of surplus food to be distributed, in amounts based on the total amount of surplus food to be distributed and on the total number of needy persons in the various States and political subdivisions eligible to receive such food. The food stamps shall be issued by each such welfare department or equivalent agency to needy persons receiving welfare assistance, or in need of welfare assistance but ineligible because of State or local law, and shall be redeemable by such needy persons at local distribution points to be determined by the Secretary under section 2(3).

SEC. 4. Surplus food distributed under this Act shall be in addition to, and not in place of, any welfare assistance (financial or otherwise) granted needy persons by a State or any political subdivision thereof.

SEC. 5. In any one calendar year the Secretary is authorized to distribute surplus food under this Act to a value of up to $1,000,000,000, based on the cost to the Federal Government of acquiring, storing, and handling such food.

SEC. 6. For the purposes of this Act, a needy person is anyone receiving welfare assistance (financial or otherwise) from the welfare department or equivalent agency of any State or political subdivision thereof, or who is, in the opinion of such agency or agencies, in need of welfare assistance but is ineligible to receive it because of State or local law.

SEC. 7. The Secretary of Agriculture, in consultation with the Secretary of Health, Education, and Welfare and the Secretary of Labor, shall make a study of, and shall report to Congress within six months after the date of enactment of this Act, on the feasibility of, the costs of, and the problems involved in, extending the scope of the food stamp plan established by this Act to include persons receiving unemployment compensation, receiving old-age and survivors insurance (social security) pensions, and other low income groups not eligible to receive food stamps under this Act by reason of section 6 of this Act.

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act.

Fleet of Mercy Ships To Help World's Sick

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Thursday, July 30, 1959

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a statement prepared by the junior Senator from New Jersey [Mr. WILLIAMS], with two editorials referred to in his statement.

There being no objection, the statement and editorials were ordered to be printed in the RECORD, as follows:

FLEET OF MERCY SHIPS TO HELP WORLD'S SICK

Earlier this year I was happy to have an opportunity to add my name to a bill known as the Food for Peace Act, introduced by the distinguished senior Senator from Minnesota, Senator HUMPHREY. Its objective is to help build essential world conditions of peace through use of our agricultural commodities for the relief of human hunger. This presented, to my mind, a really effective means of promoting our foreign policy objectives. And now to broaden this whole concept has come a most imaginative proposal as a sort of followup to the food for peace idea. I refer to the proposal of Comdr. Frank Manson, of the U.S. Navy, to send mercy ships—grain ships, hospital ships, education ships—as a great white fleet designed to make the benefits of the free-enterprise system available to the entire human race.

Obviously, we have no illusions that such a fleet will bring peace to the world in one sweeping movement but again, it is another step in our progress toward peace—a bit at a time. As Commander Manson says: "American leadership can prevent the people of the world from losing hope."

I submit that this proposal will have great dramatic impact and will, I believe, capture the imagination of every American. As evidence of how this thought has already caught hold, Senator HUMPHREY has introduced legislation in this body to provide two such white fleets.

We are presented here with an unique and challenging opportunity which will hold much good for America and for the entire world. I attach hereto editorials from the July 25 Daily Home News, of New Brunswick, and the July 29 issue of the Asbury Park Press.

[From the New Brunswick (N.J.) Daily Home News, July 25, 1959]

FLEET OF MERCY SHIPS TO HELP WORLD'S SICK

With so much talk of war and destruction, it is refreshing to read of the historymaking food-for-peace program before Congress and described in today's Allen-Scott report, and the plan of youthful Comdr. Frank Manson of the U.S. Navy to send mercy ships around the world as revealed in this week's Life magazine.

We will let Robert Allen and Paul Scott describe for you how U.S. food surpluses could be used in undeveloped countries and explain Manson's idea which grew out of the things he witnessed, as did thousands of other American servicemen, at the close of World War II.

"I saw diseased, destitute, and poverty-stricken people living on the rimland of Asia, Europe, and Africa * * * some actually dying on the streets of starvation and disease," he said. For 10 years these sights were relived in Manson's mind until on a December afternoon in 1957 the plan evolved as he was thumbing through a photographic file in his Pentagon office. This includes pictures of auxiliary and hospital ships.

Why not, he mused, have an entire fleet of mercy ships—grain ships, hospital ships, education ships, power ships—a fleet designed to make the benefits of the free enterprise system available to the entire human race. It was one of those large and simple ideas which, once formulated, surprises you that it wasn't thought of sooner.

Manson, who is now on duty with U.S. Navy headquarters in London, has no illusions that a fleet of mercy ships will bring peace to the world in one sweeping movement. But he is convinced his plan will bring people closer to people and therein lies a road to peace.

[From the Asbury Park (N.J.) Press, July 29, 1959]

A NEW WHITE FLEET

Fifty-two years have have passed since that day in 1907 when President Theodore Roosevelt sent 16 U.S. battleships on a tour around the world. Many shore residents will recall the day of the ships' return when, gleaming white and flag-bedecked, they steamed past Asbury Park and headed for New York harbor. The impressive armada became known throughout the world as the Great White Fleet.

Five decades later a naval officer, Comdr. Frank Manson, seeks to re-create this fleet and use it, in a different way, to impress the world. This time we would not seek to awe the world with our display of might but rather demonstrate our love of peace and our spirit of good will toward other nations. We would take this fleet from mothballs and commission it as an angel of mercy. Instead of armament it would carry food and medicine and it would visit any port of call which asked for its services. It would show the world that our New White Fleet is just as powerful as its prototype of 1907 and that good will can win as many battles as force.

There can be no doubt of the preeminence of the United States in the fields of manufacturing, engineering, science, medicine, agriculture and a dozen others. But in the realm of propaganda we have lagged. We have talked at length of our good will toward less fortunate nations and we have backed our words with millions of dollars. Yet, somehow, we have failed to win the friendship that should be ours and, in the propaganda war, Russia, which has never given away anything without first attaching a good strong string, seems to have excelled us. Truly, our failure has been compounded not of a lack of generosity or friendliness, but, rather, of shortcomings in our methods of bestowing our assistance.

The new White Fleet, in our opinion, would do more to spread the peaceful intentions of the United States than any other single thing we can do. It would be a dramatic demonstration that the United States accepts its responsibility to its neighbors and assumes an obligation to aid those less fortunate than ourselves. It would be an unforgettable example of the U.S. creed that those in trouble are to be succored, not exploited and enslaved.

Commander Manson's dream has received congressional support. A bipartisan group composed of Senators AIKEN, of Vermont, and HUMPHREY, of Minnesota, and Representatives BATES, of Massachusetts, and EDMONDSON, of Oklahoma, is sponsoring a resolution urging President Eisenhower to put the new White Fleet in operation. Few projects are capable of firing one's imagination as this one. It is an undertaking combining humanitarianism with practicality and offering a generous dividend in good will. Few proposals are more deserving of support. We commend it to our readers and urge them to write Senators CASE and WILLIAMS and Congressman AUCHINCLOSS soliciting their endorsement.

Opposition to Downtown Routing of the Interstate Highway System Through Reno, Nev.

EXTENSION OF REMARKS

OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1959

Mr. BARING. Mr. Speaker, under leave to extend my remarks, I would like to submit a copy of a letter that I have addressed to the President.

For 2 years I have opposed a downtown routing through Reno, Nev., of the Interstate Highway System. I have done this because I object to the reckless spending of Federal funds at the instance of the Bureau of Public Roads to acquire expensive property and to build elaborate superstructures which actually defeat rather than implement the spirit of the Federal Highway Act of 1956.

In Reno alone if the freeway were routed around the city rather than through it the Government would save approximately $20 million. If there are 1,000 Reno's throughout the country the savings would be in the billions of dollars rather than millions. At this time when the administration has called upon Congress for more money with a warning that unless Congress acts promptly highway work must cease, I feel that my letter is most timely. The complete text follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 28, 1959.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I note with considerable concern that your administration has warned that contracting for new interstate highways will be halted for a number of months if Congress does not act soon to provide more money.

If what has taken place in the planning of an interstate highway through the city of Reno, Nev., is an example of how the Bureau of Public Roads is spending Federal funds, to say that I am not surprised that they are out of money is a gross understatement. For more than 2 years I have done everything within my power to prevent the routing of this highway through the very center of downtown Reno, thus bisecting the city and causing irreparable damage to its industrial growth. I have written to the Bureau of Public Roads and charged that they coerced the board of county commissioners in the selection of a route from the California-Nevada State line to Lawtons, which is a point 7 miles west of Reno. This point lies south of a solid rock saddle automatically forcing the freeway through Reno instead of following the north rim course which the citizens of Reno endorse.

As you know, whenever a transcontinental highway is routed through an urban area, the law requires that the economic impact of such routing be considered. There was a congressional investigation of this matter held in Reno early this year by a special subcommittee of the Commtitee on Government Operations, chairmaned by JOHN BLATNIK.

On page 19 of House Report No. 292, which is attached for your convenience, you will note that the committee concluded that the consideration of a route and its economic impact upon the community in which the route is located should be based upon more than the removal of property from the tax rolls.

On page 14 under "Comments of the Committee," it is noted that "except for some testimony on the tax revenue loss to Reno as a result of approval of the Third Street route, the record contains little discussion of the economic effects of route selection. There is some testimony concerning economic effects with respect to the Sparks area presented by witnesses supporting the routing in that area, but testimony of local and State officials is silent on this point." Here, clearly, is a failure to comply with the provisions of law.

Now, considering my charge that the Bureau of Public Roads coerced the board of county commissioners in their ratification of the highway routing from the California-Nevada State line to Lawtons, please read their comments on page 17 that the "county officials who had not personally examined line J in Verdi prior to their initial approval of the line, reversed themselves after such examination, and subsequently reinstated the initial approval following realinement that met their objections." You will note the State approved line J in advance of the public hearings and that the Bureau of Public Roads had acquiesced in State approval in advance of these hearings

Back in 1957 Frank Turner, of the Bureau of Public Roads, sent a telegram to a Mr. Farin, regional engineer for the Bureau in San Francisco, stating that no Federal funds would be made available for any route other than line J from the California State line to Lawtons. The following day Farin transmitted this wire to William Howard Smith, State engineer for the Bureau of Public Roads, who in turn wired Mr. Peterson, chairman of the board of county commissioners, Washoe County. At the same time, Mr. Turner also phoned Commissioner Peterson. The following day he held a special meeting of the board of county commissioners, at which line J was again ratified. You will note the report states that the telegram originally sent by Frank Turner and the other two noted above was obviously designed to influence action that accorded with earlier State and Bureau of Public Roads approval of line J, and that a local body faced with a telegram that line J is the "only location acceptable for the expenditure of Federal interstate funds" has little room for deliberation.

Why was the Bureau of Public Roads so determined to follow line J, which would necessitate building a trestle over a ravine 125 feet deep, when they could have selected a route around the northern mountain slopes continuing north of Reno and across the meadows east of Reno which would follow the natural contours of the north rim and require no superstructures? We are now talking about spending Federal funds.

At the public hearings required by State law an employee of the Bureau of Public

Roads made it very evident that the Bureau would not consider any route outside of the city limits of Reno. Mr. Turner also informed the Governor of my State that he would not consider a proposal skirting Reno to the north.

Before comparing cost estimates, let me first direct your attention to page 10 of the Blatnik report. Back in 1955 a firm of consultants were employed to make a study of both local, and through traffic. From this study benefit-cost ratio factors were assigned to six proposed routes. A so-called northern bypass route was assigned a benefit-cost ratio of 6.9. Third Street (elevated) as submitted to the Bureau of Public Roads by the State highway department had a benefit-cost ratio factor of only 5.1. Now, if you will note below "Additional Bureau of Public Roads Estimates," the Bureau estimated a benefit-cost ratio of 1.1 for the north rim. I might say here that the northern bypass and the north rim lines are probably no more than six blocks apart and the north rim route is only approximately 17 blocks from the center of Reno. It is absolutely ridiculous to even assume that line F would yield approximately six times the benefit that line R would yield. In the first place, highways form new traffic patterns and either improve the economic growth of a community or depress it. So-called benefit-cost ratio factors are nebulous and absurd and still the Bureau of Public Roads from the very beginning refers to the north rim 1.1 factor as a product of the consultants' study. Right here in my office Frank Turner, on several occasions, told me that the north rim could not be considered since it only carried a benefit-cost ratio factor of 1.1 while the Third Street line carried a benefit-cost ratio of 5.1.

Now let's consider cost. As I have said, the city of Reno is but a speck on the map and is located in a bowl formation. To the north of Reno are gentle mountain slopes. A highway following this contour could be prepared for laying concrete with a couple of bulldozers in 30 days. I have traveled every inch of this route on foot and I would say today that the entire distance from the California line to the meadows east of Reno could be traveled by jeep. In contrast, I have already mentioned that line J, as approved, would necessitate building a trestle 125 feet in the air. Line O through Reno crosses the Truckee River several times and one Y-shaped bridge diagonally crossing the river at the police station would conservatively cost at least $3 million. The Bureau of Public Roads admits that the north rim route could be completed for about $17 million. It would cost many millions more to run a highway through the center of town.

I will not quote figures because at best all figures quoted are no more than learned estimates. It is a simple fact that it costs money to build an elevated highway and it also costs money to build underpasses and overpasses. This is why the Brueau of Public Roads is now crying for more money. I would be reluctant to support any appropriation or gasoline tax bill until there is a thorough investigation of the Bureau of Public Roads. I do not understand why a small bureaucratic governmental agency can force an interstate transcontinental highway through the heart of a city as small as Reno, knocking out millions of dollars of personal property, and dislocating business establishments which employ thousands of people, against the will of the citizens of Reno. I say against their will advisedly, because I have in my office some 17,000 names on petitions opposing a downtown routing.

According to a plan presented to the Bureau of Public Roads by the State highway department there are 13 turns within the city limits, a stretch only 5 miles long. It was described by an expert as a loop-to-loop, shoot-to-shoot affair that would give a hot rodder a cheap thrill driving 40 miles per hour. Why the turns? To miss certain pieces of property predestined not to be disturbed. There is no bottleneck traveling through Reno from east to west. There is from north to south, because of the railroad crossing adjacent to Third Street.

The original plan called for two railroad underpasses, which were rejected by the Bureau of Public Roads. Now the State plans to divert urban and secondary funds to build these underpasses. In other words, it would be the biggest swindle ever perpetrated in the State of Nevada—a steal of all funds allocated to the State from all other counties to build a 5-mile elevated concrete superhighway through 5 miles of Reno. This reckless spending cannot be justified. If Reno is an example of highway planning throughout the country, and I believe it is, it would cost our taxpayers billions of dollars in excess of a reasonable program cost figure and would still not accomplish the intent of the Federal-Aid Highway Act of 1956.

I understand that you have asked that the program not be bogged down through the purchase of expensive personal property in urban areas. I know there are highway scandals in the shadows of the Capitol which will be brought to light by those other than myself. I urge, Mr. President, that immediate steps be taken, not only to investigate present activities of the Bureau of Public Roads, but also to regulate its future conduct, and that they be forced to curb their excessive spending as a step toward balancing our national budget.

To expressly reflect the attitude of the Bureau of Public Roads in this regard during the John Blatnik investigation, I specifically asked Mr. Turner if he was willing to spend three to four times as much Federal moneys to route the freeway through downtown Reno as it would cost to skirt the city, and he replied that he was, and when I asked where the money would come from, he quipped you are the Congressman, that's your job.

As a result of their support of the proposed Third Street routing of the freeway we now have a new Governor, a new comptroller, and a new attorney general, who constitute the State highway board. We also have a new mayor, a new city council and, with the exception of two members who did not commit themselves, a new board of county commissioners. It has just been called to my attention that the mayor and the new city council now definitely oppose the Third Street routing and that the State highway board would be willing to reconsider the entire matter if the Bureau of Public Roads indicated that this was their prerogative. This should be done by a letter from the Bureau of Public Roads to the State highway department. I strongly urge that you so instruct the Bureau of Public Roads and that Mr. Frank Turner withdraw his statement that Federal funds could not be made available for the north rim route since the benefit-cost ratio of 1.1 was merely a "guestimate" assigned by the Bureau of Public Roads and completely unrelated to the traffic study made in 1955.

I respectfully request a reply to this letter at your earliest convenience.

Respectfully,

WALTER S. BARING,
Congressman for Nevada.

(NOTE.—Line F, northern bypass; line O, Third Street (elevated); line R, north rim; line J, California line to Lawtons.)

Our China Policy Needs Revision

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Thursday, July 30, 1959

Mr. ENGLE. Mr. President, on May 21 I addressed the Senate on the need for a revision of our China policy. I have been gratified by the response to that speech from my own State of California and from other sections of the country. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD some of the editorial comments on my proposals for a new look at our China policy.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Sacramento (Calif.) Bee, June 7, 1959]

CLAIR ENGLE STRIKES KEEN BLOW AT U.S. CHINA POLICY

Any criticism, even constructive, of this Nation's Red China policy has been treated much as one might approach a carload of nitroglycerin jolting over the Burma Road.

It is to the singular credit of U.S. Senator CLAIR ENGLE, of California, that in a Senate floor speech he has brought our China policy out of the realm of fantasy and untouchability into that of rationality.

In what may be the first frank official challenge to the Eisenhower administration's Red China policy in more than 6 years, ENGLE boldly stepped over that nightmare threshold where any advocacy of a possible change in such policy virtually has been equated with treason.

Papier mache illusions have controlled the State Department's Red China policy—the illusion Red China was on the verge of collapse, that, as President Dwight D. Eisenhower has maintained, any forthright dealing with Red China would cause the rest of Asia to tumble into the Communist camp like "falling dominoes," that Chiang Kai-shek might some day return to the mainland from Formosa, that any lifting of the present news blackout between Peiping and Washington would give Red China such a buildup that millions of Asiatics would turn to communism, that China was ever ours to lose and that former Secretary of State Dean Acheson's policies turned mainland China over to communism.

Such illusions are a backwash of the late Senator Joseph R. McCarthy's terror that paralyzed the Nation and the State Department. They have also been cultivated by that loose amalgam of groups called the China lobby. Some members of this lobby are sincere in trying to get Chiang's forces back to the mainland. Some are wealthy Chinese who want to get back to resume their lush pickings at the expense of the people.

ENGLE, while supporting all our defenses in Asia, called for an end to the news blackout, for making it clear the United States would support no military adventure from Formosa against Red China, that at some stage in our return to reality, we negotiate with Peiping at a level higher than the present ambassadorial talks in Warsaw and that we put trade with Red China on the same basis as that with the Soviet Union.

Even the late former Secretary of State John Foster Dulles, while indignations were

high against Red China because of the Korean war, wrote in his book "War or Peace," "all nations should be members of the United Nations" without appraising whether they were good or bad. ENGLE merits great credit for his pioneering for a return to rationality in discussing the Nation's Red China policy.

[From the St. Louis Post-Dispatch, June 7, 1959]

A NEW DIRECTION FOR CHINA POLICY—CALIFORNIA SENATOR URGES A BEGINNING ON NEGOTIATIONS WITH MAO

(By CLAIR ENGLE (Democrat) in a Senate speech)

If we recognize, as I think we should, that our present Chinese policy is not adequate, we should be prepared to negotiate for some specific changes. Our policy, and what we propose, should be flexible, depending to some degree upon how far the Red Chinese are willing to make concessions in our interest in the Far East.

These steps should be taken one at a time and we should not be in too big a hurry about it. But there are certain areas in which we should be willing to negotiate and talk with the Red Chinese with a view to concessions to be made on their side.

As a start, we should be willing to negotiate the entrance of Chinese correspondents to the United States on a basis of reciprocity and equality with U.S. correspondents admitted to Red China. We should be willing to place the issuance of visas to the Chinese on the same basis and under the same controls as now apply to the citizens of the Soviet Union provided that the Chinese are willing to admit American correspondents to the mainland of China.

Second, we should be willing to discuss with Red China the possibility of placing our trade with Red China on the same basis as our trade with the Soviet Union. Why should they be different? There are many concessions with reference to trade in the Far East that might be advantageous to us and our friends if this kind of an arrangement is carefully negotiated.

Third, we should make it plain that although we intend to maintain our treaty obligations with reference to Formosa, we have no intention of supporting military adventures against the mainland of China—with its consequent danger of setting off a major war. This kind of discussion could be the basis of relaxing the military tensions in the Far East.

Fourth, we should assume the initiative in placing the defense of Formosa on a broader international base than it is at present and lay the foundation for the long-range status of Formosa.

Time is running out. Both Chiang Kai-shek and his soldiers are growing older and sooner or later we have to face up to a new status for Formosa. Why should we not place the matter squarely before the United Nations, offer to refrain from participation in the discussions if the other interested parties in the Far East stay out also, and ask a committee of the United Nations comprised of Asians, or on which Asians are predominantly represented, to come forth with some positive suggestions?

Fifth, we should consider the possibility at some stage during these proceedings, especially if the Mao government shows any willingness to meet us halfway, to negotiate with the Mao government on issues of substance at a level higher than the present ambassadorial talks in Warsaw. This, it is true, would lead us nearer to practical recognition of the Mao government, but it is still one or two steps removed.

Finally, all these negotiations throughout should be on a quid pro quo basis, and we should make it clear that our determined aim is to halt any Communist aggression in the Far East. We should give substance to this determination by continuing to strengthen military and economic defenses, but at the same time we should permit the countries of Asia to participate with us in progress made in economic and cultural relations with China rather than follow our past practice of penalizing and frowning upon such efforts.

This is not an easy program to undertake. It proceeds from the assumption that our present policy is getting us nowhere and that we ought to try new means and new methods. It presupposes the active and good faith cooperation of the Red Chinese themselves in a step-by-step exploration in each of the separate areas I have mentioned. It will take time and patience but it can be done and eventually the necessity of doing it has to be faced, and so let us face it now.

The challenge to our foreign policy in the next decade is to prevent the total marriage of China and the Soviet Union. The resulting economic, political, and military colossus would include nearly one-third of the world's population. Stretching in one unbroken, tightly controlled Communist federation from Berlin to Canton, it offers a chilling prospect.

Some people think that has already occurred, but I do not agree. I think there are basic ideological frictions at the present time. China is in no sense a satellite of Soviet Russia, as are Hungary, Poland, Czechoslovakia, Bulgaria, and Rumania. China is big enough and important enough to stand alone, and the Chinese leaders know that. Our policy should move in the direction of preventing a complete dependence of Red China on Soviet Russia and a total marriage of the two on the basis of the Chinese necessity. Our present policy does not move in that direction. For those reasons, I raise these questions and make these suggestions in the hope that we can get started now with a new and more vigorous approach to a policy that will move in the right direction.

[From the Riverside (Calif.) Press-Enterprise, June 14, 1959]

CLAIR ENGLE ON OUR CHINA POLICY

A recent Senate speech by CLAIR ENGLE did not receive nearly the attention his subject or his comment deserved.

"If we recognize," Senator ENGLE said, "as I think we should, that our present Chinese policy is not adequate, we should be prepared to negotiate for some specific changes. Our policy, and what we propose should be flexible, depending to some degree upon how far the Red Chinese are willing to make concessions in our interest in the Far East."

California's junior Senator wants first of all for the State Department to negotiate an exchange of news correspondents with Red China. Greater effort in this regard is being made by the Department under Secretary Herter than under his predecessor.

Second, he believes "we should be willing to discuss with Red China the possibility of placing our trade with Red China on the same basis as our trade with the Soviet Union."

Third, "we should make it plain that although we intend to maintain our treaty obligations with reference to Formosa, we have no intention of supporting military adventures against the mainland of China."

Fourth, "we should assume the initiative in placing the defense of Formosa on a broader international base than it is at present and lay the foundation for the long-range status of Formosa."

Fifth, "we should consider the possibility at some stage during these proceedings, especially if the Mao government shows any willingness to meet us halfway, to negotiate with the Mao government on issues of substance at a level higher than the present ambassadorial talks in Warsaw."

Sixth, "all these negotiations throughout should be on a quid pro quo basis, and we should make it clear that our determined aim is to halt any Communist aggression in the Far East."

Much of this many Americans will find unpalatable, at least upon first consideration. Too many of us are in a rut on what little thinking we do on Communist China. Across the page today Marquis Childs discusses one of the men most responsible for the staleness of our China policy. Given Walter Robertson's dedication to duty, his retirement, now imminent, should signal a reevaluation of the policy for which he has been so much responsible.

Senator ENGLE, among others, has provided food for thought the palatability of which increases when its realism is given its due regard.

[From the Redding Record-Searchlight, June 19, 1959]

ENGLE PROPOSES A NEW LOOK

(From the Milwaukee Journal)

In the days when former Senator Knowland, Republican, of California, held sway, there was little talk about our policy toward Communist China in Congress, except calls for stiffening it. The China lobby (Nationalist) rode high.

Now the man who replaced Knowland, Senator CLAIR ENGLE, Democrat, of California, has demanded a new look at our China policy—with the aim of putting some sense into it. He is not advocating recognition, or Communist China's admission to the United Nations. He admits that "conditions of hostility" prevail still. But he doesn't see much sense in treating Communist China so much differently than we treat other Red countries.

He would admit Chinese Communist newsmen to this country on the same basis that we admit Russian newsmen, and open the way for our own newsmen to go to the China mainland. The total embargo on trade with Communist China makes no sense to him. Why not permit it on the same basis as we permit trade with Russia? Truth is, ENGLE said, that China can get what it wants of most of our goods through middlemen.

Why not make it perfectly clear that we do not intend to permit—or to help—Chiang Kai-shek's Nationalist forces to attack the mainland? Why not end the pretense that Communist China doesn't exist, and seek high level talks on the differences between us—in particular talks aimed at the release of Americans held in China? Such talks, ENGLE believes, should be on higher than the present ambassadorial level.

ENGLE has at least opened the door toward realistic discussion of our China policy—something that has been practically taboo in official Washington.

[From the Modesto (Calif.) Bee, July 20, 1959]

CHINA POLICY NEEDS DISCUSSION

(From the St. Louis Post-Dispatch)

On the Senate floor recently Senators HUMPHREY, of Minnesota, and GORE, of Tennessee, talked at some length on a subject that only a few years back would have been impossible to mention without the risk of a major controversy. What they discussed was Communist China and whether it would be necessary to include it in a proposed system of control stations set up throughout the world in connection with possible agreement to stop nuclear weapons tests.

The unusual aspect of the dialogue was not the ideas advanced by either of the par-

ticipants, but the fact that no McCarthy and no Knowland arose to denounce the very suggestion that the United States may have to negotiate with Peiping on this issue. The inclusion of Red China has not been mentioned publicly in the American-British-Russian test bar negotiations at Geneva.

This is not the first time that the subject has come up in the Senate and, of course, it will not be the last. But it is encouraging that there is increasing readiness to discuss in this country the relationship of Red China with the rest of the world. What the policy of the United States should be toward the 600 million Chinese living under communism is a matter for argument. There can be no valid argument against public discussion. In what other way can a correct policy be formulated?

Senator CLAIR ENGLE, Democrat, of California, urging that a start be made on negotiations with the Red Chinese, proposes discussions on the reciprocal admission of correspondents, trade, Formosa policy, and other issues of substance. The authorship of these proposals is interesting. Last November ENGLE, certainly no wild-eyed radical, was elected to the Senate seat vacated by William F. Knowland. Knowland was the Senate's most ardent supporter of the Chiang Kai-shek Nationalist Government on Formosa and a man to whom talk of possible dealings with the Chinese Communists was anathema.

Anyone who views the last few years of United States China policy objectively can note a slow but inexorable shift dictated by the practical realities of the situation. It was less than 10 years ago that Chiang fled from the mainland to Formosa, an event that was followed shortly by the rise of Senator McCarthy, of Wisconsin, and the degradation of diplomats whom McCarthy and his followers held responsible for the "loss" of China to Mao Tse-tung.

The gradual change in attitude toward Red China is dictated by awareness of the fact that the regime will not go away because we do not look at it. China unquestionably is driving ahead, even though at a cost of great human suffering. The workers have been told they will be expected to raise industrial and agricultural production this year 40 percent above 1958, the year of the "great leap forward," Lord Boyd Orr, president of the British Council for the Promotion of International Trade, who visited China recently, has forecast that China will become the world's most powerful nation in 30 years.

The fact should not be overlooked, of course, that the U.S. change in attitude toward discussing Chinese problems has not been accompanied by any discernible alteration in the Chinese attitude toward us. It remains hard and uncompromising.

That is no reason, however, why there should not be the widest discussion, in Congress, in the executive branch, and among the people, of what we are going to do about it. The time is most certainly coming when major decisions will have to be made on United States and Western policies toward Red China. It is essential that the people understand the alternatives and be in a position to act in their own best intercsts.

EDWARD P. MORGAN AND THE NEWS, MAY 22, 1959

Time has a way of changing all things. A few years ago it would have been virtual political suicide to challenge publicly the administration's China policy. Short months, even weeks, ago it was not a subject of any intensive discussion on Capitol Hill. But yesterday in Congress, U.S. policy toward Communist China was the target of an exhaustive, carefully reasoned attack. Current historians with a taste for the paradox may savor the fact that the attack was mounted by the freshman Senator from California, CLAIR ENGLE, a Democrat, the very man who supplanted in the Senate the loudest, most ox-stubborn defender of that policy, William F. Knowland, once unflatteringly called the Senator from Formosa.

ENGLE'S criticism will not be popular. It won't cause any immediate change. He recognized himself that he probably would be misunderstood, misinterpreted and strenuously criticized. But with no little political courage he observed that "we have to start somewhere." His most devastating thrust against the administration attempt to seal off the Peiping regime in a kind of never never land was his substantial argument that it had failed, all but utterly. During the past decade, he said, we have not prevented the Mao government from fastening its control over the mainland. We have not been able to influence or affect Peiping's gargantuan efforts for economic change. And we have been unsuccessful in bringing about any kind of split between China and the Soviet Union.

"The challenge to our foreign policy in the next decade," Senator ENGLE said, "is to prevent the total marriage of China and the Soviet Union. The resulting economic, political, and military colossums would include nearly one-third of the world's population. Stretching in one unbroken, tightly controlled federation from Berlin to Canton, it offers a chilling prospect."

ENGLE did not hold with the view that this union already had occurred. As a matter of fact, many other observers believe that the pressures and frictions between Moscow and Peiping as China's population swells to a billion by the end of the century will profoundly influence history yet to be made.

Evidence continues to accumulate of the bursting activity of building and reforms in China. Under cruelly oppressive measures or not, the people are busy with massive projects, dams, railways, housing, government building. A Canadian scientist recently brought back color photographs he had taken on a long journey through the interior of China. They were still pictures but they showed scenes of quivering movement almost everywhere he went.

This does not mean a Marxist millenium is infallibly in the making. There are great problems. Britain's Boyd-Orr, former head of the United Nations' Food and Agriculture Organization, said after his latest trip to Communist China he thought they were licking food shortages—considered by some to be the key to success or failure of the Peiping regime. ENGLE doubts this. If they do fail to raise enough food to feed the burgeoning population he believes they must do one of three things, get it from Russia, trade with us or push farther into Southeast Asia. He thinks the third the most logical alternative. How do we meet that threat? Certainly not with troops. We must, he concedes, help Asians maintain their territorial and political integrity against such Communist expansion but on the critical issue of food he sees some possible bargaining room for the West with the Chinese leadership.

At least we must recognize the failure of our rigid policy to date and search for better ones. ENGLE has no patented package. He opposes recognition or a U.N. seat for Peiping now. He realizes we are committed to the protection of Formosa—but certainly not to any reconquest of the mainland by Chiang Kai-shek. Senator ENGLE'S main contribution has been in raising the China issue, thoughtfully, dispassionately in public. It is one of the most urgent issues extant.

The State Department's blessing to two such worldly citizens as Vincent Sheean and Averell Harriman in their efforts to get to China is encouraging, if fragmentary, evidence that it is unbending. Peiping itself may not unbend to these travelers. Whether it does or not, the issue of China is there to be grappled with. And it won't go away.

The People Know What They Want

EXTENSION OF REMARKS
OF
HON. WILLARD S. CURTIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 30, 1959

Mr. CURTIN. Mr. Speaker, shortly after this session of the Congress convened, I sent a questionnaire to virtually every home in my district—regardless of party affiliation—inviting thoughts and ideas on 15 key questions which would likely come before the Congress.

The response was exceptionally good, with better than 20 percent of the questionnaires returned. They were returned, not only as individual views, but as the combined expression of the views of husbands and wives, of entire family units, as the projects of high school classes, and as the majority views of groups in civic clubs who made the questionnaire their projects for an evening.

I feel that the views of the people of my district—which represents a good cross section of our citizens, since it includes the residents of a city, several boroughs, farming areas and suburban communities—should be interesting to all of us at this time. Consequently, under leave to extend my remarks, I am including herein the questions and a report on the answers so returned to me:

FAVORED

(1) Economy in Government.

(2) An increase in postal rates if necessary to balance the budget.

(3) A strong labor-management reform bill.

(4) A gradual reduction in Federal aid to certain forms of local activities.

(5) Discontinuance of price supports for farm products.

(6) Admitting fewer immigrants to the United States.

(7) Keep up our efforts to ban nuclear tests.

(8) A firm no retreat policy in West Berlin.

(9) A tax reduction.

(10) Allowing the President to veto financial items individually.

While favoring by a slight margin the proposal to increase postal rates in order to balance the budget, the residents of the Eighth Congressional District of Pennsylvania were resoundingly opposed to an increase in the Federal tax on gasoline for the same purpose. Sixty-five percent said "no" to the question of a gas tax increase with only 25 percent favoring a boost.

Here is a breakdown of the questions, and the reactions to each:

Question No. 1: "The budget submitted to Congress by the President for the 1960 fiscal

year proposes to stay in balance, even though it is high by past standards. Still, it is opposed by some who contend that it is not large enough to meet the Nation's needs. How do you feel?" Here was the response: 76 percent said "we favor a balanced budget"; 5 percent thought "it should be larger"; 10 percent wrote "should be smaller"; 7 percent opined that "balancing the budget is not important"; the remaining 2 percent had no opinion.

Question No. 2 was: "To balance the budget, it's been suggested that postal rates be revised to bring in $350 million more revenue. Also, an increase of 1½ cents a gallon Federal tax on gasoline is proposed. Do you favor an increase in postal rates?" Fifty-one percent said "yes"; 41 percent, "no"; the remainder had no opinion. The second part of the question asked, "Do you favor an increase in the Federal tax on gasoline?" No, 65 percent; yes, 25 percent; no opinion, 10 percent.

Question No. 3 asked: "Some kind of labor-management reform legislation seems certain to be enacted by this session of Congress. The big question is how far the changes will go. Do you favor a strong reform bill with teeth?" (Eighty percent said they did.) "Only moderate change?" (Twelve percent went for this.) "No changes from present law?" (Just 4 percent favored the status quo.) The remaining 4 percent had no opinion.

Question No. 4: "Area redevelopment and urban renewal are subject of much discussion in Congress, particularly with respect to how far the Federal Government should go in helping defray the cost of clearing slum areas in larger cities, developing new residential and industrial sections in blighted neighborhoods, etc. Do you think the Federal Government should (a) bear most of the cost" (only 4 percent in favor of this); (b) "share the cost with others" (32 percent for this); (c) "just make loans to be repaid later" (62 percent were for this). Two percent voiced no opinion.

Question No. 5: "In order to encourage State and local governments to assume responsibility for certain public needs now mostly financed by Federal aid, it has been proposed that Federal grants for such activities as vocational education and construction of waste treatment works be discontinued starting in fiscal 1961. How do you feel about this?" Thirty-two percent felt this kind of Government spending should be discontinued; 17 percent were for continuing it, and 49 percent would like to see this kind of Government spending reduced gradually. Two percent did not comment.

Question No. 6: "To encourage more interest in higher education, science, and mathematics, Congress authorized the Department of Health, Education, and Welfare to initiate a program of repayable contributions to loan funds for college students and for grants-in-aid to States. One hundred and fifty million dollars is provided in the 1960 budget for this purpose, but there is legislation before Congress to spend much more than this. Do you think (a) the present program of loans is adequate?" (52 percent agreed to this); "we should spend more" (29 percent favored this); (e) "spend less" (15 percent). No opinion—5 percent.

A new farm plan was the subject of question No. 7. "It appears that a new farm plan will be introduced to pay direct subsidies from the Federal Treasury to farmers, covering the difference between the market price for their products sold in this country and a so-called fair price set by Congress. This would replace the present system of price supports. What is your attitude?" Here was the response: 8 percent favored direct subsidies with 9 percent against direct subsidies; 7 percent prefer the present policy of price supports; 18 percent would reduce present list of price-supported crops, and a definite majority of 51 percent were against price supports of any sort. Seven percent gave no opinion.

Question 8, in two parts, brought out these feelings: Question 8A: "It has been recommended that the mutual security program, designed to help strengthen the defense of free nations, be given $3.5 billion next year, or about 20 percent less than fiscal 1959. What do you favor?" Reducing mutual aid by this amount, 54 percent. Keeping it at least as high as it was in 1959, 22 percent. Cutting it more, 21 percent. No opinion, 3 percent.

The reaction to 8B was decisive. In answer to the question, "Do you think we should give economic assistance to countries like Poland and Yugoslavia, which are governed by Communist-type forces, or restrict it to countries not so governed?" 81 percent would restrict giving, with only 13 percent in favor of giving to any country. Six percent did not express their views.

The ninth question brought a more clear-cut reaction than any of the others. "Under present procedures, the President has to accept or reject or appropriation bill in its entirety. I have introduced legislation that would enable the President to consider a separate item on its own merits, thereby making it possible for him to eliminate unnecessary or unjustified appropriations. Congress would still retain its constitutional power to override any specific veto. Do you favor this?" Ninety-two percent said "Yes"; 4 percent opposed, and 4 percent did not give an opinion.

Question 10 asked: "Interest payments on the national debt are expected to rise $495 million to $8.1 billion in fiscal 1960. In other words, payments for interest on the public debt alone represent more than 10 percent of our total Federal budget. Are you in favor of putting a realistic ceiling on the amount of Federal debt which now stands at $285 billion?" Favor putting ceiling limit, 44 percent; would not restrict, 9 percent; would reduce debt, 41 percent. No opinion, 6 percent.

On immigration, the question was: "There is some sentiment to revise our immigration laws on the grounds that present laws are outdated. What do you favor?" Fifteen percent were for more immigration; 41 percent for less immigration, and 38 percent in favor of permitting the same number as by present law. Six percent did not express their views.

Question 12 asked: "The United States is faced with a decision on whether it should push forward or pull out of disarmament negotiations with the Soviet Union. Talks in Geneva on a nuclear weapons test ban seem to have bogged down. There are many persons who are much concerned about the danger of fallout from such nuclear tests. What do you think we should do?" Forty-four percent said to "tell Russia to show good faith or break off talks at Geneva." Another 44 percent were in favor of continuing working to ban nuclear tests. 9 percent would give up the idea of banning tests. Only 3 percent did not comment.

The constitutents were emphatic in their feeling for a "no retreat" policy in West Berlin. The 13th question was: "The situation in West Berlin and East Germany could lead to a very strained series of events which will have a strong effect on the future U.S. role in Europe. What do you favor?" A "no retreat" policy in West Berlin, 85 percent; partial, or "token" withdrawal of American soldiers from Germany, 7 percent; full withdrawal from Germany, 3 percent. No opinion, 5 percent.

The replies left no doubt in answer to question 14. "The President has held out the prospect of a tax reduction if the budget can be balanced and spending can be held down. Do you believe we should (a) Aim for a tax reduction?" (78 percent favored this); (b) "Resign ourselves to higher Federal spending and no tax reduction" (14 percent checked this). No opinion, 7 percent.

There was divided opinion on the final question. "There is much discussion now going on about continuing certain so-called excise or 'luxury' taxes originally enacted during World War II. These include taxes on transportation of persons, local telephone calls, furs, luggage, and jewelry. Do you favor the repeal of such taxes?" Yes, 48 percent; no, 45 percent; no opinion, 7 percent.

Must We Have a Marine Corps? Chairman Vinson Tells Why

EXTENSION OF REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 30, 1959

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks I ask unanimous consent that a recent article entitled "Must We Have a Marine Corps?" by the distinguished and honored chairman of the House Armed Services Committee, the Honorable CARL VINSON, of Georgia, be printed in full in the RECORD.

In this brief account, prepared for the recent reunion of the Third Marine Division Association here in Washington, the distinguished chairman draws upon his vast experience and unequaled knowledge of the Nation's defense needs to answer affirmatively the question posed in the title of his article. Concisely and with irrefutable logic he has set forth the reasons, which over the years, have prompted the Congress to insist upon a strong, combat-ready Marine Corps.

I commend this article to all Members as one of the most comprehensive statements of the Nation's continuing need for this Corps, our principal force-in-readiness, it has ever been my privilege to read.

MUST WE HAVE A MARINE CORPS?—CHAIRMAN VINSON TELLS WHY

(By Congressman CARL VINSON, chairman, House Committee on Armed Services)

The Marine Corps is performing a vital role in helping preserve our national security.

It is my firm conviction that this Nation must have a Marine Corps embodying its historic characteristics of professionalism, versatility, readiness, and mobility.

As one who has long insisted on the Marine Corps being provided the manpower and weapons to discharge its proper roles and missions—which Congress so deliberately and clearly has written into law—I

believe that the demands of national security require a Marine Corps prepared to discharge two principal functions:

(a) A combat-ready, striking force to swiftly seize key objectives on the outbreak of general war, and

(b) To serve as a fire brigade national force-in-readiness to support U.S. policy in the crises which will continue to characterize the so-called cold war for many, many year to come.

The Marine Corps, by tradition, experience, training, and inclination, is peculiarly qualified to do these vital jobs.

There has never been a significant period in the history of our Nation when we did not need a strong and ready Marine Corps.

As our Nation has progressed, become more powerful, and consequently assumed a greater role in world affairs, the need for an adequate Marine Corps has progressively increased. It has been evident, particularly since our Nation became a great world power as the result of the Spanish-American War, that a Marine Corps of meaningful capabilities was an indispensable element of our defense forces. Such a requirement stems neither from abstract theory nor mere sentimentality. Rather, the need for a Marine Corps of strong combat ability rests upon the very strategic and geographic nature of our Nation. While we are a Nation of vast land expanse, we are, in the final analysis, an island Nation. We are in every sense—strategically, economically, and geographically—a truly great maritime power. This very maritime character of our Nation requires that we maintain, in addition to our normal mobilization base, a constant strength—combat-ready Marine Corps to provide the landing forces essential to the balanced fleet.

The House Armed Services Committee, of which I am honored to be the chairman, has long taken the position, one consistently approved by Congress, that our Nation must take no chances in the matter of providing an adequate Marine Corps.

Consequently Congress, in 1947, wrote the specific roles and missions of the Marine Corps into the law, overriding as it did so the objections of the Pentagon. These provisions of law recognized the historic attributes of the corps—readiness, professional proficiency, and the inherent mobility which Marine landing forces possess as a part of the balanced fleet. Also, the law recognized the irreplaceable experience that Marines have gained from more than a century and a half of close association with the Navy in the development and application of the Nation's sea power. Versatility and unsurpassed strategic mobility are salient characteristics of our balanced fleets in which the Marines ready forces play such a vital part.

However, in spite of this statutory emphasis of the intent of Congress and the sharp delineation of the roles and missions of the Marine Corps, the corps underwent a drastic and almost disastrous reduction that was halted only by the outbreak of Korean hostilities. As a result of a truly Herculean effort, characterized by a perhaps unprecedented combat mobilization of Reserves, the corps was able, through the mobility of its sister service, the Navy, to project itself into the Korean conflict. By timely arrival it staved off disaster in the Pusan perimeter. Then, again exploiting the mobility of our seapower, Marines spearheaded the amphibious assault at Inchon, raised the American flag at Seoul and then pressed the attack northward.

Once again, in Korea, the Marines had demonstrated to us all the indispensable value of a specially trained amphibious force-in-readiness.

Of course, as you will all remember that the Inchon landing, which turned the tide of battle in that conflict, happened only a few months after we had been told that there would be no more amphibious operations.

The Marine Corps did not believe that prophecy.

Fortunately for the Nation, neither did Congress.

After Korea, in order to make certain that our Nation would, in the future, be assured of a combat-ready Marine Corps to meet the many crises that would confront us in the continuing so-called cold war, Congress wrote into the National Security Act the required organizational framework of the Marine Corps. This amendment (Public Law 416, 82d Cong.) established the requirement that the Marine Corps should be maintained at three combat divisions and three air wings. This Congress did, not out of sentimentality but in recognition of the cold, hard fact that only the Marine Corps has the background, experience, special qualifications and intimate association with the Navy as a partner in the balanced fleets necessary to the performance of the versatile functions required.

The decision of Congress to assure such a ready force has been amply justified by the magnificent manner in which the Corps has performed the duty expected of it in the crises of Lebanon, Taiwan, Indonesia, Syria, and Suez. Marine availability and actual readiness to be used, if necessary, strengthened U.S. policy in each of these instances, and forestalled further Communist gains that could have assumed disastrous proportions for ourselves and the free world.

Lebanon, in my view, will stand as a salient example of the great dividends which our Nation reaps from Marine Corps-Navy partnership in the application of our seapower. The time interval between the decision to land Marine forces in Lebanon and the time of landing was extremely brief. The Marine units hit the beach exactly on time and moved inland with precise, tactical efficiency. As a result, U.S. influence in the Middle East was enhanced. Another possible Russian power grab in the Eastern Mediterranean littoral was thwarted.

Such an example of military and naval efficiency is not accidental. An amphibious operation, the most difficult and intricate of all military operations, involving as it does the transition from sea to land, cannot be improvised. The smoothness and rapidity of the Marines' landing in Lebanon can only be explained by the long experience of our Marines in their difficult amphibious specialty and their generations of close knit relationship with the Navy. These two services, which together comprise the fighting elements of the Department of the Navy, have worked together so long and so well in the exercises of seapower that it becomes almost an intuitive matter for them to move quickly to a troubled area and apply the precise degree of necessary military power.

Lebanon was an eloquent example of the value of the balanced fleet. Only the United States has been successful in developing this unequaled instrument for the application of true seapower. A basic element of its structure is the Fleet Marine Force, a force of amphibious troops no other nation, no other fleet, possesses. Together with the Navy elements of the fleet, this integral landing force gives the Nation and the fleet commander the balanced force uniquely the product of American genius.

Lebanon is a recent example. But it has not been and it will not be the only example of how necessary the Navy-Marine Corps team is in the long and continuing struggle against the unceasing attempts of communism to encroach against the free world. When one looks at the globe of the world in the light of the fact that the basic objective of Soviet communism is the enslavement of the world, we realize only too clearly that in the years ahead there will be more Lebanons, more Quemoys, and more Koreas.

Such a situation establishes a national requirement for the Marine Corps' capability of swift and effective response to international crises.

The Marine Corps' obligation to develop the most modern and effective amphibious doctrine and techniques of any armed force in the world is thus underscored by strategic requirements as well as those of the law itself.

The vertical envelopment concept, combining the airborne versatility of the transport helicopter with the range of the aircraft carrier is an example of how well the Marine Corps has discharged its duty in advancing the science of landing operations.

This adaptation of the helicopter to modern amphibious assault is also a fine example of the versatile manner in which Marine aviation supports Marine ground forces. The relationship of air and ground elements in the Marine Corps is, in many ways, unique in modern military organization. The effectiveness of Marine aviation results directly from the fact that it has the specific and specialized function of being a purely supporting arm.

Marine aviation must focus its attention and total effort on the perfection of its close supporting techniques. If it expands its activity beyond this specific function of being a supporting arm, it will inevitably duplicate tactical aviation of the Air Force and thus be in jeopardy of being assimilated or eliminated.

In enumerating some of the reasons for Marine Corps efficiency and success, one must never forget the Marine Corps' emphasis on the individual fighting marine. There is no doubt but what a large measure of the efficiency and success of the corps results directly upon its emphasis on the importance of the individual fighting marine. In these days of great scientific advancement and reliance on technological devices, the importance of the individual is frequently overlooked. This, however, has not been the case in the Marine Corps. The esprit, the dedication to duty and the self-reliance which continues to characterize the corps is a collective reflection of the important role that each individual marine—officer and enlisted—performs in discharging the missions assigned to the corps.

In the troubled international situation that confronts us now and which will continue to confront us through at least the foreseeable future, the Marine Corps has a vital and important role to perform. It has long enjoyed the confidence of Congress and the Nation. I am confident that the corps will continue to justify our Nation's confidence as the first echelon of our Nation's limited war forces.

A New Look for the Solid South

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1959

Mr. WILLIAMS. Mr. Speaker, an excellent article recently appeared in the July 1959 issue of the National Republic magazine, which should provoke a great deal of thought among our National

political leaders. This article was prepared and written by our distinguished colleague from Mississippi, Hon. WILLIAM M. COLMER, and expresses, I am sure, the sentiments of a vast majority of the people of the Southern States.

Under leave to extend my remarks in the CONGRESSIONAL RECORD, I include this article and commend it to the House:

A NEW LOOK AT THE SOLID SOUTH—THE ELECTORAL PLAN ADOPTED BY SIX SOUTHERN STATES IS NEITHER REACTIONARY NOR CONSERVATIVE BUT A RETURN TO THE CONSTITUTION

(By Hon. WILLIAM M. COLMER)

The electoral plan promulgated by six Southern States has been called the newest brainchild of reactionary States righters. I take exception to the words "newest" and "reactionary."

There is nothing new about the idea. It is as old as the Constitution of the United States. In fact that is just where the idea originated. It was the brainchild of the Founding Fathers—their idea as to how presidential elections should be conducted.

The men who shaped the framework of our Nation believed that to be an elector was to be something more than a mere rubber stamp. They confidently expected electors to be chosen as carefully—and as critically—as any legislator. Electors were to be men of unquestioned integrity, fully aware of the sentiment of their State, and ready to put that sentiment ahead of mere party loyalty.

Had there been a deviation on the part of the candidate around election time—after nomination—or were he shown to be under the influence of some group inimical to the best interests of the State represented by the elector, that elector might change his vote at the very last moment.

In fact, the reason for the electors was to implement the very freedom of choice of Government officials for which the United States was founded.

Listen to the original words of the Constitution and you will see that this so-called newest brainchild of reactionary States righters is but a return to the Constitution of the United States with all of its safeguards against individual or mass tyranny. Article II, section 1 reads:

"Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress. * * *

"The electors shall meet in their respective States, and vote by ballot for two persons. * * * The person having the greatest number of votes shall be the President, if such number be a majority of the whole number of electors appointed; and if there be more than one who have such majority, and have an equal number of votes, then the House of Representatives shall immediately choose by ballot one of them for President; and if no person have a majority, then from the five highest on the list the said House shall in like manner choose the President.

"But in choosing the President, the votes shall be taken by States, the representation from each State having one vote; a quorum for this purpose shall consist of a member or members from two-thirds of the States, and a majority of all the States shall be necessary to a choice.

"In every case, after the choice of the President, the person having the greatest number of votes of the electors shall be the Vice President. But if there should remain two or more who have equal votes, the Senate shall choose from them by ballot the Vice President."

The 12th amendment made a change in this procedure. Under the original electoral provision the electors voted for two persons; without designating either for President or Vice President. But the election of 1800 pointed out a weakness. In that election Jefferson and Burr received an equal number of votes and 35 ballots had to be taken in the House of Representatives before the choice fell to Jefferson. The 12th amendment requires electors to vote separately for President and Vice President.

But in neither the original proviso, nor in the amendment, is the elector barred from voting as he thinks best.

As for those ultraliberals who invariably link States rights with reaction, may I suggest a closer study of American history.

They are inconsistent, for they talk of civil rights as though they had invented rights, and, with their next breath, they urge any one of the socialistic regimentations which have so cut into our individual liberties guaranteed by the Bill of Rights.

It was the States righters who promulgated the Bill of Rights. The fight for this cornerstone of all of our liberties did not stem from the northern industrial States, but from the South.

It was at the Hillsborough Convention in 1788 that North Carolina refused to ratify the Constitution until there was incorporated in it a Bill of Rights that would preserve forevermore those inherent freedoms for which the States had fought.

It was the gallant stand of men who believed in the individual American and in his ability to do his own thinking, that preserved and protected the freedoms which we still enjoy—and upon which the radicals in our midst call for aid whenever they are exposed to the public eye.

The States righters of those days—and of today—believed that there should be no loophole for tyranny—whether of the man or the State. If to believe that is reactionary, then I am proud to be so called.

When the United States of America was formed and the Constitution was written, the people of the several States were insistent and demanding that local government be forever preserved in all of its dignity and with all of its safeguards.

The Constitution specifically provided for the right and authority of each State to conduct its own affairs and that this should be preserved inviolate. There was conferred upon the Federal Government only so much power and authority as was necessary to control the relationships of the States, one with another, and the conduct of the Nation's foreign affairs and unified defense.

Even so, out of an abundance of caution, the States refused to ratify the Constitution until they had received further definite and positive assurances that this fundamental concept of government would in deed and in fact be set up. The result was the first 10 amendments to the Constitution—the Bill of Rights.

The Bill of Rights consists of two kinds of guarantees: guarantees of the rights of individuals, and guarantees of the rights of the several States.

The greatest danger to our rights and liberties arises from the tendency to merge our dual system of government into one single, consolidated system. This tendency already has, to a large degree, destroyed the Federal principle, and is, in many ways, converting the States into compliant, dependent and parasitic subdivisions of the Central Government.

The answer given by proponents of big government is that it promotes material welfare and expedite foreign relations. It is in fact, nothing less than an abdication of constitutional government in favor of tyranny. No matter under which party label it masquerades and out of which emergency it arises, it is contrary to the spirit and letter of the Constitution, abhorrent to American traditions and principles, and subversive of religion, culture, and the freedom and responsibility of the individual.

As complex as are our social and economic problems of today, social and economic justice, desirable as they are, cannot be attained or safeguarded by violation of the Constitution. Only a strict adherence to the Federal Constitution and the constitional rights of every State and individual will assure economic and social justice.

The problem facing the electorate in 1960 will be this: How much larger in size and in function will we allow the Federal Government to become? Is the Federal Government to establish the spiritual, economic and cultural conditions under which the several States wish to live? If the answer in a strict constitutional and American sense is "no," then each State must, under the Constitution, retain full control of education, police power, use of the ballot, marriage, transportation within its own borders, health, welfare, and all such matters as provide for peace and good order within the sovereign States.

Federal invasion of these States' rights must be brought to an emphatic halt. This includes usurpation by the Federal executive, or by the Congress, or by the courts through judicial legislation.

The real division today is not between the Democratic and Republican Parties, but between the modern Republicans and the radical Democrats on one side, who hold that we must submit our freedom and fate to a government which, whatever its name or label, will be but a species of national socialism, and those men and women of both parties who believe in the freedoms as originally intended and actually written into the Constitution.

What then is the answer?

There is already in being the legal machinery in six Southern States which may offer a solution. The legislatures of Alabama, Arkansas, Georgia, Louisiana, Mississippi and South Carolina have rewritten their own State election laws, in such a way that the names of presidential candidates may be left off States' ballots in 1960. These six States have a total of 57 electoral votes, which in a close election on November 8, 1960, might well force the election of a President and Vice President into the House of Representatives under provisions of article II and amendment 12 of the Constitution. Also this legal machinery might well be used by the South in advance of the 1960 election to influence the choice of a nominee.

If the five other Southern States follow the lead—Florida, North Carolina, Tennessee, Texas, and Virginia—the South will have a bloc of 128 electoral votes—almost half the number needed to elect a President. The votes in the six States now, and in others that may take similar action before the election of 1960, will not be pledged to support the Democratic candidate when they cast their electoral college vote. These votes could be cast for the other major party candidate or for any other candidate. Thus, the Democrats could carry the South and yet the Democratic Party machine could lose the election.

The framework is simple, legal, and has a solid historical perspective back of it. In the States already providing legal machinery for this, the presidential electors would be placed on the ballot as unpledged electors of the Democratic Party, but not pledged to support any presidential candidate. There would be no moral obligation to support the national candidate of the party, although they would be bound by the actions of the executive committee of the State Democratic Party.

After the votes are counted and the results made known on November 8, 1960, it will soon be known how close the election is, and whether or not a shift of unpledged electors might rob the majority of the election, causing the House of Representatives to elect a President.

Much bargaining and "horse trading" could go on meanwhile, before the actual electoral votes were cast. The prize could well be a more "conservative" President and a victory of the prized principle of States rights. In short, it might well mean a return to constitutional principles.

The answer is political independence. In spite of President Eisenhower's tremendous popular victories, the Republican Party is still a minority party. Political independence for the South provides the South once again with its great opportunity to not only save our basic institutions but also to perpetuate the cherished Jeffersonian principles of government in the Republic itself, by militant, peaceful, and aggressive action in the Democratic councils and conventions.

Disliking as I do government by minority groups, the time has arrived when the South must, of necessity, follow one of three courses: Remain in the bag and be counted on to go Democratic under all conditions; become an independent two-party section and thus appeal to vote-hungry Republicans; or become an organized militant minority group in itself. There is too much at stake for the South to continue to afford the luxury of being taken for granted. The South cannot stand idly by and watch its cherished Democratic Party be controlled by NAACP, AFL–CIO, ADA, and the like.

If this plan is adopted and carried through in 1960, the South will play once again a glorious role in the political arena of this Nation and States rights will have been preserved for all the States—both North and South. This plan is a call for an organized militant southern unity within the Democratic Party for the cause of individual and State liberty of all the peoples of this Republic.

The issues for 1960 are crystal clear. No one ever despairs of Americanism when the issues are clearly drawn. Americans have risen up before and saved the Union of States. The people still believe that this Nation will live forever if the people retain control of their government. The heart of America at the grassroots is strong and dead set against big government. The trouble has been, and is, that they do not know what they as individuals can do about it. The South has a basic answer to these wishes of the people. Out of it all the Republic itself will be perpetuated.

The Great Menace to America's Children

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1959

Mrs. ST. GEORGE. Mr. Speaker, the following address by Postmaster General Arthur Summerfield appeared in Child Family Digest for May-June 1959.

The subject is the handling of obscene literature, pictures, slides, and so forth, through the Post Office Department.

Mr. Speaker, this Congress should not adjourn without passing legislation to strengthen the Postmaster General's and the Department's hand in this matter. The flood of absolute, unmitigated filth going through the mail now is something that is truly alarming, especially as most of it goes into the hands of our schoolchildren.

There is no doubt that we could get action now if the public, especially the mothers of America, knew what is happening:

THE GREAT MENACE TO AMERICA'S CHILDREN: WHAT CAN I DO ABOUT IT

(Address by the Honorable Arthur E. Summerfield, Postmaster General of the United States, before Conference of Women Leaders of Civic, Educational, Parent, and Religious Organizations and Women Members of the Congress and Government Agencies, Washington, D.C., May 12, 1959)

There is flourishing in this country today a vile racket of huge proportions about which the public is not well informed.

This racket involves the use of the U.S. mails for the wholesale promotion and conduct of mail-order business in obscene and pornographic materials.

I say it is huge advisedly. We can estimate at present that the sale of these materials through the mails is running at more than $500 million a year.

The especially vicious aspect of this racket is the fact that these purveyors of filth are aiming their attention more and more at the Nation's children—teen-age boys and girls, and even younger.

They are dumping pornographic sewage into the hands of hundreds of thousands of our children, through the family mailbox—most of it material that has not been ordered—material intended to solicit the sale of utterly obscene pictures, slides, films, and related trash.

How do these merchants of filth obtain the names and addresses of children?

They have any number of ways. One of the most common is to offer, in a legitimate ad in a normal publication, the sale of a product of interest to a boy or girl. This would be stamps, or model airplanes, or doll clothes, and the like. These items are frequently offered at bargain prices.

The child, usually with the parent's assistance, sends for and receives the item. Now the smut dealer has the name on his list, and soon the child is receiving lewd solicitations through the mail.

These racketeers also buy prepared mailing lists of children's names, of which there are many. They even go to the extent of gathering up high school year books, from which they take names and match them up with addresses in city telephone books.

Recently, we conducted a raid in New York City in which we confiscated 17 tons of highly obscene printed and filmed materials. The producer of these materials had in his possession a mailing lits of names and addresses of 100,000 persons, including many high school students.

If you were to read some of the solicitation material that these debauched persons send to the children, I believe you would be sickened.

You would also be deeply disturbed to read the letters our postmasters receive from parents. Such letters for example as one from a mother who wrote: "The enclosed material was received by my son, age 8 years, a few days ago. Is there anything that can be done to stop this?"

The material sent to the 8-year-old boy began with the statement: "I am writing to you as a person interested in collecting all types of art photography of nudes."

Or like the letter which read: "Is there anything that can be done about literature like the enclosed? This is a mother's plea to you to do all in your power to stop the flow of this filth from seeping into our home. Thank you for anything you can do to protect my 10-year-old girl."

Or the letter which stated: "I am enclosing a folder sent to boys at our camp. Is there any way that this terrible literature and its source can be destroyed?"

It is apparent that many children, without parental attention, do fall into the trap of ordering such material, for the filth merchants regard their traffic with children as a major and growing part of their highly lucrative business.

Most parents who intercept these solicitations in the mail are, of course, shocked and greatly concerned. Last year, our Postal Inspection Service investigated 14,000 complaints about obscenity in the mails. Nearly two-thirds of these complaints were from parents objecting to the receipt of lewd materials by their adolescent children.

In the case of a single mailing by one purveyor of filth, over 5,000 complaints were received, and all but three were from parents protesting mailings to their children.

On the basis of all the facts we have, our Inspection Service estimates that probably 700,000 to one million children this year will receive such invitations to depravity through the mails.

This is big business. It thrives on the curiosity of adolescents. It has no boundaries based upon social position, religion, race, or location. Your child, or the child next door, may be on a list. If not, he—or she—may get on one. For the lists are expanding. Nobody is immune. Obscene mail is addressed to both sides of the track. It finds its way into orphanages. It is addressed to children as young as 8 years.

Yes, their parents will be worried—and well they should be. For it is well known to law enforcement groups that juvenile delinquency stems in measurable part from the demoralizing influence of exposure to obscenity and pornography.

Consider this, if you will, in the light of a recent report on delinquency by a Senate subcommittee. The report states that 1 out of every 5 boys in this country, of ages 10 to 17, has a court record, charged with breaking the law.

Again and again, in the investigations of armed robbery, extortion, embezzlement, and forgery, authorities find that those guilty of these crimes were early collectors of obscene pictures and films.

And it is well known that almost all sex criminals and sex murderers prove to have a long record of addiction to pornographic and sadistic material. Your children may never be exposed to this material. But they could be victims of sex criminals who have been exposed to it.

Let me quote from the report of the Senate subcommittee that studied this problem:

"There is a peculiar resemblance to narcotics addiction in exposure of juveniles to pornography. There is the same pattern of progression. Once initiated into a knowledge of the unnatural, the impressionable young mind with the insatiable curiosity characteristic of those reaching for maturity inevitably hunts for something stronger, something with more jolt, something imparting a greater thrill.

"The dealer in pornography is acutely aware of this progressive facet; his array of material to feed this growing hunger is carefully geared to the successive stages. Like the peddler of narcotics, his only interest is to insure that his customers are hooked; he

knows that once they are hooked they will continue to pay and pay."

It is clear the Congress is concerned with this problem. Much good should come from the hearings now being held by the House Post Office and Civil Service Subcommittee on Obscene Literature, headed by Congresswoman KATHRYN E. GRANAHAN.

This is a problem that must be met. I personally am both revolted and incensed by this depraved, arrogant, and poisonous attack on the minds of our children. These feelings are shared by our postmasters around the country and by my associates in the Post Office Department.

We recognize that there is urgent need for positive action now. We are, therefore, in effect, declaring war on these purveyors of filth, big and little, high and low.

We are launching an intense and unrelenting effort to stop this monstrous assault on the Nation's children in every way possible.

And let me say we are confident that, with adequate public support, this job can be done.

I do not mean to imply at all, of course, that the Post Office Department is only now awakening to this problem.

The records show quite clearly that the Post Office, over the years, has diligently tried to keep the mails clear of indecent material. It has done so even while subjected to attack and ridicule by those who hope to benefit personally from obscene mailings, and by those who, confusing liberty with license, unwittingly give them assistance.

Investigations conducted by our postal inspectors, in fiscal 1958, caused the arrest of 293 persons. Our General Counsel issued 92 orders barring use of the mails.

The arrests last year were 45 percent above the previous year, and this year they will increase substantially again.

Congress, as far back as 1865, made it a Federal offense to mail obscene matter.

The Post Office has lent its fullest support to such legislation. But commercialized pornography has continued to grow.

It has expanded tremendously since World War II.

It has doubled in just the past 5 years alone.

Especially, as I have pointed out, the effort has been to expand the market through sales to children.

There appear to be two basic reasons for this rapidly growing volume:

First, the huge profits realized from a relatively small capital investment; and second, the very broad definition of obscenity handed down by certain courts, notably in Los Angeles and New York, where the great bulk of the mail order business in obscenity and pornography originates.

These liberal rulings have established, over a period of time, virtual sanctuaries in which dealers of obscenity have operated with impunity and in defiance of justice.

We in the Post Office for several years have strongly urged legislation which would permit prosecution not only at the points of mailing of obscene material, but in the communities where it is received—where the real damage is done—and where citizens have an opportunity to express their standards of morality and decency.

Such legislation was passed by the 85th Congress and signed into law by President Eisenhower last year. It is, we believe, among the most important legislation adopted in recent years.

We have pressed, and are determined to press, its use to the fullest possible extent. The first case following this legislation was at Boise, Idaho, and it had to do with mailings made from California and Oregon. The offenders, a man and his wife, each received a 10-year prison sentence and a fine.

Similar cases are now pending. And I would like to say that a goodly series of stiff sentences of that kind can go a long way toward discouraging other such people from further mailings of their degenerate trash to children.

To make full use of this new legal weapon, however, the Post Office must have the cooperation of parents and decent-minded citizens everywhere. Without such cooperation on a broad and resolute scale, we are under great handicap.

As you know, the absolute privacy of the mail is one of our basic American rights. The Post Office Department cannot, and will not, violate this right, even when it has strong evidence that the mail is being used for unlawful purpose. I, for one, believe fully in this right.

The Post Office, therefore, can legally identify and take action against violators of the mails only on the complaints of citizens who receive such material.

Let me repeat that point: We can act only after the recipient of obscene mail has opened that mail, and the material has been forwarded to the local postmaster as evidence.

To achieve this cooperation on the largest possible scale, our intensified program for action is fourfold:

1. To draw maximum public attention to the menace of this racket;

2. To urge parents to help us apprehend the mailers of filth to their children:

3. To help mobilize community support behind adequate law enforcement of local ordinances or State laws when these purveyors are apprehended and brought to court.

4. To rally public opinion behind new and stiffer legislation on obscenity.

Obviously there is going to be less likelihood of putting dealers in obscenity out of business if they are not "given the book" when they are caught.

Unfortunately, giving them the book is not easy. Most of these smut merchants make such profits that they are able to retain high-priced lawyers who know all the tricks.

And these gentlemen all too often have used the tricks of hamstringing, delaying, and confusing action until their clients have gone free or received only small prison terms or fines. Unperturbed, the peddlers have been back in their racket under a new name within days.

They are also experts at raising a hue and cry about "censorship," "fredom of the press," and "civil liberties." And all too often they are able to find willing pawns to take up their cry and carry on their slimy battle for them.

This, of course, is utter nonsense I would only ask any such misguided person these questions:

Is it a violation of civil liberties to deny the sale of liquor to a 10-year-old boy?

Is it censorship to prosecute those who sell narcotics to junior high school girls?

Are we abridging civil liberties when we do not permit children to drive a car?

I am sure the answers, and the point to be made, are quite clear.

Peddling pornographic poison to children is a heinous crime. And that community which does not punish the criminal to the full extent of the law is failing its duty—failing just as surely as if it were to allow sales to children of liquor or dope.

Now, what is likely to happen if we do not rid ourselves of this social cancer?

First, we may as well concede that the obscenity business, with its vast revenue, will be taken over by organized crime to a far greater extent.

It will become a gigantic organized racket far beyond even its present scope, with millions more of our children its principal victims.

The undermining of the moral fiber of the Nation's children will spread, with the poisoning of increasing millions of minds.

Sex crimes will be a spreading blight on our society, and will become far more prevalent than they are today.

And overall, we could expect an ultimate breakdown of order and decency in this country.

My friends, I am not asking you simply to view with alarm. I am asking you to view with deep conscience, deep concern, and determination.

Thorough action must be taken now. I am asking you to take part. You have both the opportunity and—I would dare to say—the responsibility for joining with the Post Office in this drive.

Help us to alert parents across the country. Help us through your organizations, and your publications, and by your individual efforts. Let the parents of America know what to do on any day that obscene mail arrives in their home.

The process is very simple.

First, parents should save all materials received including the envelopes and all enclosures.

Second, parents should report the material immediately to their local postmaster and turn the materials over to him, either in person or by mail.

Finally, all citizens, whether or not their children have been touched with this filth, can help by backing up Members of Congress and local officials in their growing efforts to stamp out this evil.

I urge you to carry this message to the other officers of your organizations, and to your local chapters. Urge your local members to enlist the support of religious and educational leaders, newspaper editors and citizen groups in their communities. The task calls for everyone who can, and will, contribute effort and dedication to it.

I pledge to you that the Post Office Department will lead the way. And if the American people are made properly aware of this challenge, I am confident—as I know you are—that the challenge will be firmly and successfully met.

(EDITOR'S NOTE.—As protection to children, parents might either be present when mail from unknown sources is opened, or open such mail themselves, carefully explaining to the young addressee the reasons. In addition, parents can prevent children from ordering by mail bargain toys, etc., unless the parent knows or can investigate the advertiser.)

The D.C. General Hospital in Nation's Capital Shows That a City Hospital Is the Ideal Institution for Development of Medical Knowledge and Education

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EXTENSION OF REMARKS

OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1959

Mr. McDOWELL. Mr. Speaker, a city hospital is the ideal institution for the development of medical knowledge and

the enhancement of medical education because no other institution has either the great numbers or variety of clinical material and pathology. In addition, patients with challenging problems can be studied intensively by physicians. Those physicians attracted to a city hospital environment are primarily interested in teaching and research, and the stimulus provided by concomitant medical education makes it imperative that each patient be worked up completely and his disease processes thoroughly understood.

Because of the tremendous interest in teaching and research in a city hospital, the standards of medical care provided the indigent patients are probably much better than those received by the middle-income group and even the wealthy; indigent patients not only have the benefit of being treated by the most outstanding physicians of the community attracted to the hospital, but also receive the latest and most advanced types of medical care because of research which is conducted. As a result of the above considerations, for many years the contributions of city hospitals to medical research and education have been tremendous, and they have played a leading role in providing our citizens, rich or poor, with the highest standards of medical care available anywhere in the world.

Although there have been many significant contributions to medical knowledge from the District of Columbia General Hospital, and many outstanding physicians have worked at this institution, there has never been any formal support for research activities. On the contrary, certain Members of Congress have directed their attention to discouraging research and have questioned the utilization of space at the hospital for such purposes, even making incriminating implications regarding the financing of research projects at the hospital. Money has never been requested from Congress to support research at the hospital because there have never been sufficient appropriations for even the maintenance of decent standards of patient care, and the money obtained through outside sources has been used not only for research, but also to supplement the diagnostic and therapeutic facilities necessary but lacking because of the insufficient appropriations.

It should be clearly evident that an institution so necessary for patient care and teaching must encourage research in order to function effectively, if only to keep abreast of the rapid advances in medicine. Since no appropriation has been available to provide equipment or personnel necessary to introduce modern diagnostic and therapeutic facilities, the District of Columbia has relied completely upon the tremendous interest of the individual medical officers responsible for the operation of the various hospital services. The use of the artificial heart which permits cardiovascular surgery for the large number of patients with congenital heart disease has only been possible through the research efforts of the medical officers and financial assistance from research grants. Likewise, refrigeration techniques required in certain surgical procedures have also been introduced because of private incentive. The pulmonary function tests, radioisotopes, virus studies, and many others indicated by the enclosed publication list from the hospital, have been made possible only under similar circumstances.

There is obviously a great need for the initiation of a program which will support research at the city hospital of the Nation's capital and which receives encouragement and support from our legislators.

The university hospitals of the District of Columbia, including Georgetown and George Washington University Hospitals, are becoming more and more dependent, not only for their educational programs, but also for research opportunities, upon the city institution. The high cost of medical care has made it exceedingly difficult for the university hospitals to utilize or reserve beds for indigent patients for teaching and research purposes. The tremendous costs of space also make it prohibitive to establish research laboratories within the university hospital. It becomes increasingly apparent, therefore, that the entire future of medical education in this city is dependent upon increasing the opportunities for teaching and research at the District of Columbia General Hospital. The indigent patients will in turn benefit from a closer association with the university hospitals since with improved teaching and greater emphasis on research the standards of medical care must necessarily be raised. The community will profit not only because of more efficient care to the indigent population, but also from the research accomplished at the institution.

It would not take much of an investment, considering the great returns, to provide the support required to improve the teaching and research programs at the District of Columbia General Hospital. This could be accomplished primarily by the construction of a building devoted exclusively for research located in close proximity to the presently available clinical facilities. Specific areas of this building could be set aside for each of the affiliating university hospitals and one area for independent physicians who are interested in pursuing their research interests at the city hospital. The equipment and personnel required for the operation of this building could easily be procured by the universities with money available for research purposes. Construction of such a building exclusively for research purposes has many precedents, and one need only cite Cleveland, Boston, Philadelphia, as examples.

It is hoped that Congress will have the vision to make it possible to utilize the tremendous resources of the District of Columbia General Hospital and establish in the Nation's Capital a city institution that will set high standards for other similar institutions throughout the country in inpatient care, teaching, and research.

Proof of the pudding is in the eating, and proof of the many significant contributions to medical knowledge and education by the District of Columbia General Hospital is shown by such things as the 293 articles written during the last 5 years by the members of the hospital's staff.

I include here as part of my remarks a bibliography of the 84 articles written during the years 1957–58 alone which eloquently attest to the splendid work which the District of Columbia General Hospital, has done and is doing.

A BIBLIOGRAPHY OF 84 ARTICLES WRITTEN BY THE MEMBERS OF THE STAFF OF THE DISTRICT OF COLUMBIA GENERAL HOSPITAL DURING 1957–58 ARRANGED BY DEPARTMENTS

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